

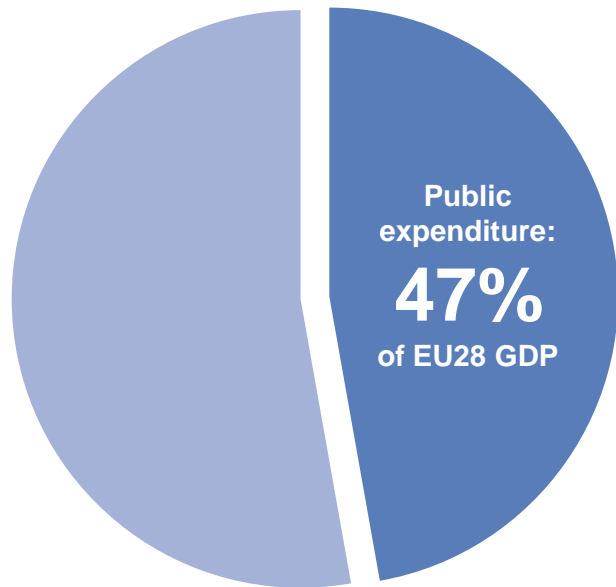


# Bricks and brains – the role of infrastructure in human development

Zagreb, 23rd March 2017

# Expenditure as share of GDP, EU28 (2015)

- Public expenditure  
(% of GDP)



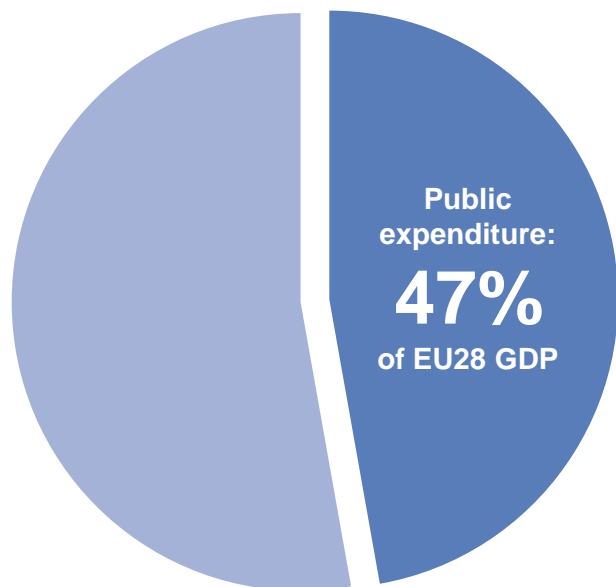
*Note:* General government expenditure; Social sectors defined as the sum of expenditures in the following sub-sectors: Housing and community amenities; Health; Recreation, Culture and Religion; Education; Social Protection; *Other sectors:* General public services; Defence; Public order and safety; Economic affairs; Environment protection

*Source:* Data from Eurostat

# Expenditure as share of GDP, EU28 (2015)

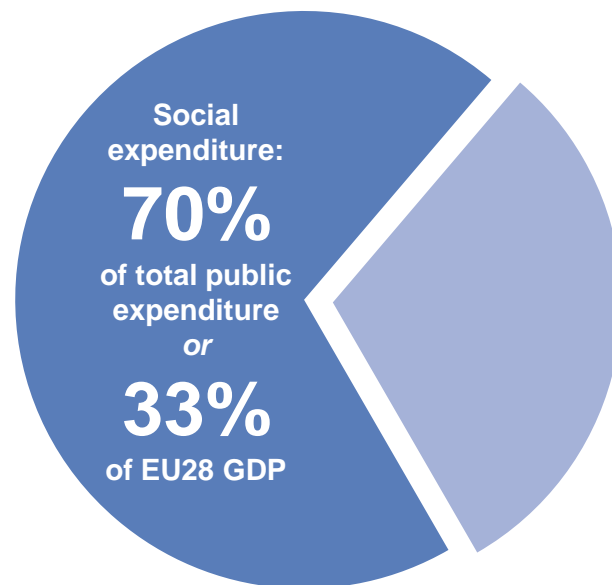
- Public expenditure

(% of GDP)



- Social expenditure

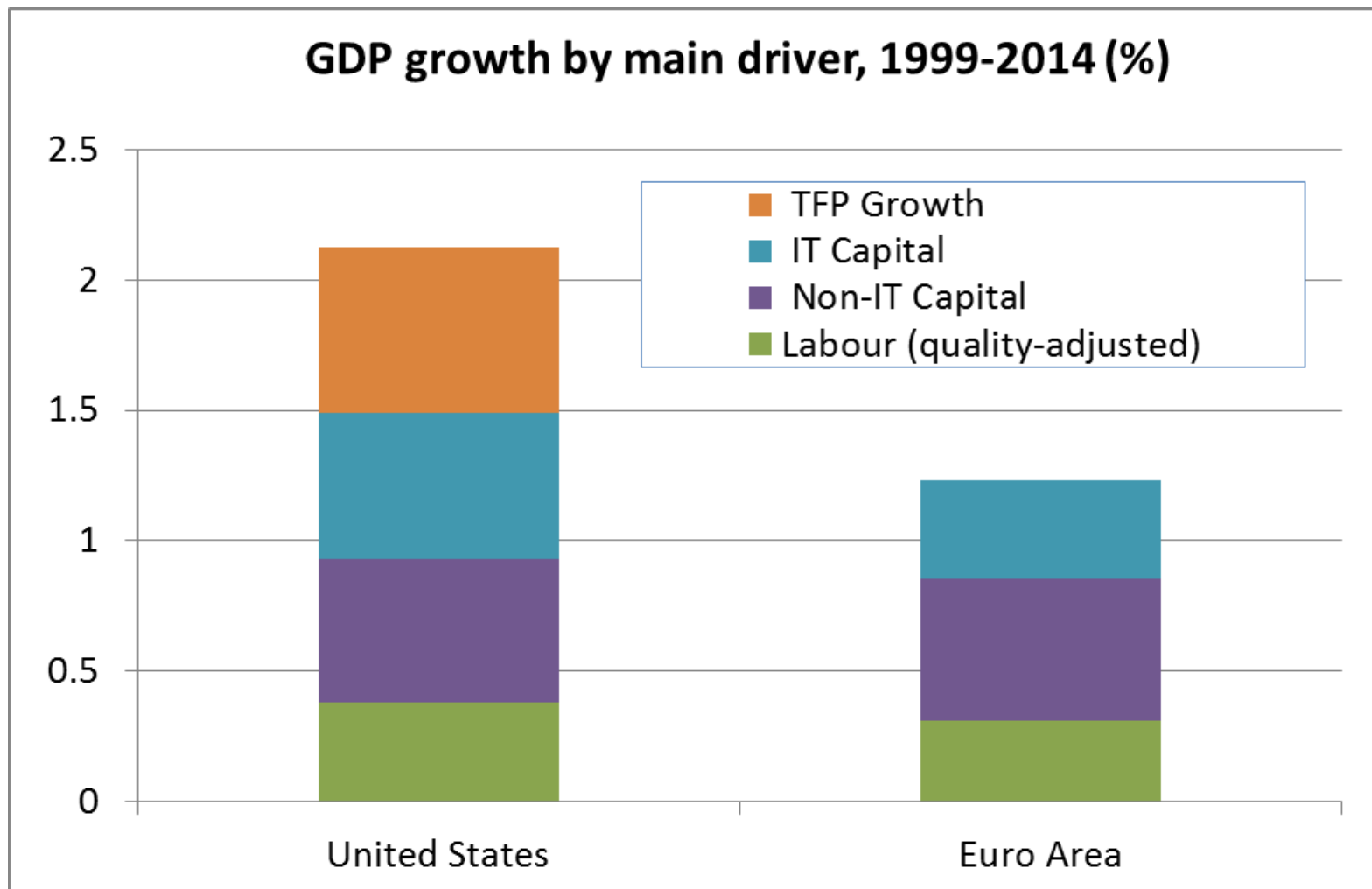
(% of total public expenditure)



*Note:* General government expenditure; Social sectors defined as the sum of expenditures in the following sub-sectors: Housing and community amenities; Health; Recreation, Culture and Religion; Education; Social Protection; *Other sectors:* General public services; Defence; Public order and safety; Economic affairs; Environment protection

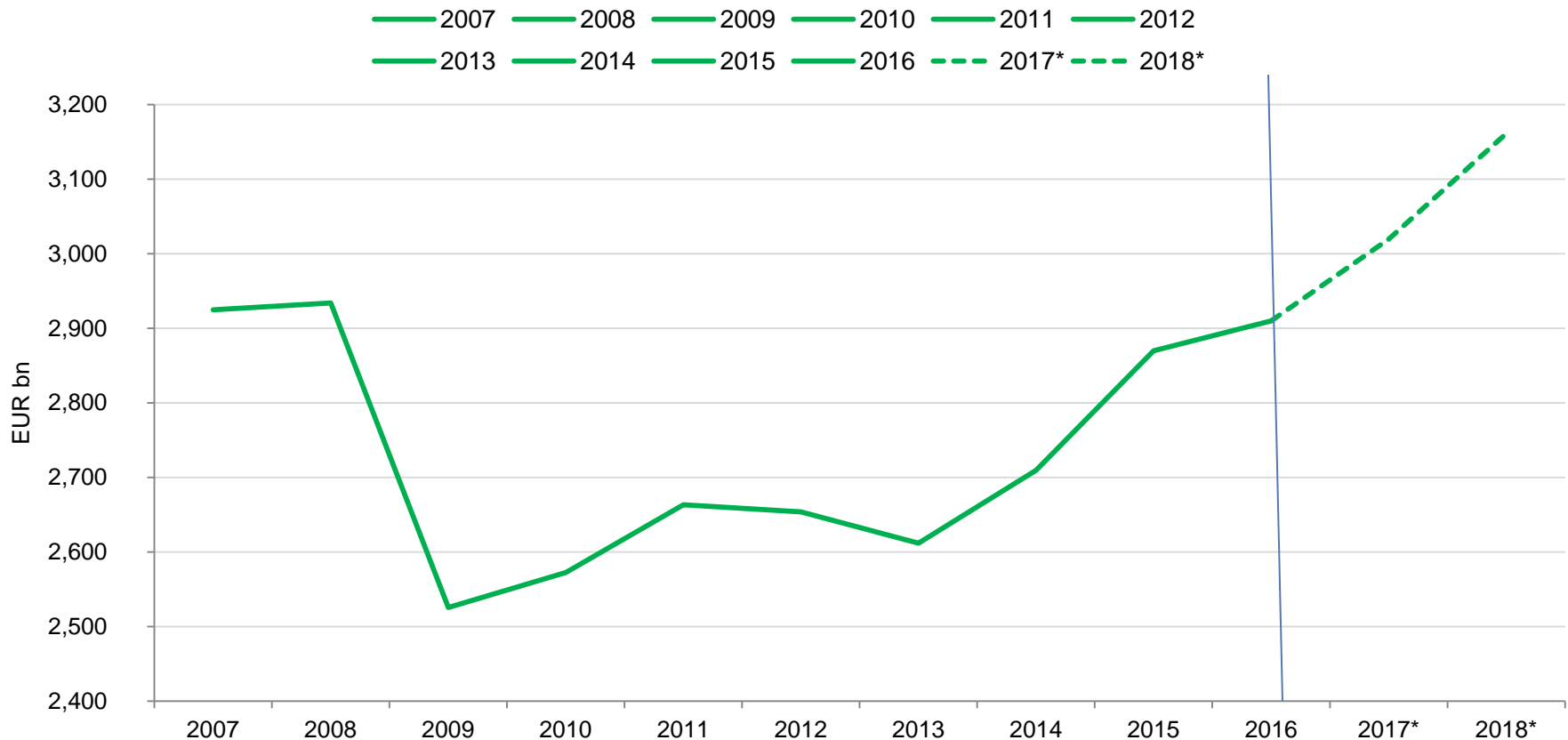
*Source:* Data from Eurostat

# US/EA growth gap is from a combination of employment, IT capital and TFP



Source: OECD

# Investments: total and public, EU28 (2007-2018\*)

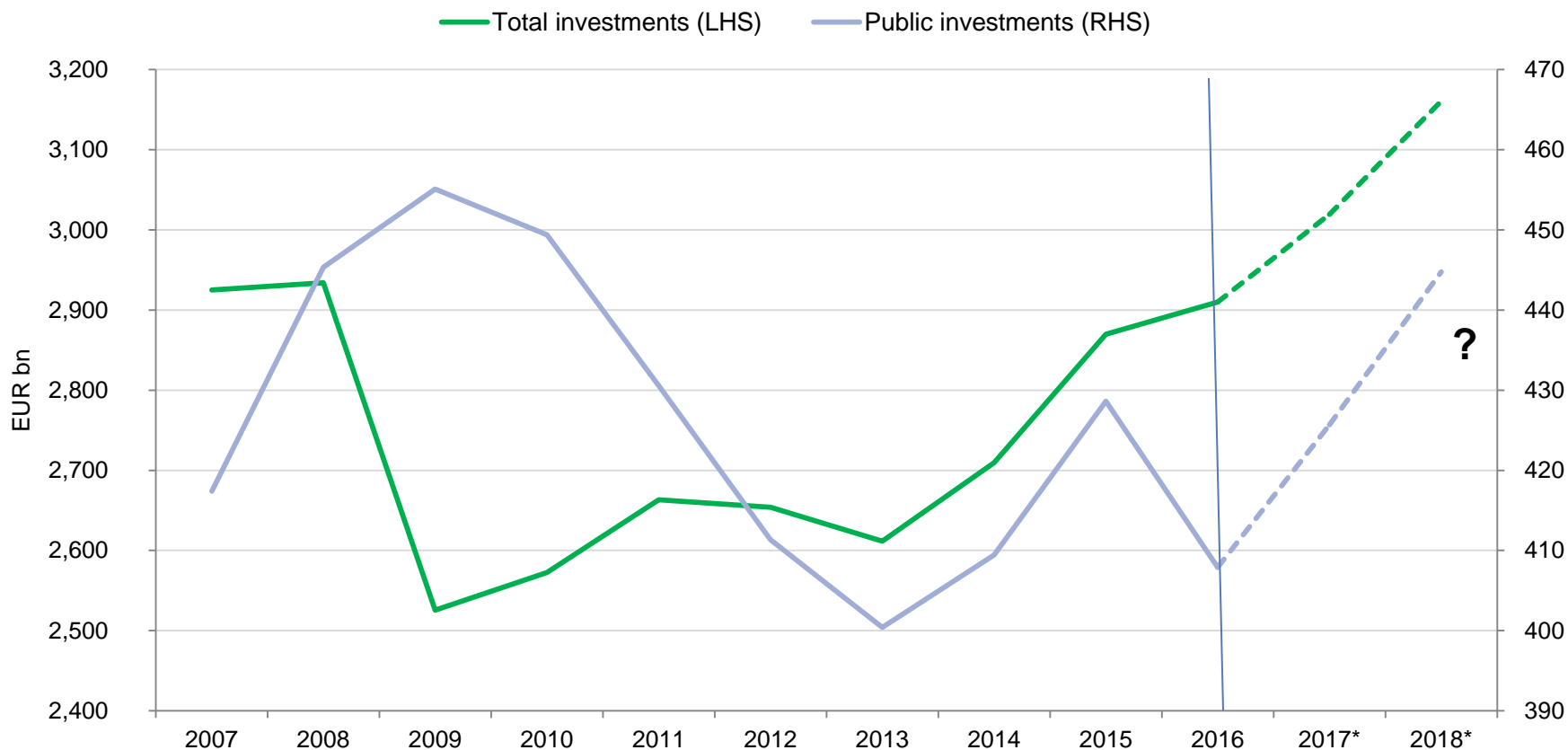


\* Projections

Note: Gross Fixed Capital Formation (GFCF), total and by public/general government, in EUR billion

Source: AMECO

# Investments: total and public, EU28 (2007-2018\*)

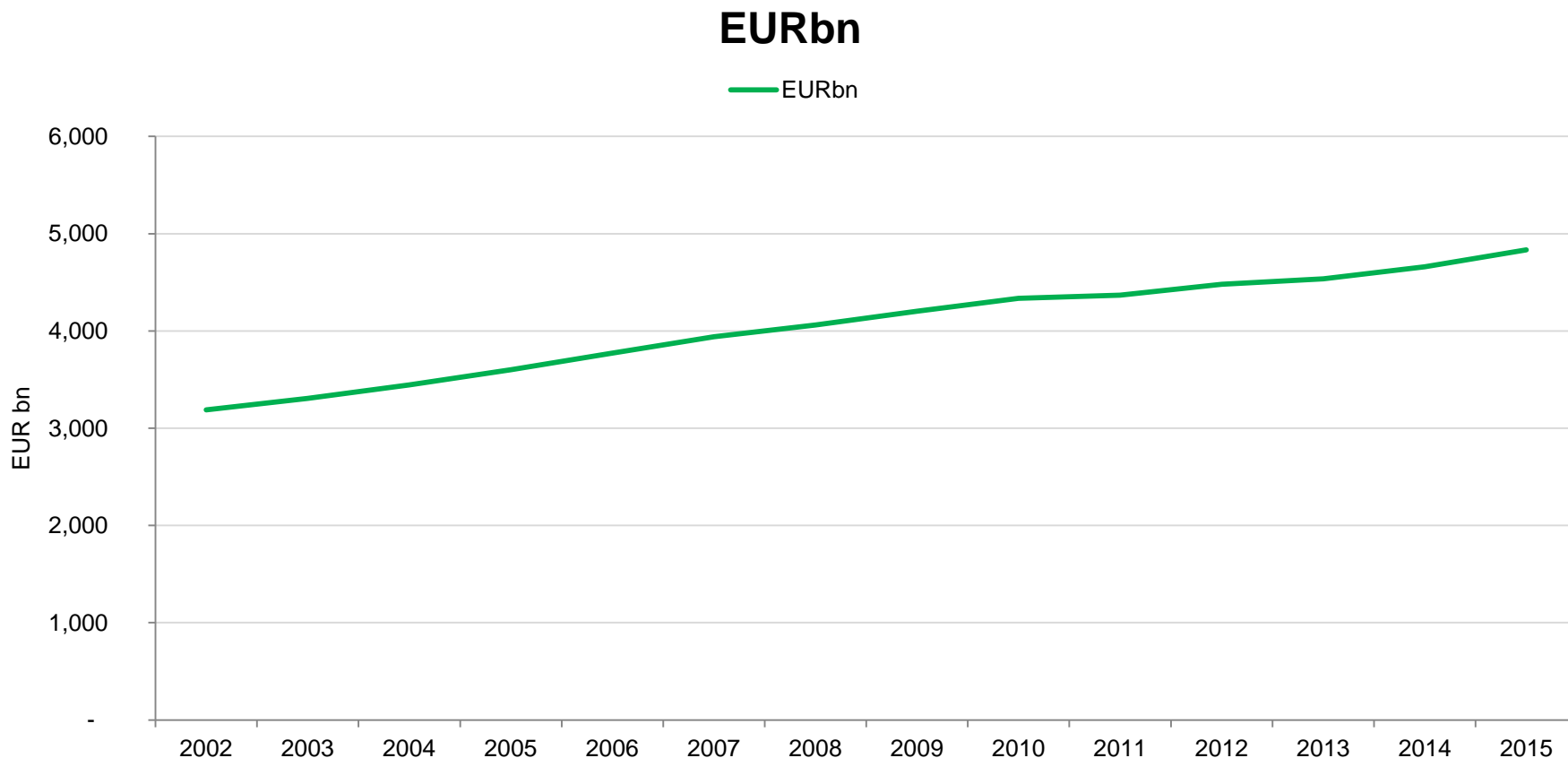


\* Projections

Note: Gross Fixed Capital Formation (GFCF), total and by public/general government, in EUR billion

Source: AMECO

# Public expenditure in social sectors\*, EU28 2002-2015



Source: Eurostat

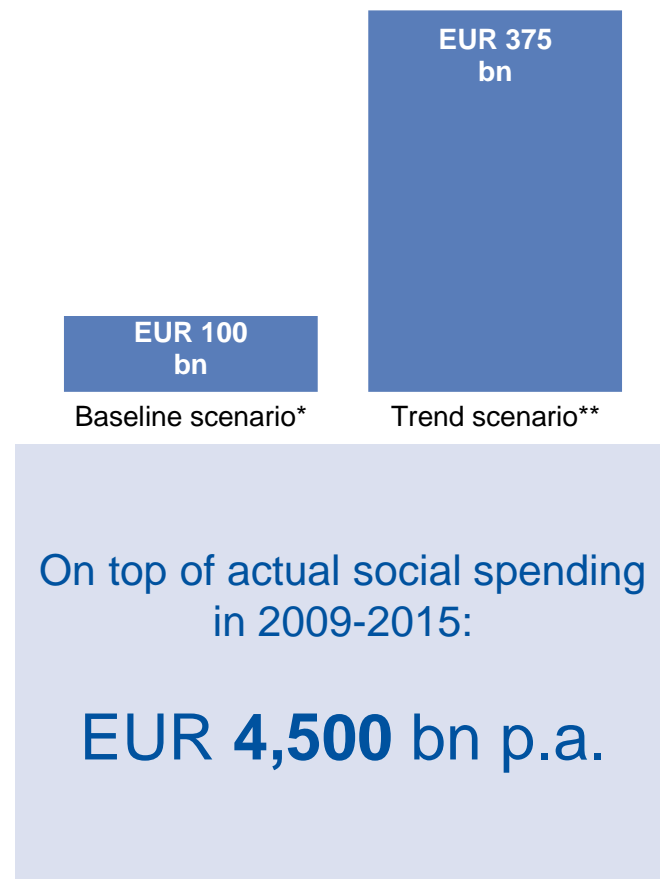
Note: General government expenditure, EU28

\* Social sectors defined as the sum of expenditures in the following sub-sectors: Housing and community amenities; Health; Recreation, Culture and Religion; Education; Social Protection

# Investment gap in social infrastructure (EU28)

## Issues

- Backlog of maintenance & repairs
- Facilities reach the end of their economic & technical life
- Demographics
  - Ageing
  - Migration
- Technology



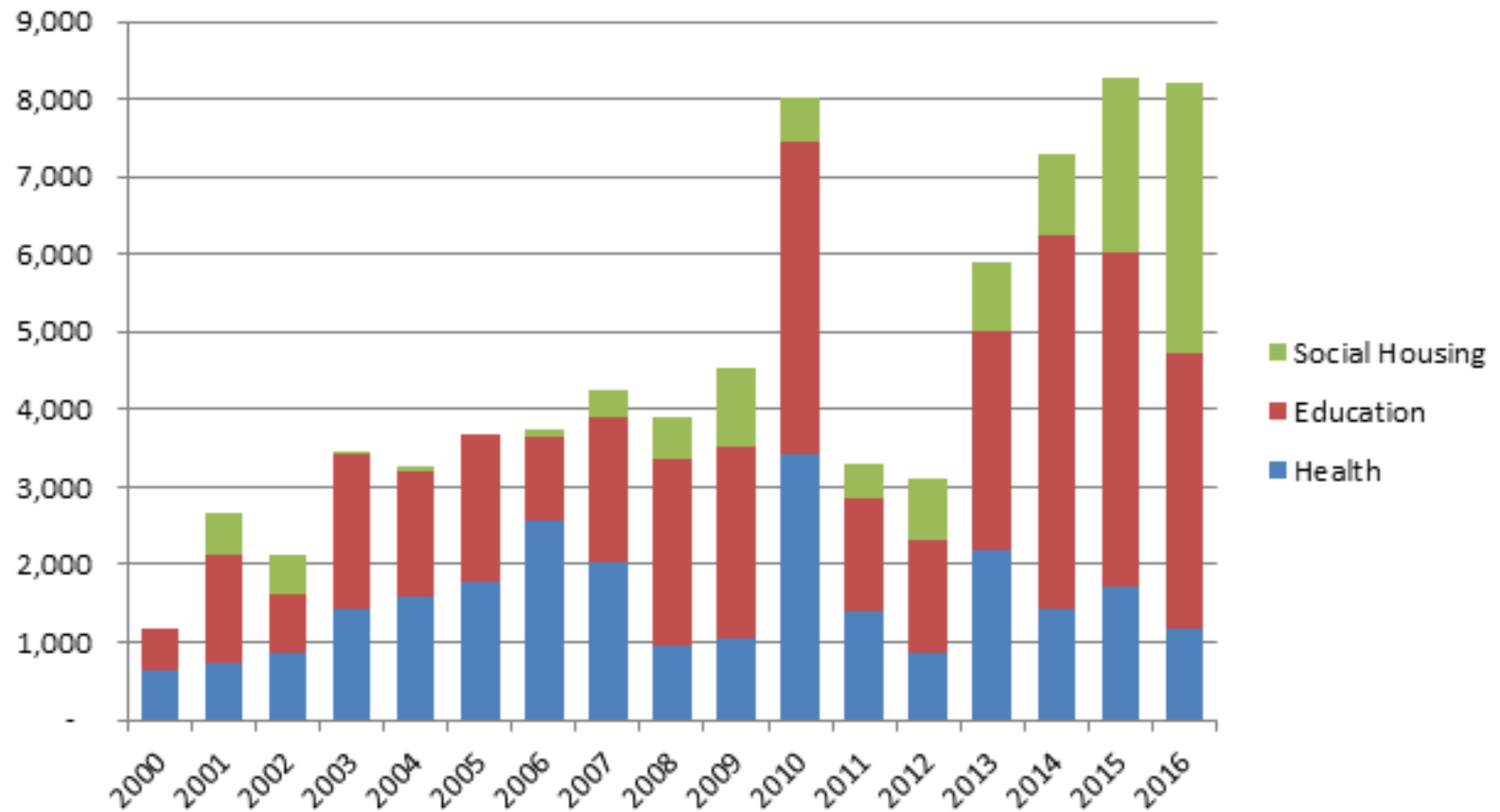
\* *Baseline scenario*: Estimated by applying the % of GDP spent in 2009 to the absolute EUR amount in 2015, i.e. the hypothetical case that spending would have remained at the same relative level in the post-crisis era

\*\* *Trend scenario*: Estimated by applying the same growth rate (total growth pre-crisis period) as in the run-up to the crisis, i.e. if the trend of increased spending would have continued on the same pace as pre-crisis; in the post-crisis period

Source: Data from Eurostat

# EIB lending to the Social sector, 2002-2016

EIB lending to the Social sector 2000-2016



Source: EIB



**Swansea University**

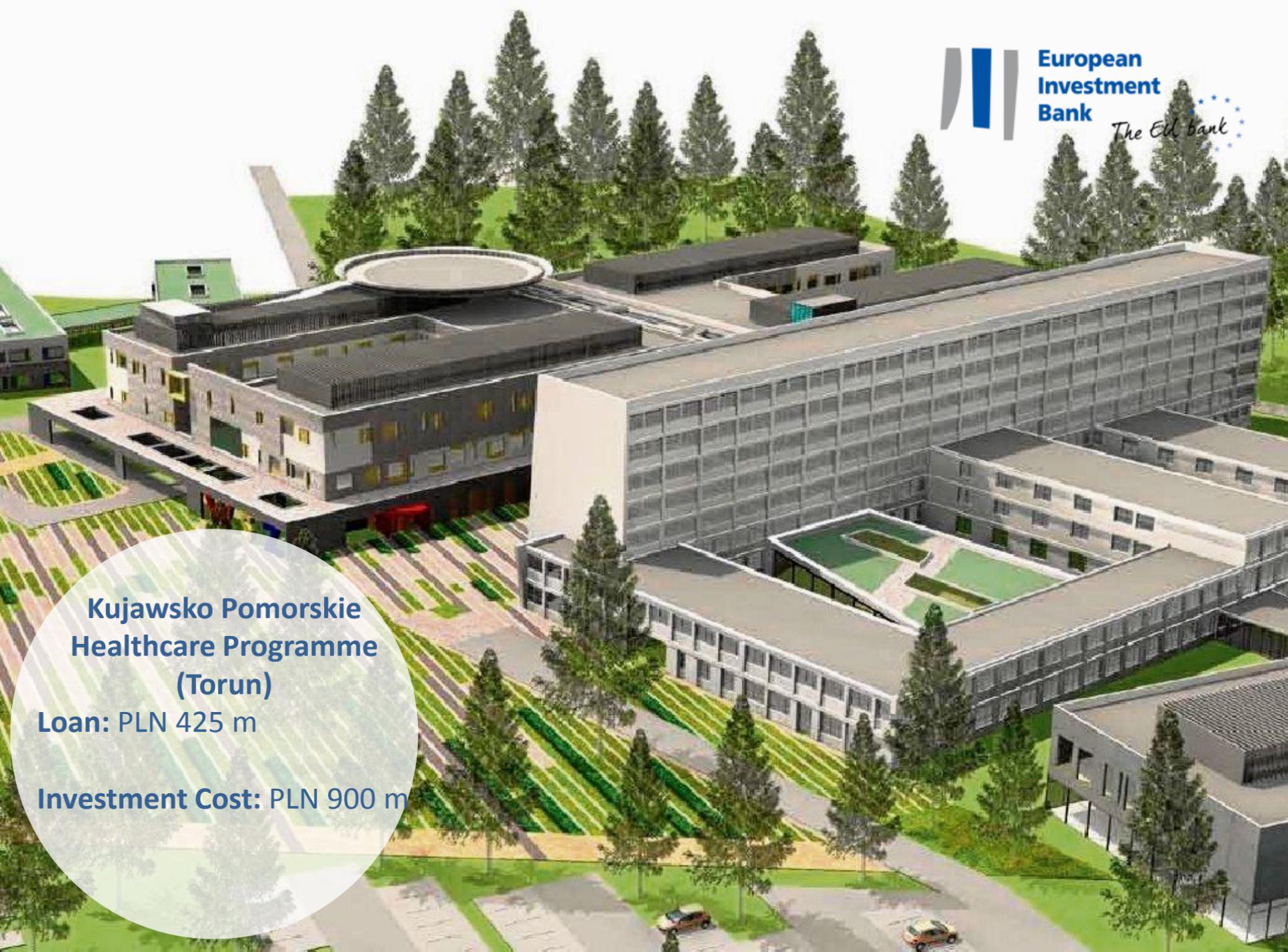
**Loan: GBP 60 m**

**Investment Cost: GBP 126 m**

## Pula Hospital

**Loan:** EUR 48 m

**Investment Cost:** EUR 96 m



**Kujawsko Pomorskie  
Healthcare Programme  
(Torun)**

**Loan: PLN 425 m**

**Investment Cost: PLN 900 m**

Thank you !