

## ECONOMY: GDP COULD GROW BY 1.5 PERCENTAGE POINTS BY 2031

### *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<sup>53</sup>.

- **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.<sup>54</sup>

- **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 personal career prospects but also contributes to a more dynamic and diverse labour market<sup>55</sup>.

At the national level, improved productivity translates to increased business revenues. In turn, this enables companies to distribute higher wages and hire more employees. These newly added workers, and improved salaries, boost 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<sup>56</sup>, but is also recognized by policymakers.

For example, in the United Kingdom a new scheme was put in place to offer innovative weight loss solutions to unemployed people living with obesity<sup>57</sup>. The intended effect of the weight loss solution 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 testimonies from patients, collected through a sentiment analysis of over 7,000 comments across social media platforms:

**“Post weight loss, I feel more energized and focused at work now!”**

**“After I lost weight, I could focus better at work now that my blood sugar is under control”**

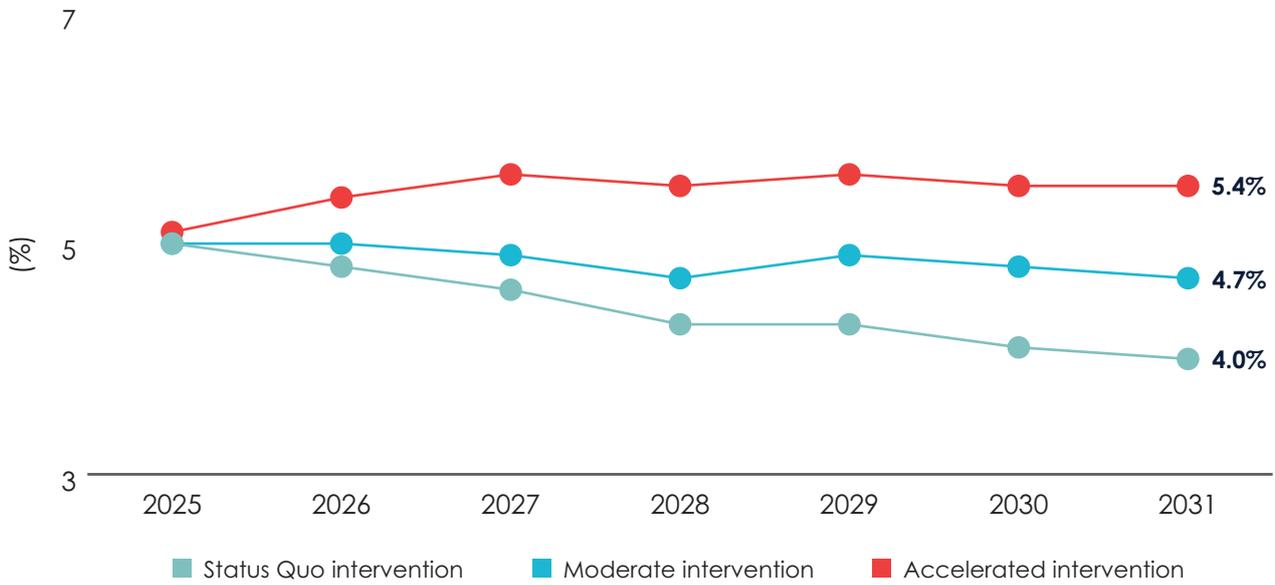
- Whiteshield Sentiment Analysis

***This study's model estimates GDP to grow by up to an additional \$51 Bn in 2031, with up to an additional 1.5 percentage point growth from UAE 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 0.7 to 1.5 percentage points of GDP growth in 2031, as compared to the International Monetary Fund (IMF) baseline GDP projections. These results from the System Dynamics model employed in this study are also consistent with the results from the Fixed Effects model, which links a 1% decrease in BMI to a GDP increase of 0.5% (see the Methodology and Appendix sections for more details).

Improved GDP growth reflects a broader shift in individuals' economic contributions.

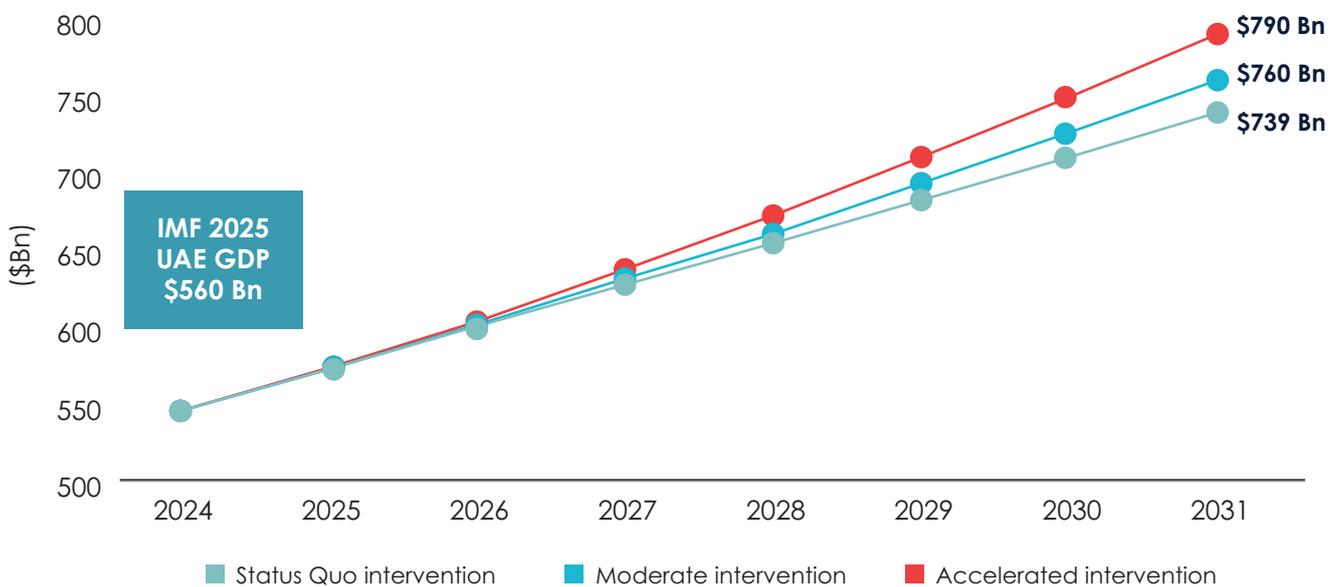
**Figure 8: GDP growth rate (2025-2031)**



The increase in GDP growth would boost the UAE's GDP up to \$790 Bn by 2031. This equates to an estimated GDP gain of between \$22 Bn and \$51 Bn in 2031 and helps push the UAE closer to its GDP target of \$800 Bn by 2030. Current growth estimates by the International Monetary Fund place GDP in 2030 closer to \$711 Bn<sup>58</sup>, while the model estimates the UAE's GDP to reach \$749 Bn by 2030 in the accelerated intervention scenario.

To contextualize these numbers' magnitude, the World Obesity Federation estimates the annual impact of obesity on the UAE's economy at \$12 Bn per year, which is \$84 Bn cumulatively between 2025 and 2031, due to healthcare costs and productivity losses alone<sup>59</sup>.

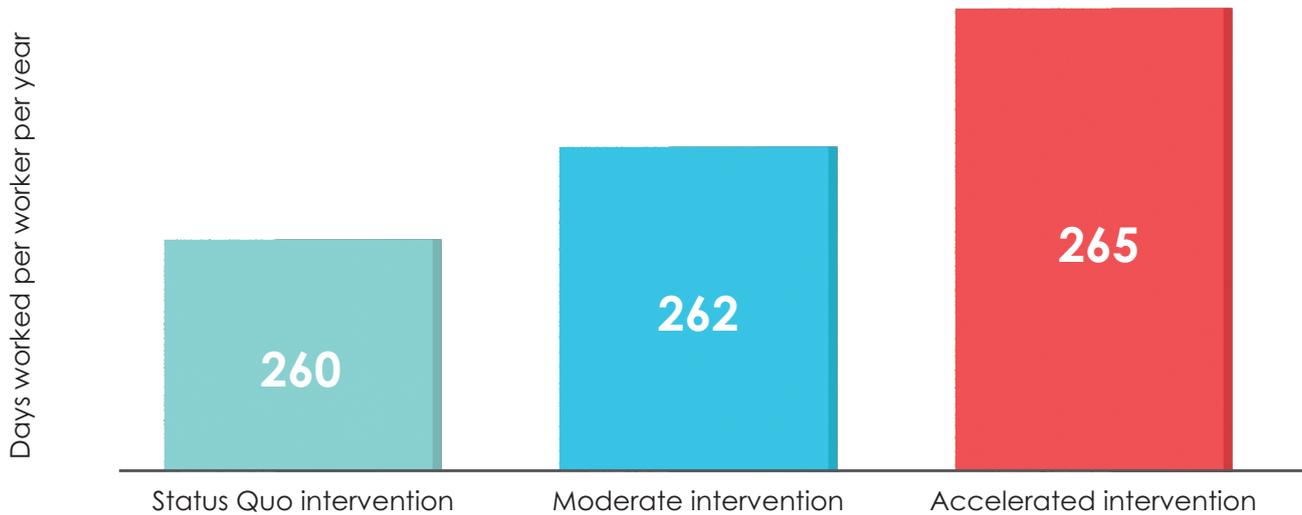
**Figure 9: UAE GDP (2025-2031)**



**Worker productivity is estimated to increase, equivalent to adding 5 additional days of work per year per worker previously living with obesity by 2031**

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.

**Figure 12: Productivity savings**



This increased productivity is equivalent to adding over 5 days of additional workdays per worker previously living with obesity per year in the accelerated intervention scenario

and 2 more day per worker per year in the moderate intervention scenario.



Consider the example of Aditya, a 42-year-old IT worker, 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<sup>60</sup>. 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 \$2.1 Bn by 2031**

Economic growth, fueled by increasing productivity, more employment, and increasing consumption and business revenues, will yield more Value Added Tax (VAT) revenues. In the accelerated intervention scenario, the government could collect an additional \$2.1 Bn in revenue in 2031 alone, and in the moderate intervention scenario, the government could collect \$900 Mn in additional revenues in 2031.

#### **Shift in consumption projected towards sectors focusing on fitness and healthy foods**

As citizens experience positive health benefits and gain purchasing power, overall consumption is projected to grow at a rate of 6.3% per year between 2024 and 2031 in the accelerated intervention scenario, as compared to a 5.2% growth in the moderate intervention scenario. In the status quo scenario, consumption will only grow by 4.4% per year. This difference in consumption growth translates to a

\$42 Bn overall increase in consumption in the accelerated intervention scenario in 2031, and a \$17 Bn increase in the moderate intervention scenario.

This growth in consumption is likely to benefit specific sectors, such as fitness, healthy foods, and household goods<sup>61</sup>. 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<sup>62</sup>.

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<sup>63</sup>. 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 kilo [...] over the last 9 months. 110 kilo to 80kg. I feel like a new person. I’ve changed clothing size twice”**

- Whiteshield Sentiment Analysis



Consider Shyama, a working-age Emirati woman from Dubai whose BMI had climbed to 37, due to which she had to quit her job as a customs agent. 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.

**Individual income estimated to increase by \$772 per year for each individual previously living with obesity**

With improved productivity and boosted GDP growth, individual earnings go up. By 2031, individual income could increase by \$772 per year in the accelerated intervention

scenario and \$358 in the moderate intervention scenario. This translates to an additional \$4,500 in additional income over the period of 2025-2031 for each individual who previously lived with obesity in the accelerated intervention scenario. In the moderate intervention scenario, this increase is around \$2,100.



Take the example of Mariam, the 18-year-old Emirati female from Sharjah, who had been struggling with obesity since childhood. Previously unemployed, like 15% of Emirati 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 indicators**

Category	Indicator (by 2031)	Measure	Status Quo (2024)	Base Scenario (2031)	Moderate Intervention (2031)	Accelerated Intervention (2031)
 <b>Economy</b>	GDP	\$ Bn	545	739	+21	+51
	GDP growth rate	%	5.1%	4.3%	+0.7% points	+1.5% points
	Productivity savings	Days per year per adult previously living with obesity	260	260	+2	+5
	Government revenue (VAT only)	\$ Bn	12	15.3	+0.9	+2.1
	Consumption	\$ Bn	226	306	+17	+42
	Individual income	\$	49,040	52,057	+358	+722

### Analysis by Key Demographic

**Weight loss has a stronger positive impact on Emiratis, especially women:**

#### Nationality:

Of the additional days gained due to boosted productivity, Emirati workers previously living with obesity could gain the most, with 12 days per worker per year gained in the accelerated intervention scenario and 5 days per worker per year gained in the moderate intervention scenario. This is primarily due to Emiratis experiencing a higher average prevalence of obesity.

#### Gender:

Women's individual income, on average, increases more than men's income. While women previously living with obesity could gain an addition \$958 per year in 2031 in the accelerated intervention scenario, and \$434 in the moderate intervention scenario, men may gain \$696 in the accelerated intervention scenario and \$327 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 larger relative health improvements, they experience correspondingly larger increases in individual income over time.

