

NEWS FROM BRUSSELS



Word from Senior Policy Advisor Dr. Theodoros Koutroubas

Dear Friends,

In this issue, we are discussing provisional Brexit consequences on nursing care in the UK, shortage of nurses in Bulgaria, funding for health-related NGOs and the future of the European pharmaceutical industry in the context of the tariff wars.

Kind regards,
Theo

NEWSLETTER HIGHLIGHTS

Where Are The Nurses? Aging Europe Faces a Serious Shortage of Health Workforce

Nurses Leaving: The "Life-Or-Death Consequences" of Brexit

Tariffs Won't Trigger EU Pharma Exodus, says Dutch Minister

Commission Bars Health NGOs From Lobbying With EU Cash

Where Are The Nurses? Aging Europe Faces a Serious Shortage of Health Workforce

The following article has been adapted from a Euronews publication



The European health workforce faces a severe crisis. Rapidly aging EU countries have an estimated shortage of some 1.2 million physicians, nurses and midwives. Lack of nurses is especially significant.

A substantial number of EU nurses are approaching retirement age, with limited younger replacements entering the profession. Nurses often face challenging working conditions, including long hours, high patient-to-staff ratios, low salaries and emotional strain. Many nurses report burnout, impacting retention rates and discouraging the vocation in young people. Competition among EU countries to attract and retain medical professionals further exacerbate the situation. Aware of the problem, **the EU is developing a 3-year initiative to launch new, better training programmes to attract young students to the nursing field.**

Bulgaria is a clear example of the current challenges. In a decade, the country has lost over 10% of its nurses, including many leaving for other EU Member States in search for better salaries and working conditions. For instance, there are 144 nurses at the Blagoevgrad State Hospital in southwest Bulgaria and despite improvements last year, the hospital operates below the ratio of at least 2 nurses per physician, widely considered by health professionals as the minimum standard for good practice.

“My dream was always to work as a nurse, although there were many, many other options for my studies. But I just wanted to become a nurse. My mother is also a nurse, my children too. It's a good job for me”, says Elza, an orthopaedic nurse at the hospital speaking to Euronews.

“[But] we receive very little money and for this we are forced to work in two places. I'm given days off, when I can see my family. We don't have to stay 24 hours in the ward, but we spend a lot of hours working. I'm getting tired, I'm really getting tired. A lot of work scares young nurses away. So one by one they just disappear”

Like many other EU nurses, Elza clearly finds it difficult to speak out about the issue. They fear for their jobs. But she can't really hide the high personal price her beloved profession often implies.

"Perhaps our work is not appreciated in Bulgaria", she says. "I could give a lot of examples, situations which are not fair. But really we somehow feel devalued, because you work 12 hours, you deprive yourself of holidays, you deprive yourself of weekdays, evenings away from the family, right? It all comes down to the financial side." Bulgaria is short of estimated 17,000 nurses for its health system to work efficiently. So how to solve or at least improve the situation?

Milka Vassileva is the President of the 32,000 member-strong Bulgarian Association of Healthcare Professionals. She has been working as a clinical nurse for 43 years.

Nurses' work matters, she says, and it should be recognized accordingly, she states.

"According to our calculations, in order for nurses to remain in Bulgaria, the starting salary would have to be at least three times the minimum salary in the country", Milka Vassileva says. "What can the European Commission do? We've already witnessed many declarations, different financial and whatever documents have been referred to the Member States. Even in the EU's semester-long report on Bulgaria, it is explicitly written that investments in health care should be increased, so that nurses have the opportunity to work on what they were really trained. And this only in medical institutions, but also in outpatient care, which is not currently the case."

Experts agree that, other than funding, any strategy at EU level should also include improvements in aspects like planning, recruitment, training, working conditions, and professional development.

Nurses Leaving: The "Life-Or-Death Consequences" of Brexit



During the three years after the referendum about EU membership in the UK, there were 1,485 additional deaths per year as a result of EU nurses leaving the country, according to a new study from the University of Surrey.

The study, published by IZA (the Institute of Labour Economics) as a recent Discussion Paper, looked at the effects of the 2016 Brexit

referendum, analysing administrative patient-level data from 131 English NHS hospitals. The researchers evaluated varying pre-referendum shares of EU nurses - the percentage of nurses from the European Union (EU) employed in NHS hospital organisations prior to the Brexit referendum.

This allowed the team to estimate the causal effects of Brexit on hospital quality of care, specifically examining the effects on in-hospital mortality rates and unplanned emergency readmissions. Specifically, the study estimates that, over the three years after the 2016 referendum, the NHS faced a 34 extra deaths per hospital on average. In the study, the pre-referendum share of EU nurses in English NHS hospitals ranged from 0.5% to 22%, with an average of about 5.84%. Hospitals that had a higher proportion of EU nurses before the referendum were more exposed to the negative labour supply shock caused by the vote to leave the EU.

"Our research [...] underscores the critical role that skilled migrant nurses play within the healthcare system, particularly in emergency care, where the stakes are highest" - Giuseppe Moscelli, Professor of Economics and lead investigator of the study at the University of Surrey.

Effectively, the authors of the research found a considerable drop in the inflows of EU nurses straight after the referendum and a simultaneous sharp increase in the share of non-EU Overseas nurses

hired by NHS hospitals. They also found that the pool of new NHS hospital nurse hires had lower experience or skills, as they were paid lower salaries. This workforce compositional change was the most likely mechanism for the increase in mortality and unplanned readmission rates, as the authors were able to rule out several other mechanisms, for example, changes in the patient's demographics, changes in other parts of the hospital workforce (consultants) and changes in hospital productivity (bed occupancy rates).

Professor Moscelli, said: *"Brexit has had real life-or-death consequences for patients in our hospitals. The evidence we've gathered shows that the loss of more experienced or skilled nurses has led to a measurable decline in care quality. **Our research provides two important take-home messages for taxpayers and policymakers. On the one hand, it underscores the critical role that skilled migrant nurses play within the healthcare system, particularly in emergency care, where the stakes are highest. On the other hand, it highlights the considerable reliance of the NHS on foreign nurses and the need to balance this dependence with policies that stimulate the formation and training of a higher number of domestically trained healthcare professionals, to prevent similar quality of hospital service deteriorations in the future.**"*

Tariffs won't trigger EU pharma exodus, says Dutch Minister



Tariffs won't lead to an exodus of the EU's pharmaceutical industry, in the short term, Dutch Health Minister Fleur Agema.

Agema's remarks follow US President Trump's signing of a recent executive order, incentivising the manufacturing of drugs in the US ahead of looming pharmaceutical tariffs within the next weeks.

This comes as pharmaceutical companies in the EU are maintaining pressure on policymakers for better incentives in order for them to stick to their investment plans and prevent them from moving to what they see as more pro-innovation countries.

Dutch Minister Agema downplayed these concerns, saying: *"Investment decisions are part of long-term planning and are influenced by many factors outside the general pharmaceutical legislation."*

Agema, who hails from Geert Wilder's PVV coalition party, speaking to Euractiv, said that some of these factors relate to existing R&D activities, available expertise and personnel, tax policy, and political stability.

Industry warns of dangerous course

The Minister's comments come as the Dutch innovative medicines association, VIG, said the ongoing trade war with the US painfully confirms concerns it recently expressed in an urgent letter to the House of Representatives. In its letter, VIG urged the Dutch government to change its position on the revision of the EU's pharmaceutical legislation. Agema said that while she did not directly respond to the letter, she did broach the subject in her reply to relevant parliamentary questions.

In Parliament, the Health Ministry said that while incentives make the EU market more attractive for offering a drug, they determine to a lesser extent where the drug is developed or manufactured. However, **the Dutch multinational bank ING believes the European Commission needs to protect Europe's pharmaceutical sector and its manufacturing capacity while making efforts to reshore the production of critical generic medications.**

RDP and EU production levels

VIG, a member of EFPIA, insists that reducing the regulatory data protection (RDP) period for new medicines will make the EU more dependent on the US and China. *“I do not see a direct link between shortening regulatory protection for medicines and diminishing development and production in the EU,”* Agema said. The Minister added that R&D and production in the EU are not conditions of eligibility for regulatory protection offered by the general pharmaceutical legislation.

“Therefore, all companies around the world benefit, irrespective of where R&D and production take place,” she said. She also added that the foreseen protection period in *“the Commission’s proposal is still competitive compared to other parts of the world”*. Asked whether she is negotiating with her counterparts across the Atlantic to prevent the trade war from escalating, Agema said that the Netherlands is in communication with the US.

“In bilateral contacts with the US, the Netherlands follows the EU line and underlines that transatlantic trade has been a source of prosperity and stability on both sides of the Atlantic,” Agema told Euractiv. *“We are ready to strengthen that partnership in a mutually beneficial way.”* Agema noted that the European Commission negotiates with the US on behalf of the EU. She said the EU is seeking a solution that removes the tariffs and further develops the EU-US trade partnership.

Tariffs a double-edged sword for EU

Commenting on the Trump administration’s aim to impose tariffs to incentivise the reshoring of pharmaceutical manufacturing, Dutch multinational bank ING said that such tariffs would be a double-edged sword for the EU. The bank said branded manufacturing could shift from Europe to the US, while the price of generics in Europe could be driven down, lessening any incentives to reshore their production to Europe.

ING Healthcare Economist Diederik Stadig told Euractiv that a response to US tariffs should come from the EU rather than Dick Schoof’s government. Moreover, ING highlights the plans for increased investments in the US following the threat of tariffs announced by branded pharmaceutical companies.

“J&J was one of these companies, and they also have a production facility in the Netherlands. We don’t think that this will cause a problem for the Dutch facility as they export to Europe as well as the US,” Stadig said, adding, *“Rather, this is a broader trend that we believe will strengthen the US position in branded pharma over the coming 5 to 10 years.”*

Commission Bars Health NGOs From Lobbying With EU Cash

The European Commission will stop health NGOs from accessing funding for lobbying or advocacy work because of the “*reputational risk*” to the European Union.

The Commission — under pressure from several lawmakers to push for more NGO funding transparency — already told green civil society organizations last year that they could no longer use EU funding to lobby the bloc’s institutions. Now it is saying the same to some health NGOs, many of which claim to represent the interests of patients.

Several Brussels-based organizations received letters in April from the Commission’s Health and Digital Executive Agency, or HaDEA, which said their advocacy work is no longer eligible for funding because it “*may entail a reputational risk*” for the EU.

Sending letters, organizing meetings and providing advocacy material to specific EU institutions or officials — previously considered acceptable — are listed as activities that can no longer be funded by the EU’s operating grants, according to two of the letters seen by journalists at POLITICO.

NGOs’ small HaDEA money pot

Beneficiaries of grant funding from HaDEA in 2021-2023 in euros. The amounts reported by each beneficiary are based on the contracted amount; actual disbursed amounts might change.



Source: European Commission Financial Transparency System

“*Identifying specific members or officials of an institution to evaluate or describe their positions, or to discuss specific political content or outcome,*” are also listed by HaDEA as activities that are not eligible for cash. HaDEA has a budget of almost €20 billion from 2021 to 2027, from which it funds Commission programs on health (EU4Health), Horizon Europe research in health, digital, space and industry, as well as EU initiatives on cancer, food safety and digitalization. While NGOs account for a small portion of this funding, **the letters come at a particularly precarious time for health civil society groups. The EU is expected to shrink or even axe the budget of its first ever ring-fenced health fund, EU4Health, while many countries from France to the U.K. and U.S. are cutting foreign aid, meaning less funding to go around.**

Brussels-based NGOs have also been waiting several months to find out if the Commission will renew their operating grants for 2025 — money that goes toward daily overhead costs like staff salaries.

“We are now working against the clock to ensure that we can pay the salaries and bills, exploring all legal, financial and political options, including Belgian government support. And I don’t know if we will succeed,” Milka Sokolović, director general at the European Public Health Alliance, said. *“Were we informed, timely, that the grants would be delayed or withdrawn, we would have adjusted our plans,”* she said, adding: *“Sadly, we are hearing that some of our colleagues have been struggling to pay their staff for months.”*

One person working at an NGO who received the letter from HaDEA said in a message: *“At a time when organisations are being forced to cancel activities and furlough staff due to the Commission refusal to honour its commitments, to receive such a scolding letter seems hardly appropriate nor justified.”* *“We understand the pressures endured by the Commission but we believe that upholding European values of democratic societies with vibrant Civil society organisations should come first,”* the person, granted anonymity to speak candidly, continued.

Some in the sector are concerned of the impact it could have on EU health policy — and subsequently, patients. *“It seems not all health NGOs are getting the letters, just the ones who put advocacy first,”* one person working in EU health, also granted anonymity, said. *“So we could end up with just a Commission-compliant bunch of groups that don’t say boo to a euro goose any more! We could be left with just info providers and meeting organizers rather than lobbyists.”*

Among the key EU health policy files some health NGOs are working on is the pharmaceutical legislation which seeks to balance drug development incentives for industry with improving patient access to innovative medicines; a new drug shortages bill to improve supplies in the pharmacies; and reviewing tobacco legislation as part of the EU's cancer plan. **Last month, the EU’s Court of Auditors said that the EU is handing out billions of euros to NGOs each year without properly monitoring how the money is spent — or whether it’s even going to genuine NGOs.**

Last month some 570 civil society organizations from across the EU called on MEPs to address what they say are *“unprecedented attacks on NGOs”* and to call for adequate funding that allows them to *“share crucial perspectives.”*