Biomedical Alliance in Europe

24 October 2022

The Biomedical Alliance in Europe feedback to the European public Consultation on cross-border activities of associations

The Biomedical Alliance in Europe (BioMed Alliance) welcomes the efforts of the European Commission to ensure a full single market freedoms for associations, simplifying their cross-EU activities and promoting their fundamental rights.

The BioMed Alliance is a non-profit organisation representing 36 leading European research and medical societies whose members are actively involved in health care and research from bench to diagnosis and from clinical practice to bench.

Our members are professional non-profit medical association based in various European countries and they organize many cross-border activities. The particularity of European medical societies is that they provide services to the health community across Europe such as: congresses, educational events, courses, guidelines, health research and clinical practice activities. The current rules in different countries create obstacles and many barriers *additional registrations, different VAT rules, lack of harmonization of cross border employment, different legal provisions of annual revenue allowance for NPOs, lack of mutual recognition of services provided by associations and NPOs such as training certifications (congresses, courses, educational events) from one Member State to another.*

We encourage the European Commission to take this seriously as it affects a 90 billion EURO a year industry, but also the capacity of medical societies to deliver unbiased services for EU health community. In the table below you can find concrete input and recommendations provided by the BioMed Alliance members to consider when putting together a legislative framework aiming at creating a single market for associations.

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Association	Calls	Explanation
EANM (European Association of Nuclear Medicine)	**Harmonization of value-added tax (VAT) for, in particular, participation fees at events/congresses.**	The VAT landscape is manifold in Europe, with hardly any countries with the same VAT percentages or rules. Participation fees to educational events such as congresses, which usually represent up to 50% of the overall income, are subject to taxation in the actual country the event is organized in. With different rules across Europe when it comes to VAT, the net income from events therefore highly depends on the location of the event. As an example, and for this specific reason, EANM, has decided years ago to organize back-to-back congresses in only countries where reduced VAT rates apply, i.e., Austria (10% VAT at reduced rates), Germany (7% at reduced rates) and Spain (0% at reduced rates). To reduce administrative burden on financial matters (i.e., predictable income streams for organizations) and to ensure equality among hosting cities, establishing a common VAT rate across Europe, applying for NPOs organizing their scientific and education events should be a priority of this initiative.
	Harmonization of Cross Boarder Employment	Because of the digital transformation of the workplace and, enhanced by the COVID crisis, it has become, over the last years, more accepted to employ qualified staff, only working remotely. As a logical consequence, this qualified staff might live in a different location, and even country in the EU, than the employer's headquarters 'country.

		This is the case for the EANM which has hired several staff members working from several countries within the EU. Their employment requires very individualized handling regarding employment contracts, taxation, labour law situations in the respective country etc. In this respect, employing qualified staff from countries other than the headquarters of the NPO results in tremendous administration and considerable costs. EANM therefore urges the European Commission to develop a model that allows employing qualified staff from countries other than the headquarters of the NPO, according to comparable rules at easy conditions and therewith not to unnecessarily block its own rules as set in the Article 15 of the EU Charter of Fundamental Rights.
	Harmonization of annual revenue allowance for NPOs	Many NPOs generate their annual turnover from the main scientific event (i.e., Congress). This dependence on the financial success of this event is that high that any failed event could result in the bankruptcy of this NPO. What seems then to be a non-well thought business model is unfortunately not necessarily in the hands of the NPO but moreover related to the different regulations in European countries establishing how much profit an NPO may accumulate in a financial year and therewith increase their assets. In Austria for example, an NPO is not allowed to exceed an annual surplus of approximately 50,000.- EURO (at an annual turnover of >5 million EURO in our case), whilst in other European countries this rule does not exist or at least is not executed. Considering that NPOs have similar statutes to foundations, meaning that any money earned needs to be spent according to the mission as outlined in the statutes,

		it is therefore impossible to misuse generated surpluses and consequently might not need any regulation other than official external auditing from professional auditors, to control and approve the financial behaviour of the NPO. EANM therefore urges the European Commission to establish comparable rules throughout Europe on the financial rules for NPOs.
ERA (European Renal Association)	**The free movement of workers within the European Union's (EU) Member States**	The free movement of workers within the European Union's (EU) Member States - in particular we can mention the nephrologists - due to the fact that in some countries there is a shortage of nephrologists and in others a surplus, and due to the difference in training, there are problems in recognising this professional figure in the same way in all the EU countries. There should be a methodology to standardise the recognition of this job title, but this could be the case also for other medical specialties. Currently in Europe there is significant dissimilarity in the length of internal medicine training programmes, ranging from 0 to 5 years across the EU. The duration of nephrology training is also highly variable, ranging from 2 to 4 years, with an average of 3.1 years1 . An example could be what we, as the European Renal Association (ERA) are doing. ERA, in order to work in this direction, together with the European Union of Medical Specialists (UEMS) has contributed to the creation of a Nephrology exam entitled “European Specialty Examination in Nephrology (ESENeph)”. The ESENeph examination, which has replaced the European Certificate in Nephrology examination1 , was developed as a collaboration between the UEMS Renal Section and the ERA, in conjunction with the Royal Colleges of Physicians, UK and the British

		Renal Association. This has been already adopted by Switzerland as their National exam, but the problem is that this is not recognised by many other countries. We do believe that the EU should support a wider recognition of this examination among EU countries since o final or goal is to ensure that once the doctor has passed this overarching exam, his or her professional status will be recognised in all EU countries.
	A simpler and uniform way to apply VAT in order to reduce the bureaucracy	
ERS (European Respiratory Society)	**Facilitate cross-border research cooperation, staff and good practices exchange** **Simplify employment procedures across Member States (e.g. European association based in Brussels to hire an employee in Spain)** **Guarantee operating both at national and European level so that medical associations and public health NPOs can equally support health professionals across the EU**	

	and provide cross-border opportunities to the patients **Simplified mutual recognition of services provided by associations and NPOs such as training certifications (congresses, courses, educational events) from one Member State to another**	
EULAR (The European Alliance of Associations for Rheumatology)	**Legal clarity and harmonised standards**	It is extremely important that, in applying a new set of rules across each of the Member States, this does not result in a 'dumbing down' or erosion of the status or protections provided to alliances within any particular Member State. We also need to ensure that the new rules ideally reduce, but certainly do not increase, the administrative burden placed on associations. As an Association, we will need to be vigilant in ensuring that the above does not happen.
	Legal provisions to break third-countries barriers	For EULAR, an association that is headquartered in Switzerland, but with members across the EU-27 and beyond, the new rules should facilitate rather than create barriers to cooperation between EU and associations headquartered in third countries. There are already barriers to operating in the EU for third-country associations, as well

		as for collaborating with the EU institutions,[1] and we are concerned that this initiative may introduce new and unnecessary obstacles. How this situation can be avoided, and how existing barriers can be removed, should be addressed within the initiative
	Legal opportunities to facilitate resources	Many associations, including those EULAR members that represent patients, play a crucial role in addressing the needs of patients that are not covered by national health and related services.[2] Despite this very important contribution, they typically suffer from a lack of state funding, and what funding is provided tends to be on a project rather than long-term basis. The lack of resources and instability this creates limits their ability to undertake these vital tasks

[1] *For example, the inability to participate fully in the EU health policy platform (incl. thematic networks), despite being a leading medical society.*

[2] *For example, helping to educate patients on access to support services / treatments following diagnosis.*