



## SUMMARY REPORT

# The 21st century is Bioeconomy: will Europe lead?

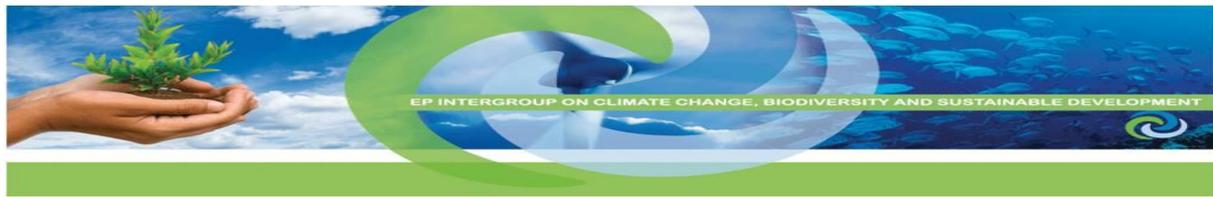
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European Parliament, Brussels



MEP Miapetra Kumpula-Natri gathered key Parliamentarians for an exchange of views together with John Bell, Director of Bioeconomy, DG RTD, and the European Bioeconomy Alliance to stimulate debate on the issue of bioeconomy and the role that the European Parliament can play in ensuring that the potential of this sector is realised.

**Miapetra Kumpula-Natri, MEP and Chair of the "Bioeconomy" working group of the EP Intergroup on "Climate Change, Biodiversity, and Sustainable Development"** opened the meeting by highlighting the need for MEPs with an interest in the topic to work together to ensure that the bioeconomy is put higher on the agenda. The 2012 Bioeconomy Strategy was mentioned highlighting that such a strategy is pivotal, but also contemplating if it is enough with regards to providing business opportunities and a holistic approach of the bioeconomy. The importance of bio-based products was raised underlining that the EU should introduce an article on bio-based products with regards to public procurement. The aim of the meeting was to discuss what role the Parliament can play mentioning various



approaches such as proposing an own initiative report or posing an oral question to the Commissioner on Research, Science, and Innovation. It was urged that all MEPs who are interested in pursuing a bioeconomy align and collaborate.

**John Bell, Director in charge of Bioeconomy, DG RTD, European Commission** stressed that the bioeconomy is already happening and the main question is: will Europe lead? It was underlined that bioeconomy is not another word for circular or green economy, however they are interlinked. It was explained that the bioeconomy encompasses those parts of the economy that use renewable biological resources from land and sea to produce food, bio-materials, bio-energy, and bio-products to replace fossil carbon-based items. It was emphasised that the bioeconomy is already happening quickly outside of Europe. It was underlined that the bioeconomy provides great potential for Europe but it requires the EU seeing the opportunity and providing an enabling framework linked to the circular economy. Not only is the bioeconomy a circular economy that can create value out of for example bio-waste, but it can also provide a major boost to industrial renaissance and rural rejuvenation for example through biorefineries. The relationship between the circular economy and bioeconomy was also raised stating that the bioeconomy is a precondition of the circular economy. It is vital to pay attention to sustainable production feedstock and raw materials in order for the economy to be circular. The bioeconomy brings together new actors to build parts of the economy and linking value chains. It was underlined that private-public partnership is important for the development of these value chains by providing investments. It was stressed that the message to the Parliament would be that there is no circular economy without a bioeconomy and that the Parliament has the power to make an impact. With regards to the Circular Economy Package (CEP) it was said that it should refer to the resource-efficient use of biomass. It was also said that people investing in bioeconomy need a sense of predictability. It was also asked how to best provide an updated bioeconomy strategy that properly handles the issue of biomass taking into account that there is not just one bioeconomy but several. Further, it was stressed that there is a political opportunity with the CEP and the Parliament can further provide momentum on this issue. Overall Europe needs to act to remain competitive for industrial production and attract investment in the bioeconomy. With regards to EU bioeconomy policy a Bioeconomy Strategy has been in place since 2012 and is based on three pillars: investments, policy, and market conditions. Firstly, from Horizon 2020, 3.8 billion is allocated towards investments in research and innovation for the bioeconomy, mentioning the important work of the Bio-based Industries Public-Private Partnership 2014-2020. Secondly, policy synergies coherence and alignment involves mobilising stakeholder communities as well as developing national and regional bioeconomy strategies. Further, along with the JRC a bioeconomy observatory has been set up to provide EU data. Thirdly, in order to enhance markets and competitiveness, market conditions are key in order to have standards for bio-based products in consumer markets and promote green public procurement. It was concluded by emphasising the growth potential of the bioeconomy. It was stressed that Europe has the potential to take the lead in more than one sector and should prioritise to ensure that the bioeconomy is foremost built and used in Europe.



**Anna Papagrigroraki, European Bioeconomy Alliance (EUBA)** highlighted that the bioeconomy provides a turnover of 2 trillion Euros per annum and 22 million jobs in Europe. Further, according to the OECD the full climate change mitigation potential of biotechnology processes and bio-based products ranges from between 1 and 2.5 billion tons of CO<sub>2</sub> equivalent per year by 2030. The EUBA, which includes 12 Members encompass a cross-sectoral alliance that aim to lead the transition towards a post-petroleum society while decoupling economic growth from resource depletion and environmental impact. It was stressed that EUBA supports the development of the bioeconomy provided that a policy framework to ensure a fair, predictable and coherent basis for business to operate is guaranteed. It was highlighted that the EUBA fear that the CEP will swallow the Bioeconomy strategy and instead synergies must be found between the two. It was also said that legislation often hinders development highlighting the difficulties of building biorefineries. The BBI Joint Undertaking was pointed out as an important milestone demonstrating the concrete benefits of bioeconomy. It was emphasised that innovation and the development of technology along with increased public funding can further attract investment and creating the kind of environment where people want to invest in the bioeconomy. It was also mentioned that European and international standards would help verify claims on products such as biodegradability, bio-based content, recyclability, and sustainability. The EUBA called upon policy-makers to advocate for a clear role of the bioeconomy in ongoing and upcoming legislation particularly mentioning the importance of better integrating the role of the bioeconomy in the EU Waste Proposals. The EUBA also called for an ambitious implementation of the Circular Economy Action Plan, and voiced its support for the European Parliament to prepare an Own Initiative Report on the Commission's Action plan on the circular economy in order to emphasise the central role of the bioeconomy in working towards a zero waste resource efficient bioeconomy. Further, the EUBA called upon the EU and Member States to support making bio-based public procurement a reality. Finally in terms of legislative barriers the example of the Waste Framework Directive was given where there is a different approach at Member State level where the regulators feel that by-products from processing are considered as waste when they are directed to bioenergy rather than animal feed or food. It was said that this could result in an additional administrative and economic burden on companies despite further use of the substance being certain.

**Joanna Dupont, European Bioeconomy Alliance** stressed that the bioeconomy can help contribute to the aims set out in the Circular Economy Action Plan. She mentioned that the EUBA was currently looking into possible amendments that might encourage the creation of new markets for renewable biobased products and that eventually the Alliance would appreciate MEPs support in considering these. Picking up again on the issue of public procurement it was emphasised that with top down leadership, the US had managed to turn its biopreferred public procurement programme into a 'home grown' success story which in 2013 contributed \$369 billion dollars and 4 million jobs to the US economy. It was underlined that this was only possible because of top down leadership and whilst an identical approach would not be possible in Europe the EUBA and others in the Biobased products Expert Group coordinated by DG Grow, had prepared a report with 15



recommendations for making biobased public procurement a reality in Europe. However, help at Member state and regional level and support and funding at EU level would be necessary to implement these recommendations and it was underlined that the MEPs support in this would be greatly appreciated. In this way EU products produced by EU technologies will create economic regeneration in many areas.

**Nils Torvalds MEP** highlighted that in order to solve the problems a holistic approach must be taken also taking into account the differences between Member States.

**Lambert van Nistelrooij MEP** highlighted that the market for bio-based products is not yet there making it difficult, in particular for SMEs, to put products out. The importance of including the consumer in the bioeconomy was also stressed as many people are interested in products but do not know where to find them. Finance, expert thinking, and design were also pointed out as key factors to consider. The importance of regional policy was reiterated. A [report](#) was also highlighted, which he had prepared as a briefing document for the Dutch Presidency proposing measures to create optimal growth conditions for an EU bioeconomy.

**Mark Demesmaeker MEP** pointed out that Flanders has developed and approved its own bioeconomy strategy in 2013, and that each region has its own weak and strong points to take into account. It was underlined that as shadow rapporteur on waste legislation dossier he is happy to see concrete amendments in this area. The importance of biodiversity was also highlighted and the need to acknowledge the effects of biodiversity in the bioeconomy. It was noted that it would be important to ensure that this natural capital was not compromised in the development of the bioeconomy.

**Miapetra Kumpula-Natri MEP** stressed that ensuring biodiversity is essential but that the issue is not always black and white. It was said that with regards to forestry a high level of biodiversity can be maintained along with high production. If the forests are not managed properly dead parts gather rapidly and if not removed the amount of biomass will negatively affect biodiversity. It was further said that the EU should not only be a source of biomass for other competing markets such as North America and Asia.

**Philippe Mengal, BBI Joint Undertaking** underscored that maintaining a high level of biodiversity is an important part of the organisation and is part of the criteria when selecting projects to support. BBI also proactively focus on waste as a bi-product and the amount of biomass that can be mobilised without competition. It was stated that the EU is excellent in developing science and technology stressing that it must be ensured that it is also applied in Europe. It was further said that the EBA, which is comprised of various sectors, provides an opportunity to collaborate within sectors and discuss among the value chains to see where joint ventures can be found.

**Gilles Laroche European Commission** highlighted the Bioeconomy Apartment and if collaboration could take place in order to showcase it in the European Parliament.



**John Bell, European Commission** emphasised that the Commission would be happy to collaborate and to have it showcased in the Parliament. It was said that champions from flagship projects could also be invited to highlight the work being conducted and provide visuals from the field. Further, if such an exhibition coincided with an ongoing own initiative report or resolution it would provide further momentum. It was also pointed out that the current focus of the institutions is circular economy and energy. A clear signal must be sent from the Parliament that the bioeconomy is the future and can be aligned with these priorities and others, which should be recognised in a new bioeconomy strategy.

**Miapetra Kumpula-Natri MEP** concluded the meeting by praising the idea to organise an exhibition in the Parliament on bioeconomy including examples of biobased products. It was suggested to be held in early fall (e.g. September) and for those involved to begin the necessary preparations. At the same time it will be essential to continue to mobilise MEPs as Bioeconomy champions who wish to further collaborate and push for policies moving the EU towards a bioeconomy.