



# The response of the European Union to Covid-19 (Part I)

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## TRANSCRIPT

Good afternoon. Hello, everybody. Hope you're all safe. Well, I don't want to add any further worries, but I'm afraid today's blog is about the COVID-19 and the European Union. I think it will be interesting just to reflect a little bit on what has been done so far by the European Union.

Obviously, many people say that European Union is not very good at handling crises. When things are going smoothly, it's a bit easier. Now that things are just much more complicated, it's easier for all the divisions and fighting between member states to happen. There's quite a lot of infighting between different national governments. The Dutch against the Italians, the West against the East, the South against the North and vice versa, so not exactly a great moment of solidarity.

However, if one looks a little bit more closely, I think we could try to just see exactly what the European Union has done so far. In this first blog, I would like to mention a few measures that have been adopted by the European Union on the basis of pre-existing competence and powers as to tackle the medical emergency. In the second blog, we will discuss the possible European Union actions in relation to the economic repercussion of the pandemic.

Before we get into that, perhaps just a very useful reminder. The European Union has limited competence on public health. Actually, under Article 168 of the treaty and the functions of European Union, the competence on how to deal with public health, how to deliver healthcare, is for the member states. It's the national governments. The treaty says the European Union can only complement and supplement national policy. Once again, the competence to deal with public health remains in the hands of the member states. However, obviously, because public health has also certain repercussions in terms of trade or the economies, well, these are areas where European Union has a lot to say.

Let's just try to see exactly what the European Union has been done so far, and I said I will start with the decisions or measures adopted by the European Union on the basis of pre-existing powers and prerogatives.

As far as the most immediate medical emergency, in my view the European Union has done quite a lot, and I will just mention a couple of examples. One of the most pressing issues was that of the provision of medical equipment. In that respect, the European Commission, on the 4th of April, decided for the suspension of the payment of custom duties and VAT on medical devices, equipment, mask, medicines or whatever coming from

outside the European Union. Now, you recall from your studies that the European Union has an exclusive competence on the external custom borders of the European Union. In other words, it is the European Union that decides how much a certain profit coming from outside EU has to pay every year. It's an exclusive competence. However, the council regulations on the Custom Union, they provide for some exceptions, and there is an exception whereby suspension of payment of custom duties and VAT can actually be provided if it's about remedying for some kind of emergency like, for instance, the COVID-19.

The European law requires that the suspension of these rules should be requested by all member states. In this case, what happened was that it was the European Commission that asked the 27 member states plus the UK, interesting because obviously the UK, up till December 2020, is bound to apply union law, and therefore also is bound to respect custom law. As I said, the European Commission asked the 27 plus the UK to submit a request for suspension. They duly did that, and the European Union then suspended the application of the custom unions, in order, as I said, to make sure that there was a speedy and less costly supply of medical devices.

Another interesting measure that the European Commission adopted was to apply the so-called joint procurement agreement. Now, obviously one of the pressing issues was how to ensure the quick and efficient supply of medical equipment. Obviously, when a state needs to sign a contract, it has to put it on public tender, which sometimes could be a complex and lengthy procedure. Under this new procurement agreement, which was actually devised few years ago exactly to tackle emergency, the new rules allows for a speedier and faster procedure, and also it means that you have one tender published on behalf of many contracting authorities. For instance, it could be, usually it's one state on behalf of others. This time was the European Commission itself that published for calls for tender for medical devices and invite all member states, and interestingly, once again, these included Norway and United Kingdom. The United Kingdom decide not to join for, in my view, for no apparent reasons, but other 25 member states decide to apply all jointly, and these calls of tenders have been successful, and actually the offer of medical devices it was higher than the demand. That's an encouraging sign. Once again, the whole idea was to try to ensure the faster and more efficient supplies of medical devices.

I would like to mention just one last measure adopted by European Commission. Again, the European Commission, in one of its communication, clarify that certain kind of rules dealing with the free movement of patients were not going to be suspended. You might recall from your studies that obviously, free movement of services is one of the fundamental freedom of the internal market, and it does apply to provide the end recipient of services. Obviously, a European citizen could easily become also a European patient, and a European patient is entitled to receive medical services, not just in his or her own member state, but also to move to another member state. For instance, an Italian citizen is entitled to receive medical treatment, let's say, in Germany, and that's actually what happened in some cases. What the commission did was to clarify that these rules were not going to be suspended, and actually the Union set up a specific body which is actually responsible to check whether there are some hospital beds available in member states, and

try to redirect requests perhaps from other member states. That's a little bit of a sign of solidarity.

Of course, many other things might just be-- it's possible to do much more. Then obviously now we need to start thinking in particular about also the implications for the economy, and exactly what the European Union can do in order to ensure that the impact on business industries is a little bit less harsh than what it is now. But then this is the object of a second blog.

Once again, stay safe. Speak to you soon.