



## EPHA's calculations on the impact of the financial perspectives on the Health of EU citizens

Subject	<b>Financial perspectives – No health, no wealth!</b>
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*The European Public Health Alliance (EPHA) represents over 100 non-governmental and other not-for-profit organisations working in support of health in Europe. EPHA aims to promote and protect the health interests of all people living in Europe and to strengthen the dialogue between the EU institutions, citizens and NGOs in support of healthy public policies. <http://www.eph.org>*

**The budget agreed by the European Council in December 2005 represents a significant cut to EU funding allocated to health and consumer issues. According to some initial calculations, it will mean approximately 37 million Euros a year for an enlarged EU compared to the existing annual spend of more than 80 million under the existing budget lines for health and consumer issues.**

### *Implications of the financial perspectives*

According to the Council decision, the amount of money allocated to budget Heading 3b which includes health and consumer policy, the rapid response and preparatory instrument for major emergencies, youth, culture and dialogue with citizens will be set at just 1 % above 2004 levels and then **frozen** at 520 million Euros per year for the entire budget period. **Since The Health and Consumer Programme is the only programme within this budget line that has to fund two new and developing Agencies (the ECDC and the EFSA), the amount of funds available for projects and other initiatives will decrease significantly.**

European Agencies are designed to deliver a range of specific scientific and technical tasks. They take a number of years to become established, develop infrastructure, recruit the necessary specialist staff and implement their activities. This means that their budgetary needs increase incrementally until they reach full capacity. For example, the EFSA, established in 2002, is scheduled to reach full implementation only in 2009.

Both of these Agencies work on issues that are highly visible, with significant political and economic impacts. They also need to be able to respond quickly and effectively to emergency situations and are in the frontline of health and consumer protection. As Europe faces up to the threat of potential flu pandemic, it is clear that communicable diseases don't stop at national borders and safety of food chain is vitally important. Therefore, it is likely that both agencies will face increased financial needs during the budget period, particularly the ECDC.



## No Health – No wealth!

**The running costs for these two agencies is currently approximately 60 million Euros a year but is expected to reach 100 million Euros in the coming years.**

The Health and Consumer Programme is also meant to support projects that would bring the EU added value to the work of member states on public health for EU citizens. Projects such as those confronting the main health scourges across Europe (cancer, cardiovascular diseases, diabetes, mental health, etc), projects that focus on the health determinants (alcohol, tobacco, physical exercise, socio-economic inequalities, injuries, etc), projects that tackle trans-border health threats, projects that provide capacity building and support for New Member states, projects that aim to solve patient mobility issues and exchange of good practice between health services.

**The running costs for the health projects (only) is currently approximately 59 million Euros a year. With the new Programme, health and consumer issues (together) will get 37 million Euros a year for an enlarged Europe.**

**The reduced budget means that difficult decisions will have to be made about what type of activities the EU can undertake to promote public health. Projects and networks currently being supported at EU level are facing an uncertain future.**

### Agencies in the Public Health Programme

#### European Food Safety Authority (EFSA)

Year 1 (2002) 12 million Euros

Year 2 (2003) 29 million Euros

Year 3 (2004) 37 million Euros

**Year 4 (2005) 46 million Euros**

#### The European Centre for Disease Control (ECDC)

Year 1 (2005) 4.8 million Euros

Year 2 (2006) 17.2 million Euros

Year 3 (2007) 30 million Euros

**Forecast need for Year 6 (2010) 60 million Euros**

### Public Health Programme 2003-2008

- 370 million EU citizens
- 15 Member States
- Entire Budget: 353.77 million Euros
- Average budget per year: 60 million Euros
- = ~ *0.15 cents per citizen per year*



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### Health and Consumer Programme 2007-2013

- 450 million EU citizens
- 25 Member States

#### *European Commission Proposal*

- Budget: 1.8 billion Euros for 7 years
- 2 EU Agencies – the ECDC and EFSA: 600 million Euros
- Health and Consumer Programme: 1.2 billion Euros (Health: 969 million Euros / Consumer protection: 233 million Euros) over 7 years
- = ~ **0.38 cents per citizen per year for Health and Consumer issues together**
- Including the Executive Agency to manage the programme

#### *European Parliament*

- Suggested to split the Health and Consumer Programme into two separate programmes to follow the two different legal bases of the Treaty establishing the European Community (article 152 and 153)
- ENVI committee proposal (31 January 2006) voted an increased budget for health issues: 1.5 billion Euros over 7 years, including the Executive Agency to manage the programme.
- = ~ **0.47 cents per citizen per year for Health issues alone**

#### *Consequences of the EU budget agreement, December 2005*

- Total amount for Heading 3b: 520 million Euros per year
- Pro-rata proportion for health and consumer : 959 million Euros over 7 years
- 2 EU Agencies - the ECDC and EFSA: 700 million Euros (ie 100 million Euros per year)
- Remainder for the Health and Consumer programme: 259 million Euros over 7 years
- Average budget per year for Health and Consumer issues: ~ 37 million Euros per year – This budget will be further decreased by the end of the period with necessary increased budgets for the agencies.
- = ~ **0.082 cents per citizen per year for Health and Consumer issues together**
- Including the Executive Agency to manage the programmes