

AN OVERVIEW OF PUBLIC-PRIVATE PARTNERSHIPS IN VETERINARY MEDICINE



**SEMINAR ON THE “DEVELOPMENT OF PUBLIC-PRIVATE PARTNERSHIPS
TO SUPPORT VETERINARY SERVICES”
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WORLD ORGANISATION FOR ANIMAL HEALTH

Protecting animals, preserving our future

Good veterinary governance & public-private partnerships



- Good veterinary governance assumes the provision of Veterinary Services (VS) that are:
 - sustainably financed,
 - universally available,
 - provided efficiently without waste or duplication. and
 - in a manner that is transparent and free of fraud or corruption.
- The OIE recognises that **good governance** of animal health systems also **depends on close public-private partnerships** between stakeholders along animal product supply chains and may include public sector veterinarians, private veterinarians & veterinary para-professionals, producers, processors & distributors.

Reasons for public-private partnerships in Veterinary Services

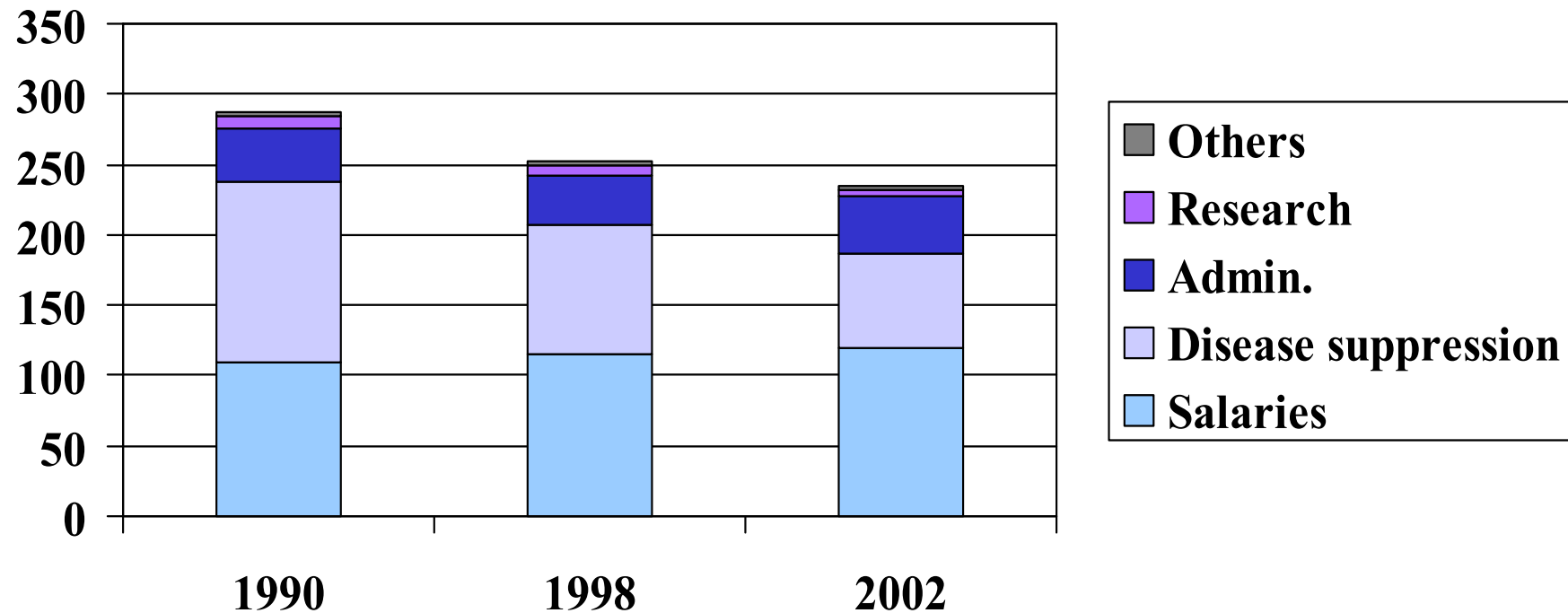


- **Increased responsibilities & declining budgets** for government veterinary services drives the need to utilise service providers beyond what government can directly employ.
- Engagement of private sector veterinarians & veterinary para-professionals can **extend the reach of government**, especially in areas of disease reporting, surveillance, response & control.
- Contracting with government can provide additional income to private veterinarians that allow their practices to survive in **underserved areas**.

Declining overall funding

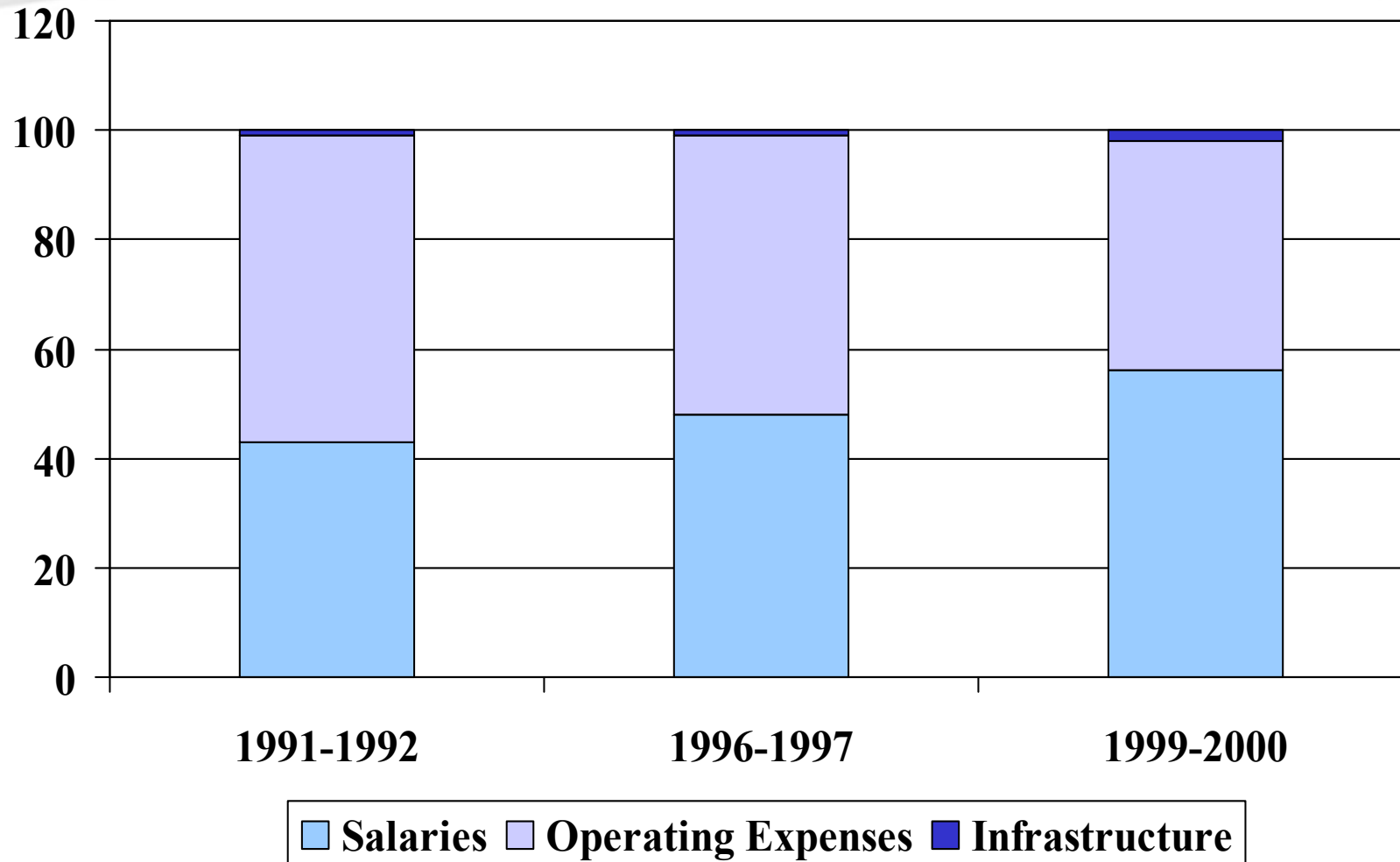


Typical Developing Country Veterinary Services Budget



From Cornelius de Haan, World Bank, retired (2006)

...and declining efficiency ratios.



From Cornelius de Haan, World Bank, retired (2006)

Distribution of veterinarians in different regions



Region	Private sector (clinical practice) veterinarians	Public sector veterinarians
North America, Europe	>80%	<10%
Africa, Asia	<10%	>80%

From Cornelius de Haan, World Bank, retired (2006)

Public & private sector roles: Who should do what?



- The goal for making these distinctions is to achieve an “**optimal division of responsibilities**”
- Distinction is based on economic theory of **public good functions and private good functions**
- There is often a **continuum** from public to private sector responsibilities;
- The differences between lead responsibility, funding and implementation must be well understood:
 - Publicly funded and provided by public (government)
 - Publicly funded and privately provided (delegation by government contract)
 - Privately funded and privately provided (private practice)

Public & private good functions - Important definitions



- **Public good** - A good or service that *primarily* benefits the public at large.
- **Private good** - A good or service that *primarily* benefits the individual receiving it.
- **Moral hazard** - The tendency of a person or entity that is imperfectly monitored to engage in undesirable behavior.
- **Externalities** - Costs or benefits that impact society but are not included in the market price of a good or service.

Public & private good functions



CAHW vaccinating chicken

Private good function with externality

Public good function with moral hazard

Veterinary inspection at
small ruminant abattoir



Government's role in veterinary medicine for the public good



- **Regulatory Functions**
 - Regulation of veterinary drugs and biologicals
 - Code of ethics and standards of private practice
 - Animal welfare
- **Transboundary and Other Disease Control Activities**
 - Disease surveillance and reporting
 - Disease investigation and diagnostic confirmation
 - Control of animal movement and quarantine
 - Emergency response plans in place
 - Disease control programs
- **Veterinary Public Health Activities**
 - Zoonotic disease surveillance, investigation and control
 - Meat inspection and food safety

Activities that are usually public sector funded & mostly publicly provided



- Overall livestock policy development
- Provision of appropriate legal framework
 - Regulation and monitoring of clinical animal health services
 - Import-export regulation of livestock and livestock products
 - Regulation of production, import, supply and use of veterinary medicinal products including vaccines
- Movement control, certification and quarantine, and zoonosis control and other public health management tasks

Activities that are usually public sector funded & possibly privately provided



- Disease surveillance and reporting
- Prevention and control of diseases of national importance
- Inspection services
- Diagnostic services
- Training
- Research and extension



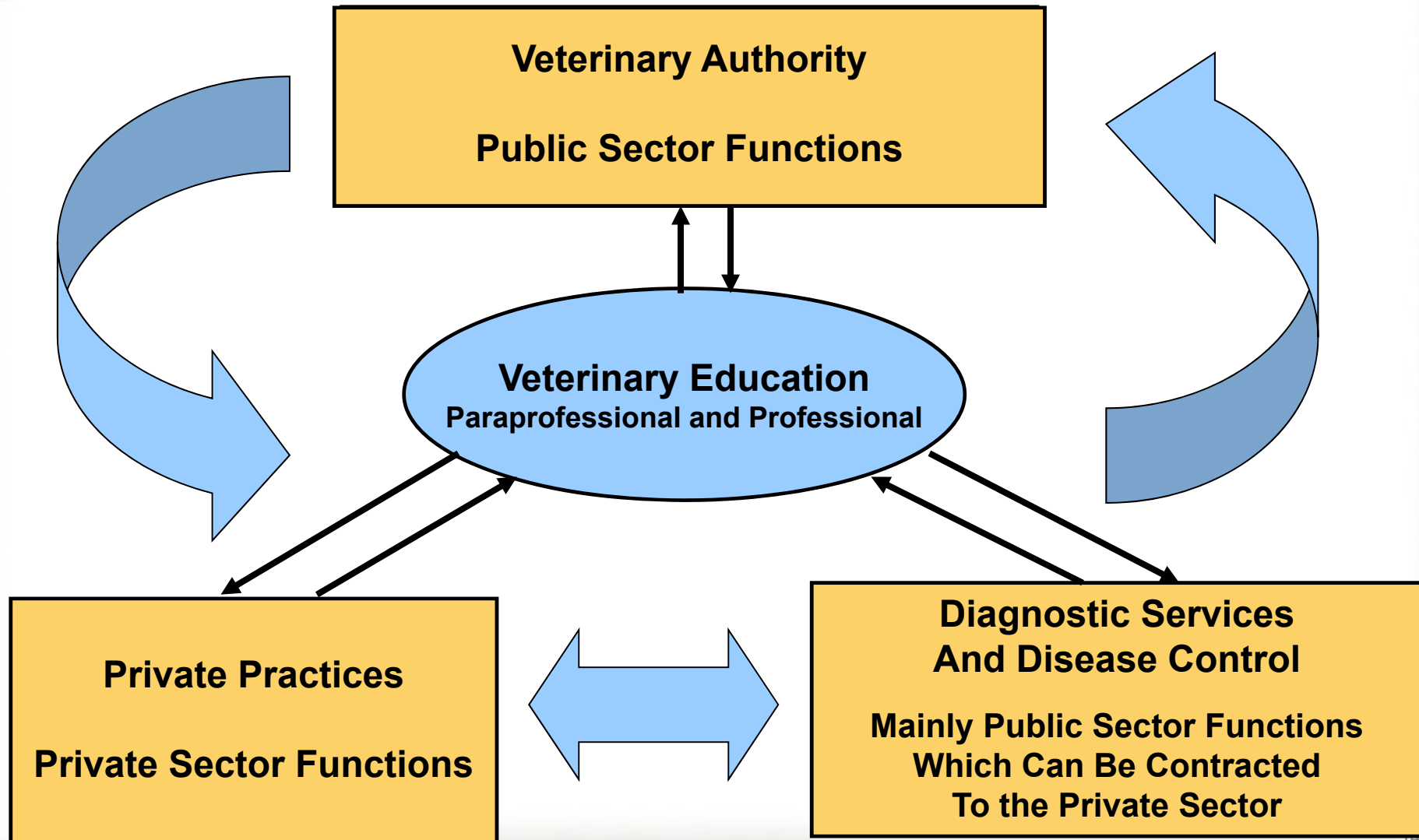
Activities that are usually private sector funded & private sector provided



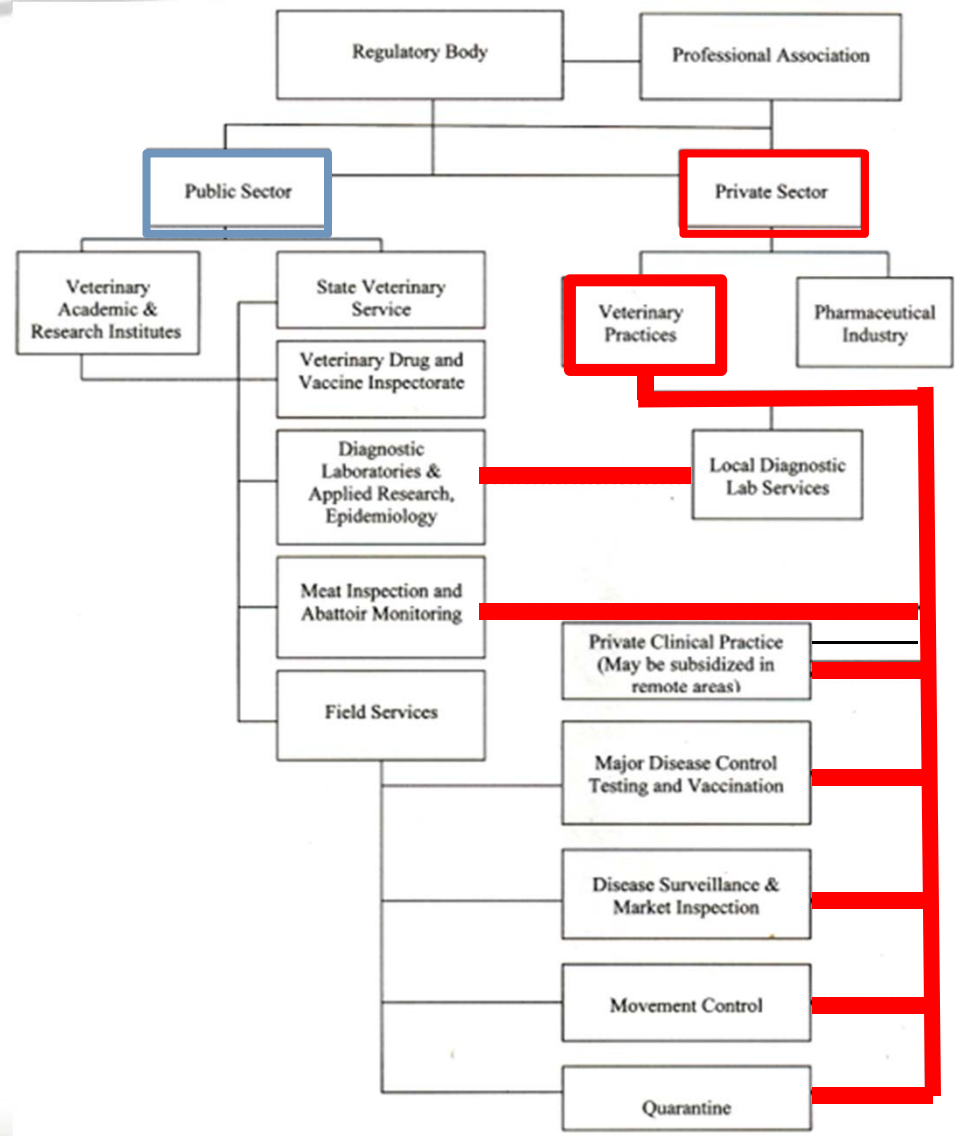
- Diagnosis and treatment of sick animals
- Selected non-epizootic vaccination services
- Management of physical injuries and first aid
- Surgical procedures
- Castration, hoof trimming, dehorning
- Artificial insemination services
- Production & distribution of veterinary inputs
- May be government subsidized to encourage service provision in underserved areas



Key Elements for an Effective National Veterinary Service



Veterinary Services structure: Mixed public and private sectors



Services which can be contracted to private practitioners

Examples of public-private partnerships



- Stakeholder engagement in drafting of veterinary legislation
- Contracting private practitioners to conduct brucellosis vaccination and testing (e.g., **U.S. Accreditation scheme**)
- Use of CAHWs in rinderpest vaccination (e.g., **PARC**)
- Government coordination, cooperation and shared financing with producer groups in implementing disease control schemes (e.g., **Animal Health Australia**)
- Private universities training veterinarians for public service
- Private sector development of vaccines for use in national disease control programmes (e.g., **GALVmed**)

Conclusions



- Governments should consider **shifting their role** from direct implementation of VS to facilitation & regulation of selected veterinary service delivery by the private sector.
- Public-private partnerships can effectively extend the reach, impact & effectiveness of the national VS in service to society.
- Private veterinarians & veterinary-paraprofessionals under veterinary supervision can provide a wide range of services for government through sanitary mandate contracts.
- Effective use of the private sector requires **strong legislation & enforcement mechanisms** for proper delegation of authority to **ensure the quality & performance** of private sector actors.
- Overall success of VS depends on **quality veterinary education & effective veterinary statutory bodies**.

Thank you for your attention!



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