



Foresight on EU food consumption

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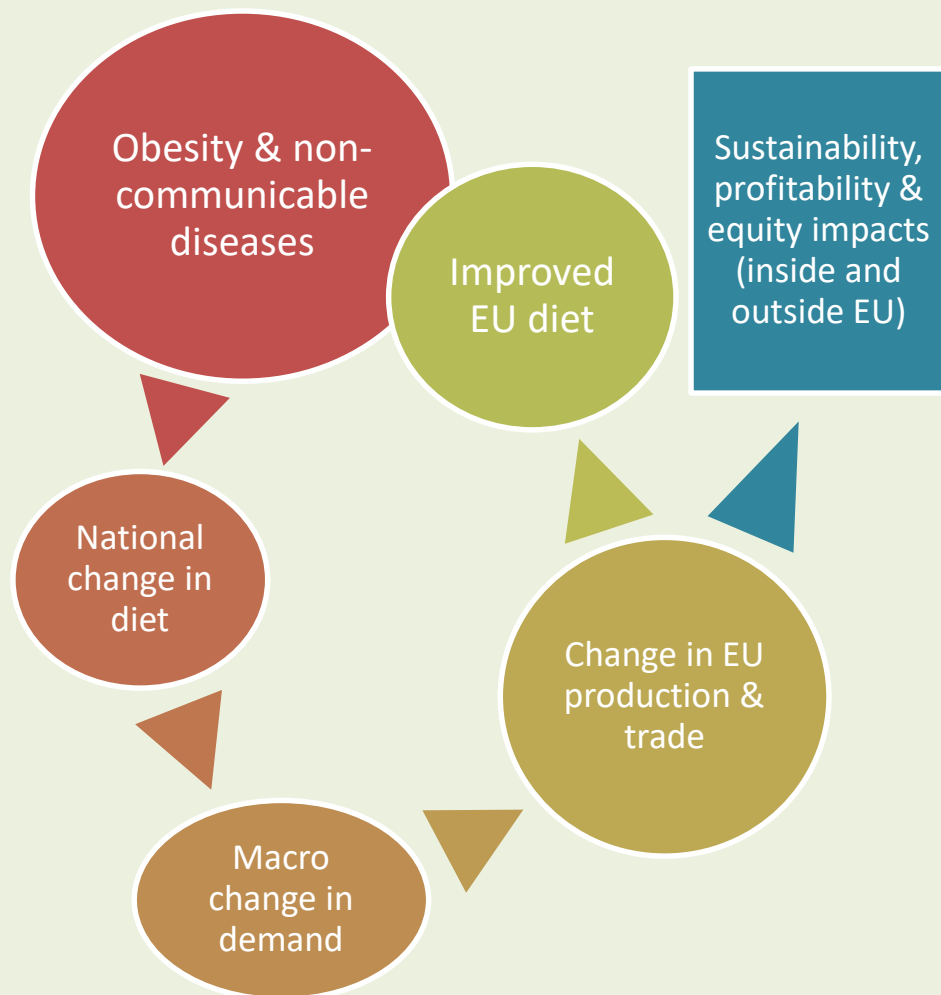
Based on really hard work by all modelling teams!

Achieving sustainable food systems in Europe

Brussels, March 7th 2019

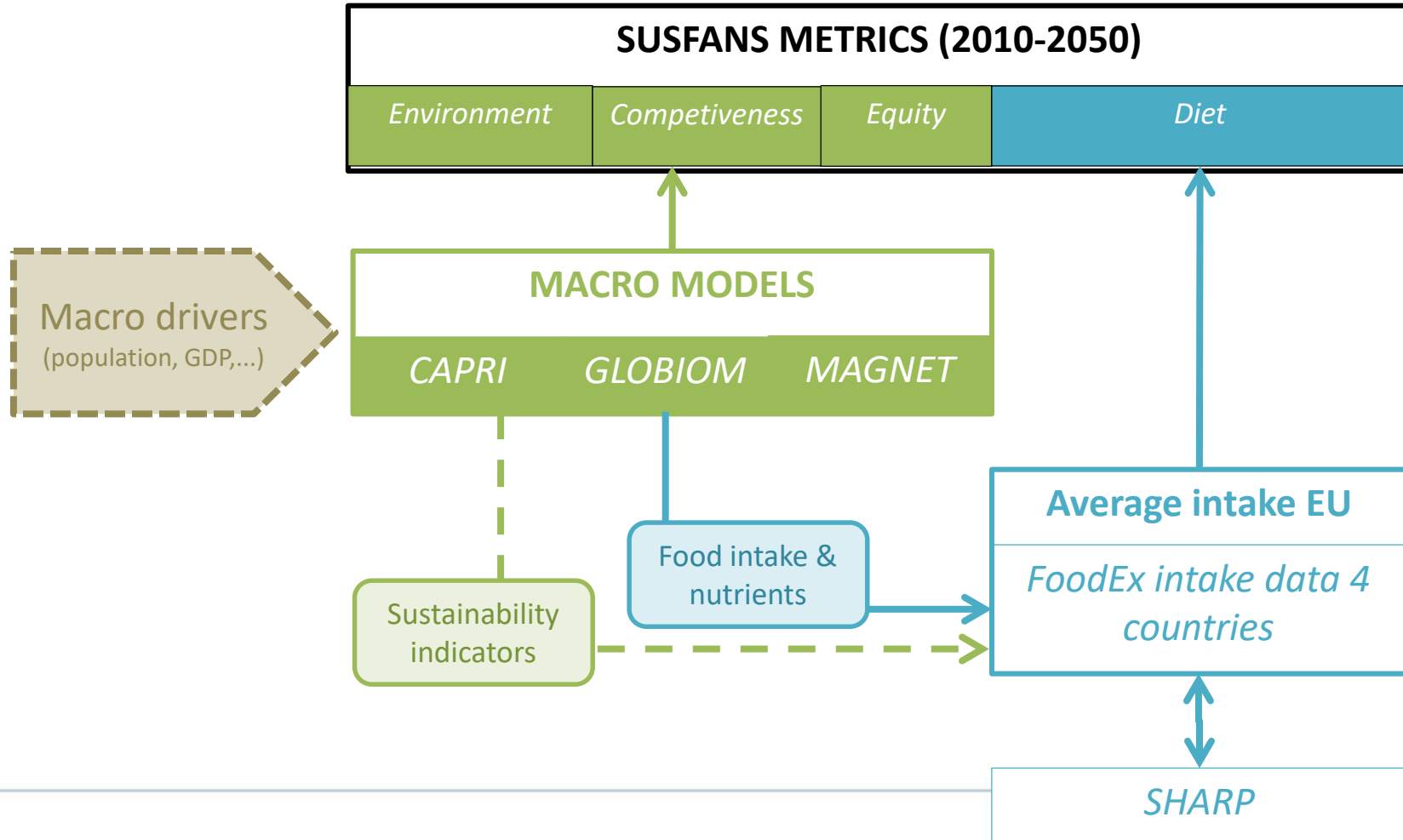


Why use macro level models for consumer focused foresight?

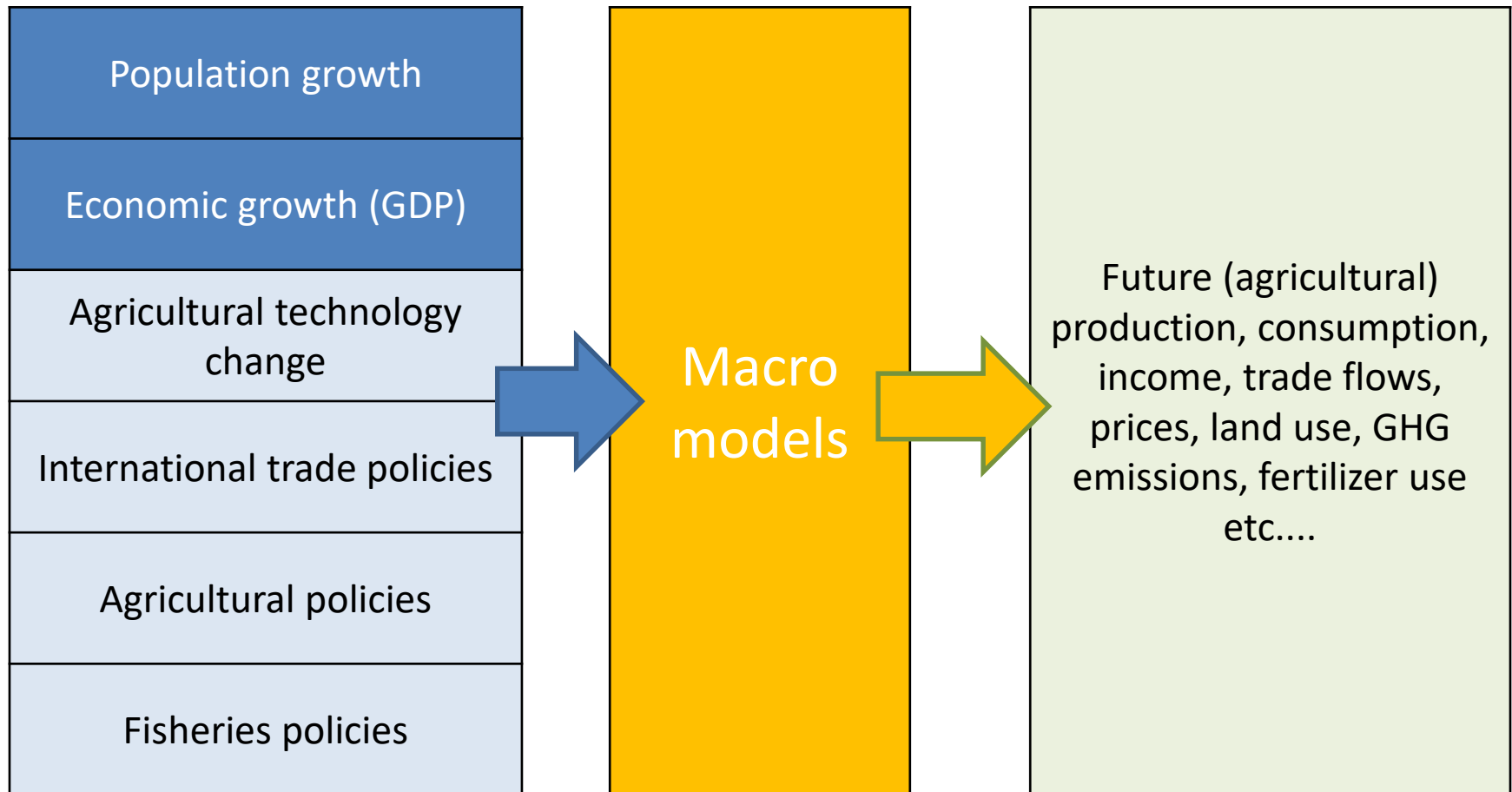


- EU level challenges require **national level interventions** to change diets
- This will induce **food system changes** both inside and outside the EU
- **Impact** on diets, and other policy objectives (profitability, environment, equity) **not analytically tractable**, hence modelling

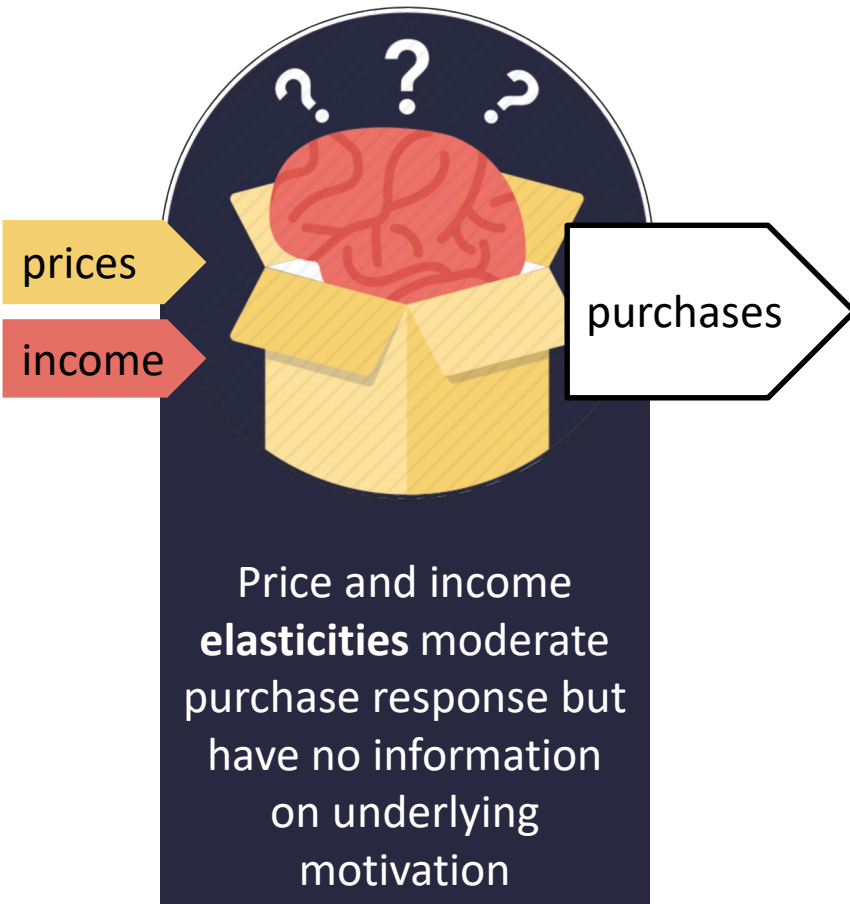
How to link between the macro models and micro diets?



What drives the SUSFANS foresight?

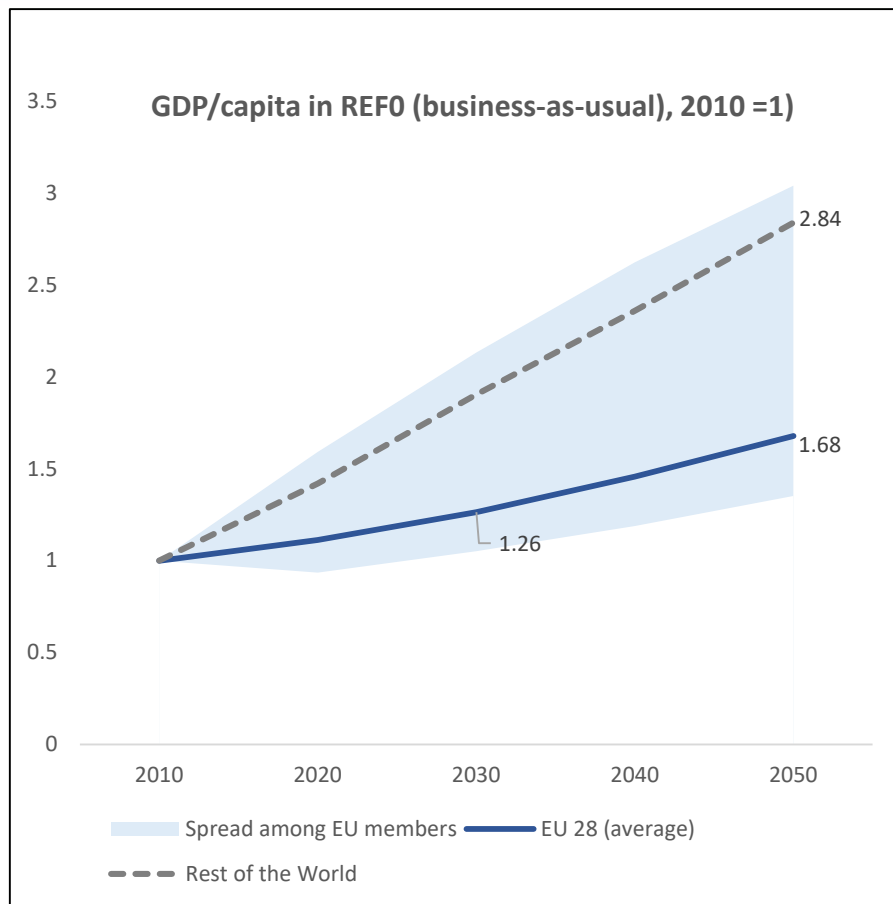


What's the link between the models and consumer research?



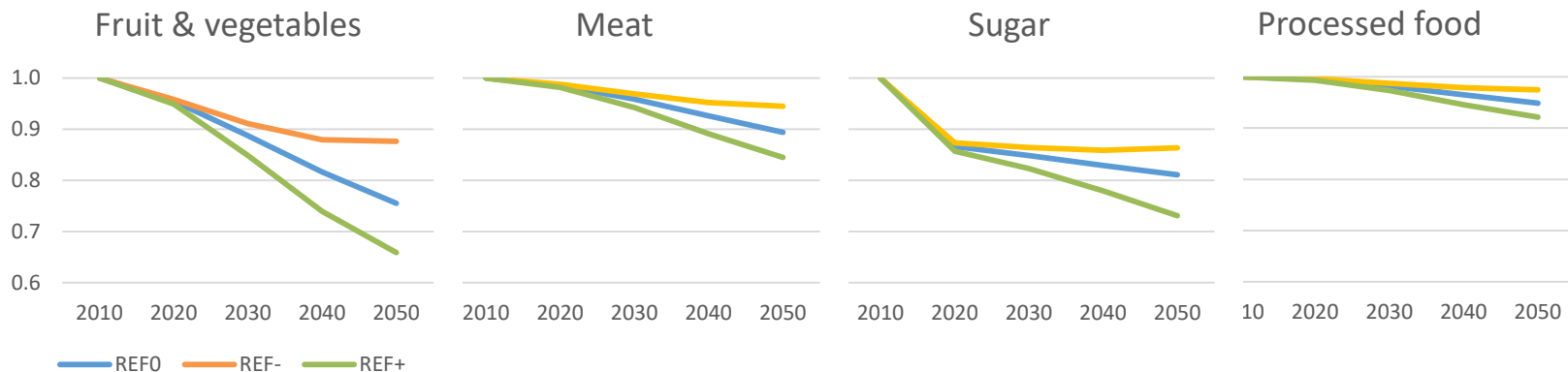
- Macro models use an **estimated** link between prices/income & purchase observations: **income and price elasticities**
- **Non-monetary concerns** are implicitly captured if they affect observed purchases but **cannot be “unpacked”** – affects scope to rank non-monetary interventions
- EU28: “no” food response to income changes, while size of (inelastic) price response varies by commodity (highest for meat and processed food)

How are EU incomes projected to develop from 2010 to 2050?



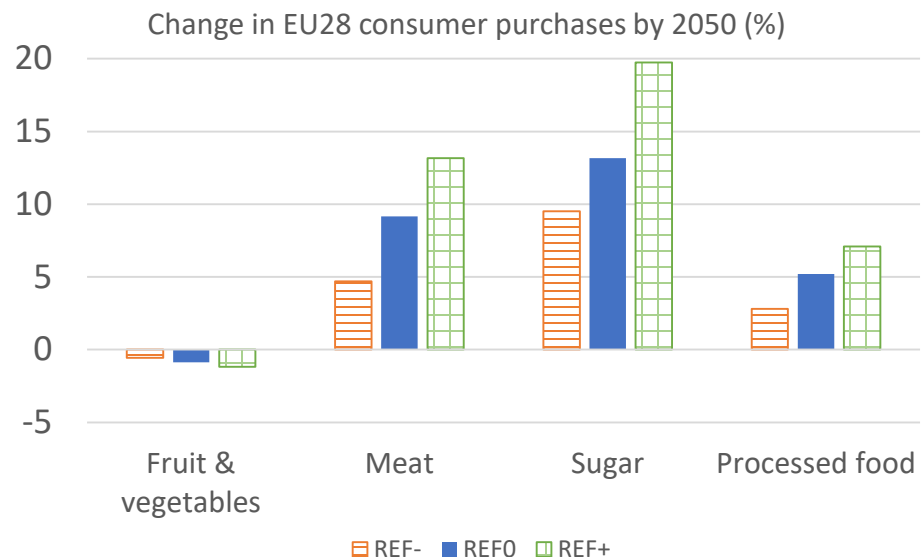
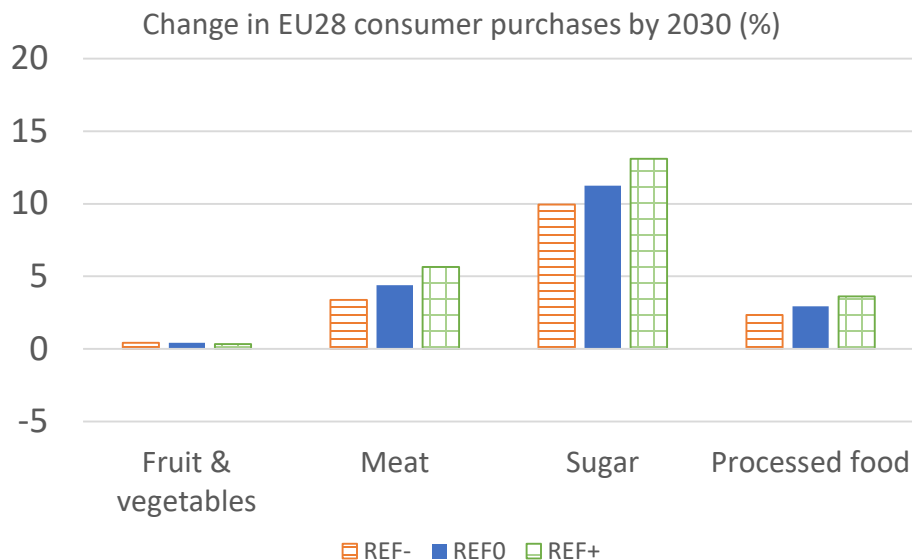
- Income in EU28 to grow by **26% in 2030** and **68% in 2050** (REF0)
- Bandwidth (by 2050): 50% in REF- to 80% in REF+
- Convergence of incomes within EU
- Global convergence of incomes (EU growth outpaced by growth rate in rest of the world)

How do EU consumer food prices develop to 2050?



- **Consumer food prices in the EU drop** from 2010 to 2050, continuing past trends of cheaper food
 - Only prices of fish are stable or show a tiny increase
 - Few country/product/scenario exceptions (e.g. price increase for fruit and vegetables in Czech republic in REF+)
- **Food is only a small and declining share of household expenditures** (dropping from 11.3 to 6.7% of total expenditures)

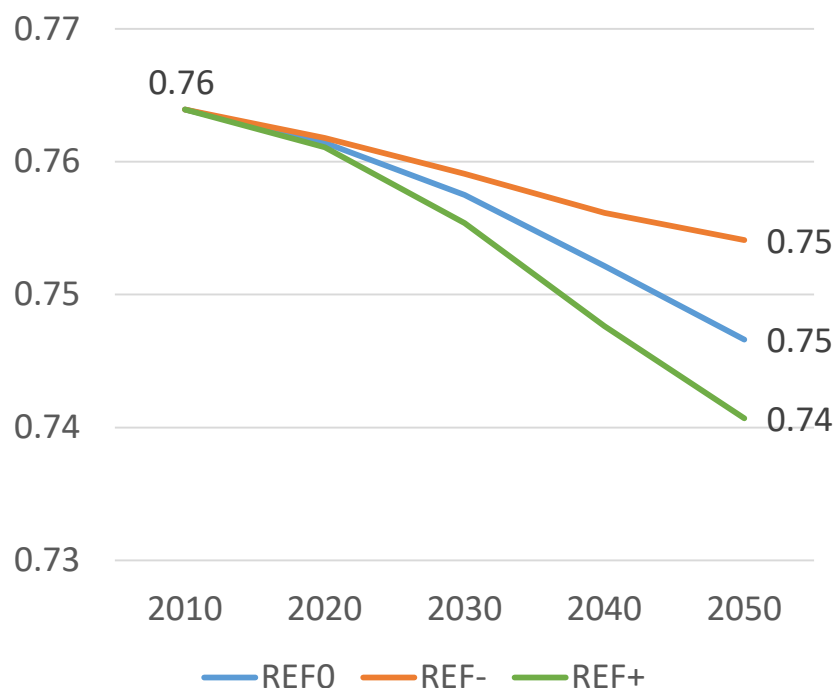
How do consumer purchases of key food groups change?



- **EU28 Fruit and vegetables decrease** minimally by 2050 (least in REF-)
- But few member states show stable or tiny increase (maximum 2.5% in Czech Republic)
- **Meat, sugar increase** in all scenarios
- Processed food (includes fruit and vegetable products, but also sugar sweetened beverages, alcohol etc.) increases in all scenarios

What happens to European nutrition and health? - Food based summary score

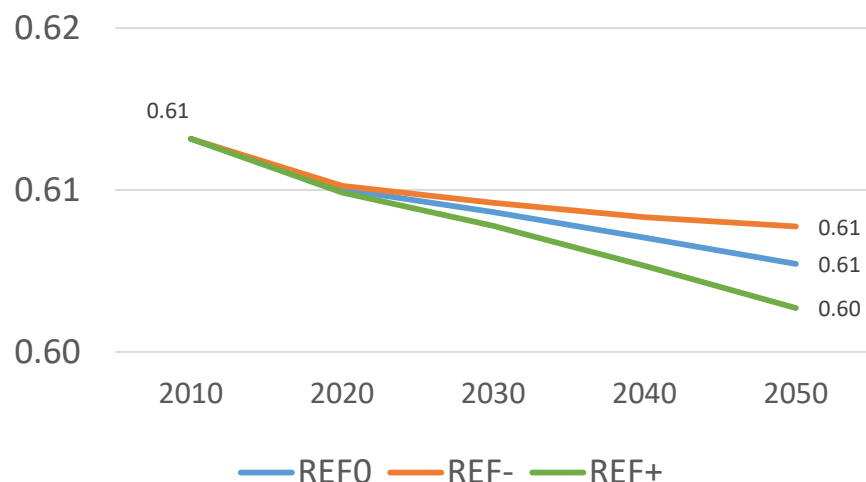
Food summary score EU28
(normalized to 0-1)



- Food based summary score based on 5 key food groups (fruits, vegetables, fish, red & processed meat, sugar sweetened beverages)
- Small decrease from in REF0, reflecting shift in diet away from desired pattern (e.g. more meat and sugar)
- In terms of food pattern REF- (Negative sustainability outlook) performs best
- Variation among EU countries, e.g. Czech republic has an improvement in REF-

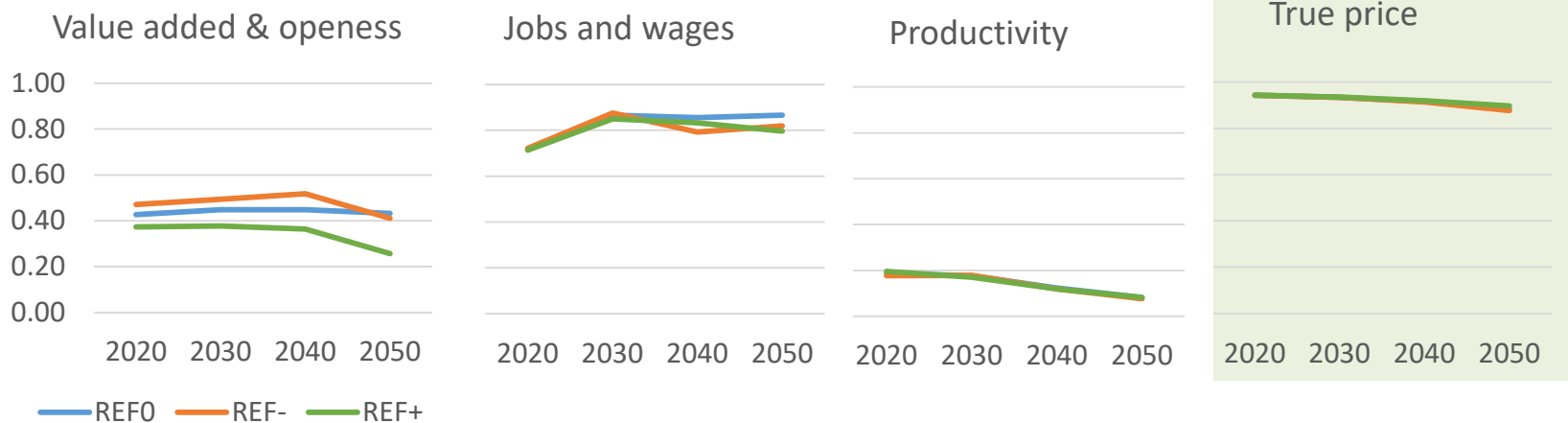
What happens to European nutrition and health? Nutrition based summary score

Nutrition based summary score EU28
(normalized to 0-1)



- Even smaller change in the nutrition based summary score for the EU but again a downward tendency
- Here Czech republic has same declining trend, also in REF-
- **Europe will not move towards a healthier diet without targeted interventions**

What is happening to the EU agri-food sector, economically?



- Competitiveness metrics measure **growth in EU28 agri-food against the best global performers**, apart from true price which corrects the market price for the GHG emissions (using a global CO2 price)
- Apart from the jobs & wages indicator EU agri-food growth rates are projected to track behind growth in the rest of the world.....or the rest of the world is catching up with the EU

To take-away from all of this...

- In all contextual scenarios consumer food prices in the EU28 are projected to decrease
- Without dedicated interventions European diets are expected to further worsen
 - food patterns keep moving to meat and sugar
 - but impact on diet metrics is limited
- Economic performance of the EU measured relative to the rest of the world are projected to be lagging.....or the rest of the world catching up with the EU
- ... to be continued in the afternoon with results of diet scenarios....
- and the results presented in the full SUSFANS visualiser!