



The European Semester – a tool to embed health, equity, and wellbeing across the EU

Report Roundtable discussion

The succession of recent economic, climate and health crises, along with the war in Ukraine, has amplified the existing and longstanding challenges faced by the European Union. EU institutions and countries are strategising and negotiating best ways forward to tackle these interrelated challenges. Arguably, for this to happen, the European Semester is more relevant than ever as a key EU-level process of socio-economic policy coordination. It can help mitigate these crises while promoting health, equity, and wellbeing by aiding countries to instigate the necessary investments and reforms.

Since 2015, EuroHealthNet has analysed the Semester annually through its health equity lens as we explore investments and reforms across key areas that influence a wide range of the determinants of health. Our work has assessed the extent of the Semester process to uncover the contribution it has made towards contributing to more equitable, resilient, and 'better' societies.

Ultimately, we want the **European Semester to contribute to attaining Wellbeing Economies**, moving towards economic models that benefit both people and the planet whilst ensuring human dignity and fairness.

In April 2023, hosted by **MEP István Ujhelyi** at the European Parliament, **EuroHealthNet organised a roundtable discussion** to discuss this potential. The event was attended by over 120 EU and national stakeholders.

Panellists and speakers:

István Ujhelyi, Member of the European Parliament, Progressive Alliance of Socialists and Democrats, Hungary

Caroline Costongs, Director, EuroHealthNet

Taru Koivisto, Deputy Director General, Ministry of Social Affairs and Health, Finland

Vania Putatti, Policy Coordinator, EuroHealthNet

Laura Shields-Zeeman, Director, Public Mental Health, Trimbos Institute, the Netherlands; Professor of Population Mental Health, Utrecht University

Sarojini Longueville, Senior Economist, Agence Pour Une Vie De Qualité, Belgium

Juliana Wahlgren, Director, European Anti-Poverty Network

Samuele Tonello, Research Coordinator, EuroHealthNet

Lieven De Raedt, Strategic Advisor, International Relations, Belgian Federal Public Service Health, Food Chain Safety and Environment

Dirk Van Den Steen, Deputy Head of Unit, Performance of National Health Systems, DG Health & Food Safety/European Commission (DG SANTE)

Federico Lucidi, Deputy Head of Unit, European Semester and Social rights, DG Employment, Social Affairs & Inclusion/European Commission (DG EMPL)

The European Semester and health equity

Europe is currently in a state of polycrisis, dealing with the aftermath of the pandemic, ongoing climate crisis, war at its borders, demographic changes, and equity challenges arising from them. As the understanding of the underlying causes of these issues continue to grow, it becomes crucial to consider what actions the EU should take to effectively tackle them, particularly in view of the 2024 European Parliament elections and EU institutional renewal.

MEP István Ujhelyi (S&D) and Caroline Costongs (Director, EuroHealthNet) opened the meeting with a clear message: **health and social equity must be further embedded as key components of the EU political agenda with the European Semester presenting an ideal opportunity to do so.**

The European Semester is a crucial instrument at EU level, not only because it guides economic development in EU countries, but also due to its potential to shape fundamental determinants of societal wellbeing, cohesion, and progress. Born out of necessity in the face of multiple continuous emergencies, it has demonstrated the ability to adapt to the multiple crises and to reflect the evolving priorities of the EU, including its commitment to the [EU social targets](#).

The EU facilitated the push towards a more competitive and sustainable economy by linking the Semester to other initiatives, such as the [European Pillar of Social Rights](#) and its [Social Scoreboard](#), as well as funding mechanisms, such as the [Recovery and Resilience Facility](#) as described by **Federico Lucidi (DG EMPL)**. Today, it revolves around **four core dimensions: fairness, productivity, environment, and macroeconomic stability**, while setting out climate goals to ensure the green transition is carried out in a fair way.

From the health and healthcare perspective, the Semester has been looking to link productivity, resilience, and inclusion. Dirk Van Den Steen (DG SANTE) argues that health considerations are now further embedded within the various Semester outcomes.

Over the years, the European Semester has made progress in promoting stronger social and health sectors within the EU, striving to establish "an economy that works for the people and the planet." **Nevertheless, further action is clearly required.**

EuroHealthNet has long been at the forefront of advocating for EU policy and decision-makers to embrace a holistic systems approach to health and wellbeing. Today, this approach is still highly relevant, as current, and future crises are interrelated, fuelled by the perpetuation of unsustainable economic models.

The European Semester in a nutshell

The European Semester is a framework of socio-economic coordination within the EU. It involves a yearly cycle of policy coordination, analysis, and dialogue among EU member states, the European Commission, and other EU institutions. The European Semester monitors progress toward economic and social objectives, promotes structural reforms, and steers budget allocation in the EU.



Annual Sustainable Growth Strategy |

Shaping the EU agenda toward an Economy of Wellbeing

To achieve system change innovative governance models are needed. **The Economy of Wellbeing (EoW)** proposes an economic model which benefits people and the planet, while ensuring human dignity and fairness. It strives to go beyond the traditional economic indicators, such as GDP, and integrates wellbeing measures to evaluate the progress of our societies and nations.

The EoW was introduced in Finland in 2012 and reviewed by the **European Council in 2019**. In 2023, Finland has launched an **Action Plan for the Economy of Wellbeing (2023–2025)** to further integrate the model in the country's governance. As described by **Taru Koivisto, deputy director general of the Finnish Ministry of Social Affairs and Health**, the Plan seeks to ensure that "the information describing wellbeing will be used increasingly in the overall governance along with information describing economic and environmental sustainability".



Economy of Wellbeing model

The objective of Finland is to ultimately integrate the EoW into national, regional, and local decision-making for mutual review of different dimensions of sustainability.

Among its core **recommendations**, the Finnish Plan specifically foresees the European Semester, as an overarching socio-economic surveillance tool, to exercise influence within the EU and shift the strategic agenda towards the objectives set out by the EoW model.

From a health equity perspective, a shift toward an EoW enables a more holistic approach to health. EuroHealthNet has continuously advocated for a more central focus of preventative approaches in health delivery, by addressing the social determinants of health through stronger multi-sector actions.

The EuroHealthNet roundtable included experts from various sectors providing a collaborative environment to explore the potential of forward-looking perspectives towards achieving an EoW through the use of the European Semester.

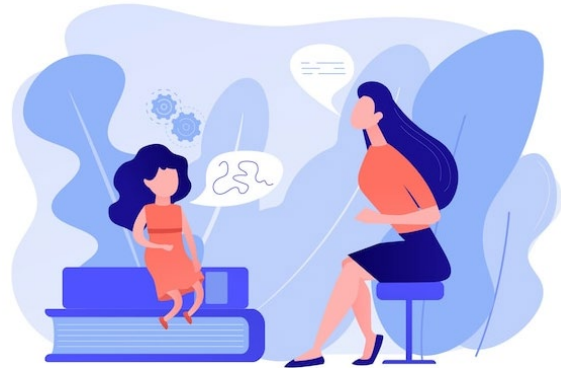
Experts and stakeholders discussed prospects for mental and physical health promotion, for shifting investments to public health and prevention, learnings for addressing poverty and social exclusion, as well as potentially gearing the Semester to more sustainable food systems.

The link between Economy of Wellbeing and the Social Determinants of Health

The Economy of Wellbeing and the Social Determinants of Health are interconnected concepts that recognise the influence of broader social and economic factors on population health outcomes. The Economy of Wellbeing emphasizes the importance of investing in people's wellbeing, promoting cohesion, and addressing inequalities to achieve sustainable and inclusive economic growth. Social determinants of health encompass the conditions in which people are born, grow, live, work, and age, including socio-economic factors, education, employment, and social protection systems. **By addressing social determinants of health through the Economy of Wellbeing approach, policies can aim to create healthier and more equitable societies.**

Promoting mental wellbeing through targeted interventions

The accumulation of recent crises has exacerbated the pre-existing and created new risk factors of poor mental health. **Laura Shields-Zeeman (Trimbos Institute) highlighted the policymakers' tendency to focus on the individual, rather than upstream factors to improve population wellbeing.** Policies aimed at improving mental health should not neglect the socio-economic living and working conditions which lead to poor mental health. Curative and preventive health and social systems should reorganise to target and reach individuals across the life-course by addressing the underlying causes.



The European Semester needs to better guide member states in establishing legislative frameworks integrated into EU overarching and comprehensive mental health strategy. Mental health indicators and assessments should be developed and integrated in the process to allow for better understanding of national challenges, allowing countries to take proactive steps towards better mental wellbeing.

The **EoW** provides **inspiring models** that can address mental health through targeted interventions, whilst simultaneously helping to prevent the initial onset of poor mental health. Actions include the cross-sectoral measures to promote mental wellbeing by creating supportive environments, fostering social cohesion, and reducing inequalities.

What stakeholders have to say on mental health challenges?

Concerns about mental health were widely shared and discussed during the roundtable. In particular, two perspectives emerged:

Young people need targeted interventions

There has been a significant rise in poor mental health among children and young people, necessitating a stronger and distinct approach to address this issue compared to **adult mental health**. Although several post-pandemic efforts have focused on tackling the impacts on children's wellbeing, the **European Semester recommendations have not included children or children's mental health specifically**.

Workplaces settings require minimum standards

Psychosocial risk factors at work have doubled over the past years. Factors such as job quality, work-life balance, social environment, job insecurity and career development, have deteriorated mental health of workers across the EU. This also led the European Parliament, as well as the EESC to call for the introduction of an **EU directive on the topic**. See also EuroHealthNet publication focussing on **psychosocial risk factors affecting to older workers**.

Low investments in public health remain a problem in the EU

An increasing number of investments in the health sector has been directed by the European Semester through various funding programmes. A clear example is the implementation of the Recovery and Resilience Facility, which dedicated 8.6% of the funding to health (€43 billion), changing the nature of, and speeding up health reforms in the European Union.

Distribution of resources is however often unequal within the health sector. EuroHealthNet's analysis of the Semester has consistently revealed underspending in public health over the years. Interviews with public health experts from across the EU, confirmed there is a prevailing tendency to prioritise funding of bio-medical and curative interventions over preventive measures.

In fact, while funding for health care has increased in the Semester context, the scope of the health dimension in other sectors remains limited. The Semester analysis tends to focus its attention on specific fields of the health care sector, leading to a narrow analysis of health systems. This then led to issuing health-related recommendations that tackle health challenges in a fragmented manner, without considering a comprehensive view of health challenges today and in the future.

As illustrated by **Lieven De Raedt (Belgian Federal Public Service Health, Food Chain Safety and Environment Agency)**, following the [2020 Country Specific Recommendations \(CSR\)](#), Belgium dedicated 3.3% of the Recovery and Resilience Funds (RFF) to health. The Belgian RFF plan included funding directed towards digital health, technology supplies and long-term care across the country. **This represented a step forward from the past, however, still not enough and limited to specific aspects of the health care sector.** Other areas, in fact, still remain overlooked. According to the [State of the Health in the EU 2021](#), in Belgium, spending on prevention accounted for 1.6% vs 2.9% EU average.

What does a European Semester recommendation look like?

Each year, the European Commission issues a small number of Country Specific Recommendations (CSR) inquiring member states to tackle key challenges within their national context. In practice, they consist of a brief text providing punctual instructions on the reforms needed to address such challenges. These instructions, however, are backed by [a number of other documents \(e.g.: Country Reports or the Joint Employment Report\)](#) showcasing evidence gathered by the Commission.

The health-related CSR issued by the Commission for Belgium in 2020 reads as follow:

"Reinforce the overall resilience of the health system and ensure the supply of critical medical products."

Cross-sectoral approaches are needed to tackle sedentary lifestyles

The Walloon Public Health Agency (**Agence Pour Une Vie De Qualité - AViQ**) is one of the many agencies in Belgium implementing the RRF plan. One of its concerns is the limited focus on comprehensive, multi-sector approaches through the Semester process. As illustrated by **Sarojini Longueville**, AViQ presented the agency's ongoing efforts in effectively addressing sedentary lifestyles. Sedentary lifestyles and insufficient physical activity are among the [leading risk factors for premature mortality](#), substantially increasing the burden of non-communicable diseases at the detriment of mental health and overall quality of life.

In addition to the lack of adequate funding, **the main challenge in addressing such problems derive from the fact that the underlying causes of sedentary lifestyles lie beyond the jurisdiction of health authorities**. Sectors such as transportation, urban planning, education, environment, tourism, and leisure (among others) have a major impact on the problem, and the lack of cooperation between these and the health sector makes it difficult to address the problem comprehensively.

The European Semester should offer guidance on promoting cross-sectoral collaboration at all levels of governance, breaking down siloed approaches and establishing shared goals that foster synergies among various sectors.

[Inadequate physical activity](#) represents a serious challenge in Belgium, and even worse in Wallonia: in 2018, less than 30% of the Belgian of the adult population met the [WHO recommendations on physical activity](#), with Wallonia performing worse than the rest of the country. Figures also show strong inequalities between genders (35% in men and 26% in women in Belgium, 27% and 15% respectively in Wallonia), and socio-economic groups, with people with the lowest level of education performing three times worse than those with the highest level of education (12% vs 38%).

Poverty needs actions addressing the systemic and historical inequalities

Our socio-economic status is arguably the most important social determinant of health, as it directly influences our capacity to meet (basic) needs. The lower one's position on the socio-economic gradient, the higher the risk of developing poor physical and mental conditions. Poverty represents a serious threat in the EU, with recent crises deepening long-standing challenges, and putting larger population in a permanent risk of becoming poor. The [rapid escalation of the cost of living](#) is affecting people's ability to access essential goods and services, resulting in adverse effects on their nutrition, material deprivation and mental health (among others).



Poverty is a multi-dimensional issue which requires structural solutions and the European Semester, as argued by Juliana Wahlgren (European Anti-Poverty Network), it lacks the ambition necessary to address systemic and historical inequalities in the EU.

The European Semester should strive to promote more inter-sectional approaches in establishing robust social protection schemes. **The EoW model offers a good example,**

allowing the alignment of immediate needs with long-term structural interventions, whilst also addressing the issue of poverty in conjunction with other historical factors that contribute to inequalities. Stronger synergies across EU strategies should also be fostered to ensure that no one is left behind.

Sustainable food systems as an example of a Wellbeing Economy approach

Food systems have a significant impact on the economy as well as on the wellbeing of our societies, as food production, distribution, and consumption are tightly connected to environmental sustainability, societal wellbeing, and individuals' health. Granting the people's access to healthy food can help promote positive long-term health outcomes by preventing non-communicable diseases and contributing to individuals' mental health.

However, as described by Samuele Tonello (Research Coordinator, EuroHealthNet), the current state of food systems is still characterised by intensive agricultural practices, food waste, overconsumption of animal products, significant greenhouse gas emissions, and, overall, based on an unequal economic model where smaller and local actors struggle to compete against bigger and less sustainable industries.



The European Semester could integrate such analysis of food systems sustainability within its process. Following the lessons learned from the introduction of the European Pillar of Social Rights and its [Social Scoreboard](#), a similar **Food System Sustainability Scoreboard** could be put in place. A systemic monitoring process for the sustainability of the food system in the Semester would help monitoring its economic activities, while achieving the climate objectives and contributing to a healthier Europe, achieving a Wellbeing Economy.

Looking ahead

The European Semester has made progress in promoting stronger social and health sectors within the EU. The introduction of the European Pillar of Social Rights, the adoption of a new social narrative and the allocation of an unprecedented amount of funding through the Recovery and Resilience Facility and other programmes, represent concrete steps for the achievement of social, health and sustainability objectives.

However, much more action is still required in order to shift to systems thinking, so that our societies are able to confront and overcome the crises and long-lasting challenges we are facing. The **Economy of Wellbeing** offers a governance model for such systemic approach offering long-term economic sustainability, putting humanity and the planet at the core of our future development. It proposes the integration of holistic approaches to address the **social determinants of health** by tackling environmental threats and challenges in relation to inequalities.

The roundtable brought together different perspectives to explore and raise awareness on the European Semester and to stimulate forward-looking actions toward an Economy of Wellbeing in the EU.

Looking ahead, the European Semester should become more ambitious in its governance by recommending and steering investments and changes toward enabling policies that address systemic challenges of health and social inequalities. Among others, participating experts stressed the need for more attention to be given to:

Health promotion and disease prevention. The scope of health is still too narrow in the Semester, and more attention needs to be given to public health. The prevention area still remains underfunded in many EU countries, as most funding is directed towards curative care.

Poverty and material deprivation. Poverty is a multi-dimensional issue which requires structural solutions. The European Union needs to put stronger efforts in establishing more robust and resilient social protection schemes.

Environmental sustainability. Public health challenges need stronger cross-sectoral collaboration. The Semester should guide member states on promoting cooperation among public health, social equity, and environmental sustainability at all levels of governance.

Sustainable food systems. A transition to a more sustainable food system requires the adoption of systemic approaches that acknowledge the influence that unhealthy food environments have on people and planet.

Mental wellbeing. Mental wellbeing needs targeted interventions throughout the life-course. The increase of psychosocial risk factors of workers, as well as the poor mental health of young people are already an emergency that urge structural responses, ideally rooted in sound legislative EU and national frameworks.

Our vision is for an EU macro-economic framework such as the European Semester to work towards achieving an Economy of Wellbeing, **valuing human capital, social capital, and natural capital alongside economic capital in a balanced manner.** More indicators and disaggregated data would be needed in order to monitor progress along the way.



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