

Council of Europe Development Bank
Rolf Wenzel
Governor

Paris, 7 September 2015

Mr Jean-Claude Frécon
President of the Congress of local and
regional authorities of the Council of Europe
Palais de l'Europe
Avenue de l'Europe
67075 STRASBOURG CEDEX

Dear President,

In recent months Europe has been confronted with a surge of migrants and refugees – people hoping to find safety and a future on the European continent. Countries receiving these refugees and migrants, however, are struggling with providing adequate shelter, medical care and food.

The Council of Europe Development Bank (CEB) stands ready to support countries in establishing or rehabilitating transit and reception centres. I believe that the most appropriate form of support is the provision of grant financing. Hence, I am proposing to establish a new grant facility at the CEB to finance transit and reception centres in countries receiving refugees and migrants.

The Bank will, pending approval from its organs, provide as seed money €5 million. However, more financing will be needed and I call on your country to support this initiative by making a grant contribution to this new facility. The Bank believes that overall € 20 – 25 million will be sufficient as a first emergency support. An outline of the proposal is attached to this letter. The Bank will in the coming days provide more details to its Administrative Council meeting on 2nd October. In the meantime, inquiries should be directed to Mr Thierry Poirel, Director General for Loans and Development (thierry.poirel@coebank.org) or Mr Stephan Sellen, Deputy Director General for Loans and Development (stephan.sellen@coebank.org).

In addition, the CEB stands ready to support its members with all its financial instruments and expertise. I would like to recall that the CEB has the explicit mandate of strengthening social cohesion in Europe and was founded in 1956 to bring solutions to the problems of refugees. As a member of the Bank, I am sure you will recognise the important role that the CEB can and should play at this critical juncture and I look forward to your support.

Yours sincerely,

Rolf Wenzel

Attachement (1)

Cc Secretary General, Council of Europe, President PACE

A new facility to finance reception and transit centres

CEB response to the migrant and refugee crisis

1. An unprecedented crisis

Political turmoil and economic hardship in the Middle East and Africa have spurred a massive arrival of migrants and refugees in Europe through various entry points and corridors. Most of these migrants and refugees try to reach Western and Northern Europe countries. But on their way to their final destination, they often experience grossly inadequate living conditions. Indeed, entry and transit countries lack adequate infrastructure and resources to provide them with shelter, food, basic healthcare and personal safety. The situation is all the more dramatic since some of these migrants and refugees, such as unaccompanied minors and families with children, are extremely vulnerable.

2. CEB's unique expertise

The CEB is uniquely positioned to assist its member countries in addressing the refugee and migrant crisis. The primary purpose of the Bank, as stated in its Articles of Agreement, is to help its member states address the social problems resulting from the presence of refugees, displaced persons or migrants. In line with this priority mission, the Bank has developed a strong expertise in funding and implementing projects in favour of migrants and refugees. The CEB is currently involved in a number of such projects, including the Regional Housing Programme (RHP). The RHP is a large-scale programme targeting refugees and displaced persons from the war in ex-Yugoslavia.

3. A new facility

As an immediate response to this emergency situation, the Council of Europe Development Bank (CEB) will, subject to the approval of its organs, set up a dedicated facility named "Migrant and Refugee Fund" and endow it with EUR 5 million. The Bank will invite its shareholders as well as other Donors to provide additional contributions.

The resources of the Fund will be used to support actions benefitting refugees and migrants. To enhance the living conditions of these migrants and refugees, the Bank will assist entry and transit countries in setting up or improving, as well as operating reception and transit centres. In practical terms, the Bank will provide these countries with grants to help them finance these centres. The CEB can also provide these countries with technical assistance to help them ensure that the centres meet good standards.

Over the medium term, the Bank will look into broadening the scope of its support in favour of refugees and migrants beyond these emergency measures. The CEB could in particular fund, with the whole range of its instruments, projects for the integration of those populations in their host countries.

4. A collaborative approach

To ensure that its action has the most impact, the CEB will work within the coming weeks in close coordination with all stakeholders. The Bank will engage with its member countries to identify projects and raise additional funds for the "Migrant and Refugee Fund". It will also coordinate with organizations involved in addressing this crisis, in particular the Council of Europe, as well as the European Union and the Office of the United Nations High Commissioner for Refugees (UNHCR). The Bank will immediately liaise with financial institutions, in particular the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD), as well as relevant non-governmental organizations.