



CEB and Italy's Ministry of Economy and Finance sign € 300 million loan agreement to support COVID-19 response

PARIS – The Council of Europe Development Bank (CEB) and Italy's Ministry of Economy and Finance have signed a € 300 million loan agreement to finance the emergency and health expenditure associated with the COVID-19 pandemic.

Italy was the first EU country to declare the state of emergency on 31 January 2020. Thanks to the exceptional measures put in place, the number of cases has fallen significantly from the peak recorded in previous months but considerable efforts continue to be made to successfully manage the pandemic. The CEB loan will support these efforts by financing the activities implemented by the Department of Civil Protection (DCP) since the declaration of the state of emergency. Specifically, the loan will cover healthcare related expenditures and investments supporting the COVID-19 preparedness and emergency as well as the restart of activities throughout Italy. The CEB financing will contribute, among others, to the extraordinary and temporary upgrade of hospitals and health centers, the employment of temporary medical staff, the deployment of volunteers, home health and social assistance, and naval units for healthcare assistance to migrants.

Alessandro Rivera, Director General of the Treasury said:

“Collaboration with the CEB - Council of Europe Development Bank, which has 42 members - is a concrete example of how European relations can contribute towards social initiatives in support of national economies. The bank acted promptly to finance at favourable terms a loan to the Department of Civil Protection in order to strengthen the health system, pillar of the government's action in the Covid emergency.”

CEB Vice-Governor Carlo Monticelli, who signed the loan agreement on behalf of the Bank, said:

“Italy is a founding member of the CEB. Over the years, the country has supported the Bank's efforts to advance social cohesion in Europe, particularly for the most vulnerable, by contributing grant resources to the Bank's trust funds. Today, as Italy is fighting its way back from the crisis triggered by COVID-19, we are pleased to be among the first in supporting, in a timely and effective manner, the Government's efforts to contain the pandemic and ensure that vital public services remain available for everyone.”

Italy was one of the eight Council of Europe member countries that established the CEB in 1956 and holds 16,7% of the share capital of the Bank (first equal shareholder with France and Germany). To date, the Bank has provided the country with more than € 6 billion in financing for a wide range of social investments, from education and various other municipal infrastructure improvements,

including earthquake and flood protection, to support for MSMEs. In addition, Italy is a key contributor of grant resources to the Bank's trust funds. More information can be found [here](#).

Subordinated to the Presidency of the Council of Ministers, the DCP coordinates the prevention, forecast and monitoring of risks and the response to natural disasters, catastrophes and other exceptional events. In the case of the current pandemic, the Department is responsible for coordinating emergency operations throughout Italy so that adequate healthcare and social services are delivered to all citizens and safety and security is maintained.

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