

SCAR

Standing Committee
on Agricultural Research

Bioeconomy Strategic Working Group

POLICY BRIEF ON THE FUTURE OF THE EUROPEAN BIOECONOMY STRATEGY

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This Policy Brief was written by the members of the SCAR Bioeconomy Strategic Working Group (BSW) and solely represents their views.

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The Bioeconomy Strategic Working Group (BSW) of the Standing Committee of Agricultural Research (SCAR) convened on 23 and 24 February 2017 in Paris. The group discussed the Member States' and Associated States' need for a revised European Bioeconomy Strategy and Action Plan. The conclusions of the discussion are formulated in this Policy Brief and were presented and discussed at the SCAR Plenary meeting on 21 June 2017. The views expressed are those of the members of the BSW and do not represent an official position by SCAR.

Bioeconomy Strategic Working Group: Policy Brief on the Future of the European Bioeconomy Strategy

1. The need for a new or updated bioeconomy strategy and action plan from the perspective of SCAR BSW

The EU Commission's Bioeconomy Strategy has been an important trigger motivating many Member States to foster the development of a sustainable bioeconomy, by creating their own bioeconomy strategies and action plans, particularly in the last few years. The Bio-Based Industries Joint Undertaking, a part of the European action plan, has made a significant contribution in this respect also. Consequently, the Commission's bioeconomy activities have had a profound positive impact on the development of the bioeconomy in Europe. Nevertheless, the bioeconomy currently finds itself at different stages of development across the MS. Whereas some 'early mover' MS are already revising their initial strategies and have obtained significant experience in implementing national bioeconomy action plans, the bioeconomy is only just gaining momentum in other MS and inaugural bioeconomy strategies are still under development. There is also a significant group of countries with no bioeconomy strategy but with strong bioeconomy-related policies. In this heterogeneous political environment, the existence of a well-developed bioeconomy strategy of the European Commission is of crucial importance as it establishes a common European understanding of bioeconomy and the aim to implement a sustainable bioeconomy across Europe.

Since 2012, when the current Bioeconomy Strategy was published, the policy framework has changed as the numerous challenges that the EU and the world face have progressed and taken on even greater urgency. The overall system boundaries have changed as well. To cope with these challenges and policy developments we require a systematic approach that highlights the need for a discussion of the bioeconomy's role and its relevance in the overall policy landscape. The contributions the

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bioeconomy can make to overcome these challenges must also be discussed. The SCAR BSW suggests that a revised Bioeconomy Strategy should place greater emphasis on the need for the sustainable production and use of biomass within the bioeconomy (employment being an important issue to take into account), the role of the regional dimension of the bioeconomy, and the important contribution the bioeconomy can make in combating and adapting to climate change in terms of both impact and mitigation, as well as in terms of achieving biodiversity goals.

The revised strategy should suggest ways to achieve the stated aims, notably through innovation; enabling technologies and engineering; smart environmental solutions; greater efficiency; social innovation. The overarching reasons for pursuing a bioeconomy should be stated clearly, namely to combat climate change, to minimise the use of fossil resources, to develop rural areas, to create new market and job opportunities, and to develop a more sustainable economy across all possible dimensions.

The journey towards a sustainable bioeconomy in the EU is not at an end, merely at the end of its beginning. We...

- ...must disseminate the results of the research undertaken and the innovations developed thus far.
- ...need to ensure the use of these results in Europe to promote economic growth and to create employment opportunities.
- ...need to facilitate dialogue and actions to accommodate the transition that is now imperative in order to achieve a more sustainable economy by broadly implementing the bioeconomy.
- ...need to enforce policy coherence, break down silos, and create a common narrative on our shared goals and how we want to achieve them.

In short, working together with the Commission, we need to revise the current European Bioeconomy Strategy.

2. Definition of bioeconomy at EU and MS level: are we talking about the same things?

The discussions in the SCAR BSW clearly showed that the definition of bioeconomy applied on a European level does not completely reflect the concepts of bioeconomy used in the individual MS and, therefore, needs to be updated.

The main criticism highlighted in the discussions was the limited scope of the definition currently used by the EU. The SCAR BSW suggests enlarging the scope to cover all aspects addressed by the national strategies. One specific aspect identified by the SCAR BSW that must be added to the definition concerns the 'products and services' provided by the bioeconomy (i.e., not only bio-based products but also ecosystem services). The second aspect that must be clearly emphasized within the definition of bioeconomy is the sustainability of the production systems (land-based, aquaculture and fisheries), including water use.

The SCAR BSW also suggests that the differences between the terms 'bioeconomy', 'bio-based economy', and 'green growth/economy' are clearly defined in order to avoid confusion.

3. Importance of a Bioeconomy Strategy in relation to other policy strategies such as the Circular Economy Strategy, Sustainable Development Goals

Given that a crucial component of the concept of the bioeconomy is the interaction between the production and use of bio-based resources, the bioeconomy touches a large number of policy areas. It must, therefore, be implemented as a horizontal policy that crosscuts a series of other valid concepts and be taken into consideration at several levels in all policy discussions. The revised Bioeconomy Strategy must highlight the links to and potential synergies with different political areas in order to initiate and facilitate dialogue between (policy) stakeholders from all sectors.

Conceiving and implementing the bioeconomy and the circular economy together will potentially lead to strong synergies. Political decisions should aim to establish a bioeconomy that uses bio-based resources in a circular way ('circular bioeconomy').

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Links with and the contributions of the bioeconomy to other policy areas are crucial. Strong synergies with other European strategies/policies are needed. Some issues of special importance in this context are:

- links to the CAP must be developed as these are missing at present;
- the complexity of the interplay between energy and climate policies;
- policy areas with immediate connections are food, forestry, biodiversity, industry, fisheries, water;
- the incorporation of research and innovation policies, especially Framework Programme 9 (successor of Horizon 2020);
- the alignment of bioeconomy goals with international agreements (COP21, Sustainable Development Goals, International Bioeconomy Forum).

The SCAR BSW is willing to support the Commission and the Bioeconomy Stakeholders Panel in exploring these interactions and synergies. The Commission and the Bioeconomy Stakeholders Panel are invited to discuss different scenarios and the potential effects of political decisions with the national bioeconomy policy stakeholders making up the SCAR BSW.

4. Governance

The revised Bioeconomy Strategy requires renewed, revitalised governance, involving the MS/AC fully and transparently. Priorities and targets should be discussed and defined, and a system set up to monitor the progress made towards meeting these targets. MS/AC should also be involved in clarifying the connections with international initiatives (FAO, OECD, G7, G20, International Bioeconomy Forum) and with non-EU countries pursuing bioeconomy strategies and action plans of their own.

The continued promotion of macro-regional approaches and the establishment of connections with the relevant authorities are worthwhile. The SCAR BSW sees great untapped potential for the realisation of a bioeconomy adapted to the macro-regional circumstances prevailing in EU, especially in the EU-13 Member States (e.g. Danube, Baltic Sea, Alpine, Adriatic & Ionian regions). The different layers of

governance (e.g., administrative regions, macro-regions, national, EU) will have contrasting priorities in relation to different issues and value chains within the bioeconomy (e.g., markets, sustainability, use of waste). Transparent and inclusive communication and decision making processes are needed. MS/AC with some experience in the development and implementation of bioeconomy strategies and action plans and MS/AC only now becoming active in this field can achieve more when working together.

5. Conclusions: What are, from the perspective of the SCAR BSW, the needs of the MS/AC in the revised Bioeconomy Strategy and Action Plan

The revised Bioeconomy Strategy and Action Plan must provide a broader definition of the bioeconomy, in which nature-inspired ideas are valorised and insights from nature are applied to other industrial sectors. This broader definition stands in stark contrast to the narrow definition used at present, focusing mainly on bio-based products and food. The new strategy and action plan must allow the bioeconomy to make connections with other industrial sectors as well, such as construction, engineering, manufacturing, ICT, urban planning, highlighting the concrete contributions of the sustainable bioeconomy to making human activity more environmentally friendly, more circular, more bio-based, more nature-inspired, more inclusive and more competitive. In sum: more sustainable.

The bioeconomy must be made a priority! This requires commitment and tailored coherence between different policy areas and the responsible parts of the administration (on the national as well as the EU level). It also requires meaningful stakeholder engagement and communication strategies. Awareness must be raised about what the bioeconomy is, what it can help to achieve and what is needed for its successful implementation. A neutral space for open discussion is needed, where complex issues (e.g., cascading, food first) can be addressed and ways forward can be developed.

Research and innovation continue to be the backbone of the bioeconomy. Funding for the bioeconomy needs to increase all along the innovation network; for fundamental research (to fill the technological pipeline for future use), for applied research (better valorising that which has already

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been developed), for near-to-market activities (especially small scale demo and pilot plants, upscaling projects, economic feasibility) and for rolling out solutions applicable on the ground (high and low tech solutions applicable in the diverse contexts of use). There must be a focus on speeding up the innovation process by better spreading and using existing knowledge (e.g., from ERA-Nets). In this context, greater emphasis should be placed especially on (small-scale) demonstration and pilot plants. Synergies with other funding instruments and mechanisms must be developed (e.g., ESIF, EUROSTARS, EFSI). Research should not only cover natural sciences but also social and economic sciences, consumer behaviour/attitudes, impact assessments and monitoring. A mechanism for continuous scanning and foresight should be established in order to steer activities in response to future developments and changing boundary conditions. The impacts of, for instance, changing consumption behaviour, trade patterns, energy prices, the development of other sustainable energy technologies, etc. need to be assessed in order to better grasp the impacts these might have on the overall bioeconomy system.

The Commission is encouraged to carry out a pre-assessment of both hard and soft measures to bring forward the bioeconomy. Soft measures can amongst others include awareness raising activities to create markets for bioeconomy products, support to start-up companies, SME-targeted instruments, standardisation, certification and promotion activities (such as prizes for the most innovative ideas/products/services). Hard measures can amongst others include carbon pricing and internalising external costs, legislation, public procurement policies and other initiatives levelling the playing field.

Based on the findings of the pre-assessment, resources should be made available to implement the most relevant initiatives.

