



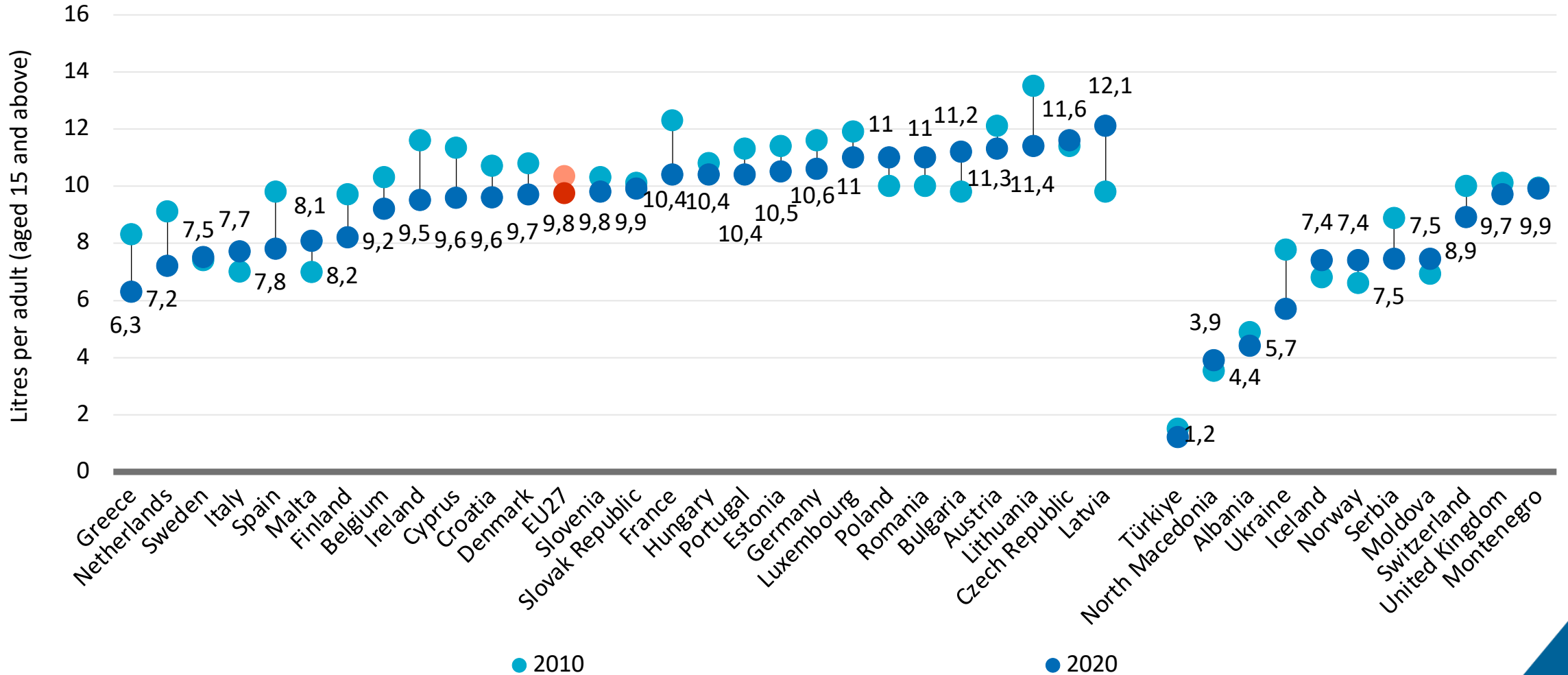
# PREVENTING HARMFUL ALCOHOL USE AND THE ECONOMICS OF PUBLIC HEALTH

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# Alcohol Consumption: Great Variability Across Countries But Trends Remained Stable Over the Last Decade





## Nonetheless, There Are Some Worrying Trends

About 20% of adults (30% of men) across EU Member States engaged in heavy episodic drinking at least once in the past 30 days

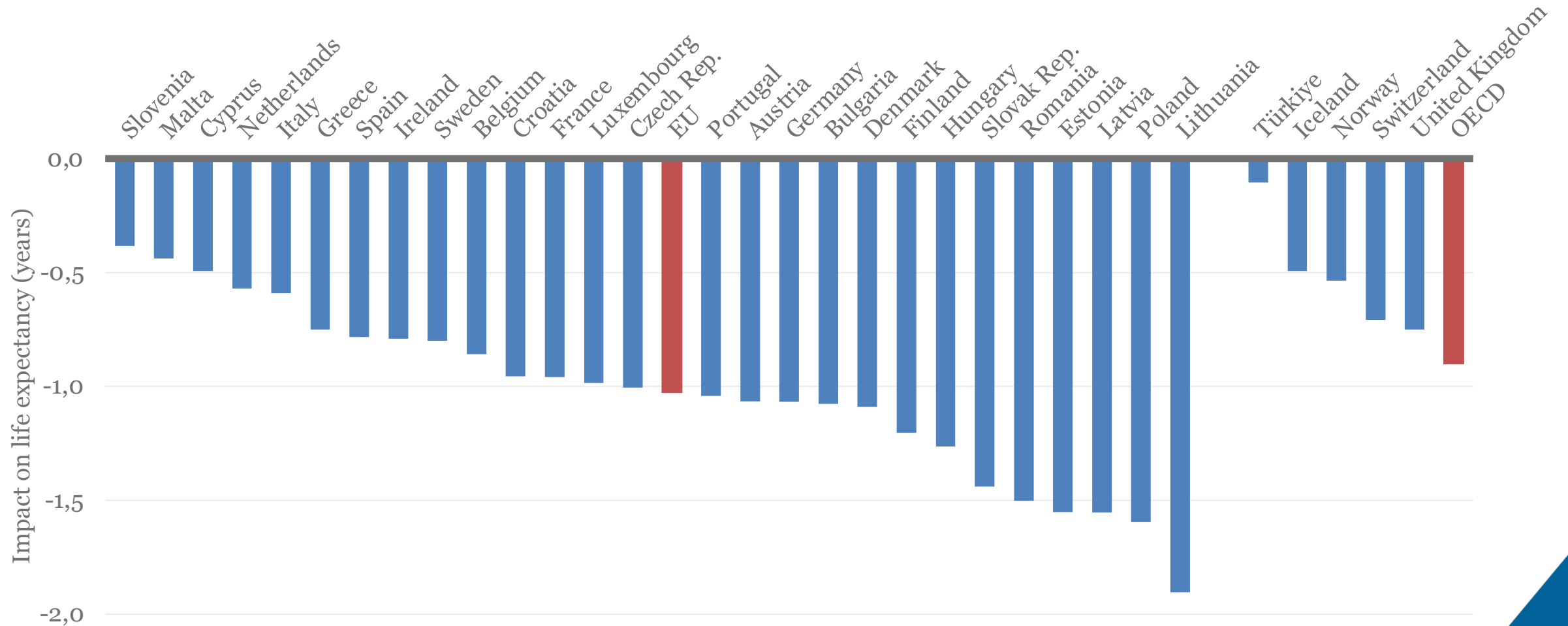
Heavy drinkers consume between a third and a half of all alcohol (in CAN, ENG, FRA, KOR, MEX and USA)

Women with higher education are 13% more likely to engage in monthly binge drinking than women without a higher education, in EU/OECD countries

Age of initiation of drinking is raising slowly, but more than 60% of teenagers aged 15 drink alcohol and one in five has experienced drunkenness in EU/OECD countries



# Life Expectancy Will Be 1 Year Lower Than It Would Be Otherwise Due To Diseases Caused By Harmful Alcohol Use





# Harmful Alcohol Consumption Carries A Significant Economic Burden For Countries And Individuals



**2.6%**

of healthcare expenditure in EU Member States due to conditions caused by harmful alcohol drinking



**1.9%**

Reduction in GDP due to conditions caused by harmful alcohol drinking in EU Member States



**+30%**

Chances to perform well at school in (mainly European) teenagers who have never experienced drunkenness



**167 EUR**

Equivalent tax increase per capita due to conditions caused by harmful alcohol drinking in EU Member States



# Gaps Remain In Strategies To Tackle Harmful Alcohol Consumption

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- Only **45%** of the OECD countries have a **written national policy** and an **action plan**;
- In Europe (and the United States), **less than 10%** of those potentially benefitting from **screening and brief intervention in primary care** are covered by this intervention.
- **72%** of OECD countries **do not** automatically **adjust** alcohol taxes for inflation;
- The **majority** of countries does **not have** the most effective **regulation of advertising**, particularly in the case of social media;



# Policies analysed in the OECD report are broadly based on the WHO's SAFER framework



## Alcohol pricing

Taxes

Minimum unit pricing



## Alcohol availability

Times of sale and outlet restrictions

Legal minimum age



## Alcohol marketing

Restrictions on advertising

Sport sponsorship



## Drink-driving

BAC limits, sobriety checkpoints, penalties,

ignition interlocks



## Screening and brief interventions

Screening

Brief interventions

Psychosocial and pharmacotherapy



## Consumer information

Warning labels

Mass media campaigns

Preventative school programs



# Policies Tackling Harmful Alcohol Consumption Keep People Healthy, Decrease Healthcare Expenditure and Increase Workforce Productivity

Interventions and packages	DALYs gained per year (per 100 000 population), average across countries	Health expenditure saved per year (per capita USD PPP), average across countries	Additional full-time workers per year (in thousands of workers), total across countries	Return on investment (USD), average across countries
Workplace programmes	1.8	0.1	49	0.1
School-based programmes	3.3	0.3	40	0.2
Pharmacological treatment	6.1	0.7	72	0.7
Regulation of advertising	3.2	0.3	73	2.0
Ban on advertising to children	7.6	0.7	87	2.7
Counselling in primary care	18.4	1.5	339	4.3
Sobriety checkpoints	63.7	1.0	963	11.3
Restriction on opening hours	43.0	0.6	634	43.6
Minimum unit pricing	47.1	4.1	1038	125.6
Taxation	48.7	4.1	1179	183.4

Note: All figures are annual average over 2020-2050, total for OECD countries included in the analysis

Source: OECD (2021) Preventing harmful alcohol use – [oe.cd/alcohol2021](https://oe.cd/alcohol2021)





# Pricing Policies Are a Key Pillar Of a PPPP Approach: An Excellent Investment Addressing Many Of The Policy Gaps

## A comprehensive prevention package

**P**olice enforcement to limit alcohol-related injuries and violence;

**P**rotecting children from alcohol promotion;

**P**rimary care to help patients with harmful drinking patterns;

**P**ricing policies to limit the affordability of cheap alcohol.

In 48 countries, over 30 years (2020-2050)



**8.5 million**

Cases of alcohol-related conditions avoided per year



**USD 28 billion**

saved every year due to reduced healthcare expenditure ( $\approx$  health budget of Israel)



**3.9 million**

additional full-time workers per year due to increased productivity












**16:1**

USD 16 returned in economic benefit for each dollar invested, excluding the impact on alcohol industry



# Pricing Policies Impact Industry But Some Countermeasures Exist

## Overview of the impact of public health policies, including price policies, on the alcohol industry

Company level		Industry level	
Implementation cost	Changes in income		
 Marketing costs	 Sales revenue	 Illicit and cross-border trade	
 Redesign and printing costs	 Profit margin	 Employment	
 R&D costs	 Ancillary sales		
 Production costs			

## Two potential countermeasures to minimize some of the additional costs for the alcohol industry

- Well-calibrated taxation may provide incentives to reformulate by offering options for producers to combine lower ethanol volume sold with smaller or no loss in financial revenues;
- This intervention can also open new market niches and new markets;
- Scaling up enforcement against illegal sales (e.g. due to smuggling and counterfeiting) is also important.



# Preventing Harmful Alcohol Use



Do you have questions? Contact us at: [Michele.Cecchini@oecd.org](mailto:Michele.Cecchini@oecd.org)

Data, graphs, country notes and much more at: [oe.cd/alcohol2021](https://oe.cd/alcohol2021)



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