



Council of the
European Union

Brussels, 31 October 2016
(OR. en)

13905/16

AGRI 582
RECH 301

NOTE

From: Presidency
To: SCA/Council

Subject: EU Agricultural Research and Innovation
- Exchange of views

Delegations will find attached a steering paper provided by the Presidency on the above-mentioned subject, accompanied by the conclusions of the High Level Conference on European Bioeconomy, held in Bratislava on 17 October 2016.

These documents will serve as a basis for the exchange of views at the Special Committee on Agriculture on 7 November 2016 and at the "Agriculture and Fisheries" Council on 14-15 November 2016.

Improving of sustainable growth in the EU: The role for research and innovation

Steering paper from the Presidency

The EU has got pressing challenges to tackle in the years to come: adapt to and mitigate climate change; ensure food- and energy- security, promote alternatives to our fossil-based economies; address the international commitments on Sustainable Development Goals, Climate Action (COP21 Paris Agreement) and the recent G7 declarations on the future of the oceans and foster economic growth and social prosperity, inter alia. Agriculture, rural development and forestry play a very important role in facing these challenges.

Research is expected to address immediate problems while at the same time anticipating future needs. It plays a crucial role in contributing to the design and implementation of EU policy by providing a sound evidence base. In particular, research can provide the knowledge base for long-term decision-making and planning which is necessary to cope with the challenges faced.

There have been significant steps undertaken at the EU level that should help to address the challenges ahead of us in the agriculture field:

- The European Bioeconomy Strategy adopted in February 2012, addresses the production of renewable biological resources and their conversion into vital products and bio-energy. The strategy proposes answers to the challenges the EU and the world are facing, such as increasing populations that must be fed, depletion of natural resources, pressure on the environment climate change, etc. It also highlights the need to ensure that fossil fuels are replaced with sustainable natural alternatives. It calls for new approaches to come from research and innovation and supports science and technological leadership to drive tangible improvements in Europe's social, economic and environmental welfare. The planned review and updating of this strategy by 2017 will provide a major opportunity for new political impetus and orientation.

- Developing a long-term strategic approach to EU agriculture research and innovation began in June 2015 at the Milan Expo and its final paper was published by the Commission in July 2016. The strategy supports transition pathways towards resilient, sustainable and climate-friendly farming systems and value chains. It has the ambition to spur the delivery of knowledge, technologies and management solutions to secure the long-term supply of healthy and nutritious food. Beyond food production, the strategy addresses the increasing role of non-food products and services emerging from farm activities. It looks at overall opportunities for innovation in rural areas, also by means of enhancing the social human and social capital. The strategy promotes a comprehensive approach to land management and expands to forests to optimise synergies between forestry and agricultural activities in rural areas.

The Presidency would like to stress the need to enhance and boost the EU economy in line with what is outlined in the above mentioned strategic approaches by means of targeted and balanced use of EU financial resources allocated for research and innovation throughout the EU territory. The overall objective should be the use of existing research potential to further develop the single European Research Area based on cooperation of all Member States.

The major driver of EU research funding is the so-called Horizon 2020 Programme launched in 2014. Despite the efforts undertaken by the European Commission (widening participation principle, simplification of measures and synergies with ESIF instruments) the significant discrepancies among Member States in the use of financial resources dedicated to research and innovation are still persistent. The growing innovation gap and low level of participation of the EU-13 countries (so called new Member states) in Horizon 2020 Programme are the major challenges, which are hindering the sustainable growth in the whole EU. Furthermore, the EU-13 countries received less than 5% of the total budget spent so far under the Horizon 2020.

There are several initiatives that try to address the afore-mentioned imbalance, for instance the initiative called BIOEAST - Central and Eastern European Initiative for Knowledge-based Agriculture and Bioeconomy that puts the emphasis on research, innovation and transnational cooperation for knowledge-based development which would contribute to the sustainable growth in the whole of the EU. Another example is the initiative of scientists of the Visegrad 4 countries that tries to find solutions to the issue of the growing innovation gap within Europe and calls for a more significant involvement in joint European programmes, and the recently signed Lodz Declaration of bioregions and Common Declaration of Visegrad 4 countries and Bulgaria, Romania and Slovenia.

The Slovak presidency, together with the European Commission under the auspices of the Standing Committee of Agricultural Research organised on 17 October 2016 in Bratislava a High Level Conference on the topic of European Bioeconomy under the title “The role of regions in the European Bioeconomy”. The conference was attended by 290 participants, including representatives of 28 EU Member States. The conference tried to address the afore-mentioned issues, see Annex I.

The Slovak Presidency, with respect to the review of the European Bioeconomy Strategy and preparation of the Working Programme 2018-2020 under the Horizon 2020 would like to build upon the previous activities of the EU that have clearly shown the necessity of regional strategies in overcoming the barriers in implementing the European Bioeconomy Strategy (e.g. the 2015 Bioeconomy Investment Summit, the 2015 Global Bioeconomy Summit, the 2016 Lodz Conference of bioregions etc.). The existing initiatives that call on the stronger use of the existing research potential of macro-regions in developing the European Research Area in the field of agriculture are also important to be taken into consideration.



BRATISLAVA BIOECONOMY CONFERENCE



BBEC2016

BRATISLAVA BIOECONOMY CONFERENCE CONCLUSIONS (17/10/2016)

"The role of regions in European Bioeconomy", Bratislava, Slovakia

Context

The challenge

Europe is urged to act on key challenges for the years to come: adapt to and mitigate climate change by limiting global warming to well below the 2°C target; ensure food- and energy- security, promote alternatives to our fossil-based economies; address the international commitments on Sustainable Development Goals, Climate Action (COP21 Paris Agreement) and the recent G7 declarations on the future of the oceans; foster economic growth and social prosperity. The Bioeconomy is a strategic part of the European Economy that is key to realise a smart, competitive and sustainable economy with a sound industrial base. Without a coherent bioeconomy policy to realise a thriving, sustainable bioeconomy that ensures sustainable biomass supply, use and recycling, it will be impossible to realise these global societal challenges. If challenges are global, solutions are local. Europe's cities & regions play a key role for the Bioeconomy deployment, using their own local resources and untapped biomass and waste as feedstock to produce greener products through new value chains and thus create growth and jobs where people live.

The Bratislava Bioeconomy conference (BBEC 2016)

The conference on the *"The role of regions in European Bioeconomy"* was organised on 17/10/2016 by the Slovak Ministry of Agriculture and Rural Development, the National Agriculture and Food Centre and the European Commission, under the auspices of the Slovak Presidency of the Council of the EU.

The *aim of the conference* was to discuss with national and regional stakeholders the new bioeconomy context for agriculture, forestry and fisheries, the role of research and innovation to overcome the big societal challenges ahead of us and also to identify the barriers and best practices in the regions to develop their bioeconomy strategies.

The *wider objective* is to raise awareness in EU regions, on the need for bioeconomy strategy building, giving particular emphasis to the Central and Eastern European countries.

Conference conclusions

This Bratislava Conference document brings into consideration the most important conclusions taken at the Bratislava Bioeconomy Conference BBEC2016 and builds on the conclusions of previous conferences, i.e. the Bioeconomy Investment Summit (11/2015), the Global Bioeconomy Summit in Berlin, the Stakeholders 'Manifesto for the Bioeconomy in Europe' prepared in Utrecht (4/2016) and the Lodz Declaration of Bioregions (6-7/10/2016).

The conclusions of Bratislava Bioeconomy Conference is a strategic document for the sustainable development of Bioeconomy at regional level and will contribute to the discussions at Member States' and EU regions' level on the review of European Bioeconomy Strategy as well as on future EU policies.

**BRATISLAVA
BIOECONOMY
CONFERENCE**

BBEC2016

BRATISLAVA BIOECONOMY CONFERENCE CONCLUSIONS

"The role of regions in European Bioeconomy"

Under the Slovak Presidency, Bratislava, Slovakia 17/10/2016

Europe is urged to act on key challenges for the years to come: adopt and mitigate climate change by limiting global warming to well below the 2°C target; ensure food- and energy- security, promote alternatives to our fossil-based economies; address the international commitments on Sustainable Development Goals, Climate Action (COP21 Paris Agreement) and the recent G7 declarations on the future of the oceans; foster economic growth and social prosperity. Stakeholders from EU regions, research, industry, primary producers and NGO have discussed in Bratislava possible actions to promote the deployment of sustainable Bioeconomy at regional and local level, and are proposing the following key lines for actions:

- A joint effort between the Commission, the Member States and the regions should be further enhanced to **stimulate Bioeconomy deployment at regional level**, on land, inland and marine waters.
- Proper **societal engagement, awareness, education and training schemes** should be developed, since there is no sustainable bioeconomy without the **direct involvement of civil society** in a co-construction mode, with societal appraisal of bioeconomy.

- Bioeconomy should be based on the **development of sustainable and circular Bioeconomy at regional and local level** (Bio-regions and Bio-communities) that use their local biological resources to create new value chains, local green energy, considering various elements, ranging from ecology with resilience and biodiversity, water management to cultural heritage.
- The **EU policies relevant to Bioeconomy** (including Cohesion policy and Common Agriculture Policy) should also be coherent and consider the development of regional and local "Bioeconomies" as a key element for achieving the UN Sustainable Development Goals and Climate Action (COP 21).
- EU Member States and regions are encouraged to develop their **national/regional Bioeconomy strategies**, in synergy with their smart specialisation strategies. Central and Eastern European economies show a huge potential that should be further exploited for the development of regional sustainable Bioeconomy ecosystems that create added value in the regions. To efficiently develop bioeconomy, the **analysis of existing potential** should be performed as soon as possible, including mapping of available biomass resources and analysis of current and prospective value chains.
- **Improved access to finance for Research and Innovation** should be enhanced, open to all funding instruments in a holistic, complementary and synergistic way (H2020, ESIF, EFSI, EIB, private funds). EU regions equipped with their European Structural and Investment Funds Funds (ESIF) may organise and support synergies with other funding streams (e.g. Horizon 2020 programme), maximising the impact on the ground and promoting "excellence". Regions are encouraged to sign Letters of Intent with the Biobased Industry Joint Undertaking and the Biobased Industry Consortium to create synergies and exchange best practice to promote investments in Bioeconomy.

- **Supportive "region-friendly" tools and framework conditions** should be further promoted, for the uptake of Bioeconomy, initiating new **cross-sectoral, cross-regional and macro-regional cooperation** schemes (e.g. Danube region), joint initiatives and projects for tackling the growing innovation gap within Europe. Integration of efforts of regions, their stakeholders, financial institutions and society is paramount to create new opportunities and jobs for green industry, farming, forestry and blue growth.
 - The European Commission, Council and Parliament, with the help of National and Regional Authorities, are urged to **update the EU Bioeconomy Strategy and Action Plan**.
-