



European Monitoring Centre  
for Drugs and Drug Addiction



# Main challenges when estimating drug-related public expenditure

Cláudia Costa Storti

Developing guidelines for planning, monitoring and reporting on

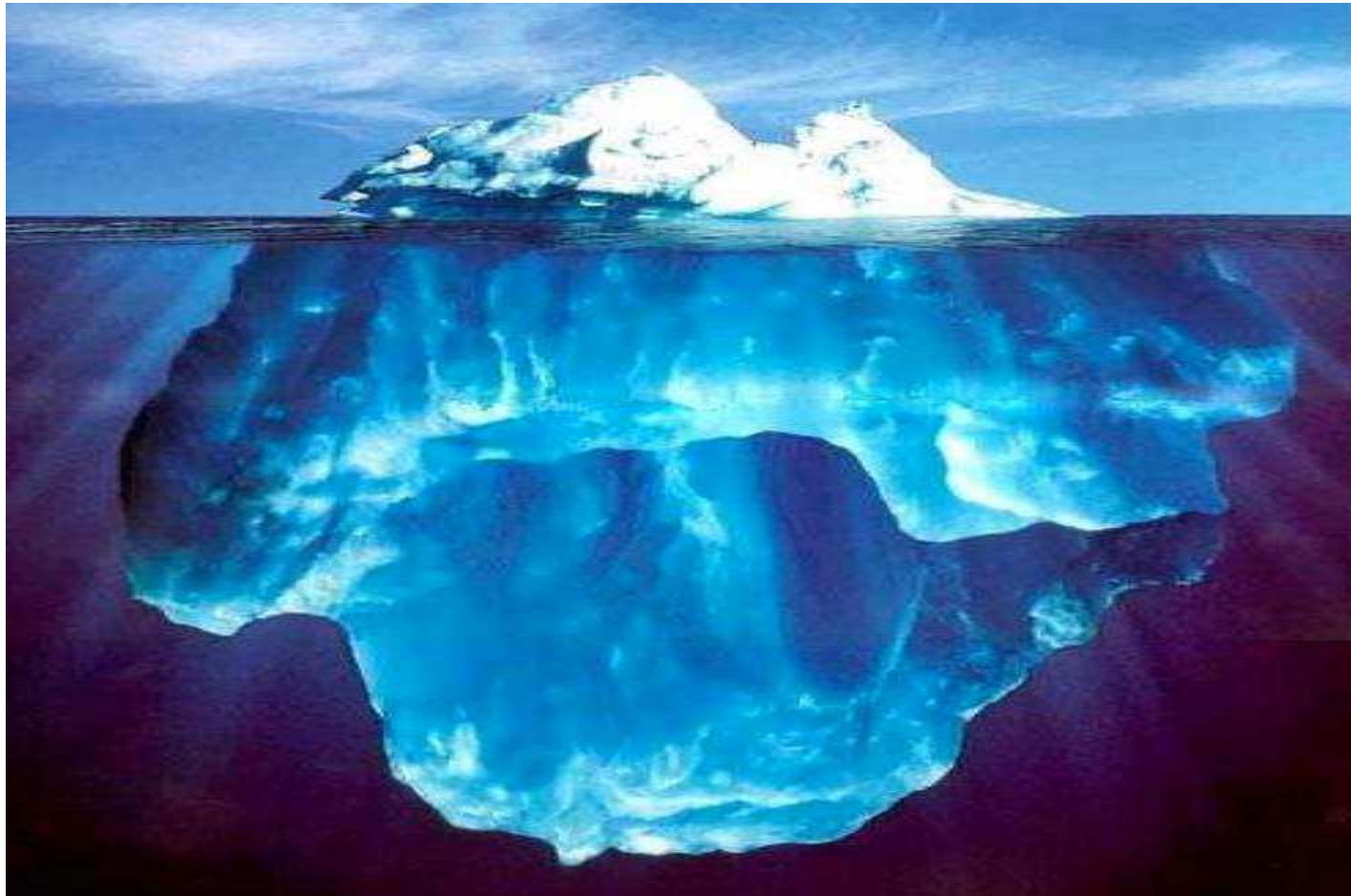
drug related public expenditure

Organized by the European Commission (TAIEX) and the

Croatian Office for Combating Drug Abuse

Dubrovnik, 14–15.05.2013

## – Drug-related public expenditure – What do we know at European level?



## – Drug related public expenditure: what do we know?

### Limited knowledge at European level:

#### 1. What do we know?

#### 2. Methods

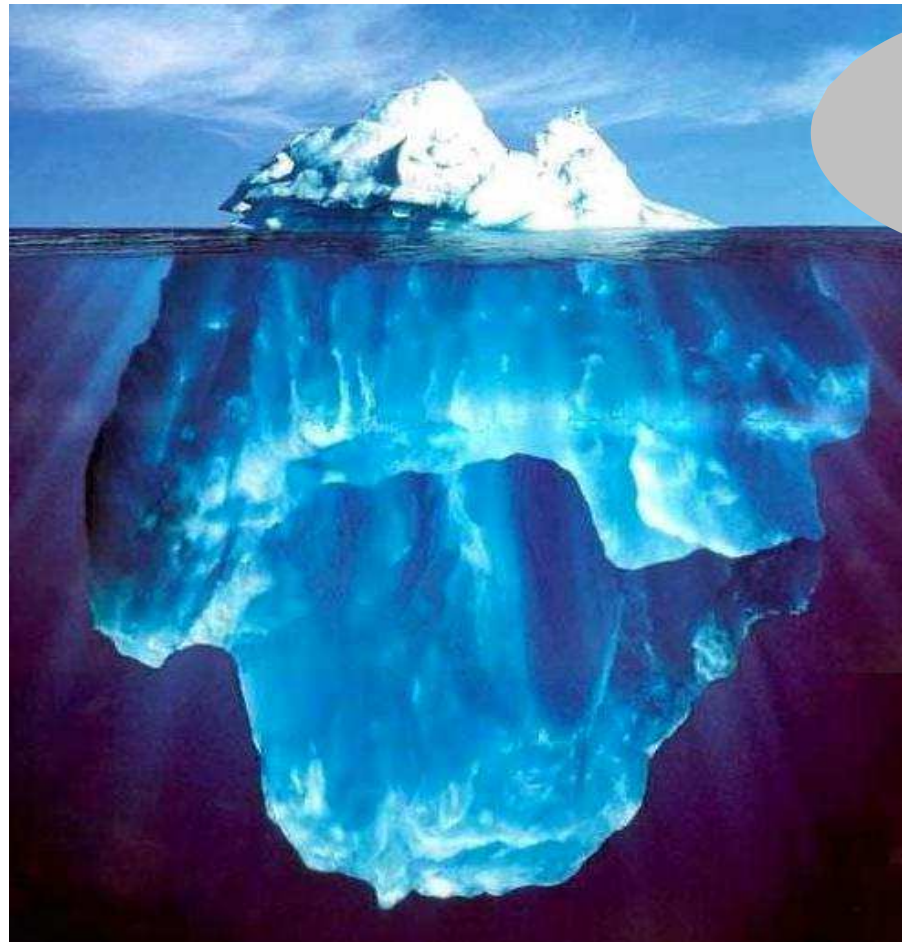
#### 3. Results

- Still no European picture
- Data limitations
- Some countries, some years



## – Drug-related public expenditure – Limited knowledge at European level

### 1. What we know?



Drug-related  
public  
expenditure!

## – Public expenditures: What do we know? –

### Limited at European level!

#### 1. What we know?

- No estimate of how much is the total European drug-related public expenditure;
- It is still not possible to fully compare national estimates;

#### WHY?

- Countries report:
  - Different percentages of the total;
  - Different years;
  - Apply different methods to estimate the same type of expenditure.

# – Public expenditures: What do we know? –

## Not enough!

### 1. Introduction

2. What we know?

3. The Belgian case study

4. Social costs

5. Developments

Methods to collect data, depend on type of public accountancy available in each country:

- Labelled expenditures
- Unlabelled expenditures.



# – Public expenditures: What do we know? –

1. Introduction
2. What we know?
3. The Belgian case study
4. Social costs
5. Developments



Labelled  
expenditures  
are  
well  
identified  
expenditures.  
Reflect the  
government's publicly  
announced  
commitment in the field  
of drugs

## – Public expenditures: What do we know? –

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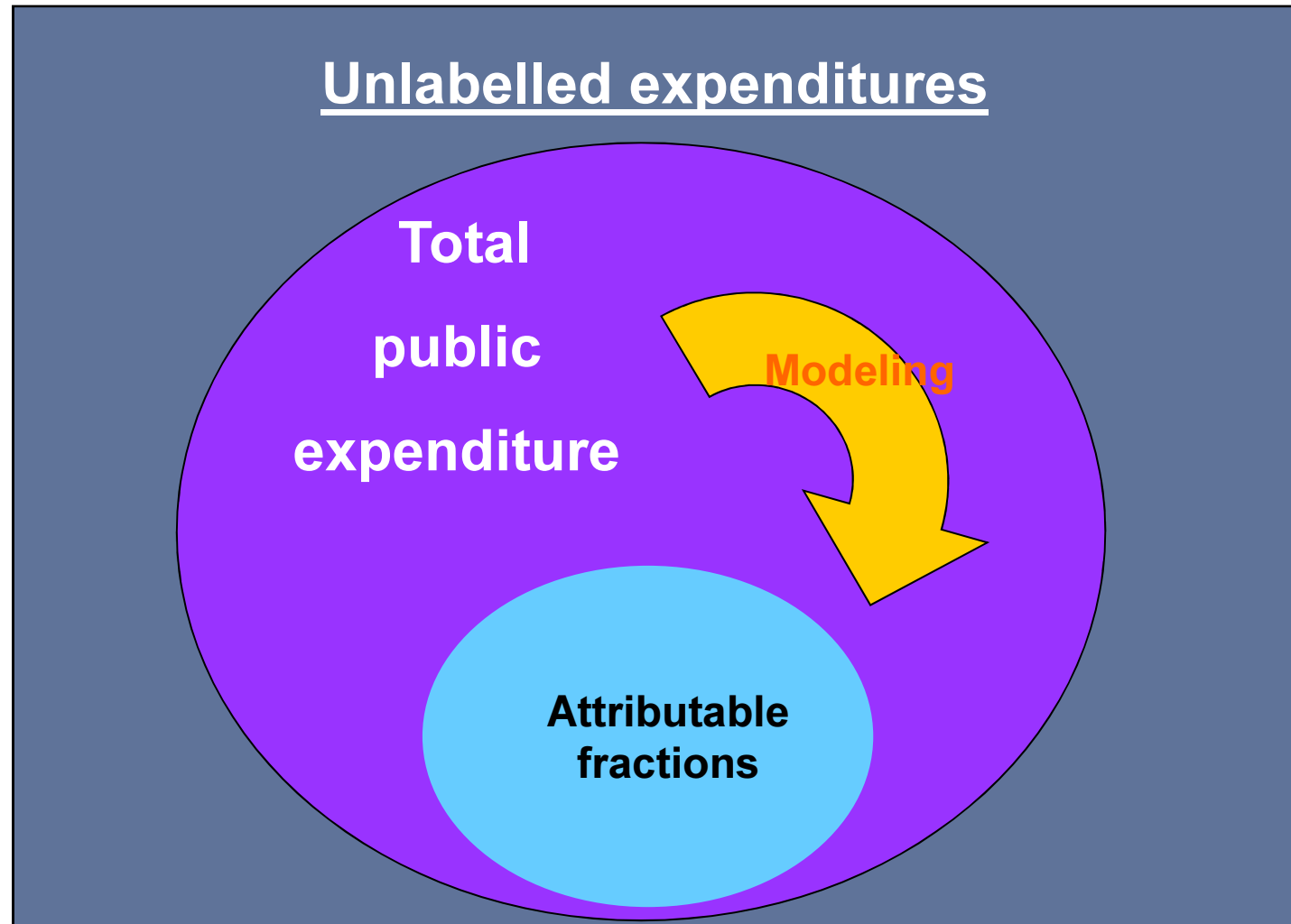
### Unlabelled expenditures

The non-announced  
(and some times  
unplanned) public  
expenditures faced by  
the government in  
tackling with drugs.



## – Public expenditures: What do we know? –

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## – Public expenditures: What do we

2012 EMCDDA  
Annual Report

### Estimates of drug-related public expenditure

Country	Year	Allocation of drug-related public expenditure (%)		Proportion of GDP (%) <sup>(1)</sup>
		Demand reduction	Supply reduction	
Belgium	2008	38.0	68.0	0.11
Croatia <sup>(2)</sup>	2010	66.0	34.0	0.03
Cyprus <sup>(3)</sup>	2010	31.0	42.9	0.04
Czech Republic	2006	8.2	91.8	0.17
Estonia <sup>(2)</sup>	2010	76.2	23.8	0.01
France	2005	51.6	48.4	0.07
Germany	2006	35.0	65.0	0.22–0.26
Greece <sup>(2)</sup>	2009	82.0	18.0	0.05
Hungary	2007	24.7	75.3	0.04
Ireland <sup>(2)</sup> <sup>(4)</sup>	2010	65.1	23.4	0.17
Italy	2009	53.4	46.6	0.25
Latvia <sup>(2)</sup>	2008	40.9	51.3	0.04

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# – Public expenditures: What do we

## Estimates of drug-related public expenditure

Country	Year	Allocation of drug-related public expenditure (%)		Proportion of GDP (%) <sup>(1)</sup>
		Demand reduction	Supply reduction	
Lithuania <sup>(2)</sup>	2008	69.3	17.7	0.02
Luxembourg	2009	43.0	57.0	0.10
Netherlands	2003	25.0	75.0	0.46
Portugal	2005	52.5	47.5	0.03
Slovakia	2006	30.0	70.0	0.05
Finland	2009	45.5	54.5	0.07
Sweden	2002	25.0	75.0	0.28
United Kingdom	2005/06	38.3	60.7	0.48
<sup>(1)</sup> Due to differences between countries in methodology, data quality and completeness, values for drug-related public expenditure as a proportion of gross domestic product (GDP) are indicative only, and should not be taken to represent the full extent of national public expenditure on the drug problem.				
<sup>(2)</sup> Labelled expenditure only.				
<sup>(3)</sup> 25.9 % of total expenditures financed drug-related coordination activities.				
<sup>(4)</sup> 11.4 % of total expenditures financed drug-related education activities.				

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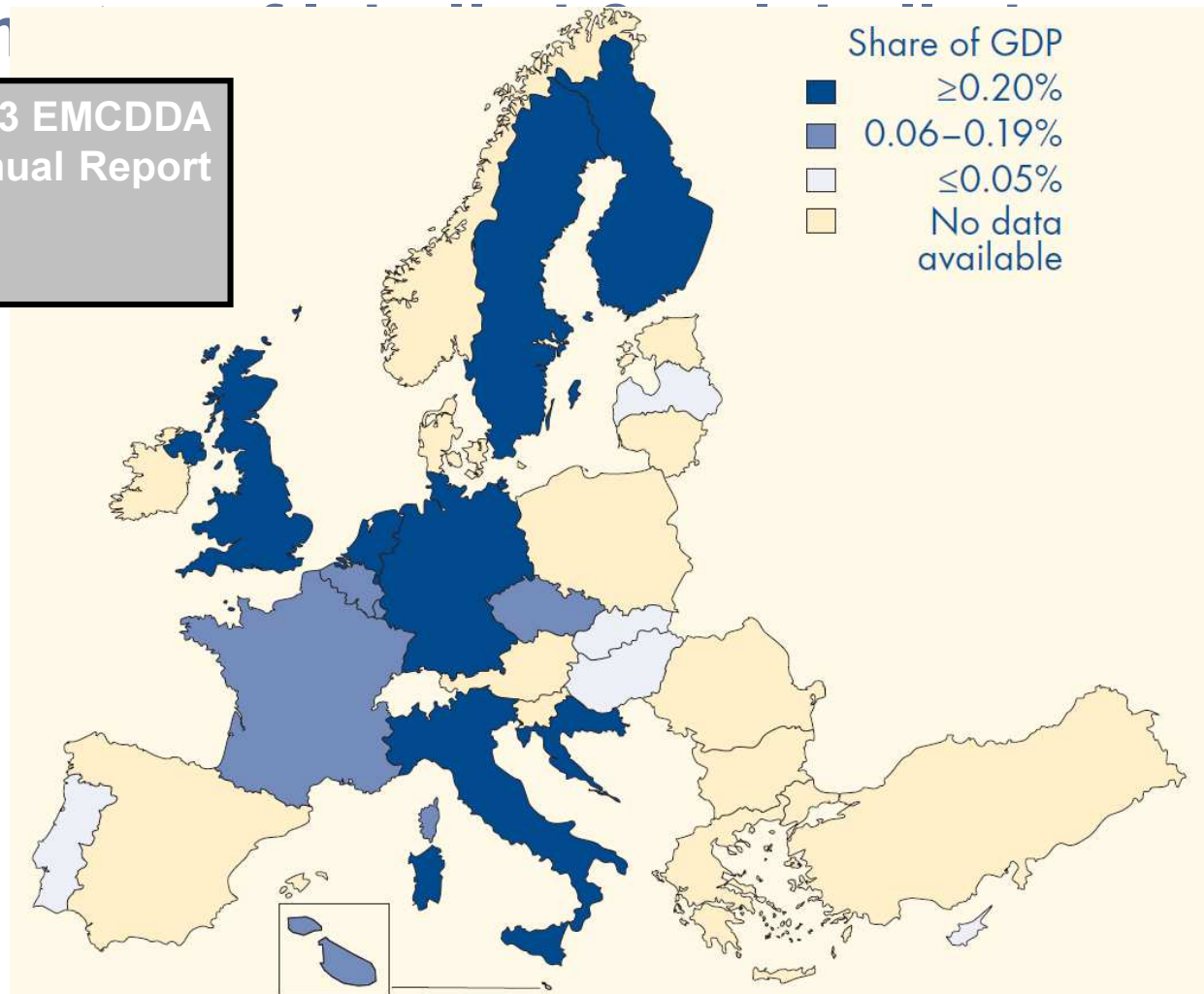
# – Public expenditures: What do we know? –

Estim

2013 EMCDDA  
Annual Report

Share of GDP

- ≥0.20%
- 0.06–0.19%
- ≤0.05%
- No data available



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# – Public expenditures: What do we know? –

## Summary of information reported until 2012:

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Estimates of total (labelled and unlabelled) drug related expenditures) suggest:

1. Drug related expenditures vary widely in percentage of GDP, from country to country;
2. Estimates for the 2002-2010 period, point to values varying between 0.48% - 0.03% of GDP;
3. Higher income countries tend to spend more on drug-related expenditures.



## – Public expenditures: What do we know? –

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Estimates of total (labelled and unlabelled) drug related expenditures suggest:

4. Out of the 13 countries with estimates of labelled and unlabelled, 9 countries spend more resources on supply-reduction activities (between 54.5% and 91.8% of total expenditures)
5. Out of 13 countries with labelled and unlabelled expenditures, only 4 spend about half and half on supply/demand reduction initiatives;
6. Labelled expenditures represent less than 10% of the total drug-related expenditures.

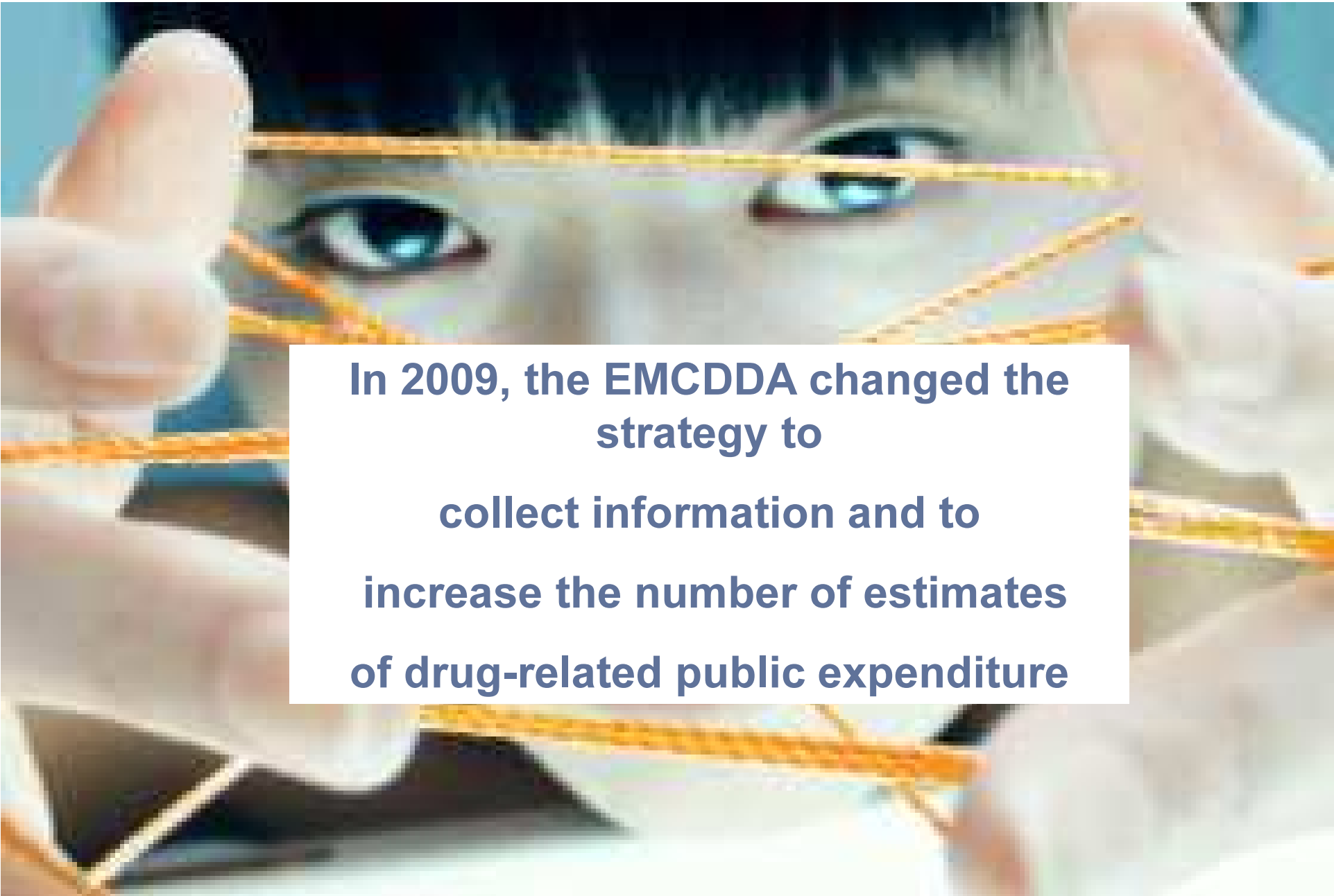
## – Public expenditures: challenges –

### Conclusions:

The collection of drug-related expenditure in Europe still faces many important challenges:

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1. Data collected at national level is still limited and unequal;
2. Data coverage differs across countries;
3. Methods used to estimate the various components of public expenditure differ across countries;
4. National results are not fully comparable;
5. The analysis of European data requires caution



**In 2009, the EMCDDA changed the strategy to**

**collect information and to**

**increase the number of estimates**

**of drug-related public expenditure**



# Identifying solutions

# Drug-related public expenditure - Main challenges -

**Comments or questions?**

**Thanks for your attention!**

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