

**Speech by Mr. Mendes Bota on the debate of report ELZINGA (Doc. 13513), about
“Challenges for the Council of Europe Development Bank”
Plenary of the Parliamentary Assembly of the Council of Europe
Strasbourg, 26th June 2014**

Dear President.

Dear Colleagues,

Founded on the far year of 1956, under another and long name, the Council of Europe Development Bank is dealing again with refugees and displaced persons. Not the same of the post II World War, but the victims of this New War on social and economic crisis, adding to refugees and displaced persons the objectives of job creation and helping to micro, small and medium enterprises.

Governor Rolf Wenzel, you can count on EPP Group support, but we have some remarks to do.

Let's start by point 2 of the draft resolution, and I quote: “The Assembly notes the Bank's continued commitment to preserving the level of lending to the neediest countries (notably outside the European Union)”.

How does this matches with Table 3 of the Appendix to Mr. Eltzinga's report, when only 3 countries, all of them European Union members, and surely not the less developed, Belgium, France and Spain, got 40,2% of the 2.274 million Euros of CEB loans approved in 2013?

Because “target countries” are limited to increase their public debt? Or is it a problem of visibility. Do governments, regional or local authorities, or public agencies, are they aware of CEB possibilities to finance social projects?

How can it be explained that 58 years after being founded, 8 member States are still missing on the group of stakeholders: Andorra, Armenia, Austria, Azerbaijan, Monaco, Russian Federation, Ukraine and the United Kingdom?

In another angle, CEB strategy should continue to be addressed to sectorial needs, but should revise its priority on geographical areas.

Social and economic development levels cannot be looked anymore in a traditional perspective of Eastern and Western Europe.

Crisis and social cohesion problems can be found all over Europe, cross-cutting so called rich, emerging or poor countries.

In every country, is possible to find highly depressive regions needing social help, together with other regions not suffering so much from austerity times.

This regional approach should be considered on the allocation of loans from the ECB.

Be careful with Public-Private Partnerships. Please, avoid it. The bad use of this tool in some member States, with heavy repercussions on the long term costs supported by tax payers, gave them a bad and non recommendable reputation among the public opinion.

And bad reputation is the last asset CEB would require.

The report and the draft resolution do not enoughly emphasize the possibility for the CEB to support and provide direct funding to public bodies and agencies, without relying on the intermediation of private banks, whenever is adequate, as amendment 4 tabled by our colleague Mrs. Bergamini, and others, state.

We support all measures contained in the governance reform of the CEB, and the objective of compatibilizing all requirements on capital adequacy, leverage and liquidity, with the aim of financing projects in favor of youth employment, Roma integration or housing for vulnerable population, amongst other issues.

CEB is a bank, indeed. But is a different bank from others. Has a social added value, and combines financial rules with the values and principles of the European Convention on Human Rights.

That's the way it is, that's the way it must continue to be, counting on us, parliamentarians. To support and to keep it accountable!