

BRIEFING NOTE

Subject: EU Council Conclusions on a Strategic Framework for a Competitive and Sustainable Bioeconomy (March 2026)

Key Message

The Council calls for a **scaled-up, market-driven and sustainable EU bioeconomy**, underpinned by innovation, circularity and secure biomass supply, as a central pillar of the EU's green transition, competitiveness, and strategic autonomy.

The Member States position the bioeconomy as a **strategic enabler of the green transition**, requiring coordinated policy action, targeted investment, and sustainable resource management to deliver economic and environmental benefits.

Policy Priorities

1. Policy Coherence and Governance

- Align EU and national frameworks across agriculture, energy, industry, and environment
- Reduce regulatory fragmentation and administrative burden
- Integrate bioeconomy objectives into national plans (e.g. climate, circular economy, rural development)

2. Innovation and Investment

- Scale up industrial deployment of bio-based solutions (e.g. biorefineries, biomanufacturing)
- Improve access to finance (public, private, blended instruments)
- Strengthen support for SMEs, startups and regional ecosystems

3. Market Development

- Create lead markets for bio-based materials and technologies
- Use demand-side tools (e.g. green public procurement, standards, certification)
- Improve business predictability to unlock private investment

4. Sustainable Biomass and Circularity

- Ensure biomass use respects biodiversity, climate and ecosystem limits
- Prioritise circular use (waste, residues, by-products)
- Apply cascading use principle (higher-value uses before energy recovery)

5. Strengthening Value Chains

- Increase value creation in agriculture, forestry and fisheries
- Support rural economies and SME participation
- Develop industrial clusters and bioeconomy hubs

6. Global Dimension

- Promote EU leadership in global bioeconomy standards
- Secure sustainable biomass supply chains
- Strengthen international partnerships and trade opportunities

Implementation: Key EU Instruments

Agriculture & Rural Development

- Common Agricultural Policy (CAP): support biomass supply, carbon farming, rural bioeconomy projects
- Rural Development Funds (EAFRD): local value chains and innovation

Research & Innovation

- Horizon Europe: R&D, pilots and demonstration projects
- Circular Bio-based Europe Joint Undertaking: scale-up of industrial bio-based solutions

Investment & Finance

- European Investment Bank (EIB) / InvestEU: loans, guarantees, blended finance
- State aid frameworks (CEEAG, GBER): enable national support schemes

Industry & Internal Market

- IPCEIs: large-scale cross-border bioeconomy projects
- Ecodesign and product regulations: sustainability standards

Circular Economy & Environment

- Circular Economy Action Plan: waste reduction and biomass valorisation
- Waste Framework Directive, Packaging Regulation: circular use of resources
- LULUCF Regulation: sustainable land use and carbon sinks

Energy & Climate

- Renewable Energy Directive (RED III): sustainable bioenergy
- National Energy and Climate Plans (NECPs): integration into decarbonisation strategies

External Action

- Global Gateway: international partnerships and investment
- Trade policy: market access and global standards

Implications for Policymakers

- Requires cross-sector coordination at EU and national level
- Significant investment mobilisation needed to scale technologies
- Strong focus on balancing biomass demand with environmental limits
- Opportunity to enhance EU competitiveness and rural resilience

Next Steps

- Commission to implement the Bioeconomy Strategy and report progress by 2028
- Establishment of EU–Member State Bioeconomy Dialogues
- Continued alignment of funding programmes and regulatory frameworks