THE EFFECT OF STRUCTURAL ADJUSTMENT PROGRAMMES ON THE DELIVERY OF VETERINARY SERVICES IN AFRICA

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FAO, Rome, Italy
January1999

HISTORICAL BACKGROUND TO SAPS

By the end of the 1970s, many sub-saharan African countries were in serious economic difficulties with high inflation, unmanageable balance of payments and fiscal deficits, GDP growth ratios below the rate of population increase. These difficulties have been attributed to excessive government intervention and control of the national economy. For example, prior to the middle 1970s, most States in Africa assumed complete responsibility for all animal health control measures. A full range of heavily subsidized services were brought to producers until financial crisis broke, leading to progressive deterioration of the quality of veterinary care and re-emergence of various epidemic diseases. As funds became scarce, most states found it easier to make cuts in their operating expenses than in the numbers of staff. In many countries personnel cost reached more than 80% of the budget (Cheneau, 1985).

To address these economic and financial problems, the IMF, World Bank and other international or bilateral donors urged and sponsored massive reforms, which have often included a set of macro-economic measures coupled with structural changes within the domestic economy. During the past decade, most countries in Africa have undertaken structural adjustment programs (SAPs) of one form or another, which involved (i) currency devaluation, (ii) changes in fiscal, financial and pricing policy, and (iii) legal, regulatory and institutional reforms. Changes in fiscal, financial and pricing policy included the elimination of subsidies and removal of tariffs while institutional reforms included privatization of government-owned enterprises and the introduction of cost-recovery. In seeking to move services from public to private sectors, donors argued that, in most domains, any form of private enterprise is likely to outperform the public sector.

While SAPs have, to a certain extent, been successful in achieving the macro-economic changes, implementation of the accompanying micro or sectoral changes have been less successful (De Haan *et al*., 1991, Umali *et al*., 1992). There have been only a few studies on how SAP has affected the overall provision of services to farmers. This paper seeks to specifically assess the impact of SAPs on the organization and delivery of animal health services in Africa.

EFFECT OF SAPS IN SELECTED COUNTRIES

An attempt to evaluate the effect of SAPs has been made through case studies carried out by the NGO "Vétérinaires sans frontières" in Guinea, Niger, Burkina Faso (BF) and Central African Republic (CAR) in 1994 (Thome *et al*, 1996) and through similar case studies commissioned by FAO carried out in Mali, Cameroon, Chad, Zimbabwe,

Namibia and Ghana in 1997 (Angniman, 1997, Ilemobade, 1996). Namibia did not undergo a SAP and in Zimbabwe veterinary services were not included in the SAP. However, results obtained in these countries will be presented to serve as a point of comparison.

The FAO case studies are based on missions undertaken by consultants to each of the countries. During these missions, information was obtained by detailed questionnaires and associated discussions with directors of Veterinary Services, government veterinarians, veterinarians in private practice, veterinary technicians, wholesalers of veterinary drugs, representatives of producers' organizations and other actors involved in the delivery of animal health care.

Many of the findings in the countries visited are similar in many details, and to avoid undue repetition the common features will be summarized in tables and presented as a generalized overview.

Management Of The Privatization/Re-Structuring Process

In few of the surveyed countries has the privatization/restructuring process of the national animal health services been approached in a systematic and concerted manner. In general, a top-down and at times erratic approach, in which the livestock producers and the private service providers have participated very little, if at all, has been adopted by the governments concerned. The process has been largely monopolized by government veterinarians, who had a vested interest in maintaining certain privileges. No serious attempts have been made to find appropriate solutions for the diversity of production systems, e.g. pastoral/communal areas, in the countries concerned.

CAR is an exception to this general rule. Here, the reform process was largely driven by the cattle breeders associations, who rely on the constant availability of trypanocides for the control of trypanosomiasis. As a result, the animal health service is to a large extent targeted to meet the needs of cattle producers, while other types of producers feel marginalised.

Accompanying measures to stimulate the privatisation process (soft loans, training programs, the contracting out of services formerly carried out by public veterinarians) and incentives to leave government services (early retirement schemes, pension plans or other severance payments) have generally not been effectively put into place. There are indeed very few examples of government veterinarians leaving their post to set up a private enterprise.

Reform of existing legislation and formulation of new legislation and regulations concerning private practice, the role of public veterinarians and auxiliary staff, importation and distribution of drugs, etc. has been slow and occasionally inconsistent. In many countries opinions are split as to the contracting out of regulatory services to private actors and as to the circumstances in which clinical services can or should be provided by government veterinarians. Only in some countries has the private sector been involved in vaccination campaigns whereas in the other countries the fight against contagious diseases is still a monopoly of the public services. CAR is the only country where community animal health workers are

officially recognized as part of the animal health delivery system. Violation of existing legislation, e.g. unauthorized sale of drugs, is rarely, if ever, sanctioned (In the West African countries included in the study, importation of drugs through unauthorized channels is estimated to be as high as importation through authorized channels.) NGOs and internationally-funded projects have been involved in free distribution of drugs, undermining efforts of privatization and cost-recovery.

Thus, despite poor remuneration and not uncommon delays in payment by the government services, in most countries these remain the better alternative for many veterinarians compared with private practice, which is risky, requires up-front investment and, most importantly, is not shielded against unfair competition. Overall, it appears that the consequences of privatization policies for veterinary service delivery have been a further neglect of duties previously executed by public services rather than their controlled transfer to the private sector.

Evolution of Manpower

The evolution of the number of veterinarians in government, private and other services between 1986 and 1996, as derived from the AHYBs, is presented in Table 1. As can be seen from the table, the number of veterinarians has increased in all countries, with the exception of Mali (see footnote), almost doubling if Mali and Namibia are excluded. Although the proportion of veterinarians in government service has generally been slightly reduced, the absolute number in government service has actually increased in all countries by around 20% if Mali is again excluded.

The number of registered private practitioners has increased by about three fold from 1986 to 1996. However, not all registered practitioners actually carry out animal health care work. Private practices are commonly located in and around urban areas and few or none at all in rural areas. Urban and peri-urban practices are sustained primarily by pet animals and to some extent by large animals (cattle & horses). The private sector also derives a large proportion of income from importation and distribution of drugs, animal health care, especially in rural areas being left to the 'informal' or public sector. Authorized veterinarians are commonly assisted by auxiliaries, which are chosen more because they can be trusted (e.g. family members) than for competence.

With the exception of Chad, the number of auxiliary animal health personnel has dramatically increased from 1986 to 1996 in all countries undergoing a SAP (Table 2). Information on employment, sources and level of income of these auxiliaries is not readily available.

(a) Table 1 Number of registered veterinarians by country and employment sector

COUNTRY	Employment Sector	(b) Year 1986	1996
Mali	Govt.	87 (13%)	346[1] (92%)
	Private	1 (0.2%)	30 (8%)
	Other	577[2] (87%)	0
	TOTAL	**665**	**376**
Cameroon	Govt.	89 (82%)	113 (65%)
	Private	3 (3%)	35 (20%)
	Other	16 (5%)	27 (15%)
	TOTAL	**108**	**175**
Chad	Govt.	52 (100%)	60 (38%)
	Private	0	25 (16%)
	Other	0	71 (46%)
	TOTAL	**52**	**156**
Ghana	Govt.	118 (94%)	154 (85%)
	Private	1 (1%)	11 (6%)
	Other	6 (5%)	16 (9%)
	TOTAL	**125**	**181**
Zimbabwe	Govt.	73 (60%)	115 (50%)
	Private	42 (35%)	60 (25%)
	Other	6 (5%)	59 (25%)
	TOTAL	**121**	**234**
Namibia	Govt.	25 (68%)	25 (57%)
	Private	6 (16%)	14 (32%)
	Other	6 (16%)	5 (11%)
	TOTAL	**37**	**44**
Overall total	Govt.	444	813
	Private	53	175
	Other	611	178
	Total	**1108**	**1166**

[1] Figures for Mali are 1992

[2] This figure is thought to represent persons registered as veterinarians but not holding a degree in veterinary medicine

Table 2 Numbers of auxiliary personnel (animal health assistants, field assistants or vaccinators, etc) by country

Country	Year 1986	1996
Mali	166	863
Cameroon	172	340
Chad	451	423
Ghana	101	627
Zimbabwe	46	817
Namibia	425	267
Total	**1361**	**3337**

In addition to veterinarians and animal health assistants, a considerable number of community animal health workers of various levels of qualification have been trained through national and international initiatives. Thus, in Guinea, BF and CAR more than 600, 1000 and 4000 'village workers' have been taking up limited primary animal health care activities over the past decade.

Distribution Of Functions Between Public And Private Sector

Table 3 summarizes the involvement of public and private veterinarians, livestock breeders associations and other actors, such as animal health assistants in the different components of animal health services in the countries studied.

Table 3 Animal health services by provider and country

	Public	Associations	Private (formal)	Other
Import of drugs	M, C, T, N, G, BF	T, CAR	N, G, BF, CAR	N, G, BF
Distribution of drugs	M, C, T, N, G, BF	M, T, G, CAR	M, C, T, N, G, BF, CAR	M, C, T, N, G, BF
Clinical work	M, C, T, N, G, BF, CAR	M, C, T, CAR	M, C, T, N, G, BF, CAR	N, G, BF
Control of epidemic diseases	M, C, T, N, G, BF, CAR		M, T ,G, BF	
Sanitary inspection	M, C, T, N, G, BF, CAR		M, T	
Diagnostic services	M, C, T, N, G, BF, CAR		BF	
AH extension	M, C, T, N, G, BF, CAR	M, C, T, CAR	M, C, T,	
AH research	M, C, T, N, G, BF, CAR	CAR		

M = Mali, C = Cameroon, T = Chad, N = Niger, G = Guinea, BF = Burkina Faso, CAR = Central African Republic

From the table it is apparent that the process of privatization has not yet progressed very far. The public sector is still involved directly in virtually all areas of veterinary activity. Even in areas where private veterinarians are active, government veterinarians and/or non-veterinarians are acting in competition with veterinary practitioners. In most countries government-employed veterinarians do private practice on the side to supplement their wages. The economic viability of exclusive by private veterinary practice remains doubtful in many countries, particularly in areas where extensive livestock production predominates.

In all countries a large variety of agents are involved in the distribution of veterinary medicines. There is strong competition between wholesalers, importers and private veterinarians. The market is not properly regulated and there is little or no control over the profit margins and professional integrity of the various agents involved. Financial constraints of the agents involved in the importation and distribution of medicines are said to be the reason for erratic supply of certain drugs as there is reluctance among many importers and retailers to invest in large stocks.

Sanitary inspection and diagnostic services are still virtually exclusively in the hands of the public veterinary services as is animal health research. Partial cost recovery for selected diagnostic services has been introduced by the majority of countries, but most diagnostic work is carried out in relationship to outbreaks of major infectious diseases and is thus free of charge. Overall, diagnostic capacity in the majority of countries included in the studies must be considered weak.

Extension and training for producers are generally scarce despite being a component of activities carried out by most service providers. Development projects are mainly in

charge of these functions, however private providers whose services are being paid for by the projects are starting to get involved.

Quality and Availability of Services

Among interviewees there was general agreement that the removal of state monopolies had released new resources, which the market and improved regulations should be able to organize. It appears that the privatization process has improved services in peri-urban and high potential areas with intensive livestock enterprises in terms of the speed of intervention and availability of private veterinarians. It is in the more intensive livestock sector that demand for veterinary services is increasing. The main complaint of livestock owners here is the continuously growing cost of medicines, vaccinations and treatments.

Access to animal health services in more remote, rural areas generally remains a source for concern. Here, livestock owners are forced to meet their needs through medicines, which are available in weekly markets and fairs and often have to draw upon the services of personnel with limited technical competence.

The number of animals vaccinated against major epidemic diseases is generally stagnating or decreasing (national herd sizes are not well known). Mandatory vaccination against CBPP is apparently decreasing and is less systematic and vaccination coverage is below 30% in Niger, Guinea, BF and CAR. The relationship between livestock owners and public veterinary services is poor as vaccination is often coupled to taxation. Livestock keepers are not well informed about the potential of vaccination in small ruminants and these are therefore not included in preventive schemes.

CONCLUSIONS

Macro-economic measures included in SAPs, such as currency devaluation and market liberalization, have probably had a stronger impact on animal health care delivery in African countries than regulatory and institutional reforms.

All countries included in the present review have initiated a process of reorganization of animal health services including privatization and, at least partial, cost-recovery. However, the majority of countries still appear to be in the early stages of the process, which would benefit from increased consultation between stakeholders and requires adaptation and modification of policies. The legal framework is not always clear, appropriate nor coherent and implementation of existing legislation is generally insufficient.

Public veterinary services are still virtually involved in all aspects of animal health care delivery and there hasn't been a significant reduction of the number of veterinarians employed. Vaccinations and other public good services are only contracted out to the private sector in a minority of countries. Government-employed veterinarians are unduly involved in the delivery of veterinary services while neglecting the public goods services such as disease surveillance, meat hygiene etc. The 'strengthening of veterinary services' under PARC, World Bank and other programs has perhaps focused too much on 'privatization' without paying enough

attention to concomitant improvement of the capacity of public services. Donors and banks have been unsuccessful in driving and steering the privatization process. The technical assistance provided to support adjustment measures has often been inadequate while establishment loans were far too expensive and tied to conditions, which were difficult to meet. Donors and banks have been unable to convince governments that the restructuring of animal health care delivery services was more than a mere downsizing exercise but actually required changes in the economic environment and other concomitant measures.

It would also appear that an adequate distinction was not made between public and private goods; insofar as veterinary services became submerged in the general provision of agricultural inputs, the concepts of control of epidemic (and usually trade-related) diseases and the international obligation to manage and report on these diseases, was lost. As restructuring also often effectively dismantled veterinary services and placed government veterinarians under the control of regional and local authorities, the effective chain of command which enabled a quick response to disease emergencies and efficient reporting of outbreaks, was also sacrificed. Structural adjustment often left Chief Veterinary Officers without the resources and the authority to pronounce on the disease situations in their countries or to manage these situations to the best economic advantage.

The poor organisation of the market of veterinary drugs and the variety of agents involved in their delivery has resulted in a fragile delivery system with a high risk of misuse of veterinary drugs. The latter, whether fraudulent or intentional, poses a threat to livestock producers and their livestock and can easily lead to discreditation of the animal health professions.

Legal insecurity, competition from government veterinarians and other animal health service providers, the lack of incentives for veterinarians to invest in private animal health service delivery coupled with a half-hearted approach to reforms, often regarded as donor driven, have contributed to the generally sluggish progress made in the reorganisation of veterinary services.

Despite the above shortcomings, it appears that privatization has generally improved the availability of veterinary services in urban, peri-urban and more intensive livestock producing areas, even if this improvement might only be rated as modest. On the other hand, animal health services in the more remote, rural areas have declined. In countries such as those included in this review, where animal production assumes such importance in terms of income and employment, it would seem that this aspect of animal health care delivery should receive urgent attention. Poor infrastructure, large distances and other costs involved make it difficult to provide these services for both public and private veterinarians alike. In addition, the surveillance and control of transboundary animal diseases – regarded internationally as a minimum objective of a national veterinary service – has not always been at desirable levels.

RECOMMENDATIONS

In order to improve animal health care delivery, many governments will have to make more wholehearted reforms to public veterinary services and delegate more functions to the private sector. Government services will require effective downsizing (not just a mere moratorium on taking on new veterinary graduates) and must focus on key public sector responsibilities such as the prevention and control of epidemics and public health. This will involve an increase in regulatory and supervisory functions while operational aspects of public veterinary services should be contracted out to the private sector as much as possible. Cost-recovery will have to be extended further as an important step towards commercialization of services.

National programs to safeguard and enhance animal health can play a pivotal role in the development of private veterinary services as these constitute a regular baseline income for animal health care providers. Following the WTO SPS Agreement, the upgrading of national animal health infrastructure and improving the health status of the national herd will be a prerequisite for countries wishing to participate in international trade with livestock and livestock products.

Priorities for official veterinary services must be clearly identified and the modus operandi for addressing these established. It is very clear that a number of core functions must be retained by the state, and that these cannot be surrendered *en bloc* to the private sector. In the European context, the UK veterinary service has undergone extensive restructuring, but has clearly maintained certain functions and objectives, summarized as: "The Prevention and Control of Animal Diseases; the promotion of Farm Animal Welfare; support to Livestock Protection (improving genetic and health status); encouraging correct use of Veterinary Medicines; Veterinary Public Health and Export Promotion. In fact, the state veterinary service in the UK has chosen to involve itself directly and very strongly in the first and last items on this list. This is an example, which bears emulating.

If the control of epidemic, zoonotic and other trade-related diseases is clearly identified as a government function, then mechanisms need to be put in place to achieve these objectives. Not only must veterinary services be appropriately resourced, but the necessary chain of command and effective enabling legislation must be in place.

Where it is envisioned to contract some of these services to the private sector – whether to veterinarians or paraveterinarians – it is essential that contracts take due cognizance of the legal basis of the government veterinary service (i.e. legal obligations must not be diluted or weakened by privatisation), and that there be effective mechanisms in place on the government to police the carrying-out of contracted work.

Governments will have to remain involved in the provision of curative and other animal health services to needy groups such as small-scale communal farmers. This, however, does not mean that government employees are required to deliver these services. The primary objective should be for the State to ensure that such a service is available to the community, whether executed by private initiatives or, on a transitory basis, by the State itself. The challenge to governments and the donor community

continues to be how to positively develop and give appropriate incentives to initiatives for developing sustainable and profitable rural veterinary practices. In the African context, such practices would probably be best built on a team comprising a private veterinarian assisted by few veterinary assistants and community animal health workers.

A set of accompanying programs and measures as outlined in the '*negotiating framework for rationalizing delivery of public and private veterinary services*' (FAO, 1997) have to be put in place to assist the process and to ensure a controlled transition from the still heavily state dependent animal health service to a delivery system, in which the private sector and livestock owners play a more important role. In addition, the overriding importance of transboundary diseases must not be forgotten, and the role of the state in their control must be facilitated.

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