WHO experiences with economic assessments

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“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

(extract from the constitution of WHO, 1946)
WHO European Centre for Environment and Health (ECEH)

Bonn, Germany

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WHO European Centre for Environment and Health
(established by the 1st Ministerial Conference, Frankfurt, 1989)

Role of ECEH, Bonn

Provide the 53 WHO European Member States with evidence to support policy-making in environment and health

- Organize systematic review of scientific evidence
- Stimulate research on EH priorities
- Analyse environment-related policies and their health impacts
- Provide stewardship for health in multi-sectorial policies
WHO European Region as the only region with an ENVIRONMENT and HEALTH Ministerial Process

- **1989**: First Ministerial Conference, Frankfurt
- **1990**: WHO ECEH established
- **1994**: Second Ministerial Conference, Helsinki
- **1999**: Third Ministerial Conference, London
- **2004**: Fourth Ministerial Conference, Budapest
- **2010**: Fifth Ministerial Conference, Parma

**European Centre for Environment and Health, Bonn**

- **Climate Change, Sustainable Development and Green Health Services (CGS)**
- **Management of Natural Resources - Water and Sanitation (WSN)**
- **Environment and Health Intelligence and Forecasting (EHI)**
- **Environmental Exposures and Risks (EER)**
• Foundations of Economic Use in Environmental Health

• Health 2020

European policy framework supporting action across government and society for health and well-being

• Health in All Policies

A healthy economy depends on a healthy population
What is the role of economics in environmental health?”Why WHO”?

• Revealing important links between social and environmental determinants of health
• Advocacy and policy promotion purposes in a context of constrained resources and competing priorities
• Policy evaluation (prospective/retrospective)
• Decision-support tools
• Equity considerations
4 Examples of WHO use of economics

1) Climate change and health economic tool

- Expanding analysis of damage and adaptation beyond physical impact
- Standard techniques (VSL, HCA, COI,...) with traceable indicators and transparent formulas
- Supports adaptation planning in Member States
- Based on review of evidence and inputs from experts in the field
2) Health Economic Assessment Tools (HEAT) for walking and cycling

http://www.heatwalkingcycling.org

Welcome to the WHO/Europe Health Economic Assessment Tools (HEAT) for walking and for cycling.

This tool is designed to help you conduct an economic assessment of the health benefits of walking or cycling by estimating the value of reduced mortality that results from specified amounts of walking or cycling.

The tool can be used in a number of different situations, for example:

1. When planning a new piece of cycling or walking

More information

What data do I need?
To produce an assessment, you need to provide data on the number of people walking or cycling, and the amount of walking they are doing (or are projected to do).
Goal: facilitate the integration of health in transport appraisals and planning

- Need to make health benefits of cycling and walking “visible” to **transport and urban planners**
- Need to **speak their “language”**
- Importance of **economic analysis** in transport planning
What is HEAT?

An online tool for economic assessment of health benefits of walking or cycling, i.e. the answer to the question:

“What is the economic value of the health benefits from a given volume of walking or cycling within a defined population?”
Success: case studies

• England
  – Part of official toolbox for the assessment of transport projects (WebTAG)

• Austria
  – Health effects of national cycling masterplan

• USA
  – Evaluation of 4 FHWA nonmotorized transportation pilot projects

• London
  – Action plan, recommendation for using HEAT in business cases

• Barcelona, Modena, Nantes, Kuopio, Pärnu, …
3) Air Pollution is a leading cause of death and disease (2010 GBD data)

Lim et al. LANCET (2012)
• Economic Case for Health Promotion and Disease Prevention

- **Alcohol-related harm**
  - €125 billion annually in the EU, equivalent to 1.3% of GDP

- **Road traffic injuries**
  - Up to 2% of GDP in middle- and high-income countries

- **Air Pollution**
  - Economic cost of premature mortality: 1.5 trillion dollars in WHO Euro Region (53 countries) in 2010

Source: WHO Regional Office for Europe, Health 2020, 2013
4) An Economic Assessment of Asbestos Bans and Declines in Asbestos Production and Consumption

WHO Regional Office for Europe Conference, Bonn, Germany, 18-19 May 2016
Assessing the economic costs of the health impacts of environmental and occupational factors: The economic dimension of asbestos
Outline of WHO EURO economic asbestos report (draft 2016, July)

- Overall trends in asbestos production, consumption and bans
- Economic effects of asbestos bans and declines in asbestos production and consumption
- Economic costs of continued production and consumption of asbestos
Potential Costs of Shifting Away from Asbestos

- Costs of substitutes (for asbestos consuming countries)
  - Do substitutes exist?
  - Are they cost effective?
- Potential negative impact on jobs and incomes (for asbestos producing countries)
  - Is there a country-wide or regional impact?
  - If so, how long does it persist?
Summary

• **No observable negative economic impact at the country-level from bans or a decline in asbestos production or consumption**
  – Lack of effect likely reflects the small share that asbestos represents of national economic activity

• **No persistent negative effect at the regional-level**
  – However, available data are limited
  – More study is needed to identify all costs that may be observable only at the regional level

• **Substantial costs exist to continuing consumption**
  – Health costs will likely be considerable for countries continuing to produce and consume asbestos
  – Remediation and litigation costs may be even greater than health costs, based on experience of past producers/consumers
• Key Messages

✓ Good Health is a Human Right!
some argue no need for more (economic) evidence

✓ Economic evidence can be a powerful tool to convince policy-makers in and beyond the health sector (transport, agriculture, energy, economics etc.) – Health in all policies

✓ Problems/Solutions for WHO:
1) WHO talks DALYs/QALYs – “life has an indefinite/no price”/ no solution as such
2) WHO limited economic expertise / partnering with OECD/EC/WB, universities, think tanks and NGOs
3) WHO still lacks a harmonised methodology for estimating economic costs and benefits/Solution and new ideas by this workshop?...
More information

- http://euro.who.int/ecehbonn

Thank you

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