

The Innovation Principle

“Stimulating Economic Recovery”

Key Recommendations

1. Establish a formal regulatory policy framework to support innovation in Europe based on the principles of:
 - science based risk assessment and management
 - balance and proportionality together with precaution
 - reduction of regulatory burdens in line with the conclusions of the May 2013 *Competitiveness Council*
 - full inclusion of relevant expertise
 - transparency of information and evaluation processes
 - protection of commercially confidential information
2. Initiate an in-depth review of the effectiveness or otherwise of existing regulatory processes in supporting innovation
3. Amend the Commission’s Impact Assessment guidelines to require formal evaluation of the impact on innovation and new technology development of new or amended legislation, regulation or administrative decisions
4. Revise the Commission’s Impact Assessment guidelines to include specific methodologies for:
 - evaluation of the complex costs and benefits of advanced technological development
 - assessment of the impact of proposed regulation on product development economics and product de-selection
 - determination and presentation of the uncertainties and risks associated with proposed or likely alternative courses of action
5. Develop formal regulatory process management standards for the use of science in legislative and regulatory decision-making and establish clear accountability within the European Commission for the development, use and continuous improvement of such standards
6. Require the obligatory ex-post evaluation of the effectiveness of risk management legislation, regulation or administrative decisions in addressing the issue originally identified as causing concern and provide for the amendment/reversal of such measures where:
 - new evidence becomes available to demonstrate an acceptable balance of risks
 - ex-post evaluation demonstrates no material impact on the issue originally identified as giving rise to concern
7. Provide a formal power for the Chief Scientist of the European Commission to review the use of scientific evidence in risk management legislation, regulation or administrative decision and to require further scientific assessment where appropriate