

The Fair Trade Advocacy Office's feedback to the European Commission's public consultation on the upcoming EU Bioeconomy Strategy

June 2025

Partners in prosperity: An international agenda for the EU Bioeconomy

The Fair Trade Advocacy Office (FTAO) welcomes the European Commission's **proposal to develop a Bioeconomy Strategy**.

The EU's Bioeconomy Strategy must consider the many ways the bioeconomy affects EU citizens and companies, including its international dimension. Imported biological resources play a key role in the EU's supply chain and competitiveness. For example, in 2023 the EU imported **2.47 million metric tonnes** of organic products, many of which are essential for EU companies, including SMEs. In the same year, there were **89 379 organic food processors** in the EU (+ 2.2 % year-on-year) and **6 727 importers** (+ 3.4 %).

The value chain that begins with biological resources **produced outside the EU** creates wealth and jobs within the Union and also generates positive externalities in producing regions, from which the EU benefits as part of an interconnected global ecological system. For example, organic agriculture has been shown to enhance biodiversity and carbon storage in producing countries (see <https://tinyurl.com/3xv25fde>). Although organic agriculture plays a key role in the bioeconomy, the latter is not limited to organics. Research shows that even within conventional production, some crops—such as cocoa—have a more positive impact on biodiversity than others (e.g. banana plantations).

Finally, the **Bioeconomy Strategy** must also take into account the economic dimension of biological-resource production outside the EU. **Failing to reach a living income remains common for non-EU farmers**, notably in coffee, where recent analyses estimate average gaps of 30 %–85 % depending on the region. As a result, young farmers often abandon small-scale farming for sectors that run counter to the objectives of the EU Bioeconomy Strategy (and the interests of EU companies that need imported biological resources). For example, a study of nearly 1 000 households in north-western Tanzania found that small-scale gold mining led to decreased farm production, with many households reallocating labour and resources to mining. The external dimension of the strategy must therefore include living incomes and living wages to ensure a fairer distribution of value, reliable inputs and, ultimately, stable volumes and prices for EU companies and consumers.

The **EU Bioeconomy Strategy must have an external dimension** whose objectives include strengthening the position of upstream actors in the value chain, particularly in developing countries. This will ensure reliable inputs and greater stability for EU stakeholders. To build this international dimension, the strategy can draw on—and, where needed, simplify—existing legislative and non-legislative tools:

- **Launch a Global Gateway “Agroecology & Fair Livelihoods” window** to channel concessional finance and technical assistance to smallholder-led producer organisations. This initiative would fund agroecology in partner countries and support non-EU farmers in their transition to organic agriculture and compliance with the EU Organic Regulation, with a strong focus on small-scale farmers. A recent Foresight Transitions report highlights the risks for EU companies of biodiversity loss in third countries (see <https://tinyurl.com/4x8epfpb>).
- **Accompanying measures for legislation targeting global supply chains (e.g. the Deforestation Regulation).** The policy objectives of the EU Deforestation Regulation align with those of the Bioeconomy Strategy, yet its early implementation risks undermining them. Many non-EU farmers struggle to understand the Regulation’s requirements or lack the technical and financial means to comply. Under Article 30 the Commission is setting up partnerships with producer countries, but the Bioeconomy Strategy can help operationalise and scale these efforts—offering new funding and capacity-building platforms for farmers essential to the EU bioeconomy.

These actions could take the form of a **Bioeconomy Partnership Facility** combining grant finance, satellite geolocation tools and group-level training so smallholders can comply with the Deforestation Regulation.

- **Simplification of the EU Organic Regulation (2018/848).** The new rules pose major cost challenges for many farmers in EU organic supply chains. So significant are the cost increases that many non-EU farmers are considering abandoning organic production—threatening higher prices or even supply ruptures for EU companies and consumers. Two recent studies illustrate the scale of the problem: a Fairtrade International survey found that **69 %** of Fairtrade-certified organic farmers struggle with compliance and **20 %** may not renew EU organic certification because of complexity and cost; a FiBL study (December 2024) reports that more than half of 203 groups surveyed faced certification-cost increases of **50 %–200 %**.

The upcoming Bioeconomy Strategy must therefore include measures to ease compliance with the EU Organic Regulation—e.g. raising the maximum annual organic-turnover and size thresholds for group certification, and adopting a more targeted, risk-based approach to reinspections and sampling. A detailed list of proposals is available in this FTAO position paper: <https://tinyurl.com/3uk4f7kz>.

- **Promotion of sustainable consumption**, through:
 - Leveraging public procurement by setting ambitious green-and-fair targets when the Procurement Directives are reviewed, making the Most Economically Advantageous Tender (MEAT) the default rather than the “lowest-price” option, and excluding abnormally low tenders.
 - Consumer-awareness campaigns to stimulate demand that fuels the EU bioeconomy.
- **Establish EU commodity roadmaps** setting 2030 milestones for closing living-income gaps in key commodities (e.g. cocoa and coffee). Inspiration can be drawn from multi-stakeholder initiatives such as Belgium’s *Beyond Chocolate*.

The FTAO stands ready to engage further with the Commission on the implementation of these recommendations.

About the Fair Trade Advocacy Office

The [Fair Trade Advocacy Office](#) (FTAO) leads political advocacy for the Fair Trade Movement at the EU level. It has the purpose of promoting justice, equity and sustainable development at the heart of trade structures and practices so that everyone, through their work, can maintain a decent and dignified livelihood and develop their full human potential.

The FTAO is a joint initiative of Fairtrade International, the World Fair Trade Organization, and the World Fair Trade Organization-Europe.

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