

Research Paper

MENA | Healthcare
2018 / 2019



The Pulse: 9th Edition
Arab Health Market Series

Diabetes – Impact on the MENA region

Diabetesity – Global Scenario

Introduction

“Diabetesity” refers to a twin occurrence of the epidemics of type 2 diabetes and obesity. Defined medically as a metabolic dysfunction that ranges from mild blood sugar imbalance to full-fledged Type 2 diabetes.

Health professionals and researchers consider diabetesity as potentially the greatest epidemic in human history.

Aside from the genetic basis of diabetesity, changing lifestyles often a result of rising disposable income and urbanization are considered as one of the major contributing factors for diabetesity. A drop in physical activity and unhealthy dietary habits combine to form a variety of lifestyle diseases.

According to the World Health Organization (WHO), globally 425 million adults suffer from diabetes. One in Three adults aged over 18 years are overweight and One in Ten is medically obese causing 1.6 million deaths directly attributable to diabetes each year. Further complications of diabetes include; blindness, kidney failure, heart attacks, strokes and lower limb amputation.

Globally obesity has nearly tripled since 1975 reaching more than 1.9 billion adults in 2016. Of those 18 years and older 650 million were obese.

Another major problem world is facing is child obesity. Based on WHO data, child obesity (aged 0 to 5 years) has increased from 32 million globally in 1990 to 41 million in 2016, which is further expected to reach to 70 million by 2025.

In the Middle East & North Africa (MENA) region the prevalence of diabetes and obesity is one of the highest in the world with almost 39 million people suffering from diabetes. Eight Middle Eastern countries; Kuwait, Qatar, Egypt, KSA, Bahrain, UAE, Jordan and Lebanon have the highest ratio of obesity among adults globally with 27% to 40% of the total population affected.

Colliers International Overview “Diabetesity – Impact on the MENA region” the 9th in The Pulse series, provides an in-depth analysis of the key factors impacting the diabetesity epidemic with focus on the MENA region, and its future outlook and identify opportunities and challenges to operators and investors



Worldwide **425**
millions adults are Diabetic



1 out of 11 Adults are Diabetic



1 of 3 ADULTS
At a Risk of Diabetes



1.6 Million Deaths
Due to Diabetes Each Year

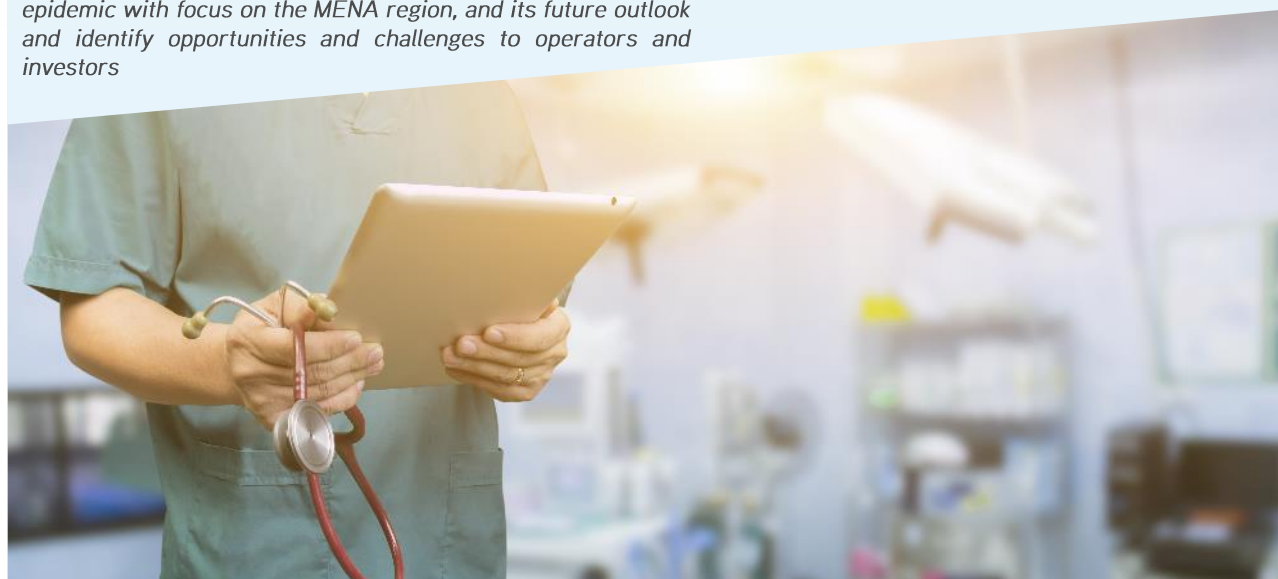
Source: WHO, IDF,, DHA; Colliers International, 2018



Worldwide **1.9** billions
adults are Overweight &
650 millions are Obese



Worldwide **381** millions
children are Overweight out of
which around **41** millions are
Obese



Diabetesity Impacts on Global Markets

Definition

World Health Organisation (WHO) defines “diabetes” as a chronic, metabolic disease characterized by elevated levels of blood glucose (or blood sugar), which leads over time to serious damage to the heart, blood vessels, eyes, kidneys, and nerves.

Type 1 - Also known as juvenile diabetes or insulin-dependent diabetes, is a chronic condition in which the pancreas produces little or no insulin by itself.

Type 2 - Results from the body's inability to respond properly to the action of insulin produced by the pancreas. It is much more common and accounts for around 90% of all diabetes cases worldwide. It occurs most frequently in adults, but is being noted increasingly in adolescents as well.

Gestational Diabetes - Temporary condition that occurs in pregnancy and carries a long term risk of type 2 diabetes.

Increase in Cost

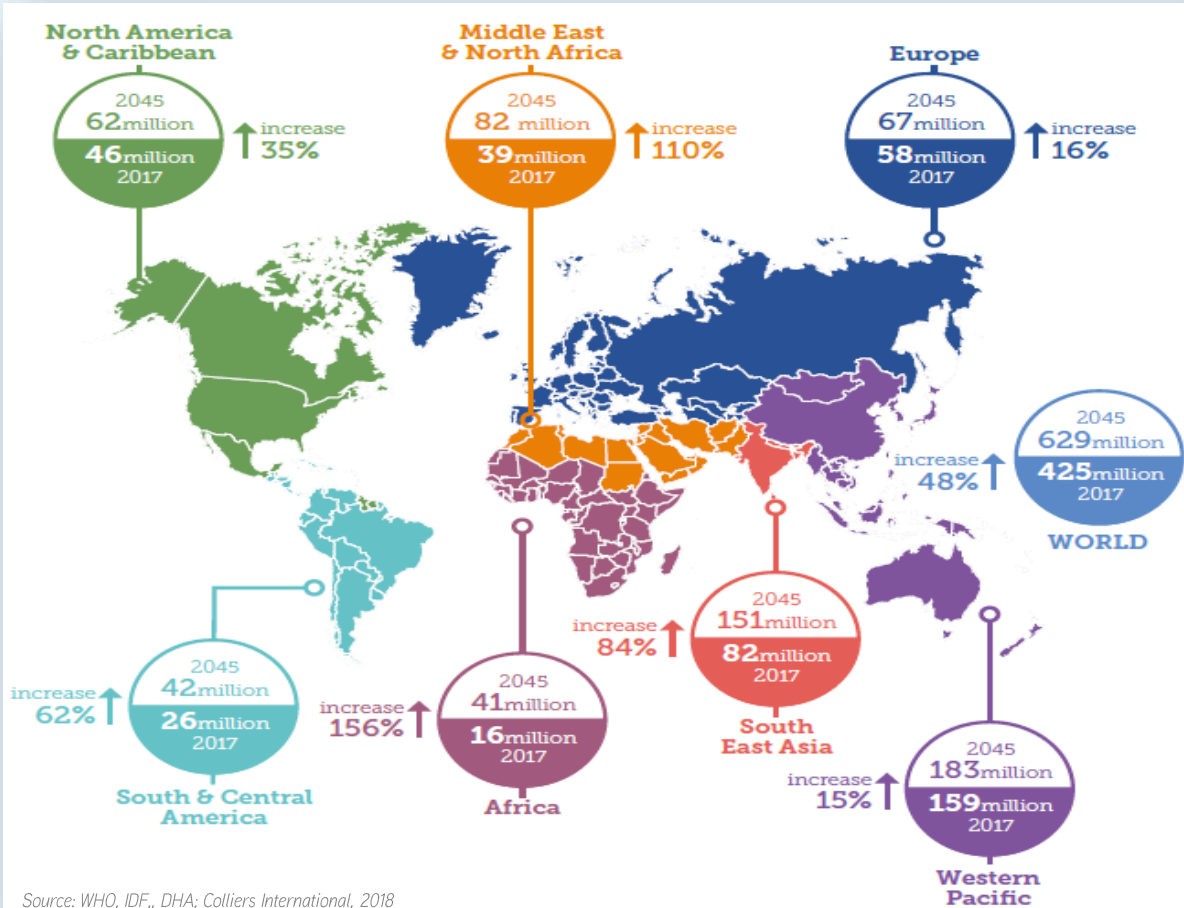
Based on International Diabetes Federation (IDF) estimates for 2017, the total healthcare expenditure on diabetes has almost tripled to USD 727 billion (20-79 years), over the last decade.

WHO estimates that losses in GDP worldwide between 2011 to 2030, including both the direct and indirect costs of diabetes, would total US\$ 1.7 trillion, comprising US\$ 900 billion for high-income countries and US\$ 800 billion for low-and middle-income countries.

Decrease in GDP

Current & Future Numbers

Based on the estimation by International Diabetes Federation, globally the number of diabetic patients are expected to increase from 425 million in 2017 to 629 million in 2045, an increase of 48%. However, the biggest increase is expected to be in MENA (110%) and Africa (156%) significantly impacting mortality, loss of productivity (decreased GDP) & increased healthcare expenditure.

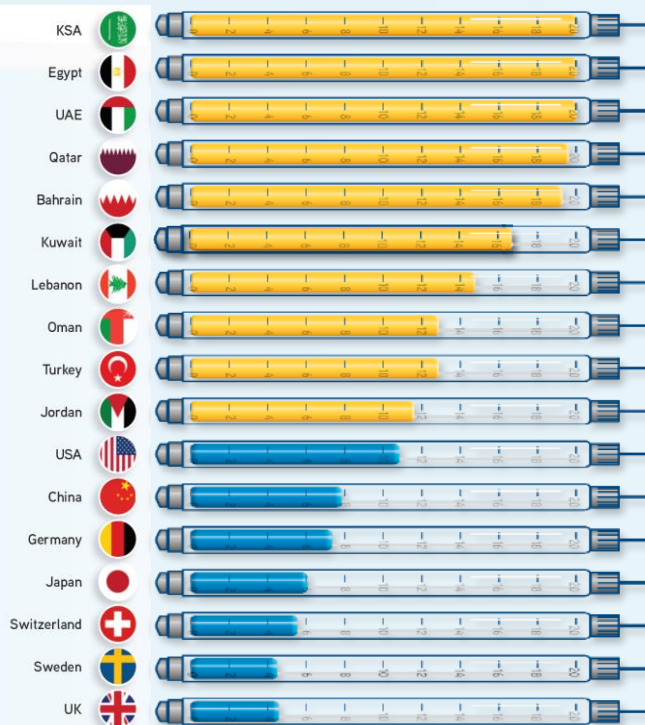


Diabetes in MENA

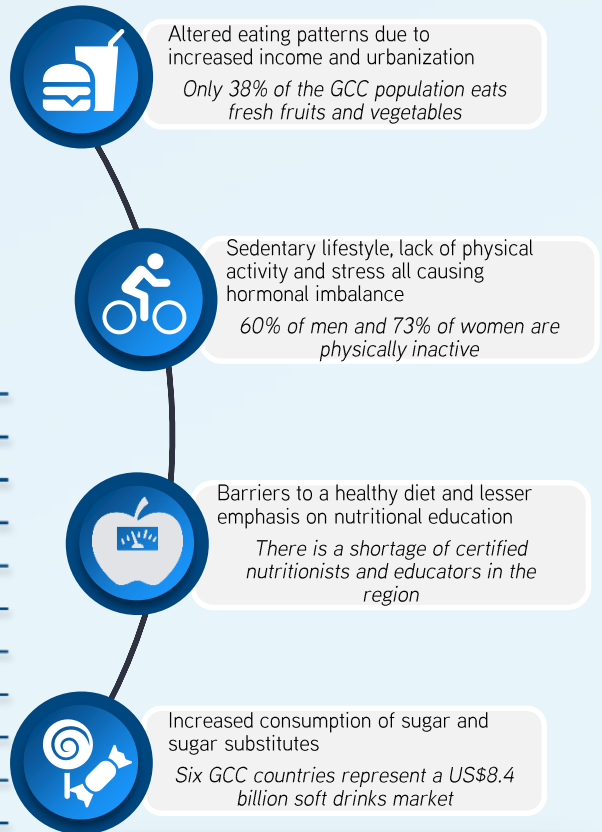
In 2017, almost 39 million adults aged 20 to 79 years in the MENA region are diabetic - this number is expected to double by 2045.

In the MENA region, the prevalence of diabetes and obesity is one of the highest in the world with almost 39 million people suffering from diabetes. Eight Middle Eastern countries; Kuwait, Qatar, Egypt, KSA, Bahrain, UAE, Jordan and Lebanon have the highest ratio of obesity among adults globally with 27% to 40% of the total population affected. The prevalence of overweight and obesity in these countries ranges from 74% to 86% in women and 69% to 77% in men.

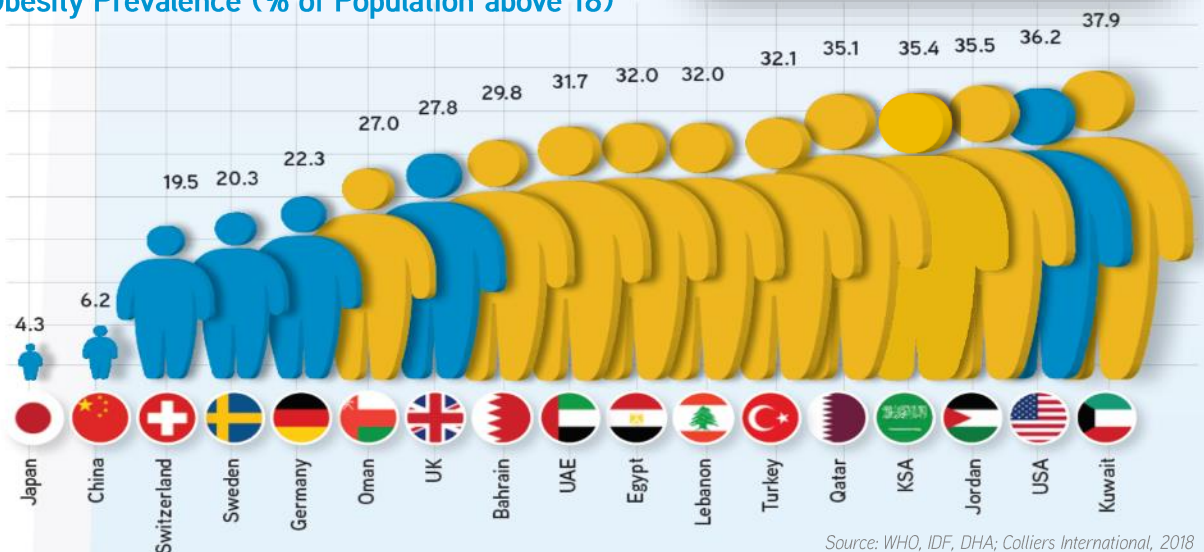
Diabetes Prevalence (% of Population above 18)



Factors contributing to diabetes in the Gulf region



Obesity Prevalence (% of Population above 18)



Source: WHO, IDF, DHA; Colliers International, 2018

Economic Burden of Diabetes in MENA

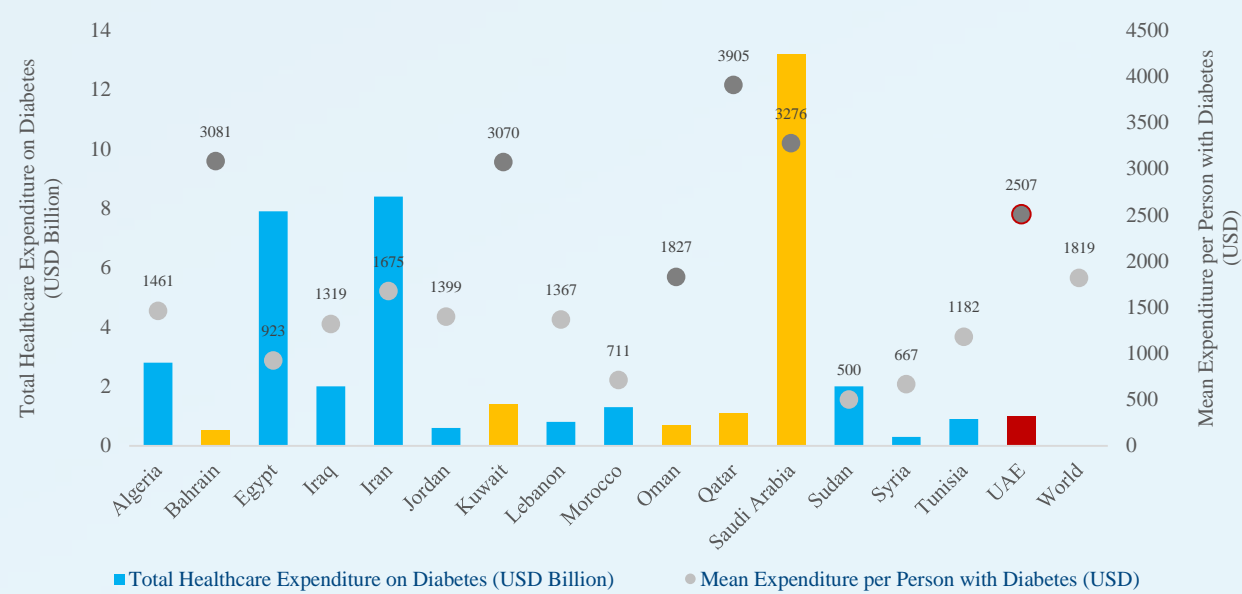
Burden in terms of GDP and Percentages

In 2017 the healthcare expenditure on diabetes in MENA reached USD 21.3 billion and is expected to jump by 67% to USD 35.5 billion by 2045 as per IDF. The amount of healthcare expenditure dedicated to diabetes corresponded on average to 17% of the total health dollars spent.

The countries which allocated the largest share of their healthcare budget to diabetes were Saudi Arabia (24%), Bahrain (21%), Egypt (17%) and UAE (15.9%).

In the MENA region diabetes accounted for 15% of the total healthcare expenditure in 2015 which is significantly higher when compared to the world (11.3%).

Economic Burden of Diabetes in MENA Region 2017



Source: WHO, IDF, DHA, Colliers International, 2018

Key Trends in Science and Technology Tackling Diabetes

“Connected Care” / “Internet of Medical Things”

The Rise of Wearables:

Advancement in mobile and communication technology is playing a critical role in management of chronic illnesses such as diabetes and obesity. It is becoming increasingly possible to track a patient's key parameters such as ECG, EKG, Temperature, Blood Pressure, Glucose Levels, Physical Activity and Diet Intake through mobile apps, wearable devices or implanted devices.

This data can then be transmitted to healthcare providers for continuous and effective monitoring of a patient's vital signs, adherence to treatment plans, and provide remote consultation/coaching when needed.



The Rise of “Tele” Healthcare:

Referred to as “telehealth” or “telemedicine,” US companies such as American Well, Doctor on Demand and Teladoc offer on-demand access to a doctor, relying on the patient's smartphone or computer to act as a virtual office.

The explosive growth in telemedicine is fueled by connectivity, convenience and lower costs of telemedicine technology.

Artificial Intelligence

Artificial Intelligence (AI) and Machine Learning is also being applied to create personalized treatment plans. Applications are of immense benefits to over-weight / obese and pre-diabetic / diabetic individuals as they can actively monitor their health and take risk-mitigating measures.

Data gathered from AI apps can provide deep insights on epidemiology and disease patterns. Environmental, regional, occupational and genealogical data layered into AI based systems can provide early profiling allowing physicians to diagnose problems more efficiently.

Source: WHO, IDF, DHA; Colliers International, 2018



Tackling the Problem – Government Measures

Preventative Strategies - UAE



The Abu Dhabi Children's Obesity Task Force's plan to reduce obesity by increasing physical activity in children by 15% and reduce the average body mass index by 15% by 2020



Weqaya, meaning prevention, is a programme established by Department of Health Abu Dhabi with the aim of encouraging people to eat a healthy & balanced diet to promote good health and wellbeing. The voluntary certification scheme places a green-and-blue Weqaya logo next to healthy food items



To curb the spread of obesity in the UAE health regulators are currently discussing the implementation of front-of-pack labelling for pre-packaged foods



UAE has imposed a 50% 'sugar tax' on soda, 100% on energy drinks & tobacco products to lower obesity and diabetes rates



The Ministry of Health is working with ESMA (Emirates Standardization and Metrology Association) to decrease sugar content in soft and sugary drinks. Additionally, the Ministry is working on developing policies to put a blanket ban on marketing unhealthy foodstuff to children.

The UAE has developed a clear roadmap for combating and controlling diabetes. Though the challenges are still being faced in some areas such as lifestyle modifications, physical inactivity & diet, government measures has led to a drop in the prevalence of diabetes from 19.3% in 2013 to 17.3% in 2017.

Quality of Life Program – Saudi Arabia Vision 2030

Quality of Life Program 2020 is one of the Vision Realization Programs of Saudi Arabia 2030. It aims to enhance the quality of life in the Kingdom through lifestyle improvement by activating individuals' participation in entertainment, sport and cultural activities.



KSA plans to reduce diabetes prevalence and aspires to be at par with the average of the top 5 most livable countries (ranging 3 – 8%) from current 17.9%. The 2020 target is to achieve 3% reduction in obesity and to decrease diabetes prevalence to 13.4% while eyeing towards 10% by 2030.



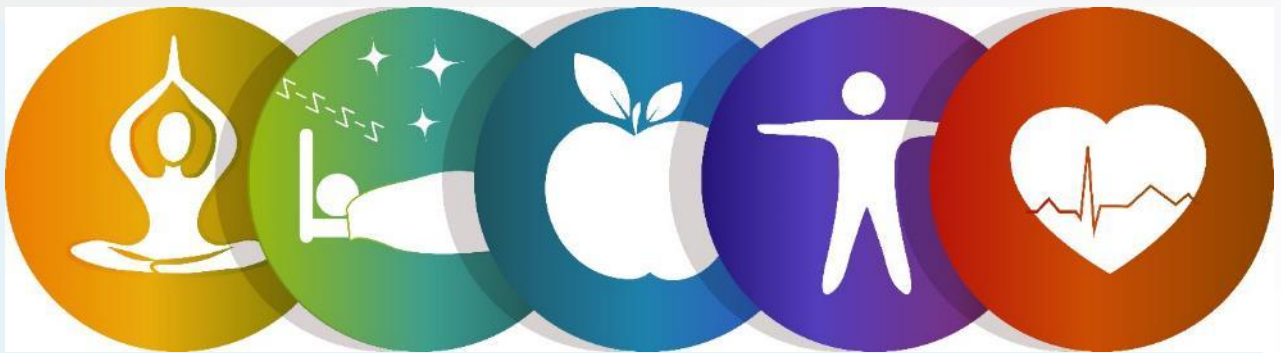
To develop specialized programs for students targeting at their 25% participation in extra-curricular activities. The 2022 target is to have 14 sport courts and 39 soccer fields.



To increase the quality and number of gym instructors, mass participation and professional coaches. The 2020 target is to have 4,500 certified fitness coaches.

Source: WHO, IDF, DHA, Colliers International, 2018

Impact on Health & Wellness Industry



Specialized Service Centres (Centre of Excellence)

- Centers of excellence focusing on certain specialties diseases such as diabetes, ophthalmology, cosmetic surgery, IVF and orthopedics (sports medicine) are expected to grow further in the region. Many General Hospitals also have established dedicated wings to provide highly specialized services in a single specialty this has often been a key factor to the success of these facilities. E.g., London Diabetes Centre in Abu Dhabi focusses on Evidence-based medicine specialising in diabetes treatment, research, training and public health awareness



Rehabilitation Centres / Long-term care Centres

- With a decline of the nursing home model of care and the growth in more assisted living options, long-term rehabilitation centers have become common across international markets.
- Developers can integrate new real estate products, targeting retirees as well as those looking for long-term care and immediately accessible amenities.



Health Driven Wellness Retreats

- In many regional and international markets among the keys to successful resort developments, especially targeting the affluent customers, is yearlong destination conceptual planning.
- To achieve this developers have to go beyond spa packages to include health driven wellness offerings; beauty and cosmetic, weight loss and packages relating to lifestyle disease.
- These increase absorption, occupancy levels within the development and enhance price premiums



Daycare Surgical Centres

- Due to advancements in healthcare technology (for example laparoscopy) a number of daycare surgeries (treatments / procedures) have significantly increased, resulting in higher demand for daycare surgery centers.
- The demand for daycare surgical centres has also increased regionally, due increase in prevalence of number of lifestyle diseases; diabetes, obesity, depression, strokes, cardiovascular diseases, blood pressure, etc., which does not require treatments in traditional hospital set-ups.



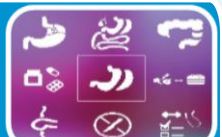
Fitness / Skills Retreats

- Destination-based fitness camps are gaining popularity especially within the younger generation Y and Z (age range of 20 to 40 years).
- Destination healthcare retreats comprise two primary components; retreats that promote lifestyle changes and academies focused on enhancing group skill techniques. The fitness industry is upgrading with fitness slimming getaway programs in holiday locations.
- With obesity levels increasing across the region, the regional holiday home market can benefit by applying these new trends which will enhance the absorption / occupancy of new developments and price premiums.



Rise in Beauty, Cosmetic and Weight Reduction Surgeries

- Relentless quest to remain youthful and defy ageing, enhanced purchasing power and Greater awareness towards advanced procedures is causing an upsurge in elective cosmetic procedures
- Bariatric surgery is fast becoming the next front in the battle against obesity.
- Rise in medical tourism will also drive market growth.



Diet and Nutrition Clinics

- High prevalence of diabetes along with growing awareness among the population is leading to an increasing demand for lifestyle clinics and diet & nutrition centers which follow a proactive approach delivering personalized health programs
- These clinics are aimed to cater to various lifestyle diseases thereby customizing the diet and diet schedules, e.g., Thyroid plan PCOS plan, detox plan, bariatric plan, gluten free plan, etc.



Emergence of entertainment/ outdoor parks

- Capitalizing on the burgeoning need to foster and encourage outdoor play for kids, many entertainment parks focused on increased physical activity have sprung up in recent years in UAE, though they are not affordable to a large chunk of the population



Source: WHO, IDF, DHA; Colliers International, 2018

69 countries

\$2.7

billion in
annual revenue

2.0

billion square feet
under management

15,400

professionals
and staff

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