



SURVEYS ON WILLINGNESS-TO-PAY TO AVOID NEGATIVE CHEMICALS- RELATED HEALTH EFFECTS (SWACHE)

IOMC Webinar

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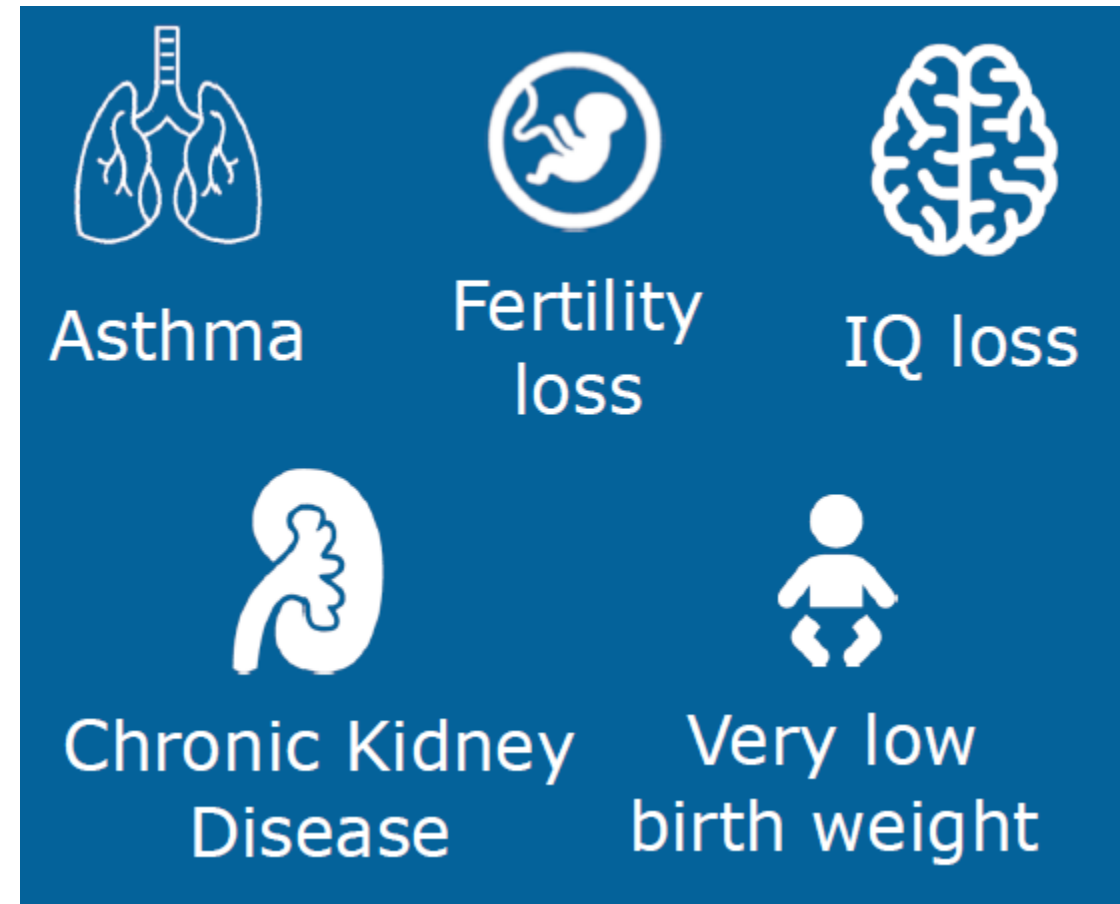
SWACHE” Surveys of willingness-to-pay to avoid chemicals-related health effects

- Carried out by OECD’s **Working Party on Integrating Environmental and Economic Policies (WPIEEP)** in collaboration with the **Working Party on Risk Management**.
- Overall objective:
 - improve the basis for doing **cost-benefit analyses of chemicals-related policies**, and of environmental policies more broadly.
- Specifically:
 - Development of **joint questionnaires** to ask respondents about their Willingness-to-Pay (WTP) to avoid a selection of negative chemicals-related health impacts.



What motivate the objectives of the SWACHE project?

- Current socio-economic analyses of chemical regulations **use values for morbidity impacts often incomplete:**
 - productivity loss,
 - lost earning or cost-of-illness
- Almost **no estimate available for the disutility costs of pain and suffering** from the illnesses
- **Establishing internationally comparable values** for the WTP to avoid negative health effects due to exposure to chemicals

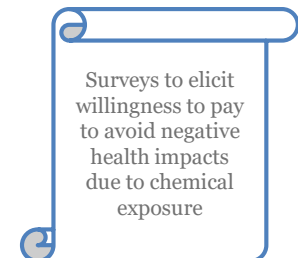


Health effects valued in the first wave



How to capture full internationally comparable WTPs?

- The only way to capture the full WTP to avoid illness is to conduct **stated-preference studies**
- **Experts drafted the survey** instruments reviewed by an expert group
- An internet panel provider, hired by the OECD, **implements each survey in at least 5 different countries**
- At least 2 surveys are implemented in each country using **fresh samples** (1 200 – 1 600 respondents by health effect)
- **The OECD** coordinates the project, implements the surveys and **will jointly analyse all the results** and draw up a summary paper





A common approach across all survey instruments

1. Introduction

- Presentation
- Explicit consent
- Quota question: gender, age, region, education

2. Risk tutorial with visuals

- Basic probability: coin flip, die, survey specific risk format
- Test: « Which risk is higher? »

3. Description of the disease

- Base prevalence
- Consequence of the disease
- Link to chemicals

4. Risk reduction vehicle

- Private good scenarios:
 - Safer food packaging
 - Safer household products
 - Ban of harmful chemicals in consumers products
 - Not specified

5. Elicitation

- Cheap talk and budget constraint
- Double-bounded dichotomous choice (DBDC)
- DCE for Asthma incidence (mild, moderate, severe)
- DBDC for reducing Asthma severity

6. Debriefing questions

- Understanding and trust
- Health: diagnoses, perceived
- Attitudinal questions towards chemicals
- Socio-economic: income, employment status, urban or rural, size of household, health insurance
- Covid-19: impact on health and economic situation



How are “Willingness-to-Pay” values used?

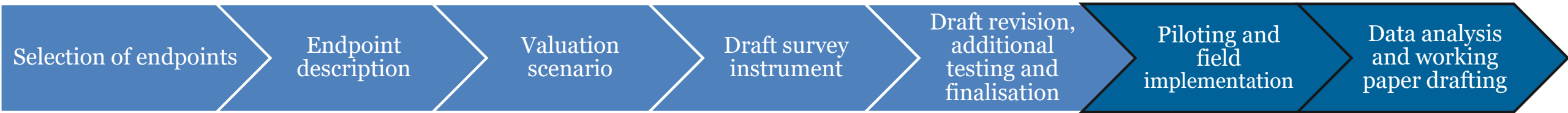
WTP are used in Cost Benefit Analysis of policies			
	Baseline / Status quo	Policy A	Policy B
Description	Business as usual	Restricting the use of chemical X only for specific application	Forbidding the use of chemical X
Quantity of chemical X sold on the market	10 Mt	1 Mt	0
Number of avoided cases of infertility (from dose-response studies) per year*	0	3 000	4 500
Value of statistical case of infertility (kEUR)**	38	38	38
Benefits of avoided cases of infertility (kEUR)	0	114 000	171 000
Extra cost for consumers per year (kEUR)	0	100 000	250 000
Net Present Value (NPV in kEUR)	0	14 000	-79 000

* this value is not real, just for illustration, ** this is just an example, not our published value

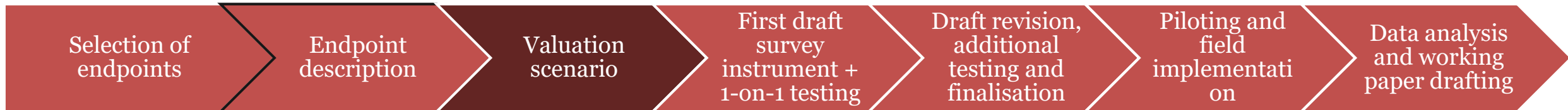


Where are we in the SWACHE project?

First round of surveys: asthma, chronic kidney disease, IQ loss, fertility loss, very low birth weight



Second round of surveys: thyroid Dysfunction, hypertension, non-fatal cancer, skin sensitisation, foetal mortality



30 August &
1 September
2021 Workshop



25-26 October
2021 Workshop



End of March
2022



Further Voluntary Contributions



Provide a voluntary financial contribution to the OECD to conduct one or more of the WTP surveys in **your country**.

- Can still conduct surveys of first round endpoints (depending on timing, results will to be included in joint analysis)
- Time is now to think about contributing the carry out second round survey
- Both OECD and non-member countries invited to participate



THANK YOU FOR YOUR ATTENTION

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