

# BEUC'S RESPONSE TO THE GREEN PAPER ON A COMMON STRATEGIC FRAMEWORK FOR FUTURE EU RESEARCH AND INNOVATION FUNDING

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BEUC welcomes the Green paper on a Common Strategic Framework for future EU Research and Innovation Funding especially as it aims at making research more focused on societal challenges such as climate change, energy, security, demographic ageing and resource efficiency.

BEUC also supports the goal to simplify research & innovation programmes by developing more standardised rules and procedures. It is indeed important to make the research programmes more accessible to NGOs.

Below please find our comments in relation to the most relevant questions of the consultation with respect to consumer policy and consumer organizations:

**1) A stronger focus on tackling societal challenges  
(Questions 9 to 13 and question 14)**

**• More “consumer-oriented” research**

BEUC since a long time has pleaded for much more “consumer-oriented” research to examine conditions for successful economic development from the perspective of the demand side. Deepening knowledge of consumer demand and behaviour is indeed essential as existing research programmes are heavily supply-side oriented.

The demand side of markets is neglected, yet “functioning markets” require knowledge on both sides. The overall result is that the evidence base for policy making is incomplete. EU framework funding programmes largely reflect industry concerns or tend towards supplementing industry driven research. Publicly funded research should have a wider public purpose.

Research programmes should also be guided by concerns to ensure that societal take up is not only oriented towards the more affluent population. The divide between EU15 and EU12 should be bridged by proactive measures, in many policy areas, but also in the research field: when addressing social innovation, specific attention should be granted to those countries where societal involvement is still lagging behind compared to the “older” Member States.

Moreover, research programmes should be guided by the principle that the knowledge acquired belongs to the society as a whole and must return to it. They must include procedures that simplify the sophisticated scientific advancements and give them back to the society in a way that would enable ordinary people to easily use them in everyday life. This is the only way to bridge the gap between science and European citizens.

We need research that looks at the market from the consumers’ perspective:

- Do consumers have relevant information that they can and do actually use to make appropriate choices and drive competition?
- Can they actually exercise choice easily between different products or services?
- Do they feel confident in complaining or in having recourse to redress mechanisms, whether judicial or extra-judicial?

- What is their perception of the efficacy or mode of operation of certain types of products and to what extent does that perception accord with reality?
- What do we know about consumers' acceptance and use of new technologies?
- Are risk assessment methods taking full account of how consumers are exposed to risks throughout their entire lives?
- What pressures do they feel in relation to their consuming behaviour?
- How effective is the use of price mechanisms to achieve political or social aims?
- What are the effects on competition, and the overall economic effects, of various schemes and proposed schemes of intellectual property?
- How well do different national enforcement strategies work?

These are just a few of the very many questions that can be raised in research that is consumer-oriented. They are rarely covered in the research programmes that are currently developed, thus resulting in an obvious lack of scientific knowledge.

Consumer-oriented research should be seen against a background of consumer policy as oriented not only for the welfare of individual consumers but also for the welfare and prosperity of the economy and society as a whole.

- **Proposals for specific funding programmes**

In relation to the above described need for more "consumer-related" research, specific programmes must be developed to address specific consumer needs for example on safety related issues.

a. Safety of chemical substances in consumer products and pharmaceuticals

Safe products and services is a key consumer demand and a fundamental consumer right (right of health and physical integrity, right to a clean environment, etc). However, one of the major shortcomings of previous EU research programmes has been the low proportion of funding which is directed at researching the safety of consumer products, compared to the high investment in industry driven innovation projects. Funding programmes have, in the past, tended to be awarded to projects which reflect and supplement industry research while only a small percentage of the overall budget has been allocated to assessing the effectiveness and the concrete benefits of existing products, technologies, processes and services.

In that respect, future EU research programmes should not only be more consumer oriented but, if they are to be truly useful, they should be used to address knowledge gaps, gathering new evidence and helping to determine whether products are safe and/or healthy and/or harmful for the environment.

Far too little is for example known about the cocktail effect of chemicals to which consumers are exposed every day e.g. from food, clothes, air, buildings, toys, cosmetics, furniture and detergents. The effects of hazardous chemicals on humans and the environment are traditionally evaluated on the basis of single substances, chemical by chemical. However, chemicals which are not harmful on their own may have harmful effects when combined with other substances which also do not have an effect on their own. The current risk assessment and risk management approaches are therefore inadequate and need to be updated. Research funding should be made available to better understand the complexity of endocrine disrupting effects on human

health and the environment (both in the short and long term) and to find safe alternatives to hazardous chemicals which are currently used in consumer products.

Efforts should for instance also focus on more independent research on the side effects of medicinal products, including for non-prescription medicines, and on the benefits and the risks of the use of medicines on public health and the environment.

#### b. Consumer behaviour

It is also essential to develop research programmes on consumer behaviour. In surveys for instance, many consumers declare their willingness to act for the environment (see for example Eurobarometer - Europeans' attitudes towards the issue of sustainable consumption and production, 2009). However in practice, only a small fraction of those consumers change their behaviour. This is from our perspective related to three main reasons. First, consumers are often not enabled to act more sustainably as they do not find a sufficient number of sustainable products at competitive prices in shops. Second, consumers receive too many contradictory messages from different stakeholders such as misleading green claims from manufacturers and retailers. Third, consumers have developed a certain behaviour and they do not reflect these habits when shopping for products and services. From that example, it becomes clear that a lot of research remain to be done if we want to design better policy instruments which take into account consumer behaviour.

#### c. Balanced intellectual property rules

The legitimate interests of right holders to have their works/ results protected, should be balanced with the need for the wider dissemination possible and the right of the general public to have access to knowledge and information. While appropriate level of copyright protection can stimulate investment, the integration of the general public' interests are equally essential to the Knowledge Economy by permitting technological development and ensuring that access to knowledge fuels production of more knowledge. Copyright rules must evolve as the technologies that are used to create and distribute them evolve. It is important not to construe the protection of copyright and promotion of the interests/ rights of society as contradictory objectives. On the contrary, these are complementary objectives and interests that are both fostering the development of knowledge and creation and their dissemination. Ideas for specific projects in this area include:

- Develop means of supporting technology that would enable the cross-border circulation of creative content, such as substituting, speech recognition, automatic manipulation of text and speech in subtitles, audio description etc that would that would allow for the cross-border circulation of creative content, while enabling visually impaired and/or deaf people to benefit for the online dissemination of creative content.
- Develop technical solutions that would allow for the identification of the content enjoyed by consumers online on different platforms with the aim of improving the distribution of royalties collected to authors according to the actual consumption of their works. Such means should be user-friendly and privacy non-invasive and should be combined with the development of different systems allowing for micropayments for the purchase of legal content

## **2) The need for simplified and broader participation in EU programmes (questions 9 to 13 and question 20)**

- **The role of consumer organisations in the scientific process: collection of data and dissemination of results**

Information and experience of consumer organisations should be particularly taken into account in relation to data gathering and information dissemination.

Consumers associations are in daily contact with individual consumers, they know about their needs and expectations, they collect and analyze their feedback and/or complaints,, undertake surveys about their problems, interests,...

They are consequently the best placed to make proposals for consumer-oriented research funded projects and to ensure more closeness to the societal challenges in the other research areas. As genuine key players with first hand information, consumer organisations should be more involved in research. This implies that they are involved at an early stage and above all that they are given the means to be involved. Consumer organisations involvement can be promoted and enabled through the scope and definition of research programmes, the selection of research to be funded or in the assessment of results. This element is central to orientate research in a way that is consistent with societal expectations.

Consumer organisations are indeed able to use various professional tools to collect data and they can easily render accessible and disseminate information to many EU consumers, particularly through their magazines and their web sites.

It is important to stress that consumer organisations are often contacted by consultancies or other entities with the request to participate in a research project by collecting data or disseminating results, However, these co-operation requests are generally made without offering adequate financial compensation for the work to be carried out.

Consumer organisations are well placed to provide information about research results as they are trusted by consumers. The most recent Consumer Conditions Scoreboard<sup>1</sup> has shown that 69% of EU consumers trust consumer organisations to protect them. In some member states, this percentage is as high as more than 80%. The difference in the level of trust between consumer organisations and public authorities is at EU level up to 6%. So, informing directly consumers through publications in consumer associations' magazines and web sites about funded research findings would contribute in attracting greater interest and involvement of citizens and civil society.

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<sup>1</sup> Consumer Conditions Scoreboard, Consumers at home in the single market, 5th edition – March 2011.

**3) The need for increasing added value and leverage of EU research and avoiding duplication and fragmentation (question 3, questions 9 to 13)**

- **Devote adequate resources to a more focused EU consumer research approach**

Consumer research in the EU is currently an underfinanced area in all EU Member States. We would like to see a more concrete and strengthened commitment to consumer research within the FP8 Programme. Many of the FP7 themes include elements that affect consumers: health, food, agriculture and biotechnology, information and communication technologies, environment, socio-economic sciences and the humanities.

The spread over many programmes highlights the fact that financial support of isolated projects cannot alone be expected to result in the revitalization of consumer research policy.

It would be worth considering whether the FP8 Programme could to a certain degree bundle research fields of consumer-oriented research into a single programme (basic research, applied research, research on economic interests of consumers). However, research under such a heading would need to be genuinely consumer-oriented and not merely dealing with consumers from another perspective.

The EU must play a key role here, not only in developing its own consumer-oriented research facility but also by helping to improve synergy and the exchange of research results for consumer research at national level. It would be helpful to establish the current state of play in consumer-oriented research in the various Member States.

Finally, it is important to stress that the suggested stronger emphasis on leveraging other sources of funding should be weighted against the risk of distorting the research agenda and increasing the already existing bias towards commercially driven research.

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