

Main messages and recommendations for health and long-term care sector.

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Boosting Investment in Social Infrastructures

A proposal for a NEW DEAL for Europe

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Outline of presentation

1. Goals of HLTF and definition of social infrastructure;
2. Estimates of social infrastructure investments and gaps;
3. Changes to take into account for long-term investment
4. Recommendations for health and long term care
5. Structural fund/EIB/crowd- in private resources

Goals of the High Level Task Force

1. A critical contribution to **upward convergence and cohesion** between regions and countries in the EU
2. To assess how long-term investment in social infrastructure can be accelerated
3. To make proposals and recommendations

Defining Social Infrastructure

A subset of the infrastructure sector broadly defined as long-term physical and intangible assets in the social sectors.

The report focuses on :

- education/life-long learning,
- **health and long-term care** and
- affordable, accessible and energy-efficient housing.

Assessing Current Investment in Social Infrastructure

Poor available data on public and private investments

- € 65 billion annually for education & lifelong learning.
= 0.43% of GDP and 90% are public resources.
- € 75 billion annually for **health and long-term care**.
= 0.5% of GDP.
- € 28 billion annually for affordable housing.
= 0.2 % of GDP.
- **Grand total = € 170 Billion**

Investment **Gap** for Social Infrastructure (minimum)

Sector	Current investment €billion p.a.	Minimum Gap per sector €billion p.a.	Additional items €billion p.a.	Investment Gap €billion p.a.
Education & Lifelong Learning (0.43% of GDP)	65	15		15
Health & Long-Term Care (0.5% of GDP)	75	20	€50 billion p.a. for long-term care Unknown amount for disability and migrants	70 <u>(20+50)</u>
Affordable housing (0.4% of GDP)	28	7	€50 billion pa to address energy poverty	57
Totals	168	42	100	142

Current investment: € 170 bn per year (20% lower than 2009).
Additional need of € 150 bn per year or **€ 1.5 trillion** for 2018-
2030 or 3 times the amount of “Juncker plan”.

Infrastructure in health only part of the solution

- Financing of services, training, and human resources are representing the largest part of the costs in health and long term care .
- Freeing public/private resources used to modernise and invest in infrastructure can accelerate the development of integrated care models.

Life expectancy and **healthy** life expectancy at 65 in the EU-27 in 2015, by gender

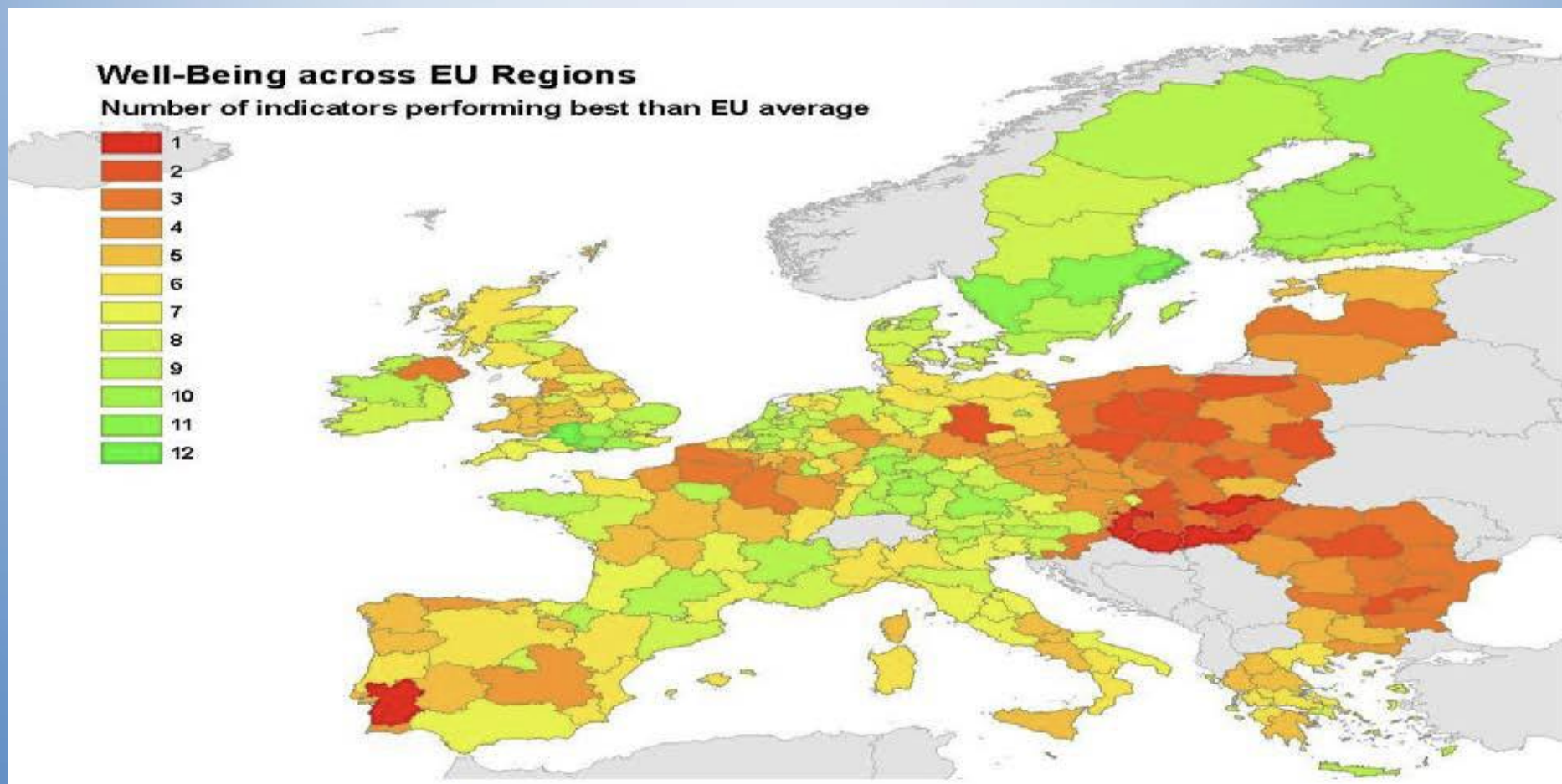
At 65 years old ,men are expected to live healthy for another 9.4 years and beyond that they might become less independent and live another 8,5 years.

	Total years life expectancy at 65, men	Healthy years Life expectancy at 65, men	Percentage of healthy life years life expectancy at 65, men	Total years life expectancy at 65, women	Healthy years life expectancy at 65, women	Percentage of healthy life years' life expectancy at 65, women
EU-27	17.9	9.4	53%	21.2	9.4	44%

Source: Eurostat

Impact on independent living, accessible housing, health care for chronic co- morbidities /close to home

Mapping of distribution of well-being in EU-JRC policy report



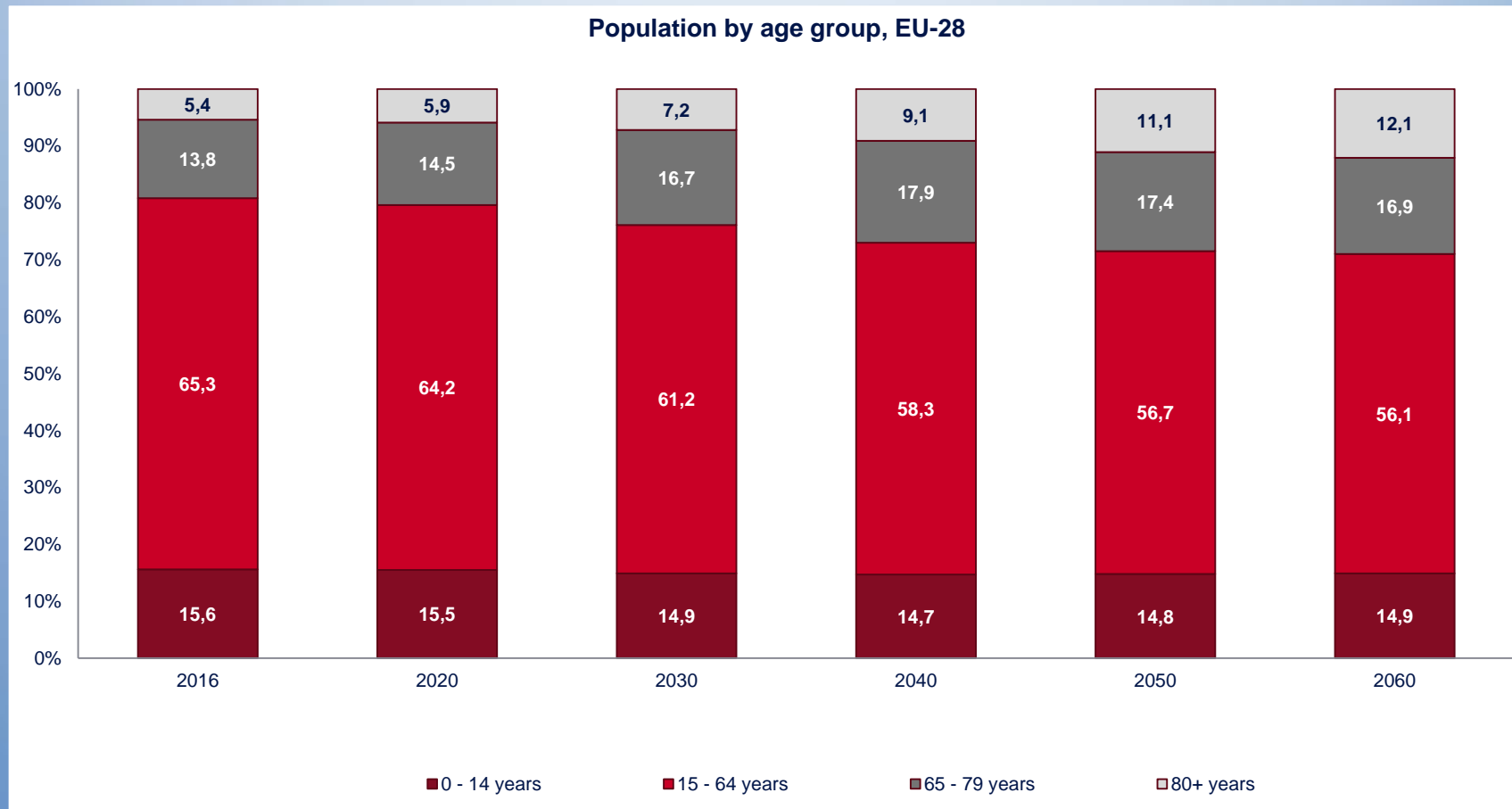
Integrating technology to solve health challenges

- Digital technology is creating new spaces in healthcare. *Diagnostics ,treatment, monitoring, telehealth ,data and privacy*
- Digital technology has also reshuffled the delivery points of the various medical services, in a way that will create opportunities in de-centralised and near-person/patient products and services.

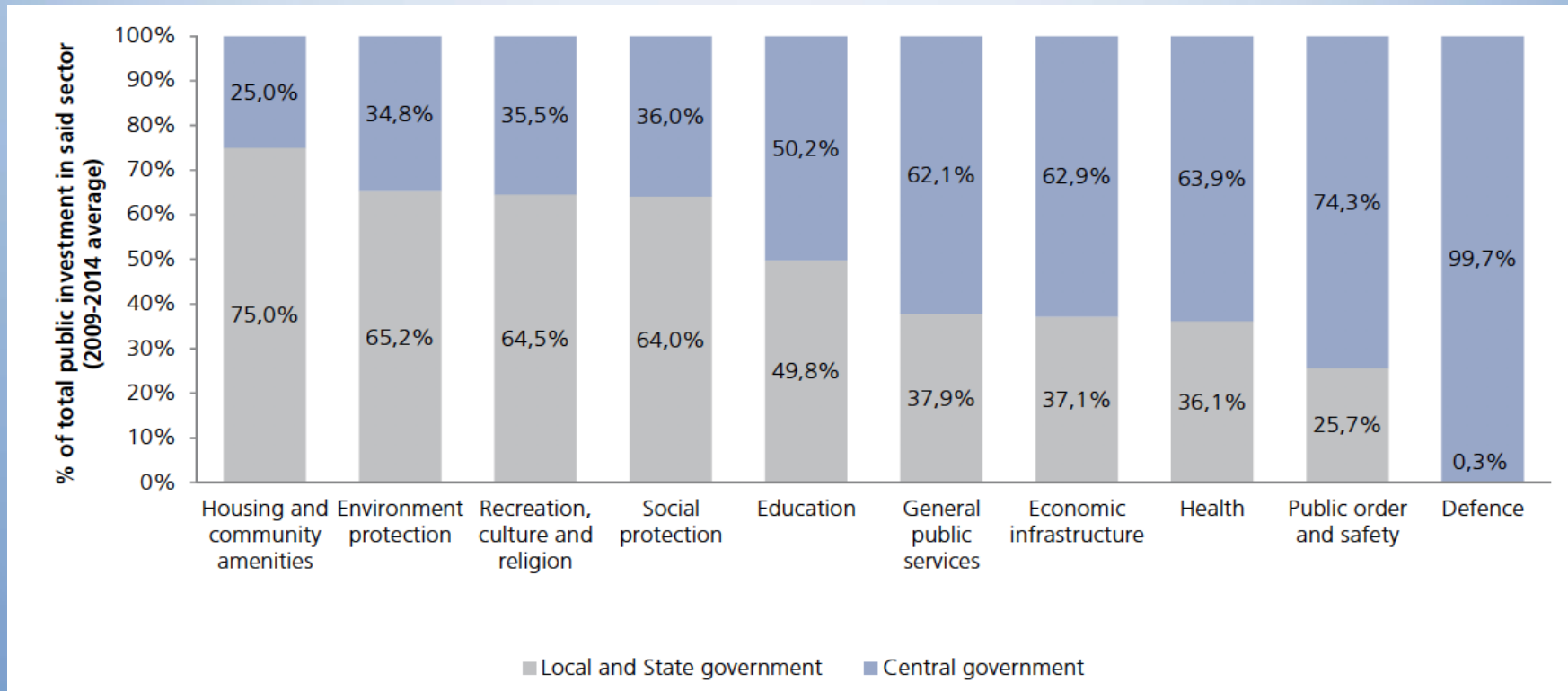
- Big data needs open data models while guaranteeing privacy
- Technology is not at the core of digital health—users are.
- Key digital health hubs around the world

Financing the welfare systems

(Re)productive age population group becomes relatively smaller



Local and state share of social infrastructure investment in EU



Generally small projects :only 1/100 more than 30 million Euro. BUNDLING

Source: CEB 2017 p12 – Eurostat and CEB staff calculations

RECOMMENDATIONS & PROPOSALS

Boosting long-term investments
Bundling of projects
Blending of finances instruments
Building capacity and technical know how

Main Areas of Intervention:

- Increase **pipeline of large scale bankable projects for SI**
- Enhance the role of **national promotional banks and institutions (NPBIs);**
- Prioritise social infrastructure finance for the **regions with the highest needs;**
- Improve **Evidence-based Standard Settings for impact investing;**

Investment platforms

Thematic, regional or EU wide

- They crowd-in private investment
- - to finance projects with a higher risk profile or
- - to bundle projects or
- - to blend different sources of financing.
- - provide access to specialised advisory services