

Council of the European Union

Brussels, 14 February 2023 (OR. en) 6384/23 LIMITE

AGRI 61 AGRISTR 10 RECH 44

| NOTE | |
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| From: | General Secretariat of the Council |
| То: | Delegations |
| Subject: | Conclusions on the opportunities of the bioeconomy in the light of current challenges with special emphasis on rural areas |
| | - Examination of draft Council conclusions |

The Annex to this document contains the Presidency's first draft of Council conclusions on bioeconomy.

The Council of the European Union

RECALLING

The Council conclusions on the updated Bioeconomy Strategy from 29 November 2019 that are still valid;

The Council Conclusions on the Farm to Fork Strategy;

The Council Conclusions on EU Forest strategy for 2030

NOTING

The European Green Deal, Farm to Fork, Forest and Biodiversity Strategies and the Fit-for-55 goals;

The Commission's progress report on the implementation of the EU Bioeconomy Strategy;

The results of the high-level conference 'The Bioeconomy - Enabling the European Green Deal in Challenging Times' held on 6 and 7 October 2022 in Brussels;

[- The results of the conference 'Living in the Bioeconomy' arranged by the Swedish presidency on 27-28 February in Stockholm;]

The Commission's Communication on the Long-Term Vision for EU's Rural Areas – Towards stronger, connected, resilient and prosperous rural areas by 2040;

HIGHLIGHTING

The important role of the bioeconomy in facing current challenges, particularly as regards the environment, employment and food security, and its importance for the Union's economy, notably for diversifying income, and creating jobs in rural areas, contributing to the Union's drive for green transition and increased resilience, and for addressing the challenges of climate change and the energy crisis, in the framework of a holistic and cross-cutting approach and in harmonization across policy areas

[BIOECONOMY AS A CONCEPT]

- 1. EMPHASISES the bioeconomy's role for EU's resilience and for meeting current challenges, considering in particular that biobased products, when sustainably sourced and produced, can contribute to increased resilience and self-sufficiency capacity. RECOGNISES that the unprovoked Russian invasion of Ukraine has further accentuated the need to enhance the transition towards clean energy, fossil free materials and sustainable, resilient, and fair food systems.
- 2. ACKNOWLEDGES that the bioeconomy is both an enabler and the result of the green and just transition, contributing to the Sustainable Development Goals by equally considering environmental, social and economic sustainability. EMPHASISES the role of bioeconomy for the climate and the environment, and for achieving the targets set out in the Green Deal.
- 3. STRESSES that the bioeconomy is a cross-sectorial and holistic concept that can balance all three dimensions of sustainability; and that the bioeconomy strengthens and interacts with the circular economy through renewable production and resource efficient use of bio-based side streams from agriculture, food production, forestry, fishery, aquaculture and water, and from organic waste streams.
- 4. WELCOMES the progress report on the implementation of the EU Bioeconomy Strategy and the general positive development made in implementing the Action Plan, including the development of national and regional bioeconomy strategies and the mobilisation of private investments, start-ups and research and innovation in biobased industries. AGREES that the effects of the unprovoked Russian invasion of Ukraine, e.g. on food and energy security, must be taken into account in the future implementation on the Action Plan; and that a strong EU Bioeconomy Strategy focusing on all three dimensions of sustainability can contribute to achieving the goals outlined in the European Green Deal. NOTES further that the report highlights the need to address pressures on land and sea, as well as to ensure more sustainable consumption patterns.

5. NOTES that several legal proposals have been adopted or are currently being negotiated within the framework of the European Green Deal, which aim to set the EU on the path to a green transition, with the ultimate goal of reaching climate neutrality by 2050, and support the transformation of the EU into a fair and prosperous society with a modern and competitive economy.

[BIOECONOMY AND RURAL AREAS]

- 6. EMPHASISES the role of bioeconomy for vibrant rural areas and for creating jobs and growth across the whole of the EU and its regions. STRESSES the importance of sustainable solutions in rural areas and to ensure enhanced and diversified incomes in the bioeconomy sectors for primary producers and other rural actors, including through new value-added networks.
- 7. ACKNOWLEDGES the importance of bioeconomy for bringing innovation to rural areas and the role of, for example, the Horizon programme, European Regional Development Fund, European Maritime, Fisheries and Aquaculture Fund, smart villages, the EIP- AGRI, start-up villages and bioeconomy, and food system valleys; and for valorising locally and regionally available resources through the development of new sustainable and socially fair value-added networks. In this connection, STRESSES the importance of recognising and making use of regional and local specificities.
- 8. RECOGNISES the value of the bioeconomy for the implementation of the EU's Long-Term Vision for Rural Areas.

[BIOECONOMY AND ITS SECTORS]

- 9. STRESSES the importance of the food system transformation, including the use of advanced biotechnological solutions to provide healthy and nutritious protein alternatives, in contributing to a sustainable circular bioeconomy.
- 10. EMPHASISES the potential of bio-based feedstocks in the chemical industry and the market uptake of bio-based materials in industrial ecosystems and wider value chains.

- 11. ACKNOWLEDGES the importance of innovative nutrient management and recycling, sustainable farming using bio-based fertilisers, and EMPHASISES the contribution of bio-based fertiliser use in closing the loop of nutrient cycles, which minimise nutrient pollution and at the same time offer alternatives to fossil-based or imported nutrients and promote an independent and viable European farming system.
- 12. NOTES that bioeconomy was included as an integral aspect of a specific objective in the Common Agricultural Policy 2023-2027 and INVITES the Commission to follow up on how bioeconomy has been addressed by Member States' Strategic Plans.
- 13. EMPHASISES the importance of having an inclusive approach when developing the bioeconomy, and especially the need to involve and work closely with primary producers.
- 14. STRESSES the role of sustainably produced bioenergy, in helping to decarbonise the energy sector as well as to reduce EU's dependence on Russian fossil fuels.
- 15. ACKNOWLEDGES the potential of the EU Blue Bioeconomy and the algae sector to create employment in coastal areas, recovering European Seas and delivering low carbon footprint products to the European market.

[INNOVATION AND FUNDING]

- RECOGNISES the strong role of industrial dimension in the green, digital and fair transition, in particular the role of SMEs and start-ups engaged in innovative value chains.
 RECOGNISES the need to bring the research and innovation advancements closer to the market.
- 17. EMPHASISES the need for a skilled workforce to enable the development of the bioeconomy, not the least in rural areas. WELCOMES the Commission's efforts to promote education and skills development related to bioeconomy. RECOGNISES the need to further develop bioeconomy related education systems including, vocational trainings.

- 18. HIGHLIGHTS research, innovation, education, and investment as key enablers of the transition towards a sustainable circular EU bioeconomy. ACKNOWLEDGES the possibilities of various existing EU and Member State funding instruments to further support the deployment of a sustainable bioeconomy.
- 19. ACKNOWLEDGES the efforts made by the Commission in enhancing the knowledge base for policies through the Knowledge Centre for Bioeconomy and the Bioeconomy Monitoring System; and EMPHASISES the role of research and innovation and Horizon Europe, including European research and innovation partnerships such as the Circular Bio-based Europe Joint Undertaking (CBE JU), in supporting it.

[OTHER]

- 20. ACKNOWLEDGES the progress of the BIOEAST initiative. ENCOURAGES the Commission and Member States to increase this cooperation and REITERATES the need to support the development of sustainable and circular bioeconomy systems in Member States where less progress has been made. RECOGNISES the value of exchanging experiences, knowledge, and best practices. The knowledge-transfer towards the less developed regions and rural areas should be enabled.
- 21. ACKNOWLEDGES the need for international cooperation to address common global challenges.
- 22. CALLS on Member States and their regions to further deploy a sustainable and circular bioeconomy in a holistic and coordinated way and to further work on bioeconomy policies as enabling framework for guiding a sustainable and fair transition.
- 23. CALLS on the Commission to better integrate bioeconomy in all policies and ensure coherent and effective policies that support the development of the bioeconomy across the whole value chain. NOTES the need for a coherent, predictable, and long-term policy framework for the uptake of European innovative bio-based solutions.

- 24. CALLS on the Commission to improve its impact assessments to better consider policy consistency in the bioeconomy between legal acts, their joint contribution to Union targets, and their cumulative effect on land use and the supply of raw material.
- 25. INVITES the Commission to present, when appropriate and subsequent to an in-depth needs' assessment for actions at the EU level, an updated EU Bioeconomy Strategy and Action Plan on the basis of these Council Conclusions, taking into account the Progress Report on the EU Bioeconomy Strategy and the changes in Europe and in the surrounding world.

