A 5-POINT ACTION PLAN FOR AN INDUSTRIAL BIOECONOMY STRATEGY

Scaling up bio-based chemistry and biomanufacturing is critical to strengthening competitiveness, achieving circularity, long-term resilience, and contribute to Europe's net-zero objectives, while enhancing resource security and supporting environmental, social, and economic sustainability.

The EU is already a leader in bio-based innovation, but without the right framework conditions, that leadership is at risk. The revised Bioeconomy Strategy must deliver actionable, industry-focused measures, fully mainstreamed across all relevant legislation while adhering to planetary boundaries.

The Bioeconomy Strategy must evolve into a fully-fledged industrial strategy at the heart of Europe's competitiveness agenda.

Read more about Cefic's work on the Bioconomy.

Action 1: Develop new value chains and market opportunities by creating efficient demand

The issue: European companies face high investment costs to develop biomass-derived products, yet market demand remains insufficient to justify these investments. Without an industry focused strategy with clear demand signals and targeted measures, biomass derived solutions will struggle to scale.

The solution:

- Introduce dedicated, realistic targets for biomass-derived products in product-specific legislation (e.g., PPWR, ELVR), aimed at creating market opportunities and at increasing the use of biomass as feedstock in products.
- Targets should consider the contribution of both bio-based and bio-attributed products to allow all technologies to contribute to the transition towards carbon circular sources.
- Incentivise the use of biodegradable and compostable plastics for targeted applications where they deliver clear environmental benefits.
- Introduce minimum Green Public Procurement (GPP) requirements for biomass-derived products, modelled on successful international examples such as the US BioPreferred Program by introducing the –1/+1 approach.
- Ensure all business models, including bio-based and bio-attributed, are recognised and incentivised under a unified "biomass-derived" definition.
- Finalise and apply robust Product Environmental Footprint (PEF) methods that accurately account for biogenic carbon.
- Establish high-performing bioeconomy clusters across the EU to foster collaboration along the bio-based value chain, reduce costs and enhance access to international and domestic markets.

The result:

- Predictable market conditions that attract investment in biomass-derived products.
- Cost-efficient scale-up of the bioeconomy through high-performing clusters.
- Enhanced global competitiveness for EU companies.

For more information please contact: Marco Pellegrini - Bioeconomy Manager
mpe@cefic.be

About Cefic
Cefic, the European Chemical Industry Council, is the forum of large, medium and small chemical companies across Europe, accounting for 1.2 million jobs and 13% of world chemicals production

The European Chemical Industry Council, AISBL
Belliard, 40 - 1040 Brussels - Belgium
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Action 2: Create agile, coherent regulations and policies to unlock innovation and realise bioeconomy opportunities

The issue: The scaling and industrial implementation of the bioeconomy requires a regulatory framework that facilitates the creation of a viable business case. This requires harmonisation and coordination at EU and regional level.

The solution:

- Establish a central coordination body within the European Commission to align bioeconomy policies.
- Create an industry advisory group to provide practical, technical expertise to policymakers.
- Strengthen cooperation between EU, national, and regional authorities to streamline policies and funding instruments.
- Promote cross-border collaboration to develop biomass-derived value chains across regions.

The result:

- Predictable market conditions that attract investment in biomass-derived products.
- Cost-efficient scale-up of the bioeconomy through high-performing clusters.
- Enhanced global competitiveness for EU companies.

Action 3: Promote sustainable sourcing and access to biomass

The issue: Sufficient, sustainable, and affordable biomass is essential to scale the bioeconomy. Supply chains remain fragmented, import barriers persist, and inconsistent sustainability rules hinder access to feedstocks.

The solution:

- Increase synergies across sectors for biomass use, for example, integrated biorefineries and efficient processing to maximise resource use.
- Promote Agritech and New Genomic Techniques to boost agricultural yields sustainably.
- Recognise the role of primary biomass (e.g., starch, sugars, oils) alongside other sources like side-streams or waste.
- Establish a clear set of sustainability criteria to all biomass, regardless of its final use, to create a level playing field between energy and material uses.
- Ensure biomass is used for its highest possible value, following a synergistic approach, in line with the cascading principle.
- Improve trade policy and access EU-compliant bio-based raw material access through trade policy measures such as reducing import duties via Free Trade Agreements.

The result:

- Reliable, affordable access to sustainable biomass for EU industry.
- Efficient, circular use of biomass resources.
- Reduced dependency on unsustainable feedstocks and increased strategic autonomy.
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Action 4: Enable innovation to move from lab to market

The issue: Despite great potential, in sectors such as chemicals and packaging, bioeconomy-related innovations frequently do not reach industrial scale, which is necessary for making biomass-derived products competitive. High investment risks, fragmented infrastructure, and limited funding for demonstration projects prevent promising solutions from entering the market.

The solution:

- Continue and expand CBE-JU funding for high-TRL (>TRL 6) projects, extending to bio-attributed products.
- Open EU funds (e.g., Innovation Fund) to support first-of-its-kind biomanufacturing plants.
- Improve coordination and synergies across the common agricultural policy (CAP), the common fisheries policy (CFP), the European maritime, fisheries and aquaculture fund (EMFAF), and horizon Europe.
- De-risk the scaling up of new bio-based innovations by further strengthening and investing in (existing) open-access infrastructures.
- Recognise the potential of New Genomic Techniques for advanced, sustainable biomanufacturing.
- Align research and innovation funding across EU, national, and regional levels.

The result:

- Faster scale-up of biomass-derived technologies.
- Reduced investment risks for companies.
- Increased availability of competitive, sustainable products.
- Strengthened EU leadership in biomanufacturing and industrial biotechnology.

Action 5: Safeguard the long-term competitiveness of the European chemical industry

The issue: The EU chemical industry faces rising costs, global competition, and regulatory complexity. Without a strong business case for biomass-derived production, Europe risks losing technological leadership and becoming reliant on imports.

The solution:

- Support the transformation of existing industrial assets to maximise their use, reduce investment risks, improve resource efficiency, and create synergies across sectors and value chains, focusing on the development of integrated processing facilites.
- Ensure circular carbon content requirements apply equally to imports, backed by credible verification.
- Align market pull measures with production-side support, including competitive energy prices and sustainable feedstock access.
- Ensure that any requirements for circular carbon content also apply to imported products with a verification system to guarantee the integrity of claims.

The result:

- Improved competitive conditions with other sectors and international competitors.
- Realisation of the bioeconomy business case.
- A resilient, innovative European bioeconomy supporting jobs and growth.