

The EU Bioeconomy Strategy needs to support sustainable carbon cycles and create growth

The new EU Bioeconomy Strategy must focus on the use of sustainable carbon and creating growth. It is vital that there is a market for biobased solutions and innovations in the EU and globally. This must be a core focus of the upcoming Bioeconomy Strategy.

The main hurdle for moving from innovation to growth is insufficient market demand for biobased solutions. This is mainly due to the fact that the environmental and climate impacts of fossil-based chemicals and plastics is not reflected in their price. The fossil-based solutions therefore remain the default option in the market.

The bioeconomy strategy should work side-by-side with the forthcoming Circular Economy Act and the EU's Industrial Carbon Management Strategy. This will ensure that it builds on sustainable carbon cycles.

Finnish Chemical Industry views:

- The chemical industry is a priority sector for the future bioeconomy to reach EU's climate target, strengthen competitiveness and to boost EU resilience in raw materials. The defossilization of the chemical industry is necessary to reach climate targets - biobased solutions are needed in addition to circularity and CCU-based solutions.
- The Commission should set a target in the Bioeconomy Strategy for the use of biobased carbon to contribute to the long-term defossilization of plastics and chemicals in line with climate targets and in complementarity with recycled content targets.
- The Commission should set out and implement a roadmap for developing markets for the use of biobased feedstock for chemicals and plastics with an impact assessment going beyond the PPWR - a binding target of 5 % biobased feedstocks in all plastics by 2030 should be considered. The assessment should consider measures horizontally across existing legislation, such as ESPR, PPWR and ETS, and potential additional new measures (e.g. EPR etc.).
- The EU's value chains for sustainable biomass should be developed within and outside Europe to make the EU a 'sustainable carbon superpower' in line with the calls by Member States and Industry for a European Sustainable Carbon Policy Package.

Timeline

The Bioeconomy Strategy renewal will be finalized by the end of 2025. It will be given as a Communication paper.

More information

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