Position of IPIFF

on the Need for a Supportive Framework for Insect Production Scale-Up

Introduction

The International Platform of Insects for Food and Feed (IPIFF) welcomes the European Commission's initiative to revise the framework for Joint Undertakings (JUs) and the European Competitiveness Fund (ECF), as outlined in the call for evidence for the next Multiannual Financial Framework (MFF). We fully support the core objectives of increasing efficiency, impact, and strategic alignment.

However, to ensure these objectives are met, the framework must be designed to enable the scale-up of innovative, systemic solutions like the European insect sector, which is critical for the EU's strategic autonomy and the green transition.

The Strategic Role of Insect Production

The European insect sector is a tangible, circular, and strategic opportunity for the EU. It directly addresses the key challenges identified in the call for evidence by contributing to EU strategic priorities:

- ✓ Reducing Import Dependencies: The EU relies on imports for approximately 70% of its animal feed protein, leaving it vulnerable to geopolitical instability and supply shocks. Insect farming offers a resilient, locally produced alternative, reducing dependence on non-EU sources for animal feed, food, and fertiliser.
- ✓ Aligning with Strategic Agendas: Insect production is inherently aligned with the Clean Industrial Deal, the Net-Zero Industry Act (NZIA), the Bioeconomy Strategy, and the Protein Strategy. It turns organic waste into high-value proteins and fertilisers (frass), closing nutrient loops and supporting on-farm circularity and farmer competitiveness. Its contribution to biogas production also supports industrial decarbonisation.
- ✓ Boosting Competitiveness and Resilience: The sector is poised to be a gamechanger in the green transition, creating thousands of green jobs and entrepreneurship opportunities in rural regions. However, the current innovation framework is not built for such systemic solutions, creating a critical "valley of death" between pilot, commercialisation, and industrial scale.

On a New Framework

To ensure the SBA and ECF achieve their goals and successfully support the scale-up of the insect sector, IPIFF calls for the following concrete measures to be integrated into the legislative and financial instruments:

1. Align the ECF and Horizon Europe with Bio-Innovation

The ECF and Horizon Europe must be designed to support the entire innovation-to-investment journey, as the initiative intends. However, the current approach falls short of addressing the specific needs of the bioeconomy and fails to address all bio-based sectors needs and reality.

- ✓ Create a "Bio-Innovation" Window: The Innovation Fund and Horizon Europe should include dedicated funding lines that value circularity and sustainability, not just carbon reduction. Criteria must reward the valorisation of waste streams and the production of EU-made protein.

- ✓ Address the Scale-Up Gap: The framework must bridge the critical gap for companies moving from pilot to industrial scale. This is a "CapEx-heavy" phase where the risk is too high for traditional banks and projects are often too small for existing funds.
- ✓ Public-Private Blended Finance: We call for the ECF to leverage public and private investment through EU-backed de-risking mechanisms, such as the "Insect Scale-Up Facility" under InvestEU or the EIC Accelerator. This should include venture debt, loan guarantees, and risk-sharing arrangements specifically for capital-intensive infrastructure projects like insect biorefineries.

2. Embed Insect Production in Strategic Policies (CAP & CFP)

The programme-level alignment sought between Horizon Europe and the ECF must extend to key sectoral policies to create market demand and support industrial deployment.

- ✓ In the Common Agricultural Policy (CAP) Post-2027: We plead for an inclusive approach to promote innovative sectors. This includes:
- ✓ Creating a "Circular Feed Production" Eco-Scheme to support farmers in setting up small-scale insect biorefineries or using insect meal.
- ✓ Providing direct subsidies to farmers who use insect frass as a primary soil amendment to reduce reliance on synthetic fertilisers.
- ✓ Allocating Pillar II funds to support the development of the insect value chain, from breeder facilities to processing plants.
- ✓ In the Common Fisheries Policy (CFP): We propose allocating funds from the EMFAF specifically for the diversification of sustainable aquafeed. Concrete support should help aquaculture operators transition to feed formulations with minimum inclusion rates (e.g., 5-10%) of EU-sourced insect protein. IPIFF has proposed progressive mandatory inclusion targets for EU made sustainable aquafeed -e.g. algae, insects- (starting at 1%-2% in 2028) to create market certainty and scale up demand.

3. Tackle Systemic Barriers to Scale-Up

The initiative correctly identifies systemic problems such as excessive complexity, regulatory fragmentation, and siloed operations. This is acutely felt by the insect sector and must be addressed.

- ✓ **Streamline Regulation**: Regulatory delays and the complexity of the EU approval process (e.g., novel food, feed additives) are major barriers to investment and scaling. We call for a binding 6-month deadline for novel food authorisations, a simplified renewal process for feed additives, and the explicit authorisation of whole insects in feed to boost circularity.
- ✓ **Enhance Cross-Sector Synergies**: The SBA must break down silos and foster links between JUs and other EU programmes. We support the call for a portfolio management approach to facilitate cross-cutting initiatives. For example, the insect sector is ready to collaborate on projects under Horizon Europe (like the IMPROVE project on alternative proteins) and with the Circular Biobased Europe Joint Undertaking to scale bio-based solutions.

Conclusion

The EU stands at a critical crossroads. It can continue with a vulnerable, import-dependent status quo, or it can act decisively to unlock the potential of a circular, resilient, and innovative industry. The European insect sector is ready to deliver on the objectives of strategic autonomy, competitiveness, and the green transition. To make this a reality, the new MFF must provide a framework that supports the scale-up of this and other systemic bio-innovations through dedicated funding, regulatory simplification, and a truly aligned policy landscape.