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## **Promoting Climate-Friendly Diets: What Should We Tell Consumers in Demark, Finland and France?**

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#### *Abstract:*

*We investigate the effects of promoting simple climate-friendly diet recommendations in Denmark, Finland and France, with the objectives of identifying recommendations that lower greenhouse gas emissions, improve public health, and are cost-beneficial. The simulation approach combines a behavioural model of consumption adjustment to dietary constraints, a model of climate impact based on the life-cycle analysis of foods, and an epidemiological model calculating health outcomes. The five recommendations considered in the analysis focus on consumption of fruits and vegetables, red meat, all meat and all animal products, as well as the greenhouse gas emissions arising from the diet. The results show that trade-offs between climate and health objectives occur for some recommendations in all countries, and that substitutions may result in unintended effects. However, we identify some recommendations that would raise sustainability in its climate and health dimensions, while delivering value for money and increasing social welfare. In particular, promoting consumption of fruits and vegetables through campaigns of the "five-a-day" type is found to be cost-beneficial in all three countries. By contrast, targeting consumption of meat, consumption of all animal products, or the climate footprint of diets through social marketing campaigns is only found to be desirable in some country-specific contexts.* 

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# **Promoting Climate-Friendly Diets: What Should We Tell Consumers in Demark, Finland and France?**

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#### **Keywords: nutrition; climate; greenhouse gas emissions; healthy-eating; diet; sustainability; food choices**

## **1 Introduction**

The impact of the food system on climate-warming greenhouse gas (GHG) emissions has now been convincingly established. In most high-income countries which form the focus of this paper, the production, processing and retail of foods account for 15-30% of all GHG emissions (Esnouf et al., 2013), which makes the sector one of the top three contributors to global warming together with housing and transport (Guinée et al., 2006). Given that emissions should decline drastically to prevent catastrophic climate change, as reflected for instance in the EU's emissions reduction target for non-ETS (Emissions Trading Systems) sectors such as agriculture of 30% below 2005 level by 2030, the contribution of the food sector to mitigation efforts is a mathematical necessity rather than a matter of opinion. The magnitude of the challenge to keep GHG under control also makes it unrealistic to think that the problem will be solved by new technology alone (de Bakker and Dagevos, 2012). Thus, it is clear that changes in consumption pattern are required as part of the transition to a low-carbon society.

In response to this diagnostic, research on the climate effect of food consumption in high-income countries has made much progress and produced important insights. It has been established that, with the foods available to modern consumers, it is possible to compose diets that are nutritionally adequate but have a significantly smaller GHG impact than existing diets (Green et al., 2015). For instance, the study of Pérignon et al. (2016), which was based on optimization techniques, concluded that reduction of GHG emissions by 30 % were compatible with nutritional adequacy and affordability. We also know, in broad terms, what those "climate-friendly" diets look like: compared to existing diets, they contain relatively more plant-based products, in particular those rich in proteins such as legumes and nuts, and less animal-products, in particular those from ruminants (Perignon et al, 2016). The climate-friendly diet target and direction of travel towards it are therefore reasonably clear.

Unfortunately, it is also likely that the benefits from climate-friendly diets are challenging to realise because they require large changes in food consumption: about half of the daily diet (in quantity) should be modified to achieve a 30% reduction in diet-related GHG emissions (Vieux et al., 2018). Moreover, large-scale changes in food consumption patterns are problematic to initiate and diffuse

within a population. Fiscal measures such as taxes and subsidies are politically difficult in the current context, so that the provision of information remains the policy of choice to influence consumers (Capacci et al., 2014). Yet, empirically, we observe that informing consumers about the effects of diets on health and the environment typically generates little behaviour change (Traill, 2012). If a variety of explanations for this reluctance to change can be put forward, we wish to highlight two particularly significant ones: First, eating responds to a variety of needs, both individual and cultural, and offers multiple rewards beyond the provision of adequate nutrition (Wright et al., 2001). Although seemingly obvious, the importance of taste and culture has too often been ignored in discussions of dietary change (Irz et al, 2016a); Second, consumers are subject to an informational overload, which, in the food area, tends to confuse them and reduce their responsiveness to new information (Verbeke et al., 2007).

In this context, for information to be effective in changing behaviours, it needs to be embodied in simple messages that appeal to the food culture and preferences of the target population. Yet, identifying such messages is difficult because preferences are not directly observed, and simplification of the information conveyed to consumers comes with the risk of generating undesirable substitutions and unintended effects. Further, it has also been demonstrated that in selfselected diets, lower GHG emissions do not always go hand-in-hand with healthier consumption patterns (Vieux et al., 2013), and care therefore needs to be taken to ensure synergies across sustainability dimensions when designing policies. A first practical implication of this state of affair is that it is unclear whether, say, promotion of fruits and vegetable (F&V) consumption should be prioritised over measures targeting the consumption of meat, dairy products, or any other food category. A second possible implication is that the recommendations to prioritize may vary across countries. Indeed, as consumers' preferences and current dietary patterns differ across countries, it is likely that the same recommendations would result in different diet adjustments implemented by consumers, and consequently would have different effects on health and the environment across countries.

This article tackles these issues by developing an ex-ante analysis of the effect of climate-friendly dietary messages. As an extension of the assessment of dietary recommendations previously conducted (Irz et al, 2016b), the novelty is to carry out a cross-country comparison by considering three EU countries, namely Denmark, Finland and France. A model of adjustment to dietary recommendations is used to identify, for each country, the messages most likely to reduce GHG emissions, raise the healthiness of diets, impose limited welfare cost on consumers, and deliver high levels of cost-effectiveness. As compared to other studies, we argue that the model we develop is based on realistic food preferences, unlike most programming-based models of diet optimization that make arbitrary assumptions about food preferences, either explicitly by imposing "palatability constraints" (Henson, 1991) or implicitly, through the choice of an arbitrary objective function (Shankar et al., 2008 or Darmon et al., 2008).

## **2 The theoretical model**

Overall our approach is based on the combination of three analytical tools:

 An economic model (Irz et al., 2015) simulates how whole diets would change if consumers complied with a given recommendation. The model also provides the short-term utility loss due to compliance.

- An epidemiological model (Scarborough et al. 2012) estimates the health impact, expressed as a number of deaths avoided (DA), of the dietary change simulated by the economic model.
- A life-cycle analysis (LCA) model computes the climate effect (GHG emission reduction) of the simulated dietary change.

In a last step, monetization of the health and environmental effects allows calculation of the benefit from compliance, which can be compared to the consumer loss of utility and public cost of developing measures to ensure compliance in an integrated efficiency analysis. We now turn to each component of the model.

*The behavioural model* – The behavioural model is designed to simulate how a consumer would adjust his diet when facing dietary constraints, whether those constraints relate to nutrition or environmental issues. The approach is based on the generalised rationing theory of Jackson (1991) and presented in more details in Irz et al. (2015) We assume that an individual chooses the consumption of *H* goods in quantities  $x = (x_1, \ldots, x_H)$  to maximize a strictly increasing, strictly quasiconcave, twice differentiable utility function  $U(x_1,...x_H)$ , subject to a linear budget constraint  $p.x \leq$ *M*, where *p* is a price vector and *M* denotes income. To deal with dietary constraints, let assume that the consumer faces *N* additional linear dietary constraints, imposing, for instance, a maximum permissible emission of GHG from the diet, or a minimum consumption of F&V. Denoting by  $a_i^n$ the constant environmental or nutritional coefficient for any food *i* and target *n*, the value of which is known from LCA databases or food composition tables, the dietary constraints are expressed by:

$$
\sum_{i=1}^{H} a_i^n x_i \le r_n \,\forall n = 1,..., N
$$
. To solve the model, we first use a Hicksian framework. In this

context, the consumer minimizes the cost of his diet to reach a given level of utility, which itself relates to his consumption. We distinguish two versions of this program: a non-constrained one and a constrained one. We denote the compensated (Hicksian) demand functions of the non-constrained

problem by  $h_i(p, U)$ , and those of the constrained model by  $\hat{h}_i(p, U, A, r)$ , where *A* is the (*N, H*) matrix of technical coefficients, and *r* the *N*-vector of levels of the constraints. To solve the model, we introduce the shadow prices  $\tilde{p}$ , defined as the prices that would have to prevail for the unconstrained individual to choose the same bundle of goods as the constrained individual:  $h_i(p, U, A, r) = h_i(\tilde{p}, U)$ . In the case of a single dietary constraint, Irz et al. (2015) showed that the ~marginal changes in shadow prices are:

$$
\frac{\partial \tilde{\rho}_i}{\partial r_1} = a_i^1 / \left( \sum_{i=1}^H \sum_{j=1}^H s_{ij} a_i^1 a_j^1 \right) \qquad i = 1, \dots H
$$
 (1).

where  $s_{ij} = \partial h_i / \partial p_j$  denotes the Slutsky coefficient of good *i* relative to price *j*. The corresponding

adjustments in Hicksian demand induced by compliance with the constraint follow:  
\n
$$
\frac{\partial \tilde{h}_k}{\partial r_1} = \left(\sum_{i=1}^H s_{ki} a_i^1\right) / \left(\sum_{i=1}^H \sum_{j=1}^H s_{ij} a_i^1 a_j^1\right) \qquad k = 1, \dots, H
$$
\n(2)

Equations (1) and (2) express the changes in shadow prices and compensated demands as functions of two sets of parameters only: first, the Slutsky coefficients, which describe consumers' preferences and the relative difficulty of substituting foods for one another; and, second, matrix *A*, which gathers the technical coefficients measuring the properties of each food in the environmental and nutritional domain.

Equation (1) shows that the marginal change in shadow price of product *i* with respect to the level of the dietary constraint is the ratio of the content of product *i* in the constrained quantity and a denominator which is common to all products. Then, shadow prices differ from market prices only for products which enter directly the dietary constraint. On the contrary, Equation (2) shows that a change in the dietary constraint has an impact on the entire diet. This is true even for the goods that do not enter the constraints directly, as long as they entertain some relationship of substitutability or complementarity with any of the goods entering the constraints (i.e., as long as for the set of products *i* entering the constraint at least one Slutsky term *ski* is different from zero). Further, the model indicates that the magnitude and sign of any change in demand for any given product is unknown *a-priori* but depends in a complex way on the product's technical coefficients and its substitutability with other products entering the constraints.

Because real-world consumers operate under a budget rather than a utility constraint, we have to evaluate the uncompensated demands. To do so, we first calculate the compensating variation (CV), which measures the loss of utility due to the imposition of the new dietary constraint. The *CV* associated with a variation in the constraint  $r_I$  is:  $CV = -\sum_{i=1}^{H} p_i \partial \tilde{h}_i / \partial r_i < 0$ .  $CV = -\sum_{i=1}^{H} p_i \partial \tilde{h}_i / \partial r_i < 0$ . An approximate solution

to the change in uncompensated (Marshallian) demand  $\Delta x$  induced by a change in the constraint  $\Delta r_1$  is then calculated by adding to the vector of changes of compensated demands  $\frac{1}{2}\Delta r_1, \ldots \frac{\Delta r_h}{2}\Delta r_1, \ldots \frac{\Delta r_H}{2}\Delta r_1$  $\Delta h = (\frac{\partial h_1}{\partial r_1}, \dots \frac{\partial h_h}{\partial r_1}, \dots \frac{\partial h_h}{\partial r_1}, \Delta r_1)$  $\partial r$ ,  $\partial r$ ,  $\partial$  $h = \left(\frac{\partial h_1}{\partial r}, \Delta r, \ldots \frac{\partial h_h}{\partial r}, \Delta r, \ldots \frac{\partial h_H}{\partial r}, \Delta r\right)$  $r = \frac{r_1}{r} \Delta r_1, \ldots \frac{\Delta r_n}{r} \Delta r_1$ , the income effect associated with the removal of the

compensation:  $\Delta x = \Delta h + \tilde{h} \varepsilon^R CV / p \tilde{h}$ , where  $\varepsilon^R$  denotes the vector of income (or expenditure) elasticities, which is empirically estimable.

1  $V_1$   $V_1$ 

*The epidemiological and environmental models -* Changes in food intakes obtained from the behavioural model are then converted into changes in nutrients using food composition tables. Variations in nutrient intakes are finally translated into changes in mortality due to diet-related chronic diseases using the DIETRON epidemiological model of Scarborough et al. (2012). Based on relative risk ratios derived from world-wide meta-analyses, the model converts variations in ten nutritional inputs (fruits, vegetables, fibres, total fat, mono-unsaturated fatty acids, poly-unsaturated fatty acids, saturated fatty acids, trans-fatty acids, cholesterol, salt, energy) to estimate changes in diet-related chronic diseases (heart disease, strokes, and ten types of cancer) and related deaths. The environmental effects are limited to an analysis of climate impact, which is estimated by applying LCA coefficients to each intake category. The LCA coefficients represent the quantity of GHG emitted by the production, transformation and distribution of the different food products.

*Efficiency analysis* – To be welfare increasing, a recommendation should generate benefits that are larger than costs. Formally, promotion of a recommendation generates health benefits (denoted *Bh*) in the form of deaths avoided and reduced environmental externalities (denoted *Be*), which can be calculated by valuing the health and environmental effects estimated by the model. The policy also generates two types of costs: the taste cost, which relates to the loss of short-run utility experience by consumers, and the direct cost of the policy (e.g., information campaign). The first cost is provided by the behavioural model and measured by *−CV*. However, the second cost is unknown. Thus, the behavioural model simply assumes compliance with dietary recommendations without considering the policy measures that would be necessary to implement to bring about compliance. To circumvent that problem, we determine an efficiency threshold, defined as the maximum amount that could be invested by public authorities in order to ensure compliance with a given recommendation (denoted  $C_p$ ). That cost-effectiveness threshold of each recommendation is simply calculated as  $Cp = Be + Bh + CV$ , giving us a means of comparing the relative efficiency of all the selected recommendations.

### **3 Empirical procedure and design of scenarios**

For each country, the calibration of the model requires:

- Defining food product categories and associated technical coefficients: contents in nutrients that are inputs of DIETRON, contents in foods used in the constraints (F&V, red meat, meat, and animal products), and GHG impact derived from LCA analysis.
- Estimating a matrix of elasticities of demand for the different food categories.
- Adjusting the country-specific parameters of DIETRON.

Annex 1 explains our sources of data and approach to the estimation of demand elasticities. After calibrating the model, we then simulate the adoption by consumers of different recommendations. The empirical procedure is described in greater detail in Irz et al. (2015). Before describing the scenarios, we discuss the assumptions related to the valuation of benefits.

**Valuation of benefits** – The starting point of the valuation of the health benefit is the threshold value of a Quality Adjusted Life Year (QALY) that is applied in the UK to investigate the costeffectiveness of medical care. That threshold, discussed in McCabe et al. (2008) and still recommended by the UK National Institute for Clinical Excellence, lies within the £20-30k range, which translates roughly into  $\epsilon$ 24-36k at current exchange rate. Given that epidemiological data show that the average number of Life Years Saved per DA is larger than 10 for most causes of mortality covered by DIETRON, we make the conservative assumption of 10 QALYs per DA, which implies a value of a DA in the  $\epsilon$ 240-360k range. Leaning on the side of caution, we select the lowest value in this range, and the monetized health benefits should therefore be treated as lower bounds. In fact, that valuation of DA is much lower than the values of a statistical life (VSL) typically used in the cost-benefit analysis of public projects, as reviewed by Treich (2015). On the environmental side, there is debate regarding the social cost of GHG emissions (Stratham, 2013). To address this uncertainty, we rely on the meta-analysis of the social cost of carbon developed by Tol (2012). That author, after fitting a distribution of 232 published estimates, derived a median of  $\epsilon$ 32/ton, a value which we adopt due to its rigour and objectivity.

**Design of scenarios** – We analyse the sustainability effects of a number of dietary constraints selected from the literature and public discussions on climate-friendly diets and, to a lesser extent, healthy diets. As mentioned in the introduction, animal products in general and meat from ruminants in particular have been identified as having a disproportionate impact on the climate, that is, in relation to the calories and nutrients that they provide (Wirsenius et al., 2010). Thus, many authors have recommended a reduction in meat consumption (Stehfest et al., 2009), particularly from ruminants, and/or all animal products (Berners-Lee et al., 2012). We therefore test the impact of two recommendations to reduce meat consumption, one for all meat, and the other for meat from ruminant animals only (henceforth referred to as "red meat"), as well as a recommendation to reduce consumption of all animal products, including dairy and eggs. The dietary shift away from animal products towards plant-based products can also be approached by urging individuals to consume more of the latter rather than less of the former, and we therefore include a recommendation to increase consumption of F&V.

For each of the above constraints taken one at a time, there is an expectation of health gains accompanying the climate benefit. High consumption of animal-based products is considered a risk factor for chronic diseases such as type-2 diabetes, some cancers, and cardiovascular diseases (CVD), as reflected in the decision of the World Health Organisation to recommend reductions in consumption of fresh and processed meats (IARC, 2015). Meanwhile, consumption of F&V has been shown in meta-analysis to be negatively associated with risks of CVD (Dauchet et al., 2006; Feng et al., 2006) and all-cause mortality (Wang et al., 2014).

An alternative approach to recommendations targeting specific food groups would rely on the development of carbon labels for foods, as piloted in several countries (Cohen and Vandenbergh, 2012), together with informational measures to persuade consumers to reduce their diet-related climate impact. A constraint on total GHG emissions from the whole diet, measured in terms of  $CO<sub>2</sub>$  equivalent  $(CO<sub>2</sub>e)$ , is therefore introduced in the analysis.

#### **4. Results**

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#### **4.1. Climate, health and economic effects of the recommendations**

Table 1 describes the climate, health and economic effects of adoption by consumers of the five recommendations taken one at a time. Results are provided in quantities and in percent. For quantities, to ease comparison between countries, results are expressed for 10 million adults. We simulate a 5% decrease for all targets except for F&V, in which case a 5% increase is simulated as F&V consumption should be encouraged. We start with the primary variable of interest, that is, the climate impact of the dietary adjustments simulated by the model. As expected, the imposition of the constraints results in reductions in GHG emissions from the diet ranging from 0.2% to 5%, with one notable exception in the case of France, where it is found that reducing consumption of all animal products would actually have a negative climate impact (i.e., raise GHG emissions), although the effect is small  $(+0.9\%)$ . The result is explained by substitutions operating within the category of animal products: while consumption of milk, cheese and eggs would decrease, as expected, some of the decline would be offset by increases in consumption of meat (+0.6% in total), in particular of the most impacting kind (red meat  $+1.4\%$ )<sup>1</sup>. This example demonstrates the importance of the behavioural adjustments captured by the model, and shows the need to consider whole-diet substitutions when analysing the climate effect of dietary recommendations. A rational French consumer seeking to comply with a recommendation to reduce her consumption of animal products at minimum utility cost to herself would in fact raise her consumption of meat from ruminants. For the other two countries, the simulated substitutions are different both qualitatively and quantitatively. For example, in the case of Denmark, the decrease in consumption of animal products causes a reduction in consumption of all types of meat. These country-specific adjustments are explained by the initial composition of the diet and the substitutability and complementarity relationships among foods that differ across countries. As a consequence, a mechanistic and somewhat naïve approach to model the behavioural response to recommendations that would ignore consumer preferences by assuming the same proportional reduction in consumption of all animal products would be inappropriate and produce misleading conclusions about climate impacts.

The climate impact of the different recommendations varies by type of recommendation but also by country<sup>2</sup>. Indeed, the recommendation delivering the largest reduction in GHG emissions is different in the three countries and corresponds to F&V in the case of France (-5.1%), red meat in the case of Finland (-1.4%) and all meat in that of Denmark (-1.5%). One consistent result that

 $1$  The whole set of substitutions is reported in Table A1 in the Annex.

 $2$  The climate effect of the CO2e constraint is an uninformative 5% reduction by construction and we therefore ignore it in this discussion.

holds across countries, however, is that a 5% reduction in consumption of all animal products only has a small (< 1%) effect on GHG emissions, while the two recommendations targeting meat are more effective in that respect.

Table 1 also shows that there is no general result about the effect of broadening the scope of the recommendation targeting meat, from the narrowest focus on red meat to the broader focus on all meat. The broadening of the scope raises the reduction in GHG emissions in France but reduces it in Finland, without much change in Denmark. This result highlights the trade-off involved in the broadening of the scope of a recommendation: on one hand, a 5% reduction in consumption of all meat is larger, in terms of physical quantity, than a 5% reduction in consumption of red meat and thus has a greater potential to deliver climate benefits. On the other hand, a narrower focus on red meat ensures better targeting of the reduction towards the most impacting foods. Table 1 shows that this trade-off plays differently in different countries, depending mainly on consumer preferences.

The health effects of the dietary recommendations are expressed as the number of DA due to the reduced incidence of diet-related chronic diseases. In a majority of cases (10/15), climate-friendly diet recommendations also deliver health benefits, ranging from a few deaths avoided to almost 800 for 10 million people (F&V in France), hence confirming the synergies often mentioned in the literature on sustainable diets (e.g., Macdiarmid et al., 2012). However, in all three countries, and in five simulations out of 15, we also find that compliance with the recommendation may worsen the dietary health of the population. Only the recommendation targeting consumption of F&V would reduce diet-related deaths in all three countries, but the magnitude of the effect varies from less than 1% of all diet-related deaths for Denmark to 4.4% in the case of France. According to the simulations, reducing GHG emissions by 5% would not produce health gains in Denmark but the positive effects on public health in France and Finland would be substantial. Altogether, this analysis reveals that while synergies between the goals of reducing climate impact and improving health by modifying the diet are common, they do not operate systematically and automatically.

Our analysis also measures the difficulty for consumers of complying with each recommendation, as the change in diet has implications in terms of taste, convenience, and other properties impacting consumers' well-being in the short term. The taste cost measuring the short-term loss in hedonic rewards represents in each case less than one percent of the food budget and thus appears relatively small, which is as expected given the limited magnitude of the required changes.<sup>3</sup> However, although the taste cost is small in relative terms, in absolute value it might be substantial. For example, in the case of France and the F&V constraint, the taste cost is as high as 145 million euros annually for 10 million people, which represents a large sum likely to play an important role when examining whether that recommendation may be cost-beneficial. Those substantial costs are typically ignored when assessing the social desirability of measures aimed at promoting healthy eating (e.g., Rajgopal et al., 2002) and climate-friendly diets.

For each country, the ranking of taste costs across recommendations gives an indication of the relative difficulty of adjusting diets to comply with those recommendations. Here again, the results vary across countries: in France, the F&V recommendation is the most difficult for consumers to comply with, although the CO2e recommendation also generates a large taste cost. In Finland and Denmark, it is much harder for consumers to reduce the CO2e from their diet by 5% than to comply

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 $3$  We note that the Finnish model produces a small but negative taste cost in the case of the red meat constraint, which is anomalous and inconsistent with the theory. This problem relates to the approximation that is made when switching from the Hicksian constrained model to the Marhsallian solution, as explained in the methodology section.

with any of the other recommendations. Beyond the ultimate objective of selecting cost-beneficial climate-friendly diet recommendations with health benefits, the model therefore delivers some practical insights, for instance that it should be much easier to encourage F&V consumption in Finland and Denmark than in France.

In all three countries the taste cost of reducing the climate impact of food directly through a recommendation on total CO2e is larger than that of reducing consumption of meat or animal products. Reducing red meat consumption generates much lower taste costs than reducing all meat consumption, which comes from the fact that cross-category substitutions are more challenging for consumers to achieve than within-category substitutions.

#### **4.2. Cost-benefit analysis**

Keeping in mind the objective of identifying win-win cost-beneficial policies, the analysis so far allows us to exclude five recommendations as not delivering either climate benefits (animal products in France) or health benefits (all meat in Finland and Denmark, red meat and CO2e in Denmark). To go further in the selection of recommendations, Table 2 pieces together economic, health and environmental effects to calculate the efficiency thresholds for the 10 remaining scenarios (i.e., crossings of country and recommendation). As explained in the methodology section, that threshold represents the maximum amount that could be used by public authorities to promote a recommendation while ensuring that total benefits exceed total costs, assuming that the 5% target for the constrained quantity is attained.

In the case of France, the efficiency thresholds  $C_p$  are positive and large for all four constraints, but an increase in consumption of F&V, as well as a direct recommendation to reduce the CO2e from the diet should be prioritised over reductions in meat consumption (all meat, red meat). We note, however, that the thresholds are in all cases large, amounting to more than a quarter of billion euros for the F&V constraint, and still worth  $\epsilon$ 30 million annually for the "all meat" constraint. Those sums typically exceed the cost of public information campaigns aimed at inducing consumers to change their diets. For instance, Capacci and Mazzocchi (2011) report that the ambitious "5-a-day" UK campaign to encourage consumption of F&V, which was partially successful since it raised consumption by 8%, had a total budget of less than £3 million (roughly  $\epsilon$ 4 million). On that basis, our results support the idea that more resources should be allocated to the promotion of sustainable diets in France by informational measures.

In the case of Finland, one efficiency threshold corresponding to the recommendation to reduce the carbon footprint of the diet directly is negative  $(-E23 \text{ million})$ . The result is explained by the large taste cost imposed on consumers. Thus, in spite of the fact that the recommendation would improve public health and reduce GHG emissions, those benefits are too small to justify the costs that the recommendation would also impose on consumers and taxpayers. For the remaining three recommendations, the efficiency thresholds are much more modest than in the case of France. Cross-country differences in the magnitude of the thresholds are worthy to be mentioned. For instance, it turns out that promoting consumption of F&V and a reduction in consumption of red meat would be even more cost-efficient in Finland than in France, when assessed for the same number of consumers.

For Denmark, three of the five recommendations are excluded as generating no improvement in health. The efficiency thresholds for the two remaining recommendations (F&V and animal products) are large, hence suggesting that both measures would also be cost-beneficial.

Altogether, few results apply across all three countries, which points to the need of considering local conditions, in terms of preferences and prevailing dietary patterns, when choosing recommendations to be promoted. In particular, we find that for four of the five recommendations, the recommendation appears cost-beneficial in some country but not in others. The one exception corresponds to F&V, for which encouraging consumption would be cost-beneficial in all three countries according to our simulation.

## **4 Conclusion**

This paper applied a novel approach to the ex-ante analysis of the sustainability effects of climatefriendly diet recommendations in French, Finnish, and Danish contexts. The analysis is motivated by the fact that for information campaigns to be effective, they must convey a simple message, but the simplicity of the message opens the door to unintended effects, as consumers naturally substitute foods for one another in complex and poorly understood ways. As our approach relies on a representation of consumer preferences estimated from actual food purchase data, we claim that it gives a realistic account of substitutions among foods. It also offers a monetary measure of the difficulty for consumers of complying with dietary recommendations, which makes it possible to develop an efficiency analysis of relative recommendations.

In terms of climate and health effects, the analysis reveals that synergies tend to prevail but that trade-offs are not uncommon and that unexpected outcomes indeed happen due to within-group substitutions. To illustrate, we find that telling consumers to decrease their consumption of animal products in France would likely raise GHG emissions, while a message to reduce meat consumption in Finland and Denmark would likely increase the burden of diet-related chronic diseases. Thus, in spite of their appeal, slogans of the type "Healthy for you, healthy for the planet" (Ornish, 2012) should be taken with caution when devising climate-friendly policies. In fact, the results suggest that a careful empirical investigation taking into account a country's dietary patterns and food preferences is a necessary preliminary step to establish which dietary recommendation should be promoted.

The results also deliver positive conclusions, in the sense that in all three countries, it is possible to find simple messages (e.g., "eat less red meat" in France) that deliver climate benefits, improve public health, and whose promotion is likely to be highly cost-beneficial, thus resulting in an unambiguous rise in social welfare. In all three countries, we note that promotion of F&V consumption fits that description, and that that policy is only outperformed by the promotion of one other recommendation ("animal products") in the case of Denmark. However, given the variability of consumers' preferences and current dietary patterns, the ranking of the other recommendations differs significantly across countries. This means that, even if some general goal can be determined at the European level, the prioritization of food-based recommendations to promote to pursue that goal would have to be conducted at the national level.

Nonetheless, a good starting point for the promotion of sustainable diets with climate benefit lies with campaigns of the "five-a-day" type. In the analysis, we assume that consumers will adopt the recommendation, that is public campaigns would be sufficiently efficient in convincing people to

adopt. All but one recommendation are food based and in that sense they are easy to define (as exemplified by "five-a-day" type campaigns). The recommendation on carbon foot print is much difficult to implement as the total footprint is the combination of the carbon footprint of every product which is not perfectly known by the consumers. To tell it differently, our results related to the CO2 recommendation rely on stronger assumptions with respect to information consumers have.

The conclusion that large amounts of public resources should be allocated to social marketing campaigns to promote sustainable diets contrasts with the prevailing pessimism regarding the ability of information to change dietary behaviours. Already two decades ago and with reference to healthy eating, Nestle and al. (1998) were writing that "evidence suggests that providing information about risk does not have much effect on food behavior", a point reinforced more recently by Traill (2012). We suggest that those conclusions are overly negative and that two elements should be taken into account when informing policy making: first, that even though some policies may result in limited dietary adjustments at population level, small changes in consumption are often sufficient to ensure cost-efficiency and it would therefore be desirable to revise expectations about the short-term effects of media campaigns. Second, measures to inform consumers about sustainable diets tend to be few and far between, even if considering the traditional area of nutritional health. This contrasts with the continuous marketing efforts of private food companies to promote their brands and magnitude of the related advertising budgets (Matthews, 2007). Seen from that angle, the suggestion that investing millions of euros annually to promote climate-friendly diets would represent an efficient use of public resources does not seem unreasonable.

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	<b>F&amp;V</b>	<b>Red meat</b>	All meat	All animal	CO <sub>2e</sub>
				products	
	$+5%$	$-5\%$	$-5\%$	$-5\%$	$-5\%$
CO <sub>2</sub> equivalent					
Denmark (kt)	$-137$	$-281$	$-304$	$-60$	$-995$
Finland (kt)	$-49$	$-236$	$-131$	$-28$	$-828$
France (kt)	$-983$	$-265$	$-395$	179	$-958$
Denmark (%)	$-0.7%$	$-1.4%$	$-1.5%$	$-0.3%$	$-5.0%$
Finland (%)	$-0.3%$	$-1.4\%$	$-0.8%$	$-0.2\%$	$-5.0%$
France (%)	$-5.1%$	$-1.4\%$	$-2.1%$	$0.9\%$	$-5.0%$
<b>DA for DIETRON diseases</b>					
Denmark (total)	338	$-125$	$-175$	458	$-248$
Finland (total)	472	54	$-17$	71	357
France (total)	778	68	65	$-210$	266
Denmark (%)	0.7%	$-0.2%$	$-0.4%$	0.9%	$-0.5%$
Finland (%)	2.2%	0.3%	$-0.1%$	0.3%	1.7%
France $(\% )$	4.4 %	0.4%	0.4%	$-1.2%$	1.5 %
<b>Taste cost</b>					
Denmark ( $\epsilon$ million)	24	19	60	9	115
Finland ( $\epsilon$ million)	12	$-10$	34	$\overline{7}$	181
France ( $\epsilon$ million)	145	3	20	19	48
Denmark (% food budget)	0.1%	0.05%	0.1%	0.02%	0.3%
Finland (% food budget)	0.03%	$-0.02%$	0.1%	0.02%	0.4%
France (% food budget)	0.7%	0.01%	0.1%	0.1%	0.2%

**Table 1:** Effect of recommendations on short-term greenhouse gas emissions, health and short-term consumer welfare

**Note:** For absolute quantities, the results are expressed for 10 million adults in the 25-74 age range. For that age range, the populations of Denmark, Finland and France are 3.49 million, 3.42 million and 37.10 million respectively.

	$F&V+5%$	Red meat -5%	All meat -5%	All animal products -5%	$CO2e - 5%$
<b>DENMARK</b>					
Benefits ( $\epsilon$ million)	85	Trade-off	Trade-off	112	Trade-off
Cost ( $\epsilon$ million)	24	19	60	9	115
$Cp$ ( $\epsilon$ million)	61			103	
	(21)			(36)	$\qquad \qquad \blacksquare$
Ranking	$\overline{c}$			1	
<b>FINLAND</b>					
Benefits ( $\epsilon$ million)	115	21	Trade-off	18	112
Cost ( $\epsilon$ million)	12	$-10$	34	7	181
$Cp$ ( $\epsilon$ million)	103	31		11	-69
	(35)	(10)		(4)	$(-23)$
Ranking	1	$\overline{c}$		3	4
<b>FRANCE</b>					
Benefits ( $\epsilon$ million)	218	25	28	Loss-Loss	94
Cost ( $\epsilon$ million)	145	3	20	19	48
$Cp$ ( $\epsilon$ million)	73	22.	8		46
	(272)	(81)	(30)		(171)
Ranking	1	3	4	5	$\overline{2}$

**Table 2:** Efficiency analysis.

**Note:** All values are expressed for 10 million adults in the 25-74 age range. However, the figures in parentheses give the efficiency thresholds without adjusting for differences in population size.

#### **ANNEX 1 – Detail of model calibration**

1

**France** – The model's calibration is explained in Irz et al. (2015) so that we only give a brief overview here. Food consumption data originates from a representative panel of French households (KANTAR Worldpanel), which was used previously to estimate a matrix of price and expenditure elasticities of demand for food by Allais et al. (2010). We have used those behavioural parameters and related product aggregation scheme as reported in the supplementary material of that article. The intake and food composition data comes from the French dietary intake survey INCA2.<sup>4</sup> The parameters of DIETRON are not country specific, so that adapting the DIETRON model to France only requires calibration of the initial mortality levels, by relevant causes. This is achieved by using the INSERM data on mortality in France attributable to major diet-related diseases.

**Finland** – The consumption data originates from the year 2012 Household Budget Survey (HBS), which used diary records of all food purchases destined for at-home consumption in a nationally representative sample of Finnish consumers (n=3495). This data supported the estimation of an approximate Exact Affine Stone Index (EASI) demand system (Lewbel and Pendakur, 2009), which presents several advantages over more common functional forms (e.g., AIDS). The product aggregation scheme was defined so as to allow both a nutritional assessment and an assessment in terms of climate change impact. The elasticities, average intakes and other technical coefficients for those aggregates were drawn from Irz (2017). The mortality data, which are necessary to calibrate DIETRON, are publicly available from the website of the Finnish Statistical Institute.

**Denmark** – The consumption data originates from the National Dietary Survey 2011-2013 (Pedersen et al., 2015), which is a representative sample based on 3,307 individuals' 7-day records of their intakes. The dietary intake data were disaggregated into more detailed commodity groups by means of household budget survey from Statistics Denmark and household purchase data from GfK Consumerscan Scandinavia panel (http://www2.gfkonline.dk/). An Exact Affine Stone Index (EASI) demand system was estimated on the basis of monthly data from the GfK panel dataset for the years 2006-2014, in order to obtain estimates of conditional price and budget elasticities for the same 20 commodity categories as for Finland.

For the three countries, the LCA coefficients derive from a systematic review of the grey and academic literature, as explained in detail in Hartikainen and Pulkkinen (2016). We also limit the study to individuals between the age of 25 and 74 and therefore focus on the effects of dietary changes on premature deaths (i.e., occurring before the age of 75).

Finally, simulations of health effects requires that changes in food consumption at household level, as described by the behavioural model, be translated into changes in individual intakes. This is accomplished under the assumption that (i) the percentage changes in intakes are the same for all the members of a given household, and (ii) the percentage changes are the same for at-home and out-of-home consumption.

<sup>&</sup>lt;sup>4</sup> Available at [https://www.data.gouv.fr/fr/datasets/donnees-de-consommations-et-habitudesalimentaires-de-letude](https://www.data.gouv.fr/fr/datasets/donnees-de-consommations-et-habitudesalimentaires-de-letude-inca-2-3/)[inca-2-3/](https://www.data.gouv.fr/fr/datasets/donnees-de-consommations-et-habitudesalimentaires-de-letude-inca-2-3/)

## **Annex 2 – Substitution patterns**



**Table A1:** Impact of each recommendation on consumption.