

CONSUMER CHOICE CENTER

CONSUMER INNOVATION MANIFESTO

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The Consumer Innovation Manifesto lays out a comprehensive plan for revamping consumer policies post-Coronavirus.



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The Consumer Innovation Manifesto lays out a comprehensive plan for revamping consumer policies post-Coronavirus. As the crisis unfolds, consumers are faced with a multitude of challenges, ranging from the daily commute (transport) to connectivity (digital), access to fast-moving consumer goods (lifestyle & trade), as well as the acquisition of life-saving drugs (health & science).

The Consumer Choice Center has made these four areas its core principles for the defence of consumer choice. The Consumer Innovation Manifesto suggests key regulatory changes that improve consumer well-being post-Coronavirus, partially by cementing in those rules that have been temporarily disabled. Here you will find an overview of the specific policy changes that we suggest to relaunch consumer confidence, boost the economy, and to usher in a new age of consumer choice. We urge policy-makers to get on board with these vital changes, and offer our support when it comes to making changes precise and effective.

**"RELAUNCH
CONSUMER
CONFIDENCE,
BOOST THE
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TO USHER IN A
NEW AGE OF
CONSUMER
CHOICE"**

MAKING HEALTHCARE FIT FOR THE NEXT PANDEMIC:

- Fast and easy access to medicine by fast-tracking regulatory approvals of medicine and recognising EMA and FDA approvals;
- A decentralised and agile laboratory system that allows to quickly respond to novel pathogens;
- Patient choice in hospital care;
- Revolutionising medical research through incentivised gene-editing tools;

FOOD SECURITY & ENTERTAINMENT:

- Boost hospitality and retail by opening up now and by permanently abolishing business rates;
- Improving supply chains with eased rules for retail;
- Guaranteeing free trade even in times of crisis;
- Modernising and fast-tracking agriculture in times of need (agro-technology)

HIGH-SPEED CONNECTION FOR A BOOMING LABOUR MARKET:

- Reciprocity of professional licenses across national borders (recognise licenses of all OECD countries in the UK);
- Key policy changes for improved broadband connection, through competition and incentivised innovation;
- Securing cybersecurity rules in a more connected professional and personal world;

EASY TRANSPORT FOR THE WORLD'S HUB:

- Back to the skies with fewer taxes and no bailouts;
- Scooters to the streets;
- Border checks and quarantines;



FAST AND EASY ACCESS TO MEDICINES

by fast-tracking regulatory approvals of medicine and recognising EMA and FDA approvals

COVID-19 has exposed the need for quicker regulatory approvals of medicines. This has been a systemic problem within the drug approval process for years but also applies to medical devices and supplies in some cases. In the United States, FDA rules have prevented non-legacy industries from providing vital medical supplies when hospital services were most in need of them, making procurement unnecessarily difficult. In the Czech Republic, the sale of respirators was held up due to bureaucratic processes.

We need an urgent audit of all drug, device, and supplies approval procedures, with the explicit aim of more agile approval frameworks. Mutual recognition of all OECD regulatory approval bodies would also lead to faster access for patients globally. Those regulations that were shown to be harmful during the Coronavirus crisis should be completely reviewed.





A DECENTRALISED AND AGILE LABORATORY SYSTEM

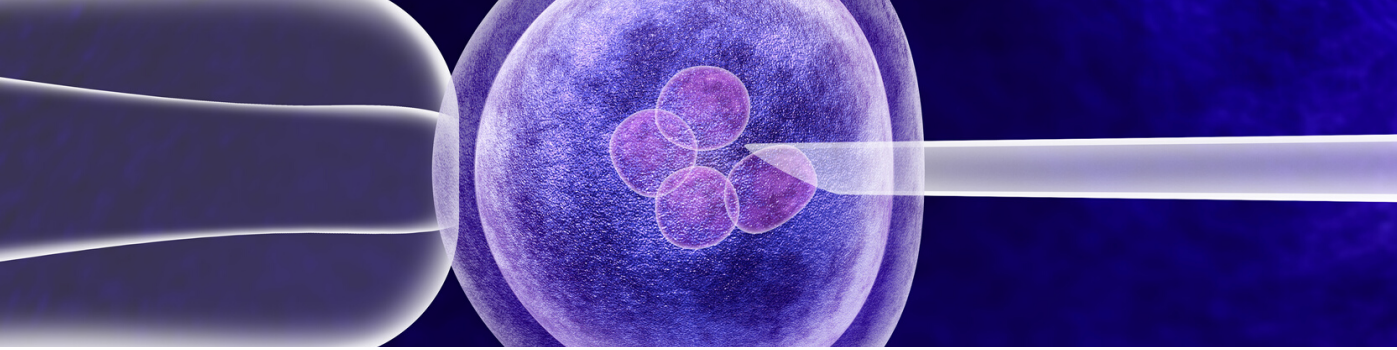
that allows to quickly respond to novel pathogens

It took the UK over six weeks to catch up with other developed countries' testing capabilities. Germany's decentralised and private laboratory network had already tested over two per cent of its population when the UK's figure still stood at a meagre 0.7 per cent. Britain's centralised testing system, and its failure to scale up Covid-19 tests, might explain part of the mortality gap of two countries. We support the Adam Smith Institute's proposal to decentralise testing in the UK.

PATIENT CHOICE IN HOSPITAL CARE

The centralised nature of the NHS has also shown its vulnerability towards external shocks such as COVID-19. Decentralised hospital systems that promote private competition and patient choice have proven to be much more resilient. The first is that introducing more market mechanisms in the NHS would not mean that patients were denied care – you can have universal healthcare in a social insurance model too. And the second is that having more private hospitals does not necessarily lead to fewer hospital beds, but a better allocation of skills and resources. Indeed, it allowed Germany to scale up its ICU capacity, as well as keeping services such as cancer treatments and screenings open in different locations.

Unfortunately, failure is in our nature and less centralised systems are therefore necessary in order to achieve resilience and adaptability in times of urgent need. We should make the UK fit for the next virus by decentralising testing and allowing for more private sector involvement in healthcare. It's high time we were honest about the NHS and stopped ignoring success stories from around the world.



REVOLUTIONISING MEDICAL RESEARCH

through incentivised gene-editing tools

Synthetic biologists have started using CRISPR to synthetically create parts of the coronavirus in an attempt to launch a vaccine against this lung disease and be able to mass-produce it very quickly. In combination with computer simulations and artificial intelligence, the best design for such a vaccine is calculated on a computer and then synthetically created. This speeds up vaccine development and cuts it from years to merely months. Regulators and approval bodies have shown that in times of crisis they can also rapidly approve new testing and vaccination procedures which usually require years of back and forth with agencies such as the FDA.

CRISPR also allows the 'search' for specific genes, also genes of a virus. This helped researchers to build fast and simple testing procedures to test patients for Coronavirus. In the long term, gene editing might allow us to increase the immunity of humans by altering our genes and making us more resistant to viruses and bacteria. This won't be the last crisis, thus allowing for medical research and the use of genetic engineering is key to advance human health.

BOOST HOSPITALITY AND RETAIL

by opening up now and permanently abolishing business rates

The hospitality industry (restaurants, bars, hotels, fitness) and brick and mortar non-essential retail have been hit the most severely by month-long lockdowns. We recommend opening up all retail and hospitality establishments as soon as possible. Restaurants and bars should be allowed to serve guests that sit outside or practice distance within indoors restaurants.



Furthermore, we recommend making the business rate tax holiday permanent by abolishing business rates. This would give restaurants and retail financial breathing room to recoup from losses made in 2020 and allow them to provide consumers with better and more competitive offers. At the same time, this would create a level playing field between restaurants/retail and food delivery and e-commerce providers.



IMPROVING SUPPLY CHAINS WITH EASED RULES FOR RETAIL

Retailers have been faced with challenging times during panic-buying moments, but also through border closures throughout the world. In an effort to prevent such problems in the future, countries should commit to immediate lane separation in times of crisis (on land and sea borders) between people and trade goods, in order to prevent supply chains from being interrupted.

Additionally, we have experienced that draconian price controls have not managed to provide better distribution of essential goods (such as hand sanitizers) -- they have in fact produced the opposite result. Thus governments should introduce legislation preventing price control legislation under any circumstances.

We see a similar necessity in the range of price gouging legislation, which instead of bringing down prices, impose scarcity on consumers. While uncomfortable, price hikes guarantee a supply chain and competition on the consumer marketplace. Preferring hoarding to price gouging amplifies the problem of panic-purchases.

Private sector players such as retailers and online shops have reacted independently and without government intervention by focusing on delivering essential products and limiting the quantity of how much one household can buy at once of certain products.



GUARANTEEING FREE TRADE EVEN IN TIMES OF CRISIS

The COVID-19 situation has revealed that a number of essential goods, such as ventilators or medical-style face masks had previously been burdened with tariffs. Removing many of these trade barriers has been helpful during the crisis, yet these measures are equally unnecessary outside the realms of the Novel Coronavirus. We ought to endorse both mutual trade agreements, as well as unilateral trade liberalisation. Tariffs are burdens not

only on companies wishing to export, but also on consumers in the country that imposed them, as they are required to buy for an arbitrarily higher price. Cooperation through trade remains important in both crisis times and regular economical flow. A commitment to free trade without exception would be most beneficial to consumers and society as a whole.

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MODERNISING AND FAST- TRACKING AGRICULTURE

in times of need (agro-technology)

In order to give farmers and consumers food security after COVID-19, modern agricultural technology deserves to be given a boost. Unfortunately, many countries have blocked innovation in crop science by restricting certain technologies of genetic engineering. By applying the precautionary principle to entire technologies, as opposed to evaluating results on a case by case basis, consumers are being limited from the innovation that systems such as CRISPR-Cas provide (gluten-free wheat, allergen-free nuts, etc.). Adding to that, genetic engineering has the ability to reduce water and land use, helping the efforts in the fight against climate change.



RECIPROCITY OF PROFESSIONAL LICENSES

across national borders

Occupational licenses exist for a whole host of professions. These licenses are intended to demonstrate competence, education, and skills. Excessive occupational licensing is itself an issue that should be examined by legislatures. One major issue for standard professional licenses (medical professionals, educators, electricians, etc.), however, is that these licenses are issued by one jurisdiction and are thus not generally recognized in other jurisdictions.

High barriers to entry for professionals who hold licenses in other jurisdictions are unreasonable, raising costs for consumers and limiting the mobility of highly educated and trained people. We recommend the reciprocity of professional licenses across national borders, especially for all OECD countries.



KEY POLICY CHANGES FOR IMPROVED BROADBAND CONNECTION

through competition and incentivised innovation

As soon as heightened internet use had been an occurrence during the COVID-19 crisis, internet users found out that their networks were not up to speed. Many consumers who were already dissatisfied with their existing network speed, soon found themselves in problematic professional situations due to slow connectivity. In order to improve broadband connection and foster innovation, changes are necessary. Some of these issues are due to the old regulations which restrict the spectrum licences from being really developed giving them the best broadband possible.

We suggest the following points:

- A universal, market-based mechanism for spectrum allocation. Restrictions on who is allowed to bid on spectrum should be removed for trusted vendors.
- Spectrum should be auctioned within a fixed timeframe from allocation to the nation, as to avoid delayed processes and the development of regional inequalities in investment and innovation.
- The United Kingdom should adopt unlimited term licenses on spectrum auctions and facilitate the operations of secondary markets in spectrum licenses, with a fee on sales as revenue-raising tools. We also recommend providing sufficient investment incentives (such exemption from taxation) for those companies that have made R&D decisions surrounding the quality of broadband and 5G.



SECURING CYBERSECURITY RULES

in a more connected professional and personal world

A large number of hacker attacks during the COVID-19 crisis need to put us on alert. Public and private services should not be subject to online fraud and data theft because of a lack of cybersecurity, and consumers should feel comfortable browsing the net and using financial services without fearing for their hard-earned income.



BACK TO THE SKIES: FEWER TAXES INSTEAD OF BIG BAILOUTS

In the realm of aviation, we need to allow non-UK investors to become majority shareholders of an airline, as well as allow more mergers of domestic airlines, in order to create companies which are able to compete in a new aviation market after the crisis. Additionally, we need to reduce slot fees for the next 3 years in order to help airlines serve consumers in airports which might not be immediately profitable. Last, we should also waive passenger departure fees for good.

SCOOTERS TO THE STREETS

A developed electric scooter network would have made movement across cities much easier in times of social distancing. Unfortunately the UK is late to the game of innovations in urban mobility. We support recent initiatives of the government to finally allow e-scooter sharing services.

BORDER CHECKS AND QUARANTINES

We are worried that the plans to mandate passengers arriving from abroad to self-isolate for 2 weeks will cause additional negative consequences for commercial travel and tourism. The UK is one of the most affected countries in the world with COVID-19. Self-isolation should be only mandated from passengers coming from countries that show a higher incidence of COVID-19 than the UK.

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