

# Covid-19: How should the EU react in the future pandemics?

Position Paper

Lea Sophie Anton Yixiang Huang Claudia Perucha Martinez-Atienza Mitsubasa Miura Jan Nykl The Covid-19 crisis is the biggest challenge for Europe since World War 2. But the EU is only as strong as its weakest link. Therefore, we need to build strength in unity to prevent and prepare for the next crisis.

As shown at the beginning of Covid-19 pandemic, cooperation among member states during health crises is crucial. Only by a joint approach can we avoid export blocks inside the Union and frictions in Union-wide supply chains.

Without further improvements in the EU-wide preparedness, the Union can be especially vulnerable. Population in all member states is aging and the incidence of noncommunicable diseases is on the rise (Institute for Health Metrics and Evaluation, 2020).

Thus, the Commission is advocating a Health Union, including a framework for joint resolution of health crises. The EU4Health proposal can be seen as an initial step towards this goal, as it lacks the necessary follow through to ensure successful crisis management on all levels in its current form.

Aligning the health systems presents a great challenge to the Member states and a crucial step towards enhanced cooperation in between the member states. The imbalances between the member states reflects the inconsistencies in Health Systems throughout the European Union. These can be visualized through the differences in public healthcare expenditures as a proportion of GDP. In 2018, Germany spent 11.5 % of their GDP on healthcare, but Romania only 5.6% (Eurostat, 2020).

It is imperative that the principle of solidarity is applied throughout the Union, thus, providing equal accessibility and affordability of health care, especially in light of a cross border health treat. No infectious disease can be eradicated in one member state when the others are suffering. The threat of an invisible enemy will persist in Europe as long as it persists in the last unknown community.

Following the European Pillar of Social Rights, explicitly the right to affordable, high-quality health care and long-term care in Principles 16 and 18, Chapter III, the commission advises the member states that invest less percentage of their GDP in public health than the EUs average, should increase their health care expenditures, thus, reducing the burden of their population and converging their healthcare expenditure to the Union's average.

The European Union is committing to include affordable health care for all and i.a. universal health coverage to fortify inclusion and equity. This aims to establish more compatible systems that can interact in crisis.

### Framework for joint resolution of health crises

Protecting the single market is integral to the European Commission, so are the consequential freedom of movement of goods (Article 26 and 28-37 TFEU), of capital (Article 63-66 TFEU), freedom to establish and provide services (Article 26, 49-55, 56-62 TFEU) and Free movement of persons (Article 3(2) TEU and Article 21 TFEU)

**Fortifying national health systems** by promoting national health equity within the member states and healthcare equality among them as well as encouraging digitalization of the national health systems.

#### **EU Measures**

- a. Protecting the single market is integral to the European Commission, so are the consequential freedom of movement of goods (Article 26 and 28-37 TFEU), of capital (Article 63-66 TFEU), freedom to establish and provide services (Article 26, 49-55, 56-62 TFEU) and Free movement of persons (Article 3(2) TEU and Article 21 TFEU).
- b. The commission advises that concrete measures introduced should be thoroughly considered are based upon an Efficiency analysis of the Measures introduced during the Covid-19 Pandemic
- c. The Commission proposes a Framework to ensure proportionality and non-discriminatory nature of restrictions on fundamental freedoms, especially the freedom of movement. The Commission believes that it is imperative to establish the Framework for Health Union during the Crisis including valid and sustainable short-, mid- and long-term solutions to protect European interest and Identity.

#### Short term measures:

- i. Restrictions of the free movement (outside and inside the Union)
- ii. Intervention to ensure a strong economy and society within the European Union, ensuring the four freedoms.
- iii. The commission acknowledges that restricting border traffic has proven to be beneficial in slowing down the Covid-19 Pandemic. Consequently, it can be sufficient measure in the upcoming pandemic.
- iv. The Commission believes that complete border closures are the last resort that should only be applied if all other measures failed.
- v. Enabling trade within the Union (also in case of restricted/closed borders) is essential to sustaining a stable economy during a pandemic rather than impairing it more by paralyzing the cross-border transport of goods. The Commission proposes enabling trade in future health crises through

implementing green lanes following the <u>practical guidance to ensure</u> <u>continuous flow of goods</u>.

#### Mid-term/ Transitional Measures:

- vi. "Vaccine Passport" in the form of a Digital Green Certificate, presented a sufficient intermediate solution in the Covid-19 Pandemic to restore the right to the most fundamental freedom, freedom of movement. The Commision advocates for the usage of Vaccination Certificates (Digital Green Certificate) in future epidemic/pandemic, to ensure freedom of movement and to secure economic growth.
- vii. The Commission points out that depending on the circumstances, the individual health hazard as well as the speed of development of a vaccine or drug, reestablishing freedom of movement based upon a proof of health (i.a. negative test or quarantine) is crucial.

#### Long-term Measures

- viii. When specific countries mitigate the epidemic in such a way that individual cases no longer present a danger, they might form a "travel bubble". Movement in such a bubble shall not be conditional on vaccination certificate or proof of health.
  - ix. The Commission insists on lifting any measures restricting the population as soon as the epidemiological situation allows it. Such an assessment should be reserved to an independent expert panel.

#### **EU Infrastructure:**

- x. The Commission advocates to expand the EU4Health Program and adopt a Framework for Health Union during crises, in order to sufficiently prevent suboptimal outcomes created by the uncoordinated response in the Covid Pandemic. To ensure autonomy during crises the European Union has to cooperate with local (European) production facilities that lay the foundation are vital to, produce medical equipment, machinery or pharmaceuticals.
- xi. Vaccine and drug purchases during any Pandemic should be coordinated. The Commission defends their decision for a unified approach in vaccination purchase during the Covid-19 pandemic. Although the Commission acknowledges that some member states could have gained more vaccines without the common purchase, the common goals can be achieved sooner when the interests of member states are aligned.

- Xii. A unified European Health Union with logical distribution schemes will help to avoid the problem of alleged unequal distribution of medicine/vaccines, as encountered during the Covid-19 Pandemic (Reuters, 2021).
- xiii. There is also a persisting controversy about vaccine exports to non-member states. The Commission would be able to block exports out of the Union without endangering the global supply chains. It is up to member states to decide whether the Commission shall have broader executive power.

**Joint Monitoring** of known indicators that could pose a health threat as well as for the supervision of the development of pandemics through EU institutions.

**Unified R&D and increased investments** in the areas of health and pharmaceutical research, through i.a. Research grants, industry partnerships such as Horizon 2020, hence enlarging the schemes established under EU4Health program is encouraged by the Commission.

#### Our health is important – so are our principles

Each member state committed to the rule of law, as stated in TEU, Article 2 (European Union, 2012). Moreover, the Commission recognises the concerns of individual member states related to possible deviations from this common goal. In particular, if any member state ceased to respect the rule of law principle, there would be a high risk of misallocation of the common health resources, especially if the budget is increased.

To fulfil the long-run goals of each member state, and to ensure that the programme disburses funding based on its goals, the Commission proposes the implementation of conditionality principle.

Namely, if the Commission observes a significant violation of the principles from Article 2 in any member state (the "Breacher"), the Breacher shall lose access to the common health funding until it remedies the issue. If the Breacher is willing but unable to remedy the deficiency, the Commission is able to offer necessary assistance.

The Commission acknowledges that Article 7 provides clear tools for dealing with deviations from the common goals. However, the Commission sees them as radical punitive measures, which do not stimulate cooperation and fail to benefit further integration in Europe. Therefore, they should be only used as a last-resort option if the above-mentioned conditionality is inefficient.

## References

European Commission (2021). Proposal for a Regulation of the European Parliament and of the Council on a framework for the issuance, verification and acceptance of interoperable certificates on vaccination, testing and recovery to facilitate free movement during the COVID-19 pandemic (Digital Green Certificate). European Council.

https://ec.europa.eu/info/sites/info/files/en\_green\_certif\_just\_reg130\_final.pdf

European Union (2012). Treaty on European Union. *Official Journal of the European Union*, \*2012\*(C326), 13–45.

https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023 .02/DOC\_1&format=PDF

Institute for Health Metrics and Evaluation (2020). *GBD Results Tool*. Global Health Data Exchange. <u>http://ghdx.healthdata.org/gbd-results-tool</u>

International Monetary Fund (2021) *IMF Data Access to Macroeconomic and Financial Data*. International Monetary Fund. https://data.imf.org/?sk=388DFA60-1D26-4ADE-B505-A05A558D9A42&sId=1479331931186

Japan External Trade Organization (2021). *The announcement of European Commission about the Digital Green Certificate*. Japan External Trade Organization. https://www.jetro.go.jp/biznews/2021/03/8d33300b53c3164e.html

McGuinness, D. (2021). Covid: Vaccine tensions stoke German criticism of EU's von der Leyen. *BBC News*. <u>https://www.bbc.com/news/world-europe-55948360</u>

Reuters, S. (2021). EU defends vaccine distribution as nations complain it is uneven. *Reuters*. <u>https://www.reuters.com/article/us-health-coronavirus-eu-austria-idUSKBN2B50F5</u>

World Travel & Tourism Council (2020). *Economic Impact Report*. World Travel & Tourism Council. <u>https://wttc.org/Research/Economic-Impact</u>