

CPME Members' Briefing

5 June 2020

A new proposal for a standalone EU4Health Programme 2021-2027

What this briefing is for

This briefing is to provide CPME members with information about a new European Commission proposal for a long-term Health Programme 2021-2027.

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Introduction

The European Commission [published](#) a revised proposal for the 2021-2027 EU long-term budget on 27 May. The [plan](#) is made up of two components:

1. a revised 2021-2027 Multiannual Financial Framework (MFF) including a new EU4Health Programme and
2. a recovery fund called "Next Generation EU."

Multiannual Financial Framework (MFF) 2021-2027

The [new proposal](#) for the next seven-year EU budget amounts to €1.1 trillion. This amount is larger than the one discussed before COVID-19.

Next Generation EU

The next Generation EU fund, i.e. a [recovery fund](#) totalling €750 billion is foreseen to be established through long-term bonds issued by the European Commission. These would be guaranteed by national commitments to the EU's budget that the debt will be repaid jointly starting from 2028 until 2058. However, the modalities of cost sharing will be agreed in the coming years.

The fund of €750 billion is divided into €500 billion in grants and €250 billion in loans.

Most of the money would be [devoted](#) to support projects to counter the effects of the pandemic (€310 billion as grants and €250 billion as loans). The remainder will go to existing policies and programmes.

EU4Health Programme

The [new proposal](#) foresees a €9.4 billion for a standalone Health Programme and the EU's larger role in health policy. To have a standalone health budget is a [longstanding request](#) by CPME.

Health policy gains importance at EU level

The new budget allocated to EU4Health Programme is 23 times higher than the €413 million proposed in the first MFF in 2018. Apparently, the coronavirus pandemic shifted the Commission's attention and health policy has become more prominent on the EU agenda. The EU Commissioner for Health Stella Kyriakides [described](#) the new proposal as a "game changer" and a "first stage" of building a "health union" in the future. A growing number of voices argue for more EU competency on health. However,



[the official line is](#) that the Commission “(is) not changing the Treaty; we are fully exploiting the possibilities it offers.”

Budget's composition

The amount of €9.4 billion is a total of €7.7 billion coming from the Next Generation EU, and €1.67 billion from the MFF. The money from the recovery fund [will be used](#) in the first three years from the recovery fund to build health care resilience. The money budgeted within the MFF will cover the long-term vision of improving health outcomes.

The Commission underlined that health-related expenditure will not be financed solely by the EU4Health Programme. The Commission stressed that health systems need €70 billion of extra investment that can be provided through [different streams](#) like the European Social Fund to support vulnerable groups in accessing health care; the European Regional Development Fund to improve regional health infrastructure; Horizon Europe for health research and vaccines; rescEU for emergency reserves; and the Digital Europe Programme for creating the digital infrastructure for health systems.

Budget allocation

The Commission [stated](#) money will not be pre-allocated to certain countries. Instead, the funds will be allocated according to the different objectives and proposals put forward. The distribution will be agreed upon during the implementation of the programme.

Predominantly, the EU4Health Programme budget will be used to:

- create a reserve of healthcare staff and experts that can be mobilised to prevent or respond to health crises throughout the EU;
- train healthcare professionals for deployment across the EU;
- invest in creating reserves of medical supplies in case of a crisis
- support cross-border health projects like digital innovation and European Reference Networks;
- step up surveillance of health threats;
- provide specific support to member countries; clinical trials to speed up development of vaccines and medicines;
- improve the resilience of health systems.

Different types of actions can be funded in future in the [different areas](#) covered by the EU4Health Programme. A full list of possible actions can be found in [Annex I of the EU4Health proposal](#).

The new health programme will not include funding for research, which will remain under the [Horizon Europe programme](#).

Long-term proposals

Besides the above-mentioned plans, the Commission proposes strengthening the European Medicines Agency in monitoring production and supply of essential medicines and the European Centre for Disease Prevention and Control (ECDC) in coordinating surveillance, preparedness, and response to health crises.

Moreover, the Commission proposes bringing drug manufacturing back to Europe to make the continent less dependent on third countries for medical supplies.

Once the proposal is adopted by the Council of the European Union and the European Parliament, actions under EU4Health are planned to start as of 1 January 2021.



Timeline for the adoption of the next EU long-term budget

- **May 2020**
Commission proposal for the revised Multiannual Financial Framework 2014-2020 & 2021-2027 and Own Resources Decision + sectoral legislation
- **By July 2020**
European Council: Political agreement on Multiannual Financial Framework 2014-2020 & 2021-2027 and Own Resources Decision
- **By summer 2020**
European Parliament's consultation on Own Resources Decision
- **Early autumn 2020**
Adoption of the revised Multiannual Financial Framework 2014-2020 + corresponding sectoral legislation
- **October 2020**
European Council
- **December 2020**
Adoption of the revised Multiannual Financial Framework 2021-2027 (European Parliament's consent)
Adoption of the Own Resources Decision (Ratification by all Member States in line with their constitutional requirements)
- **January 2021**
Multiannual Financial Framework 2021-2027 implementation starts