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NOTE

From: Permanent Representatives Committee (Part 1)
To: Council

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Subject: Conclusions on the updated Bioeconomy Strategy "A sustainable Bioeconomy for Europe: strenghtening the connection between economy, society and the environment"
- Adoption

1. The bioeconomy covers all sectors and systems that rely on biological resources. It includes and interlinks, land and marine ecosystems and the services they provide; all primary production sectors that use and produce biological resources and all economic and industrial sectors that use biological resources and processes to produce food, feed, bio-based products, energy and services. To be successful, the European bioeconomy needs to have sustainability at its heart and be circular by definition.

2. In March and June 2019, the European Council invited the Commission to present a long term vision for the Union's industrial future, which touched upon all relevant policy areas, and to advance work on conditions, incentives and the enabling framework to ensure a transition to a climate neutral EU in line with the Paris agreement on climate change, respectively¹;
3. At the Competitiveness Council on 26-27 September 2019, Ministers exchanged views on a vision for a long-term strategy on sustainable growth²; during a number of meetings, the Agriculture and Fisheries Council has debated the primary sector's capacity to support the achievement of the Union's environmental and climate goals, in particular by an EU wide implementation of the Union's Bioeconomy Strategy;
4. On 11 October 2018, the Commission presented the Communication "*A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment*"³;
5. In order to provide enhanced impetus to the updated Bioeconomy strategy, the Finnish Presidency considers that a sustainable and circular bioeconomy has a transformative economical potential and it contributes to decarbonisation of our economies. Therefore the Union should have an all encompassing focus on the deployment of bioeconomies throughout Europe;
6. To that effect, the Working Party on Research elaborated, in close coordination with members of other relevant working parties, in particular with those from the agricultural field, a set of draft Council conclusions on bioeconomy. On 15 November 2019, the Permanent Representatives Committee approved those draft conclusions⁴;

¹ EUCO 1/19 and EUCO 9/19.

² 11965/1/19 REV1

³ 13229/18 + ADD1

⁴ 13744/19

7. With the view to inviting the President-elect of the European Commission to incorporate the message of the conclusions in the next European Commission work programme, in particular in the proposed "*European Green Deal*", the Council is therefore invited to adopt the conclusions as set out in the annex to the present note.
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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 areas⁵;
- the European Council on 20 June 2019, where the European Council invited the Council and the European Commission to advance work on conditions, the incentives and the enabling framework to put in place so as to ensure a transition to a climate neutral EU in line with the Paris agreement⁶;
- The "*Political Guidelines for the next European Commission 2019-2024*" of the President-elect Ursula von der Leyen, in particular the "*European Green Deal*"⁷;
- 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 its role in providing new opportunities for growth and rural development, which highlighted that primary producers should be enabled to capture a fair share of the bioeconomy's value added;

⁵ EUCO 1/19

⁶ EUCO 9/19

⁷ <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 in Bucharest on 4 June 2019, organised 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 2019⁸; 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"⁹;

⁸ 11965/1/19 REV1

⁹ 14977/17

- The Commission’s Communications on "Closing the loop - An EU action plan for the Circular Economy¹⁰" and the Council conclusions thereon¹¹, "A European Strategy for Plastics in a Circular Economy¹²", "On a monitoring framework for the circular economy¹³", and "On the implementation of the Circular Economy Action Plan¹⁴"; 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 2019¹⁵, 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"¹⁶;
- The Commission Communication of 23 July 2019 on "Stepping up EU Action to Protect and Restore the World’s Forests"¹⁷;
- 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);

¹⁰ 14972/15
¹¹ 10518/16
¹² 5477/18
¹³ 5478/18
¹⁴ 7128/19
¹⁵ 12791/19
¹⁶ 5953/19
¹⁷ 11449/1/19 REV1

- 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"¹⁸;
- The opinion of the European Social and Economic Committee of 30 October 2019 on Blue Bioeconomy¹⁹;
- The opinion of the Standing Forestry Committee on woody biomass within the sustainable bioenergy policy in the EU post 2020 of 29 June 2016²⁰;
- The opinion of the Standing Forestry Committee regarding the role of forests and forest sector in bioeconomy of 10 October 2017²¹;

3. ACKNOWLEDGING:

- The report on "Climate Change and Land" by the Intergovernmental Panel on Climate Change (IPCC)²²;

¹⁸ OJ C 240, 16.7.2019, p. 37–40

¹⁹ <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/blue-bioeconomy-exploratory-opinion-request-finnish-presidency>

²⁰ https://ec.europa.eu/agriculture/sites/agriculture/files/forest/standing-committee/opinions/opinion-bioenergy-sustainability_en.pdf

²¹ https://ec.europa.eu/agriculture/sites/agriculture/files/forest/standing-committee/opinions/opinion-2017-forest-_bioeconomy_en.pdf

²² <https://www.ipcc.ch/report/srccl/> - special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems

- The report on "The Ocean and Cryosphere in a Changing Climate" by the Intergovernmental Panel on Climate Change²³;
 - The global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)²⁴;
 - The United Nations First Global Integrated Marine Assessment: "World Ocean Assessment I";
 - The United Nations Strategic Plan for Forests 2017-2030 (UNSPF);
4. WELCOMES the Commission Communication "A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment"²⁵ published on 11 October 2018 (hereinafter referred to as "*updated European Bioeconomy Strategy*"), which aims at accelerating the deployment of a sustainable European bioeconomy, with a view to maximising its contribution towards EU policy objectives and international commitments, 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;

²³ <https://report.ipcc.ch/srocc/> - special report on The Ocean and Cryosphere in a Changing Climate

²⁴ <https://www.ipbes.net/global-assessment-report-biodiversity-ecosystem-services>

²⁵ 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 and drive forward the implementation of the EU Bioeconomy Strategy;
7. NOTES that 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 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 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, sustainable production and use of biomass, to 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 key role in implementing the bioeconomy;
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 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, 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.
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 implementation of the updated European Bioeconomy Strategy and the action plan. Therefore, CALLS upon the Commission to provide advice to the Member States in swift implementation of the updated EU Bioeconomy Strategy and seeking synergies between different sources of financing, including the Structural Funds 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;

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 BANOS, BIOEAST, BLUEMED, EUSBSR and PRIMA²⁶;
13. NOTES that the Updated Bioeconomy Strategy recognizes the 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 policy support to these countries in developing Strategies and action plans for the deployment of bioeconomies through its existing tools and instruments for that purpose;
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 the importance of collaborative research and innovation, and the international co-operation to reduce Europe's dependency on fossil-based products, to meet the EU climate change targets, to lead to sustainable growth and to restore and protect ecosystems and biodiversity;

²⁶ 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. ACKNOWLEDGES that, in addition to the proposed Horizon Europe cluster for "Food, Bioeconomy, Natural Resources, Agriculture and Environment", the Horizon Europe Strategic Planning Process also looks into opportunities to drive Horizon Europe deployment of the bioeconomy across Europe, including through partnerships and missions. 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, including, SMEs and micro enterprises to support the transition and systemic change;
16. STRESSES the need for better data and better dissemination and exploitation of research results. 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 use, 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, 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 actions for bioeconomy recognized in updated European Bioeconomy Strategy and the progress in the establishment of the Circular Bioeconomy Investment Fund. CONSIDERS access to finance for innovative bioeconomy projects as a key condition for the deployment of bioeconomy solutions. CALLS upon the Commission to scale up investment in sustainable bioeconomy in the future particularly within the relevant Union funding instruments and INVITES Member States to explore ways to mobilise national and regional funding;
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, 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 as well as the forestry sector in creating new solutions and maintaining and developing products, biomaterials and resources in the economy to add value for as long as possible; POINTS OUT the possibility to enhance bioeconomy by sustainable plant protein production, e.g. grass and clover to reduce import dependence on proteins;
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 amongst others the agricultural European Innovation Partnership (EIP-AGRI), cooperation and the Agriculture Knowledge and Innovation Systems (AKIS) can be further explored 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. 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 and 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 through for example cooperation among and with farmers, cooperatives, processors, and other actors in the value chain;

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
 27. STRESSES that a sustainable European bioeconomy should 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. RECOGNISES the need to assess the progress of the updated European Bioeconomy Strategy as one essential enabler for achieving a climate neutral economy and sustainable growth; CALLS upon the incoming Commission to deliver a progress report and if appropriate with update of the action plan and/or the Strategy at the latest by 2022.
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