



Fecc
EUROPEAN ASSOCIATION OF
CHEMICAL DISTRIBUTORS

Call for Evidence: Biotech Act II

European Association of Chemical Distributors (Fecc)

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The European Association of Chemical Distributors (Fecc) appreciates the opportunity to provide input on the **Call for Evidence for the Biotech Act II**. Representing a sector characterized by a high proportion of **SMEs** and acting as the critical bridge in complex industrial value chains, Fecc is committed to the success of Europe's transition toward a circular bioeconomy.

While we very much welcome the ambition to strengthen Europe's bioeconomy, we see structural challenges that must be addressed to make this initiative effective on the ground. For distributors, who manage vast product portfolios and ensure bio-based products reach the market safely, the transition must be supported by a framework that avoids disproportionate administrative burdens and ensures global competitiveness.

To ensure a **balanced, realistic, and market-driven implementation**, Fecc puts forward the following considerations:

Key Considerations for a Competitive and Enabling Biotech Act II

- **Bridging the "Scale-up Gap" through Strategic Investment.** While the EU excels in research and innovation, technologies often fail to reach industrial deployment. Fecc believes the Act must **accelerate scale-up** by specifically supporting demonstration and first-of-a-kind plants. We advocate for using public procurement to create lead markets, providing the necessary demand to pull bio-based products through the "valley of death" between innovation and commercial reality.
- **Streamlining Regulatory Pathways for Market Predictability.** The current regulatory framework remains fragmented, complex, and unpredictable, often differing significantly across Member States. This creates uncertainty that drives investment outside of Europe. We strongly support **streamlining regulatory pathways** to make them faster and better harmonised. This includes addressing permitting bottlenecks and ensuring that new biotechnologies do not face sector-based rules that are ill-suited to their nature.
- **Securing Sustainable Feedstock via Prioritisation and Circularity.** Access to sustainable feedstock—including biomass, waste streams, and alternative carbon sources like CO₂—is a significant concern. These resources are limited and subject to competing uses, such as subsidized combustion for energy recovery which artificially inflates prices. Fecc calls for a **clear prioritisation framework** that directs biomass toward higher-value industrial applications. Furthermore, we advocate for **increased support for circular feedstocks** and emphasize the importance of clear frameworks for **external communication and green claims** to effectively communicate bioeconomy progress to the market.

- **Ensuring a Global Level Playing Field for SMEs.** European companies operate under higher energy costs and stricter regulatory requirements than competitors in the US and China, risking "investment leakage". This imbalance is further intensified by **significantly lower labour and plant costs in Asia**, which makes it much cheaper to build and deploy new technologies there compared to Europe. The Biotech Act II must ensure **global competitiveness** by facilitating access to finance, particularly for SMEs. We urge the Commission to apply the **"Better Regulation" principle** to prevent industrial bottlenecks and avoid parallel reporting systems that increase friction for globally active value chains.
- **Recognising the Critical Role of Downstream Distributors.** Downstream actors, including distributors, are often overlooked in policy discussions despite being essential for ensuring bio-based products reach the market efficiently. Fecc calls for **greater recognition of the distribution sector** as a key enabler for scaling up market uptake and ensuring the safe handling of new bio-based materials across the value chain.
- **Addressing the Skills Gap and Digital Readiness.** The transition is currently hindered by a growing **skills gap** at the operational level. Furthermore, the industry must embrace the potential of **data and AI** to optimize new technologies. We recommend that **policymakers and regulators provide targeted investment** in workforce development and establish a technical framework that allows for semantic compatibility and machine-readable data mapping. This is essential to support digital integration without requiring a total restructuring of internal ERP systems.

Fecc remains committed to constructive engagement with the European Commission to ensure the Biotech Act II fosters a resilient, competitive, and sustainable industrial base. We stand ready to contribute to a framework that ensures Europe's sustainability targets are achieved through a system that is both technically robust and market-driven.

To access the Fecc's response on EU Commission's website, please click [here](#).

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