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| From: | Presidency |
| To: | Delegations |
| Subject: | SCAR Foresight exercise on <i>Sustainable Agriculture, Forestry and Fisheries in the Bio-economy - A Challenge for Europe</i> in the context of the preparation of an EU long-term strategy for agricultural research and innovation - <i>exchange of views</i> |

1 A strengthened role for SCAR

The Standing Committee on Agricultural Research (SCAR) was established in 1974 under the Common Agriculture Policy (CAP) legislation. Its main objective was the coordination of agricultural research between Member States and the European Commission. SCAR has grown to become a respected source of advice on European agricultural research and research related to the wider bio-economy, along with being a major catalyst for the coordination of national research programmes. In particular, SCAR has developed a series of foresights, fostered the creation of various ERANETs and played an important role in the creation of Joint Programming Initiatives (JPIs) "Agriculture, Food Security and Climate Change" (FACCE) and a Healthy Diet for a Healthy Life (HDHL).

A new impetus has been granted at EU level to research regarding agriculture, forests, food and bio-based industries in Horizon 2020. This has triggered a process of reflection within SCAR on its advisory role. As a result of this process¹ it has been decided to reinforce SCAR's function as an advisor on strategic issues related to research and innovation on the bio-economy, on food security and on various areas such as strategic programming, alignment and interoperability between national programmes, AKIS (Agricultural Knowledge and Innovation Systems) policies at Member State level and their linkages with EU level.

2 Fourth SCAR foresight exercise

The bio-economy – which encompasses the production of all biomass types and the conversion of these resources and waste streams into value-added products – offers a unique perspective to address the multidimensional challenges of food security, energy security, climate change, environmental protection and industrial renewal. The concept's key strength is that it forces us to think in an overarching way about how we can most efficiently, innovatively and sustainably exploit our natural resources, be it for food, energy or material production.

The fourth Foresight Exercise launched by the Standing Committee on Agricultural Research (SCAR) in spring 2014 explored the interactions between the primary sector and the bio-economy. With an emphasis on the future, the exercise explored not only what will happen, but also what might happen by developing a paradigm for the bio-economy that is underpinned by sustainability. The resulting report entitled "Sustainable Agriculture, Forestry and Fisheries in the Bio-economy - A Challenge for Europe" has been presented at a public Conference in Brussels on 8 October 2015.

¹ Reflection paper on the role of SCAR, https://ec.europa.eu/research/scar/pdf/24-09_ce_scar_role.pdf

The fourth SCAR Foresight Exercise highlights three scenarios in a long-term perspective (2050) based on varying levels of biomass supply and demand – "BIO Scarcity", "BIO Modesty" and "BIO Boom" – and which are used to describe opportunities and risks for the different sectors. In parallel, the report calls for an implementation of a sustainable bio-economy through a set of principles such as "food first", sustainable yields, circularity and diversity. These scenarios and principles pave the way to the identification of possible priority research and innovation areas and policies for future investment. The report also points to the key challenge of sustainable biomass availability.

The Foresight exercise was carried out by a dedicated group of experts, including representatives from Member State authorities, who engaged all relevant stakeholders from the outset in a fully participatory process. This report, endorsed by SCAR, represents not only a roadmap for a sustainable bio-economy helping to boost jobs, growth and investments in rural economies, but also represents an important contribution towards achieving global goals to provide food and nutrition security, tackle climate change, and to sustainably manage our resources.

Member States are encouraged to fully participate in the activities of SCAR and to actively engage in the follow-up of the report and related SCAR activities.

The foresight provides an important contribution to the work on the further development of the European and national Bio-economy strategies and can help guide the discussions on research and innovation investments in the Bio-economy.

The state of play of the bio-economy was described in the foresight by presenting three main processing sectors using bio-resources from the primary sector: the food-feed, the materials-chemicals and the fuel-energy systems. With the foresight, it becomes evident that for sustainable production and consumption patterns, policy decisions should be based on a systems-based approach. The food and feed, materials and energy systems need to be tackled in their complexity.

Holistic and integrated approaches are therefore necessary to the development of the wider bio-economy. The bio-economy strategy² plays a leading role in the development of the bio-economy. The strategy will be reviewed in 2016 and the Foresight report provides important input to this review. The long-term agricultural research and innovation strategy being developed by DG AGRI will also contribute to it.

For future policy, a key implication of the analysis and conclusions of the foresight is that the bio-economy can only thrive if it is sustainable, in terms of its social, economic and environmental dimensions. This points to the need for policy interventions to promote investment, societal buy-in and social innovation and circularity. The aspect of sustainability will become even more pressing in a post COP21 policy context. The environmental impacts of primary production will need to be reduced if we want to meet the European ambitions for the bio-economy – which demands a road map to sustainably boost biomass availability and ecological intensification.

3 A long-term strategy for agricultural research and innovation

Preparation of an EU long-term strategy for agricultural research and innovation was launched in June 2015 with a workshop at Expo Milan. The strategy will be presented and discussed at a large conference organised by the Commission in Brussels on 26-28 January 2016.

The overarching aim of the strategy is to foster sustainable primary production systems (for agriculture and forestry). Embedding research and innovation activities in a long-term strategy will help identifying strategic areas of short-, medium- and long-term interest, thereby improving their overall coherence, sequencing and impact. The strategy will also strengthen the synergies between the research policy and the CAP to foster innovation in the agricultural sector. The strategy will be an input for the programming of the remaining years of Horizon 2020 and in guiding agricultural research and innovation activities after 2020.

² Innovating for sustainable growth, a bioeconomy for Europe (COM(2012) 60 final)

The strategy is built around five core priority areas organised in two headings:

Heading 1: creating value from land: sustainable primary production:

- *Resource management* – focusing on natural resource management (soil, water, biodiversity) and climate change
- *Healthier plants and animals*
- *Integrated ecological approaches from farm to landscape level*

Heading 2: enhancing rural innovation: modernising rural territories and policies:

- *New openings for rural growth* – focusing on territorial dynamics, food and non-food systems, rewarding the provision of public goods, taking advantage of the digital revolution
- *Enhancing the human and social capital in rural areas* – focusing on agricultural knowledge and innovation systems (AKIS)

Question to the Member States:

In order to follow-up on the SCAR Foresight Exercise and in view to contribute to the preparation of an EU long-term strategy for agricultural research and innovation, Ministers are invited to focus their intervention at the Agriculture Council of 14 December around the following question:

Could Ministers indicate which particular elements in the SCAR Foresight report should in their view be highlighted in the preparation of an EU long-term strategy for agricultural research and innovation?
