ECONOMY: GDP COULD GROW BY 0.9% POINTS BY 2030

Weight loss reshapes individuals, and the economy by boosting productivity and GDP growth

- **Boosted productivity:**

  Weight loss minimizes obesity-related health issues, such as type 2 diabetes, resulting in fewer medical appointments and absenteeism. Healthier individuals can maintain consistent work performance, thereby increasing overall productivity within the workforce[55].

- **Increased energy and efficiency levels:**

  Improved health from weight loss elevates employees' energy levels, reducing instances of presenteeism—where individuals are present at work but operate at lower efficiency. This leads to higher quality output and greater overall workplace effectiveness[56].

- **More employment opportunities:**

  Weight loss alleviates physical limitations and enhances self-confidence, empowering individuals to pursue and secure employment more actively. This not only broadens their personal career prospects but also contributes to a more dynamic and diverse labour market[57].

At the national level, increased business revenues enable higher wages, greater workforce expansion, and enhanced consumer spending, creating a cycle of economic growth. Governments also benefit from higher tax receipts, such as VAT and corporate taxes, which can be reinvested in public services and infrastructure. (see Figure 6 for a detailed view on the relationship between socioeconomic indicators).

The deep link between economic factors and weight loss is demonstrated by a large body of studies, specifically on productivity losses[58], but is also recognized by policymakers. For example, in the United Kingdom a new scheme was put in place to offer weight loss medications to unemployed people living with obesity[59]. The intended effect of the medication is to enable these people to re-enter the workforce by improving their physical and mental condition.

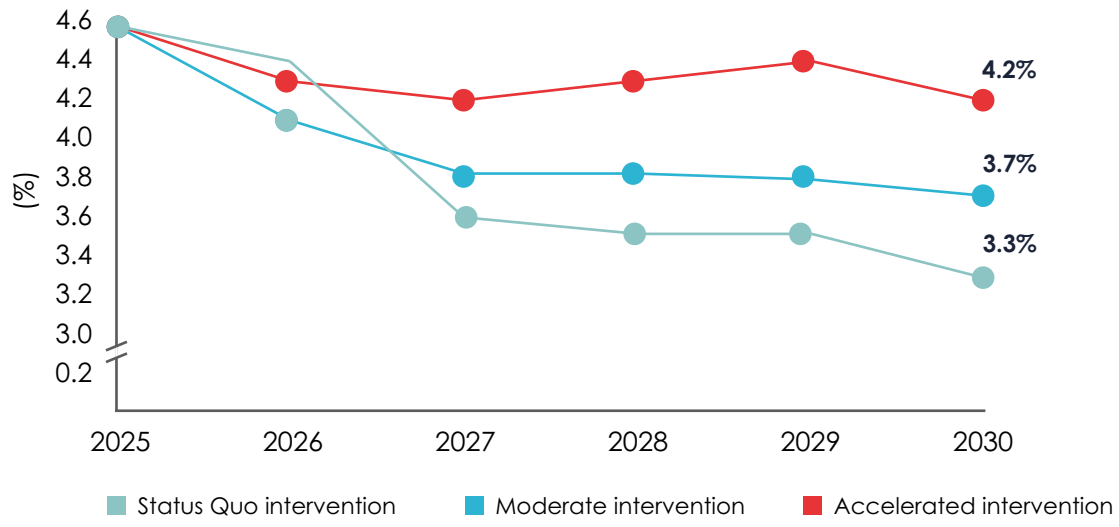
The positive effects of weight loss on workplace productivity are supported by a sentiment analysis, which found over 7,000 comments across platforms like YouTube and TikTok commenting on this aspect:

> **"Post weight loss, I feel more energized and focused at work now!"**
>
> **"I can focus better at work now that my blood sugar is under control with after I lost weight."**
>
> - Whiteshield Sentiment Analysis

The study's model estimates GDP to grow by up to an additional $42 Bn in 2030, with up to an additional 0.9 percentage point growth from KSA baseline GDP growth

As novel modern obesity care medications gain adoption, obesity prevalence decreases, unlocking greater productivity across the population. This increase in weight loss could drive an additional 0.4% to 0.9% points GDP growth in 2030 from the IMF baseline GDP projections. These results from the System Dynamics model are also consistent with the results from the Fixed Effects model, which predicts that 1% decrease in BMI will lead to GDP increasing by 0.5%. (see the Methodology and Appendix sections for more details).

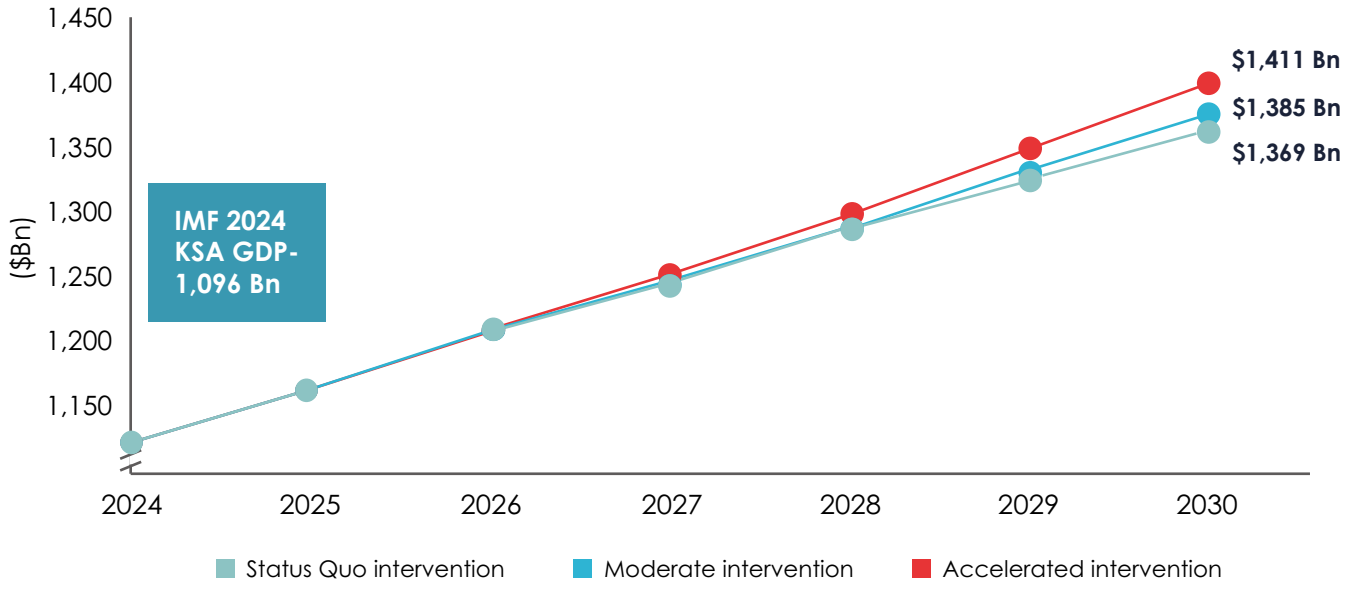
Figure 12: GDP growth rate - % (2025-2030)



The increase in GDP growth could boost the KSA GDP up to $1,411 Bn by 2030. This equates to a potential cumulative GDP gain of between $16 Bn and $42 Bn between 2025 and 2030. This also helps push the KSA closer to its GDP target of $1,700 Bn by 2030. Current growth estimates by the International Monetary Fund place GDP in 2030 closer to $1,400 Bn[60].

To contextualize these numbers' magnitude, the World Obesity Federation estimates the annual impact of obesity on the KSA's economy at $20 Bn per year, which adds up to $100 Bn between 2025 and 2030, due to healthcare and productivity losses alone[61].

Figure 13: KSA GDP (2025-2030)



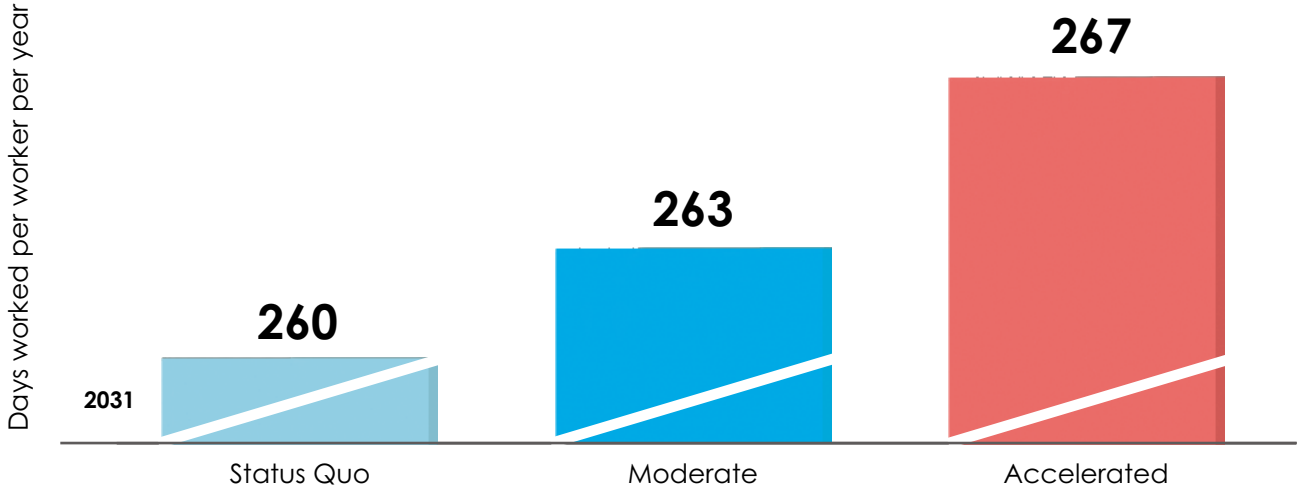
Worker productivity may increase, equivalent to adding 7 additional days of work per worker per year by 2030

Additional GDP growth is in part driven by productivity improvements, due to lower absenteeism rates among employees, who, after having overcome obesity, are able to perform more efficiently and take fewer days off from work.

This increased productivity is equivalent to adding over 7 days of additional work per worker per year in the accelerated intervention scenario and 3 more days per worker per year in the moderate intervention scenario.

Figure 14: Productivity - Additional days per year

Weight loss could add 7 work days per year per individual who previously suffered from obesity



Consider the example of Aditya, a 42-year-old consultant, whose BMI had reached 33 due to his sedentary lifestyle and stress. By reducing his BMI to 27, his health has improved significantly—specifically, the early signs of kidney issues, often exacerbated by obesity, have subsided. Previously, Aditya required frequent doctor visits and sometimes missed work due to pain and discomfort caused by these health challenges. Now, he is healthier, more focused, and able to fully engage with his team, taking fewer sick days.

VAT receipts estimated to increase by $ 6.9 Bn by 2030

Economic growth, fueled by increasing productivity, more employment, and increasing consumption and business revenues, will increase VAT collection. In the accelerated scenario, the government could collect an additional $6.9 Bn in revenue by 2030. In the moderate scenario, the government may collect $3.1 Bn in additional revenue.

Shift in consumption towards sectors focusing on fitness and healthy foods

As citizens experience positive health benefits and gain purchasing power, overall consumption is projected to grow 5.1% year on year by 2030in the accelerated scenario, as compared to the 4.4% increase year on year in the moderate scenario. In the base scenario, consumption may only grow by 3.7% year on year by 2030, from the baseline consumption.

This translates an increase of $45.8 Bn in consumption in the accelerated intervention scenario in 2030, and $20.6 Bn increase in the moderate intervention scenario.

This growth in consumption is likely to benefit specific sectors, such as fitness, healthy food, and household goods[62]. Preliminary analyses suggest that within categories like food, the shift is likely to focus on healthier alternatives rather than a complete departure from the segment[63].

Some industries may face challenges, particularly smaller pharmaceutical or medical device companies that provide specialized solutions for obesity-related comorbidities, such as chronic kidney conditions[64]. As the prevalence of these health issues decreases, demand for such treatments may decline, impacting these niche providers. Additionally, demand for new clothing is likely to increase as people lose weight.

"I've lost 30 kgs […] over the last 9 months. 110 kgs to 80kg. I feel like a new person. I've had to buy new clothes to fit me twice"

- Whiteshield Sentiment Analysis

Consider Fatima, a working-age Saudi national woman from Dammam whose BMI had climbed to 37, due to which she had to quit her job as a government employee. With weight loss, she now feels more confident in her appearance and suffers less from knee pain, enabling her to become more physically active. Motivated to join a new fitness class, she purchases new sportswear, as her old outfit is now too large. At the same time, her improved health inspires a shift in her lifestyle: she buys fewer fast-food meals, instead opting for organic products at the supermarket. Her newfound interest in home cooking also leads her to invest in new cookware to fuel her passion.

Increase in individual income by $377 per year for each individual previously living with obesity

With improved productivity and boosted GDP growth, individual earnings could go up. By 2030, individual income may increase by $377 per year in the accelerated intervention scenario and $173 per year in the moderate intervention scenario. This translates to an additional $1,850 in additional income over the period of 2025-2030 for each individual who was previously living with obesity in the accelerated intervention scenario. In the moderate intervention scenario, this increase is around $850 over the same period.

Take the example of Mariam, the 18-year-old Saudi female from Jeddah, who had been struggling with obesity since childhood. Previously unemployed, like 13.6% of Saudi women currently are, Mariam struggled with self-confidence and preferred to stay at home, risking further health and economic decline. By losing weight, she has regained her self-confidence, recently completed her higher education, and even got a job.

All economic indicators are positively impacted by weight loss, noticeably GDP growth rate and employment numbers

Table 4: Economy indiactors

Category	Indicator (by 2030)	Measure	Status Quo (2024)	Base Scenario (2030)	Moderate Intervention (2030)	Accelerated Intervention (2030)
Economy	GDP	$ Bn	1,096	1,369	1,385 (+16 Bn)	1,411 (+42 Bn)
	GDP growth rate	%	4.6	3.3	3.7 (+0.4% points)	4.2 (+0.9% points)
	Productivity savings	Days per year per adult previously living with obesity	260	260	262.94 (+2.94 days)	267 (+7 days)
	Government revenue (VAT only)	$ Bn	65.7	82	85.1 (+3.1 Bn)	88.9 (+6.9 Bn)
	Consumption	$ Bn	438	547	567.5 (+20.6 Bn)	585 (+48 Bn)
	Individual income	$	32,880	37,322	37,478 (+156)	38,745 (+366)

Analysis by Key Demographics

Weight loss levels the playing field for the most impacted demographics:

Nationality:

Of the additional hours gained due to boosted productivity, Saudi national workers could gain the most, with 9 days per worker per year gained in the accelerated scenario and 4 days per worker per year gained in the moderate scenario. This is due to higher baseline obesity prevalence among the Saudi nationals and the corresponding greater improvement in their physical health status when weight loss interventions are implemented. On the other hand, the corresponding increase in productive hours for expatriate workers are only 3 days in the accelerated intervention scenario and 1 days in the moderate intervention scenario.

Gender:

In terms of an increase in individual income, women's income may increase more than men's income. While women could gain an addition $385 in the accelerated intervention scenario in 2030 and $ 227 in the moderate intervention scenario in 2030, men gain a lower $371 in the accelerated intervention scenario and $135 in the moderate intervention scenario. This difference is primarily driven by higher baseline obesity rates among women and the resulting greater gains in workforce participation, productivity, and reduced absenteeism once weight loss initiatives are adopted. As women see bigger relative health improvements, they experience correspondingly larger increases in individual income over time