



## I. Who are we?

The International Platform of Insects for Food and Feed (IPIFF) is the umbrella organisation of the European insect-producing sector towards European institutions. Bringing together 75 members - most of which are European insect-producing companies - IPIFF promotes the use insects and insect-derived products as a top-tier source of nutrients for human consumption, animal feed and plant nutrition.

**The insect industry has emerged as one of the fastest-scaling sectors among industrial start-ups and innovations in Europe**, offering a promising pathway to meet Europe's ambitious goals of reindustrialisation and transitioning to a climate-responsible economy. **EU support measures should be stepped up to address the specific needs of the sector during its critical phase of scaling up.**

The EU insect sector has over 250 production facilities across Europe, predominantly SME's and Start-ups. The sector has passed a critical threshold and has set its mark to be commercially interesting. Production is scaling up to meet the needs of food-feed-plants markets, while building up know-how. **The EU insect sector is responsible for 3,500 jobs created until today (incl. above 1,000 direct jobs) and expected to deliver up to 30,000 jobs by 2030.**<sup>1</sup> At the same time, there is a great diversity in types of farms, operational sizes and production models (e.g. 'full liners' vs. decentralized models) and higher level of integration with several other production systems (e.g. 'colocation' with agro-industries, partnerships with farmers).

## II. Potential of the European insect sector, current challenges and opportunities opened by the 'Start-up and Scale-up Strategy'

The recent reports from Enrico Letta<sup>2</sup> on the future of the EU single market and Mario Draghi on European competitiveness<sup>3</sup> have emphasised the vital role of innovation in driving Europe's competitiveness and economic growth. **Both reports advocate for the alignment and integration of various public and private initiatives to facilitate the growth of startups and scaleups, which are catalysts for innovation across the continent.**

Over the recent years, Europe has shown promising success in generating innovative startups: number is now comparable to those in the United States. Nonetheless, many European startups and scaleups active in industrial projects encounter significant challenges when it comes to scaling within the EU single market.

The European insect sector is among those: *'(while) our sector has entered into a new phase, reaching important milestones in its efforts to achieve the required level of scalability to realise its full potential (...) it goes along with the mutations and challenges that are traditionally faced by 'novel' and capital-intensive industries: Operators are focusing on further innovations, attracting capital, reducing cost prices, increasing production capacities, and advocating for regulatory changes, all with the objective to become profitable. Recently, these challenges have been exacerbated by difficulties operators face when attracting capital, in the context of ever-scarcer financial resources'*<sup>4</sup>.

<sup>1</sup> Please see the IPIFF Brochure: ['Perspectives on the evolution of the European insect sector towards 2030: current EU regulatory status, existing opportunities and prospects for development'](#)

<sup>2</sup> Enrico Letta's Report: ['Much more than a market- Speed, Security, Solidarity- Empowering the Single Market to deliver a sustainable future and prosperity for all EU Citizens'](#), April 2024

<sup>3</sup> The Draghi report: ['A competitiveness strategy for Europe'](#), September 2024

<sup>4</sup> 'Policy Priorities of the European insect sector: IPIFF recommendations for the EU Strategic Agenda 2024-2029' (November 2024). See the concerned document through the following [link](#)



In this context, IPIFF highlights the Thematic Study conducted by the European Investment Bank, titled ‘*Scale-up Gap: Financial Market Constraints Holding Back Innovative Firms in the European Union.*’ This study succinctly encapsulates the challenges faced by the EU insect production sector and underscores the urgent need for support from EU institutions for innovative sectors like ours, particularly in terms of financial resources and regulatory frameworks.

*‘Closing the gap in finance for scale-up companies is essential for the European Union to maintain its edge in technology and thrive amid the green and digital transitions. European innovators grapple with significant constraints when seeking investment, particularly as they transition from startups to growth-stage companies. This often compels promising firms to seek financing abroad or even relocate their operations overseas. Europe needs to bolster its support for innovation by deepening capital markets and nurturing the venture capital scene. Removing investment barriers and implementing targeted public interventions can generate a virtuous cycle, redirecting investments from institutional investors to this strategic market segment.’*

IPIFF warmly welcomes President von der Leyen's 2024-2029 Commission Political Guidelines, which focus on simplifying the regulatory framework and reducing administrative burdens for innovative companies, ensuring that EU startups can secure the capital necessary for scaling within the European Union.

The EU insect sector is supportive of the efforts initiated by the EU institutions through the Start-Up and Scale-Up Strategy, which aims to build on previous initiatives such as the SME Relief Package, the 2022 European Innovation Agenda, and the EU leaders' 2024 Budapest Declaration on the New Competitiveness Deal. These endeavours are vital for unlocking the potential of the EU single market as a key driver of innovation.

IPIFF is confident that measures which will be included in this Strategy will contribute to support EU startups and scaleups. In order for such measures to be fully effective, targeted action towards the financial and regulatory barriers faced by innovative sectors like the insect industry,

The EU insect sector recognises the significant challenges that EU startups encounter when trying to scale, as highlighted in the document launching this consultation:

1. Limited access to finance.
2. Difficulties in accessing EU markets.
3. Regulatory delays and constraints.

**III. About this Position Paper: IPIFF urges the European Commission to step up its support to address these barriers which can enable the scale-up of our sector**

The insect industry has emerged as one of the fastest-scaling sectors among industrial start-ups and innovations in Europe, offering a promising pathway to meet Europe's ambitious goals of reindustrialisation and transitioning to a climate-responsible economy:

*‘Notably, the European insect sector has reached a critical threshold on the path to achieving industrial and commercial maturity, as evidenced by the substantial investments (i.e. above 1.5 billion EUR) allocated to the building of production capacities amounting to over 150 production facilities across Europe, and the employment opportunities generated by the industry within*



*European geographies (3.500 jobs have been created by European insect-producing companies until today)<sup>5</sup>*

**EU support measures should be stepped up to address the specific needs of the sector during its critical phase of scaling up.**

According to IPIFF, stronger and more targeted policy and public support is indeed essential to unlock the industry's full potential. By acting in a timely and strategic manner, Europe can showcase a unique global success story in line with the EU Green Deal and the EU Industrial Strategy ambitions—creating jobs, revitalising industry, and delivering groundbreaking solutions to the sustainability challenges of our food systems.

**The European insect sector's strategic vision revolves around three pillars:**

- **Improve competitiveness:** Remove regulatory barriers, such as restrictive classifications of insects and insect-derived products, to unlock the sector's potential in upcycling food waste and reducing costs, aligning with circular economy principles.
- **Promoting demand:** Open markets for diverse insect-derived ingredients and incentivise consumers or food and feed buyers to prioritise their use,
- **Catalysing financing:** Europe needs robust EU policies and funding mechanisms, including public-private partnerships, to attract investments and support alternative proteins.

In this Position Paper, IPIFF aims to outline the current state of the EU insect sector in relation to each of the three points listed below. Additionally, we will offer proposals on how the European Commission can effectively tackle the challenges that startups in our sector face as they strive to scale up.

- ✓ Start-ups and scale-ups are crucial for the EU's competitiveness by bringing to the market breakthrough solutions for societal changes.
- ✓ Start-ups are still hindered by barriers, including difficulties in accessing private capital.
- ✓ Start-ups growth is still hindered by barriers, namely regulatory and bureaucratic burdens.

**IV. Start-ups and Scale-Ups are crucial for the EU's competitiveness, by bringing to the market breakthrough innovative solutions for societal challenges**

The EU insect sector is an innovative and sustainable sector which can bring solutions to many of challenges that the EU currently faces:

**1. Making the EU food system more resilient: Reduction of the reliance on imported protein**

The diversification of protein sources through insects can enhance the resilience of the EU's food system. By reducing dependence on a limited range of protein sources, the EU becomes more adaptable to disruptions and challenges, **fostering food system resilience**, as emphasised in the 'Farm to Fork Strategy'. By producing protein locally through insect farming the EU can reduce its reliance on imported protein for animal feed and food production.

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<sup>5</sup> See document referred through the previous footnote 'page 3)

Insects offer a protein production alternative, which is complementing and non-competing with conventional sources, with proven beneficial effects even at low inclusion rates, providing an additional solution to reducing the dependency of the EU on animal feed, soil fertiliser, or even food production.

By incorporating this alternative protein source into the food supply chain, the EU can reduce its reliance on resource-intensive livestock production, contributing to the Farm to Fork Strategy's goal of promoting more sustainable and climate-friendly food systems.

The insect sector can contribute a great deal to the EU to achieve the 'Farm to Fork Strategy' objectives and support the EU's transition towards a more sustainable and resilient food system, by offering nutritious, environmentally friendly alternative protein sources.

## **2. Improve resilience of the Food System by being less reliant on imported animal feed**

Insects (e.g. mealworms, black soldier flies, crickets) are protein-rich animal feed, rich in omega-3 fatty acids, B, and other vitamins, minerals, and other nutrients that are beneficial for the health and growth of animals. Additionally, insects support beneficial gut bacteria, while reducing pathogenic bacteria and are highly digestible, which promotes efficient nutrient absorption by the animals. Insects are especially highly digestible for poultry, fish, and livestock. Furthermore, insects are becoming more and more popular as a sustainable complement to be used in animal feed.

Insects offer a sustainable and nutritionally valuable option for animal feed production. This alternative feed ingredient by being produced in a controlled environment, can help address the challenges of traditional feed production such as resource scarcity, less exposure to geopolitical instability and environmental impact associated with climate change events, while providing essential nutrients for livestock, poultry, aquaculture, and other animals in the agricultural industry.

## **3. Ensure that the EU is more self sufficient on protein-rich food production and improving EU citizen's diet**

Insects are nutritious protein sources. Rich in essential amino acids, healthy fats, vitamins, and minerals. Integrating insect protein into food products supports a more balanced diet by the EU citizens. Insects diversify the protein supply, reducing the EU's heavy reliance on conventional animal-based proteins. Insect-based products, such as cricket flour, insect protein bars, and snacks, present unique and attractive alternatives for consumers.

This sustainable protein can be used to create nutritious food products that align with health goals, reducing the prevalence of diet-related health issues. Insects highly versatile, allowing them to easily being incorporated into many food products, further diversifying the EU's protein landscape.

Insect-based protein Novel Food products are subject to EU food safety regulations, providing consumers with safe and nutritious options. Insects can be produced under controlled conditions, ensuring food safety and quality, reducing the risk of contamination and ensuring food safety.

## **4. Making soil fertiliser more available and more affordable to the EU farmer**

Insect frass is used to describe insect larvae faeces or dejecta. Frass has concentrations in nitrogen, phosphorus, and potassium (NPK) like those found in animal manure. This makes it a great fertilising product. The land application of insect frass is consistent with circular economy principles, by reintroducing valuable nutrients into the food chain, while it offers sustainable solutions to



**European farmers** (e.g. arable crops, viticulture) and/or gardeners. The use of frass in organic agriculture allows organic producers to benefit from a more diverse palette of locally available bio-based fertilising products.

The European insect sector is at a turning point in its development as production is ramping up, e.g. IPIFF forecasts that European insect producing companies should **produce over 120.000 tons of insect feed products by the end of 2025**. Increased insect ingredients production will go hand in hand with growing quantities of insect frass - insect excrements/dejecta - generated, i.e. we forecast that over **400.000 tons of insect frass** should be produced by European insect producers in 2025<sup>1</sup>.

**Regulatory delays are hindering the opportunity offered by insect producers to contribute to providing more reliant, available and affordable soil fertilizer to EU farmers.**

#### **5. Allowing the Sustainable Production of Biogas**

An investment in insects translates into the unleashing of the market potential of their many applications. Along with the use of frass as fertilizing product, European insect producers are exploring avenues to efficiently upcycle the produced frass through their use in biogas and/or composting plants.

IPIFF welcomed the Proposal of a list of Net-Zero technology final products and their main specific components to include in its Annex, under Sustainable biogas and biomethane technologies the possibilities offered by the authorised use of Sustainable biogas plants and methane-Anaerobic digesters /Fermentation tanks and Biomethane and upgrading units. Such a reference enables the production of biogas by EU insect producers.

**Nonetheless, regulatory delays are not enabling the use of insect frass in biogas production by EU insect producers.**

#### **6. Accelerate the transition to a more sustainable economy**

**Insect proteins have a lower carbon footprint** compared to conventional livestock production. Integrating this alternative protein source **can help the EU achieve its targets for reducing greenhouse gas emissions and combatting climate change.**

**Farming insects for protein production can alleviate pressure on natural ecosystems and reduce habitat destruction associated with conventional agriculture.** By minimising the demand for land and water, the insect sector can support the Farm to Fork Strategy's objectives of protecting biodiversity and ecosystems.

**Insect farming requires minimal land, water, and feed compared to traditional livestock.** Therefore, embracing insect farming enhances the EU's commitment to sustainable food production and resource efficiency.

**A true circular agricultural economy can be achieved thanks to insects, with the use of organic waste streams and by-products to feed insects.** This protein source, with its circular practices close nutrient loops and valorises food waste. We can easily affirm that insect farming is inherently aligned with the Farm to Fork Strategy's vision of creating a circular and more sustainable food system.

## V. Start-ups have difficulties in accessing private capital

Yes, Europe is the global leader in insect farming. European companies are recognised as true agri-food innovators.

With the reforms achieved over the last few years ((i.e. EU novel food authorisations as from 2021, insect proteins approval as feed in aquaculture in 2017, authorisation expanded to pig and poultry markets in 2021), the European insect sector has reached a critical threshold on the path to achieving industrial and commercial maturity, as evidenced by the figures.

Yet, Europe is struggling to empower its own innovations. **If we want a prosperous investment environment that puts end-customers at the centre, regulations need to follow suit.** European agri-food players are committed to addressing consumers' demands for affordable and high-quality products while reducing the pressure on available resources and our ecosystems.

Despite these positive perspectives the sector is facing challenging times that hinders its scale-up capacity. Regulator barriers together with difficulties in accessing private capital is forging the possibility of this sector to scale-up and provide many solutions for the current challenges EU faces.

**The European insect sector has entered a new phase, reaching important milestones in its efforts to achieve the required level of scalability to realise its full potential.** These recent developments go along with the mutations and challenges that are traditionally faced by 'novel' and capital-intensive industries: **Operators are focusing on further innovations, attracting capital, reducing cost prices, increasing production capacities, and advocating for regulatory changes, all with the objective to become profitable.** Recently, these challenges have been exacerbated by difficulties operators face when attracting capital, in the context of ever-scarcer financial resources.

We plead for the development of EU ambitious policies and financial and other support measures, which would contribute to harness the multifunctional benefits and positive externalities of the insect producing sector. While the EU legislator has already identified several goals - in the form of Policy Recommendations<sup>6</sup> supporting alternative proteins such as insects.

IPIFF considers that **EU policy makers should make greater commitments to support innovative and sustainable sectors**, especially since those can contribute to achieving the EU's ambitious targets for carbon reduction of our food system. To this end, we consider that EU public authorities could **take examples from previously developed support measures** targeted at sectors which were considered of **strategic importance for the domestic economy**.

For instance, in a report published in July 2024, the Boston Consulting Group highlighted that 'public sector support has been critical to the growth of novel technologies, from semiconductors and the internet to biotechnology or electric vehicles'<sup>7</sup>. For the authors of the report, **'the alternative protein industry should take inspiration from the electric vehicle sector** in order to realize its full potential'.

<sup>6</sup> E.g. See aforementioned EU Communication from the European Commission on the 'A Farm to Fork Strategy' (20 May 2020). In this document, the European Commission indicated that will examine EU rules to reduce the dependency on critical feed materials (e.g. soya grown on deforested land) by fostering EU-grown plant proteins as well as alternative feed materials such as insects, marine feed stocks (e.g. algae) and by-products from the bio-economy (e.g. fish waste).

<sup>7</sup> See Report published by the Boston Consulting Group 'What the Alternative Protein Industry Can Learn from EV Companies' (11 July 2024).



- IPIFF and its members share the views that EU efforts towards boosting protein diversification, and the development of alternative proteins must be recognised as a strategic priority.

Along that line, IPIFF has previously stressed the need to **recognise such new food and feed sources under EU strategic frameworks**<sup>8</sup>, emphasising the need to stimulate the production of innovative products, such as insects, algae, microbial culture, fermentation products. Notably, we highlighted the importance of ensuring **coherence between the ‘Farm to Fork’ strategy** and other **EU or national initiatives**, such as EU or national protein plans, the Horizon Europe research framework programme, the Common Agricultural Policy or the EU industrial policy.

We plead for the adoption of a **holistic approach** whereby EU institutions would examine the overall positive contribution that innovative sectors, such as insect farming, may bring, in particular the **boosting of regional and rural economies**. Such benefits range from offering diversification/additional income opportunities for farmers to creating thousands of green jobs in European countries.

- We therefore plead for the establishment of an **ambitious set of policies or policy frameworks** - accompanied with adequate financial support measures - in order to stimulate and harness the multifunctional benefits of insect farming/production activities.

Such a strategy would focus on the following policy frameworks:

- Recognition of the insect sector of part of the **EU Protein strategy**;
- Unlocking funding opportunities under EU (e.g. Horizon Europe) and National **Research & Innovation policy** frameworks;
- Recognition of our sector and setting of incentive measures under the future **EU Common Agricultural Policy**;
- Creating opportunities for tailor-made information/ awareness campaigns under the EU Agri-Food Promotion Policy.
- Recognition of the insect sector as a part of the EU Industrial policy.

As part of the **EU Green Deal Strategy**<sup>9</sup>, the European Commission emphasised the need for ‘massive public investment and increased efforts to direct private capital towards climate and environmental action, while avoiding lock-in into unsustainable practices. Moreover, the EU aims to be at the forefront of coordinating international efforts towards building a coherent financial system that supports sustainable solutions.

Alternative proteins require significant amounts of capital to research and produce at scale. Nevertheless, **private capital for alternative proteins lags other sectors**. While securing public funding is key to supporting fundamental research and pilot projects (e.g. R&I funds), we consider that a dual public-private funding approach is **critical to build market confidence in alternative protein companies** (e.g. through public-private partnerships to fund infrastructure that supports alternative protein production and distribution).

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<sup>8</sup> See IPIFF Regulatory brochure (July 2020): IPIFF’s Policy Priorities towards 2025 (July 2020) - document available on the IPIFF website through the following [link](#).

<sup>9</sup> See aforementioned Communication from the European Commission. [COM \(2019\) 640 final](#)

**Against this background:**

- We are supportive of the EU policy efforts towards **recognising green/sustainable sectors** - such as the insect sector and other innovative and alternative proteins - **under EU official classification systems** facilitating **access to private and public funding** that is specifically targeting at sustainable businesses, ‘green investments and climate-friendly solutions, e.g. opportunities opened **the EU sustainable finance framework** towards channelling private capital/investments to sustainable initiatives.
- We recommend exploring other existing **EU policy instruments**, which would **incentivise the adoption of climate-friendly solutions** by consumers and European farmers. For instance, **the extension of emission trading scheme to agricultural activities** is an option which our organisation strongly supports by pricing GHG emissions from agricultural activities, in particular producers and importers of animal feed ingredients, such as insect producers who are upstream of farms in the value chain, the best-performing actors **would be financially rewarded** for reducing their environmental footprint.

**Stronger and more targeted policy and public support can unlock the EU insect sector full potential**

Stronger and more targeted policy and public support is essential to unlock the industry's full potential. By acting in a timely and strategic manner, Europe can showcase a unique global success story in line with the EU Green Deal objectives and EU Industrial ambitions—creating jobs, revitalising industry, and delivering groundbreaking solutions to the sustainability challenges of our food systems.

Without timely policy changes, the industry's growth, global leadership, and the livelihoods of thousands of employees are at risk.

Owing to their sustainability credentials and nutritional or functional benefits, as well as product safety, **we also plead for establishing specific measures towards incentivising their increasing adoption by European consumers and business customers.**

**VI. Star-ups growth is still hindered by regulatory barriers**

The European insect sector faces challenges from regulatory delays, and restrictions on using broader substrates and insect products and by-products like frass. These barriers hinder scaling production, cost reduction, and circular economy contributions. Reforms enabling expanded market access, such as using food losses from supermarkets and agri-food industries as substrates and promoting insect-based products for feed, food, and fertilisers, are crucial for maximising the sector's potential.

**The call for removing the EU regulatory bottlenecks that currently hinder the competitiveness of the European insect sector to establish a future-proof legislative framework that enables industrial competitiveness, but not at the expense of sustainability.**

Over the last years, IPIFF has actively contributed to the shaping of EU regulatory standards applicable to insect producers in Europe, creating the legislative framework for business operators, while providing them with the necessary visibility to plan their investment and marketing activities.



Yet, we consider that this EU regulatory framework remains incomplete, as the full potential of the insect sector is being hampered due to the ‘restrictive’ categorisation of insects and their by-products as food or feed by the EU legislator. For instance, the classification of invertebrates as ‘farmed animals’ under the EU animal by-products legislation prevents operators from upcycling underused biomasses, including through the reintroduction of food losses containing meat and/or fish into the food chain, consistently with the EU Food Waste Pyramid.

- IPIFF pleads for engaging **the necessary reforms towards broadening the range of biomasses currently authorised in insects’ diets**, thereby maximising the bio-conversion potential of insects and effectively addressing the issue of food waste at European level.
- Moreover, **European insect producers urge the European Commission services to step up efforts to achieve progress on EU policy reforms that would open viable outlets for the different insect by-products**, notably through the effective upcycling of insect frass.

**A) Regulatory deals are not enabling soil fertilizer to become more available and affordable to the EU farmer**

Anticipating significant output growth, the **European insect sector** is currently investing in **building the necessary capacities and tailored production standards** in view of its **commercialisation as fertilising product** on the EU market, in line with the EU regulatory standards adopted in 2021 - i.e. standards embedded in Annex XI, chapter I, section 2 to [Regulation \(EU\) No 142/2011](#)<sup>2</sup>.

In this context, the expected future **registration of processed frass** - frass subject to a heat treatment process of at least 70° for at least one hour as above-mentioned - **under the EU fertilisers’ legislation** (i.e. through its inclusion under CMC 10 of [Regulation \(EU\) 2019/1009](#)) would be **instrumental to ensuring the viability and competitiveness of European insect producing companies**, especially at a critical time of the ramping up of our industry. Moreover, such reform would contribute to supporting the European Commission’s endeavours to increase the availability of EU bio-based fertilisers and accelerate the transition to a fully decarbonised economy<sup>4</sup>.

**B) We stress that regulatory delays restrict the full achievement of the Net Zero Industry Act by not enabling the production of sustainable biogas**

IPIFF calls the attention of the European Commission to the potential contribution of the EU insect sector towards these objectives, which can be achieved through an amendment to [Regulation \(EU\) No 142/2011](#), with the view of clarifying the possibility to use processed frass, as ‘starting material for composting or biogas transformation’.

Echoing the demands IPIFF made to the European Commission Directorate-General on Health and Food Safety (DG SANTE), the European Commission tabled a regulatory proposal amending Regulation (EU) No 142/2011, with the view of clarifying the possibility to use processed frass, as ‘starting material for composting or biogas transformation’, while setting a legal basis in order to allow imports of such materials.

The draft text received a favourable opinion by the EU Member States at the PAFF Committee meeting organised on 23 January 2025, prior being submitted to the European Parliament and Council of the EU, in accordance with the Regulatory procedure with scrutiny.

These reforms would contribute to maximise the potential of the insect sector and enhance its contribution to circular food supply chains, by broadening markets in which insect products could be used (i.e. use of insect products in food applications, feed or plant nutrition) thereby reducing their environmental footprint.

The aforementioned reforms are indeed instrumental to ensure the competitiveness of companies active in insect production activities through the reduction of input costs and the effective valorisation of the insect by-products (e.g. insect frass), both within and outside the food and feed chains, in line with the principles of the Circular Economy.

We consider that the EU legislator should open markets for other insect-derived ingredients than protein-based products (e.g. dried insects, fat and chitin), as those represent valuable materials which could be efficiently valorised through various value chains.

<b>VII. Start-ups have difficulty to access to EU markets and thus, to scale-up</b>
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More broadly, EU Policy makers should be empowered to provide the incentives or information tools for European end consumers and business customers to prioritise the use and/or consumption of insects and its derived products vis à vis other protein sources, which may be more competitive price-wise but have adverse impacts on our ecosystems (e.g. deforestation, depletion of our oceans) and/or vis à vis imported insect ingredients or products of lower quality and/or not complying with equivalent safety standards as those being followed by European insect producers'.

Such measures are intended to mirror the true costs associated with the production of the concerned products, while these would serve to inform European consumers and customers about their sustainability credentials and nutritional or health benefits, providing them with the necessary information to make an informed choice.

**A) Making use of existing financial mechanisms can have an instrumental role in supporting innovative sectors to scale-up**

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**1. Public Procurement Directives could support the scale up of our startups**

EU public spending executed through Public Procurement, that according to the document launching this consultation corresponds to 2.4 trillion Euros or 14% of the EU GDP. Such public spending directly translates into investments across various business and sectors that provide essential goods and services to the European Union and its Member States. **However, we regret that not all sectors are reaping the benefits of such investments, particularly the insect producing sector.**

In light of the European Court of Auditors' special report on public procurement in the EU, published in 2023, and the subsequent Council Conclusions (C/2024/3521), which highlight the need for further action to address declining competition in public procurement and to fully leverage the potential of the EU's public procurement market, **we urge the European Commission to revise the current public procurement rules. This revision should aim to expand the range of sectors and businesses that can benefit from public spending initiatives.**

Moreover, Public Procurement can have the potential to create lead markets in clean and strategic products such as insects, algae and yeast. We believe such can be best achieved by setting binding sustainability standards for protein ingredients purchased via Public Procurement (i.e. through a minimum percentage of alternative and sustainable protein sources, such as insects for certain products, to support the growth of the sustainable protein production industry).

## **2. Enabling the access of insect producers to the Agrifood Programme can boost their potential to upscale**

The competitiveness of our sector largely depends on the capacity of opening new markets, promoting their products and making it available to consumers. The Agrifood promotion policy could be an instrumental policy to promote insects' sustainable and healthy products and enable a broad consumption by EU consumers, while reinforcing the competitiveness of European farmers and agri-food players.

Furthermore, the Agrifood Promotion Policy can potentiate the growth of our sector in the Internal market and even make the EU a world leader of insects' agrifood products, with the high EU food quality standards. The EU insect is an emerging sector. The lack of available information and wide availability of these products to the consumer makes it difficult for business to remain competitive. Investment in these sectors are high, and the return are still low.

There is an urgent need of a wider promotion, and it is of critical importance the opening of new markets for alternative and sustainable protein sources from insects. **The inclusion of insects as part of the EU Agrifood Promotion Policy can further support the endeavours of the EU insect sector to establish in EU food labelling legislation a mandatory origin/provenance indication in insect food products.**

According to the results of the IPIFF Survey on the 'EU Consumer Acceptance of Edible Insects', 82% of consumers would more likely purchase an insect food product manufactured in the EU vs one produced in a third country.

**EU insect food producers comply to all applicable EU food and hygiene legislation and wish to produce their products according to the highest standards. An EU mandatory origin/provenance indication would ensure that consumers to be informed on these standards.**

### **B) A clear political commitment can improve the access to the market and thus enable the upscale of the EU insect sector**

- Such efforts would notably materialise through guaranteeing market access for whole dried larvae (for use in animal feed) and the recognition of insect production activities under the EU policy frameworks tailored for products adhering to highest sustainability standards (e.g. EU organic legislation).
- These endeavours may consist of imposing stricter safety controls and checks on insect products (intended for food or for feed) imported from outside the European Union
- Finally, we plead for the establishment of compulsory labelling provisions, allowing European consumers to identify the origin the produced animal in insect food products. As such, consumers would be empowered to prioritise locally produced proteins and more sustainable products higher, due to lower footprint as compared with products produced overseas (due to environmental impacts implied by transport operations).



**Other policy instruments** could also be mobilised to set the foundations for the **systemic changes** needed to accelerate the transition to a sustainable food system. The recently **proposed EU initiative** for a **legislative framework** for **sustainable food systems**<sup>10</sup> - one of the flagship initiatives of the Farm to Fork Strategy - sets out some general objectives and principles that would ensure such a paradigm shift. Through ambitious and cross-cutting provisions that would be embedded in all existing or future legislations targeting sustainability, the Initiative aimed, on one hand, to cut out less sustainable operations and, on the other hand, to **encourage the development of more sustainable practices** along the agri-food supply chain.

- IPIFF and its members recommend taking example from several of the ‘push’ and ‘pull’ measures envisaged under the framework of this initiative in order to incentivise customers’/consumers’ choice towards more sustainable food and feed ingredients, including through the introduction of binding provisions and (sustainability) standards. Such standards would materialise through the inclusion of a minimum percentage of alternative and sustainable protein sources, such as insects, in food or feed products. These ingredients would thereby constitute a viable solution that would support the acceleration of the food and feed industry transition from the use of unsustainable protein sources causing deforestation and loss of biodiversity to sustainable alternative protein materials (such as insect proteins).

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<sup>10</sup> Further information about the concerned initiative can be found on the webpage of the European Commission, available through the following [link](#).