



## EFSI Operation Scoreboard<sup>1</sup>

<b><u>PROJECT PRESENTATION</u></b>	
<b><u>Project name</u></b>	GVM - MEDICAL CARE
<b><u>Promoter or financial intermediary</u></b>	GRUPPO VILLA MARIA SPA
<b><u>Country of implementation</u></b>	Italy, France
<b><u>Summary project description</u></b>	<p>The project comprises GVM group's multi-annual investment plan for hospital infrastructure and applied medical research in selected facilities in Italy and France. The purpose of the project is to improve and expand the overall infrastructure standards, equipment outfitting and service efficiency for staff and patients' safety and comfort.</p> <p>The project consists of three main components:</p> <ul style="list-style-type: none"> <li>- Construction and equipment of two new hospitals (in Palermo, Italy and Paris, France).</li> <li>- Rehabilitation, reconfiguration and extension of five existing facilities in Italy (Rome, Montevergine (Avellino), Montecatini (Pistoia), Lecco, Torino).</li> <li>- Contribution to three research projects schemes in Italy, ranging from research infrastructure and equipment to software platform development for clinical data management.</li> </ul>

<sup>1</sup> This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision. Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under the articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

## PROJECT PILLAR ASSESSMENT

### Pillar 1

Contribution to EU policy	Significant
<b>Cross-cutting objectives</b>	
EIB Cohesion Priority Regions / Economic and Social Cohesion	33.00%
<b>EFSI</b>	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	5.00%
Research infrastructures	5.00%
EFSI: Human capital, culture and health	95.00%
Innovative health solutions	95.00%

### Pillar 2

Quality and soundness of the project	Good
1. Growth	[...]
2. Promoter capabilities	[...]
3. Sustainability	[...]
4. Employment	[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of four indicators which include:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ("ERR"), which considers the project's socioeconomic costs and benefits, including its spillover effects;
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;
- (iii) "Sustainability" i.e. environmental and social sustainability<sup>2</sup>;
- (iv) "Employment" i.e. the project's direct employment effect.

### Pillar 3

EIB Technical and financial contribution to the project	Moderate
1. Financial contribution	[...]
2. Financial facilitation	[...]
3. Advice	[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor),
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments,
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer – provided in-house by the EIB or in the form of assignments to external consultants – to facilitate the preparation or implementation of a project.

<sup>2</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

## **Pillar 4 – Complementary indicators**

### ***Additionality***

In line with the EFSI objectives of supporting (i) human capital, culture and health, and (ii) research, development and innovation (RDI), the operation supports healthcare and research infrastructure and innovative health solutions in Italy and France. Moreover, as some of the investments are located in the regions of Southern Italy eligible under the EU Cohesion Policy (Sicily and Campania), the operation also contributes to the Union priorities on convergence and social cohesion. The operation promotes sustainable health systems with access to effective, safe and affordable health services and therefore fully supports EU health policy, catering also for the changing demographic patterns and patient regional migration.

Thanks to EFSI support, under this operation, the EIB supports a new counterpart - GVM – a well-reputed research-oriented healthcare services provider based in Italy. EFSI support will help accelerate the modernisation of the healthcare infrastructure and medical equipment in Italy and France, covering the company's investment plan until 2021. At the same time, GVM sources a large share of the advanced medical equipment and devices for its healthcare facilities from European suppliers. Therefore, by financing this project, the EIB will also support the European medical equipment industry. In addition, considering that GVM will hire specialised medical personnel in order to operate the new healthcare infrastructure, the project will also contribute to the employment of highly qualified labour force in the two countries.

The operation addresses market failures in the public healthcare financing and delivery system that lead to regional gaps in the supply of medical care services in the Italian and French healthcare systems. The project will also increase contracting options for the public purchasers of healthcare services (the Sistema Sanitario Nazionale in Italy and the Social Health Insurance in France) with the private sector. Contracting from the private sector reduces the public sectors' budget requirements for long-term capital investments. It also increases the flexibility of public payers to tailor health services provision to specific needs while reducing the investment risks arising from rapid technological development, changes in morbidity patterns and public sector management.

The operation is expected to fall under the Special Activity category taking into account the structural subordination of the EIB financing, possible only thanks to EFSI. The signalling effect of the EIB participation is significant because it allows GVM to raise additional financing to allow project implementation. Cassa Depositi e Prestiti (CDP), the Italian National Promotional Bank, is also considering to finance part of GVM's investment plan alongside the EIB, and therefore the operation might be included as a project under the CDP Corporate Investment Platform signed under EFSI with Cassa Depositi e Prestiti.

## Set of indicators related to the macroeconomic environment

### France - Economic environment

#### Economic Performance

	FR 2016	EU 2016	US 2016	FR 2001-2007
GDP per capita (EUR, PPS)	30,910	29,440	42,615	30,572
GDP growth (%)	1.2	1.9	1.6	1.9
Potential GDP growth (%)	1.1	1.3	2.1	1.0
Output gap (% of potential GDP)	-1.3	-0.75	-0.03	1.9
Unemployment Rate (%)	10.1	8.2	4.7	8.5
Unemployment Rate (%) - Y/Y change (% points)	-0.1	-0.8	-0.3	-0.19
Bank-interest rates to non-financial corporations (%)	1.2	1.4	1.8	3.5
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.19	-0.21	-1.4	0
Investment rate (GFCF as % of GDP) - Total	21.9	19.7	19.6	21.7
Investment rate (GFCF as % of GDP) - Public	3.4	2.7	3.4	3.9
Investment rate (GFCF as % of GDP) - Private	18.4	17.0	16.2	17.8

#### General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Employment in Human health activities (% of total)	--	--	--	--	--

#### Health

	2013	2014	2015	2016	EU (latest available)
Life expectancy (years)	82.4	82.9	82.4	--	80.6
Healthy life years at birth (Males)	63.0	63.4	--	--	61.4
Healthy life years at birth (Females)	64.4	64.2	--	--	61.8
Old age dependency ratio (65+/- 15-64 years)	27.5	28.4	29.2	30.0	29.3
Perinatal mortality per 1,000 live births	11.7	--	--	--	--
Hospital beds per 100,000 inhabitants	628.5	621.2	--	--	521.2

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

## Italy - Economic environment

### Economic Performance

	IT 2016	EU 2016	US 2016	IT 2001-2007
GDP per capita (EUR, PPS)	28,097	29,440	42,615	31,501
GDP growth (%)	0.88	1.9	1.6	1.2
Potential GDP growth (%)	-0.33	1.3	2.1	1.1
Output gap (% of potential GDP)	-1.7	-0.75	-0.03	1.3
Unemployment Rate (%)	11.8	8.2	4.7	7.6
Unemployment Rate (%) - Y/Y change (% points)	0.2	-0.8	-0.3	-0.44
Bank-interest rates to non-financial corporations (%)	1.1	1.4	1.8	3.8
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.33	-0.21	-1.4	0.02
Investment rate (GFCF as % of GDP) - Total	17.0	19.7	19.6	21.1
Investment rate (GFCF as % of GDP) - Public	2.1	2.7	3.4	2.9
Investment rate (GFCF as % of GDP) - Private	14.9	17.0	16.2	18.2

### General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Human health activities (% of total)	--	--	--	--	5.3
Employment in Human health activities (% of total)	--	--	--	--	--

### Health

	2013	2014	2015	2016	EU (latest available)
Life expectancy (years)	82.9	83.2	82.7	--	80.6
Healthy life years at birth (Males)	61.8	62.5	--	--	61.4
Healthy life years at birth (Females)	60.9	62.3	--	--	61.8
Old age dependency ratio (65+/- 15-64 years)	32.7	33.1	33.7	34.3	29.3
Perinatal mortality per 1,000 live births	--	--	--	--	--
Hospital beds per 100,000 inhabitants	331.2	--	--	--	523.7

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

### **Other indicators<sup>3</sup>**

#### **Key project characteristics**

Expected at PCR	
Start of works	02.01.2017
End of works	31.12.2021
Project investment cost	153.00 MEUR
EIB/EFSD eligible investment mobilised	142.20 MEUR
External EFSD multiplier	2.03
External EIB (non-EFSD) multiplier	
Amount of private financing	83.00 MEUR
Quick start (% of expenditure during 2015-2018)	27.50 %
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	
Employment during construction - temporary jobs	845 person years
Employment during operation - new permanent jobs	164 FTE

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<sup>3</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report.