

## Primary Food Processors' contribution to building a resource-efficient, low-carbon circular bioeconomy

The EU Primary Food Processors Association (PFP) welcomes the Commission's circular economy package as it addresses many areas where PFP companies already make a positive contribution towards building a bio-circular economy in the EU, through resource-efficiency, sustainable sourcing of renewable raw materials and optimal production processes.

However, in order to boost demand and investments in bio-based products in the long run, PFP members need concrete market-creation measures and a stable and predictable regulatory framework.

### 1. A central position in the food, feed, industrial and energy chains

Every year, EU Primary Food Processors process over 220 million tons of agricultural raw materials into ingredients and products for the food, feed, industrial and energy outlets. PFP are the largest users of domestic cereals, starch potatoes, sugar beet and oilseeds, employing over 120 000 people in the European Union. Their economic contribution was recently assessed by the LEI Wageningen UR Report: "Primary Food Processing, cornerstone of plant-based food production and the bio-economy in Europe".

Besides the sectors' main outlets which are food and feed, PFP have a long tradition of processing renewable raw materials to produce ingredients for pharmaceuticals, detergents, plastics, lubricants, fuels, paint, paper, cosmetics and other industrial products thereby substituting fossil-based ingredients with renewable ones. This is the reason why they feel their contribution to achieve the goals of the bio-based economy is of major importance.

### 2. In the agricultural sector, PFP favour demand-driven resource efficiency over compulsory top-down hierarchy of biomass uses

The Communication encourages the cascading use of renewable resources, referred to as "several reuse and recycling cycles"<sup>1</sup> (...) "where appropriate". In the agro-food sector, PFP valorise every component of the agricultural plants they process to produce a wide range of products, and virtually no waste. This results in a high level of resource efficiency.

PFP operate biorefineries, where one input produces several ingredients and products for the food, feed, industrial and energy markets. Food and feed, our largest outlets by far, are used only once, i.e. they cannot be reused or recycled, whereas reuse and recycling are important for some industrial applications.

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<sup>1</sup> On page 17 of COM(2015) 614 final, Communication from the Commission "Closing the loop - An EU action plan for the Circular Economy".



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In view of the above, **imposing a compulsory top-down cascading approach of using biomass in a chronological sequence** “based on single or multiple material uses followed by energy use”<sup>2</sup> is not appropriate to the first transformation of agricultural raw materials.

All in all, **PFP biorefineries must be able to decide to what outlet they direct their biomass according to market demand, local economics and regional specificities.** In practice, today’s biorefineries are primarily based on the “food first” principle. This principle is currently applied in PFP companies’ resource management.

### 3. PFP position on food waste

PFP fully supports the approach of the Commission, as presented in the communication, with regards to food waste. The aim is to establish a harmonized and reliable definition and method to measure food waste to avoid creating legislative barriers for biomass from the food chain to be used in other products. Any part of the agricultural raw materials, that is not edible, or that is not intended for human consumption, should not be considered as food waste, so as not to hinder the global resource efficiency of the food chain.

PFP believes that the definitions established by the Food and Agriculture Organisation (FAO) allow a correct assessment of food waste along the food chain<sup>3</sup>.

### 4. PFP calls the EU institutions to be more ambitious on the bioeconomy

PFP welcomes the recognition of biomass and biobased products as one of the five priorities in the Commission Action Plan of the Circular Economy Package.

Items considered, namely the separate collection of biowaste and support for innovation in the bioeconomy, are important. However, given the significance of the bioeconomy<sup>4</sup>, PFP calls on the European institutions to raise the level of ambition to boost the bioeconomy as a natural engine of the circular economy.

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<sup>2</sup> In page 25 of “Innovating for sustainable growth, A bioeconomy for Europe”, [http://ec.europa.eu/research/bioeconomy/pdf/201202\\_commission\\_staff\\_working.pdf](http://ec.europa.eu/research/bioeconomy/pdf/201202_commission_staff_working.pdf)

<sup>3</sup> “Food loss refers to a decrease in mass (dry matter) or nutritional value (quality) of food that was originally intended for human consumption. These losses are mainly caused by inefficiencies in the food supply chains, such as poor infrastructure and logistics, lack of technology, insufficient skills, knowledge and management, capacity of supply chain actors, and lack of access to markets. In addition, natural disasters play a role. Food waste refers to food appropriate for human consumption being discarded, whether or not after it is kept beyond its expiry date or left to spoil. Often this is because food has spoiled but it can be for other reasons such as oversupply due to markets, or individual consumer shopping/eating habits. Food wastage refers to any food lost by deterioration or wasted. Thus, the term “wastage” encompasses both food loss and food waste.” See page 9 of Food Waste Footprint – summary report, FAO, 2013, <http://www.fao.org/docrep/018/i3347e/i3347e.pdf>



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In the circular economy package, the following measures could put greater emphasis on the bioeconomy:

- A. Action Plan:
  - o Product design:
    - Include biobased characteristics and support the transition to new materials with environmental benefits, including biobased materials, in the product requirements for the eco-design directives.
    - Include biodegradability and compostability, where applicable, in upcoming product design requirements under the Ecodesign Directive
    - Eco-design should not become a barrier for innovative solutions.
  - o Consumption:
    - Green public procurement should not only consider circularity of existing products (recycling of product or raw material) but equally products that drive the sustainable use of renewable feedstock like biobased products.
    - Adequate support to set up public procurement schemes and communications campaigns to raise awareness of the benefits of such products should be provided. The recent [report](#)<sup>5</sup> commissioned by DG Grow's Expert Group on bio-based products<sup>6</sup> provides a set of recommendations on how Europe can promote bio-based products in public procurement and create dynamic new markets for home-grown, EU-sourced bio-based products.
  - o From waste to resources:
    - Quality standards for secondary raw material developed by the Commission should not only consider traditional (fossil) material, but should anticipate the emergence of biobased materials and plastics and enable their reuse.
  - o Biomass and biobased products - innovation for the bioeconomy
    - **Fostering investments:** through the creation of a longer term predictable framework for investment and change, cross-cutting all relevant policy sectors
    - **Facilitating access to sustainable feedstock:** by supporting and promoting the increase of agricultural and forestry productivity and efficiency
    - **Measures for market creation:**
      - Incentives for the use of renewable raw materials in sectors such as the automotive, coatings, construction, cosmetics, fertiliser, homecare, pharmaceuticals, textiles industries
      - The monitoring framework for the circular economy with indicators on the market uptake of bio-based products.

<sup>5</sup> [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=8767](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8767)

<sup>6</sup> [http://ec.europa.eu/growth/sectors/biotechnology/bio-based-products/index\\_en.htm](http://ec.europa.eu/growth/sectors/biotechnology/bio-based-products/index_en.htm)



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- B. Waste Framework Directive:
  - o Exclusion of all PFP by-products that can be used as feed from the Waste Framework Directive, and facilitate reclassification of primary biomass processors industry 'waste' for use in industrial and energy applications
- C. Packaging and Packaging Waste Directive
  - o A number of traditional and emerging packagings are biobased, hence the definition of biomass and biobased should be included
  - o Indicative targets for biobased packaging should be considered, in particular for food packaging that is biodegradable and could be integrated in the biowaste collection.
  - o Ensure that recycling targets set for current packaging do not hinder the introduction of new materials with a lower environmental impact.

PFP are pioneers in implementing the highest degree of resource efficiency, which ensures the valorisation of all components of their renewable raw materials as well as the recycling of nutrients through landspreading best practices. PFP companies have also invested in Research and Development to offer innovative ingredients and products as alternative to fossil-based products in both traditional and new outlets, and have shown their commitment to investing in the EU [Bio-Based Industries Joint Undertaking](#). Some PFP companies are founding members of the [Bio-based Industries Consortium](#), the private sector partner that contributes € 2.7 billion to the €3.7 billion partnership between the EU and the bio-based industries.

To conclude with the regulatory framework, we ask the EU institutions to refrain from creating barriers to our optimal use of renewable raw materials through imposing a top-down cascading use of biomass to the first transformation sectors. Instead, we call on the EU institutions to put more emphasis on the role of the bioeconomy in the circular economy and to implement the afore-mentioned concrete suggestions to boost the demand for bio-based products in the EU.

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The **Primary Food Processors of the EU (PFP)** represent the European primary food processing industries. It provides the link between agricultural raw materials and final products (secondary processors in the food, feed and non-food sectors). PFP consists of six trade associations:

**European Committee of Sugar Manufacturers (CEFS)**  
**European Cocoa Association (ECA)**  
**European Flour Milling Association (European Flour Millers)**  
**European Vegetable Protein Federation (EUVEPRO)**  
**European Vegetable Oil and Proteinmeal Industry (FEDIOL)**  
**European Starch Industry Association (Starch Europe)**

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