# PLANETARY HEALTH AS A CATALYST FOR ECONOMIC TRANSFORMATION IN EUROPE

By: Martin McKee and Wilm Quentin

**Summary:** Planetary health links human well-being with nature, offering a path to sustainability and economic resilience. The COVID-19 pandemic exposed vulnerabilities in health systems and the global economy. Initiatives like the Pandemic Agreement, efforts to curb antimicrobial resistance, and the European Health Data Space present opportunities to reshape economic models around health and well-being. By valuing health as an investment, embracing digital and green innovation, and centring planetary well-being in policy, these efforts can drive transformative change. This plenary will explore these themes and the European Union's role in advancing them.

***Keywords:*** *Planetary Health, Economic Transformation, European Union Policy, Sustainability and Innovation, Well-being Metrics*

**> #EPH2025 – PLENARY 1:**
Transforming economies for planetary health and well-being

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## Introduction

The concept of planetary health recognises the profound interdependence between human well-being, thriving ecosystems, and sustainable development within the Earth's ecological limits.[1] It calls for cross-sectoral action and a transformation of the economy, placing environmental stewardship and social equity at the heart of public health and economic policy. This is essential if we are to safeguard planetary boundaries – scientifically defined limits, such as climate change, biosphere integrity, and freshwater use, within which humanity must operate to avoid destabilising the Earth's critical environmental systems.

The COVID-19 pandemic underscored the importance of a planetary health perspective by revealing how interconnected human health is with environmental systems, global mobility, and socioeconomic inequalities across borders. The report of the Pan-European Commission on Health and Sustainable Development (Monti Report), commissioned by the World Health Organization (WHO) Regional Office for Europe, underscored the need for a holistic approach, based on One Health, the interrelationships between human, animal, and environmental health, and one that places health and solidarity at the centre of governance and economic planning.[2]

The first plenary session at the 2025 European Public Health Conference, in Helsinki, will hear from Sandra Gallina, Director General for Health and Food Safety (DG SANTE), European Commission, about how the European Union (EU) has taken decisive steps to reshape its health architecture, demonstrating leadership on initiatives such as the Pandemic Agreement, the European Health Data Space (EHDS), and coordinated strategies to combat antimicrobial resistance (AMR) and is positioning planetary health and well-being as central pillars of its future economic and social strategy.[3]

Yet, while better health, in its own right, is a fundamental goal of the EU, with a Treaty commitment to include health in all its policies, health is also a prerequisite for the EU's other goals, and in particular, greater prosperity. This includes policies such as the European Green Deal, the NextGenerationEU recovery plan and InvestEU that support economic modernisation, digital transformation, and green investment, and social policies that ensure growth is inclusive and benefits all citizens.

This article unpacks some of the issues that will be discussed in the first plenary, emphasising the importance of taking a planetary health perspective to address the mutually interdependent health and economic challenges facing societies.

## What is meant by planetary health?

Planetary health refers to the interdependence between human health and the integrity of Earth's natural systems. It recognises that sustainable economic development is contingent upon safeguarding the environmental foundations, including clean air, water, biodiversity, and climate stability, that underpin human well-being and productivity.

Environmental degradation, climate change, and biodiversity loss are not abstract ecological concerns; they are direct threats to human health and economic performance. Rising temperatures and extreme weather events increase the incidence of respiratory and cardiovascular diseases, while ecosystem disruption accelerates the spread of zoonotic infections. Ocean acidification and sea level rise threaten food security and displace populations, while extreme weather events damage infrastructure, disrupt supply chains, and strain public services. These phenomena carry substantial costs measured in economic and health terms, from premature death and disability, through increased healthcare expenditures and lost productivity to insurance payouts and reconstruction efforts.[4]

The economic toll of environmental instability is growing. The EU faces billions of euros in annual losses due to climate-related disasters such as wildfires and floods, with vulnerable regions and populations disproportionately affected.[5] These costs underscore the urgency of integrating planetary health into economic planning.

Embedding planetary health principles into economic policy supports a shift toward inclusive, sustainable growth. It aligns environmental stewardship with human development, positioning well-being as a central metric of prosperity. By recognising the economic value of health and ecological integrity, the EU can lead a transformation where resilience is built not only through fiscal strength but through the health of people and the planet.

## Opportunities for transformation of health policy to promote planetary health

The Draghi Report on European competitiveness underscores the urgency of integration and investment in innovation, particularly in green and digital sectors. However, the report notably omits health as a strategic pillar, despite its centrality to productivity, workforce resilience, and social cohesion.[6] Investment in health systems and population health is not merely a social good but a driver of economic performance.[7] Health shocks reduce labour market participation and productivity, especially in vulnerable regions and among disadvantaged groups.

Health facilities often act as anchor institutions, attracting talent, fostering clinical research, and catalysing local development. Yet, sustainability in health systems requires decarbonisation. Health systems are significant contributors to greenhouse gas emissions and waste.[8] Reducing low-value care,[9] such as screening low-risk populations or undertaking surgery that provides no health gain, can lower costs, and improve patient outcomes. Similarly, minimising pharmaceutical and plastic waste, improving energy efficiency, and adopting circular procurement practices can reduce the sector's environmental footprint.

Health promotion can play a key role in the transformation of health policy. Encouraging active transport, healthy diets, and clean air not only improves population health but also reduces emissions and environmental degradation. These co-benefits underscore the need to integrate health and sustainability goals across all levels of policy and practice. There are also several specific areas where the EU is contributing to the transformation of health policy.

## The Pandemic Agreement as a blueprint to strengthen global preparedness and planetary health

The Pandemic Agreement, recently agreed under the auspices of the WHO, aims to strengthen global preparedness and response to future health emergencies. Its goals include equitable access to medical countermeasures, improved surveillance, and stronger international coordination. From a planetary health perspective, the agreement reinforces the need for integrated approaches that address the environmental drivers of pandemics, such as deforestation and wildlife trade, through the One Health framework. The EU played a key role in getting it over the line, in the face of determined opposition. However, many gaps remain in ensuring enforceability, financing mechanisms, and equitable participation of low- and middle-income countries, and it will be important not to lose momentum.[10]

## Tackling AMR is crucial for population health, and health system and economic resilience

AMR remains a pressing global threat, with profound implications for sustainability and health system resilience.[11] The EU's strategic response includes surveillance, stewardship, and investment in new antimicrobials. There is a need for coordinated action across sectors, human, animal, and environmental, consistent with the One Health approach. Tackling AMR is not only a health priority but also a sustainability imperative, as resistant infections undermine productivity and increase healthcare costs.

> policy can steer industry toward sustainability

### Opportunities for transformation of economies to promote planetary health

Efforts to promote planetary health and well-being in the EU are likely to be closely linked to how Member States shape and evolve their economies. This involves reconciling industrial competitiveness, well-being of workers and consumers, and environmental protection. The tension between these priorities is real: industries seek efficiency and profitability, workers demand living wages and safe working conditions, and planetary health requires sustainable practices that often challenge conventional production models. Yet, there is growing recognition that these domains can be synergistic. Innovation in health technologies, for example, can simultaneously improve patient outcomes, reduce environmental footprints, and enhance Europe's global competitiveness.

The EU has many opportunities to bring about necessary transformations, for example, by addressing the negative externalities of economic activity and particularly those that harm health and the environment. Air pollution, carbon emissions, and ecosystem degradation impose substantial costs on public health systems and reduce labour productivity, but are rarely reflected in market prices. The EU Emissions Trading System (ETS) is a key mechanism for internalising such externalities by putting a price on carbon, thereby incentivising cleaner production and innovation. Expanding and strengthening the ETS can yield co-benefits for health and the economy by reducing pollution-related diseases and fostering green industries. EU budget deliberations offer a strategic lever for planetary health. Greening agricultural subsidies and prioritising investments in clean energy, sustainable transport, and climate-resilient infrastructure can align fiscal policy with health and environmental goals. By embedding these principles into its financial frameworks, the EU can catalyse a just transition that enhances both economic resilience and population well-being.

Embedding planetary health principles into the EU's industrial strategy can improve the attractiveness of the region for research, development, and production. This includes investing in sustainable infrastructure, incentivising innovation that aligns with environmental goals, and supporting clinical trials beyond elite centres. The EHDS offers a platform for data-driven innovation, subject to appropriate safeguards, while the EU's AMR strategy and digital health initiatives demonstrate how policy can steer industry toward sustainability.

Ultimately, competitiveness in the 21st century will depend not only on technological prowess but on the EU's ability to align economic ambition with ecological responsibility and human well-being. A health-inclusive industrial strategy, one that recognises health systems as engines of innovation and resilience, is essential for a sustainable and prosperous Europe.

### Measuring and promoting well-being

Traditional economic indicators such as GDP offer a narrow view of societal progress, failing to capture the health, equity, and environmental sustainability that underpin long-term resilience. As the late Robert F Kennedy noted, it measures "everything except that which makes life worthwhile".[12] As the EU seeks to align its economic strategy with planetary health, it must embrace well-being indicators that reflect the lived experiences of its citizens and the sustainability of its systems.

Emerging frameworks provide robust alternatives. The WHO's Health Equity Indicators offer a multidimensional lens on disparities in access, outcomes, and determinants of health, enabling policymakers to target interventions where they are most needed.[13] Similarly, the OECD's Better Life Index incorporates dimensions such as health, education, environment, and civic engagement, offering a more holistic view of societal well-being.[14] These metrics move beyond economic output to assess quality of life, social cohesion, and environmental stewardship.

Integrating such indicators into EU policymaking can guide inclusive and sustainable growth. For example, tracking health equity can inform resource allocation in underserved regions, while environmental metrics can shape industrial policy toward low-carbon innovation. The European Semester and Recovery and Resilience Facility offer vehicles for embedding well-being metrics into fiscal and structural reforms.

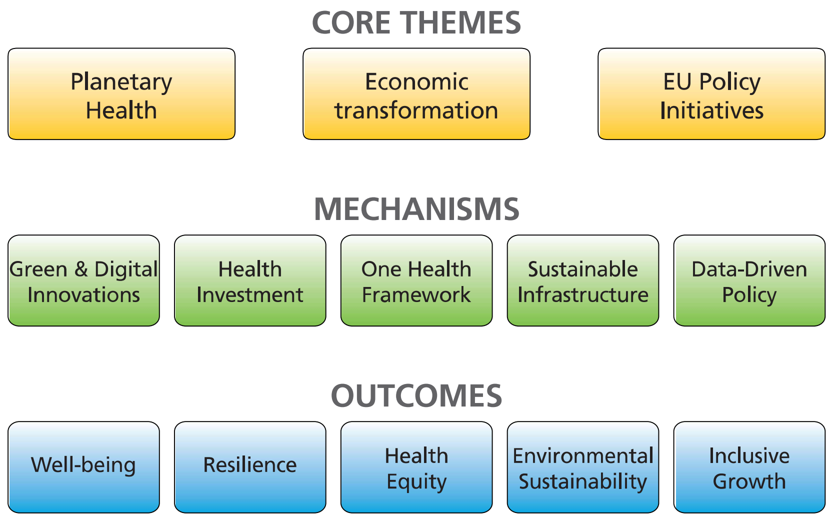
Ultimately, measuring what matters: health, equity, and sustainability, can help the EU design policies that foster prosperity not just in economic terms, but in human and ecological terms. This shift is essential for a future where planetary health and economic transformation go hand in hand.

> a future grounded in planetary health is not only possible but essential

### Digital progress will transform economies, societies and health systems, often in unpredictable ways

All of these changes are taking place against a background of rapid and unpredictable change. This includes the geopolitical context, with long-established norms of international law and trade being discarded, but also technological progress,

**Figure 1:** The transformative agenda




Source: authors' own

most notably in the area of artificial intelligence. A forthcoming report by the European Observatory on Health Systems and Policies will highlight how these innovations can transform the health sector. However, it also cautions about the need to separate the rhetoric from the reality. The EHDS further amplifies these opportunities by enabling secure, cross-border access to health data.[15] This empowers citizens with greater control over their health information and supports researchers in generating insights that drive innovation and policy.

However, digital transformation brings trade-offs. Data privacy, digital equity, and literacy gaps must be addressed to avoid deepening existing inequalities. Strategies such as investing in digital infrastructure, promoting inclusive design, and strengthening data governance are essential to ensure that no one is left behind.[16] By aligning digital innovation, environmental stewardship, and health equity, the EU can lead a transformation toward resilient, low-carbon, and people-centred health systems.

## Conclusion

Planetary health is not a peripheral issue. It is central to economic resilience, innovation, and social cohesion. As Europe faces environmental degradation and demographic change, integrating health and sustainability into economic planning is imperative. COVID-19 exposed the fragility of systems built on narrow metrics and short-term thinking. The EU now has a chance to lead a transformative agenda focused on well-being, resilience, health equity, environmental sustainability, and inclusive growth. (**see Figure 1**).

With its institutional capacity, regulatory power, and global reach, the EU is well-placed to drive this shift. Aligning industrial strategy with health, investing in green and digital innovation, and adopting well-being indicators beyond GDP can redefine competitiveness.

This transformation requires integrated policies, sustained political will, and inclusive governance. Above all, it demands ongoing dialogue and collaboration across sectors. Europe must lead by example; a future grounded in planetary health is not only possible but essential for a just and sustainable Europe.

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