The World Health Organization’s definition, conceived right after the Second World War, is still used today and touches on a number of points, which are important for the way the EIB delivers on its health mandate. The EU bank received this mandate from the European Council in 1997 to support and supplement health policies established by EU countries and regions.

Access to health should be universal. Health should be effective, safe and affordable. These are the main tenets of the EIB’s approach to this sector. Through its work, the EIB contributes to reducing healthcare inequalities and social exclusion, particularly by supporting underserved or sparsely populated regions.

When it comes to health, the market struggles to allocate resources efficiently. Market distortions can arise from the failure of investors to recover costs despite generating an overall economic benefit for society. Consequently, health services may lack resources, which in turn causes severe problems for individuals and communities alike. The EIB does mitigate this situation using a number of financing instruments. Project investment loans, project financing, investment programmes and framework loans are amongst the most frequently used tools. In some cases, the Bank contributes also with equity. Most of the health projects financed by the EIB are within the European Union.

Europe’s health challenges are manifold. By 2050, the population aged 65 and older will increase by almost 50%, while the size of the working-age population will shrink, according to a 2019 Eurostat report. In ageing societies, the need shifts to the treatment of chronic diseases. Assisted living and care for the elderly are also high on Europe’s agenda. Investment in infrastructure, mainly hospitals, is necessary throughout the continent. In addition, there is a continuous need for medical research and innovation in services, products and models of care that improve the health of people and the cost-effectiveness of the sector.

“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity”

Constitution of the World Health Organization
The economic value of health cannot be underestimated: the sector is one of the most labour-intensive areas and accounts for 8% of the total European workforce. EU healthcare expenditure is 10% of GDP. A large share of these costs is covered by public funds. Because of the ageing population, spending is expected to increase further: according to the European Commission, costs will go up by some €4.7 billion each year until 2060. This is likely to put pressure on public budgets; hence, governments are looking for ways to provide good and affordable healthcare while at the same time containing spending. Economic and financial sustainability is key in the Bank’s appraisal of health projects.

**HOW DOES THE EIB SUPPORT THE HEALTH SECTOR?**

**Lending and debt products:** By December 2019 the Bank had provided a total of over €30 billion for healthcare-related projects around the world. The average yearly lending to the sector is €1.4 billion for some 20 projects.

**In light of the COVID-19 pandemic,** the EIB Group will use the InnovFin ‘Infectious Disease Finance Facility’ and other financial instruments shared with the European Commission to finance projects that work towards halting the spread of COVID-19, finding a cure, and developing a vaccine against the coronavirus. The EIB Group will also support emergency measures to finance urgent infrastructure improvements and equipment needs in the health sector, using existing framework loans or undisbursed amounts from existing health projects. The EIB Group’s current pipeline of projects in the health sector amounts to around €5 billion.

In 2019, we helped to improve healthcare services for 12 million people. In addition, our loans backed safer drinking water for 10 million people.
2020  
**CureVac** is a German biopharmaceutical company that has developed a novel technology to overcome one of the biggest barriers to using vaccines: the need to keep them stable without refrigeration. Its vaccine technology is based on messenger RNA (mRNA) molecules that stimulate the immune system. Preliminary studies have shown that the technology holds a promise for rapid response to COVID-19. If proven, millions of vaccine doses could potentially be produced at low costs in existing CureVac production facilities. Helped by the InnovFin Infectious Disease Finance Facility, the EIB is looking at supporting the company.

2018  
Medical students can only learn so much from books. Surgery, care and diagnostics are best practiced in real life scenarios and, where this is not possible, in simulation centres. **Warsaw Medical University**, the largest institution for higher medical education in Poland, received PLN 100 million (approx. €24 million) in EIB financing to build a state-of-the-art medical simulation centre. The facility mimics an operational theatre, an intensive care room, a dentist ambulatory and rooms for clinical examinations. The centre helps to better train future nurses and doctors, thereby improving healthcare services in the country. Poznań Medical University received a similar loan, worth close to PLN 115 million (€27 million).

2017  
The discovery and development of innovative biopharmaceutical medicines is extremely capital-intensive, and, due to comparatively high risks, not as attractive to investors as other sectors. The EIB financed German pharma company **Biofrontera** with up to €20 million to help them execute their growth strategy. The company develops and markets dermatological therapies, including therapies for the treatment of skin cancers. The company’s lead product is a prescription drug approved in the European Union and the United States for the treatment of certain forms of non-melanoma skin cancer.

2016  
Fourteen **primary care centres** were built across **Ireland** following agreement of a €70 million loan from the EIB. This public-private partnership-scheme supports the shift from hospital to community-based healthcare closer to patients. It is part of a national programme aimed at restructuring the primary care network by giving patients direct access to multi-disciplinary teams of general practitioners, nurses, physiotherapists and experts from other fields.

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2019  
**Mabion**, a Polish developer and manufacturer of drugs to treat cancers and inflammatory diseases, received €30 million from the EIB in venture debt. The transaction not only enabled Mabion to develop highly targeted drugs that make cancer therapy more effective and less toxic: it was also instrumental in boosting the entire Eastern European biotech industry, which is only just emerging in the region.

2019  
A new hospital in the Dutch town of Meppel and the modernisation of existing facilities are part of the **Isala hospital project** that received a €150 million loan from the EIB. This modernisation will improve safety for hospital workers and rationalise the facilities’ layout. The loan will also finance the development of a new electronic patient file system.
RESOURCES

• EIB web page

VIDEOS
• Boosting the biotech sector in Poland
• A new clinical centre for Niš, Serbia
• Croatia: Rijeka Clinical Hospital Centre
• Financing a new cancer treatment
• How a 2-year-old’s pain led to a big idea
• A promise kept: Bringing affordable healthcare to Kenya

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• I got a Job: In Ireland, doctors and nurses train with backing from the EU bank
• I got a Job: In Vienna, where healing is natural
• Tissue banking with the EU bank
• How to make healthcare investments supercalifragilisticexpialidocious
• The care economy in Finland
• How state-of-the-art Ireland healthcare training helps medical students from all over the world
• Health is wealth
• Healthy sugar for baby formula
• After 50 years, a new hospital for Niš
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