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NOTE

From:	General Secretariat of the Council
To:	Working Party on Research
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Subject:	Draft Council conclusions on the updated Bioeconomy Strategy "A sustainable Bioeconomy for Europe: stenghtening the connection between economy, society and the environment"

With a view to the examination in the Research Working Party on 4 November 2019, delegations will find attached a Presidency draft on the above subject.

Changes in comparison to doc. 12804/19 are indicated in ~~strikeout~~ and **bold underlined**.

Delegations are invited to coordinate their position with relevant stakeholders, in particular colleagues responsible for the Common Agricultural Policy.

DRAFT COUNCIL CONCLUSIONS ON THE UPDATED BIOECONOMY STRATEGY "A SUSTAINABLE BIOECONOMY FOR EUROPE: STRENGTHENING THE CONNECTION BETWEEN ECONOMY, SOCIETY AND THE ENVIRONMENT"

The Council of the European Union:

1. RECALLING:

- The European Council conclusions of March 2019, which underlined a strong economic base as of key importance for Europe's prosperity and competitiveness, and in view of a globally integrated sustainable and competitive industrial base, invited the Commission to present by the end of 2019 a long term vision for the EU's industrial future, touching upon all relevant policy areas¹;
- the European Council on 20 June 2019, where the European Council invited the Council and the European Commission to advance work on conditions, the initiatives and the enabling framework to put in place so as to ensure a transition to a climate neutral EU in line with the Paris agreement²;
- The "*Political Guidelines for the next European Commission 2019-2024*" of the President-elect Ursula von der Leyen, in particular the "*European Green Deal*"³;
- The exchange of views at the "Agriculture and Fisheries" Council on 19 February 2018 on the revision of the EU Bioeconomy Strategy and the role of the agricultural sector as well as in providing new opportunities for growth and rural development and also highlighted that primary producers should be enabled to capture a fair share of the bioeconomy's value added;

¹ EUCO 1/19

² EUCO 9/19

³ <https://ec.europa.eu/commission/interim>

- The exchange of views at the "Agriculture and Fisheries" Council on 17-18 December 2018 on the role of agriculture and forestry in the updated EU Bioeconomy Strategy, which reaffirmed the capacity of the bioeconomy to support the achievement of the EU environmental and climate goals through sustainability and circularity;
- The exchange of views at the "Agriculture and Fisheries Council" on 18 March 2019 on an effective and speedy EU-wide implementation of the updated EU Bioeconomy Strategy, which highlighted the key role that the Common Agricultural Policy (CAP) can play in the deployment of the potential of the bioeconomy;
- The exchange of views on Research in Agriculture and Bioeconomy at the informal meeting of the Ministers of Agriculture and Fisheries of the Member States of the ~~European Union~~ in Bucharest on 3-4 June 2019, organised ~~in the context of~~ **during** the Romanian Presidency of the Council of the European Union;
- The bioeconomy conference "European Bioeconomy Scene" on 9-10 July 2019, organised under Finland's Presidency of the Council of the European Union to contribute to achieving an inclusive and sustainable bioeconomy for Europe; [the outcome of the conference was presented at the "Agriculture and Fisheries" Council on 14 October 2019];
- Finland's Presidency report on "vision for a long-term strategy on sustainable growth" presented and discussed in the Competitiveness Council on 26-27 September 2019⁴; [The Presidency reported on the outcome of these discussions to the October 2019 European Council];
- The Commission's Communication on "The Future of Food and Farming"⁵;

⁴ 11965/1/19 REV1

⁵ 14977/17

- The Commission’s Communications on "Closing the loop - An EU action plan for the Circular Economy⁶" and the Council conclusions thereon⁷, "A European Strategy for Plastics in a Circular Economy⁸", "On a monitoring framework for the circular economy⁹", and "On the implementation of the Circular Economy Action Plan¹⁰"; the Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the Circular Economy Action Plan, and the Council conclusions on Circular economy adopted in October 2019¹¹, **in which the Council underlined that a circular economy can significantly improve the resilience and competitiveness of businesses, societies, cities and regions**;

2. TAKING NOTE OF:

- The Commission Communication of 28 November 2018 on 'A Clean Planet for all. A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy'; The Commission’s Reflection Paper of 30 January 2019 "Towards a Sustainable Europe by 2030"¹²;
- The Commission Communication of 23 July 2019 on "Stepping up EU Action to Protect and Restore the World’s Forests"¹³;
- The European Committee of Regions opinion of 11-12 May 2017 on "The local and regional dimension of Bioeconomy and the role of regions and cities" (SEDEC-VI-022);
- The European Committee of Regions opinion of 26-27 June 2019 on "A sustainable Bioeconomy for Europe: strengthening the connection between economy, society and the environment" (SEDEC-VI-048);

⁶ 14972/15
⁷ 10518/16
⁸ 5477/18
⁹ 5478/19
¹⁰ 7128/19
¹¹ **12791/19**
¹² 5953/19
¹³ 11449/19

- The exploratory opinion of the European Social and Economic Committee of 19 September 2018 on "Bioeconomy – contributing to achieving the EU's climate and energy goals and the UN's sustainable development goals" (NAT/739);
- The opinion of the European Social and Economic Committee of 12 December 2018 on "Sustainable and inclusive Bioeconomy – new opportunities for European economy" (CCMI-160);
- The opinion of the European Social and Economic Committee of 15 May 2018 on the 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions on "A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment";
- [The opinion of the European Social and Economic Committee of **30 October** 2019 on Blue Bioeconomy];

3. ACKNOWLEDGING:

- The report on "Climate Change and Land" by the Intergovernmental Panel on Climate Change (IPCC)¹⁴;
- **The report on "The Ocean and Cryosphere in a Changing Climate" by the Intergovernmental Panel on Climate Change**¹⁵;
- The global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)¹⁶;

¹⁴ <https://www.ipcc.ch/report/srcl/> - special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems

¹⁵ **<https://report.ipcc.ch/srocc/> - special report on The Ocean and Cryosphere in a Changing Climate**

¹⁶ <https://www.ipbes.net/global-assessment-report-biodiversity-ecosystem-services>

- The United Nations First Global Integrated Marine Assessment: "World Ocean Assessment I";
 - The United Nations Strategic Plans for Forests 2017-2030 (UNSPF);
4. WELCOMES the Commission Communication "A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment"¹⁷ published on 11 October 2018 (hereinafter referred to as "*updated European Bioeconomy Strategy*"), which aims at accelerating the deployment of a sustainable European bioeconomy, ~~fostering economic growth in urban and rural as well as coastal areas~~, with a view to maximising its contribution towards EU policy objectives and international commitments, ~~in particular~~ **such as** the implementation of the 2030 Agenda **for Sustainable Development** and the **relevant** United Nations Sustainable Development Goals (SDGs) proposed therein, as well as the Paris Agreement on climate change;
5. RECALLS the five objectives of the initial 2012 European Bioeconomy Strategy: Innovating for Sustainable Growth. REITERATES that the bioeconomy covers all sectors and systems that rely on biological resources (animals, plants, micro-organisms and derived biomass, including organic waste), their functions and principles. It includes and interlinks: land and marine ecosystems and the services they provide; all primary production sectors that use and produce biological resources (agriculture, forestry, fisheries and aquaculture); and all economic and industrial sectors that use biological resources and processes to produce food, feed, bio-based products, energy and services;

¹⁷ 13229/18 + ADD1

6. SUPPORTS the three main areas of action identified by the updated European Bioeconomy Strategy: i) strengthen and scale-up the bio-based sectors, unlock investments and markets; ii) deploy rapidly bioeconomies across the whole of Europe; iii) understand the ecological boundaries of the bioeconomy. CALLS upon Member States to implement the updated European Bioeconomy Strategy without delay and upon the European Commission to facilitate such **and drive forward** the implementation **of the EU Bioeconomy Strategy**. INVITES the European Commission to provide timely support and guidance for use of the most effective instruments and funding tools both in the elaboration and in the implementation of the strategy. STRESSES the importance of follow-up of the action plan including the development of monitoring systems on sustainable European bioeconomy and its impact on the UN Sustainable Development Goals;
7. NOTES that the **sustainable** bioeconomy, as defined in the updated EU Bioeconomy Strategy, has the potential to, **among others**, drive the **competitiveness, growth and** renewal of our industries, the modernisation of our primary production systems, the protection of the environment and to **the enhancement of** biodiversity. HIGHLIGHTS that, to be successful and fully exploit its potential, covering both production and consumption patterns, the European bioeconomy needs to have sustainability and circularity at its heart;
8. NOTES the central role of a sustainable and circular bioeconomy **and the use of sustainable biomass** in **the** Commission's **Communication "A Clean Planet for all"** to achieve a climate neutral Europe by 2050; **as well as** to ensure food and nutrition security, **decrease food waste** and to restore and enhance ecosystems' functions and biodiversity. STRESSES that all sectors addressed through sustainable and circular bioeconomy, including those having impact on land use as well as aquatic, fresh water and marine resources have a substantial climate change mitigation and adaptation potential, ~~and that urban areas can play a decisive role becoming major bioeconomy hubs;~~

9. WELCOMES that the updated European Bioeconomy Strategy applies a cross-sectoral holistic approach and UNDERLINES the Strategy's aim to connect: i) the exploitation of the economic potential of renewable natural resources, ii) the goal to provide for the needs of society and iii) the objectives of protection, maintenance and restoration of both terrestrial and marine ecosystems and biodiversity;
10. EMPHASISES, ~~therefore,~~ the importance of continued discussion beyond sectoral boundaries in the Council and other fora, taking into account the coherence and synergies between the different EU policies as well as **the** need for driving and steering systemic changes related to bioeconomy. NOTES that it is important to promote a holistic view in implementing the bioeconomy also in national and regional discussions as the social, ~~ecological~~ **environmental** and economic sustainability needs to be secured in the transition to **a** climate neutral economy in line with the Paris Agreement **on Climate Change**. ENCOURAGES the Commission, the Member States and the regions to take into account any social, **environmental** and economic effects of the transition and take appropriate measures to ensure a fair and inclusive transition for all; EMPHASISES that the bioeconomy offers possibilities for sustainable growth throughout the European Union **in urban, rural and coastal areas**. ~~CALLS on the Commission and Member States to develop appropriate measures to unlock the full potential of the sustainable European bioeconomy in all parts of Europe;~~
11. NOTES that several Member States have already developed **dedicated** bioeconomy **Strategies** or **bioeconomy** related strategies, while others are preparing **or updating** their own strategies at national, regional or local level. INVITES the Commission to **oversee the** ~~coordinate~~ implementation of the updated European Bioeconomy Strategy **and the action plan**. Therefore, CALLS upon the Commission to provide ~~assistance~~ **advice** to the Member States ~~also in in combining~~ **seeking synergies between** different sources of financing, including the Structural Funds ~~and the Cohesion Fund, to implement their bioeconomy strategies and action plans in order~~ to further advance the deployment of regional and local bioeconomies rapidly across the whole Europe. ~~STRESSES that national and regional bioeconomy strategies are relevant to support the sustainable economic potential in local communities, including urban, rural and coastal areas. STRESSES that special attention should be paid to SMEs in those areas;~~

12. **WELCOMES that an EU bioeconomy Policy Support Facility for Member States will be set up for supporting the development of national/regional Bioeconomy Strategies.**

CALLS upon the Member States to develop or update their national strategies on sustainable and circular bioeconomies, taking into consideration macro-regional and regional specificities and appropriate initiatives, such as ~~the Partnership for Research and Innovation in the Mediterranean Area~~ (**BANOS, BIOEAST, BLUEMED, EUSBSR and PRIMA¹⁸**; and the Central and Eastern European initiative for knowledge-based agriculture, aquaculture and forestry in the bioeconomy (BIOEAST Initiative). CALLS on the Commission to provide the necessary policy support for the BIOEAST countries;

13. **NOTES that the Updated Bioeconomy Strategy recognizes the geographical heterogeneity between the Member States regarding their contribution to the bioeconomy, for example low added value and underutilised biomass potential in Central and Eastern Europe. ENCOURAGES the Member States involved in BIOEAST to continue to develop sustainable and circular bioeconomies. INVITES the Commission to provide guidance to these countries in developing Strategies for the deployment of bioeconomies;**

14. POINTS OUT that research, innovation and investments are key enablers and drivers in the transition towards a circular and sustainable bioeconomy and a climate neutral economy in general. HIGHLIGHTS especially the relevance-**importance** of collaborative research and innovation as well as joint programmes, including strategic international R&I initiatives, to ensure sustainable agro-food **and the international co-operation** the emerging innovative aquatic, freshwater and marine sector of blue biotechnology, to reduce Europe's dependency on fossil-based products, to meet **the** EU's climate change targets, **and to** lead sustainable growth **and to protect and restore ecosystems and biodiversity;**

¹⁸ **BANOS: Baltic and North Sea Coordination and Support Action,**
BIOEAST: Central and Eastern European initiative for knowledge-based agriculture,
aquaculture and forestry in the bioeconomy,
BLUEMED: research and innovation Initiative for promoting the blue economy in the
Mediterranean Basin,
EUSBSR: EU Strategy for the Baltic Sea Region,
PRIMA: Partnership for Research and Innovation in the Mediterranean Area.

15. EMPHASISES the importance of solving global challenges by promoting sustainable and circular bioeconomy. NOTES that, in addition to the Horizon Europe cluster for "Food, Bioeconomy, Natural Resources, Agriculture and Environment", the Horizon Europe Strategic Planning Process ~~is an important opportunity to look~~s particularly into future Horizon Europe partnerships and missions to drive deployment of the bioeconomy across Europe. STRESSES ~~that the Strategic Planning Process of Horizon Europe is key for maximising the impact of research and innovation~~. EMPHASISES that a systemic approach should be envisaged in order to create synergies and leverage opportunities with all EU programmes contributing to reach sustainable and circular bioeconomy as integral part of climate neutral economy. NOTES that in this context the importance and potential of social sciences and humanities and new business models by the private sector introduced, including especially, by SMEs and micro enterprises to support the transition and systemic change;
16. STRESSES the need for better data, better dissemination of research results and exploitation of innovation, ~~and exchange of good practices in the field of bioeconomy~~. Therefore, INVITES the Commission to strengthen and improve its Bioeconomy Knowledge Centre and CALLS on the Member States to co-operate with the Centre EMPHASISES the importance of enhancing the knowledge base for policy making and disseminating it through the Knowledge Centre for Bioeconomy. INVITES the Commission to work with Member States on the exchange of good practices in the field of the bioeconomy. CALLS on the Commission to develop and implement, in collaboration with Member States, a comprehensive bioeconomy monitoring framework covering economic, environmental, and social dimensions, and make it publicly available via its Knowledge Centre for Bioeconomy;
17. UNDERLINES the importance of communication and education to increase the acceptability and appeal of bio- based materials, products and services, and to mainstream the potential of the bioeconomy. STRESSES the need to improve consumer awareness and confidence on bioeconomy and its products and services. POINTS OUT that the deployment of a sustainable and circular bioeconomy will offer a good business case for primary producers, boost the competitiveness of the bioeconomy sectors and support the creation of new value chains across Europe while enhancing the overall status of our natural resources;

18. NOTES that digitalisation is one of the key drivers for accelerating European productivity, sustainable growth, prosperity and employment in the global context and therefore **fair** transition towards climate neutrality, especially due to the rapidly increasing global market potential for bio-based, **marine biodegradable**, circular and climate friendly solutions; **STRESSES that this potential needs to be fully exploited in order to advance circular and sustainable bioeconomy efficiently;**
19. WELCOMES the funding and investment instruments **actions** for bioeconomy recognized in updated European Bioeconomy Strategy **and the progress in the establishment of the Circular Bioeconomy Investment Fund**. EMPHASISES the importance of a pilot phase with a subsequent evaluation and assessment of proposed measures before full-scale implementation; 20. — CONSIDERS access to finance for innovative bioeconomy projects as a key condition for the deployment of bioeconomy solutions. WELCOMES the progress in the establishment of the ~~[European Circular Bioeconomy Investment Fund]~~. CALLS upon the Commission to scale up investment in **sustainable** bioeconomy in the future particularly through the InvestEU financial instrument and INVITES Member States to **explore ways to mobilise national funding to complement the EU funds;**
20. ACKNOWLEDGES, with specific regard to the Commission Communication "A Clean Planet for all", the possibilities offered by the bioeconomy to contribute to tackle the challenges of climate change mitigation and adaptation. NOTES the "reviews" by the Intergovernmental Panel on Climate Change (IPCC) and the Commission in this respect, in particular the special report on "Climate Change and Land". POINTS OUT that the Commission Communication reminds that ~~in order to alleviate the multiple demands on EU's land resources~~, improving the productivity of aquatic and marine resources will play an eminent role in capturing **the** full range of opportunities of the bioeconomy for tackling climate change **within planetary boundaries;**

21. EMPHASISES that sustainable and circular bioeconomy can offer solutions for a sustainable replacement of fossil-based and other non-renewable primary resources by bio-based **products and** materials. These include resource-efficient use and reuse of bio-based **products and** materials in particular solutions for bio-based recyclable and marine biodegradable substitutes for plastics and micro-plastics also contributing to **plastic-free, healthy seas and oceans and** reducing plastic waste from **sea and** land;
22. HIGHLIGHTS the potential of agroecological and industrial symbiosis and aquatic, freshwater and marine blue biotechnology, **organic waste and side streams and as well as the forestry sector** bioeconomy in creating new solutions and maintaining and developing products, biomaterials and resources in the economy to add value for as long as possible;
23. ACKNOWLEDGES that the "promotion of employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry" is one out of the nine objectives of the Common Agriculture Policy (CAP) proposal for the years 2021 to 2027 and STRESSES that the bioeconomy has the potential to significantly contribute to that objective, given its capacity to create economic value and prosperity and taking into account that agriculture and forestry are among the main suppliers of land-based biomass;
24. CONSIDERS that agriculture, as regulated by CAP, is a strategic sector, which has the potential to deploy a sustainable and circular bioeconomy in the different Member States through several instruments, particularly in the field of rural development. HIGHLIGHTS that, ~~for example, the role of~~ **amongst others** the agricultural European Innovation Partnership (EIP-AGRI), cooperation and the Agriculture Knowledge and Innovation Systems (AKIS); can be further explored ~~to highlight~~ how to effectively support the deployment of local bioeconomies in Member States and their territories. STRESSES the need to plan bioeconomy initiatives keeping in mind the specificities of local context; therefore, CONSIDERS that LEADER as a community-led local development strategy could be one of the instruments to this end;

25. ~~POINTS OUT that urban, marine and freshwater areas have potential to enhance sustainable and circular bioeconomy. Urban bio-waste can be used to produce innovative non-toxic biomaterials as well as bio-based chemicals, plastics and fertilizers. Aquatic and marine resources can be used for producing high added-value products. Innovations for sustainable plant protein production can reduce the dependence on imports of proteins. There are also encouraging examples of utilizing marginal lands and former industrial sites in bio-based production;~~
25. ACKNOWLEDGES the huge potential of the bioeconomy for primary producers (including farmers, foresters and fishermen), as it, **while relying on circular and sustainable production systems, first and foremost** can ensure food security ~~while relying on circular and sustainable production systems~~, and it can provide growth and jobs in rural and coastal areas. STRESSES that primary producers need to be better integrated into the new bio-based value chains to enable them to capture a fair share of the created value added;
26. NOTES that the operational environment of the bioeconomy is in constant change, including a shift from linear to circular and safe production systems. INVITES the Commission to secure policy coherence between the bioeconomy and other policies, especially the Common Agricultural Policy, the Common Fisheries Policy, integrated maritime policy, environment **policy**, energy and climate **policies**, health **policy**, research and innovation policy, industrial policy, trade policy, internal market policies and policies related to circular economy; EMPHASISES ~~the need of a fully integrated sustainable European bioeconomy, which connects urban and rural areas and land and sea ecosystems.~~ NOTES that the Commission should foster the interaction and the cooperation between of bioeconomy initiatives;
27. **STRESSES that a sustainable European bioeconomy shall be one of the major components for the implementation of the European Green Deal;**

28. INVITES the Commission to analyse the state of the operational **policy, economic and social** environment ~~taking into consideration the Agenda 2030 and the related SDGs~~. RECOGNISES the need to assess the progress of the updated European Bioeconomy Strategy as one essential enabler for achieving a ~~sustainable and safe~~ climate neutral economy **and** ~~with a sustainable~~ growth; CALLS upon the incoming Commission to deliver a progress report and if appropriate with update of the action plan and/or the ~~s~~**Strategy** at the latest by 2022.
