

SPEECH BY MR KRIS PEETERS FLEMISH MINISTER-PRESIDENT AND FLEMISH MINISTER FOR ECONOMY, FOREIGN POLICY, AGRICULTURE, SEA FISHERIES AND RURAL POLICY Knowledge based bio-economy towards 2020 conference 13 September 2010

Your Excellencies, Commissioner Potocnik, Deputy-Director General, Ladies and Gentlemen,

It is a pleasure to address you here tonight and to represent the Belgian EU Presidency and its priorities playing a role on the way to the biobased economy.

The Belgian EU Presidency has many faces. After all, federal Ministers as well as the Ministers of federated entities are chairing European Councils of Ministers and represent Belgium in those configurations of the council which belong to their competences.

In Flanders, we will undertake the representation for our country in the fisheries, the education, the environment and the youth and sports council configuration.

As Minister President and Flemish Minister for Economy and Agriculture I would like to stress the importance of a performing economy and the role the government has to play in building a long term strategy. A strategy that offers the necessary perspectives, both on local and regional level, as well as on national and European level.

With the EU 2020 Strategy, Europe holds an important key in its hands to realise smart, sustainable and inclusive growth.

Within the EU 2020 Strategy, two flagship initiatives are especially important from an industry, research and innovation perspective: *"An industrial policy for the globalisation era"* and *" The Innovation Union"*. During the Belgian Presidency, we want to give an impulse to the launch of these initiatives.

With respect to a sustainable industrial policy, the Presidency stresses the importance of an integrated approach that encompasses all the aspects of innovation: technological, non technological and social. Special attention must be

paid to the needs of companies, specifically with regard to SME's. It must be our ultimate goal to create a green, competitive European economy while maintaining a high quality production and a strong additional value.

The Innovation Union initiative will focus on research, development and innovation as priorities. One of the European Innovation Partnerships between the EU and national levels to be launched by the European commission is the **'building of the bio-economy 2020**'.

My colleague Ms. Lieten, will address research and innovation issues (in Flanders) tomorrow during the opening session of the conference.

The Presidency and the bio-economy

Ladies and Gentlemen,

One of the key issues of this presidency is to get the European economy back on track. The support and realisation of both flagship initiatives are important priorities for the Belgian Presidency. And in both of them, the bio-economy plays an important role.

Striving towards a bio-based economy will be a key success factor to make the European economy green, sustainable, and more competitive with benefits for the whole society.

Agriculture in the bio-economy

In recent years, the context of the agricultural sector has changed dramatically. I think for example at the increasing competitive pressures, a societal demand to limit negative effects on the environment and an increased volatility of the commodity markets. These issues have to be taken into account in agriculture's response to the rapidly growing demand for biomass in many different forms.

In order to allow farmers to respond to future opportunities, three different evolutions are necessary. It concerns a further deepening of the existing processes and competences in order to realize a more efficient production system, the broadening of the value creation model in agriculture and the evolution towards a more sustainable production.

Especially the value creation objective is relevant with regard to the bio-economy. It requires that both the policy makers and the sector frame the sector in a bigger picture.

Agriculture offers many opportunities with regard to product innovation and the integral valorisation of biomass. Opportunities that will need to be explored, in collaboration with other sectors and policy domains.

Towards a policy for the bio-economy

Ladies and Gentlemen,

It is expected that the share of biobased production in the total value of Flemish economy will quadruple by 2030. This growth is also expected in all subsectors: biobased energy (different types) as well as biobased products (biobased materials and biobased chemicals).

Nevertheless, there is an important condition before this growth can be realised. Because of the limited surface available, the growth in the bio- economy in Flanders as elsewhere in Europe will depend on the degree to which access to sustainable renewable raw material can be guaranteed.

These conclusions show that political choices will be important for the future development of the biobased economy, at European but also at national levels.

An inventory of the actual situation can be used for policy development in the near future. In this respect, it is likely that the following aspects will be of great importance:

- enough focus on biomaterials and biochemicals;
- safeguarding that the policy for bio-energy is fine-tuned to this (no counterproductive or conflicting policies);
- optimal use of biomass;
- maximising the use of biomass waste flows and re-use of biomass;
- making some processes of sub-processes more biobased (like making industrial processes more sustainable through the use of bio-agents (enzymes, bio-catalysts, etc.).

I would like to conclude that I hope that this conference can be an important step for turning challenges into opportunities, in making the Knowledge Based Bio-Economy a success story.

I wish you a pleasant stay in Brussels and a successful conference!