

## Approval of CEB's audited financial statements for 2023

9 April 2024

### **PARIS – The Governing Board of the Council of Europe Development Bank (CEB) has approved the CEB's audited financial statements for 2023**

Highlights in 2023:

- The CEB recorded a solid financial performance in a challenging operational environment
- Net profit standing at €109.2 million
- Ukraine's accession to the CEB in June and first loan of €100 million to the country approved in November
- Top credit rating regained with all major credit rating agencies, supported by the CEB's strong financial performance, shareholders' decision to increase the Bank capital and increased policy *relevance*.

The results recorded in 2023 fully met the objectives of the CEB's [Strategic Framework 2023-2027](#) in the first year of its implementation, in a challenging financial and operating environment. The year was also marked by the ongoing subscription by member states to the CEB's seventh [capital increase](#), which became effective on 29 February 2024. These results underpin the Bank's efforts to reduce social inequality in Europe with a heightened focus on supporting its member states in addressing the fallout from Russia's war of aggression against Ukraine.

Over the course of 2023, the CEB's lending activity maintained a sustained pace, with 48 loan projects approved amounting to a total lending volume of €4.1 billion (2022: €4.2 billion and 36 projects) as part of the CEB's ongoing efforts to support higher social value projects while maintaining a sound risk profile. The Bank approved its first loan operation in Ukraine of €100 million a few months after the country's accession to the CEB on 15 June 2023, for the restoration of health infrastructure damaged by the war and access to essential health services.

The CEB's audited results for the financial year 2023, presented in accordance with the International Financial Reporting Standards (IFRS), show a net profit of €109.2 million, 37.1% higher compared to 31 December 2022 (€79.7 million), driven mainly by the high interest rate environment. Excluding IFRS 9 provisions and the valuation of financial instruments, core earnings increased by 39.1%, reaching €116.2 million as at 31 December 2023. The CEB's prudential ratios remained within their limits throughout the reporting period.

In 2023, the Bank issued bonds with a maturity over one year in an amount of just under €7 billion, out of which Social Inclusion Bonds at €2.3 billion. The CEB's pioneering work in the Social Bond sector has been recognised with the "2023 Social Bond of the Year" award in the supranational category from [Environmental Finance](#).

The CEB regained its triple-A status for the first time in over a decade with Standard & Poor's, Moody's and Fitch, which reflects its mandate relevance, shareholders support, strong financial performance, and stringent risk management.

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## Key figures

In M€	2022	2023	Variation
Loans outstanding <sup>1</sup>	19 887	21 530	+8.3%
Projects approved during the year	4 244	4 106	-3.3%
Stock of projects	9 093	9 251	+1.7%
Financing commitments signed during the year	4 187	3 939	-5.9%
Loans disbursed during the year <sup>2</sup>	3 526	3 715	+5.4%
Issuances included in the annual borrowing authorisation <sup>2</sup>	5 988	6 981	+16.6%
Total assets	31 528	34 418	+9.2%
Net profit	79.7	109.2	+37.0%
Core earnings <sup>3</sup>	83.5	116.2	+39.1%

1 Nominal value

2 Value in euros after swap

3 Excluding IFRS valuation effects (cost of risk and valuation of financial instruments)

The Council of Europe Development Bank (CEB) is a multilateral development bank, whose unique mission is to promote social cohesion in its 43 member states across Europe. The CEB finances investment in social sectors, including education, health and affordable housing, with a focus on the needs of vulnerable people. Borrowers include governments, local and regional authorities, public and private banks, non-profit organisations and others. As a multilateral bank with an excellent credit rating, the CEB funds itself on the international capital markets. It approves projects according to strict social, environmental and governance criteria, and provides technical assistance. In addition, the CEB receives funds from donors to complement its activities.