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NOTE

From: Presidency
To: Council
Subject: Bioeconomy
- *Exchange of views*

Delegations will find in the Annex a background note from the Presidency on the abovementioned subject, as well as three proposed questions to steer the ministerial debate at the "Agriculture and Fisheries" Council on 18 March 2019.

Bioeconomy: the implementation of the updated EU Strategy at national level

I. INTRODUCTION: THE UPDATED EU BIOECONOMY STRATEGY

1. The bioeconomy covers all sectors and systems that rely on biological resources (animals, plants, micro-organisms and derived biomass, including organic waste), their functions and principles. It includes and interlinks: land and marine ecosystems and the services they provide; all primary production sectors that use and produce biological resources (agriculture, forestry, fisheries and aquaculture); and all economic and industrial sectors that use biological resources and processes to produce food, feed, bio-based products, energy and services.
2. On 11 October 2018 the Commission published its Communication "*A sustainable Bioeconomy for Europe: strengthening the connection between economy, society and the environment*" (hereinafter "**the updated strategy**")¹, which updated the EU Bioeconomy Strategy dating back to 2012, accompanied by an Action Plan made of 14 key actions.
3. By defining a "European way" to the bioeconomy based on the concepts of sustainability and circularity, the updated strategy highlights the numerous areas to which this sector can contribute even more than in the past, including: ensuring food and nutrition security; managing natural resources sustainably; reducing dependence on non-renewable resources; mitigating and adapting to climate change; strengthening European competitiveness and creating jobs.

¹ COM(2018) 673 final of 11.10.2018 - ST 13229/18 + ADD 1.

4. The European approach is a comprehensive one, as the bioeconomy is not regarded as a standalone area: in fact, the updated strategy encompasses **different sectors and policies**, ranging from agriculture to climate, from research to fisheries, and others. In this perspective, the updated strategy aims to strengthen the connections between economy, society and the environment, thus maximising the contribution of a sustainable bioeconomy to the Commission priorities and to many of its policy objectives.

II. DISCUSSION IN THE COUNCIL AND FUTURE CHALLENGES

5. At the "Agriculture and Fisheries" Council on 17-18 December 2018, the Commission presented the updated EU Bioeconomy Strategy and Ministers exchanged views on it, with a focus on the role of agriculture, highlighting challenges for the future and possible solutions. Ministers debated in particular how to unleash the potential of bioeconomy, boost rural areas, and create opportunities for primary producers by ensuring a cross-policy approach to the bioeconomy.
6. Ministers' views broadly converged on:
- The capacity of the bioeconomy to support the achievement of EU environmental goals through sustainability and circularity, which makes more accessible biomass and better waste management necessary;
 - The opportunities it offers to stimulate economic growth and employment, particularly in rural areas and for the use of natural resources.
7. Concerning the **potential** of the EU bioeconomy, Ministers considered that it is not fully exploited yet and that the 14 actions proposed by the Commission may help to unleash it. Looking at the future, they widely shared the following points:
- Better **communication** of the bioeconomy's potential is needed to both primary producers and consumers;

- Not only political guidelines, but also practical support is necessary to remove any barriers to the use of the bioeconomy, e.g. on the marketing of raw materials;
 - Primary producers should be included in local bioeconomies, while farmers and all relevant actors should be better integrated in the bioeconomy value chain;
 - **Local actions** are crucial to better take advantage of the bioeconomy's potential, as well as regional measures. Sufficient flexibility is necessary for Member States and exchange of best practices should be promoted;
 - A **systemic/holistic approach** to the bioeconomy should be adopted, exploiting the complementarity of different policies and funds, particularly in the research field with a view to boosting innovative methods of production.
8. The inclusion of the bioeconomy among the specific objectives of the **future Common Agricultural Policy (CAP)** was also widely welcomed. In fact, Article 6(1)(h) of the proposed Regulation on CAP Strategic Plans² foresees that a more ambitious CAP should "promote employment, growth, social inclusion and local development in rural areas, including bioeconomy and sustainable forestry".

III. NEXT STEPS UNDER THE ROMANIAN PRESIDENCY

9. The Romanian Presidency considers the bioeconomy as a clear priority and intends to discuss it in different venues, with a view to contributing to the mainstreaming of this topic and to the promotion of a cross-sector exchange of views on it.

² COM(2018) 392 final of 1.6.2018 - ST 9645/18 + ADD1 + COR1.

10. In this light, the Presidency plans to:

- Organise a **conference** on the bioeconomy in Bucharest on 4-5 April 2019, with the goal of raising awareness at national level on this topic;
- Hold an **informal meeting of ministers** dedicated to the bioeconomy on 3-4 June 2019, with the participation of both DG Agriculture and Rural Development (DG AGRI) and DG Research and Innovation (DG RTD) of the European Commission, to build synergies between agriculture and research.

IV. QUESTIONS FOR MINISTERS

11. In light of the background presented above, the Presidency would like to present the following three questions to steer the ministerial exchange of views at the "Agriculture and Fisheries" Council on 18 March 2019:

***Q1:** Would you like to share any good practice, at national or regional level, that could serve as an input for an effective Union-wide implementation of the updated Bioeconomy Strategy?*

***Q2:** In your opinion, what instruments would help fully deploy the potential of the bioeconomy? How can the future Common Agricultural Policy actively contribute to it?*

***Q3:** In your opinion, how can Cluster 7 of the new research and innovation framework programme best contribute to the specific needs of agricultural research and innovation for the benefit of farmers, foresters and rural development in the bioeconomy?*
