

The Case for Investing in WHO FCTC Implementation in Jordan

Executive summary

Tobacco is a health, economic and sustainable development issue. Its consumption and production causes early death and disease, results in high healthcare costs and economic losses, widens socioeconomic inequalities, and contributes to environmental degradation. Tobacco use is an epidemic in Jordan. As a key risk factor for major non-communicable diseases (NCDs) which account for nearly **80 percent** of all deaths in Jordan—including cancers, diabetes, chronic respiratory disease and cardiovascular disease—tobacco use is one of Jordan’s biggest public health threats.

This report presents the findings of the case for investing in tobacco control in Jordan. In line with the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC) Global Strategy to Accelerate Tobacco Control and according to the stated priorities of the Government of Jordan, the report measures the costs and benefits—in health and economic terms—of implementing tobacco control policy measures.

A. From a macro-economic perspective

2015 Tobacco burden

Each year, tobacco use causes JOD 1.6 billion in total economic losses, the equivalent of 6 percent of GDP in 2015.

These costs include a) **JOD 204.4 million** in healthcare expenditures, and b) **JOD 1.389 billion** in lost productive capacities due to premature mortality, disability, and workplace smoking. Large productivity losses from tobacco use (87 percent of all tobacco-related costs) indicate that tobacco use impedes development in Jordan beyond health. Multisectoral engagement is required for effective tobacco control; businesses and other sectors benefit substantially from supporting tobacco control investments.

Every year tobacco use kills 9,027 Jordanians.

Fifty-six percent of these deaths are considered premature deaths, meaning they occur in individuals under age 70. About **1,600 Jordanians die every year** due to the effects of exposure to secondhand smoke.

WHO FCTC recommended measures

By acting now, the Government of Jordan can curb the burden of tobacco use and advance sustainable development. The investment case findings demonstrate that enacting and enforcing WHO FCTC tobacco-control recommended measures would, over the next 15 years:

Return on investment over 15 years

Avoided JOD 6.5 billion in economic losses.

This includes **JOD 5.7 billion** in savings from economic output losses. The tobacco-control recommended measures stimulate economic growth by ensuring that less Jordanians 1) drop out of the workforce due to premature mortality, 2) miss days of work due to disability or sickness, and 3) work at a reduced capacity due to smoking.

Lead to JOD 843.8 million (JOD 56.3 million annually) in savings through avoidance of smoking-attributable healthcare expenditures.

Of this, JOD 548 million would be saved in public health expenditures, JOD 262 million saved in private health expenditures and 34 million saved in other sources of health expenditures.

Save around 47,500 lives (3,170 lives annually).

The WHO FCTC measures contribute to Jordan's efforts to meet Sustainable Development Goal (SDG) Target 3.4 to reduce by one third premature mortality (under age 70) from NCDs by 2030. Enacting the FCTC measures would move Jordan 22 percent of the way toward fulfillment of the Target.

Provide economic benefits (JOD 6.5 billion) that significantly outweigh the implementation cost (JOD 26.4 million).

Each of the WHO FCTC recommended measures is highly cost-effective with a **total return on investment (ROI) of 1: 247 JOD** for the whole package implementation. Enacting more stringent bans on tobacco advertising, promotion and sponsorship has an ROI of 1:423 JOD, followed by graphic warning labels (1:324 JOD), enforcing bans on smoking in public places (1:180 JOD), implementing plain packaging of tobacco products (1:164 JOD), and implementing a mass media campaign (1:130 JOD). Increasing taxes on cigarettes has the highest ROI (1:1,547 JOD). The World Bank Group tobacco control country brief for Jordan (2019) recommends an annual increase of at least 20 percent, in parallel with strengthening the tobacco use surveillance and monitoring systems (including illicit trade tracking and tracing system).

B. From a micro-economic perspective

According to the 2019 Households Expenditures and Income Survey from the National Jordanian Department of Statistics, households with at least one smoker spent on average **74 dinar per month on tobacco products in 2017/2018**. In total, Jordanian families spent **717 million JOD (equivalent to more than 1 billion USD)** on tobacco products over the year 2017/2018. About **59 percent** of the households subsidized by the **National Aid Fund** have a least one smoker.

This is an important factor to take into account in terms of poverty reduction efforts in Jordan. The FCTC Investment Case results for Jordan show that there is an evidence-based opportunity to halt the tobacco epidemic and reduce its social and economic burdens through preventative actions that target tobacco use. By investing now in tobacco control measures, Jordan can accelerate its efforts towards achieving the Sustainable Development Goals.