Invest4Health information brief

Broadening sources of finance for health promotion and disease prevention

1. WHAT IS SMART CAPACITATING INVESTMENT?

Smart Capacitating Investment (SCI) involves **unconventional** investments, **financial or non-financial**, in health promotion and disease prevention. These investments may consist of **new resources or resources reallocated** towards enhancing health promotion and disease prevention. All forms of SCI aim to enhance individual and community capacity for healthier behaviours, address health determinants, and promote **sustainable change** while **reducing health inequalities**.

The implementation of Smart Capacitating Investment (SCI) for health promotion and disease prevention follows seven key steps, each outlined in a dedicated briefing.

Scan to find all briefs

1. WHAT IS SMART CAPACITATING INVESTMENT?
2. HOW TO DEFINE THE HEALTH PROBLEM AND CHOOSE THE RIGHT INTERVENTION
3. HOW TO BUILD CROSS-SECTORAL ALLIANCES
4. CONNECTING WHAT PARTNERS VALUE TO OUTCOMES WORTH INVESTING IN
5. ATTRACTING & ENGAGING INVESTORS
6. MEASURING IMPACT & DEMONSTRATING VALUE
7. HOW TO SCALE AND SUSTAIN SCI

Purpose of this brief

This brief introduces Smart Capacitating Investment (SCI) as a novel approach to financing health promotion and disease prevention. It explains why current funding systems fall short, how SCI reframes health and social spending as long-term investment, and why this matters for sustainable health, equity, and prosperity.

What you wil learn

By the end of this brief, you will understand:

- Why health promotion and disease prevention should be seen as strategic investments.
- What Smart Capacitating Investment means and how it differs from traditional funding.
- How Smart Capacitating Investment models combine financial and non-financial investments to build capacity and equity.
- Real-world examples that illustrate the potential of Smart Capacitating Investment in action.

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Concepts and rationale

Health promotion improves population well-being by addressing the social, economic, and environmental determinants that shape it — such as education, employment, housing, and community infrastructure. Good health, in turn, drives productivity, inclusion, and social stability.

Yet Europe's health and social systems face mounting pressures: ageing populations, rising chronic disease, climate change, migration, and growing expectations from citizens. The result is rising care demand, overstretched budgets, and a less robust safety net. According to the European Commission's 2024 Ageing Report, preventing illness and enabling healthy ageing significantly reduce future care needs and boost growth potential.[1,2]

Despite clear evidence of value — with prevention showing a median return of €14 for every €1 invested,[3] only about 3% of health budgets in the EU are spent on prevention and public health, compared to over 65% for curative care.[4,5] Even though the share of GDP spent on prevention rose briefly during COVID-19, largely due to vaccine purchases, expenditure has since declined again, leaving prevention persistently underfunded.

The World Health Organization has expanded the list of 'NCD best buys', supporting governments to select lifesaving interventions and policies for the world's biggest killers, noncommunicable diseases.

Interventions offered include taxes and bans on advertising for tobacco and alcohol, reformulation policies for healthier food and drinks and the promotion and support of optimal breastfeeding practices. Smart Capacitating Investment (SCI) builds on this logic - using financial and non-*financial* mechanisms to channel resources into high-impact measures building the capacity of individuals, communities, and systems to sustain health and equity over time.[6]

The definition of Smart Capacitating Investment

Smart Capacitating Investment (SCI) involves **unconventional** investments, financial or non-financial, in health promotion and disease prevention. These investments may consist of new resources or resources reallocated towards enhancing health promotion and disease prevention. All forms of SCI aim to enhance individual and community capacity for healthier behaviours, address health determinants, and promote **sustainable change** while **reducing health inequalities**.

An explanatory image helps illustrate how Smart Capacitating Investment models fall into two broad categories: financial and non-financial. While financial models mobilise capital to deliver measurable social and economic value, non-financial models strengthen the social fabric and build capacity for long-term change. Both are essential and complementary in transforming health promotion and disease prevention.

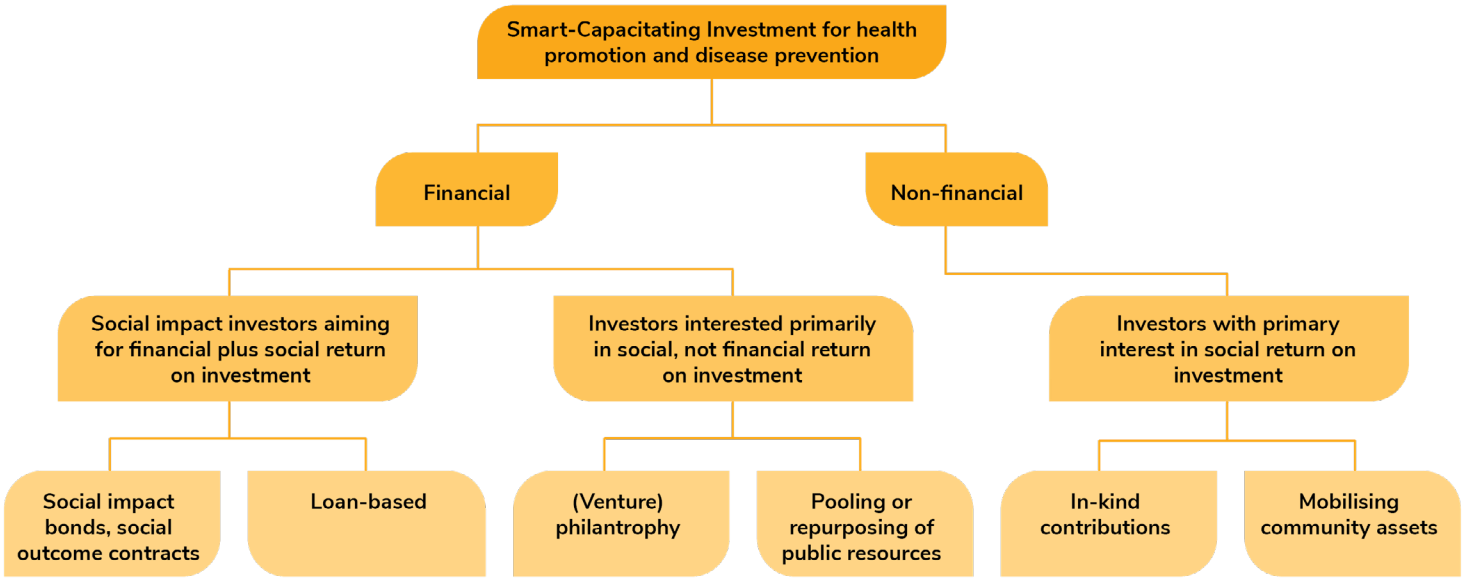

Image : Classification of SCI models, adapted from Rutten-van Mölken, M., Whiteley, H., Babarczy, B. et al. (2025)

Financial Smart Capacitating Investment

These approaches mobilise financial resources to deliver both social and economic value. They can be grouped by their primary motivation:

A. Financial return with social impact

- Outcome-based contracts (Social Impact Bonds/Social Outcomes Contracts): Investors provide upfront capital, repaid only if outcomes are achieved.
- Loan-based models: Institutions like the European Investment Bank (EIB) or Council of Europe Development Bank (CEB) lend to governments or regions for social infrastructure and innovation.

B. Social impact primarily, with financial return

- Philanthropic innovation: Foundations or philanthropists fund initiatives, such as Portugal's Social Prescribing Network, supported by a private foundation.
- Pooling of resources: Government departments pool budgets across sectors (health, housing, education) to address shared goals.

Non-financial Smart Capacitating Investment

These models do not generate financial returns but create high social value through trust, networks, and shared responsibility. Example: in-kind contributions or mobilising community assets (e.g. social prescribing, where communities pool time, skills, and spaces).

Practical steps to apply SCI

Implementing SCI requires rethinking how resources are mobilised, allocated, and outcomes measured. Rather than a linear process, these steps are interconnected and may be revisited as your initiative develops.

Key steps correspond to the briefs on the next page.

Find all Invest4Health briefs at eurohealthnet.eu/i4h-briefs

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Brief 1. Assess readiness and context

- Reflect on your organisation's readiness to adopt new ways of working, including cross-sector collaboration, outcome-oriented approaches, and new financing mechanisms.
- Consider potential ethical risks - for example, whether introducing new financing mechanisms could unintentionally increase inequalities or shift accountability away from the public sector.

Brief 2. Clarify the problem and choose the right intervention

- Clearly describe the social or health issue, its root causes, and the desired long-term outcomes (e.g. youth mental health, healthy ageing).
- Frame prevention and health promotion as investments that generate multiple forms of value and return for multiple actors (e.g. economic, social, environmental).
- Ensure an equity focus by prioritising underserved populations and avoid perverse incentives (e.g. focusing only on easy-to-measure results).

Brief 3. Build alliances and partnerships

- Identify and engage together stakeholders within and across sectors (health, finance, social care, education, and beyond).
- Clarify what each partner stands to gain and how contributions (financial or non-financial) will be recognised.
- Anticipate and mitigate conflicting priorities and power imbalances between public, private, and community actors.

Brief 4. Connect what partners value to outcomes worth investing in

- Analyse what motivates each stakeholder and how value, risks, and responsibilities are distributed.
- Translate shared goals into aligned incentives and define how different actors contribute and benefit.
- Explore suitable financing approaches and governance arrangements, ensuring transparency and ethical safeguards.

Brief 5. Develop the investment model and mobilise resources

- Identify the most suitable investor types for your initiative - public institutions, private impact investors, philanthropic organisations, or blended finance platforms.
- Clarify how resources will flow, how outcomes will be rewarded, and how risks will be shared.
- Build a credible investment case by making value explicit for different stakeholders and potential investors.

Brief 6. Demonstrate and build the case

- Define indicators, data sources, and monitoring systems to track progress and outcomes over time.
- Generate evidence on health, social, and economic impacts, including value for money.
- Use results to strengthen accountability, improve implementation, and support continued or increased funding.

Brief 7. Scale and sustain impact

- Integrate successful approaches into mainstream policies, budgets and institutional practices.

Strengthen organisational and system capacity to replicate, adapt, and expand effective models.

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Real-world examples

ABC for Mental Health - Denmark	Chances - UK	Hémisphère Fund - France
• Type: Primary prevention, whole population • Commissioner: 25 municipalities • Investment model: Venture philanthropy, pooled public resources • What it does: Promotes mental health via awareness campaigns, professional/volunteer training, and community activities like walking groups and kitchens. • Impact: Built community capacity, and showed mental health promotion can be delivered beyond the health sector.	• Type: Primary prevention, vulnerable youth • Commissioner: Government Department for Culture, Media and Sport; Local Councils • Investment model: Social Impact Bond (SIB) • What it does: Supports people not in employment, education or training (NEETs), school-excluded youth, and offenders through sport, learning, and volunteering. Investors are repaid if outcomes like school attendance and employment are achieved. • Impact: Improved engagement among high-risk youth and demonstrated prevention in education and justice can be investable.	• Type: Primary prevention, high-risk individuals • Commissioner: French Ministry of Housing and Ministry of Home Affairs • Investment model: SIB + bank loan • What it does: Renovated 62 hotels into housing and social support for homeless people and refugees. • Impact: Provided stable housing, linked to health and social services, and reduced pressure on emergency shelters.

Check EuroHealthNet Guide for Financing Prevention and Health Promotion for more detailed case studies.

Is SCI the right approach for you?

Before engaging in Smart Capacitating Investment (SCI), organisations and regions should reflect on their readiness to adopt new governance mechanisms, business models, and financing approaches for disease prevention and health promotion. SCI represents a shift from *funding activities* to *investing in outcomes*, requiring coordinated transformation across policy, organisational, and delivery levels.

Adopting SCI means rethinking how resources are mobilised, partnerships are formed, and success is measured. It calls for systems that can plan, finance, deliver, and evaluate prevention-oriented interventions in an ethical, collaborative, and evidence-based way. Not every organisation or country will be ready to take this step immediately. Assessing existing capacities, barriers, and areas for development helps ensure that SCI leads to sustainable, equitable, and measurable improvements in population health.

One useful way to explore this readiness is through the SCIROCCO self-assessment tool originally developed to support the scaling of integrated care across Europe. In the Invest4Health context, the model has been adapted to help a group of diverse stakeholders to reflect on the "implementation readiness" of local ecosystems to design, develop, and scale SCI approaches. The tool assesses twelve dimensions, including governance, financing, stakeholder engagement, service design, and digital infrastructure, helping regions identify strengths, gaps, and priority areas for action before embarking on SCI initiatives.

An example of the visual output created with the SCIROCCO self-assessment tool

Key messages and next steps

- **Health promotion is a high-return investment, not just a discretionary cost.**
- **Smart Capacitating Investment mobilises both money and social capital to build lasting capacity for health.**
- **SCI approaches align incentives within and across sectors, focusing on outcomes that matter for people and communities.**
- **SCI approaches have many forms but there is a process which can be followed to establish a new investment. Read the following briefs for more insight.**

If you are exploring how to strengthen or mobilise financing for prevention and health promotion and would value personalised support, please contact us.

Further reading

- Rutten-van Mölken, M., Whiteley, H., Babarczy, B. et al. Broadening sources of finance for health promotion and disease prevention: Smart capacitating investment. Eur J Health Econ (2025).
- The EuroHealthNet Health Inequalities portal - https://health-inequalities.eu/
- European Commission (2024). Ageing Report 2024.
- WHO (2021). Saving lives, spending less: the case for investing in noncommunicable disease prevention.
- OECD (2023). Health at a Glance: Europe.
- Council of Europe Development Bank (CEB). Social Infrastructure Investment in Europe.

See also:

The EuroHealthNet

Guide for Financing Prevention and Health Promotion

www.financing-guide.eurohealthnet.eu

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About Invest4Health

The Invest4Health project developed alternative business and finance models for health promotion and disease prevention, including new ways of creating value, financing, governing, collaborating, and scaling. Together, the seven briefs aim to support policymakers, practitioners, and investors in understanding and applying Smart Capacitating Investment (SCI) to expand prevention and strengthen population health.

Read more about the project on www.invest4health.eu.

About these briefs

These briefs were developed under the Invest4Health project. Each dedicated briefing sets out the seven steps of implementing Smart Capacitating Investment (SCI) for health promotion and disease prevention.

Up next: **Brief 2** - How to define the health problem and choose the right intervention

Find all Invest4Health briefs at eurohealthnet.eu/i4h-briefs

References

1 European Commission. 2024 Ageing Report: Economic & Budgetary Projections for the EU Member States (2022-2070). (2024).

2 EuroHealthNet Policy Briefing on healthy ageing on EPSR principle 18: 'An effective approach to the implementation of the European Long-Term Care Strategy' (April 2025)

3 Masters, R., Anwar, E., Collins, B., et al. Return on investment of public health interventions: a systematic review. J Epidemiol Community Health 71(8), 827-834 (2017).

4 Stanaway, J.D., Afshin, A., Gakidou, E., et al. Global, regional, and national comparative risk assessment of 84 behavioural, environmental and occupational, and metabolic risks or clusters of risks for 195 countries and territories, 1990-2017: a systematic analysis for the Global Burden of Disease Study 2017. The Lancet 392(10159), 1923-1994 (2018).

5 European Commission (2023). State of Health in the EU – Companion Report

6 Rutten-van Mölken, M., Whiteley, H., Babarczy, B. et al. Broadening sources of finance for health promotion and disease prevention: Smart capacitating investment. Eur J Health Econ (2025).

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