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Making Prepared Foods Healthier & More Sustainable

The Case for Regulating Ready-made Meals in the EU

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Executive Summary & Key Findings

Europeans' dietary habits adversely affect both their health and the health of the planet. They overconsume salt, sugar, fat, animal proteins (beef, pork, eggs, dairy, and poultry in particular) and calories; and under-consume vegetables, fruits, whole grains and legumes.

Nearly one million annual deaths are attributable to unhealthy diets in the European Union (EU).[1] The global food and agriculture system is also responsible for 87% of deforestation worldwide, and nearly a third of greenhouse gas emissions.

An important part of this problem is ready-made meals, which make up a large and increasing part of what Europeans eat. Ready-made meals currently represent more than a sixth of all calories consumed in the EU; they also contain disproportionately large amounts of salt, sugars, fats, animal proteins and calories.

Regulating this fast-growing and particularly unhealthy segment of the food industry could have huge public health and environmental benefits. This food segment is particularly pertinent from a regulatory perspective because it is controlled by a small number of large actors (supermarkets, food service companies and restaurant chains). This relatively small number of non-SME (Small & Medium Enterprises) food retailers shape food environments,[2] conditioning the choices of consumers by determining which foods are most available and accessible, as well as the nutritional composition of those prepared meals.

A group of consumers, health and environmental organisations commissioned the system change company Systemiq to assess the impacts of a potential new EU policy that would require large (non-SME) companies to align the content of ready-made meals they sell in the EU with health and sustainability standards. The impacts have been assessed using a combination of guidelines from the World Health Organisation (WHO) and the EAT-Lancet Commission on Food, Planet & Health.

[1] https://knowledge4policy.ec.europa.eu/health-promotion-knowledge-gateway/eu-burden-non-communicable-diseases-key-risk-factors_en#:~:text=visualisation%3A%20Mortality%20chart-,Diets,are%20detailed%20in%20Table%203

[2] Food environments can be defined as the "physical, economic, political and socio-cultural context in which consumers engage with the food system to make their decisions about acquiring, preparing and consuming food" (HLPE (2017) Nutrition and food systems. A report by the High-Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security, Rome)

This study found the following:

- **Ready-made meals make up about 17% of calories**[3] currently consumed in the EU. **This is growing at a rapid rate**: over the past 15 years, people in Italy, Germany and Spain have been eating between 40% and 60% more ready meals. Today, consumption of ready-to-eat meals in France and Spain are nearing levels seen in the US and the United Kingdom (UK) in 2008 – countries with high consumption of prepared foods. Thus, regulating now avoids future problems as the category grows in the next five years.

- Ready-made meals are an **outsized contributor to the health and environmental problems** caused by European diets: they contain three times more salt than recommended by WHO Guidelines, twice as much meat as the average European diet, and more than four times as much red meat as recommended by Eat-Lancet.

- Ready-made meals are **mostly sold by large companies**: in the retail sector, non-SME companies sell 78% of ready-made meals, and in the food service sector they sell nearly half (48%).

- Requiring large ready-made meal distributors in the EU to comply with health and/or sustainability standards would have the following impacts:

    - **It could help reduce the main diet-linked diseases** in the EU, such as cancer, cardiovascular disease (including heart disease and stroke), liver disease and diabetes.

    - It could **save EU consumers €2.8 billion every year in cheaper and healthier food due to reduced costs for ingredients** used in ready-made meals.

    - It could **reduce the EU's greenhouse gas emissions by around 40 to 48 million tonnes of carbon dioxide equivalent** (CO_2e), equivalent to taking up to 38 million new cars off the road every year.

[3] Calories are calculated on average adult male consumption; therefore, this number likely understates the consumption levels of females and children.

Placing such regulatory requirements on companies would be consistent with existing EU laws that regulate middle-chain actors.[4] It would also be consistent with the wishes of a large majority of Europeans: according to a 2023 opinion poll, 75% of Europeans think that large manufacturers should bear the responsibility to ensure the food they sell is sustainably produced.[5]

Finally, it would be consistent with the guidance of the European Commission's Scientific Advice Mechanism, who have recommended that the EU mandate food product reformulation to increase availability of healthy and sustainable food, with a particular focus on pre-prepared dishes and processed food.[6] The Scientific Advice Mechanism also urged a focus on food operators in the middle of the supply chain, as they hold much more power than other actors, and thus have a significant influence over consumers' food choices.

The Spanish Consumers and Users' Federation (Federacion de Consumidores y Usuarios – CECU), European Public Health Alliance (EPHA), Fern, the German Alliance on Climate Change and Health (KLUG), Italian Consumer Defense Association (Associazione Italiana Difesa Consumatori), Madre Brava, Physicians' Association for Nutrition, Portuguese Association for Consumer Protection (DECO), BirdLife Europe & Asia and the European Environmental Bureau (EEB) call on the EU to require large food retailers and foodservice companies to comply with minimum sustainability and health requirements for the ready-made meals they sell in the EU. Ultimately, this policy measure will help make healthier, more sustainable foods the easiest and cheapest option for consumers.

[4] Such as the Corporate Sustainability Due Diligence Directive, the Unfair Trading Practices Directive, the Public Procurement Directive, and the Green Claims Directive.

[5] https://www.wwf.eu/?10507466/Cost-of-food-the-biggest-concern-for-Europeans-new-poll

[6] https://op.europa.eu/en/web/eu-law-and-publications/publication-detail/-/publication/9f582c41-1565-11ee-806b-01aa75ed71a1

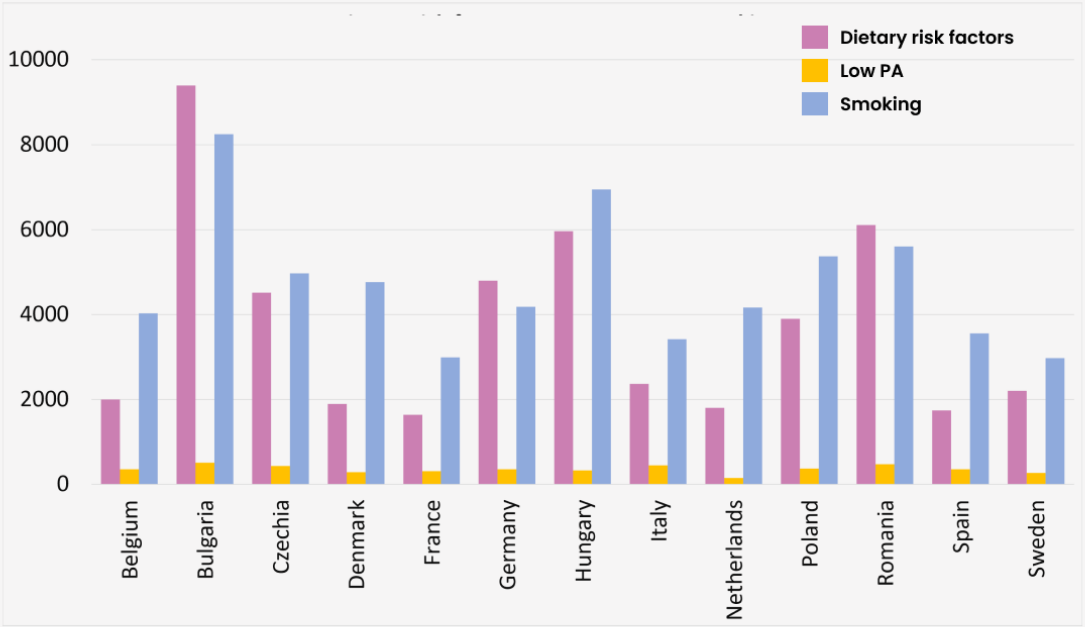
Europe's food system is rotten: unhealthy for people and for the planet

Unhealthy diets are shortening life expectancy and increasing health costs

Unhealthy diets are responsible for a significant proportion of health problems in Europe.

In the present era, most people in the EU (61%, in 2019) die from cancer or cardiovascular diseases.[7] Both types of disease are heavily influenced by behavioural risk factors, and unhealthy diets are the second most important type of behavioural risk, after smoking: in the EU, unhealthy diets contribute more to the overall loss of disability-adjusted life years (DALYs) than alcohol, and surpass smoking as the top cause of health decline in many Member States.

Estimated DALYs per 100 000 population attributable to dietary risks, low physical activity (PA), and tobacco use for selected EU countries in 2019



Source: Global Burden of Disease 2019 Study

[7] https://www.oecd-ilibrary.org/sites/a72a34af-en/index.html?itemId=/content/component/a72a34af-en

Most dietary disease drivers are linked to overconsumption, particularly of salt, sugar, saturated fats (found mainly in animal products, but also in palm and coconut oil), and calories in general. Overconsumption of these products is an important contributor to high blood pressure, obesity (high Body Mass Index (BMI)), high blood sugar, and high cholesterol. These in turn drive health issues including cancer, diabetes, cardiovascular problems, and liver and gall bladder disease.

Alongside this, people are under-consuming other types of food, which is driving health problems of its own. Underconsumption of wholegrains, fruits, legumes and vegetables is driving cardiovascular diseases, cancer, diabetes and kidney disease.[8]

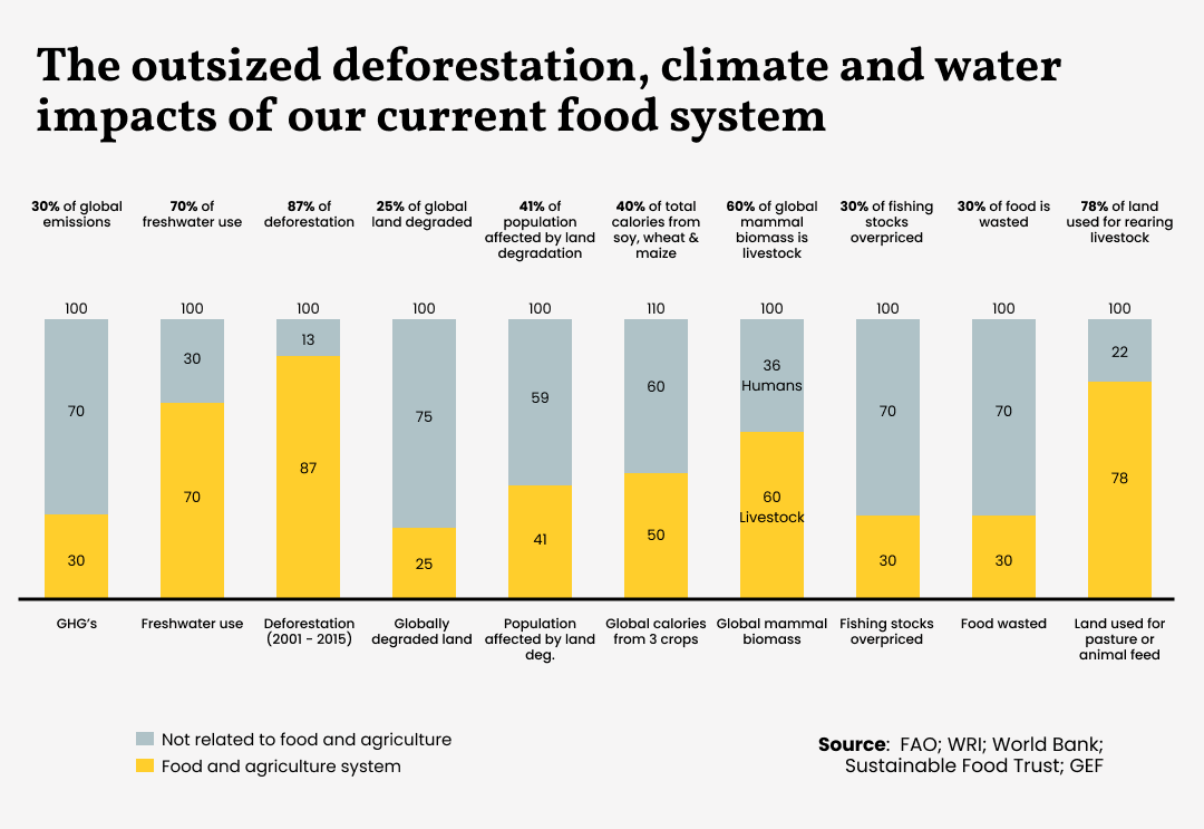
These health problems have a huge cost to healthcare systems, especially as many of the conditions are long-term or chronic. With the population in most Member States aging at a rapid rate, healthcare system costs are already set to increase, and poor diets are making the burden even heavier.

Reducing salt intake to the WHO-recommended level of less than five grammes per day, for example, could prevent 1.7 million deaths each year globally.

Food systems are responsible for nearly a third of greenhouse gas emissions

Our current food system also has outsized environmental impacts. Food and agriculture systems are responsible for 87% of deforestation worldwide, 70% of freshwater use, and nearly one third of greenhouse gas emissions.

[8] Institute for Health Metrics and Evaluation, Global Burden of Disease Study (2019), see in particular: https://www.thelancet.com/gbd/summaries



Environmental damage has health impacts of its own. Failure to mitigate global heating is forecast to cause upwards of quarter of a million deaths per year around the world through extreme weather events, insect borne diseases and more.[9] Deforestation and habitat loss are predicted to increase animal-to-human disease transmission, thereby increasing the incidence of pandemics. Water pollution from animal farming is causing local health impacts like contamination of water bodies and groundwater, waterborne diseases, and contamination of crops and food products. Industrial animal farming is also associated with overuse of antibiotics, leading to antimicrobial resistance, which prolongs illnesses and increases healthcare costs and mortality rates.

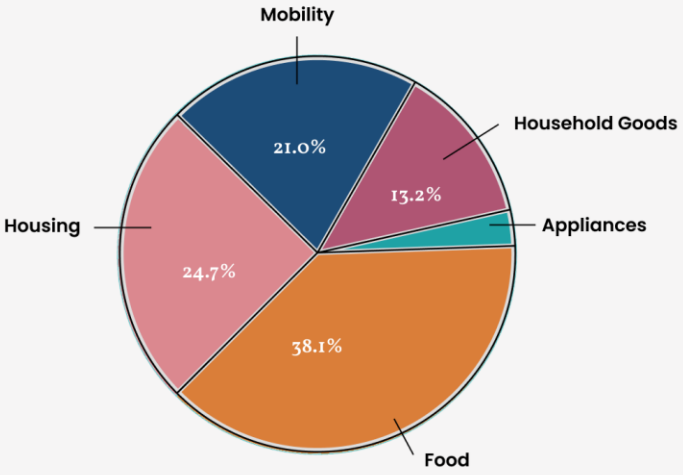
Within food systems, animal farming is responsible for the biggest impacts on the planet. Food represents 38% of greenhouse gas emissions caused by EU consumption, of which animal-based products account for 70%.[10]

[9] Intergovernmental Panel on Climate Change 8th Assessment Report, https://www.ipcc.ch/report/ar6/wg2/downloads/outreach/IPCC_AR6_WGII_FactSheet_Health.pdf

[10] https://eplca.jrc.ec.europa.eu/ConsumptionFootprintPlatform.html

Food is the top driver of climate change linked to EU consumption

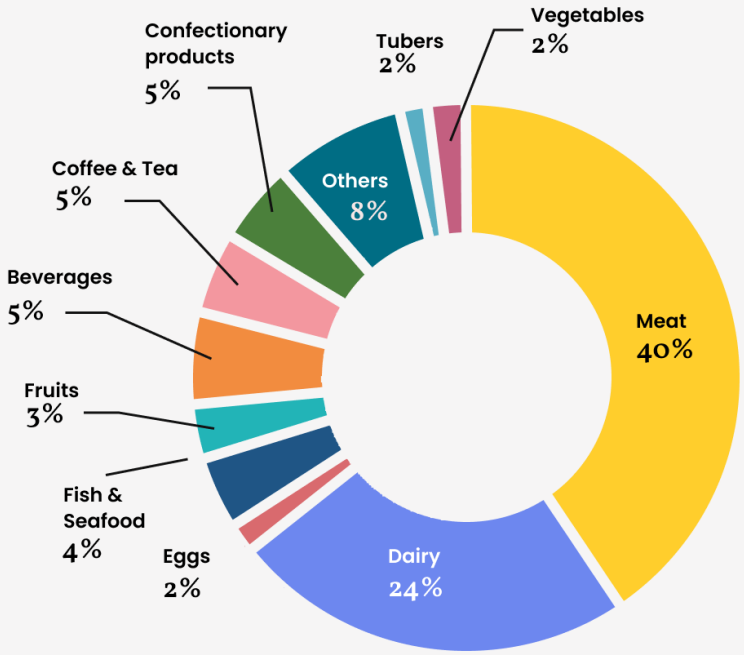
Contribution of areas of consumption
EU 27 -2021 -climate change



Source: Joint Research Center's EU Consumption Platform

Animal-based products account for 70% of the greenhouse gas emissions driven by EU food consumption

Climate change impact of representative food products



Source: Joint Research Center's EU Consumption Platform (2021)

Meat (both soy animal feed and imported beef) is the main driver of global deforestation directly linked to European consumption. Moreover, in the context of global grain shortage, meat drives food inflation and food insecurity as two-thirds of all cereals in the EU are used for animal feed. In fact, animal agriculture is the largest user of land in the EU – 71% of all farmland in the EU is dedicated to produce meat and dairy for domestic consumption and exports to the rest of the world. One of the main culprits of the oversized role of animal farming in global emissions is methane, a powerful greenhouse gas with 80 times the heating effect of carbon dioxide over a 20-year time frame.

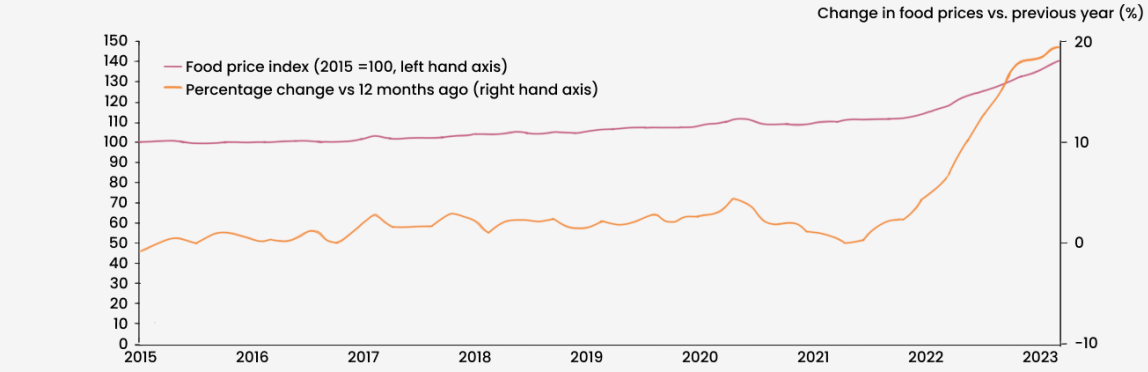
According to the Intergovernmental Panel on Climate Change (IPCC), methane has caused 30% of the observed global warming since the Industrial Revolution. In the EU, more than half (53%) of anthropogenic methane emissions come from agriculture, mostly from cow belches and hog manure - producing more methane emissions than oil, gas, coal and bioenergy combined.

Food prices have increased significantly in recent years

Food systems are also not able to provide reliably affordable food for consumers. Prices have skyrocketed in recent years, with EU consumers in 2023 paying 20% more for food than they did in 2021. The impacts on global food supply chains caused by the war in Ukraine and COVID-pandemic have revealed the fragility of our food system.

Food prices are on the rise in the EU – 20% increase between 2021 and 2023

Harmonized index of consumer food prices in the EU 27 (Index. 2015=100)



	2015	2016	2017	2018	2019	2020	2021	2022-2023
Share of household budget spent on food (%)	13.2%	13.1%	13.1%	13.1%	13.1%	14.8%	14.3%	*2022-2023 data not available*

Source: EUROSTAT, SYSTEMIQ analysis

The need to regulate food environments

A shift in diets – and the food system – is needed.

However, we should think carefully about who should shoulder the burden for this shift.

Previous policy efforts have often focused on the consumer. Proposals range from placing nutrition or environmental labels on food, to taxing environmentally-harmful ingredients like meat or sugar, to charging the "true climate cost" of products—all of which aim to "nudge" the consumer to make the right choice.

The issue with such approaches, which are based on a narrative of consumer responsibility, is that they are both unfair and ineffective. As has been well-known in social sciences for decades, humans do not make decisions based on the best available information, being influenced instead by a great number of psychological, cultural, economic and political factors that combine to determine consumption choices. It is therefore simply not enough to give more and more information to consumers. Moreover, consumers have limited power to change whole consumption trends in their individual capacity, unlike very large corporations in the middle of the value chain who make high profits and have the power to shape food environments, but are insufficiently regulated.

The EU is already looking at how to shift towards sustainable food systems and increase the uptake of healthy diets. One relatively simple way would be to create policies that push large companies in the middle of the food value chain to drive sustainability improvements downstream. Rather than placing responsibility on individual consumers, policies should emphasise the need for the upstream food system to offer healthier and more sustainable choices. The end goal is to make healthy, sustainable foods the easiest and cheapest option for consumers.

Ready-made meals: a sector causing growing health and environmental problems

The area in which large companies have the most direct influence over what people eat is the ready-made meals sector, as retailers and food service companies have full discretion over the ingredients used in the making of ready-made meals.

The European Food Safety Authority (EFSA) defines ready-to-eat food as food intended by the producer for direct consumption without the need for cooking or other processing. The food may need to be re-heated before eating.

In practical terms, ready-made meals are sold by two types of companies: retail and food service.

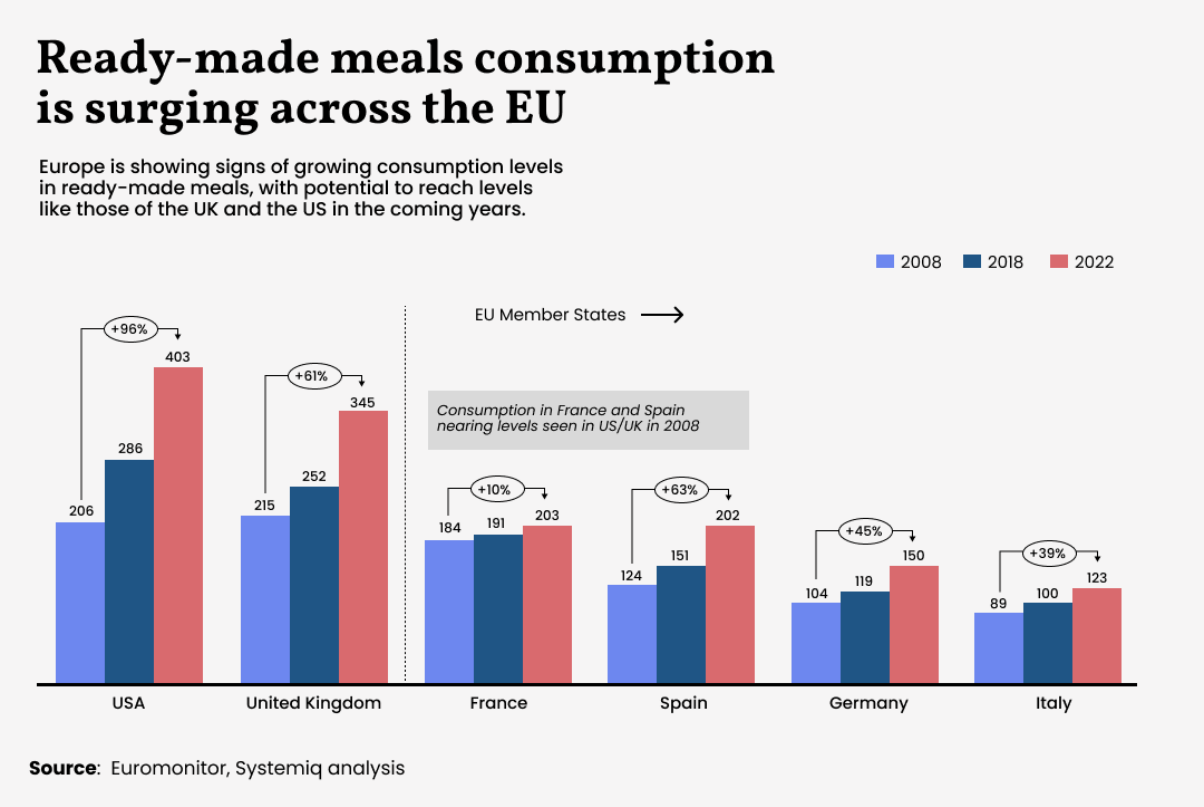
The retail sector consists of supermarkets, selling ready-to-eat meals like microwave dinners, pizza, pasta dishes, sandwiches, soups or prepared salads.

The food service sector consists firstly of chain restaurants, including companies like McDonald's, Starbucks or Pizza Hut. It also includes contract catering companies like Sodexo or Compass, who provide canteen food to public institutions like schools and hospitals, as well as to private workplaces or large events.

Ready-made meals make up more and more of what we eat

In 2023 ready-made meals made up about 17% of calories consumed in the EU.[11]

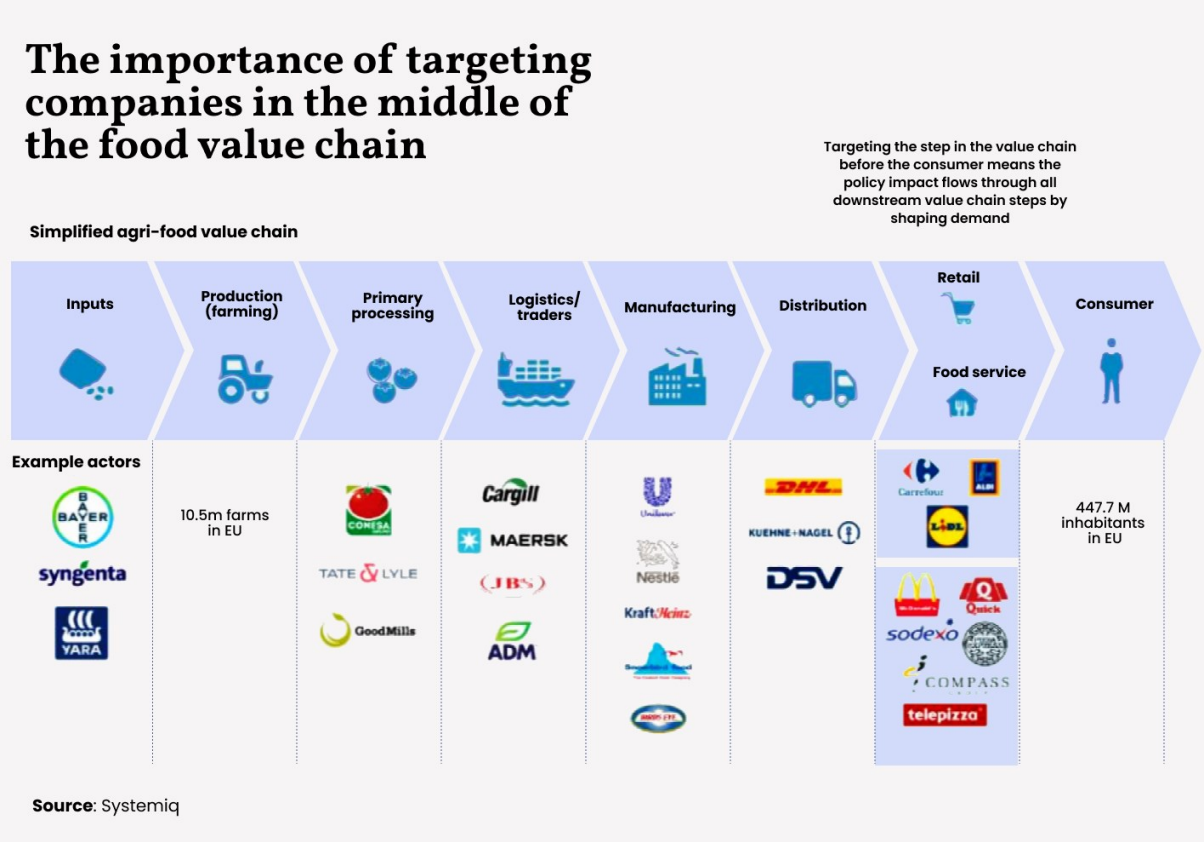
The market share of ready-made meals has increased significantly, and the trend is likely to continue in the future. In Spain, the consumption of ready-made meals is increasing at a faster rate than in the UK, and in France and Spain consumption is nearing levels seen in the US and UK in 2008.



[11] This calculation is based on calorie consumption indications for an adult male; therefore the figure underrepresents the consumption of ready-made meals by women and children.

Ready-made meals are mostly produced by large companies

In the EU, ready-made meals are mostly sold by large companies, defined as companies that are not SMEs.[12] In the retail sector, non-SME companies sell 78% of ready-made meals. In food service (restaurants and catering), non-SME companies sell nearly half – 48%.



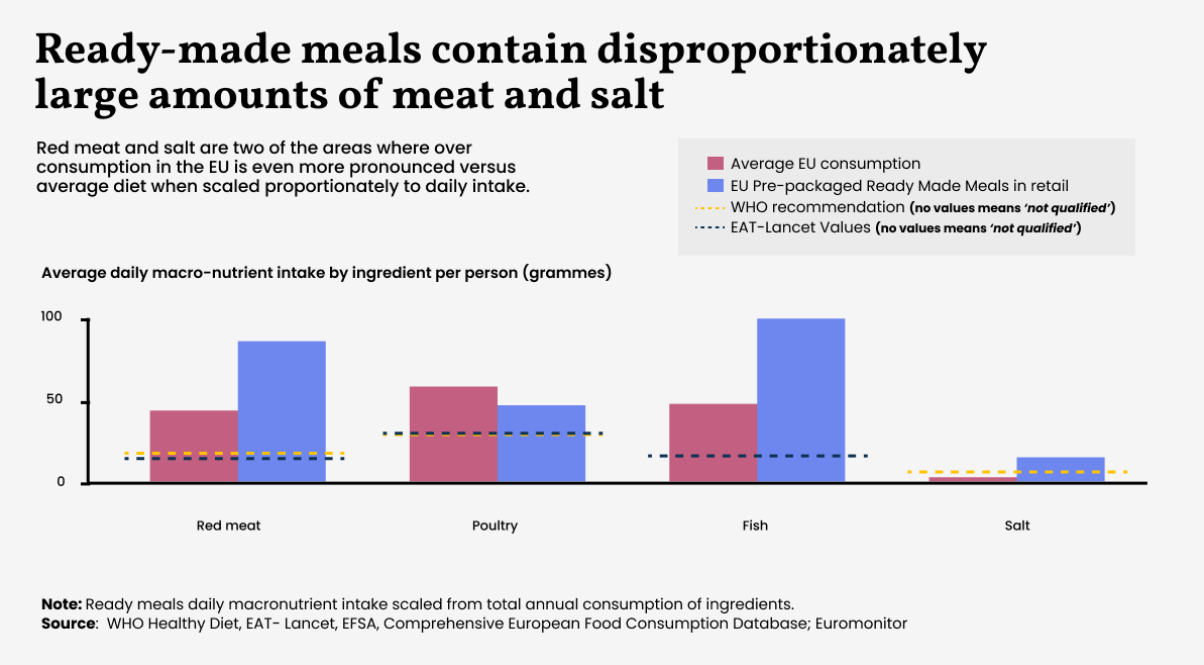
Ready-made meals are particularly unhealthy and unsustainable

Ready-made meals are an outsized contributor to the negative impacts of food systems on health and the environment.

For example, ready-made meals sold in retail contain more than twice as much meat as the average EU diet, and they contain more than four times the amount of red meat as recommended for healthy consumption by EAT-Lancet (three times as much red meat as recommended by the Eastern Mediterranean Office of the WHO). In food service ready-made meals, the meat content is even higher.

[12] SMEs are defined by the EU as companies with revenues of less than €50 million per year and a staff headcount of up to 250.

A similar effect can be seen for salt, the overconsumption of which is an important driver of diet-linked health issues: ready-made meals contain more than three times as much salt as is recommended by the WHO.



Assessing the impacts of an EU regulation on ready-made meals

Ready-made meals make up a significant and growing proportion of what people eat in the EU. They are mainly sold by large companies, which have sufficient means to absorb regulatory requirements and have considerable responsibility in shaping food environments and dietary habits. Ready-made meals are also disproportionately responsible for the negative health and environmental impacts of EU diets, and potentially even more so for people on a lower-income: although data is not available for the EU, in the US people on a lower-income consume more (and unhealthier) ready-made meals than those with higher incomes.[13]

Placing minimum health and sustainability requirements on large companies selling ready-made meals would have huge environmental and social benefits.

For this reason, Fern and Madre Brava commissioned Systemiq to assess the impact of a potential policy that would require large (non-SME) companies to align the annual content of ready-made meals they sell in the EU with health and sustainability guidelines. Such guidelines still have to be elaborated at the EU level, but for the purposes of this study Systemiq assessed the impacts of requiring non-SME companies to comply with two sets of guidelines: the WHO "Healthy diet for adults" as interpreted by more detailed ingredient breakdowns provided by WHO region guidelines; and the "Planetary Health Diet" of the EAT-Lancet Commission on Food, Planet & Health.[14]

[13] https://www.ers.usda.gov/amber-waves/2018/june/higher-incomes-and-greater-time-constraints-lead-to-purchasing-more-convenience-foods/

[14] The Planetary Health Diet was developed by the EAT-Lancet Commission on Food, Planet & Health, which conducted a scientific review of what constitutes a healthy diet from a sustainable food system. The EAT-Lancet Planetary Health Diet recommends the average adult consume at least 125 grammes of dry beans, lentils, peas and other nuts or legumes per day. It also recommends that adults consume no more than 98 grammes of red meat (pork, beef or lamb), 203 grammes of poultry and 196 grammes of fish per week.

Box 1. Dietary recommendations from the WHO and EAT-Lancet

The “WHO Healthy Diet for Adults” is a set of general global dietary principles aimed at protecting against malnutrition and non-communicable diseases (NCDs). Regional bodies of the WHO translated the Healthy Diet for Adults into more tailored ingredient recommendations, which were very useful in conducting the study, as they allowed for more accuracy. This study used the ingredient breakdowns provided by the WHO Eastern Mediterranean office, which state that fruits, vegetables, legumes, nuts and whole grains should be eaten every day. Their daily recommended intake for an adult is two cups of fruit, 2.5 cups of vegetables, 180 grammes of grains, and 160 grammes of meat and beans. Red meat can be eaten 1-2 times per week, and poultry 2-3 times per week.

The “Planetary Health Diet” was developed by the EAT-Lancet Commission on Food, Planet & Health, which conducted a scientific review of what constitutes a healthy diet from a sustainable food system. The EAT-Lancet Planetary Health Diet recommends the average adult consume at least 125 grammes of dry beans, lentils, peas and other nuts or legumes per day. It also recommends that adults consume no more than 98 grammes of red meat (pork, beef or lamb), 203 grammes of poultry and 196 grammes of fish per week.

Fern and Madre Brava tasked Systemiq to look at the impact that enacting such a policy would have on EU citizens' health, the cost of food, and the environment.

Key findings

Health: the policy could have high impact on reducing multiple diet-driven health issues

Systemiq's assessment found that aligning ready-made meals with WHO or Lancet guidelines - reducing salt, refined grains, meat and fish in ready meals - would reduce many negative impacts from food consumption, primarily blood pressure, high fasting plasma glucose, high BMI and high cholesterol. This would reduce incidence of NCDs, which would lead to significant budgetary savings for EU governments: each year, around €700 billion from EU healthcare budgets is spent on treating NCDs, the vast majority of which are influenced by unhealthy diets.

Impact of policy on reducing diet-linked disease drivers

Changes required to reach nutrition guidelines addresses many of the burden of disease risk factors, which would also reduce health care costs throughout the EU

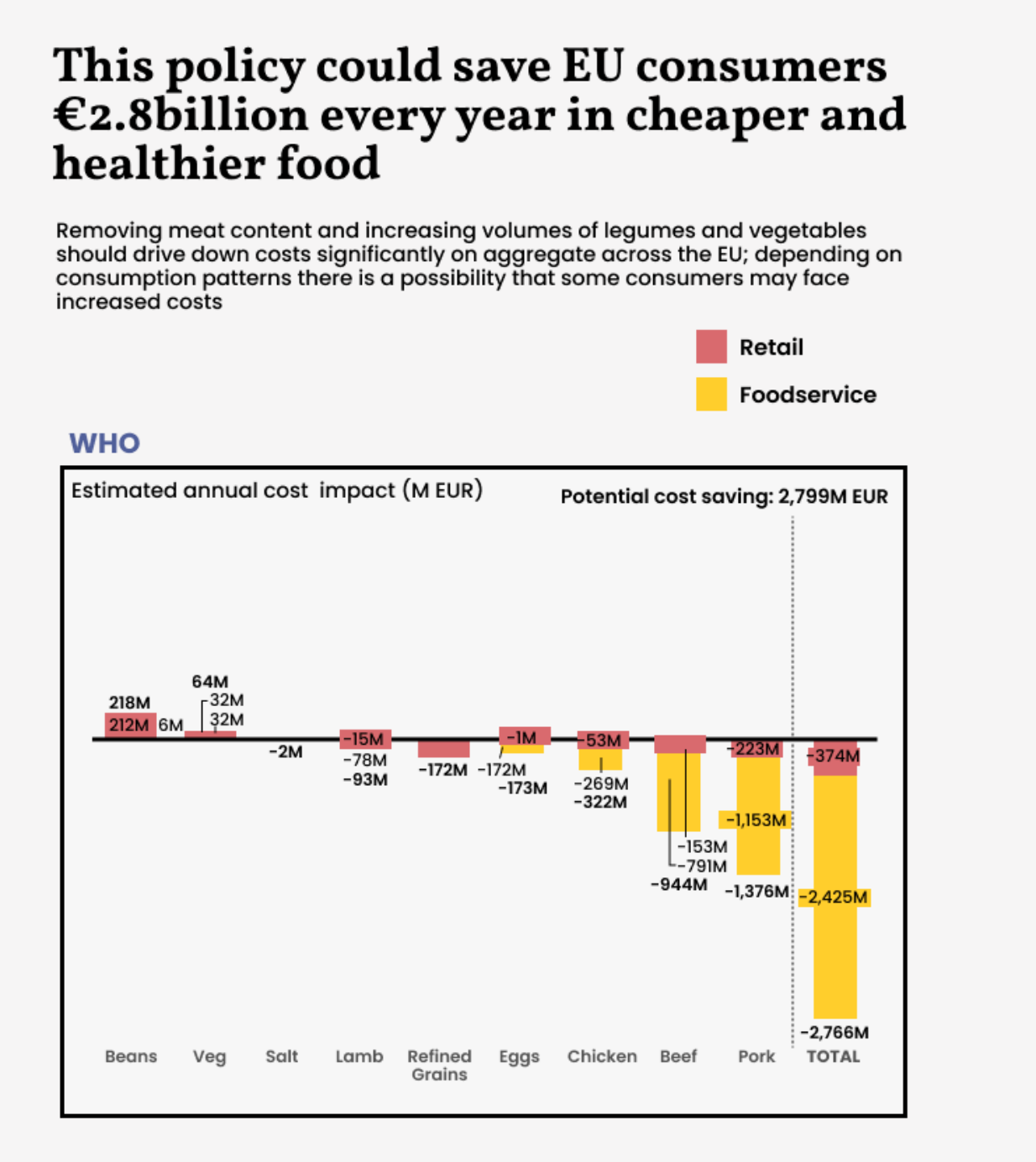
	Level of change to reach nutrition guidelines (% vs current retail)		Burden of disease risk factor adressed through changes to ready-made meals*				
Ingredient	**WHO**	**EAT Lancet**	**Dietary**	**High Systolic Blood Pressure**	**High Fasting Plasma Glucose**	**High BMI**	**High SDL Cholesterol**
Refined grains	-56%	-48%	↓		↓		
Meat	-62%	-67%	↓			↓	↓
Fish	N/A	-72%	↓				
Legumes	Significant increase*		↓				
Dairy	N/A	No change**					
Added fat and oils	N/A	No change**					
Sugar	N/A	No change**					
Salt	-65%	N/A	↓	↓			
Overall Impact			↓	↓	↓	↓	↓

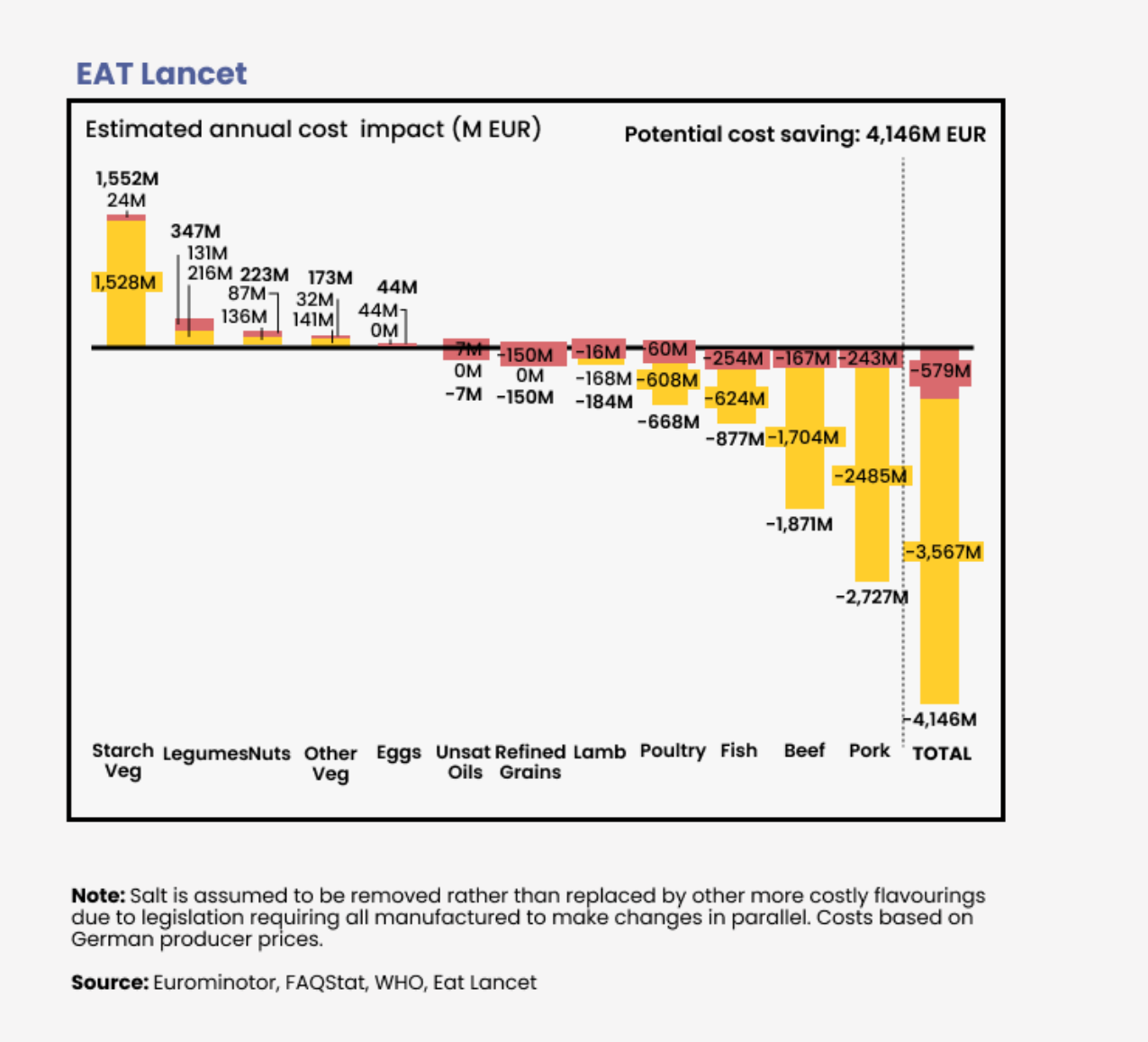
↓ High Impact
↓ Lower secondary impact

Note: *Directional only. Legumes currently <0.15% of ready-made meals ingredients ** Currently already under recommended levels of dietary guidelines
Source: Euromonitor, Systemiq analysis

Consumers: the policy could save EU consumers €2.8 billion every year in cheaper and healthier food

The study also found that the policy would reduce ingredient costs significantly - when applied either the WHO or the Eat-Lancet guidelines - as it would increase the content of legumes and vegetables, which are generally cheaper, and decrease the content of meat, which tends to be more expensive. Overall, bringing ready-made meals in line with health and sustainability guidelines could save EU consumers €2.8 billion every year in cheaper and healthier food.





Note: Salt is assumed to be removed rather than replaced by other more costly flavourings due to legislation requiring all manufactured to make changes in parallel. Costs based on German producer prices.

Source: Eurominotor, FAQStat, WHO, Eat Lancet

As companies would gain the cost savings, the extent to which consumers would benefit would depend on which savings the companies passed on. Regardless, it can be assumed with a fairly high degree of confidence that the policy would at least not increase costs for consumers overall.

Climate: the policy could cut EU greenhouse gas emissions by up to 48 megatonnes

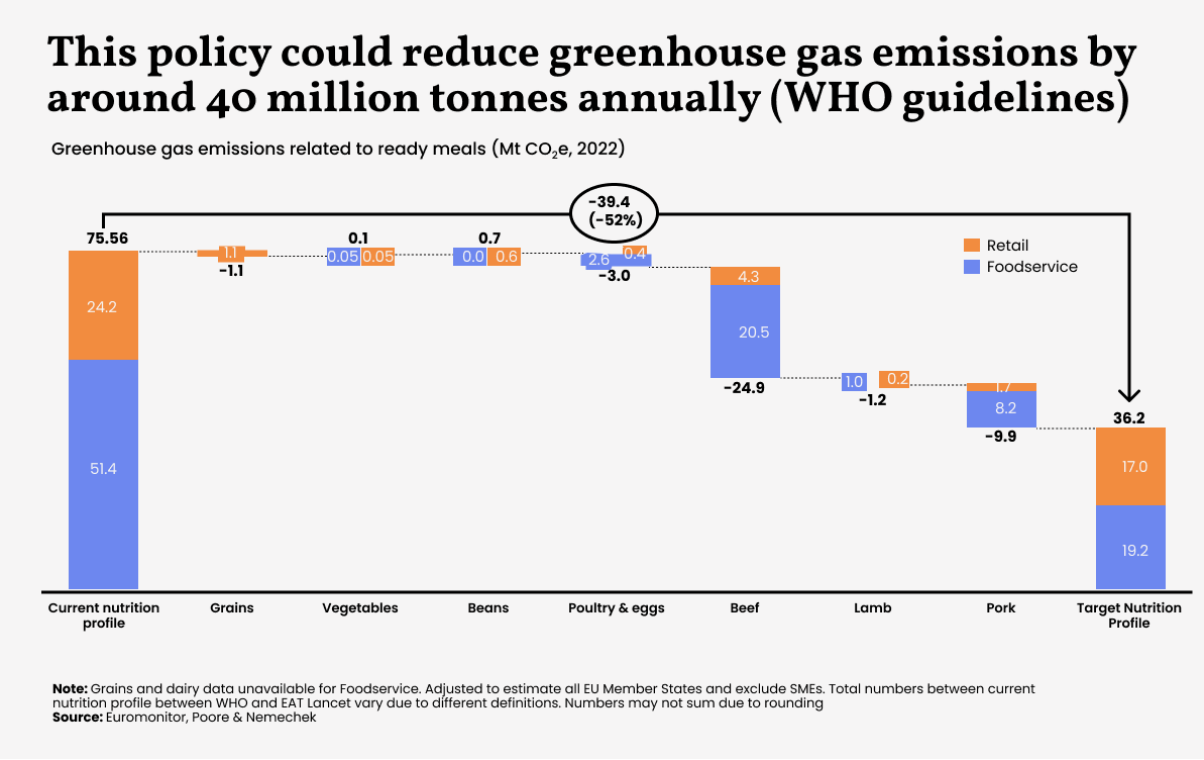
Although the environmental impacts of food systems go beyond just climate change, this study only looked at greenhouse gas emissions (including from land use change). Due to the high emissions intensity of meat, reducing the amount of meat would have a disproportionately positive impact on the carbon footprint of ready-made meals. The study found that meat accounted for 62% of the emissions in a pre-packaged ready meal and fish for a further 26%. The figures

were even higher for meat in take-away meals, with meat accounting for 88% of emissions caused by the meal.

Given the large and increasing percentage of EU food that is eaten in the form of ready-meals and the high carbon footprint of meat, the climate benefit would be huge.

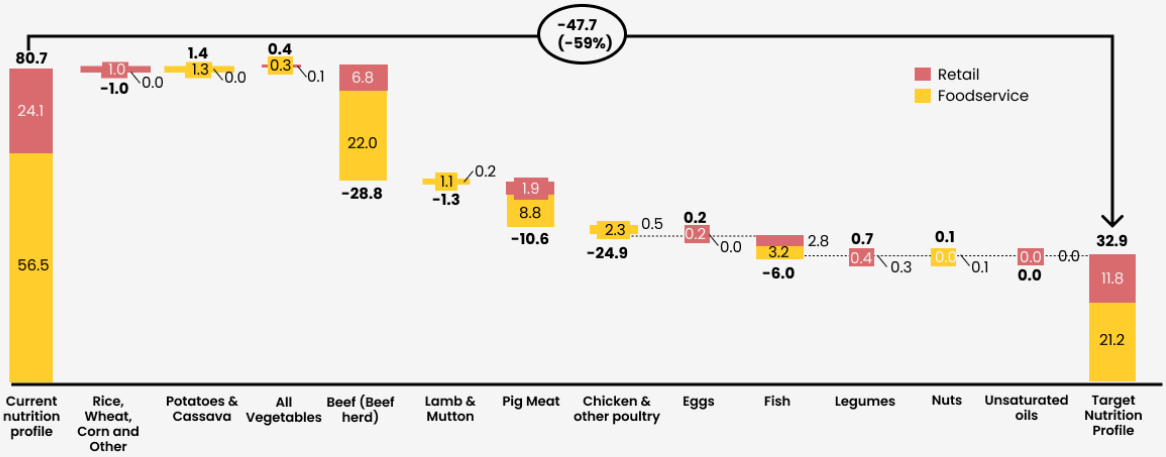
Requiring companies to align the content of ready-made meals with WHO guidelines would save 39.4 megatonnes (Mt) of CO_2e emissions, just over one percent of total EU emissions or equivalent to removing around 31 million new cars from Europe's roads every year.

When looking at the potential impact of requiring companies to follow the EAT Lancet guidelines the benefit is even higher, 47.7 Mt. This is equivalent to the annual emissions of around 38 million new cars. As these figures are based on current ready-meal consumption levels, and since consumption is on the rise, the positive climate impact of implementing these policies now would only grow in the long term.



This policy could reduce greenhouse gas emissions by around 48 million tonnes annually (Eat Lancet guidelines)

Greenhouse gas emissions related to ready meals (Mt CO_2e, 2022)



Note: Grains and dairy data unavailable for Foodservice. Adjusted to estimate all EU Member States and exclude SMEs. Total numbers between current nutrition profile between WHO and EAT Lancet vary due to different definitions. Numbers may not sum due to rounding
Source: Euromonitor, Poore & Nemechek

What could such a legal requirement look like?

How could it be worded?

A legal requirement to achieve the above impacts could be worded along the following lines:

"By 2030, the food sold within a year as *[product category]* by *[value chain]* must fully adhere to *[reference dietary guidelines]* in terms of both nutrient limits (e.g., salt <x grammes) and the overall calorie contribution of different food types (e.g., bean/legumes at ~x% of calories, red meat at ~x%)".

> *Product category* could be "Ready-made meals", or "pre-packaged meals enhanced with recipe skills in a retail context AND Main meals served in a limited service restaurant, full service restaurant or catering context."
>
> *Value chain* could be "Non-SME food retailers AND Non-SME foodservice including caterers."
>
> *Reference dietary guidelines* could refer to WHO standards, or EAT Lancet standards, or – our recommendation—a combination of both health and environmental standards.

It is important to underline that this legal requirement would not require companies to align the content of every single ready-made meal they sell with health and sustainability guidelines. Rather, they would be required to adhere to the guidelines across the content of what they sell over the course of a year. This would give companies flexibility to determine their approach to compliance, and avoid restricting individual consumer preferences.

In which policy could it be placed?

In its Farm to Fork Strategy, the European Commission committed to developing a legislative framework for sustainable food systems. This instrument - the first of its kind globally - would be an overarching piece of legislation putting in place policy measures and a complete vision for the transition to sustainable food systems across the EU. The framework law would also lay the groundwork for future pieces of legislation that could impose legal requirements on companies operating within the EU food system. Unfortunately, the European Commission has not met its commitment to publish a proposal for this legislative framework within its 2019-2024 mandate.

As signatories to this briefing, we strongly recommend that the next Commission publishes its proposal for a Sustainable Food Systems Law, and that this law create a basis for the legal requirement described in this briefing. This could be phrased as follows:

"No later than DD.MM.YY, the Commission shall present an impact assessment accompanied, if appropriate, by a legislative proposal to address the role of large (non-SME) food operators in the middle of the supply chain, such as processors, retailers and food service companies. The assessment shall cover a potential legal obligation on non-SMEs placing pre-prepared dishes on the Union market, with a view to ensuring pre-prepared dishes align with health and sustainability standards.

This wording takes its inspiration from the review clause of the EU Regulation on deforestation-free products (EUDR) (Article 34), which also creates commitments for future impact assessments of new legal obligations.

What would be the EU legal basis of such a law?

A law regulating corporations placing ready-made meals on the EU market would have two possible legal bases in the EU treaties, both of which have provided the basis for EU laws regulating the conduct of companies or the content of products in the EU market, for health and/or environmental purposes.

Since the primary aims of this new legal proposal would be to protect the environment and human health, it would have a strong legal basis in Article 192(1) of the Treaty on the Functioning of the EU, which allows the EU to adopt measures to preserve, protect and improve the quality of the environment, as well as to protect human health. This Article has served as the legal basis for many existing EU laws or legal proposals regulating the conduct of companies or content of products in order to ensure protection of the environment and health, including: the EUDR (which requires companies to ensure commodities placed on the EU market are deforestation-free and produced in accordance with local laws on land rights, labour rights, and other human rights), the Regulation on medical devices (which requires medical devices placed on the EU market to adhere to health and safety standards), the Pesticides Regulation (which sets maximum residue levels for certain pesticides in food and feed), and the Timber Regulation (which require companies placing timber on the EU market to ensure the timber was produced in accordance with local laws on land rights and timber harvesting permissions).

The proposal could have an additional legal basis in Article 114 of the Treaty on the Functioning of the EU, which empowers the EU to adopt measures which have as their object the establishment and functioning of the internal market. This

has served as the legal basis for the Batteries Regulation (which requires batteries sold in the EU to adhere to sustainability and safety standards), the proposed Forced Labour Law (which prevents products sold on the EU market from being produced with forced labour), and the Safety of Toys Directive (which regulates the use of certain chemicals and materials in the content of toys).

Conclusion

The results of this impact assessment show there is a very compelling case for the EU to regulate large companies placing ready-made meals on the EU market, to ensure they align the content of what they sell with health and sustainability standards.

By requiring companies to align the content of ready-made meals with such standards, we have the opportunity to reduce health risks significantly for EU citizens. This policy would not only improve the wellbeing of EU residents – in particular lower-income households, who may disproportionately consume ready-made meals -but also save billions of Euros in public healthcare costs. Overall, bringing ready meals in line with health and sustainability guidelines could save EU consumers €2.8 billion every year in cheaper and healthier food.

It would also make a substantial dent in our carbon footprint, equivalent to removing 31 to 38 million new cars from the roads every year.

Large food retailers and food service companies hold the key to making this possible. These large companies have the influence and means to comply with such guidelines and drive positive change throughout the food supply chain. Placing responsibility on these companies, rather than on individual consumers, is a more effective and fairer approach to promoting healthier, more affordable and more sustainable food choices. It will help make healthy and sustainable food the "default option" for consumers, rather than a luxury that only the wealthy can afford.

This is, unsurprisingly, also the approach preferred by an overwhelming majority of EU citizens. A 2023 opinion poll found that 75% of EU residents think that large manufacturers should bear the responsibility to ensure the food they sell is sustainably produced.[15]

Finally, regulating non-SME companies selling ready-made meals is in line with the advice provided by the European Commission's Scientific Advice Mechanism,[16] who recommended in 2023 that the EU:

> *"Require food product reformulation in order to increase availability of healthy and sustainable food.*
>
> *An effective way to decrease the adverse health effects of products whose frequent consumption is unhealthy is to mandate their reformulation, i.e., to change the processing or composition of products.*

[15] https://www.wwf.eu/?10507466/Cost-of-food-the-biggest-concern-for-Europeans-new-poll
[16] https://op.europa.eu/en/web/eu-law-and-publications/publication-detail/-/publication/9f582c41-1565-11ee-806b-01aa75ed71a1

> *Reformulations should strive to decrease the products' content in unhealthy fat, salt, sugar, and processed meat, and to minimize the use of those ultra-processed products that reduce dietary quality. This should concern in particular soft drinks, processed food, pre-prepared dishes [emphasis added], and products based on animal ingredients for which plant-based alternatives do exist—provided that the latter have a high nutritional value. Reformulation policies have been shown to be effective if they are mandatory and designed to cover a whole product category [emphasis added]. In that case, reformulated products become the standard option rather than being partly offset by new product launches and undesirable consumer substitution."*

And also observed that:

> *"Food operators in the middle of the supply chain — such as retailers and processors—tend to hold more power than other actors in the food system, and thus have a significant influence over consumers' food choices. For these reasons, initiatives aimed at directly influencing consumer behaviour based solely on information, education, and voluntary industry initiatives—as favoured by current policies—tend to have a low impact. Evidence shows that changing the broader food environment—i.e., anywhere where food is obtained, eaten, and discussed—that influence consumer choices has a much greater impact, even though it is a much more complex task."*

In light of the pressing health and environmental challenges we currently face, it is imperative that the EU takes action to regulate ready-made meals to create a healthier and more sustainable future for all EU residents. This policy has the potential to save lives, reduce healthcare costs, and contribute significantly to mitigating climate change and boosting biodiversity. It is a vital step towards addressing the fundamental issues in our food system and securing a better future for generations to come.

Appendix: Methodology

Systemiq translated the daily recommended intake volumes included in the WHO Healthy Diet for Adults and the Eat Lancet Planetary Health Diet into percentages per ingredient type. For the WHO Healthy Diet, which does not provide full dietary guidance across all nutrient and ingredient types, the recommendations from the Healthy Diet for Adults from the WHO Eastern Mediterranean Region were reviewed against a calculation of fat content in different meat types to ensure they were in line with latest guidelines. This provided a volume-based recommendation for daily intake.

Approach to Quantifying WHO Healthy Diet Guidelines

	Days of week	Daily	Week	as % of total volume of food consumed
Suggested Consumption of meat and beans	7	160	1120	21.62%

Total grammes of daily intake (all food types)
740

Consumption (grammes)	Beans	Poultry	Red Meat	Total meat and beans
Monday	160			160
Tuesday	160			160
Wednesday	160			160
Thursday	80	80		160
Friday	80	80		160
Saturday	80		80	160
Sunday	80	40	40	160
Week Total	**800**	**200**	**120**	**1120**
Daily average	**114.3**	**28.6**	**17.1**	160
Suggested consumption (weighted % of meat and beans based on daily intake)	**71%**	**18%**	**11%**	**100%**

As % of total grammes daily intake	**15.4%**	**3.9%**	**2.3%**	**21.6%**
Suggested daily intake in grammes	**114**	**29**	**17**	160

Source: World Health Organisation Healthy Diet Guidelines

Definition | WHO Dietary Guidelines - Assumptions used to quantify

Quantification approach to protein sources outlines in WHO Healthy Diet recommendations from Eastern Mediterranean Region

	Days of week	Daily	Week	as % of total volume of food consumed	Total grammes of daily intake (all food types)
Suggested consumption of meat & beans	7	160	1120	21.62%	740

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Source: World Health Organisation Healthy Diet Guidelines

Systemiq then assessed the impacts if **non-SME** companies were required to adhere to these percentages within the ingredients of the **ready-made meals** they sell over the course of a year.

The following definitions were used:

- **Ready-made meals:** pre-prepared meals that are ready-to-eat or only require heating. This can be in a retail setting (pre-packaged meals) or a food service setting (take-aways).
- **SMEs:** Revenues of less than €50 million per year and a staff headcount of up to 250, as defined by the European Commission.[17]

For the market research and the calculation of impacts on price, Systemiq used data from Euromonitor for 14 Member States, which was scaled to represent the entire EU using population data from EUROSTAT.

For the assessment of climate impacts, Systemiq used cradle-to-gate emissions factors, which account for land use change, on-farm impact, animal feed, food processing, transportation, packaging and retail from Poore & Nemecek (2018, updated 2010).

For the assessment on health impacts, Systemiq used the Global Burden of Disease (GBD) study, which provides a comprehensive picture of mortality and

[17] https://op.europa.eu/en/web/eu-law-and-publications/publication-detail/-/publication/9f582c41-1565-11ee-806b-01aa75ed71a1

disability across countries, time, age, and gender. This was supplemented with publicly-available national and EFSA data.

The study did not assess the impacts of placing obligations on companies regarding safe limits of ultra-processed ingredients or manufacturing techniques. However, we would recommend that this aspect be assessed by policy-makers when designing a policy on ready-made meals.