
Analysis of the Multiannual Financial Framework 2021- 2027 from a health and health equity perspective



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Executive Summary

Earlier this year, the European Commission (EC) proposed priorities and direction for the next EU long-term budget - *the Multiannual Financial Framework* - for the period 2021-2027. A total of 1,135 EUR billion is proposed, equivalent to 1.11% of the EU Gross National Income (GNI). This is an increase on the previous figure of 1.1%, but comparable to the current period given new responsibilities and inflation.

With this series of dedicated briefs related to the next EU budget and its specific programmes, EuroHealthNet analyses the fitness of the next Multiannual Financial Framework from a health and health equity perspective. It examines health-related budgetary allocations and suggests areas for improvement, in part guided by the European Pillar of Social Rights (EPSR)¹.

Health is an enabler of social and economic participation and it is therefore imperative to address key factors that undermine people's opportunities for good health and wellbeing.

Under a total of seven clusters put forward, some new and continued mechanisms hold potential to have an impact on a wide range of key determinants of health. There are widespread differences between and within EU countries in financing health and social systems. The diversity of EU-funding offers support in areas where investments are poor.

Public health professionals and policy-makers at national, regional, and local levels should

consider how different EU funding can support comprehensive preventative and health promotion measures, actions and projects - within and outside the scope of healthcare - to best reach and benefit European citizens.

Under the Cohesion and Values cluster, our analysis shows there is promise of greater coherence for increased strategic impact on the ground. We welcome the fact that the funds and priorities are linked to the implementation of the EPSR and the European Semester² process. We are concerned about the lack of detail on the governance of the process. Proposed budget cuts and co-financing rates are also of concern.

We analysed the new ESF+ programme, which includes the EaSI (€761m) and Health (€413m) strands; the Common Provisions Regulation; the European Rural Development Fund/Cohesion Fund; Rights and Values; Erasmus+; and European Solidarity Corps programmes. Our briefs question the adequacy of total or 'earmarked' resources, lack of detail to assess potential impacts of the funds across social gradients, and how exactly the EC's intention of 'health in all funds' and closer links to communities and local contexts will be ensured.

Under the Single Market, Innovation and Digital cluster, we examine the Horizon Europe (€7.7bn for health), the InvestEU (€4bn for social investment and skills), the Digital Europe and the Single Market (€1.6 bn, or 41% of €4bn

¹ The European Pillar of Social Rights is about delivering new and more effective rights for citizens. It has three categories: (1) Equal opportunities (2) Fair working conditions and (3) Social protection and inclusion. It includes the right to timely access affordable, preventive and curative health care of good quality

² The European Semester is the EU annual cycle of economic policy co-ordination. For more information visit: https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester_en

for health) programmes. While the programmes would dedicate substantial funds to various health-related activities, it will be essential to ensure that they support a ‘health in all funds’ agenda. Health and social benefits should be fully embedded throughout the decision-making process. Sustainable funding for innovative solutions that reduce health inequalities is crucial. Social innovation and research must be placed on an equal footing to technological and industrial innovation. We underline that technologies, competition and return on investment should support, rather than drive, the development and sustainability of health and social systems. The desire to connect public and private financing is cautiously welcomed, if carefully monitored. It must not, however, reduce the public responsibility of national, regional, and local authorities to adequately fund health and social sectors.

Under the Natural Resources and Environment cluster, we focused on the Common Agricultural Policy (CAP) and the Organisation of the Agricultural Markets. We stress that to justify financial support to European farming sector, it is crucial to better align it with national and local priorities for environmental, health, and social policies. To this end, a public health, outcome-guided disinvestment approach to agricultural and environmental subsidies must be implemented. Increased support should be given to environmental friendly, health promoting agricultural practices and products, including the EU School Fruit Scheme.

Last but not least, we analysed **the Structural Reform programme proposal** that aims to help EU Member States design and implement institutional and structural reforms that are

EU HEALTH BUDGET FOR THE FUTURE

A STRONG HEALTH DIMENSION IN THE FUTURE EU BUDGET

Health-related resources will be part of the budget of several priority areas: social protection, research and innovation, the digitisation of society, cohesion and global responsibility. Health policies will get EU funding through various mechanisms, mainly:

- Protecting citizens**: ESF+, Horizon Europe, rescEU
- Medical research and innovation**: Horizon Europe, ERDF, Digital Europe
- Reform healthcare systems**: ESF+, Horizon Europe
- Health Infrastructure**: ERDF, Digital Europe
- Health Digital Transformation**: Digital Europe, Horizon Europe, ESF+

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closely linked to the annual cycle of the European Semester. Here, we suggest greater coherence between reforming economic and social policies, including healthcare and preventative systems, alongside addressing health- and health equity-related implementation deficits of the Semester process, in particular at national and local levels.

The European Social Fund Plus (ESF+) through a health equity lens

Introduction

The new European Social Fund+ (ESF+) aims to put into practice the **European Pillar of Social Rights** (EPSR). It is intended as an ‘evolution’, a ‘new and improved version’, of the existing ESF and “*will be the main financial instrument to strengthen Europe’s social dimension*”³. It is

Total proposed budget for European Social Fund+ 2021-2027 = **€100 billion**
this includes:

- Employment and Social Innovation (EaSI) strand: **€761 million**
- Health strand: **€413 million**

This represents:

- A 7.6% increase in total ESF spending compared to the previous period (2014-2020)
- A 6.6% cut to the EaSI programme
- A 8% cut to health

EaSI spending per person per year:

- current period: c.€0.23
- next period c.€0.25*

Health spending per person per year:

- current period: c.€0.13
- next period c.€0.13*

planned that member states will allocate at least **25%** of **ESF+** funding to programmes which foster **social inclusion** and sets a **4%** target for support for the **most vulnerable**.

ESF+ merges of the existing ESF, the **Youth Employment Initiative** (YEI), the **Fund for Aid to the Most Deprived** (FEAD), the EU programme for **Employment and Social Innovation** (EaSI) and the **EU Health Programme**. It is hoped that the ESF+ will operate alongside other funds, such as **Erasmus**, **ERDF/CF**, **InvestEU**, or **Horizon Europe** in a more complementary fashion than previously, aiming to overcome the current fragmentation of funding instruments in the social policy arena.

EuroHealthNet Reaction

We welcome the establishment of the new **ESF+ guided by the Social Pillar**. The wider social determinants – the conditions in which we are born, grow, live, work and age – play a crucial role in determining people’s health and well-being. Health is highly valued among EU citizens. It is important to reduce unjust and avoidable health inequalities experienced within and between EU member states through a mix of complementary initiatives apt to address wide determinants of health and inequity in an innovative and prevention-centered way.

Our Recommendations

► **Address inequalities** by focusing on leveling up social gradients and drive towards a more **preventative** health systems framework. Amplifying the impact of ‘investing in people and social cohesion’ requires prioritising equal opportunities for all, tackling discrimination and addressing inequalities of opportunity and

³ EU Budget for the Future: European Social Fund Plus & European Globalisation Adjustment Fund. Accessed on

07/08/2018 from https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-social-globalisation-funds_en.pdf

outcome including in health, long-term and community-based care. **Increase the proposed allocation to social inclusion to 30% of the ESF+.**

► **Leverage resources needed for the future of good health while clarifying principles, methodology and transparency of working in partnerships.** The ESF+ rightly recognises the added value of EU cooperation and increased policy synergies for addressing health determinants. Investing in integrated, sustainable multisectoral actions for advancing upward economic and social resilience and convergence can unlock additional opportunities for multiple gains, but transparent evidence across communities is vital. To this end, combining the ESF+ with other relevant funds should be enabled (as indeed outlined in the Common Provisions Regulation).

► **Propose concrete governance structures for new EaSI and Health strands:** Proposed public health interventions lack the necessary detail to assess potential impact across social gradients. It remains to be seen whether and how adequate governance structures will be implemented – in particular coordination and leadership are of concern. While annual investment overall may remain stable and despite a total ESF+ envelope increase, these two strands face real cuts (6-8%)⁴ – putting their adequate, tangible and timely impact into jeopardy. Adequate and realistic levels of

funding, balanced by reducing outdated health-harmful funds, will be needed.

► **Clarify to what extent the ESF+ will prioritise more preventative, structural and social innovations in public health.** Clearer assessment of how the ESF+'s proposed "mainstream effective preventative models" will reduce health and social inequalities on the ground and go beyond individual approaches are crucial.

► **Align ESF+ Performance Indicators with the Social Scoreboard, strongly linking them to the European Semester,** especially those which focus on equal opportunities, social protection and inclusion are crucial and must remain central to addressing living conditions and poverty, early childhood development and care, and social policy impacts on health and equity outcome gains.

⁴ EaSI: current period app. 815 million/7 yrs to next period app. 761 million/7 yrs = 6.6% cut; Health: current period app. 449 million/7 yrs to next period app. 413 million/7 yrs = 8% cut

*At current prices. EaSI and health spending will decrease as funds will go to other areas. Spending per person will increase assuming a population decrease following Brexit. *We reached the annual spending per person figures by dividing the current and proposed budgets by 7 years (the length of the budget period), then by the number of citizens in the EU. For the period 2021 -2027, a population of 443m citizens is assumed (current population minus UK population).*

Research and Innovation programme through a health equity lens

Introduction

Horizon Europe is the EU's long-term research and innovation funding programme, intended to build on the existing 'Horizon 2020', and to drive economic growth and create jobs. **€100 billion** will be invested between 2021 and 2027 with the explicit aims of helping the EU to compete globally and preserving its 'unique social model'. It has ambitious goals including improving the daily lives of Europeans and solving some of society's biggest challenges.

- Total proposed Budget = **€100 billion** (€97.6 billion under Horizon Europe, €3.5 billion of which will be allocated under InvestEU, and €2.4 billion for the Euratom Research and Training Programme).
- Previous budget 2014-20 = €77 billion
- €7.7 billion for 'Health' cluster
- €2.8 billion for 'Inclusive and Secure Society' cluster
- €15 billion for 'Climate, Energy and Mobility' cluster
- €10 billion for 'Food and Natural Resources' cluster

Key facets of the previous programme are retained, including the European Research Council and Marie Skłodowska-Curie fellowships and exchanges, and will be combined with new aspects including a 'European Innovation Council', EU-wide R&I missions, an 'Open Science' modus operandi, a new generation of partnerships and, crucially, simpler, more streamlined rules. The programme will be delivered through three pillars: Open Science; Global Challenges and Industrial Competitiveness; and Open Innovation.⁵

EuroHealthNet Response

EuroHealthNet welcomes the proposals and their premise that Horizon Europe must deliver on citizen's priorities and enable solutions that address challenges in a more systemic way. We commend the proposal's strong focus on health within Pillar II 'Global Challenges and Industrial Competitiveness' and as a theme that appears in the other clusters, where actions will also impact strongly on health and health inequities. We are pleased that the proposal places the lack of sound health promotion and disease prevention, the rise of non-communicable diseases, and the persistence of health inequalities at the top of the list of the major health challenges facing the EU. These complex challenges cannot be addressed by health systems alone. They are interlinked, global in nature, and require

⁵ Factsheet: EU Budget for the future – Horizon Europe. Accessed 20/08/2018 from:

https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-research-innovation_en.pdf

multidisciplinary, cross-sectoral and transnational collaborations.

Our Recommendations

► **Links must be made between the clusters on 'health' and on 'inclusive and secure society',** which aims to generate action leading to 'social and economic transformation'. The proposal, under the health cluster, calls for actions that 'render health systems accessible, cost-effective, resilient, sustainable and trusted and designed to reduce health inequalities'.

► **Social innovation must be placed on an equal footing to technological and industrial innovation,** with a greater emphasis placed on the social dimension of health and well-being. The measures that are financed should address health and social challenges in ways that subsequently boost productivity and competitiveness. It is important to ensure that technologies support, rather than drive, the development of health systems.

► **The design and implementation of HorizonEurope must prioritise measures that truly address core challenges in a systemic way.** Focus on population-based approaches rather than person-centred technology offers a more cost-effective solution.

► **Budgets proposed for the health strand** (€7.7 billion) do not reflect its lofty ambitions: We are concerned that the budget for health under the proposal is almost 1% lower than under Horizon2020. This is worrying, given that Horizon2020 itself was cut by more than €10 billion from the time of its proposal to its establishment.



The InvestEU Programme through a health equity lens

Introduction

The **InvestEU programme** is intended to unify the range of EU financial Instruments currently in existence, including the European Fund for Strategic Investment (EFSI), building on the Juncker's 'Investment plan for Europe', which was launched in 2014. It is aimed at mobilising public private partnerships linked to major strategic investments such as the Digital Europe Programme.

InvestEU is envisioned as being more policy driven than previous initiatives, focusing on priority areas under four broad policy headings – infrastructure; research and innovation; small and medium-sized enterprises; and social, skills and human capital

EuroHealthNet Reaction

EuroHealthNet welcomes the proposed InvestEU Programme and EFSI evaluation. This initiative now comprises a dedicated window on social investment and skills, including health, education, and housing, with potential to help reduce inequalities and stimulate appropriate leadership from investors and health stakeholders. The allocated €4 billion, and the budget to support capacity-building and locally-oriented technical assistance, are welcome. The desire to connect public and private finance is cautiously welcomed, if carefully monitored. **InvestEU** represents an opportunity for the EU to prioritise social

measures, including health promotion and facilitate sustainable funding to reduce health inequalities. It must however not reduce the public responsibility of state authorities to adequately fund social and health sectors.

Our Recommendations

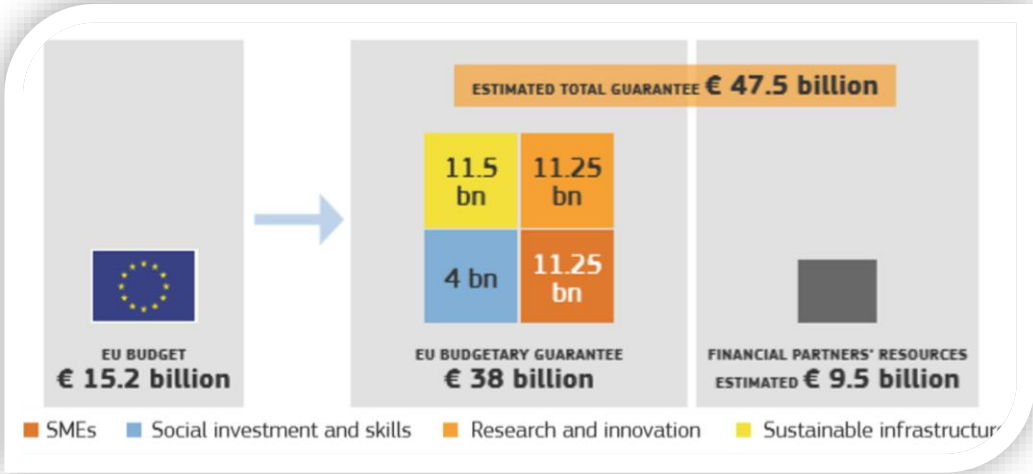
► **A 'health in all finances' agenda and integrated governance would help to fully embed health benefits throughout decision-making.** The need for new and innovative financial tools to reduce health inequalities is clear. A recent systematic review found that for every €1 spent on health promotion €14 was returned to the economy⁶. Integrated approaches are the most efficient way to address social, economic, and environmental determinants of health and related inequalities. Smart EU investment should be linked to achieving the Sustainable Development Goals and implementing the European Pillar of Social Rights.

► **The idea of a Social Europe should underpin InvestEU to encourage quality social infrastructure projects that reduce health inequalities.** The main objective of InvestEU should be on developing and funding quality projects that deliver high impact in terms of health and equity. The European Structural and Investment Funds only started this work with their emphasis on innovation and value of funded projects. Invest EU must continue this effort. It would signify the real added value of an EU guarantee. For health promotion a key concern is sustainability of funding and a need to maintain access to different types and sources of funding. InvestEU could intervene by underwriting projects/access to funds that

⁶ Masters, R. et al (2017), Return on investment of public health interventions: a systematic review, *Journal of Epidemiology & Community Health* (DOI: 10.1136/jech-2016-208141).

have a long-term impact on the quality of life of citizens within member states.

► **Capacity building is most needed within the social and public health sector.** So, while we welcome the increase in the capacity building budget, we are also insistent that this budget be reserved to build capacity amongst the social and health providers first. We know from our members experiences that the biggest challenge in obtaining investment is how to take an innovative and beneficial project and make it suitable to investors. As such, a significant part of the dedicated capacity building budget must be used to directly build capacity within the social and public health sectors. The benefits will be twofold: a potential stable flow of quality projects that support people at local and regional level, and the establishment of an attractive proposition for investors to become involved in making a social Europe for all.



Digital Europe Programme through a health equity lens

Introduction

Digital Europe is a new programme and part of the 'Single Market, Innovation and Digital' chapter of the EU's long-term budget proposal. Its main objective is to shape Europe's digital transformation to the benefit of citizens and businesses.

In creating what it calls the 'first ever' Digital Europe Programme, the European Commission is proposing to invest **€9.2 billion**⁷ with the aim of aligning the next long-term EU budget 2021-2027 with increasing digital challenges. The programme is intended to boost the EU's international competitiveness and will focus on performance computing, artificial intelligence, cybersecurity, and advanced digital skills and ensuring wide use of digital technologies.

Digital Europe is a **new programme**, with a proposed budget of €9.2 billion 2021-27.

Digital Europe has five 'focus areas':

- Supercomputing;
- Artificial Intelligence;
- Cybersecurity and Trust;
- Advanced digital skills; and
- Ensuring the wide use of digital technologies across the economy and society.

EuroHealthNet Reaction

EuroHealthNet believes that digital technologies offer new opportunities to transform health systems, including new approaches to personalised prevention and promotion, treatments and care, accelerated scientific progress for early diagnosis, and prevention of diseases. However, there are significant risks of inequitable implementation including safety, access, effectiveness, and authority.

Our Recommendations

► **Be cautious with Artificial Intelligence (AI).** AI can be an effective support for health and care services, but should not replace human inputs, which are necessary for optimum health and wellbeing, in particular mental health.

EuroHealthNet has reservations regarding the risks of the overly rapid creation of "a Common European Data space...open to public and private sector." (Annex 1, p. 1). Digital health is characterised by many global and non-health actors where motivations behind innovations are often related to profit rather than altruistic public health impact⁸. Effective, accountable safeguards for individual privacy must be guaranteed.

► **Be holistic concerning Cybersecurity and trust.** Focus on cybersecurity and building trust is welcome; however, a holistic view on

⁷ Source: Factsheet: Digital Transformation 2021-27. Accessed 20/08/2018 from https://ec.europa.eu/commission/sites/beta-political/files/budget-june2018-digital-transformation_en.pdf

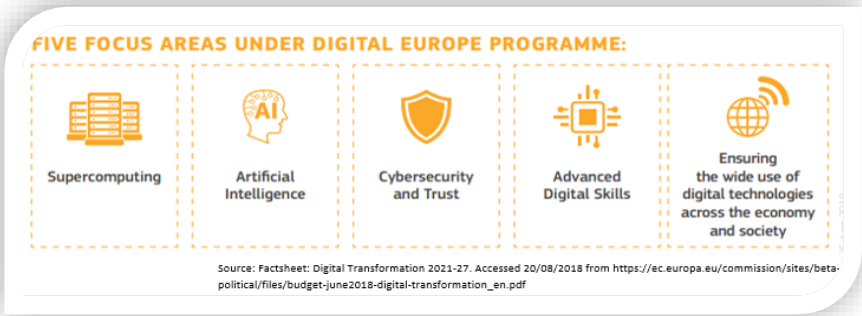
⁸ EuroHealthNet Policy Précis on mHealth: https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP_mHealth_web_version.pdf

cybersecurity is needed. It is inevitably no stronger than the weakest link. The proposed member state co-investment model may result in significant variations in effectiveness, as well as widen gaps between Member States and regions.

► **Ensure literacy in Advanced digital skills.**

Digitising the public sphere, including the health and care sector, risks widening health inequalities by limiting access to health systems, especially amongst older people. It is important to look beyond those ‘immediate’ digital skills referenced in the proposal to consider the public need for improved health literacy in general, which will reduce health inequalities. It is regrettable that the EC Communication on the ‘Transformation of Health and Care in the Digital Single Market’ has no mention of digital nor health literacy - **we call on the EU Institutions to prioritise this.**

► **Ensure accessibility in Interoperability and digitising the public sector.** To ensure wholesale uptake of digital services, accessibility should be placed at the centre, not only in the sense of remoteness but also in respect of socio-economic conditions, capacities, and capabilities.



Reform Support Programme (European Semester) through a health equity lens

Introduction

The Reform Support Programme (RSP) was established to help member states design and implement institutional, administrative and structural reforms that are closely linked to European Semester priorities and to encourage the effective use of EU funds available in this area.

It is comprised of three different elements: a Reform Delivery Tool, to provide financial support to implement reforms identified in the context of the Semester; a Technical Support Instrument, providing technical expertise; and a Convergence Facility, to assist Member States seeking to join the Eurozone.

Reform Support Programme (€25bn)
The Reform Delivery Tool (€22bn)
Technical Support (€840m)
Convergence Facility (€2.16bn)

Source: Factsheet: Reform Support Programme⁹

It is intended that the RSP build on the experience of the ongoing **Structural Reform Support Programme**, which itself has a budget of €142.8 million over the years 2017-2020.

EuroHealthNet Reaction

EuroHealthNet recognises that structural reforms at the national level can be mutually beneficial for both member states and the EU. Health system transformation to more preventative and community-based services and strengthened primary care is key. Upwards economic and social convergence through inclusive growth across the EU has a positive impact on citizens' health and wellbeing. The European Semester can be an important mechanism to address the commonly identified Member States' needs, including in social and health systems areas, guided by the European Pillar of Social Rights.

Our Recommendations

► **Avoid silo-thinking. Align social and economic policies.** Beyond targeting a range of key economic and social factors, the support programme should recognise the interdependency of those factors. This requires an integrated whole of government, whole of society approach.

► **Use a diverse range of experts to increase innovative approaches.** The Programme should diversify the range of experts used across disciplines to avoid silo thinking in design and reforms' implementation. Public health and health promotion specialists are indispensable aspect to health and social systems' reforms.

⁹ https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-reform-support-programme_en.pdf

► **Address health-related implementation deficits of the reform programmes at national level.** Efforts to support implementation of the Semester's Country Specific Recommendations should be increased. Long-term care and health advice are the least implemented aspects of the Semester¹⁰. Long-term planning and support are essential given tangible health and social gains are often subject to a substantial input-outcome time delay.

► **Focus on few but consistent recommendations.** It is important to address targeted attention to fewer and more consistent structural challenges. It is also necessary to recognise that sustainable implementation and evaluation is often a long-term process.

► **Address differences in member state capacity and process of reform management.** The capacity to cope with administration, manage the reform's process, and ensure coherence differs greatly across member states and should be considered in planning for 'levelling up' and support. It should maximise impacts and minimise administrative burdens.

► **Use EU-wide learning and exchange, but respect local and context-specific diversities.** Cooperation is valuable for public health and social equity ends but diversities must be respected for effective implementation of structural reforms.

¹⁰ Commission Communication on the Country Specific Recommendations 2018:
<https://ec.europa.eu/info/sites/info/files/2018-european->

[semestercountry-specific-recommendation-commission-recommendation-communication-en.pdf](https://ec.europa.eu/info/sites/info/files/2018-european-semestercountry-specific-recommendation-commission-recommendation-communication-en.pdf)

Common Provisions Regulation (CPR) through a health equity lens

Introduction

The new Common Provisions Regulation (CPR) relating to the European Regional Development Fund (ERDF), the European Social Fund+ (ESF+), and the Cohesion Fund (CF) is an attempt to modernise EU Cohesion Policy, setting out common provisions for seven shared management funds (in addition to the ones above: the European Maritime and Fisheries Fund, the Asylum and Migration Fund, the Internal Security Fund, and the Border Management and Visa Instrument). It does not apply to the EaSI and Health strands within ESF+.

The proposal for a **Common Provisions Regulation (CPR)** will set out common rules for seven shared management funds, including the European Regional Development Fund, the Cohesion Fund, and the European Social Fund+ (not the EaSI and Health strands)

The ESF+ EaSI and Health strands will be regulated through a mix of other funds-specific mechanisms

For effective and efficient implementation of the funds horizontal and thematic ‘enabling conditions’ are proposed.

Community-led local development, maximum of co-financing rate of 70%, and support towards the shift from institutional to community-based care (‘deinstitutionalisation’ principle)

This represents an expansion of the existing mechanism, with the inclusion of more funds than previously, which is designed to facilitate synergies and to reduce red tape for authorities dealing with one or multiple funds. Joint support from and transfer of resources between funds will be possible. At the same time, it is proposed that the programmes will be aligned more closely with EU priorities, which would further enhance their effectiveness. The proposed regulations prioritise the implementation of the **European Pillar of Social Rights** through targeted actions and a strengthened link with the **European Semester** process.

EuroHealthNet Reaction

EuroHealthNet welcomes the aims to simplify, assure predictability, and flexibility for funds’ beneficiaries. EuroHealthNet believes that rules and guidelines outlined in the CPR can benefit the programme’s design and delivery, through better focus on health and social equity as well as advancement of preventative approaches.

Our Recommendations

► **Promote horizontal principles on eliminating inequalities and non-discrimination, promoting gender equality, accessibility for persons with disabilities in all CPR MFF regulations.** Use funds to advance, not undermine all human rights. These principles should guide the preparation and implementation of the programmes. The Funds should not support actions that contribute to any form of segregation, including in health and social services.

► **More ambitious objectives related to reducing inequalities, advancing social inclusion and sustainability.** The objectives of the Funds

should be pursued in the framework of sustainable and integrated development, implementing the EPSR and achieving the Sustainable Development Goals. A smarter Europe benefits from social and health research and innovation for health equity alongside preventative approaches. A greener Europe invests in anti-pollution measures of sound health and social impact. A more connected Europe transitions to smart public and active transport infrastructures. A more social Europe should invest in people and communities they live in, and in social and health infrastructure that improves health equity and prevents diseases.

► **Strong emphasis on shared management and partnership.** The principle of partnership builds on the multi-level governance approach and offers space for the involvement of civil society and social partners, regional, local, urban, and public authorities promoting health equity and social inclusion. Diverging from increasing national co-financing, multi-stakeholder and cross-sector participation offers better sustainability and ownership prospects.

► **Enabling conditions and national co-financing.** From a public health perspective, it will be essential for EU member states implementing interventions prioritised under the ERDF, the ESF+, and the CF to be integrated and aligned with national strategic policy frameworks for social inclusion and poverty reduction, and strategic policy frameworks for health, where health equity, preventative and inter-sectoral approaches are central. Economic recovery has not yet benefited all socio-economic groups and regions. The negative impacts of financial, and economic crises on EU Member State public spending in areas vital to social and economic

determinants of health are still felt by many. Therefore, the CPR returning co-financing rates to previous levels with a 70% cap for less developed regions is inadequate. It risks reversing essential investment levels in underdeveloped areas, excluding public bodies and organisations unable to meet the co-financing requirement.

European Development Fund and Cohesion Fund through a health equity lens

Introduction

The new **European Regional Development Fund** (ERDF) and **Cohesion Fund** (CF) aim to offer a more streamlined and flexible framework for cohesion policy, with the goal of simplifying

ERDF/CF priorities:

A **Smarter Europe**, through innovation, digitisation, economic transformation and support to small and medium-sized businesses

A **Greener, carbon free Europe**, implementing the Paris Agreement and investing in energy transition, renewables and the fight against climate change

A more **Connected Europe**, with strategic transport and digital networks

A more **Social Europe**, delivering on the European Pillar of Social Rights and supporting quality employment, education, skills, social inclusion and equal access to healthcare

A **Europe closer to citizens**, by supporting locally-led development strategies and sustainable urban development across the EU

the number of rules and regulations to create a more agile arrangement, better able to respond to unforeseen events.

The total proposed budget for 2021-27 (Cohesion Fund and ERDF combined) is €273 billion¹¹.

EuroHealthNet Reaction

EuroHealthNet welcomes the proposal for the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) to continue investments in reducing regional disparities and underdevelopment across Europe, respecting the principles of the European Pillar of Social Rights (EPSR).

The new ERDF/CF can benefit less developed regions, marginalised communities and disadvantaged groups by focusing on contributing to a more social and healthier, greener, and interconnected Europe by promoting social inclusion, and combating poverty and inequality.

Our Recommendations

► **Increase the proposed 35% of ERDF funds and 15% of CF funds for objectives contributing to a more inclusive, connected and sustainable Europe.** The current proposals do not go far enough in meeting the EU's ambition of addressing regional and local development gaps, including in health and well-being.

► **Promote horizontal principles on eliminating inequalities and discrimination, including gender equality, and accessibility for persons with disabilities through the Country Specific Recommendations and all Funds specific**

¹¹ Factsheet: EU Budget for the Future – Regional Development and Cohesion. Accessed 09/08/2018 from https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-new-framework-glance_en.pdf

regulations. Such principles should also guide the shift from institutional to community-based care.

► **Adopt a ‘Beyond-GDP’ approach to the funds’ allocation and possibility to combine funds.**

Moving beyond a GDP per capita model of allocation will better capture local demographic needs. To this end, the proposed performance, output, and result indicators should be reviewed, respecting the EPSR’s principles and Social Scoreboard.

► **Regions and localities must have a say in the European Semester.**

Regions must be involved throughout the process with clearly defined national-regional responsibilities and independence. How best to reap the benefits of linking the Funds with implementation of the European Semester’s recommendations requires further debate as health equity, multi-level authorities’, and civil society’s capacity to meaningfully engage in these processes are still poor.

► **Align the ERDF and the CF budgetary allocations with wider disinvestment approach to the tobacco and fossil fuels industries,** and the Global UN Agenda 2030 for Sustainable Development, in line with EU and international commitments and public health targets.

Internal Market and Competition through a health equity lens

Introduction

The new Single Market initiative is a dedicated programme designed to protect consumers and encourage the growth of small and medium-sized enterprises (SMEs). It is intended to bring together different activities and focus investment in an efficient manner.

The European Commission is proposing a budget of **€4 billion** (for 2021-2027) for the Single Market Programme.¹²

EuroHealthNet Reaction

EuroHealthNet welcomes the proposal for the new EU Single Market Programme. A well-functioning EU internal market, guided by principles of good governance and commitment to social equity, can advance rights and enhance health and wellbeing. Wellbeing and cohesion are EU Treaty objectives, and EU citizens value their health as a priority¹³. As such, it is essential to ensure EU internal market policies put population health on an equal level as economic and competitiveness considerations.

With its specific focus on food, the new programme can help improve access to and availability of high quality and sustainably produced food – ultimately advancing people’s health and well-being across a social gradient and life course. Furthermore, it can support pro-health public procurement practice, better evidence-based policy making, contributing to

The Single Market programme envisages allocating 41% of its €4 billion to health-related initiatives.

The programme will focus on:

- Food Safety (support the sustainable food production and consumption)
- Protecting Consumers (products’ safety and guidelines)
- Competitiveness (support uptake of innovation, address societal challenges, link to InvestEU)
- An effective Single Market (competition in digital economy, public procurement)
- European Statistics (funding to national statistics institutes for the production and dissemination of high-quality statistics to monitor the economic, social, environmental and territorial situation; data supporting the EPSR)
- Effective Standards

the monitoring of the implementation of the European Pillar of Social Rights.

¹² Factsheet: The Single Market Beyond 2020. Accessed 13th September 2018: https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-single-market-beyond-2020_en.pdf

¹³ Special Eurobarometer 471 “Fairness, inequality and inter-generational mobility”. 98% of respondents consider good health as essential or important for good life. Accessed on 21 June 2018 from http://europa.eu/rapid/press-release_IP-18-3427_en.htm

Our Recommendations

► **Improve food systems' sustainability and keep up high standards on food safety.**

Protecting the rights and health of European consumers, the environment is essential. Enforcements must be effective, efficient, and equitable. Maintaining high food safety standards can also improve the nutritional quality of the entire food supply chain.

► **Embed healthy choices within system:** The proposal includes educational initiatives to make consumers aware of their rights and benefits of the EU Single Market. To promote healthy dietary practices, choices should be facilitated by extended coherence with wider systems arrangements, procurement practice, including health-harming product regulations and duties.

► **Improve health cooperation in the EU and tackle inequality.** The tool supports the EU and Member States collaboration in areas related to the many determinants of health subject to EU internal market forces. Whilst recognising that better competition and choice have potential to improve health of individuals, its 'unintended' impact on aggravating health inequalities at population level should be considered. The programme's boost for increasing digital transformation of the EU Single Market must also be inequality-proofed.

► **High-quality European statistics.** The proposal calls for improved data reporting, including regional and local information, to encourage and strengthen quality, evidence-based decision making. This data should be disaggregated with socio-economic indicators and equity-responsive. It must support the European Pillar of Social Rights and the Union Skills Policy.

European Solidarity Corps through a health equity lens

Introduction

The **European Solidarity Corps (ESC)**, launched in 2016, is the EU initiative which creates opportunities for young people (aged 17-30) to volunteer or work in projects at home or abroad with the objective of benefitting communities and people around Europe. The aim is to give young people the chance to take part in a range of solidarity activities that address challenging situations across the EU and abroad through volunteering, traineeships, and jobs. Participation is intended to benefit the individual participant, but also to help communities in need and engender a sense of European solidarity.

As of mid-2018, the ESC was granted its own budget with €375.6 million allocated (to end 2020) to facilitate the participation of 100,000 young people. For 2021-27, the total budget will be €1.26 billion, which is intended to support at least 350,000 participants¹⁴. The ESC is the successor scheme to the European Voluntary Service, which provided placements for over 50,000 young people from its establishment in 1996¹⁵.

2021-27 total budget = **€1.26 billion** - to support *at least* **350,000** participants

Potential to address disadvantage and inequality of opportunities

¹⁴Factsheet: EU Budget for the future: European Solidarity Corps beyond 2020. Accessed 21/08/2018 from: https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-solidarity-corps-beyond-2020_en.pdf

EuroHealthNet Reaction

We cautiously welcome the proposed support to the European Solidarity Corps. The ESC will create opportunities for young people and has the potential to improve health and well-being, however, it needs to be carefully managed to ensure it is equitable and reaps tangible benefits. The promotion of health and health equity is inextricably linked to the notion of solidarity. It requires collaboration with those less able to acquire good levels of health and wellbeing, and partnership with young people in designing engagement. Health and social work are fields in which young people, with a wide range of backgrounds and skills can provide valuable support, not only developing solidarity with those in need, but also equipping young people with skills which will help them into employment.

Our Recommendations ► **The programme should not be to the detriment of otherwise good and effective projects**, such as Employment and Social Investment (EaSI) and the Erasmus+. The recent MFF proposals represent an imbalanced attention to Erasmus+ and ESC vis-à-vis the EaSI and the Health strands, both of which play important roles in achieving similar objectives from a life course perspective.

► **The ESC should not become an ‘elite club’** whereby only the best university students are picked as interns for career progression. In addition, the Corps should avoid contributing to the ‘Generation Intern’ problem which is

¹⁵The impact of the European Voluntary Service: http://ec.europa.eu/assets/eac/youth/tools/documents/evs-impact_en.pdf

associated with poor career development prospects.

► **The specific focus is to build EU solidarity.**

Addressing poverty and social inclusion, whilst avoiding overlap with existing tools, should be a key priority both in the training and treatment, and in the work of the volunteers.

► **The ESC should take care to avoid inadvertently exploiting young people.** It may grant valuable and exciting opportunities to young people and could help to alleviate the suffering of many Europeans. It cannot, however, replace work or allow organisations to offer low-quality working and living conditions under the guise of the scheme.

► **The ESC will require alignment of national internship and volunteering laws to be effective,** offering significant opportunities for cross-border placements, helping to foster European values, language skills and dialogues, cultural understanding, and strengthening the social fabric of the EU.

Erasmus Plus through a health equity lens

Introduction

Launched in 1987, Erasmus is the EU's programme to support education, training, youth and sport across Europe, enabling Europeans to study, train, volunteer and gain professional experience abroad - 9 Million people have taken part in the programme since its inception.

In the new MFF, the European Commission is proposing to double the budget for 2021-27 to €30 billion (vs €14.7 billion for 2014-2020), to

2021-27 budget = **€30 billion** vs €14.7 billion for 2014-2020) (104% increase), including €550 million for actions in the field of sport and physical activity

9m people have taken part in the Erasmus programme (1987-present). It is hoped that the budgetary increase will facilitate a further **12m** participants across 2021-27

Erasmus students have better employability prospects long-term, being half as likely to experience unemployment five years after graduation than their peers.

After an Erasmus exchange, 83% of higher education students feel more European

Source: Erasmus Impact Study (2016)¹⁶

¹⁶ Erasmus Impact study 2016. Accessed: [here](#)

¹⁷ Factsheet: Investing in People – making Erasmus even better. Accessed 20/08/2018 from: https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-erasmusplus_en.pdf

facilitate the participation of 12 million people across the budget period (vs 4 million 2014-2020). In addition to the significant increase in budget, the new Erasmus+ programme aims to be simpler and more accessible to those with

fewer opportunities and to small grassroots organisations. It aims to offer more effective support for 'education, training, youth and sport, to include the creation of a European Education Area by 2025'.¹⁷

EuroHealthNet Reaction

EuroHealthNet welcomes the proposed Erasmus Plus Programme (2021-2027) and believes it can play a valuable role in reducing health inequalities by reducing social and economic exclusion and vulnerabilities. It is well-documented that the individual and societal costs of exclusion are high, particularly for younger people. Youth unemployment and inactivity is not only an issue of national expenditure, but one of public health. Young 'NEETS' (people not in employment, education nor training) are at risk of marginalisation and exclusion, with unemployed people typically experiencing lower psychological well-being, lower self-esteem, and poorer life satisfaction¹⁸.

Our Recommendations

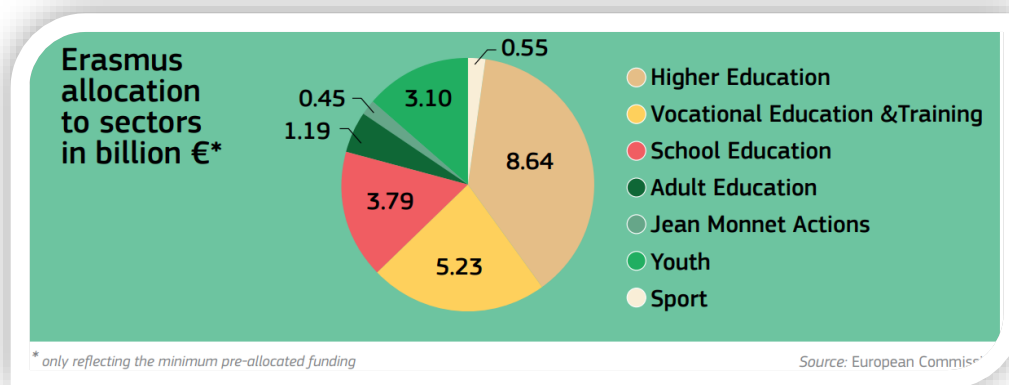
► **Take Caution regarding exploitation of young and vulnerable people.** Article 2 of the proposal covers informal learning, which is defined as "learning resulting from daily activities and experiences which is not organised or structured in terms of objectives, time or learning support. It may be unintentional from

¹⁸Beling, A. (2011) Unemployment, Mental Health and Well-being in Youth (University of Maastricht)

their learner’s perspective”. This definition increases the risk of exploitation through low quality and unpaid work. The clear purpose of the programme must be *measurable* vocational development which benefits the learner.

► **Find the balance between quality and quantity.** While the aspiration to increase participation is welcome, there is a risk that the programme’s influence will be diluted due to the large increase in numbers. The aim should be proportionate universalism: access for all combined with smart targeting towards the least advantaged.

► **Recognise the life cycle approach.** While the Programme could better address concerns around health inequalities and social exclusion and vulnerabilities, it should enhance, not reduce, other effective programmes building on the EaSI and Health Programmes in ESF+. In this context, the proposal to more than double the size of Erasmus+ appears imbalanced, disproportionately favouring it over other worthy programmes.



Rights and values programme through a health equity lens

Introduction

The EU's new Rights and Values Programme is intended to fund actions to protect and promote rights and values as enshrined in the EU Treaties. With the aim of promoting common European values and rights, several instruments are combined: The Rights, Equality and Citizenship programme, the Europe for Citizens programme, and the Justice programme, all of which have a strong societal focus and an alignment with European Values. The total budget for the 'Justice, Rights and Values Fund' (2021-27) is proposed at €947 million, with the Rights and Values Programme allocated €642 million and the remaining €305 million for the Justice Programme. The overall allocation is described as 'roughly equivalent' to the previous period budget allocation¹⁹.

The programme has 3 specific objectives:

To promote equality and rights (Equality and rights strand)

To promote citizens engagement and participation in the democratic life of the union (Citizen's engagement and participation strand)

To fight violence (Daphne strand)

EuroHealthNet Reaction

EuroHealthNet welcomes the proposed Rights and Values Programme's aim to fund actions to protect and promote rights and values as enshrined in the EU Treaties. The concepts of equality, non-discrimination, and human rights are at the heart of EuroHealthNet's work.

Differences in the conditions in which people are born, grow, live, work and age give rise to inequalities in health. The more favourable a person's social circumstances in terms of e.g. income or education level, the better their chance of enjoying good health and a longer life, leading to a 'social gradient in health'. Health is an enabler of social and economic participation in daily life and it is therefore imperative to tackle the key underlying factors that undermine people's right to good health, like lower resource and income levels, education levels, lack of social and family support, an unhealthy living environment and limited access to preventative care.

Our Recommendations

► A key approach to strengthening all EU citizen's right to health and to reducing health inequalities is the application of the '**principle of proportionate universalism**' to ensure that universal services are resourced and delivered at a scale and intensity proportionate to the degree of need.

► **The Programme should encourage actions that improve conditions in early childhood**, since health inequities often manifest

¹⁹ Factsheet: EU Justice, Rights and Values Fund. Accessed 20/08/2018 from: http://europa.eu/rapid/press-release_MEMO-18-3975_en.htm

themselves in early life and have adverse life-long consequences.

► **The Programme should focus on tackling discrimination** amongst marginalised and socially excluded groups (for instance migrants, young ‘NEETs’, older people) who may face high levels of explicit and implicit discrimination, with grave consequences to their health.

► **Integration across policy areas.** The Rights and Values Programme offers a welcome opportunity to **redress injustice**, through investments that can tackle harmful cultural and social norms, discrimination, stigma, and other barriers to good health and wellbeing. It is vital that the provisions of the Programme are also integrated in key EU policies and programmes like ESF+, HorizonEurope and InvestEU, and not least those linked to the implementation of the European Pillar of Social Rights and the UN Sustainable Development Goals.

Common Agricultural Policy through a health equity lens

Introduction

Financial support given to EU farming amounts to a large part of the EU budget (currently 38%) and affects how and what kinds of agricultural goods are produced and consumed in the EU. Inevitably, it also impacts on environmental conditions, public health and levels of poverty and social exclusion in the EU.

For the 2021-27 MFF period, the European Commission is proposing a total CAP budget of €365 billion, representing just less than 1/3 of the total budget (vs 2014-20 €408.31 billion, 38%). The traditional division between the two

For 2021-27, the CAP budget is proposed to be €365 billion – just under one third of the total EU budget.

This compares to a 2014-20 CAP budget of €408.31 billion (38%)

EU School Fruit and Vegetables Scheme will see a cut in annual spending - down to €130 million per year from approximately €150 million/year

Rural development policy will contribute to the diversification of the rural economy and the delivery of the Cork 2.0 Declaration for “A Better Life in Rural Areas”

pillars of direct support for farmers/market measures and rural development remains the same, with Member States having the option to transfer up to 15% of their CAP allocations between the two. An additional €10 billion is being made available through the EU’s HorizonEurope research programme to support innovation in food, agriculture and rural development²⁰.

EuroHealthNet Reaction

EuroHealthNet believes that to justify CAP dominance within the EU budget, it is crucial to align spending guidelines with national and local priorities in other areas to ensure these funds contribute to *overall* population well-being.

Recent evidence has indicated that substantial changes in European and global food systems over the last decades have resulted in profound negative impacts on public health, ranging from food insecurity to diet-related chronic and noncommunicable diseases, and from environmental degradation to the decline of rural areas²¹. These impacts are experienced unequally across the EU, between and within member states, and between different population groups.

Our Recommendations

EuroHealthNet recommends three central measures to improve the alignment between the EU’s objectives and strategies in farming and rural development and those in the area of the environment, social policy and health:

²⁰ Factsheet – EU Budget: The CAP After 2020. Accessed 20/08/2018 from https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-modernising-cap_en.pdf

²¹ Unravelling the food health nexus (2017). Publication of the Global Alliance for the Future of Food. Accessed on 23/08/2018

from: <https://futureoffood.org/unravelling-the-food-health-nexus/#>

► **Encourage targeted support to small and family farms and less developed areas to strengthen the socio-economic fabric of rural livelihoods as well as more sustainable food production and consumption.** Funds should promote ecological approaches as well as social inclusion, fight deprivation in rural areas, and ensure access to sufficient, safe, nutritious food

► **Conditionality criteria on socio-economic conditions, environmental and climate change factors should be strengthened to better reflect food systems' impact on health and social equity outcomes.** Compliance with higher sustainability standards on environment/climate protection, prudent use of antibiotics in food production, ensuring bio- and diet-diversity should be better regulated and enforced, since the links between these areas and agriculture are well established.

► **EU policy should further support locally-led development strategies, and empower local authorities, civil society actors and other relevant actors in the disbursement and management of funds.** This should extend to providing support and capacity building to facilitate meaningful engagement and systematic.

Common organisation of agricultural markets through a health equity lens

Introduction

The proposed amending regulation on the rules of the Common Organisation of the Markets in Agricultural Products is intended to outline provisions related to certain sectoral interventions.

Although the Common Agricultural Policy (CAP) cannot improve public health outcomes on its own, the system of subsidies plays an important role in shaping the food demand-

For 2021-27, the CAP budget is proposed to be €365 billion – just under one third of the total EU budget. This compares to a 2014-20 CAP budget of €408.31 billion (38%)

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Rural development policy will contribute to the diversification of the rural economy and the delivery of Cork 2.0 declaration for ‘A better Life in Rural Areas’.

supply chain

EuroHealthNet Reaction

EU financial support given to the EU farming sector takes a big slice of the EU budget and affects how and what kinds of agricultural goods are produced and consumed in the EU. It also impacts on environmental conditions, public health, health inequalities, and levels of poverty and social exclusion in the EU. To justify the use of public money in this area, it is important that spending guidelines are aligned with EU, national and local priorities in these other areas to ensure that these funds contribute to the well-being of EU citizens and people across the world.

The system of subsidies plays an important role in shaping the food demand-supply chain. It is important that EU funds for agricultural production are spent in ways that are coherent with our current understanding of public health needs. This would strengthen broader public support for the policy.

Our Recommendations

► **EU agriculture and the CAP strategic plans at national level must align with state of the art public health evidence.** A removal of tobacco subsidies in the last round of the CAP reforms was a big success for public health. It was a good sign of political will to fix some of inconsistencies between EU farming and health policies. Alcohol, meat and insufficient fruit and vegetables consumption as non-communicable disease risk factors should also be addressed.

► **The CAP should reward farmers that apply ecological and sustainable methods and**

produce commodities that promote health. This can be achieved through financial incentives to farmers and public institutions to produce and procure healthy and sustainable foods

► The Next EU budget under the CAP should sufficiently pay for the EU aid for the supply of fruit and vegetables in educational establishments to contribute to closing the consumption gap. A planned cut in annual spending (down to €130 million per year) for the EU School Fruit scheme is discouraged





EuroHealthNet

EUROPEAN PARTNERSHIP FOR IMPROVING HEALTH, EQUITY & WELLBEING

Our mission is to help build healthier communities and tackle health inequalities within and between European States.

EuroHealthNet is a not-for-profit partnership of organisations, agencies and statutory bodies working on public health, promoting health, preventing disease, and reducing inequalities.

EuroHealthNet supports members' work through policy and project development, knowledge and expertise exchange, research, networking, and communications.

EuroHealthNet's work is spread across three collaborating platforms that focus on practice, policy, and research. Core and cross-cutting activities unite and amplify the partnership's activities.

The partnership is made up of members, associate members, and observers. It is governed by a General Council and Executive Board.

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