THE PRAGUE AGREEMENT

COALITION OF NATIONAL PSYCHIATRIC ASSOCIATIONS, MENTAL HEALTH CHARITIES AND ORGANISATIONS

The Royal College of Psychiatrist (RCPsych) in collaboration with the World Psychiatric Association; the European Psychiatric Association; the American Psychiatric Association; the South African Society of Psychiatry; the Association of Psychiatrists in Nigeria; the Indian Psychiatric Society; the Royal Australian and New Zealand College of Psychiatry; the Canadian Psychiatric Association; all psychiatric associations, mental health charities and organisations from across the world.

The Economic Case for Investing in Mental Health (EIMH)

Rationale

Globally, the economic cost of mental ill-health is estimated to be US $5 trillion[i][1]. Recent analysis estimates the overall cost in England to be US $382.2 billion[ii], up from US $150.4 billion two years ago (5% of UK GDP in 2019)[iii], in the Philippines US $1.37 billion (0.4% of GDP)[iv] and US $1.26 billion in Singapore[v]. Research across 7 countries in sub-Saharan Africa and Central, South and South-East Asia similarly estimates the economic burden to be between 0.5-1.0% of GDP[vi]. Whether higher or lower income, mental ill-health is impacting the prosperity of countries around the world.

Unlike physical disorders, which primarily affect middle-aged and older adults, mental illnesses are predominantly conditions of youth, around half start before age 14 and three quarters before age 24[vii]. Without a public health approach to improving health and wellbeing, and accessible mental healthcare, these mental disorders can develop into chronic mental illness in adulthood.

The most productive members of society are young and middle-aged adults. Failing to prevent mental ill-health in its early stages reduces the productivity of the nation by reducing the number of young people able to reach their full potential. Research in Asia published in 2019 estimated that disability-adjusted life of years (DALYs) rates peaked at 30-34 years, following a consistent upward trend through childhood and adolescence[viii].

Often, when someone is diagnosed with a physical non-communicable disease, they have already been working for many years; their disease hasn't impacted on their school attendance, their acceptance to higher education, career progression and ultimately their ability to pay tax dollars to the state. The inverse is true of mental illness. Once a person has survived the infectious diseases of childhood, the most likely illness they will suffer from as a young person is a mental illness.

As a result of the prominence of mental ill-health from a young age, low- and middle-income countries which tend to have younger populations are likely to be disproportionately affected by the economic burden of mental ill-health. The data shows your mental illness will likely occur while in education, impacting your ability to engage, to achieve your educational potential – impacting your choices for higher education and training, the job you secure and ultimately your economic value.

[1] This paper does not go into the detail of how mental ill-health can impact physical wellbeing, and the associated costs. However, it is worth noting that depression and anxiety account for 8% of all years lived with disability while people with severe depression and schizophrenia have a 40-60% greater chance of dying prematurely than the general population, owing to physical health problems that are often left unattended (heart disease, cancer, diabetes). This has additional economic impacts, while also placing an additional burden on physical health services.

A large proportion of the costs associated with mental ill-health are due to loss of workforce and reduced productivity; in Malaysia the cost of absenteeism, presenteeism and staff turnover due to mental ill-health were estimated to be US $3.48 billion in 2018[ix]. It's predicted that the cumulative global impact of mental ill-health will result in lost economic output of roughly $16.3 trillion between 2011 and 2030[x]. It is well documented that 'without adequate funding for targeted, cost-effective mental health interventions, avoidable deaths and disabilities occur, and this also hinders economic growth'[xi]. We also know that there are 'intangible costs' which can include the impacts of lost quality of life, such as the detrimental impacts of stigmatisation, discrimination and social exclusion[xii].

However, mental health disorders are preventable and treatable, especially if identified and treated early. Investing in community- and primary care-based prevention and treatment is crucial to ensure that these children and young people do not become adults with chronic, relapsing, remitting mental illnesses that interfere with their ability to fulfil their potential and contribute meaningfully to society. Thornicroft and Tansella[xiii] recommend a 'balanced' approach to mental healthcare – focusing on majority care in the community, supplemented by inpatient resources should people need them. This model can be applied to low, middle and high-income countries but requires leadership to make the shift from hospital to community and prevention.

Yet national governments are not investing sufficient funds in mental healthcare. In 2018 the Lancet Commission proposed that high-income countries should increase their expenditure on mental health to at least 10% of their total health budget while low and middle-income countries should raise spending to at least 5%[xiv]. Data collected from 85 countries in 2020 showed that only 13 met the proposed rate of expenditure: 5 of those being high-income countries, 6 upper-middle-income and two lower-middle-income countries[xv]. This is likely a figure which should be revised to reflect the increase seen in mental illness in recent years.

Across the world, there is underinvestment in mental health. This isn't necessarily because countries don't have the funding, rather mental health has not been prioritised. United for Global Mental Health estimates that only 2.1% of government health budgets globally are allocated to mental health[xvi], creating an annual mental health finance gap of at least $200 billion[xvii].

Lack of availability of mental health services is one of the most cited barriers to treatment[xviii]. The average welfare benefit (not including economic or societal benefits) of providing full availability of treatment to support mild to severe conditions is US $118 billion annually[xix] yet globally there is an average of only 0.3 psychiatrists per 100,000 people[xx].

While clinical treatment is a key tenet of recovery, improving mental health often isn't achieved through health services alone, although they are a key element. Well-established models suggest that clinical care accounts for 20% of health outcomes while socioeconomic factors, and physical environments make up 50%[xxi].

Data from a group of lower-income African countries shows that over half of mental health spend is on treatment, mainly hospital care[xxii] – often the costliest intervention. Meanwhile, primary and community healthcare services are relatively underfunded, resulting in low access to and coverage of preventative interventions. Even when funding is being allocated to mental healthcare, this data suggests that it isn't necessarily being used most effectively.

Psychiatric organisations and mental health charities around the world are championing a multi-sector approach to improving mental healthcare, recognising the bidirectional relationship between mental health and socio-economic factors such as poverty, loneliness and structural inequalities[xxiii]. While healthcare can support people to recover, only through living within a community, environment or country which supports good mental health will recovery be sustained.

Evidence shows that investing in population mental health brings a good return on investment (ROI); UNDP research in the Philippines estimates that an investment of US $2.8 billion would return US $4.27 billion over

ten years[xxiv]. Australia has tracked its public health investment since 2012 and noted significant gains; parenting interventions for the prevention of anxiety disorders in children saved US $5.5 million while school-based interventions to prevent depression in young people saved US $24.5 million, both over a 10-year period[xxv].

The impact, or return, of investing in good mental health and wellbeing is often felt wider than simply a reduction in demand for mental health services. Improving wellbeing, supporting recovery, and preventing the onset of mental ill-health reduces demand for physical health services and improves productivity.
Just as there is a global emphasis on staying physically well, we should not be waiting for people to become mentally unwell to intervene.

Every nation wants to prosper; our collective challenge is articulating that ensuring good mental health at a national level is the key to a nation's success and incentivising governments to act.
The moral, ethical and clinical case has been made for investment in mental health for many years, there have been pledges, but we are yet to see a considerable change in approach in too many countries.

We, the undersigned, call for the following:-

For any country to maximise its potential and prosper, it must actively focus resources to reduce population-level prevalence of mental illness, while improving care for those living with poor mental health. Population mental health planning does not exist in a silo, the bi-directional relationship with employment, education, and housing is well established, yet rarely is good mental health acknowledged as the key to prosperity.

The World Bank, International Monetary Fund and other financiers are in a unique position to incentivise this change. For a country to be successful and prosperous, and therefore a good investment, it should be expected that they have a robust cross-government mental health strategy – recognising the links between good mental health and economic growth. Thus, banks and other financiers should make their investments (health or otherwise) contingent on the development of a national cross-government mental health strategy with an accompanying implementation plan for improving population mental health and wellbeing. Each strategy would differ depending on the country, their national resources and capabilities, but would include at least one tangible commitment which could be evaluated on an annual basis to ensure accountability.
For countries who are unsure what a mental health strategy should include, global support is already available to ensure that countries can commit to tangible national action.

The UN has recently started partnering with governments to generate country specific investment cases for mental health which outline recommendations for improvement. UNDP has committed to working with partners to strengthen their health system, including creating equitable access to mental healthcare services[xxvi]. The WHO also provides information on cost-effective and feasible mental health interventions that can be expanded to a larger scale to strengthen mental healthcare systems in countries[xxvii]. UNICEF global multisectoral operational framework places a focus on children and young people, and their caregivers in their support to nations[xxviii]. Advocating for better services for children and young people should be a top priority for every country.

Psychiatric organisations and associations around the world, individually and collectively, have the expertise to support nations to build their healthcare workforce; from the recruitment and retention of psychiatrists to supporting nurses, primary care workers and the voluntary sector to develop skills and capabilities to create and enhance community mental health systems and support citizens living with poor mental health. Many of these organisations have a proven track record of rolling out high-quality, evidence-based training programmes, for example, the Royal College of Psychiatrists has supported co-produced projects in Iraq, Palestine, Uganda, Kenya, Ghana, Pakistan, Ukraine, Egypt and India. The Mental Health Action Trust in India has developed community mental health services which now cover 70 sites in South India.

The EU Health Policy Platform has previously called on nations to implement a 'Mental Health in All Policies'[xxix] approach, acknowledging the cross-societal duty to improve mental health at a population level and providing the blueprint for policymakers to promote good health.

There are nations of best practice; we've seen a significant shift in Ukraine's mental health agenda due in large to the establishment of an interministerial panel under the patronage of the First Lady. Moving mental health to the top of the political agenda highlights why visible gestures are necessary to raise the profile of mental health. The means for improving mental healthcare already exists, we need global organisations to recognise their leverage for change.

The precedent for such an approach to investment has already been set. The World Bank and the International Monetary Fund launched successful initiatives to make funding contingent on strategies to support and elevate the role of women in a country. Prioritising mental health sends a clear signal to all nations that ignoring mental illness hampers national economic growth and prosperity. Mental ill health must be regarded with the same concern as poor physical health.

Calls for sustainable funding for mental healthcare to match the disease burden have long been called for, yet progress has been slow and as individual nations, and a global community, we can no longer wait. A catalyst must be provided for action, and that lies in the power of international financiers.

People shouldn't be reduced to their economic value, the case for investing in good mental health should be achieved on human rights alone – however this argument hasn't achieved the traction we all need it to. Promoting good mental health is no longer simply a human rights imperative, it makes economic sense.

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Additional resources:

- Economic case studies:
  - The economic case for investing in the prevention of mental health conditions in the UK
- APA Collaborative/Integrated Care Model
  - "Economic Impact of Integrated Medical-Behavioral Healthcare: Implications for Psychiatry"
  - "Potential Economic Impact of Integrated Medical-Behavioral Healthcare"
  - "Behavioral Health Parity – Pervasive Disparities in Access to In-Network Care Continue"

"The Role of Collaborative Care in Reducing Mental Health Inequities"

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[iii] Mental health problems cost UK economy at least £118 billion a year - new research (lse.ac.uk)
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[xiv] The Lancet Commission on global mental health and sustainable development - The Lancet
[xv] Countdown-Mental-Health-Report-2030-FINAL.pdf
[xvi] Brief: Financing mental health for all - United for Global Mental Health (unitedgmh.org)
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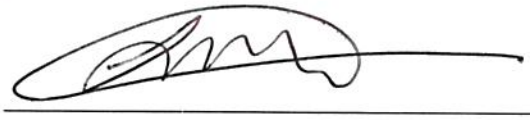
Prague Agreement signatory



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15TH DECEMBER 2025.

Date