CARLOS MOEDAS Member of the European Commission

PHIL HOGAN Member of the European Commission

Brussels Ares S(2018)4113350

Dear Mr

We would like to thank you for your letter of 3 July 2018 calling for the continuation of the Bio-based Industries Joint Undertaking (BBI JU). We welcome the expressed appreciation of the European Union's support for the bio-based industries, in particular as an instrumental partner for financing and fostering innovation via the BBI JU.

We acknowledge that the interim evaluation of the initiative, concluded in June last year, highlights its positive effects on the competitiveness of BBI technologies via the encouragement of and support for value chain-driven cooperation across sectors ("the structuring effect") and via innovation-driven mobilization of key stakeholders ("the mobilizing effect").

The initiative is now entering into crucial years, when the results of on-going projects are to be translated into environmental and socio-economic benefits for European citizens. Our services are engaging at all levels with the Bio-based Industries Consortium (BIC), and count on BIC's commitment to delivering upon the objectives of the Regulation - including financial - as recently amended. Success should enhance the reputation and prospects of the bio-based industries sector.

Looking ahead, the Commission is sending clear policy signals regarding the priority it attaches to the Bioeconomy. On the policy front, the roadmap of the forthcoming update of the Bioeconomy Strategy confirms that, while the original strategy and its objectives remain as relevant and robust as before, a refocusing of the actions and a reassessment of the scope of the Strategy are considered necessary in the light of recent policy developments. It revolves around a few actions, including strengthening and upscaling the bio-based sectors and the mobilisation of investments. On the R&I side, the high investment foreseen in the MFF proposal for R&I in food, agriculture, rural development and the bioeconomy (EUR 10 billion) represents unprecedented support for these fields.

.../,...

Mr
of the BIC Board
Bio-based Industries Consortium
European Forestry House
Rue du Luxembourg 66
B-1000 Brussels, Belgium

Horizon Europe will take a new, more impact-focused approach to partnerships. The current plethora of European Partnerships will be rationalised, while ensuring that they can effectively contribute to the general and specific objectives of Horizon Europe and be better aligned with the Union's policy priorities.

For this purpose, partnerships will be designed on the basis of Union added value, transparency, openness, impact, flexibility, coherence and complementarity with Union, national and regional initiatives. Important criteria will also be the leverage effect, and the long-term (financial) commitment of all parties involved.

As you know, the Commission will develop its position on the future of all types of partnerships in the context of the Strategic Planning exercise for Horizon Europe. It will include extensive consultations and exchanges with Member States, the European Parliament as appropriate, and various stakeholders. EU investments will be closely co-ordinated with, and complemented by, similar efforts at national and regional level, from both the public and private sectors.

Considering BIC's relevance as stakeholder in the field of bio-based industries, my services are looking forward to receiving from BIC its vision on the need and purpose of a potential European Partnership elaborating on specific areas to be covered, measurable expected outcomes, deliverables and impacts within specific timeframes. As regards the modalities of implementation, we look forward to learning more about BIC's views on the suitability of the various kinds of partnerships, taking into consideration the framework criteria as included in the Commission's proposal for Horizon Europe.

We thank you again for your letter and look forward to an exchange of views on the scope and framing of R&I on Bio-based industries within Horizon Europe.

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Carlos MOEDAS	7	✓ Phil HOGAN	