

## Boosting the Bioeconomy: views from European Oleochemicals sector

APAG, a sector group of Cefic, welcomes the opportunity to share its views on how to boost the bioeconomy sector. APAG fully supports the European bioeconomy and our members have been pioneers in biorefining. This position paper outlines key perspectives and recommendations to foster the growth of the bioeconomy in Europe, with particular focus on the role of the oleochemistry.

### For a sustained contribution to the EU bioeconomy, APAG calls for:

- ❖ Fair and secured access to feedstock at competitive market price conditions
- ❖ Recognition of biogenic carbon in PEF methodology
- ❖ Market pull for bio-based products
- ❖ Simplified regulatory process for bio-based chemicals

### The role of oleochemistry

The European Oleochemical Industry is a pioneer and well-established sector of the European Bioeconomy. It is an enabler of circular economy, aligning with the goals of the European Green Deal by keeping valuable by-products (e.g. rendered animal fats cat. 3)

*Oleochemicals are bio-based chemicals derived from fats & oils. They serve as alternatives to fossil-based chemicals contributing to a greener future. Oleochemicals are versatile building blocks found in various applications.*

in the loop and creating jobs in Europe. Since the early 19<sup>th</sup> century, the Oleochemical Industry has been using rendered fats and vegetable oils to manufacture bio-based products used for detergents, industrial lubricants, food additives, pharmaceuticals and many other applications.

### What we need to boost the EU bio-based sector

- **Fair and secured access to feedstock**

APAG advocates for fair and secured access to feedstock for the bioeconomy sector, emphasising the importance of a strong cascading principle and waste hierarchy.

Any development of EU policy, especially those promoting biofuels, should remain in the spirit of the legislations and prioritise the use of new waste-based feedstocks over displacing valuable raw materials from high-value uses. Consideration of the waste hierarchy, the Union Sustainability Criteria, and prevention of additional demand for land is crucial in policy design.



- **PEF recognition of biogenic carbon**

APAG urges the recognition of the benefits for producers of biomass-derived products in the Product Environmental Footprint (PEF) rules addressing biogenic carbon. A differentiated approach should acknowledge the environmental advantages of bio-based products compared to fossil-based alternatives in the proposed methodology.

- **Incentives based on biogenic content**

Introducing blending targets for the use of renewable raw materials aligned with the 20% target outlined in the Sustainable Carbon Cycles is recommended. Providing tax incentives based on biogenic content can further stimulate the use of renewable resources, fostering the deployment of innovative bio-based markets. Emphasising local production of bio-based chemicals is key to safeguarding expertise, employment, and security of supply within the EU.

- **Simplified regulatory process for bio-based chemicals:**

Oleochemicals are bio-based chemicals offering non-toxic and sustainable alternatives to fossil-based chemicals. The long and costly procedures for registration of new chemicals hinder innovation and introduction of safer alternatives. APAG fully supports a system to make bio-based chemicals safe; with the resources required to work on all the REACH dossiers we support the use of read-across approach when introducing innovative bio-based products in the market. This combined with other regulations impacting for bio-based feedstocks (e.g. the recently published Deforestation regulation), puts the oleochemical sector at a disadvantage vs fossil and will impede the *defossilisation* of the sector.

APAG emphasizes the pivotal role of oleochemistry in the European bioeconomy and provides recommendations to boost the sector – address feedstock access, carbon footprint recognition, tax incentives, and regulatory simplification – all aimed at fostering a sustainable and innovative bioeconomy in the EU. We look forward to collaborating with stakeholders to advance these recommendations and contribute to the EU's transition towards a bio-based economy.

---

## About us

APAG – Oleochemicals Europe, represents a long-established sector of the European Bioeconomy. Since the early 19th century, the oleochemical industry has been using rendered animal fats and vegetable oils to manufacture bio-based products used for candles, paints, detergents, cosmetics, pharmaceuticals and many other applications. Our industry continues to invest in sustainable technologies: for instance, oleochemical products are used to de-ink used paper to enable recycling; they are also used to de-ice airplanes as an alternative to fossil-based materials.

To discover more on the oleochemical industry, go to our [website](#) or [LinkedIn page](#).