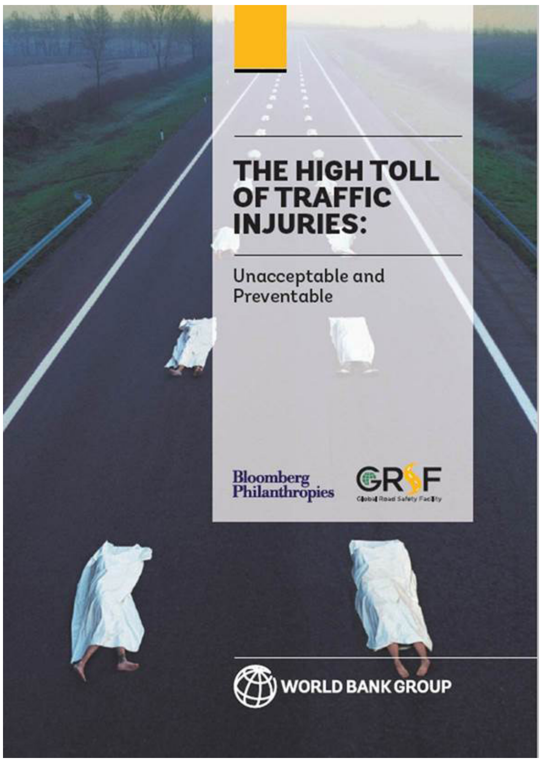
Bloomberg Philanthropies

GRSF Global Road Safety Facility

WORLD BANK GROUP

Making the Economic Case for Reducing Road Traffic Deaths and Serious Injuries



Each year, 1.25 million people lose their lives in the world's roads and another 20 to 50 million are seriously injured. The tragic loss from a road traffic death or serious injury is compounded by the harm to households and social networks. A disproportionate 90 percent of road traffic injuries (RTIs) occur in low- and middle-income countries (LMICs), representing a major health issue and causing great impact on the economic well-being of those countries. This is an eminently preventable problem that is critical to the development agenda. Unfortunately, due to lack of solid evidence, the burden of high road deaths on economic growth and welfare has been difficult to assess.

In an effort to fill this void, **"The High Toll of Traffic Injuries: Unacceptable and Preventable"** World Bank report, funded by Bloomberg Philanthropies, developed a macro-economic model to evaluate likely benefits to income growth from reducing RTIs. The analysis is based on data collected from 135 countries over 24-years, and focusses on China, India, the Philippines, Tanzania, and Thailand – five geographically, demographically and economically diverse LMICs. *The study proves that reducing the number of RTIs in developing countries not only increases income growth, but also generates substantial welfare benefits to societies.*

Key findings from the report include:

- The study **clearly demonstrates** that reducing the number of RTIs leads to **long-term national income growth.** This is especially the case as RTIs are the single largest cause of mortality and long-term disability among young people aged 15-29 (prime working age).
- Significant long-term income growth – **7 to 22 percent increase in GDP per capita** over 24 years – can be achieved by halving road traffic deaths and injuries, in line with the current UN targets.
- The study goes beyond productivity or economic gains, and demonstrates the broader welfare benefits associated with reducing road traffic mortality and morbidity, adding years of life free of injuries and lasting disabilities. This recognizes that GDP is an imperfect measure of social welfare, as it does not factor health benefits. The study finds welfare benefits equivalent to **6 to 32 percent of the national GDP** can be realized from reducing 50 percent of road deaths and injuries over a period of 24 years.
- The results show clear evidence that investing in the prevention of RTIs pays off: maximizing healthy years of life, free of injuries and disabilities, contributes to quality of life, and therefore, builds **human capital** – a key developmental priority for the World Bank.
- The report proves that road safety goes beyond the transport sector, with strong impact on peoples' health, wellbeing, and wallets, and thus underscores the need for a truly **multi-sectoral approach** to reduce RTIs.
- The report provides insight into the costs and benefits of specific road safety measures that may boost economic growth while savings lives. This shows evidence for enormous socioeconomic benefits that LMICs may gain if they chose to adopt **proven cost-effective road safety interventions.** It also provides a comprehensive methodology that can be replicated in any given country, allowing this study to lay the foundation for policymakers and public health officials to improve road safety.

GRSF
Global Road Safety Facility

To access the report please go to:

worldbank.org/grsf