Funding and Financial Models for Digital Health
The ABC of European Funding

Nicole Denjoy
COCIR Secretary General
What does COCIR do?

COCIR is a non-profit trade association, founded in 1959, representing the medical technology industry in Europe.

COCIR covers 3 key industry sectors:
• Medical Imaging
• Electromedical
• Health ICT

Our Industry leads in state-of-art advanced technology and provides integrated solutions covering the complete care cycle.

With offices in Brussels and in China, COCIR promotes the use of advanced medical and ICT technology towards seamless care delivery and shared knowledge to build a better world with improved access to affordable, quality and safe healthcare.
COCIR’s Focus: improve market access

- Provide COCIR’s members with competence towards policy makers in Europe and outside
- Contribute to sustainability of healthcare systems through integrated care approach
- Promote Research and Innovation as a key enabler for economic growth
- Drive global regulatory convergence (registered once, accepted everywhere)
- Optimise use of International standards
- **Push for national and regional deployment (eHealth)**
- Pro-active in Green Technology (Eco-Design)
COCIR Member Companies
COCIR National Trade Associations Members

Belgium

UK

Germany

Spain

Netherlands

Finland

Netherlands

France

Germany

Sweden

Turkey

Germany
COCIR at international level
Our agenda today


2. Funding Instruments:
   1. European Structural and Investment Funds 2014-2020 (ESIF)
   2. Horizon 2020 (H2020)
   3. Connecting Europe Facility (CEF)
1. Overall EU Budget: Multi-Annual Financial Framework (MFF)
MFF 2014-2020

- 7 year period: 2014-2020
- Total budget: €960 billion
- Start: 1st January 2014
- 2.5 years of negotiation

MFF Regulation:
http://register.consilium.europa.eu/doc/srv?l=EN&t=PDF&gc=true&sc=false&f=ST%2011791%202013%20REV%207

Overall EU 2014-2020 budget
€960 billion

Other EU policies (agriculture, research, external, etc)
€635 billion

Cohesion Policy
€325 billion

34%
66%

Financial Framework 2014-2020 - EUR 959 988 M
Commitments in EUR million (2011 prices)
2. Funding Instruments:

1. European Structural and Investment Funds (ESIF)

also referred to as « Structural Funds »
What are the ESIF? Financial tools to implement the EU Cohesion Policy also called EU Regional Policy (271 regions)

Objective: Reduce regional disparities by promoting economic growth, job creation and competitiveness

Budget: The total budget for the ESIF 2014-2020 is €325 billion (1/3 of the total EU budget)

ESIF is composed of 5 different Funds:

<table>
<thead>
<tr>
<th>Name of the Fund</th>
<th>Objective of the Fund</th>
</tr>
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<tbody>
<tr>
<td>European Regional Development Funds (ERDF)</td>
<td>Strengthen economic, social and territorial cohesion in the European Union by correcting imbalances between regions.</td>
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<tr>
<td>European Social Funds (ESF)</td>
<td>Increase the employment opportunities of European citizens, promotes better education, and improves the situation of the most vulnerable people.</td>
</tr>
<tr>
<td>Cohesion Fund</td>
<td>Focus on energy and transport projects</td>
</tr>
<tr>
<td>European Agricultural Fund for Rural Development (EAFRD)</td>
<td>Strengthen the EU’s rural development policy</td>
</tr>
<tr>
<td>European Maritime and Fisheries Fund (EMFF)</td>
<td>Strengthen the EU’s maritime and fisheries policies</td>
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</tbody>
</table>

Health is eligible for funding under ERDF and ESF
Out of 11 thematic objectives, 7 can be linked to health and 1 is explicitly focusing on ICT:

1. Strengthening research, technological development and innovation
2. Enhancing access to, and use of quality of, information and communication technologies
3. Enhancing the competitiveness of SMEs
4. Supporting the shift towards a low-carbon economy in all sectors
5. Promoting climate change adaptation, risk prevention and management
6. Preserving and protecting the environment and promoting resource efficiency
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures
8. Promoting sustainable and quality employment and supporting labour mobility
9. Promoting social inclusion, combating poverty and any discrimination
10. Investing in education, training and vocational training for skills and lifelong learning
11. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration
## Structural Funds
### Opportunities for eHealth

<table>
<thead>
<tr>
<th>Thematic Objective</th>
<th>Examples of health related investments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Strengthening research, technological development and innovation</strong></td>
<td>• Health research and investments that contribute to making healthcare an innovative and growth-enhancing sector</td>
</tr>
<tr>
<td><strong>2. Enhancing access to, and use of quality of, information and communication technologies</strong></td>
<td>• Investment in eHealth and telemedicine deployment as effective tools to help meet future societal challenges including an ageing population</td>
</tr>
<tr>
<td><strong>3. Enhancing the competitiveness of SMEs</strong></td>
<td>• Innovative solutions in health ageing developed by SMEs</td>
</tr>
<tr>
<td><strong>8. Promoting sustainable and quality employment and supporting labour mobility</strong></td>
<td>• <strong>Measures promoting active and healthy ageing</strong>, since a higher employment rate for older people directly depends on the capacity of health systems to keep them fit for work</td>
</tr>
<tr>
<td><strong>9. Promoting social inclusion, combating poverty and any discrimination</strong></td>
<td>• High-quality healthcare with a view to reducing health inequalities, thus requiring investments in health and social infrastructure as well as modernisation, structural transformation and sustainability of health systems</td>
</tr>
<tr>
<td></td>
<td>• Reforms which contribute to improved access to affordable and high-quality services, including the transition from institutional care to community-based and integrated care</td>
</tr>
<tr>
<td><strong>10. Investing in education, training and vocational training for skills and lifelong learning</strong></td>
<td>• Upgrading and adapting the skills and competences of the healthcare workforce, including technological skills and eHealth training</td>
</tr>
<tr>
<td><strong>11. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration</strong></td>
<td>• Capacity building of administrative and systems, including those delivering health and social care</td>
</tr>
</tbody>
</table>

*Thematic Objective*
- Strengthening research, technological development and innovation
- Enhancing access to, and use of quality of, information and communication technologies
- Enhancing the competitiveness of SMEs
- Promoting sustainable and quality employment and supporting labour mobility
- Promoting social inclusion, combating poverty and any discrimination
- Investing in education, training and vocational training for skills and lifelong learning
- Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration
Structural Funds 2014 - 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less developed regions</td>
<td>164.3 billion</td>
</tr>
<tr>
<td>Transition regions</td>
<td>31.7 billion</td>
</tr>
<tr>
<td>More developed regions</td>
<td>49.5 billion</td>
</tr>
</tbody>
</table>
Opportunities in France

France: €15.85b
ESIF 2014-2020 budget allocation for **France**: 
€15.85 billion

**State of play:**
- **In 2012:** the EC issued **Position Papers for each Member State** giving the Commission’s views on the main challenges and funding priorities for 2014-2020.
- **In Aug. 2014:** Member States must present their **National Partnership Agreement** (PA) to the EC for adoption. PAs assess needs and define priorities of the country. They contain selected thematic objectives, and for each of them, a summary of expected results and corresponding budget.
- **Jan. 2015:** In parallel, Member States must develop their **Operational Programmes** (OP) for adoption by the EC. OPs present the detailed national and regional priorities.

France submitted its Partnership Agreement to the EC on 14 January 2014

- **Jan. 2015:** The first projects funded by the ESIF should not be implemented before January 2015.
3. Horizon 2020
Horizon 2020 Opportunities for eHealth

• **What is H2020?** Horizon 2020 (H2020) is the new EU funding instrument for *research and innovation* for the period 2014-2020.

• **What is new?** H2020 merges the 2 previous funding instruments: the Research Framework Programme (e.g. FP7) and the Competitiveness and Innovation Programme (CIP). The objective of the merge is to focus on research with a *real market potential* and to *simplify* the application processes for participants through a single instrument.

• **Budget:** The total budget for Horizon 2020 is EUR 79 billion.
### Horizon 2020 Opportunities for eHealth

H2020 focuses on 3 main priority areas:

<table>
<thead>
<tr>
<th>Main priority axes</th>
<th>Specific objectives</th>
</tr>
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<tbody>
<tr>
<td>1. Excellent Science</td>
<td>- to support the EU’s position as a world leader in science</td>
</tr>
<tr>
<td>2. Industrial leadership</td>
<td>- to secure industrial leadership in innovation</td>
</tr>
<tr>
<td>3. Societal challenges (SC)</td>
<td>- to address major concerns shared by all Europeans</td>
</tr>
</tbody>
</table>

#### 1. Excellent Science
- **Leadership in enabling and industrial technologies (LEIT)** - to provide dedicated support for research, standardisation, certification, development and demonstration on key-enabling technologies, such as ICT, nanotechnology, advanced materials, biotechnology, advanced manufacturing and processing, space
- Access to risk finance
- Innovation in SMEs

#### 2. Industrial leadership
- Leadership in enabling and industrial technologies (LEIT) - to provide dedicated support for research, standardisation, certification, development and demonstration on key-enabling technologies, such as ICT, nanotechnology, advanced materials, biotechnology, advanced manufacturing and processing, space
- Access to risk finance
- Innovation in SMEs

#### 3. Societal challenges (SC)
- **Health, demographic change and well-being**
- Food quality, safety and security, sustainable agriculture and forestry, marine and maritime research and bio-based industries
- Secure, clean and efficient energy
- Smart, green and integrated transport and mobility
- Climate action, environment, resource efficiency and sustainable use of raw materials
- Understanding Europe in a changing world - inclusive, innovative and reflective society
- Secure societies - Protecting freedom and security of Europe and its citizens
Horizon 2020
Opportunities for eHealth

Out of the total budget of EUR 79 billion for H2020:

• €7.44 billion will be allocated for health, demographic and well-being under the priority “Societal Challenges”
• **Within this budget for health research, €1.11 billion is reserved for eHealth and ICT for ageing**
• **eHealth can also be funded under other H2020 components**, especially within the objective “Leadership in enabling and industrial technologies” (LEIT) under the priority “Industrial Leadership” which includes ICT
• The 1st calls for proposals are open since 11 December 2013 with a total budget of €15 billion over 2 years
Horizon 2020
Opportunities for eHealth

Horizon 2020
€79 billion in total

Health:
€7.44 billion

eHealth and ICT for ageing:
€1.1 billion

Societal challenges:
€29.55 billion

IMI 2:
€1.725 billion
Horizon 2020
Opportunities for eHealth

• 1st calls for proposals open since December 2013 with a total budget of EUR 15 billion over 2 years.

• The calls are divided into areas including:
  – Personalising Health and Care (PHC)
  – **ICT 2014 - Information and Communications Technologies” (ICT)**
  – Health Coordination Activities (HCO)
  – Nanotechnologies, Advanced Materials and Production (NMP)
4. Connecting Europe Facility
CEF is a new financial instrument created to fund transnational infrastructures in three sectors: transport, energy and telecommunications.

- **eHealth is part of the telecommunications sector**

Total budget for CEF 2014-2020 is EUR 29.3 billion

- **EUR 1 billion allocated to the telecommunications sector**
The share of the budget dedicated to eHealth will be decided on a yearly basis through annual work programmes. **1st call for proposals/tenders planned in April 2015.**

4 services to be funded:
1. Cross border services to exchange data (**patient summary**)  
2. Cross border **e-prescription**  
3. eHealth services for **European Reference Networks**  
4. Infrastructure services for European **Patient registries**

eHealth services to be funded by CEF need to respond to 4 criteria:
- Contribution to the single market  
- Maturity of the solution (**post pilot phase**) → **most important**  
- Sustainability (service should be self sustainable within mid-long term)  
- Compliance with agreed standards/specifications
Efforts developed by COCIR
COCIR strategy on eHealth

EU Hub

Support national and regional deployment
A- EU Hub Focus

- Connections with European Commission
- Intelligence, Knowledge on future regulations (EU and beyond) and financing tools accessible at EU level
- Competence in activities such as interoperability, Big Data, etc at EU and global level
• Countries at focus on eHealth:
  – France
  – Spain

• Countries linked to SF efforts (based on successful pilot in Poland in June 2013):
  – Poland
  – Romania
  – Croatia
  – Hungary
Analysis developed for COCIR members
COCIR practical guide on structural funds for beneficiaries

To be released in April 2014

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