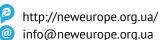
Policy Brief



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CORONAVIRUS AND UNITY IN THE EU:

HOW THE PANDEMIC WILL AFFECT THE INTEGRATION OF THE UNION

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The coronavirus crisis has become a test of strength for the European Union. It demonstrated the weakness of states and, at the same time, the ability of institutions to respond effectively to such threats. In view of this, the pandemic could be a starting point for initiating more serious discussions about deepening of the EU integration in the social sphere, in particular in the field of health care. Currently, the EU Member States' health care systems are fragmented, but there are common trends that show the movement of countries in one direction. Ukraine should pay attention to these trends, follow the political processes that accompany them, and learn from the mistakes of the EU Member States.

EVERYBODY HAS THEIR OWN PROBLEMS: HOW THE HEALTH CARE WORKS IN THE EU

The social sphere, and in particular health care, is a sensitive area for states, so they have always resisted the transfer of such powers to supranational structures. A small amount of powers of the communitarian institutions in this area are enshrined in the Lisbon Treaty: the EU only supports and complements the actions of the



Member States, and the Union has only limited shared competences with the states on a limited range of issues¹.

Despite the lack of a wide range of powers, the EU's arsenal still has tools that set out more or less coordinated movement of the Union countries towards the development of health care systems. This is the so-called acquis communautaire, an EU legal system that Member States must incorporate into their national legislation. Section 28 of the acquis applies, inter alia, to health care and sets out mandatory regulations for all countries in this field (in particular, a common funding and governance structure)2. Moreover, the EU has its own health care strategy, and the key document to support the implementation of the EU legislation in this area at this stage is the "Health for Growth" document (European Commission proposal for the 2014-2020 health care program)³.

Among the more practical tools are the *various EU health studies and assessments*. Some of them are collecting data from each country based on different indicators. By the way, the EU has its own list of 88 European Core Health Indicators⁴. It includes not only those related to demographics and diseases themselves, but also the so-called determinants of health (number of smokers, average weight, or physical activity of the population), health care services

(new technologies in medicine, equality of access to services), and relevant government policies (prohibition of smoking to a certain age, promotion of healthy lifestyle, etc.).

Ukraine should take note of this list too, since the collection and analysis of such data allow to track key trends and shortcomings in the health care sector (in addition, the list also provides an understanding of what aspects of health care are considered in the EU during the processing of applications for accession to the Union). In fact, this is being done in the EU as well: a separate category of health research integrates information from all Member States and identifies pan-European trends. Among such common anchor points that demonstrate the movement of the EU Member States towards a common health care system are the following.

Vaccination is one of the common tools in all Member States to reduce the incidence among the population (for example, the average vaccination rate for children against polio is 95%⁵). However, it has fallen victim to its own success: with the reduction of incidence, risk perception in the citizens also decreased and doubts arose about the need for vaccination. This trend is pan-European, so Member States are working closely together in this area⁶.

[&]quot;Public health. Legal basis", The European Committee of the Regions: https://portal.cor.europa.eu/subsidiarity/policyareas/ Pages/PublicHealth.aspx

² "Serbia. Chapter 28: Consumer and health protection", European Stability Initiative: https://www.esiweb.org/pdf/Serbia%20-%20 EU%20questionaire%20answers%20-%20Chapter%2028%20-%20 Consumer%20and%20health%20protection.pdf

^{3 &}quot;Relevance to EU policies, strategies", Health Equity 2020: https:// healthequity2020.eu/pages/relevance-eu-policies-strategies/

^{4 &}quot;ECHI - European Core Health Indicators", European Commission: https://ec.europa.eu/health/indicators/echi/list_en

[&]quot;Health care systems in the European Union countries", Ministry of Health of Spain: https://www.mscbs.gob.es/estadEstudios/ estadisticas/docs/presentacion_en.pdf

[&]quot;State of health in the EU. Companion Report 2019", European Commission: https://ec.europa.eu/health/sites/health/files/state/ docs/2019_companion_en.pdf



Reducing health care expenditure: in all EU countries, a model is being sought to optimize health care costs without compromising access to medicine and its quality (up to 20% of current health care spending are inefficient or wasteful⁷).

At the same time, joint efforts are underway to look for models to ensure universal access to medical aid and enhance the effectiveness and resilience of health care systems.

One of the common trends in the EU is the slowdown in life expectancy increase and an aging population, which requires profound changes in health care systems (average life expectancy in the EU is 80.5 years; for comparison, in Ukraine it is 71.258). Many EU countries have begun this transformation over a decade ago, but the process still requires a long-lasting effort.

The "Health at a Glance: Europe" report also recommends that states pay more attention to the **prevention of risk factors**, such as smoking, excessive consumption of alcohol or harmful food, etc.⁹

Therefore, the progress of Member States in developing common tracks for isolated health care systems is very slow. However, the coronavirus crisis, which has revealed systemic problems in the EU, could lead to faster synchronization of the health care systems of the states and deepen the integration of the Union.

THE THIRD CIRCLE, OR ONE FOR ALL AND ALL FOR ONE

Throughout the history of the European Union, deep crises in it have been solved in two ways: by widening the circle of its members (which provided for an enhanced role of states) or by deepening the integration (increasing the powers of communitarian institutions), i.e. by introducing an equalizer to balance the supranational and intergovernmental approaches to governance in the EU.

The EU draws the attention of politicians of all Member States to these trends and recommends taking appropriate measures to implement them. Furthermore, *voluntary exchanges of experience between Member States*, organized under the auspices of the European Commission, take place in the EU to synchronize these efforts. For example, when Cyprus started implementing a new national health care system and reforming public hospitals, officials studied in practice the experience of at least nine other Member States that had undergone similar reform processes¹⁰.

[&]quot;Health Systems in the EU: Commission publishes report on tools and methodologies to assess the efficiency of health care services", European Commission: https://ec.europa.eu/ newsroom/sante/newsletter-specific-archive-issue.cfm?archt ype=specific&newsletter_service_id=327&newsletter_issue_ id=14616&page=1&fullDate=Mon%2004%20Nov%202019&la ng=default&fbclid=IwAR2zABBmewP5pRvZS3nfs5gg--IsCxiQq-FxKK3jwb0qToKP5v2rUmi8e6Q

^{8 &}quot;Short Analytical Web Note 3/2015. Demography Report", European Commission: https://ec.europa.eu/eurostat/ documents/3217494/6917833/KE-BM-15-003-EN-N. pdf/76dac490-9176-47bc-80d9-029e1d967af6

[&]quot;Health at a Glance: Europe 2018. State of health in the EU cycle", European Commission: https://ec.europa.eu/health/sites/health/ files/state/docs/2018_healthatglance_rep_en.pdf

[&]quot;State of health in the EU. Companion Report 2019", European Commission: https://ec.europa.eu/health/sites/health/files/state/ docs/2019_companion_en.pdf



By now, the EU has undergone two rounds of integration: economic and political. The next step that will make the EU even more similar to a state entity is to introduce a third circle, integration in the social sphere, which implies, among other things, integration in the health care sector. For instance, the common social policy has the following components: common budgetary policy, **insurance medicine**, common standards for wage rate scales, social benefits, and pension policy.

As we already mentioned, the coronavirus crisis could be such a trigger for the next step in the deepening of integration. Under normal circumstances, the EU Member States would be unlikely to venture into deeper integration and unification of health care systems in the next 10-15 years, as such transition requires significant resources, both financial and time-consuming. However, the COVID-19 pandemic has identified Member States' weakness in responding to such threats and lack of coordination between them in the health care sector. Institutions, by contrast, have demonstrated their ability to mobilize to deal with such crises. It is too early to draw conclusions, but today this result shows that institutions and deepening of the integration have the potential to lead Member States out of their common health care crisis and to help create a stronger and more consolidated EU.

Only time will tell if Member States will understand this need and will be ready for such a shift. However, history proves that troubles have often united Europe, and it is likely that the current crisis can push states, if not to transition, at least to the beginning of more profound and meaningful discussions about the third circle of integration. European integration has gone too far to be resisted, and European economies and political systems are closely tied.

In addition, the idea of deepening the integration can take a more realistic shape, due to the fact that it will be pushed by Germany, which, by the way, will preside over the EU Council from July 2020. Germany has been drawing attention to the intensification of cooperation between states in the social sphere since 2014, i.e. when Angela Merkel first introduced the third circle in her speech. In the same year, a decree of the European Commission that provided for a vote for the approval of the common social policy (starting from its first component, the budget) has been issued. This development was, by the way, the most painful for the UK.

At first glance, the unification of health care systems and wage rates is not beneficial for Germany itself, since such reforms will be implemented first and foremost at its expense. The introduction of a unified social system will be financially burdensome for the countries of Central and Eastern Europe, and they will need financial support. Following the UK's withdrawal from the EU, Germany remains the most financially reliable state that will be able to ensure integration in the social sphere.

However, the increasing role of Germany as a financial leader, as well as the diminishing political influence of economically weak CEE countries, will give it greater political influence than other EU Member States. As a result, the introduction of the third circle of integration will bring the EU back to the state of the 1990s, when "old Europe" was rich and powerful and "new Europe" was poor and weak. However, the coronavirus crisis has already clearly demonstrated the existence of the "multi-speed Europe."



WHAT ABOUT UKRAINE?

Ukraine should pay attention to common trends in health care sector in the Member States and learn from their mistakes. For example, promote the vaccination among Ukrainians more actively, while taking into account the fact that as soon as it shows a positive result, the level of interest of the population in it may decline.

Collecting the necessary data on the health of the population by indicators developed in the EU could also be a significant step forward. Such a database would help to identify and better analyze the issues that require attention in this area. In Ukraine, by the way, collection of the data on the number of smokers, those who drink excessively and suffer from obesity, etc. has not been centralized before. Only in the summer 2019, Ukraine has launched a nationwide STEPS study examining the incidence of noncommunicable diseases and their risk factors (such survey is conducted every few years in the EU Member States)¹¹.

Moreover, following the example of the EU Member States, Ukraine should also pay more attention to preventive measures that affect the health and life expectancy of the population. This is confirmed by statistics: before the war, Ukraine was ranked second in the world in terms of the number of deaths per thousand people (15.72 in 2014), while the EU average was about 10 people¹².

Simple activities, such as exercise, quitting smoking, and regular medical check-ups could significantly enhance the health of Ukrainians. Data from the EU Member States indicate that in Sweden, 67% of the population are engaged in physical activity, including the majority of citizens over 65; in Germany, citizens seek medical advice at a frequency of 9 times a year; in Finland, only 11.6% of the population smoke¹³.

At the same time, it is important for Ukraine to follow the political processes regarding the cooperation of the EU Member States in the field of health care. On the one hand, it should be understood that if the EU decides to deepen the integration, it will suspend the expansion of the number of Member States for some time. These are rather opposite processes that swing the pendulum of the EU governance, either towards communitarian or interstate cooperation.

On the other hand, despite internal processes in the EU, Ukraine should remain a reliable partner of the Union, as cooperation continues even in times of the coronavirus crisis. For example, in early April, the EU decided to allocate EUR 190 million in coronavirus assistance package to Ukraine¹⁴ and provided access to the new Health Care Initiative to help train Ukrainian epidemiologists and medical staff¹⁵. The EU will also assist Ukraine in addressing social issues and provide loan support to small and medium-

[&]quot;Nationwide STEPS study in Ukraine", Public Health Center of the Ministry of Healthcare of Ukraine: https://phc.org.ua/ kontrol-zakhvoryuvan/neinfekciyni-zakhvoryuvannya/nacionalnedoslidzhennya-steps-v-ukraini

[&]quot;Country comparison, Death rate", Index mundi: https://www. indexmundi.com/q/r.aspx?c=up&v=26

[&]quot;Health care systems in the European Union countries", Ministry of Health of Spain: https://www.mscbs.gob.es/estadEstudios/estadisticas/docs/presentacion en.pdf

[&]quot;The EU allocates over 190 million for Ukraine's needs amid COVID-19 pandemic", European Integration Portal: http://eu-ua. org/novyny/yevropeyskyy-soyuz-vydilyt-ukrayini-190-mln-yevrona-protydiyu-koronavirusu

[&]quot;A trial by coronavirus: what will change and what will remain in Ukraine's cooperation with the EU", Yevropeyska Pravda: https://www.eurointegration.com.ua/articles/2020/04/1/7108215/



sized businesses¹⁶. At the same time, Ukraine is also becoming an important contributor to European and Euro-Atlantic security, carrying medical supplies from China to European countries with Antonov aircrafts.

RECOMMENDATIONS

In view of the above, Ukraine should take the following steps:

- Follow discussions in the EU on health care reforms, analyze them and focus on best practices that Ukraine could implement.
- Scale up activities to harmonize Ukraine's health care legislation with European standards (as of today, Ukraine has implemented the Public Health section of the Association Agreement with the EU by only 34%¹⁷).
- Adopt pan-European trends, such as collecting and analyzing public health data, campaigns to promote vaccination and preventive medicine, etc.
- 4 Maintain dialogue with key EU Member States and institutions, in particular, continue actively communicating Ukraine's achievements in the field of European integration, so that Ukraine remains on the EU agenda despite more pressing issues, such as the pandemic.
- Establish cooperation and exchange of experience between scientists from Ukraine and the EU Member States in the health care sphere.

[&]quot;Minister of the Cabinet of Ministers held a working meeting with EU representatives", Government Portal: https://www.kmu.gov.ua/ en/news/ministr-kabinetu-ministriv-proviv-robochu-zustrich-izpredstavnikami-yes

[&]quot;Agreement Pulse: monitoring of the implementation plan of the Agreement", European Integration Portal: http://reforms.in.ua/en