

Dear Sir or Madam,

UNICE welcomes the consultation document of the Commission in its broad overview of biotechnology. In addition to providing an adequate analysis, the document also poses many good questions. UNICE also welcomes the open consultation in itself and the attention to biotechnology by the European Commission since the Stockholm Summit.

UNICE considers biotechnology a key technology for a broad area of business. The potential contribution of biotechnology to Europe's economic growth and job creation is huge. Hence responsible development of modern **biotechnology forms a necessary ingredient of innovation**. However, Europe is lagging behind the US in terms of revenues, employment, patents and R&D investment. Also, developments in biotechnology have accelerated even further around the world. The ambition of the EU should be to gain a leading position in research, development and application of biotechnology. The Lisbon goals for innovation cannot be met without this. UNICE therefore stresses the importance of formulating and implementing a strong EU biotechnology policy with a clear international perspective as soon as possible. The Barcelona Summit has to show real progress in this matter.

While supporting the general outline of the consultation document, three serious comments should be made as well.

- The paragraph on "Innovation and competitiveness" unjustly ignores the tremendous hampering effect on innovation of both current and draft legislation. The bureaucracy and the lack of support for harmonised patent rules is felt by all biotechnology companies. Using the metaphor of a Formula-1 race for the international competition in biotechnology, it is as though the Community institutions seek to oil the wheels, fill the gas tank and try to accelerate while holding one foot on the brakes. **Removing obstacles to biotechnological entrepreneurship is essential for innovation**. In particular the moratorium for the market introduction of products based on genetically modified organisms (GMOs) should be lifted as soon as possible. The effect of market access on innovation should not be underestimated.
- It is vital that the precautionary principle as stated in COM(2000) 1 is correctly applied by all governments. Only then will the international competitiveness of European industry be taken into consideration. By creating **a strong European Food Agency and clear criteria for risk management**, EU governments should be prevented from ignoring the outcome of risk assessments for purely political reasons. With these decisions, they directly forbid the development of agricultural biotechnology, which is permitted elsewhere. This increases our current setback even further. With a new technology, there is no substitute for hands-on experience.

- The document itself lacks a sense of urgency. UNICE therefore encourages political leadership by the European Commission. This should lead to **rapid decisions** allowing European businesses to speed up the responsible development of biotechnology, and to **benchmarking** of the results. This really is a "rat race" in a global context.

UNICE hopes that these comments, as well as the answers to a selection of questions posed in the consultation document (see enclosed document) will be useful in finalising the forthcoming Communication of the Commission on life sciences and biotechnology, and also in creating a Europe that is indeed the most innovative and competitive region in the world by the year 2010.

Yours faithfully,

(original signed)  
Daniela Israelachwili  
Acting Secretary-General