



Ministry of Agriculture  
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# Bioeconomy in Latvia

## *MoA position, needs & opportunities*

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MOA, Latvia



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# Latvia's potential for promoting Bioeconomy



- **Green territories** – 89% of total land area;
- **Arable land** (ha per person) 2nd in EU;
- **4th most forested** country in Europe;
- **Exceptionally high non-ETS share** in total GHG emissions – 80,6%;
- **High agriculture non-ETS share** – 29,2%;
- **Export share of forest, agriculture & food industry** - 38,9%;
- Baltic States have **increasing potential of resources** (agriculture, forestry) for Bioeconomy



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# Latvia's potential for promoting Bioeconomy

Bioeconomy includes sectors such as:

- agriculture,
- food production,
- forestry and woodworking,
- fishery.



It is the largest and most important sector in the Latvian economy, followed by mechanical engineering, electronics and pharmacy.



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# Necessity to change habits

- It is critically important to change the consumption tradition of society from fossil resource-based goods and materials to bio-based.
- It requires changes in the production chain and processes, considerable investment and innovation in both the development of new products, modernisation of production and the ability to enter the world's production chains.
- A set of measures necessary for the development of the bioeconomy in Latvia.





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## EU Strategy for BSR – 7 years

- It is the first comprehensive EU strategy to target a «macro-region»;
- 8 EU countries (SE,DK,EE,FI,DE,LV,LT,EE) face common challenges: jointly-agreed Action Plan for the Strategy with horizontal actions: to save the sea; connect the region; increase prosperity;
- Helps to mobilise relevant EU funding and policies, coordinate actions of the EU countries, regions, pan-Baltic organisations, financial institutions, non governmental bodies;
- Promote more balanced development of BSR;
- Commission publishes regular reports of the EU Strategy for BSR



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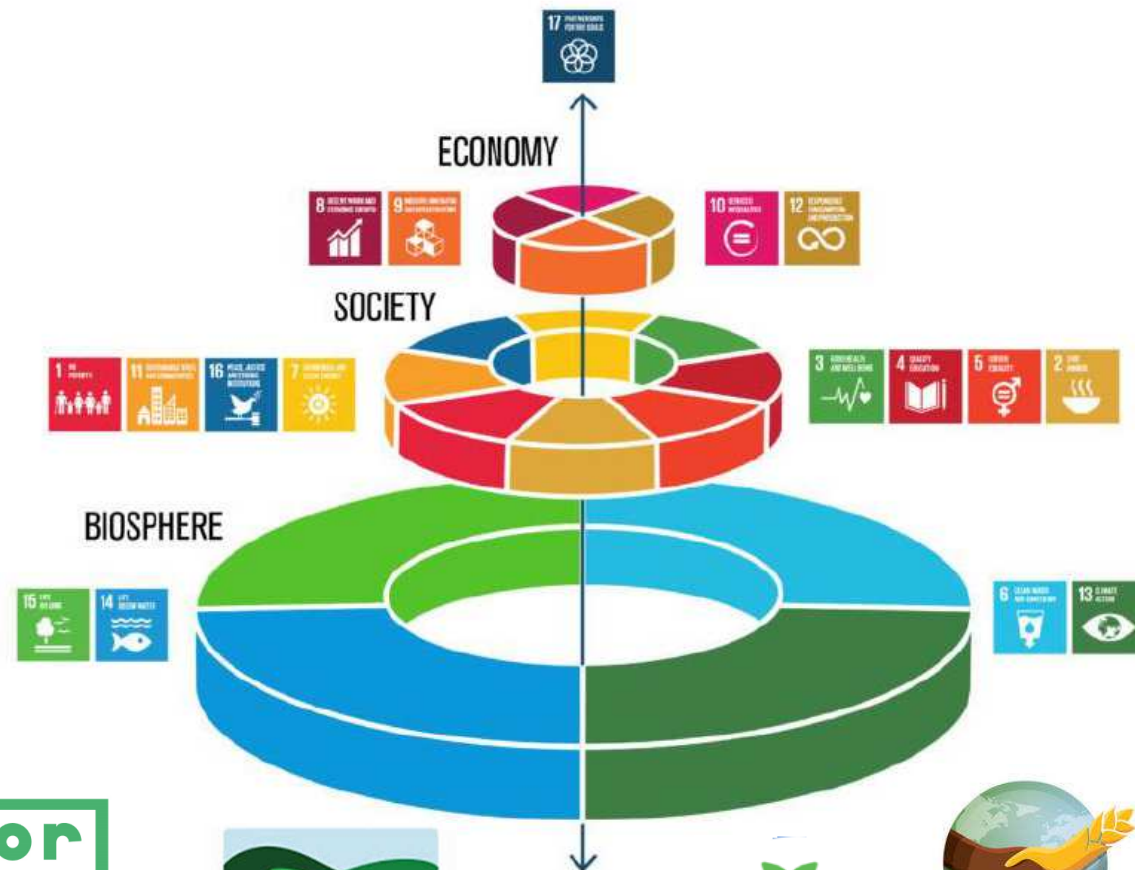
## EU Strategy for BSR, achievements

- Support for new projects - cooperation between farmers to reduce eutrophication, improved planning for transport infrastructure;
- Involvement of Russian partners: environmental protection, water quality; innovation;
- Improved cooperation between regions, partners, including private sector;
- Considerable amount of funding available through EU regional policy, other EU programmes & financial instruments; various international financial institutions.



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# UN Sustainability Development Goals



*EUBA discussion forum 'Benefits of the Bioeconomy' on 9 July 2018*



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## Important for Latvia

- For Latvia, it is important that the next Framework Programme for Research and Innovation **Horizon Europe** is regulated to reduce the innovation gap between EU Member States.
- On 12 June 2018, Latvia joined the **BIOEAST initiative**, which brings together Central and Eastern European countries for the development of a knowledge-based bioeconomy.
- **SCAR Bioeconomy** Strategic Working Group – important for obtaining up-to-date information from the Commission and MSs.
- Need for a greater focus on the issue of **public education (particularly youth)** on the importance of the bioeconomy and the opportunities it provides in the revised EU Bioeconomy Strategy.





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## BIOEAST mission

To assist Central and Eastern European countries to operationalize their Vision for 2030 drawing on their potential and offering opportunities for:

- Sustainable increase of biomass production, to become competitive and leading, high quality, food and feed producers worldwide;
- Circular («zero waste») processing of the available biomass, to become key players in the development of new bio-based value chains;
- Viable rural areas: to develop an innovative, inclusive, climate-ready and inclusive growth model.



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# Strengthening of Agriculture science by BIOEAST

**Macro-  
Regional  
Strategy  
EE, LV, LT**



**Ideas  
to  
Scientific  
Projects**



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**Other  
Ministries**

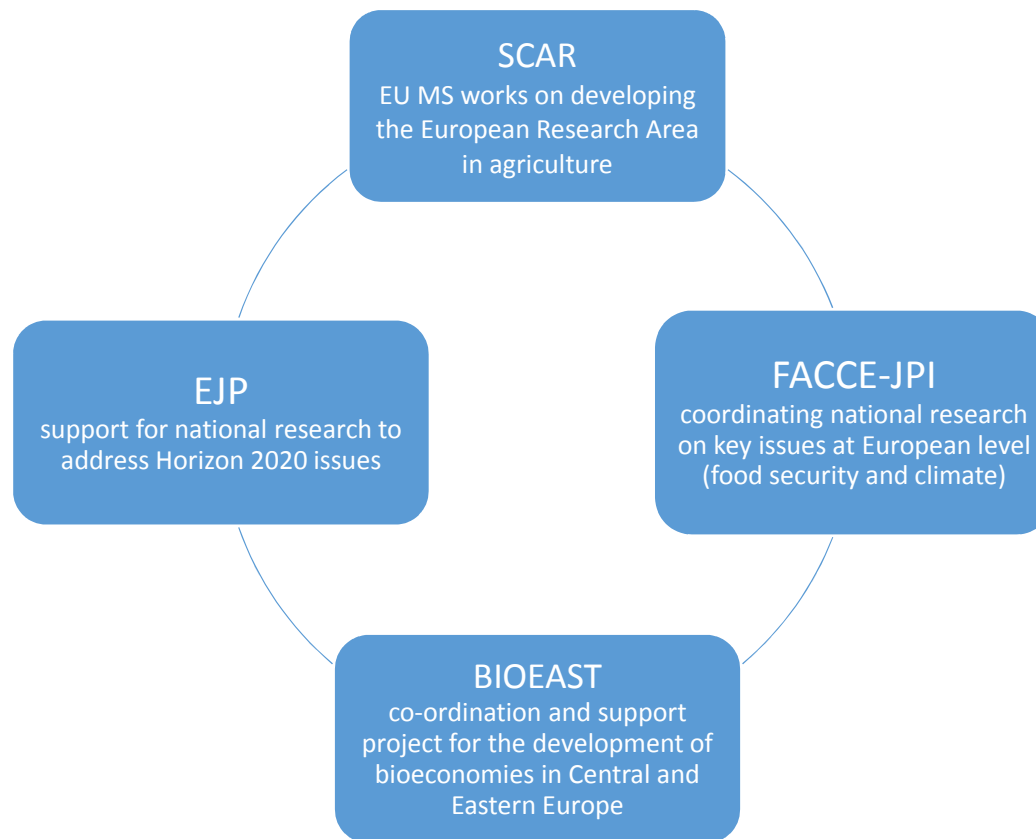


**Universities**



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# Relations with SCAR





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# Latvia's vision for the bioeconomy strategy

Bioeconomy sectors of Latvia are innovation leaders in the Baltic States in preserving natural capital, increasing its value and efficiency and sustainably exploiting it.



[www.zm.gov.lv/en](http://www.zm.gov.lv/en)



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# Strategic goals for the bioeconomy development



- Advancement and retention of employment in the bioeconomy sectors to 128 thou persons;
- Increasing the value added of bioeconomy products EUR 3,8 billion in 2030;
- Increasing the value of bioeconomy production exports EUR 9 billion in 2030.

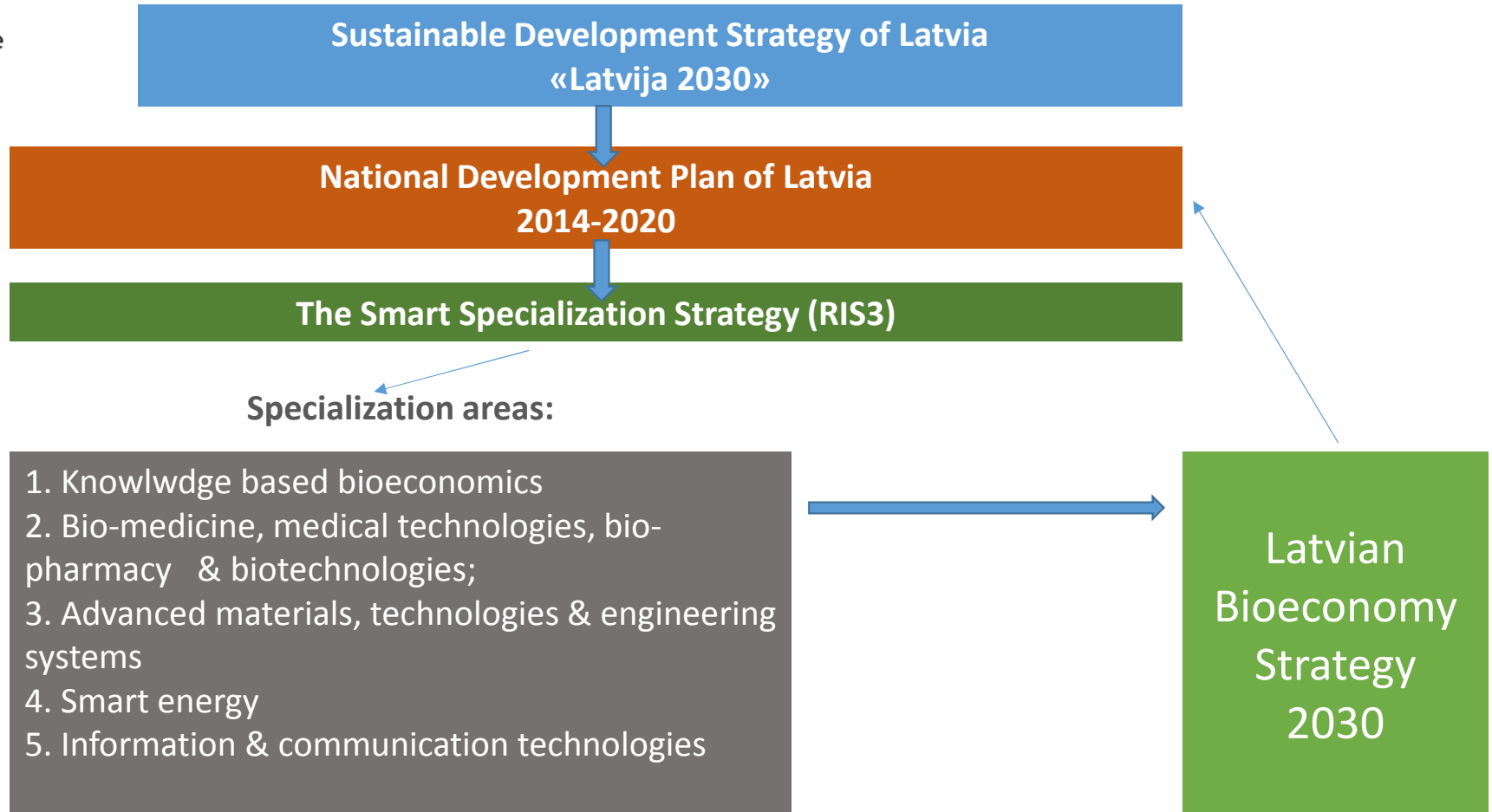


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# Policy planning documents





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# Bioeconomy Strategy

## five key groups of action

**Attractive  
business  
environment  
for the  
entrepreneurship  
in bioeconomy**

**Result-oriented,  
efficient &  
sustainable  
resource  
management**

**Promotion of  
production in  
bioeconomy**

**Socially  
responsible &  
sustainable  
development**

**Knowledge & innovation development in bioeconomy**



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# Bioeconomy Strategy groups of measures – attractive business

- Predictable and stable tax policy for the bioeconomy sector;
- Formation of favourable investment environment;
- Reduction of administratively regulated prices;
- Greater sales opportunities for small producers in the agro-food sector;
- Tackling unfair competition in bioeconomy;
- Replacement of non-renewable resources with bio-resources in public procurement.





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## Bioeconomy Strategy groups of measures – result-oriented

- Focus on higher value-added and employment per ha in respect to financial support for agriculture and rural development;
- Investment in forestry – ensure sustainable and effective forest management;
- Development-oriented motivation system in municipalities;
- Territory development planning that ensures economically viable use of natural resources and values;
- Bioeconomy impact assessment for all strategic policy documents.



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# Bioeconomy Strategy groups of measures – promotion

- Promotion and attraction of investments increasing efficiency and labour productivity in all sectors of bioeconomy;
- Development of bioeconomy innovation directions;
- Development of the long term land use policy;
- Bioeconomy as the key sector in the Latvian brand;
- Export promotion measures;
- Development of a risk management system;



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## Bioeconomy Strategy groups of measures – promotion

- Promotion of cooperation among small producers;
- Use of biomass for energy production, based on cascading principle;
- Promotion of the use of bioresources in the construction and other industries;
- Promotion of forest owners' certification.



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# Bioeconomy Strategy groups of measures – socially responsible

- Reduction of GHG emissions in bioeconomy sectors;
- Improving the availability of food for socially less protected groups;
- Enhancement of ecosystem cultural or intangible services as the development of public goods;
- Promotion of bioeconomy and public involvement;
- Introduction of the principles of rational use of bioresources in population habits.



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# Bioeconomy advantages

- Legislation and infrastructure;
- «Latvian Bioeconomy Strategy 2030» approved by Government in 2017;
- Exports of Bio-Economy products account for more than 50% of the country's total export;
- Third largest exporter of wood pellets and ninth largest exporter of softwood sawn material globally;
- Heavy-duty insulation sandwiches exported for LNG vessels to South Korea and Japan;
- Fast expanding export of high nutritional value eco products and innovative food supplements.



Thank you!