












Procedure file

Basic information		
NLE - Non-legislative enactments Regulation	2017/0024(NLE)	Awaiting final decision
Bio-based Industries Joint Undertaking: financial contributions Amending Regulation (EU) No 560/2014 2013/0241(NLE)		
Subject 3.50.08 New technologies; biotechnology 3.50.20 Scientific and technological cooperation and agreements 8.40.08 Agencies and bodies of the EU		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 ITRE Industry, Research and Energy	 POCHE Miroslav Shadow rapporteur  GAMBUS MILLET Francisco de Paula  VAN BOSSUYT Anneleen  MEISSNER Gesine  ŠKRLEC Davor  LETARD-LECHEVALIER Christelle	
Council of the European Union	Committee for opinion	Rapporteur for opinion	Appointed
	 CONT Budgetary Control  REGI Regional Development	 BOGOVIČ Franc	
European Commission	Commission DG Research and Innovation	Commissioner MOEDAS Carlos	
European Economic and Social Committee			

Key events			
22/02/2017	Legislative proposal published	COM(2017)0068	Summary
03/04/2017	Committee referral announced in Parliament		
02/10/2017	Vote in committee		
06/10/2017	Committee report tabled for plenary, 1st reading/single reading	A8-0293/2017	Summary
24/10/2017	Results of vote in Parliament		
24/10/2017	Decision by Parliament	T8-0388/2017	Summary

Technical information	
Procedure reference	2017/0024(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consultation of Parliament
Legislative instrument	Regulation
	Amending Regulation (EU) No 560/2014 2013/0241(NLE)
Legal basis	Treaty on the Functioning of the EU TFEU 187; Treaty on the Functioning of the EU TFEU 188 -a1
Other legal basis	Rules of Procedure EP 159
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Awaiting final decision
Committee dossier	ITRE/8/09337

Documentation gateway					
Legislative proposal		COM(2017)0068	22/02/2017	EC	Summary
Economic and Social Committee: opinion, report		CES1752/2017	26/04/2017	ESC	
Committee draft report		PE606.105	19/06/2017	EP	
Committee opinion	REGI	PE604.609	21/06/2017	EP	
Committee opinion	CONT	PE606.073	06/09/2017	EP	
Amendments tabled in committee		PE609.621	07/09/2017	EP	
Committee report tabled for plenary, 1st reading/single reading		A8-0293/2017	06/10/2017	EP	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0388/2017	24/10/2017	EP	Summary
Commission response to text adopted in plenary		SP(2017)766	06/12/2017	EC	

Bio-based Industries Joint Undertaking: financial contributions

PURPOSE: to amend Council Regulation (EU) No 560/2014 establishing the Bio-base Industries Joint Undertaking, in order to enable

members of the Bio-based Industries Consortium to fulfil their obligation to contribute financially.

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: the Council shall adopt the act after consulting the European Parliament but without being obliged to follow the opinion of the European Parliament.

BACKGROUND: The Bio-based Industries Joint Undertaking (BBI JU) was established by [Council Regulation \(EU\) No 560/2014](#) for the implementation of the Joint Technology Initiative on Bio-based Industries (the BBI JU initiative) until 31 December 2024. The BBI JU is a body responsible for the implementation of a public-private partnership whose members are, on the one hand, the Union, represented by the Commission, and, on the other hand, the Bio-based Industries consortium.

The statutes of the Bio-based industries Joint Undertaking stipulate that the financial contribution to operational costs of the members of the Bio-based Industries Joint Undertaking, other than the Union, shall be at least EUR 182 500 000 up to 31 December 2024.

The Bio-based Industries Consortium recognises its obligation to pay a financial contribution of at least EUR 182 500 000 before 31 December 2024, but it has found difficulties with the delivery mode.

Many members of the Bio-based Industries consortium believe that it is not commercially viable to make a financial contribution at the programme level because this method does not guarantee any profits in return and that this could benefit competitors participating in projects funded by the Bio-based Industries JU. As a result, the Bio-based Industries consortium proposed a different method of payment of the financial contribution, namely the possibility for its members to pay directly at the project level.

After assessing the Bio-based Industries Consortiums proposal, the Commission intends to adjust Council Regulation (EU) No 560/2014 in order to remedy the difficulties faced by the consortium in paying its financial contribution under the current arrangements. The proposed change would not affect the original objectives.

CONTENT: the Commission proposes to amend the Statutes of the Bio-based Industries Joint Undertaking by introducing a new method of payment of the financial contribution in addition to the existing method of payment.

Concretely, the proposal:

- introduces the possibility of making financial contributions in the following two ways: (i) transferring them from the consortium to the Bio-based Industries JU and / or (ii) transferring them directly from a member of the Bio-based Industries Consortium to another project beneficiary;
- broadens the category of parties that could provide the financial contribution: in addition to the Bio-based Industries Consortium individually, its "constituent entities" (i.e. members of the consortium) would also be entitled to contribute financial resources;
- maintains commitment to the overall financial objective of providing a financial contribution to operational costs of EUR 182 500 000 up until 31 December 2024;
- allows members of the Bio-based Industries Consortium to declare through the latter the financial contributions they have made to the projects at the Bio-based Industries JU.

This solution is similar to that agreed for the [IMI2 Joint Undertaking](#) (Innovative Medicines Initiative), in which members other than the Union may make financial contributions either at the programme or project level.

Bio-based Industries Joint Undertaking: financial contributions

The Committee on Industry, Research and Energy adopted, following the consultation procedure, the report by Miroslav POCKET (S&D, CZ) on the proposal for a Council regulation amending the Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking.

The committee called on Parliament to approve the Commission proposal subject to the following amendments:

- the Bio-based Industries (BBI) joint undertaking should aim to contribute to the implementation of the Framework Programme for Research and Innovation (2014-2020) (Horizon 2020) through increased investment in the development of a sustainable bio-based industry sector in Europe and to make the Union a champion of research, demonstration, and deployment in the bio-based products and biofuels marketplace;
- better collaboration with stakeholders, in particular small and medium-sized enterprises (SMEs) within the bio-based value chain;
- the proposed amending regulation allows the bio-industries consortium and its constituent entities to deliver the financial contribution not only as payments to the BBI Joint Undertaking. Members stated that this new delivery mode is to ensure that the financial contributions become more commercially viable for BIC and its constituent entities;
- the Commission should submit a report to the European Parliament and to the Council assessing the effectiveness of this Regulation, in light of the BICs obligation to deliver its financial contribution by 31 December 2024;
- in future cases, the Commission should always carry out a public consultation in order to ensure that any proposed changes are accepted by all interested parties, and are developed in the most transparent and open manner possible. Similarly, the Commission should conduct impact assessments of the measures proposed measures.

Bio-based Industries Joint Undertaking: financial contributions

The European Parliament adopted by 572 votes to 54, with 36 abstentions, a legislative resolution on the proposal for a Council regulation amending the Council Regulation (EU) No 560/2014 of 6 May 2014 establishing the Bio-based Industries Joint Undertaking.

Parliament approved the Commission proposal subject to the following amendments to stipulate the following issues in the recitals:

- the Bio-based Industries (BBI) joint undertaking should aim to contribute to the implementation of the Framework Programme for Research and Innovation (Horizon 2020) through increased investment in the development of a sustainable bio-based industry sector

in Europe and to make the Union a champion of research, demonstration, and deployment in the bio-based products and biofuels marketplace;

- the financial contribution by the members of the BBI Joint Undertaking other than the Union to operational costs is to be at least EUR 182 500 000 over the ten-year period, that is to say from the establishment of the BBI Joint Undertaking until 31 December 2024;
- the proposed amending regulation allows the bio-industries consortium and its constituent entities to deliver the financial contribution not only as payments to the BBI Joint Undertaking. Members stated that this new delivery mode is to
- ensure that the financial contributions become more commercially viable for BIC and its constituent entities. The Commission will examine how that alternative mode of financing could apply to other joint undertakings, and, in particular, to the [Innovative Medicines Initiative Joint Undertaking](#);
- the Commission should submit a report to the European Parliament and to the Council assessing the effectiveness of this Regulation, in light of the BICs obligation to deliver its financial contribution by 31 December 2024;
- in future cases, the Commission should always carry out a public consultation in order to ensure that any proposed changes are accepted by all interested parties, in particular SMEs, and are developed in the most transparent and open manner possible. Similarly, the Commission should conduct impact assessments of the measures proposed measures.