

Competitiveness Council, Brussels, 25-26 May 2010 – Consumer and Research, Innovation and Science points

The Competitiveness Council will hold on 25 May in the afternoon a policy debate on the Commission's proposed Consumer Rights Directive, which is also being reviewed by the European Parliament. For the discussion on consumer rights, the Commission will be represented by Vice-President Viviane Reding, Commissioner for Justice, Fundamental Rights and Citizenship. On 26 May, the Council will discuss Research, Innovation and Science issues, with Commissioner Máire Geoghegan-Quinn representing the Commission. For industry, internal market and digital agenda points to be discussed on 25 May, please see [MEMO 10/208](#)

CONSUMERS

The Consumer Rights Directive

On 8 October 2008, the Commission proposed a Directive on Consumer Rights that would establish a single set of core consumer rights. The proposal merged four existing Directives (Unfair Contract Terms, Sales and Guarantees, Distance Selling and Doorstep Selling) into one legislative package. The Commission updated the rules, removed inconsistencies and closed gaps.

With this debate, the Spanish Presidency gives Member States the opportunity to discuss Vice-President Reding's recent suggestions ([SPEECH/10/91](#)). Commissioner Reding considers that targeting full harmonisation to those issues with the strongest internal market dimension, such as the rules on distance and off-premises contracts, could be a possible way forward for advancing the negotiations.

RESEARCH

International Thermonuclear Experimental Reactor (ITER)

Following the adoption of a Communication on "*ITER status and possible way forward*" ([MEMO/10/165](#)) by the Commission in May, the Council will have the opportunity for an exchange of views about the further development of the International Thermonuclear Experimental Reactor (ITER). The Commission asks for a sustainable financial framework and a mechanism for dealing with any further overruns throughout the life of the project.

The Competitiveness Council on 16 November 2009 had reaffirmed its unanimous support to International Thermonuclear Experimental Reactor (ITER) subject to credible cost assessments, acceptable cost and cost containment, realistic time table for the construction and sound management of the project at all levels.

Simplified and more efficient European research and innovation programmes

Following the adoption of a Communication on "*Simplifying the implementation of the Research Framework Programmes*" ([IP/10/472](#), [MEMO/10/156](#)) by the Commission on 29 April, the Council will have the opportunity to support initiatives that will reduce the administrative burdens in Europe's research programmes. Some of these are being or will be implemented by the Commission under the current legal framework, but the most far-reaching changes depend on either changes to the Financial Regulation and/or to changes to the legal framework for research funding. They therefore can only be delivered with Council and Parliament backing.

The options presented by the Commission for discussion include: adopting a research specific tolerable rate of error; reducing the complexity of funding conditions by accepting the usual accounting practices of the beneficiaries; and moving to result based funding and lump sums. The Communication opens an inter-institutional debate with a view to the preparation of the legislative proposals for the next research framework programme.

R&D targets

In March 2010 the European Council confirmed 3% R&D intensity as one of the EU headline targets for 2020 and invited Member States to set their national R&D targets taking account of their relative starting positions and national circumstances.

The Commission has had dialogues with the Member States to discuss the setting of their national targets.

The Council's attention will be drawn to the draft Europe 2020 Integrated Guidelines. The European Council in June will endorse the guidelines and take stock of national indicative targets, including for R&D intensity, on the basis of which Member States will draw up their National Reform Programmes in the autumn.

Commissioner Geoghegan-Quinn will also advise the Council that she will be establishing an independent panel to advise her on the most appropriate choice of an R&D and innovation intensity indicator to support policy making and monitoring.

European Research Area (ERA)

The Commission will fully support the adoption of the Council conclusions on the Social Dimension of the European Research Area. On future developments of the ERA, the Commission will welcome the endorsement of Public-Private partnerships for research and innovation and the Council's intention to agree three recent Commission Recommendations on Joint Programming Initiatives.