

Using EU funds for health-care capital investment

Experiences from six EU countries

Capacity Building
Workshop for EU



Funded by
the European Union

TAIEX
MOVING FORWARD TOGETHER
WITH EU EXPERTISE

Joint WHO Barcelona Office and the European Observatory research:

Countries covered: Austria, Estonia, Latvia, Lithuania, Poland, Portugal (experts identified via Health Systems and Policy Monitor network)

Main EU instruments countries are using:

European Regional Development Fund (ERDF): Core instrument across all six countries

- Hospital modernisation and network optimisation
- Primary health care (PHC) infrastructure
- Long-term care (LTC) and nursing care
- Diagnostic equipment and digital health

Recovery and Resilience Facility (RRF): Prominent since 2021

- PHC expansion
- Digital transformation and resilience

REACT-EU: Crisis-response instrument

- Emergency preparedness, infection control, oxygen capacity

Main challenges in using EU instruments

Administrative complexity and timing

- Complex rules, multiple implementing bodies
- Delayed starts to programming periods
- Tight eligibility windows and reporting burden

Procurement and market constraints

- Limited competition in construction and equipment markets
- Cost inflation, tender failures, supply-chain disruptions
- Difficulty maintaining services during construction

Provider readiness and uptake

- Resistance to organisational change (e.g. solo PHC -> multidisciplinary PHC)
- Uneven capacity to prepare projects and meet reporting requirements

Co-financing constraints

- Financially weaker providers (especially PHC) struggle to meet co-financing rules
- Risk of bias toward hospitals or stronger regions

Long-term sustainability risks

- Insufficient planning for: maintenance and depreciation; staffing and workforce availability; recurrent financing through tariffs/budgets

Lessons

-  Treat EU funds as a policy lever, not just money: capital funding is most effective when embedded in service-delivery reform
-  Anchor investments in clear national strategies and translate strategies into eligibility rules and appraisal criteria
-  Strengthen governance:
 - Clear division of roles between managing authorities, health ministries, purchasers and implementers
 - Transparent, needs-based project selection
-  Engage the purchaser early to align capital investments with future contracting and payment
-  Address workforce planning and operating costs upfront



World Health
Organization

REGIONAL OFFICE FOR **Europe**

**WHO Barcelona Office
for Health Systems Financing**

Thank you!

