

## **EUROPABIO'S INDUSTRIAL BIOTECHNOLOGY COUNCIL POSITION ON THE PROPOSED REGULATIONS ESTABLISHING HORIZON 2020**

EuropaBio's Industrial Biotechnology Council is the voice of the bio-based industry and represents small, medium and large enterprises active in the EU. Our members are involved in a wide range of innovative activities such as the development of bio-based products in sectors as diverse as chemicals, food and feed, detergents, paper and pulp, bioplastics, textiles, skin care, active ingredients for the pharma industry and advanced biofuels.

In November 2011, EuropaBio's Industrial Biotechnology Council welcomed the significant advance made by the European Commission towards the creation of an Innovation Union in recognizing the social, economic and environmental benefits of the bio-based economy and industrial biotechnology through Horizon 2020.

We are encouraged by the inclusion of Sustainable Agriculture, Food Security, Marine and Maritime Research and the Bio-Economy as one of the six grand challenges to be tackled by future EU Research and Innovation policy. In addition, we welcome the fact that biotechnology, and in particular industrial biotechnology, is highlighted as one of the 6 enabling technologies that will be further supported by Horizon 2020.

We now call upon the European Parliament and Member States to endorse these proposals which aim to establish a balance between research and innovation through their emphasis on the need for demonstration and supporting activities. As with any emerging industry, these measures should be backed up by enhanced access to risk finance and partnership for the development and implementation of sustainable bio-based products, processes and services.

Finally, EuropaBio believes that more market-oriented Key Performance Indicators (KPIs) should be developed. These will help to measure the sustainable growth of the bioeconomy by ensuring that the number of patent applications and the total investments mobilised via debt financing and venture capital, more accurately reflects the number of products that are successfully commercialised.

### **Societal Challenges: Food security, Sustainable Agriculture, Marine and Maritime Research and the Bio-Economy**

Support for biobased industries is essential in order to make a timely transition towards a more sustainable, competitive EU bioeconomy. Therefore, we call on the European Parliament and the Council to:

- Acknowledge the importance of the bioeconomy as a grand societal challenge to be tackled by Horizon 2020
- Confirm the proposed broad lines of activities: including fostering the bio-economy for bio-based industries; developing integrated biorefineries; supporting market development for bio-based products and processes

- Ensure that the activity line “supporting market development for bio-based products and processes” supports the member state implementation of the priority recommendations identified by the **Lead Market Initiative for bio-based products**.
- Secure the dedicated budget allocated to the bioeconomy, food security, sustainable agriculture and marine research and security.
- Ensure that the bioeconomy realizes its full potential in helping to achieve climate, energy, environment and entrepreneurship and sustainable growth goals through its full integration and implementation in agricultural, environmental, energy, regional and industry and entrepreneurial policies.

#### Industrial Leadership: Biotechnology & Support for risk finance

We urge the European Parliament and Council to support the integrated approach to Key Enabling Technologies and more specifically the fact that industrial biotechnology is recognized as an enabler to support European industries. In addition, we seek support for facilitating access to risk finance and the specific support for SMEs. We call on the European Parliament and Council to:

- Confirm biotechnology as a key enabler for industrial competitiveness
- Support the boosting of cutting-edge biotechnology-based industrial processes as future innovation drivers and competitive platform technologies
- Secure the dedicated budget for biotechnology proposed by the European Commission
- Financially support the Debt facility and Equity facility tools proposed by the European Commission to reach critical mass to allow European entrepreneurs to make the shift towards becoming a world leading bioeconomy.

#### Public Private Partnerships

We welcome the proposition of the European Commission to implement large part of Horizon 2020 through Public Private Partnerships on the bio-based economy and more specifically biorefineries. These are of strategic importance for the Union’s competitiveness and industrial leadership. Allocating appropriate funding in this way will be fundamental to realizing both the Innovation Union and the broader smart, sustainable and inclusive objectives as set out in the EU 2020 strategy.