

Brussels, 23 January 2026

Recommendation Paper to the Council on the EU Bioeconomy Strategy

Executive Summary

CEI-Bois welcomes the objective of “A Strategic Framework for a Competitive and Sustainable EU Bioeconomy” as a driver for climate action, industrial competitiveness, rural development and strategic autonomy. To fully deliver on these objectives, the Strategy must go beyond supporting innovation and market entry of new bio-based products. It should equally prioritise the scaling-up of bio-based products that are already launched and established on the market, notably wood and wood-based solutions, and recognise their contribution to decarbonisation, substitution of fossil-intensive materials, and economic growth.

CEI-Bois’ key recommendations to the Council

- Ensure that the Bioeconomy Strategy explicitly supports the scaling-up and diversification of established bio-based products alongside innovation funding.
- Promote proportionate demand-side policy instruments that facilitate demand creation and market uptake for already established bio-based solutions, while avoiding additional administrative burdens that could have counterproductive effects, in particular for SMEs and with regard to competitiveness. Such instruments, for example Green Public Procurement, should support reliable demand for companies of all sizes.
- Alongside promoting the use of bio-based products in buildings, encourage the Commission to better integrate bio-based solutions for built infrastructure (e.g. bridges) into the Bioeconomy Strategy through EU-level guidance, research dissemination, and voluntary coordination mechanisms.
- Call for the explicit recognition of the substitution effect in the Bioeconomy Strategy.
- Support the development of a roadmap on material substitution, with a focus on wood products.
- The existing EN and ISO standards on wood products and the material substitution effect provide a robust, science-based technical framework to support such an approach. Its application could also be integrated into Green Public Procurement (GPP) criteria to incentivise bio-based choices.
- Ensure a streamlined and proportionate implementation of EU legislation requiring environmental performance assessments, in particular under the CPR, with minimum administrative burden as well as targeted flexibilities and support measures for SMEs.
- Ensure that the cascading principle, which is already applied in practice by the EU woodworking industries, remains a guiding concept and not a rigid, legally binding obligation.
- Speed up the development of harmonized standards for new bio-based construction products and systems, alongside updates to secondary legislation, in line with the new

Construction Products Regulation, by recognizing possible interlinks between, for example, new products and fire behaviour.

- We oppose the proposal to ensure standards allow a fair comparison between conventional and innovative materials within the bioeconomy. We are instead supportive of a fair comparison between bio-based materials and non-bio-based materials.
- Advocate for an equal recognition of renewability, recyclability and reusability in EU circular economy legislation.
- Ensure that renewable bio-based materials are fully recognised as contributing to circularity.
- Taking into account geographic and geopolitical realities, call for tangible measures to increase wood mobilization in Europe as part of the Bioeconomy Strategy.
- Ensure bioeconomy growth by aligning climate, biodiversity, adaptation and LULUCF policies through coherent rules, more flexible and realistic accounting targets, and climate reporting that recognises the material substitution effect, so that roundwood availability is not reduced in practice.
- Promote a non-discriminatory approach combining primary and secondary wood resources, in line with the limited near-term availability of secondary raw materials and without restricting access to primary materials;
- Request a thorough impact assessment of raw material availability for the wood-processing sector before implementing any new initiative that could affect raw material supply and competitiveness.
- Reject the proposal for the creation of an EU Buyers' Club, as it does not ensure full compliance with EU competition law and risks creating market concentration, de facto price-setting mechanisms and the exclusion of SMEs—particularly small and medium-sized sawmills—from access to raw material markets.

Detailed explanation:

This paper sets out CEI-Bois' key recommendations to the Council, focusing on market deployment, material substitution, circularity and raw material availability.

1. Strengthening the Focus on Market Uptake and Scaling-Up

The Bioeconomy Strategy should not be limited to facilitating the development and market entry of innovative bio-based products. While innovation remains essential, the Strategy must also actively incentivise the scaling-up and wider deployment of bio-based products that are already established on the market.

Wood and wood-based products represent a prime example of solutions that are immediately available, cost-effective, and scalable. Expanding the use of traditional wood products also to civil works, such as built infrastructure (e.g. bridges), for these products, particularly in sectors with high decarbonisation potential, would deliver rapid climate benefits while supporting industrial competitiveness and job creation across the EU.

At the same time, the design and implementation of demand-side instruments should include tailored flexibilities for SMEs in the bioeconomy, reflecting their more limited administrative and financial resources and enabling them to effectively participate in markets and scale up.

Recommendations to the Council:

- Ensure that the Bioeconomy Strategy explicitly supports the scaling-up and diversification of existing bio-based products alongside innovation funding.
- Promote proportionate demand-side policy instruments that facilitate demand creation and market uptake for already established bio-based solutions, while avoiding additional administrative burdens that could have counterproductive effects, in particular for SMEs and with regard to competitiveness. Such instruments, for example Green Public Procurement, should support reliable demand for companies of all sizes.
- Alongside promoting the use of bio-based products in buildings, encourage the Commission to better integrate bio-based solutions for built infrastructure (e.g. bridges) into the Bioeconomy Strategy through EU-level guidance, research dissemination, and voluntary coordination mechanisms.

2. Highlighting and Promoting the Substitution Effect

The substitution effect refers to the climate and environmental benefit achieved when some bio-based products such as wood-based materials replace more carbon-intensive materials. The substitution effect should be more clearly recognised and actively promoted within the Bioeconomy Strategy. This substitution effect represents one of the most immediate and measurable climate benefits of the bioeconomy.

Promoting the substitution effect is closely linked to implementing international (ISO) and European standards (EN 15804 and EN 15978), as well as European legislation (notably the Construction Products Regulation and the Energy Performance of Buildings Directive). In all cases, assessing the environmental sustainability performance of bio-based products is a precondition. While we support the calculation and declaration of environmental performance of bio-based products, it is crucial that businesses, particularly SMEs, are able to carry out this assessment with minimal complexity and costs, especially considering their limited financial resources. Financial support mechanisms for SMEs are also vital, alongside the development of publicly accessible, reliable, and user-friendly product LCA databases and tools, as well as the mobilisation of resources to train a large number of verifiers.

Recommendations to the Council:

- Call for the explicit recognition of the substitution effect in the Bioeconomy Strategy.
- Support the development of a roadmap on material substitution, with a focus on wood products.
- The existing ISO standard on wood products and the material substitution effect (ISO 13391-1, 2 and 3:2025) provides a robust, science-based technical framework to support such an approach. Its application could also be integrated into Green Public Procurement (GPP) criteria to incentivise low-carbon material choices.
- Ensure a streamlined and proportionate implementation of EU legislation requiring environmental performance assessments, in particular under the CPR, with minimum administrative burden as well as targeted flexibilities and support measures for SMEs.

3. High-Value Use of Biomass and the Cascading Principle

CEI-Bois fully recognises the importance of efficient use of natural resources. The wood sector already applies the cascading principle in practice, driven by market demand and economic efficiency. However, CEI-Bois cannot support a legally binding application of the cascading principle that would artificially steer raw material flows, fail to reflect market dynamics, and ignore

regional specificities and volatility in supply and demand. Moreover, a scientifically accepted and universally agreed definition of the cascading principle has not yet been reached.

Recommendations to the Council:

- Ensure that the cascading principle, which is already applied in practice by the EU woodworking industries, remains a guiding concept and not a rigid, legally binding obligation.

4. Bio-Based Construction, Competitiveness and Housing Affordability

CEI-Bois welcomes the Strategy’s recognition of the essential role played by bio-based construction products, including timber and wood-based products, as well as industrialised and modular construction using durable bio-based materials, in achieving the EU’s climate objectives and strengthening competitiveness. Further support for bio-based construction products and modern methods of construction using bio-based materials is needed, particularly in the context of housing affordability, where timber solutions can offer faster, cost-effective and bio-based solutions.

Recommendations to the Council:

- Ensure coherence between the Bioeconomy Strategy, housing policy initiatives and climate objectives.
- Speed up the development of harmonized standards for new bio-based construction products and systems, alongside updates to secondary legislation, in line with the new Construction Products Regulation, by recognizing possible interlinks between, for example, new products and fire behaviour.
- We oppose the proposal to ensure standards allow a fair comparison between conventional and innovative materials within the bioeconomy. We are instead supportive of a fair comparison between bio-based materials and non-bio-based materials.
- In order to transparently demonstrate climate benefits and competitiveness gains of environmentally friendly materials, include the use of the relevant ISO standard (ISO 13391-1, 2 and 3:2025) on the substitution effect of wood products as a technical reference in bio-based construction policies, including building frameworks and public support schemes.

5. Circularity: Recognising Renewability on an Equal Footing

In ongoing and upcoming discussions on circularity, including the revision of public procurement legislation and the Circular Economy Act, it is essential that renewability is recognised on an equal footing with recyclability and reusability. Failing to do so risks undervaluing renewable materials and distorting policy incentives.

Recommendations to the Council:

- Advocate for an equal recognition of renewability, recyclability and reusability in EU circular economy legislation.
- Ensure that renewable bio-based materials are fully recognised as contributing to circularity.

6. Enhance Wood Mobilization to Secure Raw Material Supply

Partly due to geographic and geopolitical realities that prevent the EU from importing primary wood resources in significant quantities, the EU should recognize that a thriving bioeconomy requires predictable and sufficient flows of primary wood within the system. CEI-Bois strongly regrets the absence of concrete initiatives aimed at increasing wood mobilization, despite the expanding role envisaged for the bioeconomy in the EU economy and more and newer producers inside and outside the actual value chain addressing the material. While we strongly support the uptake of secondary wood and wood by-products, an overreliance on secondary wood, based on unrealistic expectations about their availability and material quality for reuse, risks backfiring and could ultimately hinder the development of the bioeconomy.

Ensuring a stable and predictable raw material supply will require a balanced approach, combining:

- Continuous mobilisation of additional primary wood resources;
- Increased use of secondary wood and wood by-products, while taking stock of the near-term limited availability;
- Actions to avoid supply disruptions and excessive market volatility.

Concrete actions to mobilise additional raw material should be explored both within and outside the EU, in line with the already existing, very extensive sustainability criteria. Forests in the EU are managed in line with well-established sustainable forest management practices, and under robust national frameworks. For this reason, the creation of new EU-level sustainability standards or certification schemes for biomass uses is unnecessary and counterproductive. CEI-Bois strongly discourages the European Institutions from developing additional standards, which would only result in duplication, increased administrative burdens and added costs across the value chain, without delivering any tangible additional sustainability benefits.

CEI-Bois also takes note of the development of the Nature Credits Roadmap and the announced establishment of an EU Buyers' Club, led by private companies and aimed at generating new revenue streams for farmers and foresters. However, the European wood industries regret that no assessment has been foreseen on the potential impact of these initiatives on raw material availability for the wood-processing sector. A diversion of biomass away from material uses could further exacerbate supply constraints. Moreover, from a legal and competition perspective, an EU Buyers' Club could risk acquiring a dominant market position, potentially de facto imposing prices for raw materials and excluding SME sawmills from access to the logs market.

Recommendations to the Council:

- Taking into account geographic and geopolitical realities, call for tangible measures to increase wood mobilization in Europe as part of the Bioeconomy Strategy.
- Promote a non-discriminatory approach combining primary and secondary wood resources, in line with the limited near-term availability of secondary raw materials and without restricting access to primary materials.
- Given that EU forests are already managed under robust national sustainable forest management frameworks, the EU should refrain from introducing additional biomass sustainability standards or certification schemes, as these would duplicate existing systems, increase administrative and cost burdens across the value chain, and deliver no demonstrable added sustainability benefits.
- Request a thorough impact assessment of raw material availability for the wood-processing sector before implementing any new initiative that could affect raw material supply and competitiveness.

- Reject the proposal for the creation of an EU Buyers' Club, as it does not ensure full compliance with EU competition law and risks creating market concentration, de facto price-setting mechanisms and the exclusion of SMEs—particularly small and medium-sized sawmills—from access to raw material markets.

Conclusions:

The EU Bioeconomy Strategy represents a critical opportunity to strengthen Europe's climate performance, industrial base and strategic autonomy. To succeed, it must be grounded in market realities, recognise the full value of mature bio-based products, and ensure fair and secure access to raw materials.

CEI-Bois calls on the Council to take these recommendations into account and to ensure that the Bioeconomy Strategy delivers tangible, balanced and legally sound outcomes for the European wood value chain and the wider bioeconomy.