

GLOBAL ANIMAL HEALTH INITIATIVE: THE WAY FORWARD

CONFERENCE CO-ORGANISED BY THE WORLD BANK
AND THE WORLD ORGANISATION FOR ANIMAL HEALTH (OIE),
IN COLLABORATION WITH THE FOOD AND AGRICULTURE
ORGANIZATION OF THE UNITED NATIONS

OCTOBER 9-11, 2007 - WORLD BANK, WASHINGTON, DC

CONCLUSIONS

World Bank Development Grant Facility (DGF)'s funds were provided to the World Organization for Animal Health (OIE) as a strategic response to the current and forthcoming major crises caused by animal diseases of global importance and the urgent need to strengthen the global animal health governance. Its specific objective was to contribute to (i) the awareness at national and international levels on the importance of these animal diseases of global importance and the *Global Public Good* nature of their prevention and control, (ii) the continuing strengthening of the collaboration with public health as well as with the private sector, (iii) the enhancement of national capacity with the improvement of the quality of their Veterinary Services, and (iv) the leveraging of funds toward these specific objectives.

The first objective of the Conference was to share knowledge on the progress made on this important collaboration, in particular on the economic and governance agenda. Representatives and speakers from the OIE, the WB, the EC, International and Regional Organizations (the UNSIC; FAO; AAVMC; AU-IBAR; FESASS; IICA; MCC; OECD; OIRSA and SEAFMD), the private sector (Cargill) and the SSAFE initiative, University of CEMA (Argentina), University of Minnesota (USA), CDC Atlanta and Livestock Owners' Organizations representing a total of 123 participants from 36 countries and organizations actually attended the Conference (144 registered guests; the list of participants is attached). The Conference was opened by the Vice-President of Sustainable Development of the World Bank, the Director General of OIE and the Assistant Director General of FAO. The sessions were chaired by Dr. Bernard Vallat (OIE) and Dr. Francois Le Gall (WB). 10 presentations were made and 10 Panelists intervened during two different panel discussions.

More specifically, the Conference was asked to validate three key studies respectively on (i) Financing of Animal Epizootics and Zoonoses Prevention and Losses in Developing/Transition Countries: Cost/Benefit analysis: prevention versus outbreak costs; (ii) Pre-Feasibility Study on Market-Based Insurance Products for Emerging and Re-emerging Animal Disease Losses not Covered by Public Compensation Panel ; and (iii) A feasibility study on the setting up of a Global Emergency Response Fund for Animal Epizootics and Zoonoses in developing and in countries in transition.

Additional key presentations were made on (i) Economics : "Study on the Economic of Veterinary Services Improvement in Developing Countries: The Latin America case"; and "Enhancing Control of Highly Pathogenic Avian Influenza in Developing Countries Through Compensation: Issues and Good Practice"; (ii) Governance : "The OIE-PVS: a tool for Good Governance of Veterinary Services"; "Capacity Building and Good Governance of Animal Health System"; and "A new Animal Health Strategy for the European Union"; and (iii) Partnership and collaboration : "Public Private Partnership: the Safe Supply of Affordable Food Everywhere Initiative"; and "Veterinary and Public Health Collaboration: One Health; A common goal: Early Detection and Rapid Response". The conference recognized that initial and continuing veterinary education and capacity building are a public good and that their quality is crucial to achieve the objectives of improved animal health systems. The conference also highlighted the need (i) to prepare regional models of harmonized veterinary legislation; (ii) to further invest on initial and continuing training of veterinarians and capacity building at the world level and (iii) to consider the role of communities and their links with veterinary public authorities/services.

Dr. Marcos Gallacher (University of CEMA) pointed out the existing discussions regarding good governance and official services. The large countries of the developed world can achieve good governance with relatively small per capita investments as a percentage of GDP while the poorest countries of the world would require a disproportionately high investment in terms of per capita income. The public good concept should be used to support smaller countries to comply with basic requirements in the field of early detection and rapid response.

Dr. Nabarro (UNSIC) quoted the overall summary (non country specific) of the outcome of the first PVS evaluation reports provided by the OIE's

Director General to UNISC for its regular report (preparation of the conference of New Delhi) which identified the following frequent shortcomings: (i) lack of animal health legislation based on international standards; (ii) inadequate initial (and continuing) training of veterinarians; (iii) insufficient laboratory capacity; (iv) public/private partnerships between the official veterinary services, farmers and private veterinarians and (v) inadequate budget and staff resources for the public component of the Veterinary Services.

Will Hueston (University of Minnesota) declared that the private sector is dedicated to promote good governance of veterinary services (as a prerequisite) for further investments (high level meetings of major food companies with Ministers of Finance, Prime Ministers). The need to fund gap analysis and to develop lobbying activities to promote investments to support the Veterinary Services compliance with international standards was confirmed by the representatives from the SSAFE Initiative and by the conference.

The second specific objective of the Conference was to set the agenda for the future with particular attention to be paid to the operational follow-up of the DGF outputs among which the recommendations made by the three economic studies.

The Conference recognizes the timely relevance and key contribution of the Global Animal Health Initiative and commends the partnership for the work accomplished so far. On the collaboration with public health, the CDC Atlanta has become an OIE collaborating center in May 2006 and the ongoing collaboration between OIE and WHO has been significantly reinforced notably in the framework on avian and human influenza agenda. The need for public-private partnership has been concretized with the establishment of the Safe Supply of Affordable Food Everywhere (SSAFE) Initiative. The capacity building element of the program is now well underway with the availability of the OIE PVS tool for the evaluation of the performance of the Veterinary Services worldwide, supported by many donors including the World Bank. It was highlighted that the PVS is not an auditing or inspection /"police" instrument but a tool aimed at assisting countries in the identification of gaps and needs in their infrastructure in relation to international standards, allowing them to prioritize necessary investments to be made.

The Conference validates the findings and recommendations of the three studies, as follows:

Financing of Animal Epizootics and Zoonoses Prevention and Losses in Developing/Transition Countries: Cost/Benefit analysis: prevention versus outbreak costs.

- (i) The costs of preventing major animal diseases are significantly less than those associated with managing outbreaks and the benefit/cost ratio of investing in prevention versus control is high.
- (ii) Despite progress, the current state of Veterinary Services and preparedness levels in developing/in transition countries continues to pose a real and present threat to the ability to prevention and controls of these major diseases;
- (iii) Evidence from the literature analysis as well as the results of the study extrapolations in the specific case of HPAI, overwhelmingly suggests that these major diseases (including non-contagious animal diseases) have the potential to lead to substantial and widespread consequences, especially in today's globalized markets;
- (iv) In particular, their impacts have implications in terms of public health, food security, poverty alleviation, sustainable economic development and social equity/stability;
- (v) the capacity of VS to collect and analyse data allowing to conduct cost-benefit analyses should be added to the competencies evaluated in the OIE PVS tool;
- (vi) This calls for a global approach in the fight against animal diseases, and it is clear that the Veterinary Services have a crucial role to play as the providers of National and Global Public Goods; and
- (vii) The Conference also identified the need to (a) further elaborate on the cost of prevention and surveillance ("in peace time") and (b) to develop indicators on data collection useful for cost/benefit analysis within the PVS instrument.

Pre-Feasibility Study on Market-Based Insurance Products for Emerging and Re-emerging Animal Disease Losses not Covered by Public Compensation
Panel: Market-based insurance can be part of the solution for covering epidemic disease losses, if

- (i) the veterinary services are functioning in compliance with international standards,
- (ii) a government compensation system is in place, and
- (iii) the livestock and insurance sectors are ready.

A feasibility study on the setting up of a Global Emergency Response Fund for Animal Epizootics and Zoonoses in developing and in countries in transition (GERFAE).

- (i) Consideration should be given to a global risk-management instrument to finance emergency response in developing countries and provide incentives for prevention at all levels.
- (ii) To make it work, an interagency collaboration would be needed, best practices in compensation would have to be applied and hard choices would be required.
- (iii) GERFAE could be created through a collaboration of relevant institutions
- (iv) One financial institution could manage the day-to-day running and management of GERFAE, possibly in a Trustee function, in close cooperation with expert Technical Agencies;
- (v) GERFAE could have a governance structure which includes a Governing Board, an Advisory Panel and a Secretariat.

The Conference stresses also the importance of their broad dissemination. On particular importance will be the operational follow-up on these three studies and for that to happen in the most effective way the Conference recommends that:

- (i) the dissemination strategy of the first study on Cost-Benefit Analysis be discussed at the next advisory committee meeting of the OIE World Animal Health and Welfare Fund (WAHWF) which includes Communication as one of the main topics on its Agenda and regroups the key partner institutions in its Governance;

- (ii) the operational implications of the recommendations of the Insurance Study be further discussed in a *Global Conference* with the private insurers and re-insurers and that FAO would be well placed to co-organize and host such an event;
- (iii) a working group with the three key organizations (World Bank, OIE and FAO) be established to further fine tune what would be needed for GERFAE; and
- (iv) the co-organizers of the Conference inform the OECD of the outcome of this conference.