

Financial instruments for social innovation and impact

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Investing for impact in Health

- The role of financial instruments – market-based policy tools mobilizing *private finance*, and complementarity to EU grant programmes
 - working with Financial Intermediaries
 - part of Public long-term investment strategies
- Helping to meet the complex needs of the health sector
 - Infrastructure – hospitals, primary and community care
 - Innovative technologies – digital tools, data collection/sharing
 - Human capital – patient empowerment, health workers training
 - New services and products, medical devices

EU Social Finance tools

- SOC as part of EU integrated investment toolbox
 - **Microfinance facilities**- self-empowerment through entrepreneurship
 - **Social enterprise finance** – new business models and social innovation support
 - **Social Impact Partnerships and Social Outcomes Contracting**– new way of organising partnerships between the public sector and the social economy
 - additional & flexible funding for social organisations
 - Preventative focus and effective long term solutions
 - Innovation and cross-sectoral collaboration
- **Growing interest in deploying SOC** to address public challenges across Europe:
 - **navigating and orchestrating** internal change management processes of government.



InvestEU Programme (2021-2027)

InvestEU Fund:

- Single fund bringing together the many different EU-level financial instruments, provisioned at 40%
- **EUR 26.2 bn** EU budgetary guarantee (EU compartment)
- Mobilise **EUR 370 billion** in additional investment across Europe, of which 30% to contribute to climate objectives
- Strategic EU investment under four thematic policy windows
- 75% implemented by the EIB Group, 25% by other Implementing Partners



SUSTAINABLE
INFRASTRUCTURE



RESEARCH, INNOVATION
AND DIGITISATION



SMALL AND MEDIUM-SIZED COMPANIES



SOCIAL INVESTMENT
AND SKILLS



Social investment and skills window (SISW)

Three main policy priority areas:

- Microfinance and Social Enterprises, Social Impact and Innovation

- Education, Training and Skills

- Social Infrastructure and Services*

- inclusive education and training infrastructure and services
- affordable social housing
- **health and long-term care**
- network of modernised prevention and healthcare infrastructure
- enabling social services

Delivery mechanisms



* Includes education infrastructure and health

Social Investments and Skills Window

- **Eur 2.8 bn** Guarantee expected to mobilise over Eur 30 bn of investment into the social sector (health, education, housing, employment etc.)
- **Integrated investments** in social infrastructure, social services, human capital & skills, innovation, microfinance, social economy
- Strategic EC Partnership with **Foundations and Philanthropic Actors**
- **Social innovation & experimental pocket:** focus on developing the social outcomes market and social impact partnership models
- Supported by **Advisory Hub- Capacity building** and market development actions – for social finance intermediaries; social organisations (investment readiness); and public authorities (impact readiness)
- Contributions of resources by Member States possible under **MS Compartments**

Highlights & Looking ahead

- Addressing health challenges through financial instruments
 - **Integrated approach to investments**- Away from traditional hospital-centred models: ‘soft’ investments; Combination of funding tools, look beyond national budgets and EU grants; Blend financing – different sources of capital; Learn to manage new financial instruments, such as Social Impact Bonds; Bundling of small projects; and of different investments
 - **Capacity of Public authorities**- Working with public and private investors – investment platforms; Working closer with national procurement bodies – PPPs; Capacity to use alternative financial instruments (social impact investments)
- European **Social Outcomes Contracting Platform** launched under EIB’s **European Investment Advisory Hub** - capacity building of public sector & social stakeholders
- **The Commission keeps innovating and experimenting in policy**
 - EC direct piloting for inclusion – **HERO** (Housing and Empowerment for Roma) and
 - **BIG** (Basic Income Guarantee) pilots in BG, RO, SK
- EU Ambition of an “**Economy that Works for People**”:
EU Social Economy Action Plan December 2021

"Without impact, innovation is just an idea with promise."

Judith Rodin

Thank you



Questions ?

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