EUBA Contribution to the EU Bioeconomy Strategy Consultation

23 June 2025

Introduction

The European Bioeconomy Alliance (EUBA) sectors bring together 29 million professionals who produce, use, refine and transform bio-based renewable feedstock into food, feed, chemicals, manufacturing materials, biofuels, and bioenergy. Many of these products can successfully be deployed across sectors and industries, with equal or better performance than fossil-based competitors.

The bioeconomy can thus drive forward the transition away from a fossil-based society and should therefore be considered a core pillar of the EU's industrial policy. Investments and innovation in the EU bioeconomy have shown their potential.
For further information, please see the EUBA best-practice case studies and publication 'The Bioeconomy Blueprint: Building a circular and resilient Europe'.

The forthcoming new EU Bioeconomy Strategy must hence guide initiatives stemming from the Clean Industrial Deal and the Vision for Agriculture and Food, the future Biotech Act, as well as be streamlined in other relevant policies going forward. The objective must be to build a reliable policy framework in which the bioeconomy can attract capital, contribute to sustainable growth and fulfil its immense potential. This will be for the benefit of greater EU resilience and autonomy, global competitiveness and as well as climate and environment.

Today 90-95% of the embedded carbon in chemicals and materials (e.g. plastic, rubber, adhesives, detergents, additives, pharmaceuticals, personal care) comes from fossil sources, such as oil, natural gas, and coal. As to transport, according to Eurostat, in 2023[1] around 90% of the energy used in the EU was of fossil origin. To achieve lower GHG emissions, fossil carbon sources must, step by step, be replaced with renewable carbon sources such as biomass, CO2 utilisation, and recycled biomaterials.

In this context, availability and access to sustainably sourced biomass are important. A recent study by the Bio-based Industries Consortium (BIC) and the Renewable Carbon Initiative (RCI)[2] concludes that at least 20% of the overall carbon demand of the chemical and derived material sector in 2050 can be sustainably provided with biomass, in the EU and globally, and without compromising the food and feed supply and the demand for biofuels. A coherent approach to sustainability should also consider the energy used across the supply chain. In this context, bioenergy can contribute to ensuring that the whole system remains defossilised and renewable.

[1] https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250207-1#:~:text=In%202023%2C%20the%20share%20of,from%20renewable%20sources%20in%20transport.
[2] Is there Enough Biomass to Defossilise the Chemicals and Derived Materials Sector by 2050?"

As a first step, the Bioeconomy Strategy must set the right direction by taking action in the following policy areas:

- Security of investment
- Market access
- Innovation and skills

Cluster 1: Security of Investment

For the bioeconomy to thrive and enable the shift away from fossils, the EU must improve the security of investment for all actors involved and enable them to attract capital. This means in first instance that the EU continues the strategic dialogue with the full value chain of the bioeconomy sector, with a view to **adopting a clear plan with concrete sectoral growth targets for biobased outputs, including a clear timeline for implementation**. It should enshrine the principle of **technological neutrality**. Such a plan should be complemented by continued support for public-private partnerships which can further contribute to de-risking investment.

Additionally, the EU must take steps to ensure the availability and mobilisation of sustainably sourced biomass: (1) The European agricultural sector must have access to all potential outlets and applications for its products and by-products. This can have a positive impact on land-use efficiency.

A sufficient and dedicated budget needs to be ensured for the future CAP and Horizon Europe to support the whole bioeconomy value chain, including farmers, forestry owners and industry, to invest and innovate in the development of the bioeconomy as well as further research projects and to have access to training, advisory services, and skills adapted to their needs. It should be ensured that the CAP objective on bioeconomy is adequately considered in national plans of EU Members States. All entrepreneurs from the value chain need access to suitable infrastructure, as well as to new crops and innovative techniques including biofertilizers and biocontrol plant protection products.

(2) The EU must guide and promote the **creation of diverse and resilient supply chains**, from **agriculture and forestry cooperatives to biorefineries and bio-based industries.** This way, actors will be able to adapt better to changes, create jobs, and grow more robustly.

(3) EU policies and legislation impacting the availability and use of biomass must be reviewed with a view to addressing inconsistencies, gaps and/or cumulative impacts.

The EU Bioeconomy Strategy must **ensure comparability** with fossil-based products, therefore increasing trust along the supply chain, including the final consumer. To achieve this, the EU must ensure that **fossil-based products are subject to sustainability criteria.**

Furthermore, the EU should take the following measures:

- The **revision of the Product Environmental Footprint (PEF)** methodology (led by DG ENV) must better acknowledge the **benefits of biogenic carbon**. Its recognition should build on existing ISO and CEN standards.
- The update of the **taxonomy** provisions must allow **access to finance for all sustainable biofuels and biomaterials**.

- Taxonomy must make a distinction between biotech and conventional processes.
- Generally, remove barriers to financing for the bioeconomy by **taking a more inclusive view of renewable feedstocks eligible for sustainable financing mechanisms,** therefore avoiding restrictions based on feedstock type.

Cluster 2: Market Access

Bioeconomy solutions can become a true alternative to fossil-based products and materials, making a significant contribution to lower greenhouse gas emission and pollution. For this to happen, however, **biomanufacturers** must be enabled to **produce** and **access the market at scale** at competitive prices.

The EU can expedite this process through better regulation and policies, acting on both the supply and demand for biobased materials and fuels.

Supply Side Measures

Production capacity must be accelerated by removing regulatory barriers at various levels. These include:

- Faster permitting procedures for the building of new plants, e.g. biorefineries, and related infrastructure.
- Access to finance, to help overcome the phase from successful pilot project to supplying the market at scale.
- Faster product approval processes for bio-based products based on proven science which do not discriminate against innovation and are complemented by good practice codes, as need be.
- Adaptation of the ReFuelEU Aviation, FuelEU Maritime, the Energy Taxation Directive and the EU Taxonomy in line with the revised RED: biofuels considered as sustainable under the RED, including those produced from primary biomass, should be eligible under such files, too, as well as heat and electricity.

Demand Side Measures

Complementing the above, the EU can promote demand for biobased products through the following measures:

- Set bio-based targets in product and/or horizontal legislation to drive forward innovation, unleash material production, and promote market penetration. Such targets should aim to increase the use of biomass in products and should consider the contribution of bio-based and renewable carbon. Targets should be set at a realistic level based on a comprehensive impact assessment. The setting of targets should also take into consideration the interplay with existing legislations to avoid a cumulation of targets that would make product-compliance overly burdensome.
- Give preference to bio-based solutions via public procurement and reduced VAT.
- To ensure fair competition, subsidies supporting a fossil-based economy should be progressively phased out, creating a level playing field for biobased alternatives.
- Recognise the significant contribution of the **substitution effect from** renewable materials replacing fossil-based materials. In particular, it is important that the new Bioeconomy Strategy recognise the new **ISO 13391** standard that provides a

framework for value-chain calculations of the greenhouse gas dynamics for wood and wood-based products.
- Investigate how to best inform and educate consumers about the benefits of biobased products in terms of environmental sustainability based on good evidence, building on the Directives for Green Claims and Empowering Consumers for the Green Transition.
- Undertake EU-wide public awareness campaigns to further improve customer acceptance, be they private or corporate, empowering them to make an informed choice, and also be informed about collection and recycling options.

Combined, these measures will serve to increase market access for biobased products which in turn will decrease dependence on fossils, further the EU resilience and growth, whilst contributing positively to climate and environment.

Cluster 3: Innovation and Skills

The Bioeconomy Strategy should secure further funding for bioeconomy innovation, and mobilise private investments

EU-funded public-private partnerships such as the Circular Bio-Based Europe Joint Undertaking have been demonstrating the innovative power and drive within the bioeconomy.

Going forward, the EU has the chance to build on this successful partnership, driving forward research & innovation and accelerating the commercialisation of biobased innovation in Europe through investments into pilots and first of its kind production plans.

<u>Areas that require R&D funding</u>

- Development and deployment at scale of high-quality and sustainable carbon feedstock beyond primary biomass.
- Scaling-up of bio-based projects that foster collaboration along the value chain and including all types of biomass.
- Nutrients recovery options from different side streams and waste materials and by using different technologies, and into their possible application.
- The potential of cultivation of biomass on abandoned wasteland and unused degraded land, for phytoremediation as well as of leveraging the use of intermediate crops with a view to supporting growth and jobs in rural and less populated areas.

<u>How to allocate funding</u>

- Increase funding and financing, ensure complementarity in between funding mechanisms and reduce the complexity of the current EU funding landscape for the bioeconomy.
- Secure that inside and outside the CAP, the bioeconomy remains or will become a key objective, to enable the whole bioeconomy value chain, including farmers, forestry owners and industry, to invest as well as in the next EU R&D

Framework Programme (FP10) for collaborative research and innovation linked to the bioeconomy.
- Continue funding of successful partnership instruments fostering the bioeconomy such as the Circular Bio-Based Europe JU beyond 2028 and other initiatives.

The Bioeconomy Strategy should promote skills and jobs

A skilled and trained labour force is crucial for the success of the bioeconomy in contributing to the EU's greater resilience, sustainable growth and global competitiveness.

- Create specific education programmes and training centres of excellence connected to the production of renewable raw materials and manufacturing. Ensure the establishment of certifications to ensure quality and consistency of training.
- Diversify educational pathways in agriculture and forestry for students to seize the opportunities of bioeconomy and gain a more diversified skill set in line with the diversification of needs on-field, e.g., through the creation of dedicated curricula in schools and universities.
- Develop intergenerational cooperation, taking advantage of the innovative and transformative mindset of new generations and combining it with the experience of older generation.

European Bioeconomy Alliance

Members of the European Bioeconomy Alliance

CEFS EU SUGAR

Bioenergy EUROPE

The Food & Beverage Carton Alliance

EBB European Biodiesel Board

Bio-based Industries Consortium

CEPF Confederation of European Forest Owners

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