

NEWSLETTER No 5 / 2014

Thoughts and reflections on economics of animal health - where we are and where we need to go



Economics of animal health (EAH) has made significant progress over the past thirty years. Prior to the 1980s, economics was largely absent from analyses of animal diseases. The literature simply focused on costs associated with diseases rather than the role economics could play in improving decision-making.

Since then, various groups at UC Davis, Reading, Wageningen, and the International Livestock Research Institute have tried to introduce core economic principles in animal health problems. More recently, a number of traditional agricultural economists have used animal diseases as a platform to theoretically understand issues of moral hazard and decision-making under uncertainty. As a result of all of this research, more tools are now available to conduct animal disease impact assessments.

Despite this progress, EAH has yet to be mainstreamed in animal disease impact assessment studies. There is still far too much research that equates "economics" with accounting costs of disease. What is lacking is more research that puts these costs into context. For instance, what are the implications of disease costs on control strategies and resource allocation? How do animal diseases influence stakeholder behavior and to what extent does such behavior drive or exacerbate disease impacts? And, how can we align stakeholder incentives to better prevent and control disease outbreaks? Answers to these questions remain largely unanswered. In the future, EAH will need to expand its remit towards system approaches that integrate economics more thoroughly within the behavioral and biological contexts in which animal diseases take place.

Karl Rich
Norwegian Institute of International Affairs and
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1 WP4 - Improve curricula with regard to economics of animal health

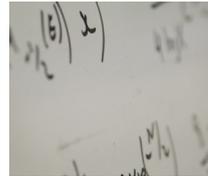
In the last three months activities within WP4 have been implemented leading to important outputs and the planning of stages around the development of training materials.

In a first step, the detailed curricula of veterinary education institutions were examined with respect to their EAH content (Deliverable 4.1 - Innovative development of curriculum to include economics of animal health).

Based on this finalized deliverable, an email was sent to 12 European faculties who have been identified to include 'economics' in their curriculum and/or that offer courses in 'Economics of Animal Health' asking to specify used teaching materials and topics covered. The deadline for providing this input was end of January 2014.

The information will be summarized and used to identify gaps between what is offered and what is considered as day-one skills. This will be done by an expert-panel consisting of Henk Hogeveen, Helmut Saatkamp, Jonathan Rushton, Karl Rich, Jarkko Niemi, Keith Howe, Maurizio Aragrande and Florence Beaugrand.

The panel will meet in March 2014 in Wageningen, The Netherlands.



2 New: Society for Veterinary Technology Assessment (SVTA)

Effective decision making regarding treatment choice and its funding requires careful assessment of value. This discipline is technology assessment: an area that is well-developed in medicine but relatively new in the veterinary sector.

Technology assessment helps researchers and technology developers evaluate the potential value of new technologies and hence provide clear signals to guide research, investment, and policy decisions.

Given the many stakeholders and the decentralized nature of funding for veterinary healthcare there is a need for a forum to develop and promote effective veterinary technology assessment. In particular, the society will facilitate knowledge transfer from the human to the animal healthcare sector and foster the development of methodologies to address those challenges unique to the veterinary sector.

SVTA aims to promote discussion and collaboration between clinicians and researchers from a range of disciplines including clinical veterinary medicine, agricultural and aquacultural science, epidemiology, statistics, operational research, and economics. This dialogue will facilitate the development of rigorous and useful methods and practice.

The inaugural meeting of SVTA will be held on 25 March 2014 in Dublin. This meeting precedes the annual meeting for the Society for Veterinary Epidemiology and Preventive Medicine (SVEPM) which is being held in Dublin (26 to 28 March 2014).

For more information about the society and the Dublin meeting see [here](#).

Neil Hawkins & Ian Handel
Society for Veterinary Technology Assessment

3 Changes in WP5 (Dissemination)

During our Network meeting in London in September 2013, it was decided that RVC takes over the WP5 lead from NVH. RVC will be supported by SAFOSO and accelopment to implement the dissemination tasks.

Associated with this change will be a redistribution of the budget. Parts of the staff costs originally assigned to NVH will be shifted to RVC, SAFO-SO and accelopment.



The latest dissemination activities include the creation of a NEAT vision and mission poster, which can be downloaded on the [NEAT website](#).

Furthermore, the NEAT webpage was migrated from Typo3 to Drupal. This change does not affect the layout or usability of the webpage.

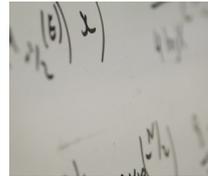
However, it will facilitate the technical use and it will include a more user-friendly document management system. The NEAT blog is now also integrated in the new Drupal set-up and will be regularly updated by the partners [here](#).

Any new blog entries should be sent to and will be uploaded by [Anja Petri](#).

4 CIRAD: Livestock sector investment & policy toolkit (LSIPT)

The NEAT partner CIRAD has launched a series of two trainings for consultants to familiarize and use the LSIPT "Livestock sector investment and policy toolkit" in developing countries.

One course was delivered in June 2013 in English and a new course was undertaken in French from



3-14 February 2014 in Montpellier (France) with attendance of African and European experts and the support of the World Bank.

The quantitative part of this toolkit has been designed by [CIRAD SELMET](#) research unit in order to model and analyze in a simplified way the contribution of the Livestock sector to the household economy, to value chains and to national GDP.

Its use helps understanding the role of livestock sector in poverty reduction pathways and supports the demographic and financial modeling of the production potential of the sector in physical or economic units, using baseline and alternative scenario (with investments options).

It is based on a series of excel sheets and macro for economic calculation at herd, farm, household, commodity chain and national level and supports assessment of "what if" scenario of events that impact technical, biological or economic parameters. It requires the use of baseline data to be inputted in the excel spreadsheet-based models.

Due to its interdisciplinary and multiscale design, the tool can be used also to support cost advantages analysis like the one undertaken in economics of animal health, by modeling impact of diseases or impact of interventions on a given baseline scenario using a selected time horizon and perspective (farm or national). The tool follows an open source policy though not fully open access as it requires a good training for proper and efficient use. It complements a series of open access livestock related tools available [online](#).

Joint Research Unit

UMR - Selmet

Mediterranean and Tropical Livestock Systems



5 Upcoming events

- [Ensuring Health & Sustainability in Europe: Doctors and Veterinarians emphasise „prevention is better than cure“](#), Brussels (7 April 2014)
- [Agriculture for Life, Life for Agriculture](#), Bucharest (5-7 June 2014)
- [NEAT - 2nd annual meeting](#), The Netherlands (14-15 Oct 2014)
- [WVA - Global conference on veterinary education](#), Singapore (30 Nov - 1 Dec 2014)



6 Meet new members of the NEAT team



Marisa Peyre is a vaccinologist and epidemiologist.

She obtained her PhD in Immunology and holds a permanent researcher position on evaluative epidemiology at CIRAD.

Her key expertise lies in evaluative epidemiology, epidemio-surveillance and animal health economics. She is based at the National Institute for Veterinary Research (NIVR), Hanoi, Vietnam.