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From: General Secretariat of the Council

To: Council

Subject: The bioeconomy must stand out at the core of the next European Commission's work programme

*Information from the Austrian, Finnish, Slovenian and Swedish delegations, supported by the Bulgarian, Czech, Estonian, Hungarian, Irish, Italian, Latvian, Lithuanian, **Polish**, Portuguese, Romanian and Slovak delegations*

Delegations will find in the Annex a revised note from the Austrian, Finnish, Slovenian and Swedish delegations, supported by the Bulgarian, Czech, Estonian, Hungarian, Irish, Italian, Latvian, Lithuanian, **Polish**, Portuguese, Romanian and Slovak delegations on the above-mentioned subject which will be dealt with under "Any other business" at the Council meeting ("Agriculture and Fisheries") on 29 April 2024.

The bioeconomy must stand out at the core of the next European Commission's work programme

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According to the EU's definition, the bioeconomy covers all sectors and systems that rely on biological resources, their functions and principles. The sustainable forest-based bioeconomy is one of the most important sectors in Europe with global effects as an enabler of green transition and supporter of enhanced competitiveness, jobs and resilience. It is central to reaching EU's climate targets, both by storing carbon and by substituting fossil raw materials. The forest-based bioeconomy also makes bio-based carbon capture, use and storage possible.

European Parliament elections will be held on 6-9 June 2024. The European Commission and its new work programme will play a key role in promoting the EU's common interest and international competitiveness. We, the Ministers responsible for forestry, call for the recognition and integration of sustainable bioeconomy within the next Commission's work programme.

Forest-based bioeconomy provides solutions to many of today's global challenges. The European Union moves forward towards climate neutrality by 2050 and seeks to develop its open strategic autonomy. In order to meet these targets we need to strengthen the bioeconomy sector. Sustainably managed forests provide prosperity, while respecting the social, environmental and economic dimensions of sustainable development.

We, the Ministers responsible for forestry, reaffirm that:

Forest-based bioeconomy can play a crucial role in the areas of

- 1. Critical dependencies.** Sustainably produced forest-based raw materials in the EU offer renewable, reusable and recyclable alternatives to fossil resources, which could be adjusted to regional and rural conditions. Wise use of these materials reduces critical dependencies and contributes to the EU's resilience and open strategic autonomy and rules-based trade.
- 2. Climate and sustainability.** Sustainable forest-based bioeconomy provides solutions for climate, societal and environmental challenges. It plays an important role in the green transition of our society by substituting fossil resources and avoiding single-use plastics and microplastics pollution. As a business environment, forest-based bioeconomy can also stimulate sustainable management of forests as well as supporting biodiversity and resilience. The substitution effect of replacing fossil raw materials must also be better recognized.
- 3. Innovation.** Forest-based bioeconomy provides several new opportunities for technologies and solutions. Successful implementation of innovations needs provisions, structural frameworks as well as cross-border exchange and collaborations. Innovative bioeconomy provides new production methods, products and applications e.g. biotechnology, construction, housing, food, energy, and medicine sectors. It enhances circularity and efficiency, through the use of bio-based materials and side-streams, waste and water.

With these aspects in mind, we urge the next European Commission to recognize and include sustainable bioeconomy in its work programme.

In order to do this, the next European Commission should

1. ensure coherent policy development and a logical enabling regulatory framework to realise the opportunities brought by bioeconomy. This includes cross-checking existing regulation and analyzing the possible overlapping or conflicting requirements.
2. take up bioeconomy in the European industrial policy agenda, as well as into other sectorial policies, in order to secure unbroken value chain from research, piloting and demonstration to scale-ups and industrialization.

3. support the value added of bioeconomy products and promote their market uptake.
4. ensure that bioeconomy and biotechnology are also included in the relevant future funding programmes, such as EU's 10th Framework Programme for Research and Innovation & CAP (rural development).
5. recognize the substitution effect of replacing fossil raw materials with bio-based solutions.
6. renew the EU bioeconomy strategy by 2025 in order to
 - enhance the EU's competitiveness compared to other global actors,
 - secure the availability of sustainably produced biomass,
 - enhance cooperation with primary producers as part of a continuous value chain,
 - develop know-how and skilled labour in Europe,
 - develop and secure implementation of necessary biotechnology and biorefining in the EU,
 - take into account the potential effects on biodiversity,
 - support and encourage all Member States to develop or update their bioeconomy strategy,
 - secure EU's resilience, open strategic autonomy, security of supply and increased self-sufficiency in a changing operating environment.
7. streamline the EU's permit procedures so that innovations can be efficiently and swiftly placed on the market.
8. establish an industrial alliance, an accelerator or thematic clusters for bioeconomy and biotechnology to enable the European industry to unlock the full potential of bioeconomy.
9. strengthen collaboration between private and academic sectors to promote innovations, investments and new business opportunities as well as skills development.
10. improve the capacity to distinguish companies operating in bioeconomy sector, e.g. by recognizing them through NACE codes.