

Sustainability and privatization: The Zimbabwe Experience

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Introduction

With globalisation there is a greater need to strengthen veterinary services in order to control the spread of transboundary diseases. The control of these diseases will enable livestock industries to participate in regional and international trade and assist in greater commercialization of the livestock sector. But veterinary services need to concentrate on core functions and form stronger linkages and partnerships with stakeholders in order to achieve their objectives.

Stakeholders must become empowered to play a much more active role in broader animal health issues. These activities can be undertaken under the authority of Veterinary Administrations. Therefore, the involvement of the private sector should not be seen as a devolution of power, a loss of control or a weakening of the Veterinary Services, but a partnership to improve overall animal health and production to the national good.

Background

There was for many years the perception that Government should provide all the services required by the livestock industry. These included disease surveillance through regular inspections of cattle, disease investigations and diagnostics, dipping of cattle in the smallholder sector, general advisory and livestock extension services and training for para-veterinary staff. All these services were provided free by the Department of Veterinary Services.

Over and above this, free vaccinations were supplied to livestock for Newcastle disease, anthrax, FMD and rabies. However, such free services became unsustainable.

With the expanded extension service within the smallholder sector, their needs rapidly increased and the demands could not be fulfilled by a Department with declining budgets and resources.

Drastic changes were required and the Department set about serious institutional reforms to improve the delivery of services to farmers and to ensure such services were sustainable.

Institutional Reforms

There was urgent need for change to correct the deterioration in the delivery of services to an expanding and more demanding farming community.

In order to achieve sustainability several vital changes were necessary and these were:-

1. Cost recovery

The Department had to begin charging for the services delivered, especially if they were of a private good or if they incorporated some benefit to the farmers or stakeholders in general.

Cost recovery permits 100% retention of revenue collected by the Department and these funds are placed into revolving funds administered by the Department. Costs for services delivered are agreed with the recipients before ratification of the fee and collection. One of the major cost recovery programmes was the collection of revenue for dipping of cattle in the smallholder sector, which had previously been a free service for some 70 years.

The charges for dipping began as a small percentage of costs and have increased over a 5 year period until the small holder farmer is now paying almost 100% of the acaricide costs. Although dipping of smallholder cattle was accepted by all as a private good, the Department has continued to supply this service until the private

sector is capable of organizing the service. Filling of dip tanks with water used to be a Departmental responsibility – but this has now been passed on to the farmer.

Many activities or services have a mixture of both private and public good, and therefore appropriate fees agreeable by all should be established.

The Department has also investigated the need for levies or service charges to the livestock industry in general, but such levies have not been popular with stakeholders and no progress has been made in this area. Farmers and other stakeholders are emphasizing that as they pay tax they should not have additional levies imposed on them. It was proposed that these levies would be charged at specific areas whereby all members of the livestock industry and consumers would contribute – i.e. levies on cattle hides sold, levies on all milk and meat sold locally, levies on all milk, meat, poultry exported, etc.

2. Core Functions Analysis

This was a vital component of the institutional reform and the Department could not sustain the multiplicity of services delivered to farmers. There was a need for the Department to meet with all its stakeholders and agree on the Departments Core Functions. After much debate it was agreed that the Department only had two core functions, and these were:-

a) Regulatory Services.

This is the prime function and involves the implementation of all the regulations as specified in the legislation under the authority of the Government Veterinary Services. In order to have a good regulatory service it is imperative that there is adequate and appropriate legislation for the Veterinary staff to carry out their regulatory responsibilities.

The Department has under the institutional reform program developed a specific ‘Regulatory Office’ to expand and improve the regulatory activities of the Department.

b) Technical Services.

This involves the provision of specific technical services which are considered at this moment in time to be a public good i.e.:

- The provision of a diagnostic service for specified animal diseases.
- The provision of specified animal disease surveillance and control services, i.e. transboundary and zoonotic diseases.
- The control of specified pests, i.e. tsetse fly

All the other functions such as training, extension, research, dipping of cattle, and clinical practice were accepted as been non core activities better done by other organizations either in Government or in the private sector, or if retained, cost recovery for such services would be implemented.

3. Restructuring

There was a need to restructure the Department in order to best deliver the new defined core functions. This involved changes such as the removal of the Veterinary Training Institute from the Departments authority to Agricultural Education, field research to the division of Agricultural Extension and Research and in general, refocusing the Departments outputs in terms of the two core functions. There was greater need for the department to strengthen its linkages with other Departments and organizations in order for them to continue to supply services to stakeholders which were previously supplied by the Department.

In order to achieve these changes it was necessary to change the entire culture and mindset of staff and stakeholders who had become accustomed to a system established over 100 years. Numerous study tours and workshops were undertaken which included key members of staff and stakeholders. The involvement of key stakeholders on study tours at the initiation of the reform programme was very beneficial. Through these study tours and workshops a new vision and mission statement for the Department was established. This was a major development which ensured all staff worked towards common agreed objectives.

Annual work plans and Performance Assessments for individuals were established, enhancing the attainment of Departmental goals.

4. Stakeholder partnership

It was most important that the Department changed from a dictatorial establishment to one which was more demand driven. Stronger partnerships needed to be established with stakeholders as had been recommended by the OIE and other international organizations.

It was difficult initially to establish a forum where the Department could interact with representatives across the wide spectrum of stakeholders constituting the livestock industry.

Various styles of meetings were held based on a variety of representations from the private sector but eventually, after studying the system used in Australia, the Zimbabwe Veterinary Services Council was established. This Council ensured that there was regular interaction between the Department and the livestock industry and that the private sector had an input into policy formulation and planning, etc.

The Veterinary Services Council provided the forum for the necessary working partnership between the Department and the livestock industry. The Veterinary Services Council was composed of nine members of the livestock industry nominated and selected by the industry in terms of specific expertise required by the Council.

5 Disease Surveillance

Disease surveillance for the specified diseases was recognized as a core Departmental activity. However, this does not mean that it cannot be undertaken by the private sector under the authority of the Veterinary Service. In Zimbabwe, in an effort to improve disease surveillance for FMD on commercial farms, farmers were authorized to inspect their own cattle every month for any clinical signs of the disease.

All farmers authorized to do these inspections underwent a short training course at which they viewed a video tape on the clinical signs of FMD. They were then instructed as to how to carry out inspections of cattle for FMD. Having undergone this short training course they were issued with a certificate giving them the responsibility to examine their cattle for FMD but under the authority of the Department. Departmental staff would inspect the cattle and audit the farmers' inspections every three months.

An attempt to establish CAHWs has also been made and it is believed that this is a very essential development for future prosperity of the livestock industry in the smallholder sector. The development of CAHWs would bring about a great improvement of disease surveillance, prevention and control at the village level. However, it is important that appropriate reporting networks between the CAHW and the Department are established.

The Veterinary Surgeons Act is in the process of being amended in order to register para-veterinarians and permit them to treat livestock belonging to other people and to charge for their services. These para-veterinarians may be employed in the private sector.

The Livestock Development Trust has established over 15 000 Livestock Development Committee members who will serve as the nucleus of the CAHW. Training of these people is in progress.

6. Contracting Out

It was agreed that it would be possible for some Government functions to be subcontracted out to the private sector in order to improve efficiency.

The control of tsetse fly in two remote areas of Zimbabwe has been subcontracted out under a pilot programme. Although the programme has not yet begun, it indicates the possibilities for trying new innovative methods to improve delivery of services in the field, even in areas considered a Government domain. However, any private company subcontracted to do the work would operate under Departmental instructions and audit, i.e. under the authority of the Department.

7. Commercialisation

The Department's Veterinary Wildlife Unit has become fully commercialized, and although the two veterinarians within that unit are paid by Government, they generate sufficient work on a full cost recovery basis to employ 10 additional members of staff and maintain the operations of a busy office complex, three vehicles, and provide drugs, equipment, etc. for their work.

The Department now provides a minimum budget to the unit only for specific disease surveillance work in wildlife which is required by Government, i.e. monitoring FMD viral strains in wild buffalo, ASF survey work in warthog populations and other regulatory functions.

8. Identification of Animals

The identification of animals has become an important component of good disease control, and therefore it is becoming more important for food safety especially concerning exports of animal products to developed countries. This identification of animals is accepted as being under the control of the Veterinary Service due to its importance to animal health controls. However, the Department has successfully authorized the Livestock Identification Trust, a trust funded and managed entirely by the private sector, to carry out the identification and traceability of animals.

The Cattle Traceability Scheme has been most successful in ensuring consumer confidence with exported beef products and is a basic requirement of good disease control.

Identification schemes for other exported livestock is in progress.

The Veterinary Services Regulatory Office conducts annual audits to ensure that the Trust is operating in accordance to the required standard specified by the Department.

9. Private Veterinary Laboratories

Several private veterinary laboratories have been established and registered with the Council of Veterinary Surgeons of Zimbabwe. Provided the laboratories adhere to specified standard diagnostic tests and procedures, standards of quality assurance, and are inspected annually by the Council of Veterinary Surgeons they can remain registered to carry out diagnostic tests, even for specified diseases.

Results and Conclusions

In hindsight it is a pity that the institutional reform process was not made more voluntary as indications are that the private sector is generally more efficient than Government in the delivery of services. The changes in Zimbabwe were pressurized by macro-economic difficulties. However, not everything can be solved by the private sector and our country, like many others in Africa, has a large population of poor people who have difficulty in paying for services and therefore need to be subsidized during the change to full cost recovery. But our experience indicates that even poor people are willing to pay for services if they are efficient and seen to be worthwhile.

Change is a difficult process, and there was no strong political will to push and promote the change and to involve the private sector in closer linkages.

However, despite this difficulty, major changes did take place and meaningful institutional reforms occurred.

The institutional reforms initiated in 1994 are still ongoing. Change is a process and must continue according to the needs of the livestock industry in general. However, in an overview the changes have only brought benefits, both to the Department and to the private sector. Services have been streamlined and revenue collection improved. Stakeholders now accept that they need to participate and provide for or pay fully for non-core services.

Through the Veterinary Services Council, policy formulation and planning has improved through stakeholder participation. Departmental Annual Work Plans are discussed and agreed by the Veterinary Services Council. Emergency disease preparedness funds have been established which were totally provided for by the stakeholders. At times of outbreaks of transboundary diseases Task Forces were established representing all stakeholders and the Department at Provincial level. These Task Forces supplied assistance with resources and local knowledge in controlling outbreaks of disease. The control of FMD, which used to be the exclusive domain of Government, had now become more of a team effort, involving many Ministries and Departments in Government and almost all stakeholders within the livestock industry. However, authority for the control remains with the Department. The reforms have ensured that there is always good consultation with stakeholders before major decisions are made.

Farmers and stakeholders are very willing to pay for a service providing it is beneficial to their business and they can gain or profit from the service. Revolving funds, where 100% of revenue collected for services

delivered, have been established which have contributed significantly to the sustainability of the Departments activities. However stakeholders need to be more actively involved in how these funds are utilized.

Payments by stakeholders also ensure that higher standards of services are delivered by staff, and the overall efficiency of the Department improves. The people who pay for services demand good delivery.

Cost recovery activities have put additional burdens on the administration and accounting staff which is in the process of being professionalized and strengthened.

Difficulties were experienced in implementation of the change when it involved other Ministries which impacted on the Departments activities and which were less amenable to reform.

However, the process of change within the Department continues, and it is only through continued institutional reforms that the Department has been able to continue to deliver essential services in a difficult environment.