

Achieving the Economy of Wellbeing in the EU – the potential of the European Semester

- **Roundtable discussion report**

15 November 2023, online

Introduction

The Economy of Wellbeing (EoW) or Wellbeing Economy concepts have been gaining significant traction in recent years as promising alternative approaches to economic development, while offering solutions to health and social challenges faced by the European Union (EU)¹. Finland, notably since the **EU Council Conclusions on the Economy of Wellbeing**², pioneered the approach within the EU. This underscores the importance of leveraging EU mechanisms. At the national level, the **Finland's National Action Plan for the Economy of Wellbeing (2023–2025)**³ acknowledges that unlocking the full potential of the EoW needs robust cooperation and political will across various governance levels.

At EU level, the European Semester stands out as the primary governance tool for coordinating economic and social policies among EU Member States (MS). Recognising its potential to drive reforms and investments, EuroHealthNet has been scrutinising the Semester from a health equity and wellbeing perspective since 2011⁴. Through research, advocacy, and collaboration with key stakeholders, EuroHealthNet has been exploring how the Semester can prioritise health and wellbeing, ensure human dignity and social fairness.

On 15 November 2023, EuroHealthNet organised an online roundtable discussion with the objective to delve into the potential synergy between the European Semester and the EoW approach. Hosted by **Veli-Mikko Niemi, the Finnish Permanent Secretary of the Ministry of Social Affairs and Health**, the meeting brought together representatives from the Ministries of Health of Austria, Finland, Lithuania, and Slovakia, alongside officials from the European Commission and engaged stakeholders from across EuroHealthNet's partnership.



List of participants

Finland (host)

- **Veli-Mikko Niemi**, Permanent Secretary, Ministry of Social Affairs and Health
- **Tuulia Rotko**, General Secretary, Ministry of Social Affairs and Health
- **Satu Leino**, Ministerial Adviser, Ministry of Social Affairs and Health
- **Heli Hätönen**, Ministerial Adviser, Ministry of Social Affairs and Health
- **Olli Kärkkäinen**, Chief Specialist in Fiscal Policy, Ministry of Finance, Finland
- **Vertti Kiukas**, Secretary General, Finnish Federation for Social Affairs and Health, SOSTE
- **Satu Korhonen**, Development Manager, Finnish Institute for Health and Welfare
- **Markku Malkamäki**, Senior Specialist, Finnish Institute for Health and Welfare

EuroHealthNet (organiser)

- **Caroline Costongs**, Director, EuroHealthNet
- **Vania Putatti**, Policy Coordinator, EuroHealthNet
- **Anne Wagenführ-Leroy**, Programme Manager, EuroHealthNet
- **Dorota Sienkiewicz**, Policy Manager, EuroHealthNet

Austria

- **Judith delle Grazie**, Head of the Department for Health Promotion and Disease Prevention, Ministry of Health

Lithuania

- **Raimonda Janonienė**, Director of the Department for Strategic Planning, Ministry of Health

Slovakia

- **Daniela Kállayová**, Senior officer, Department of Public Health, Screening and Prevention, Ministry of Health
- **Matej Mišík**, Director General, Institute for Healthcare Analyses

European Commission

- **Dirk Van den Steen**, Deputy Head of Unit, DG SANTE
- **Aurimas Andrulis**, Deputy Head of Unit, Country Desk Finland and Lithuania, DG EMPL
- **Dimtcho Tourdanov**, Country Desk Austria, DG EMPL
- **Ingrida Pucinskaite**, RRF task force Lithuania, SG RECOVER

Norway (observer)

- **Ellinor Major**, Special Adviser Mental Health, Ministry of Health and Care Services
- **Heidi Marie Nilsen**, Senior advisor, Department of Social Determinants of Health, Directorate of Health
- **Kjersti Halvorsen Engeseth**, Senior advisor, Directorate for Health and Social Affairs



The Economy of Wellbeing

Within the EU, Finland stands out as a pioneer in championing the Economy of Wellbeing (EoW), while being a longstanding priority at the national level. In 2023, Finland consolidated this position by adopting a **National Action Plan for the Economy of Wellbeing (2023-2025)**, aimed to improve balanced consideration of social, environmental and economic sustainability, emphasising the integration of wellbeing as a primary consideration in all policy decisions.

The EoW recognises the need to develop and implement a new "*policy orientation and governance approach that places people and their wellbeing at the forefront of policy and decision-making*"⁵. **At its core, it strives to create a more sustainable and equitable society** by addressing people's needs first, creating resilient and productive systems that are able to withstand societal and environmental crises. The EoW challenges a notion of Gross Domestic Product (GDP) as the primary indicator of the general health of the economy. In fact, focusing purely on economic growth can and does come at the cost of the environment, social rights, public health and the wellbeing it should generate and disseminate.

By highlighting the potential of a Wellbeing Economy approach, we can reconcile the needs of national economies and the welfare of society in a more balanced manner. This is reflected in the Finnish government's vision and actions taken, presented and discussed during the roundtable.

An economy that works for the people and the planet

The concept of EoW was first introduced to the EU policy and political discourse through the 2019 Council Conclusions on the Economy of Wellbeing under the Finnish Presidency of the Council of the EU. The Council invited the European Commission "*to propose a new long-term strategy for the Union to succeed the Europe 2020 strategy for growth and jobs, reflecting the Economy of Wellbeing*"⁶. As discussed during the roundtable, although this didn't receive a direct follow-up (the term *Economy of Wellbeing* or similar still does not



Economy of Wellbeing model

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 towards economic and social objectives, promotes structural reforms, and steers budget allocation in the EU.



Annual Sustainable Growth Strategy

appear in any EU strategy), the 2019 von der Leyen Commission put forward a new sustainable growth narrative aimed at reshaping the EU social and economic governance.

In the **Annual Sustainable Growth Strategy 2020**⁷, the European Semester changed in structure and prioritisation, encouraging MS to pursue “a growth strategy focused on promoting competitive sustainability to build an economy that works for people and the planet”. At its core, this new narrative aligns with the EoW approach, employing a progressive approach towards economic growth in an attempt to answer to the long-term challenges faced by the EU.

It was well acknowledged during the roundtable event, that the **process has become more social over the recent years – a term coined the ‘socialisation’ of the European Semester**. This was outlined by various changes in both the issue prioritisation in the EU agenda as well as the funding allocation. At the same time, it was pointed out that the European Semester is a complex mechanism that concerns many indicators and factors.

A deep dive into national contexts

To engage in discussions and explore opportunities for harnessing the European Semester as an introductory tool for the EoW across the EU, EuroHealthNet invited representatives of the Ministries from Finland, Lithuania, Austria, and Slovakia to share their perspectives and experiences regarding both processes.

Finland

The 2019 Council Conclusions on the Economy of Wellbeing emphasised that a stable and sustainable economic policy, coupled with investments in effective welfare measures, are crucial foundations of the EoW. In its intervention, Finland highlighted the importance of building a strong and resilient country amidst global challenges. This involves recognising the intricate relationship between sustainable economy and wellbeing, and the role it plays for education, culture, equality, and non-discrimination.



This is also reflected in Finland’s National **Action Plan for the Economy of Wellbeing (2023-2025)** which sets out five core priorities to strengthen the work on a Wellbeing Economy across policies and different levels of governance:

- Advancing the development of guidance models for the EoW
- Enhancing ways to integrate the wellbeing monitoring into crucial decision-making processes at all levels of governance
- Developing impact assessments for wellbeing frameworks’ implementation
- Promote the EoW at EU level, including through stronger actions in the European Semester for economic policy coordination
- Enhancing efforts to strengthen inclusion across the population

When it comes to the Action Plan’s implementation, Finland highlighted the difficulties associated with its operationalisation, particularly in measuring the impact of wellbeing



policies on both macroeconomic and microeconomic scales. It is necessary to better define such frameworks, and the indicators and data that they use. In this regard, Finland acknowledged the valuable efforts made by the Organisation for Economic Cooperation and Development (OECD) in helping to implement the wellbeing policies. It was also important to stress the added value of collaboration between government ministries, civil society organisations, universities, and research institutions. The overarching objective here was to grasp the interconnections among various societal facets, as exemplified by the challenges presented during the COVID-19 pandemic.

With respect to involvement in the European Semester, a concern was shared about a dominant role played by Ministries of Finance in the process. While it is understandable, given the origins of the process, stronger collaboration and involvement of ministries from other sectors is needed to facilitate a more comprehensive approach that would pay attention to social rights and health therein.

While being a promising governance tool for advancing a Wellbeing Economy, the European Semester should actively contribute to shaping a shared definition of wellbeing more generally, and a Wellbeing Economy in particular. For it playing its coordination role well, it is crucial for Member States to establish a more balanced and harmonised understanding of the fundamental principles guiding a Wellbeing Economy.

Lithuania

The **Lithuanian National Plan for Progress**⁸ emphasises the need to strengthen the health sector as a strategic priority in the Lithuanian agenda. Despite not explicitly using the wellbeing economy term, the Plan encompasses various sectors, reflecting a holistic approach towards wellbeing, acknowledging the link between **sustainable development, innovation, and equal opportunities**. It foresees cross-sectoral collaboration between different ministries and synergies with various funding sources, including with EU programmes.



Lithuania is actively pursuing comprehensive reforms to enhance health services, emergency care, and overall organisational efficiency. Within this context, it recognises the importance of data to **address socioeconomic inequalities in health**. Lithuania also emphasised the need for continuous policy evaluation to address challenges such as **health workforce shortages, demographic shifts, and financial constraints**.

Furthermore, Lithuania highlighted the importance of collaborative efforts at the EU level, potentially through mechanisms like the European Semester, to collectively address challenges faced by the EU as a whole. This includes an acknowledgment of the synergy between health policies and the EoW approaches at both the national and European level, and emphasising the coordinated initiatives to enhance overall social inclusion.



Austria

For more than a decade, Austria has been at the forefront of implementing innovative strategies to enhance health and wellbeing throughout the country. These initiatives prioritise collaboration and participatory methods, seeking to maximize societal benefits via cross-sectoral interventions. Although not explicitly labelled as EoW, these interventions inherently embody principles aligning with the core values of wellbeing and welfare-based economies within Austrian policies.



Two initiatives stand out in Austria's endeavour towards implementing EoW approaches:

- **“Health Targets Austria” (2011 to date)**⁹: “Health Targets Austria” aims at enhancing the healthy life years of all Austrian residents. Its objectives extend beyond healthcare settings, by encompassing actions addressing key health determinants, reducing health inequalities, and promoting sustainable living conditions.
- **Roadmap “Future Health Promotion”**¹⁰: The roadmap aims at enhancing the quality of life, fostering healthy years, and promoting equity for all citizens in Austria. By emphasising citizens’ and other stakeholders’ engagement in policymaking, this initiative reflects a dynamic and participatory approach to shaping the nation's health promotion strategies.

Through various complementary initiatives, Austria positions itself as a leader in implementing EoW approaches, supported by robust participatory practices. The country stands out for promoting health equity, social economies, endorsing healthy food production, reducing emissions, and addressing poverty. Despite these strengths, however, challenges persist in budget negotiations, which are not always favourable to health promotion. The European Semester is recognised by Austria as a tool to overcome the obstacles and enhance overall effectiveness of the health system.

Slovakia

In its efforts to implement EoW approaches, Slovakia has identified **cancer policies as a major public health concern that require support**. Cancer prevention policies show performance gaps and the cancer control plans lack continuity in their implementation.



The economic impact of cancer has become more relevant in Slovakian political discourse, highlighted by the significance of cost-effective prevention and early detection initiatives. Slovakia sees EoW approaches as an avenue to establish a framework that promotes synergies between research, policy, and practice.

Wellbeing Economy approaches suggest a cross-sectoral collaboration as a mechanisms to effectively tackle public health threats. Accordingly, Slovakia’s actions extended beyond the treatment of cancer and equally prioritised addressing health determinants. This inclusive strategy also emphasises mental and emotional wellbeing of individuals and their families



who are affected by cancer. The integration of robust social support systems and community engagement are pivotal within EoW models, as they significantly contribute to creating a supportive environment for those grappling with the challenges of cancer. Moreover, those models inherently support inclusive economic structures and acknowledge broader societal impacts of cancer. The measures implemented under this framework aims to actively contribute to the overall welfare of society, not just to containment of economic costs.

Slovakia's challenges herein concerned securing finances, including from EU cohesion funds and those earmarked under the resilience and recovery plans, as well as **improving coordination** across policy sectors and ministries.

Overall, to fully embrace the EoW concept, Slovakia aims to step up efforts to position **health as an investment rather than a cost**. In this context, the European Semester provides an important platform for awareness-raising and solution-oriented actions, while steering the discourse towards the EoW principles.

Discussions

Following the countries' contributions, the participants discussed the concrete steps needed to strengthen the European Semester's ability to contribute to economies that generate more wellbeing in the EU. One of such steps would be to arrive at a **common interpretation of the notion of wellbeing, which could then be effectively integrated into the European Semester**.

Another step would be to close a gap in comprehensive data on health and health inequalities for the further development of EoW approaches. Participants felt it fundamental to establish **clear sets of indicators and metrics** to enable the measurement and analysis of wellbeing and related issues across the EU. This step should aim at strengthening the shared knowledge-base on Wellbeing Economy frameworks, facilitating the comparison and monitoring of wellbeing across MS. While the Social Scoreboard was acknowledged as a preliminary advancement, further development of more comprehensive frameworks was stated to be needed.

Another significant aspect highlighted in the discussions was the **need to reconsider the roles of different ministries in taking a more active and decisive role in the governance of the European Semester**. Originally created as a financial exercise, the ministries of finance have traditionally overseen its coordination within national governments. Despite the European Semester increasingly encompassing various sectors, particularly in relation to social and environmental dimensions, the ministries other than finance still have a relatively small role in the national coordination of the Semester. It is and will remain important to promote a more inclusive approach by granting ownership of decisions within the European Semester among various ministries and institutions responsible for the relevant policies in the country.

Finally, **it was highlighted that horizontal approaches are needed and that interaction between different thematic areas must be encouraged and fostered**. Building on this, the



relations between the European Semester and concrete policies need to be continued to fully move towards a Wellbeing Economy across Europe. As part of this, the Country Specific Recommendations of the European Semester need to continue playing a crucial role in shaping health and social reforms, and opening up investment possibilities for a more wellbeing-focused approach.

Conclusions

In order to achieve a Wellbeing Economy in the EU in which health promotion, equity and disease prevention are front and central, we need a systemic approach applied to all policies in the EU, also as a compass for its MS to move forward. By making this happen, we all could go beyond prioritising economic growth in today's policymaking and toward a system that focuses more on the wellbeing of the planet and the people.

In conclusion, EuroHealthNet puts forward the following recommendations:

- Develop an overarching **EU wellbeing framework and strategy** which establishes and applies to the European Semester process as the key mechanism to deliver this strategy
- Establish an **expert group** that can support the creation of the strategy. The expert group should consist of representatives from across the EU and should help design targets with indicators that further stimulate generating comparable, robust data in all countries. Such an approach would then facilitate easier and better EU-wide measuring of progress and would allow for an uniform approach to wellbeing.
- Promote and advance current calls for the **Social Convergence Framework**. This could offer an opportunity to improve the coordination of national efforts to achieve upward social convergence. At the same time, they offer a way to ensure a more balanced consideration for different policy areas within the European Semester, taking more different angles into consideration.
- **Improve the engagement of all relevant stakeholders across levels and sectors in the European Semester Process.** The involvement of civil society organisations in the process at the EU and especially at (sub)national levels is currently ad-hoc, and the quality of the consultation depends on the political will of decision makers. Additionally, civil society organisations, especially at national level, often lack the knowledge of and capacity to engage in this complex and fast-moving process.
- Appoint a **Vice President for a Wellbeing Economy** in the 2024-2029 new European Commission, with responsibility for ensuring the better integration and harmonization of policy making processes in the EU. A Vice President for a Wellbeing Economy can put the Wellbeing Economy on top of the agenda and make sure that wellbeing approaches are included in all EU policies.



References

- ¹ How to achieve an Economy of Wellbeing with the support of the European Semester? <https://eurohealthnet.eu/how-to-achieve-an-economy-of-wellbeing-with-the-support-of-the-european-semester/>
- ² Council of the EU: Council conclusions on the Economy of Wellbeing (2019/C 400/09), [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XG1126\(06\)&rid=5](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XG1126(06)&rid=5)
- ³ Finland's National Action Plan for the Economy of Wellbeing for 2023–2025, <https://valtioneuvosto.fi/en/-/1271139/action-plan-to-integrate-the-economy-of-wellbeing-into-decision-making-and-sustainability-assessment>
- ⁴ Health and the European Semester, <https://eurohealthnet.eu/publication/health-and-the-european-semester/>
- ⁵ World Health Organization, 'WHO/Europe High-Level Forum on Health in the Well-Being Economy', March 2023, <https://www.who.int/europe/news-room/events/item/2023/03/01/default-calendar/who-europe-high-level-forum-on-health-in-the-well-being-economy>
- ⁶ <https://data.consilium.europa.eu/doc/document/ST-13432-2019-INIT/en/pdf>
- ⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1578392227719&uri=CELEX%3A52019DC0650>
- ⁸ Lithuania, 'Lithuania's Progress Strategy "Lithuania 2030"' (Vilnius, 2021), https://lrv.lt/uploads/main/documents/files/EN_version/Useful_information/lithuania2030.pdf
- ⁹ Health Targets for Austria, https://gesundheitsziele-oesterreich.at/website2017/wp-content/uploads/2018/08/gz_kurzfassung_en_20170626.pdf
- ¹⁰ Austrian Roadmap "Future Health Promotion", https://agenda-gesundheitsfoerderung.at/sites/agenda-gesundheitsfoerderung.at/files/inline-files/agendagf_roadmap_V3_EN_bfrei_0.pdf



**Co-funded by
the European Union**

Co-funded by the European Union. Views and opinions expressed are however those of EuroHealthNet only and do not necessarily reflect those of the European Union or the European Commission. Neither the European Union nor the granting authority can be held responsible for them.

