



Effective and flexible regulatory policies, increased investment in R&D, and social awareness are pending tasks for Spain in the development of the bioeconomy

- *During the celebration of the AseBio Investor Day 2024, several experts analyzed the challenges and opportunities of the bioeconomy sector in Spain.*
- *Since 2010, as part of the Europe 2020 Strategy, the bioeconomy has been identified as a key element for sustainable growth in Europe, with leading countries such as Finland or Germany.*
- *At the regulatory and political level, Spain has had the Integral Bioeconomy Strategy since 2015, but it has barely evolved over time and has not achieved a significant impact.*





In the framework of the fifth edition of the AseBio Investor Day, [held in San Sebastián \(Donostia\) on May 15th](#), AseBio organized a debate on the situation of the bioeconomy in Spain focusing on investment and financing. The session took place in the context of the [European project ShapingBio](#), of which AseBio is a partner, aimed at supporting and accelerating innovation in the bioeconomy in the European Union.

Traditionally, the biotechnology sector has mainly relied on investors specialized in the health field. The transition towards a circular bioeconomy and sustainable food systems has great potential to contribute to global challenges, and in this context, there has been an increase in venture capital funds specialized in innovation in the agri-food industry.

The perfect example of the transition taking place in the bioeconomy sector regarding its financing can be found in the recent step taken by the European





Commission through partial funding of the [European Circular Bioeconomy Fund \(ECBF\)](#). This is a financing instrument for growing companies in the areas of the bioeconomy and biological-based circular economy in Europe. It is the first private impact venture capital fund dedicated exclusively to these fields.

Bioeconomy in Spain: greater political support is needed

Since 2010, as part of the Europe 2020 Strategy, the bioeconomy has been identified as a key element for sustainable growth. At the regulatory and political level, our country has had the Integral Bioeconomy Strategy since 2015. This strategy encompasses all the important sectors of the European Union's economic activity, with its main objectives being to promote both public and private innovation in the field of the bioeconomy, thereby meeting the demand for new products while positioning our country competitively. However, the reality is that this strategy has not evolved and has not achieved a significant impact.

"In recent years, both the public and private sectors have made a great effort to develop the bioeconomy in Spain, particularly the circular economy," stated Rubén Hidalgo, Director of Innovation and Entrepreneurship Ecosystems at [CAPSA](#) (Peñasanta Food Corporation S.A.).

"However, considering the urgency of breaking away from the linearity of our economic model to achieve greater resource utilization, we must increase its development on three fronts: regulatory, in line with the rhythms and needs of productive models, proposing a clear, intelligent, and long-term certainty evolution. Technological, surely with much more investment in the scaling of technologies that may be underfunded. And awareness, we still need to explain and convince society why we need to migrate to the circular economy model and the benefits of this model, not just its restrictions," Hidalgo adds.





Eduardo Pérez, Analyst at Tech Transfer Agrifood Fund, [Clave Capital](#), also agrees that the bioeconomy in Spain is "in a phase of growth and development, with an increasing focus on sustainability and innovation." Despite this, he has identified some challenges that still need to be overcome, such as the need for greater investment in research and development, the implementation of more effective policies, and more flexible regulatory policies that "promote the transition to a greener economy."

In this regard, he compared the current scenario in Spain with the situation in other countries. "In Europe, countries like Finland and Germany are leaders in bioeconomy. Finland stands out for its efficient use of forest resources and its focus on the circular economy through the adoption of its National Bioeconomy Strategy since 2014, while Germany leads in biotechnology research and development. Taking note of successful practices in these countries can provide valuable lessons for boosting the bioeconomy in Spain."

The current situation of investment in the bioeconomy in Spain

According to data from the European Commission, the bioeconomy sector generated a turnover of 75 billion euros in Spain in 2021. AseBio has identified a growing interest from investors in biotechnology companies whose innovations focus on areas beyond health in recent years.

During his intervention, Hidalgo focused on the situation of the investor ecosystem in the agri-food sector in Spain. He described the market as "nascent" as it is in its first five years of development. "We are still in phases of understanding all the stakeholders: technological centers, research groups, startups, corporations, investment funds, and institutions."





"Now we enter a very interesting maturity phase, where venture capital is indeed understanding how to apply investment theses to an agrifoodtech startup. And what we may need is a national strategy to organize the arrival of technology to an industry, the food industry, which is more fragmented than other sectors and needs to unite to achieve the necessary scale and act as a major demander of innovation," analyzed Hidalgo.

"There are European and national policies to promote the bioeconomy in all sectors, fully aligned with the concept of the circular economy. In the agri-food sector, there are various programs to promote the development of technological solutions in the bioeconomy sector to improve the sustainable use of biological resources and also for the valorization of agri-food by-products into new ingredients, raw materials, or energy," explained Nora Alonso, Partner and Chief Investment Officer of the Agri-Food Tech Fund, [Swanlaab Venture Factory](#).

Despite this picture, Alonso emphasized that there are still significant barriers, highlighting in the development stage "access to financing both by public institutions and by companies that allows technological development and more efficient and real technology transfer to the market, and in the commercial phase, regulatory frameworks for the approval and commercialization of new technologies and derived products." Reasons why she stressed that "we must become aware as an agri-food ecosystem of the urgent need to develop the bioeconomy in this sector, to address the challenges of sustainability, climate change, and social issues, to which the Spanish agri-food sector is particularly exposed."

"When considering an investment in a company in the agri-food sector, it is essential to evaluate several key elements. First, sustainability and





responsible agricultural practices are crucial to ensure minimal environmental impact and compliance with regulations, and second, the capacity for innovation and adoption of advanced technology is vital to increase efficiency and competitiveness," added Pérez. "In addition, financial strength and an experienced and committed founding team ensure that the company is well positioned to face challenges and seize opportunities in the market. It is also important to have robust intellectual property protection for innovations, and if it is a food product, ensure that it is sustainable and healthy, but above all tasty for the end consumer," he concluded.

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More information

AseBio brings together more than 300 entities and represents the Spanish biotechnology sector as a whole. Its mission is to lead the transformation of the country, positioning science, innovation and especially biotechnology as an engine of economic growth and social welfare. Its members include companies, associations, foundations, universities, technology and research centers that develop their activities directly or indirectly related to biotechnology in Spain.

