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NOTE

From: General Secretariat of the Council
To: Council

Subject: **Employment, Social Policy, Health and Consumer Affairs Council**
meeting on 17 June 2016
European Fund for Strategic Investments and the Investment Plan for
Europe
– *Information from the Commission*
(Any Other Business item)

Delegations will find attached an information note from the Commission on the above mentioned subject.

European Fund for Strategic Investments (EFSI) and the Investment Plan for Europe

EFSI: An opportunity for the healthcare sector

The Investment Plan for Europe promotes much-needed investment in the EU, strengthening competitiveness and contributing to job creation and sustainable growth. The Plan is an opportunity for public and private investments to join together to revitalise key sectors in the European economy, including the health sector.

The European Fund for Strategic Investments (EFSI), cornerstone of the Investment Plan, is a new EU financial instrument offering partly guaranteed lending to strategic projects via the European Investment Bank (EIB). EFSI works as an incentive for investment as it is a guarantee against first losses, granted through a variety of financial products.

The Commission and the EIB are investing EUR 21 billion into EFSI, which are expected to mobilise up to EUR 315 billion of private investments in three years. EFSI is fully operational since July 2015 and in mid-May it had already catalysed EUR 100 billion of investment for concrete projects in Europe. The Commission presents EFSI's first results in the recently adopted Communication "One year of the Investment Plan".

EFSI mobilises finance in particular for long-term and higher-risk investments and cases of market failure and offers many opportunities for the financing of health related projects. EFSI support is not earmarked per country. An independent EFSI Investment Committee decides on the financing of individual projects, previously submitted to the EIB.

Investment in health systems: Opportunities for EFSI funding

Europe's health systems need further innovation and investment to become more effective, accessible and resilient and effectively tackle current demographic and care challenges, in times where there are often limited financial resources available.

EFSI financing can help address these challenges and support Member States' health systems, in particular with “innovative health solutions; new effective medicines; and social infrastructures”, for example with investment in:

- medical research and development, investment and entrepreneurship, such as innovative products and services including by SMEs and start-ups
- new models of health infrastructure and innovative healthcare delivery solutions, such as primary and integrated forms of care
- new technologies and e-health
- medical education and workforce training and planning

Four projects in the health sector are already being supported by EFSI financing (amounting to at least EUR 400 million of EFSI support within larger EIB financing):

- Grifols biosciences R&D (Spain): R&D to improve medical treatment for conditions including Alzheimer’s disease, vascular and cardiovascular surgery
- Midland Metropolitan Hospital (UK): new teaching hospital in a brown field site
- Primary care centres (Ireland): new primary healthcare centres across Ireland
- Healthcare facilities (Austria): construction and refurbishment of hospitals, replacing existing outdated facilities, under an integrated healthcare plan

Health projects can be publicised to European and global investors through the European Investment Project Portal (EIPP) (registration is open, and the portal has been launched in the first week of June). Advisory services for project development and financing are available through the European Investment Advisory Hub (EIAH).

The Commission is making every effort to make sure EFSI reaches all interested Member States, public and private investors so that they can benefit from the enhanced financing and other possibilities provided by the Investment Plan.

The Commission is willing to support and initiate discussions with Ministries of Health on how best to use the EFSI mechanism and facilities, benefit from the Advisory Hub, include projects in the Project Portal and, as relevant, build projects for financing via EFSI, among other through mobilising expertise and sharing successful examples for innovative financing in healthcare. In the field of health DG SANTE is ready to facilitate contacts with other relevant Commission services, should the Member States so request.

EFSI can also complement and blend with other EU and national funding, for example the European Structural and Investment Funds (ESIF) and Horizon 2020 (including via its financial instrument InnovFin Infectious Diseases).
