

Advice

EU Algae Initiative

Brussels, 9 June 2023

1. Background

On 15 November 2022, the European Commission published the communication “towards a strong and sustainable EU algae sector”¹, which identified 23 actions aimed at (1) improving the governance framework and legislation, (2) improving the business environment, (3) closing knowledge, research, technological and innovation gaps, and (4) increasing social awareness and market acceptance of algae and algae-based products in the EU.

According to the 2022 edition of the Blue Bioeconomy Report², seaweed cultivation and harvesting has significant potential for various sectors, while contributing to the fight against climate change, the introduction of new products, and the creation of new jobs. The main conclusion was that significant progress was still needed, as seaweed farming was still quite small-scale in the EU. The regulatory framework for seaweed licensing and permits is uncoordinated and involves many regulatory actors at national and local level.

In the past century, the global production of algae has been growing, but, even though demand has increased, the EU has a marginal share in the global market. Presently, the EU is a top importer of seaweed products. In order to support the EU algae sector, the Commission undertook several initiatives, including funding calls, business support mechanisms, ocean literacy and awareness raising, and different studies.

2. Lack of awareness among EU consumers and citizens

According to the Commission’s communication, EU consumers and citizens are not often aware of the many benefits of algae and algae-based products, ranging from regenerating marine ecosystems to creating low-carbon products and generating blue economy jobs.

¹ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2022:592:FIN>

² <https://www.eumofa.eu/blue-bioeconomy-report-2022>

Furthermore, increasing social awareness of algae and algae-based products can boost the demand for them, spurring the EU algae sector's development.

In the view of the MAC, the Commission's communication accurately highlights the wide range of advantages associated with algae utilisation, while also acknowledging the potential for development of the sector. The development of the sector must ensure sustainable practices to maintain the long-term viability and environmental integrity, plus enhancing the credibility and integrity of the EU algae sector and fostering consumer trust. The development should involve stakeholders, research institutes, certification schemes, and regulatory bodies.

The MAC agrees with the Commission's assessment that there is a lack of awareness among EU consumers and citizens regarding the possibilities of algae and algae-based products. In Europe, there is a lack of awareness on how these products are produced, which is not the case in Asian countries. Consumer insight gathering work indicates minimal consumer awareness on algae-based products used as food. Consumers have limited knowledge of algae types and strains, particularly with respect to the benefits of each when consumed. There is greater awareness amongst consumers of algae and the benefits offered within non-food categories, such as health and beauty or supplements. Additionally, consumers should be made aware not only of the many possibilities of algae consumption, but also of the food safety assessments on the risks of algae consumption that also apply.

Nowadays, increasing social awareness is insufficient to establish a real market-driving force. Strong promotion would be needed as well as adequate marine spatial planning for the EU's production. Boosting demand will not necessarily spurt the development of the algae sector, as imports from third countries could easily wipe out any incipient EU algae production. Furthermore, the Commission's awareness raising, through the EU Algae Initiative, to develop an algae sector in the EU should not impact the efforts to inform consumers about the benefits of established fisheries and aquaculture products in the markets. Awareness raising should integrate other fisheries and aquaculture products, for example highlighting that seaweed farming takes part in the blue economy alongside other aquaculture and marine ingredients.

3. Raising consumer awareness (action 21)

Under action 21 of the communication, the Commission, starting in 2023, will support the raising of consumer awareness by:

- Doing a consumer behaviour and preference analysis (Eurobarometer survey) of the perceptions of algae-based products;
- Launching a fact-based EU-wide and/or, where relevant, regional or local communication campaign(s) to promote the variety of applications and benefits of algae-based products.

The MAC agrees the Commission should do a consumer behaviour and preference analysis of the perceptions of algae-based products. The survey should cover level of awareness, understanding of environmental and health benefits, perceptions and behaviours, barriers, and consumption patterns.

Amongst the MAC's membership, there are different views on the relevance of launching an EU-wide communication campaign:

- According to a business perspective, communication campaigns about the applications and benefits of algae-based products should be led by the commercial sectors and consumer-facing companies/brands within them, rather than EU-led.
- However, from an institutional perspective, EU funding could be interesting to raise consumer awareness as a crucial step in promoting the possibilities and applications of algae-based products within the EU. Such communication campaign should consider environmental data, such as carbon footprint, as well as nutritional value. It could also be relevant to inform the press about the characteristics of the seaweed species and their harvesting places, facilitating the development of local/regional markets (e.g., protected geographical indications).
- If a communication campaign does take place, it must be science-based, highlighting the scientific evidence supporting the possibilities of algae-based products, in order to help build consumer trust and confidence in these products. For the campaign to

make a difference in the views of citizens on algae, it would need a significantly high budget.

Finally, the undertaking of consumer surveys and communication campaigns about algae-based products should not affect efforts related to other fisheries and aquaculture products. When possible, other sustainably sourced fisheries and aquaculture products should be integrated in the communication campaigns.

4. Raising the sustainability profile (action 22)

Under action 22 of the communication, the Commission will raise the sustainability profile of algae-based products in EU sustainable food labelling framework, including in marketing standards for fisheries and aquaculture products and green public procurement initiatives envisaged as part of the Farm to Fork Strategy.

On 13 December 2023, the MAC adopted advice on “Sustainable Food System – Setting Up an EU Framework”³, which is favourable to the establishment of EU-wide general, objectives, principles, and definitions relevant for the sustainability for the sustainability of the food system. It also includes views on the development of an EU sustainability label for food products. Furthermore, the advice highlights that public procurement in schools and public institutions can play a role in the transition towards a sustainable food system.

On the same date, the MAC adopted another piece of advice⁴, which explains that the majority of the MAC believes that the Sustainable Food System Framework would be the most appropriate policy instrument for the incorporation of measurement and communication on environmental and sustainability in fishery and aquaculture products. Such an option would allow for common requirements for all food sectors, which would then be adapted to specific sectorial needs.

³ <https://marketac.eu/sustainable-food-system-setting-up-an-eu-framework/>

⁴ <https://marketac.eu/incorporation-of-measurement-and-communication-on-environmental-and-social-sustainability-in-fishery-and-aquaculture-products/>

In relation to action 22, the MAC believes that the Commission should assess the sustainability profile of algae-based products, which should happen in conjunction with the profile of other sustainable fisheries and aquaculture products. Through the use of consumer information, labels, and credible certification schemes, the EU can provide assurance to consumers and buyers regarding the sustainability credentials of algae-based products.

Due to the lack of market differentiation on the basis of the origin and quality of the seaweed, competition is mainly on competitiveness, which is more favourable to seaweed of Asian origin than to seaweed producer in Europe. Therefore, it is essential to support and encourage differentiation in the seaweed market to promote EU seaweeds and to overcome the competitiveness barrier against Asian seaweeds.

To drive the EU algae sector, a coordinated effort will be required, including through the setting-up of appropriate legislation and regulation, particularly on food labelling. Nevertheless, focus is also needed on improving the novel food approval process and the time/cost required for the approval of new strains of algae/seaweed for use in or as food products. Currently, with only 15 species approved for food use, the opportunities for growth do not match the increasing external interest.

5. Awareness-raising (action 23)

Under action 23 of the communication, starting in 2023, together with the EU4Ocean platform and Member States, the Commission will promote awareness-raising actions for schools and universities on the blue bioeconomy and innovative solutions for regenerative aquaculture.

The MAC is supportive of the outlined action. Increasing awareness and understanding among the younger generation is crucial for the development of the EU blue bioeconomy, facilitating the driving of knowledge, while also reducing misconceptions. In the long-term, it can allow the development of the necessary skills within a future workforce.

Awareness-raising actions for algae-based products should be done in conjunction with actions for other fisheries and aquaculture products.

6. Market interest

In general, the MAC believes there is a growing market interest in algae and algae-based products in the EU from both businesses and consumers. The market for these products is still in its early stages of development, so further efforts are needed to fully tap into its potential and to ensure long-term economic sustainability. Small coastal businesses need support to make this product known locally in the short supply chain and in the EU, including through awareness-raising and accounting for adequate marine spatial planning.

However, the EU aquaculture sector draws attention on the fact that the market interest in algae and algae-based products is still too low to support the development of the sector.

Currently, market intelligence remains quite limited, mainly because there are very few algae-based products on the market, especially within food. If the number of products on the market grows, the availability of market data and consumer intelligence is expected to grow. Overall, progress is needed on market intelligence and business support mechanisms. The future of algae cultivation in the EU will not only depend on market interest, but on ensuring a business-friendly legal framework for algae production and a level-playing-field with imports.

7. Recommendations

In the context of the present efforts to encourage the development of a strong and sustainable EU algae sector, the MAC believes that the European Commission should:

- a) Undertake efforts to raise awareness among EU consumers and citizens on the possibilities of algae and algae-based products as food forms, including food safety assessments, plus on production practices, algae types and strains, which means also proceeding with the promotion of awareness-raising actions for schools and universities;
- b) Proceed with the undertaking of a consumer behaviour and preference analysis of the perceptions of algae-based products, covering level of awareness, understanding of

environmental and health benefits, perceptions and behaviours, barriers and consumption patterns;

- c) Proceed with the efforts to assess the sustainability opportunity profile of algae-based products, while encouraging differentiation in the seaweed market to promote EU production, including local value chains, and to overcome the competitiveness barrier against Asian seaweeds;
- d) Carry out additional market intelligence on algae and algae-based food products, including potential changes to the Data Collection Framework connected to economic data of algae production;
- e) Develop a specific regulatory framework that fosters the development of the algae and algae-based sector and market interest, including in relation to labelling, consumer information, business support mechanisms, and approval of novel food products, while also fostering a level-playing-field with imports;
- f) When implementing the above-described efforts for awareness-raising, assessing the sustainability profile, and increasing market interest on algae and algae-based products, do it in conjunction with other fisheries and aquaculture products, while also taking into account the spatial squeeze in the context of marine spatial planning.