

The impact of relief aid on community-based animal health programmes – the Kenyan experience

Yacob Aklilu

TUFTS/CAPE Unit, Kenya

‘Profitability’ is key for the success of Community-Based Animal Health (CBAH) programs. However large or small, some sort of profit has to be made from mark-ups on drugs and service charges to maintain the Community-based Animal Health Workers (CAHWs) in business. In practice, a number of variables impact the profitability of CBAH programs. These include, among others:

- the volume of turnover/month in a given area per CAHW (in other words the minimum number of animals to be attended by a CAHW to break even and make some margin);
- which, in turn, depends on the level of charges for services and drugs (the higher the charges, less numbers of animals would be required to break even and the vice versa);
- access and capacity to replenish drugs and equipment as and when required at the prevailing price;
- the enterpenurial skills of the CBAH worker (such as ploughing back profits to build up capital etc);

A host of other factors also determine the profitability of CBAH programs. For example, even in normal times, pastoralists’ access and utilization of sub-standard drugs from alternative sources could easily tip the CAHW out of business. Such trends could only be reversed if the pastoralist’s level of awareness is raised to a level that differentiates the benefits between genuine and sub-standard drugs so that they are not only capable of buying but are also willing to pay more for genuine drugs and the services of the CAHWs. This precarious situation in which CBAH programs find themselves in is further aggravated in times of natural calamities, such as drought, when new or expanded veterinary and other intervention programs are initiated as part of the relief effort. The setbacks to normal CBAH programs at such times depend on the intensity and the duration of the drought, the types of interventions and how they are conducted and also the point of interventions in the drought cycle. In this connection, two levels of disruptions were observed during the 1999 – 2001 drought in Kenya . Firstly, drugs were distributed either freely or at highly subsidized prices. Secondly, the income of CAHWs was affected for the duration of the drought.

Comparisons between four emergency veterinary intervention programs in Kenya (1999 – 2001 drought)

	NGO 1	NGO 2	NGO 3	NGO 4
Coverage	1 district in the Northwest	3 districts in Central North	1 district in the Northeast	3 districts in the Northeast
Budget	\$95,504	\$353,000	\$48,422	Over \$400,000
CAHW’s Commission	Allowed a 10% profit margin on subsidized drugs	Employed CAHWs for 3,000 shillings a month	Allowed a 20% profit margin on subsidized drugs	Allowed a 20% margin on subsidized drugs
Cost Recovery	Cost recovery ranged from 5 to 50% depending on the drugs	Charged one goat for every 25 cattle or 10 camels, 50 shoats or 10 donkeys treated. The meat was given back to communities	Drugs were distributed at 50% of the cost in the same operational area as NGO 4. Implementation delayed until the completion of NGO 4 operation	Drugs were distributed at 20% of the cost in the same operational area as NGO 3

The above example demonstrates the impact of emergency relief aid on CBAH programs. The various modes of operation adapted by the NGOs at the time did not arise out of the specific needs of the respective operational areas since they were under similar drought situation. The variations reflect the conviction of the NGOs on how to conduct the relief aid in their respective operations. Four types of distribution practices were used in the above example in which (i) drugs were nearly distributed freely; (ii) drugs were distributed at 5-50% (iii) 50%

(iv) 20% of the cost. The latter two were operating in the same area and NGO 3 had to wait until NGO 4 completed its operation.

Similarly, three practices were used in the employment of CAHWs. In the first, they were allowed a 10% profit margin, in the second, they were employed for a monthly fee of 3,000 shillings and in the third and fourth cases, they were allowed a 20% profit margin. However, since drugs were distributed at highly subsidized rates, the income of CAHWs was substantially affected from normal market practices since their commissions were based on subsidized drug costs (the trade-off was the opportunity created to treat / vaccinate large number of animals in a shorter time than usual). In fact, NGO 2 was compelled to employ CAHWs since they were distributing drugs nearly freely. In this particular case, the employment of the CAHWs for the duration of the relief operation contradicts the very idea of CAHWs sustaining themselves from mark-ups on drugs and service charges. The emergency practice has only provided them with short-term job security while undermining the whole CBAH system.

A few interesting issues emerge from this scenario:

- That relief aid in the form of veterinary interventions are not coordinated at the national level in order to apply a uniform system.
- That CBAH programs are likely to be impacted, from time to time, as natural calamities happen, more so on the price of drugs and the way in which CAHWs are employed.
- Impacts across operational areas are likely to vary depending on the implementing agency's conviction on how to run relief operations.
- In emergency operations, where drugs have been distributed freely and CAHWs have been employed directly, it may take a while to bring back communities to the realities of paying market prices for drugs and services.
- The application of different levels of drug prices and service charges particularly in the same operational areas only adds to the confusion of communities and the undermining of CBAH programmes.

As stated above, the magnitude of the drought and the point at which interventions take place in the drought cycle could have direct bearings on what prices to charge for drugs and services during emergency operations. Nevertheless, emergency veterinary operations, to the extent possible, should be run in a manner that do not disrupt CBAH programs in the long run. They should rather be planned in such a way as to complement CBAH programs in the post-drought period. In this regard, the following suggestions may help to bridge the gap between emergency veterinary interventions and CBAH programmes.

- Coordinate emergency veterinary interventions at the national level. This would help:
 - (i) to assess the level of the emergency situation in drought-affected districts;
 - (ii) to determine the cost recovery and the service charge rates based on the current status of communities vs the pre-drought period;
 - (iii) to enable NGOs operating in the same area apply uniform rates of charges;
 - (iv) to closely monitor the drought situation for subsequent actions;
- Linkages with non-veterinary emergency interventions to support emergency veterinary activities.

There are other types of emergency interventions that could bring in valuable benefits to emergency intervention programs. For example, *destocking*, enables communities to access cash from selling drought-affected stocks. Communities utilize part of the money realized from destocking to purchase drugs. The question is how to link the destocking and the emergency veterinary programs, so that part of the destocking money is retained for paying for drugs and services in emergency veterinary operations. This should not be difficult for agencies operating both destocking and emergency veterinary programs simultaneously. Agencies that deal with either the destocking or the veterinary aspect of the relief operations in the same area can also make practical arrangements to finance veterinary operations through destocking. A proportion of the money allocated for *transport subsidies* can also be redirected to financing emergency veterinary programmes.

Conclusion

CBAH programs are likely to be impacted by emergency relief aid, as drought or other natural calamities happen from time to time. Nevertheless, the impact of such interventions could be lessened or even used to

strengthen CBAH programs if such activities are centrally coordinated, closely monitored and other non-veterinary interventions are deliberately geared to support emergency veterinary interventions. However, there is a need to identify appropriate institutions and empower them with a mandate to play a critical coordinating role. Ideally, such institutions should incorporate government institutions, NGOs, UN entities, donors and regional organisations.

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