

BIOECONOMY and Green Investments

Unique opportunity to tackle the crisis in the Central and Eastern European countries

POSITION PAPER of the BIOEAST Board

Countries around the world are facing COVID-19 related socio-economic challenges as the crisis is hitting hard in the middle of a sustainability transition process and might affect our societies for decades ahead. The current situation has revealed a major setback of the European economy, namely the vulnerability of human health, food insecurity and poor self-sufficiency.

Despite that, **the crisis also presents opportunities and long term benefits** if we manage to steer the recovery process to reshape our fossil-dependent societies into sustainable and circular economies to serve a healthy society.

The **implementation of a circular and sustainable bioeconomy can be used as one of the industry transformation tools** similar to renewable energy, electric mobility or Industry 4.0. According to the European Commission, green investments will be a key driver of the recovery. The aim of European Green Deal to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy are now more important than ever.

In the local-global context of healthy and sustainable societies one of the most important emerging actions is linked **to the development of a new European sustainable food and non-food systems agenda** engaging the moderate innovator economies. The BIOEAST Board members from Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia highlight the importance of emerging opportunities **linked to the local processing and biorefining of available biomass, including organic waste streams** in the context of circular and sustainable economies benefiting the entire European society.

The primary sector provides foundation to tackle socio-economic effects and sustainable development in terms of climate change. **The macro-region's countries are moderate innovators** less developed in the valorisation of biomass and creation of new value-added products and jobs. **The key priority should be to elevate their innovation capacities.**

The BIOEAST Board by reaffirming its commitment to assist the elaboration of knowledge based bioeconomy solutions for Central and Eastern Europe

CALLs to invest in:

- **Research and Innovation** focused at creation of added value to the primary production and organic waste streams.
- **Digitalization** linked to biomass production, monitoring, processing and valorisation.
- **Education**, vocational trainings and skills improvement linked to the sustainable and circular valorisation of bio-resources.



and HIGHLIGHTs the need for urgent actions in:

1. **Policy**

- To set up **enabling policy conditions** for sustainable and circular bioeconomies could bring long-term benefits.
- **Public administration** to be able to govern the socio-economic developments linked to the sustainable production and use of biomass as well as waste valorisation and circular economy.
- Promotion of voluntarist policy instruments such as **double dividend measures** could benefit both labour force and the environment.
- **Public-private partnerships or green public procurement** should be used in larger extent in the BIOEAST's national governments and local authorities.

2. **Research and innovation**

- Unlocking the biomass potential with investment in research and innovation structures, de-risking investments and empowering the public administration with support to launch programs helping investment for technology readiness level **(TRL) 3-8**.
- Prioritizing **national research and innovation work programs** and **European partnerships** in the field of circular and sustainable bioeconomy, CO2 economy and renewable resources.
- The sustainable and circular aspects and the development of **new business models** should be promoted massively.

3. **Markets**

- **Involving the existing work force**, to transform and to create value-added jobs in rural areas, influencing the regional development distributed across the regions of the CEE countries. Bigger support should be given to short supply chains and localized agri-food systems.
- **Interconnecting European markets**, which can generate localized biomass supply and demand, helping to achieve **European food self-sufficiency**, making the continent less dependent on global trade and imports.
- The **use of biomass and organic waste** as source material in **creating higher added value** products (ex. bio-plastics, bio-based pharmaceuticals, etc.), a transformation towards sustainable production and consumption as well as mitigating greenhouse gas emissions.
- Launching a **national action for small biorefineries**, which can quickly switch their production based on market needs. The new sustainable and circular **biorefinery concept could bring the structuring effect** at the micro-regional level involving local stakeholders.

The BIOEAST Initiative **CALLS** on the national and European Institutions **to pay special attention to the macro-regions bioeconomies** and to help the countries' public administration to benefit from and use these opportunities to create an enabling environment for green strategies and action plans. Thus, the EU and national **recovery funds** should be invested in this sector **to foster the structural changes in the macro-region**. The productive use of additional funds should be oriented to the sectors with high direct, indirect and induced benefits to the national societies.

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