

# **Mexico Policy Brief**

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# Health

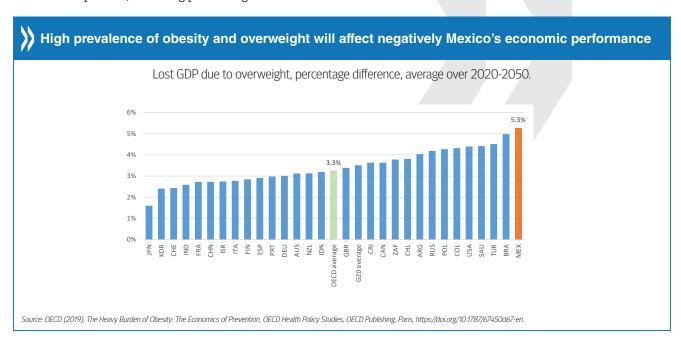
#### TACKLING THE OBESITY EPIDEMIC IN MEXICO

- Mexico has one of the highest rates of obesity in the OECD, as nearly one in three adults are obese.
- This has considerable consequences for population health and the economy: overweight and related diseases are projected to account for 8.9% of the total health expenditure over 2020-2050 and reduce GDP by 5.3% due to lower productivity.
- While Mexico has already implemented a number of innovative policies, Mexico should continue to invest in public health policy packages to support healthy lifestyles.
- These interventions are an excellent investment: for every MXN 1 invested, up to MXN 6 are returned in economic benefits.
- ▶ Food product reformulation could save nearly MXN 2 billion per year in health expenditure, and should be encouraged.
- Existing and new policies need to be evaluated to ensure they deliver a maximum impact.
- ▶ The OECD can help to understand the potential impact of interventions and support their design and implementation.

#### What's the issue?

Mexico has one of the highest rates of obesity in the OECD: nearly one in three adults are obese. This is up from one in five in 1996. Moreover, 34% of people with obesity are now morbidly obese – the most severe grade of obesity. Childhood obesity has also been on the rise, doubling from 7.5% in 1996 to 15% in 2016.

To tackle the obesity epidemic, Mexico has put in place a number of policies, including pioneering interventions such as mandatory front-of-pack food labelling, and taxes on sugary drinks and high-calorie non-essential foods. However, rather than reversing the tide, the prevalence of obesity has continued to increase. With time, these measures could produce stronger results but, given the scale of the problem, more should be done to reduce the health and economic burden of obesity and free up health system resources.



Interventions and policies to support healthy lifestyles have a positive impact on population health and are an excellent investment: for every MXN 1 MN invested, up to MXN 6 are returned in economic benefits. In Mexico, a mixed package – which includes menu labelling, prescribing physical activity and workplace wellness programmes – could save MXN 465 million per year in health cost, and increase labour force productivity by the equivalent of 16 thousand full-time workers per year.

Food product reformulation to reduce the calorie content of pre-packaged food has the potential to deliver significant returns: achieving a 20% calorie reduction for foods high in sugar, salt, calories and saturated fats could save MXN 1.99 billion per year in health cost, and increase employment and productivity by the equivalent of 71 thousand full-time workers per year.

### Why is this important for Mexico?

The high prevalence of obesity and overweight has considerable consequences for population health. Overweight causes diabetes, cardiovascular disease, cancer and dementia, among other diseases. Mexico currently has the highest rate of hospital admissions for diabetes in the OECD, as well as the highest incidence of major lower extremity amputation due to diabetes. In the next 30 years there will be an additional 25 million cases of non-communicable diseases (NCDs) in Mexico due to overweight. As population health decreases, so does life expectancy: Mexicans live on average 4.2 years shorter due to overweight.

The high prevalence of obesity and overweight also affects Mexico's economy. Overweight and related diseases are projected to account for 8.9% of the total health expenditure over 2020-2050. People with overweight and NCDs are less likely to be employed (particularly in the case of women) and if they are, they are less productive. As a result, overweight lowers labour market outputs by the equivalent of 2.4 million full-time workers per year. Combining all these impacts, overweight reduces Mexico's GDP by 5.3% (see Figure).

## What should policy makers do?

- Invest in comprehensive public health policy packages to promote healthier lifestyles.
- Encourage food product reformulation.
- Evaluate both existing and new policies (such as food labelling and advertising regulations) to ensure they have a maximum impact, by identifying the most effective design and implementation.
- Change the environment to make it more conducive towards healthier lifestyles – at home, on the road, at work and in school.



The Heavy Burden of Obesity, 2019. https://www.oecd.org/health/the-heavy-burden-of-obesity-67450d67-en.htm

Health at a Glance, 2019. https://www.oecd.org/health/health-systems/health-at-a-glance-19991312.htm

Healthy People, Healthy Planet, 2017. http://www.oecd.org/els/health-systems/healthy-people-healthy-planet.htm

