Strengthening Livestock Health Systems



Food & Nutrition Security
A Systems Approach
Partnership / Locally led
Adaptive Management

A Market Systems Approach to Increase Access to Veterinary Services for Hard-to-Reach Agro-pastoral Communities in South & South Western Ethiopia

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USAID | ETHIOPIA
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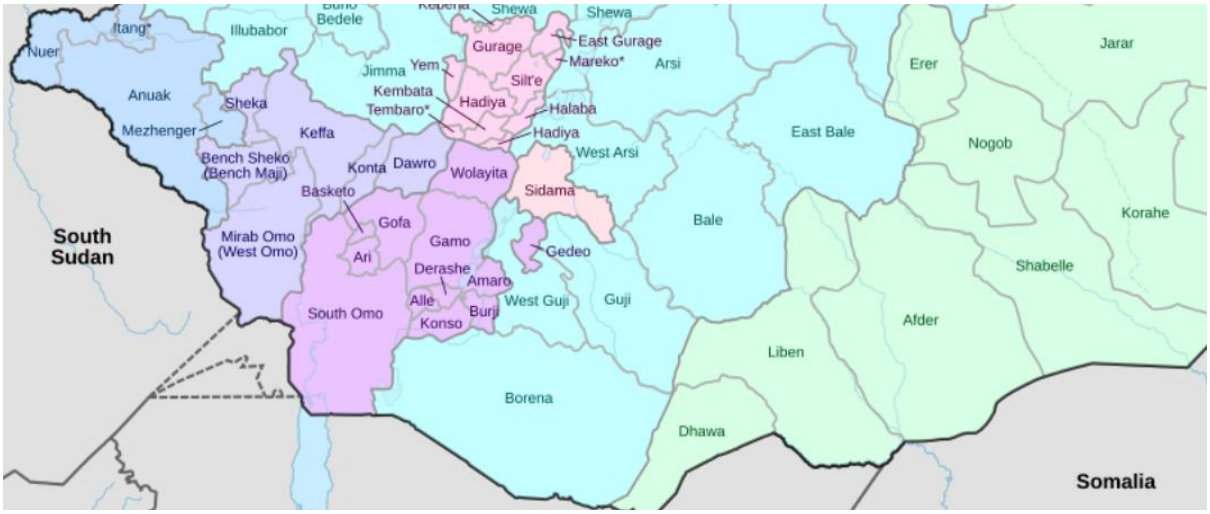
Irish Aid
An Roinn Gnóthaí Eachtracha agus Trádála
Department of Foreign Affairs and Trade

Brief background

With support from USAID Ethiopia and Irish Aid, and in partnership with Global Communities, GOAL and International Development Enterprise (iDE), implemented Resilience in Pastoral Areas - South (RIPA-S), a five-year program (2020 – 2025), targeting excluded pastoralists and agro-pastoral communities in Southern Ethiopia. The purpose of RIPA was to improve resilience through improved food security and inclusive economic growth. GOAL used a Market Systems Development (MSD) approach in livestock, crop, and financial systems to intensify and sustain pastoral and agro-pastoral production and marketing.

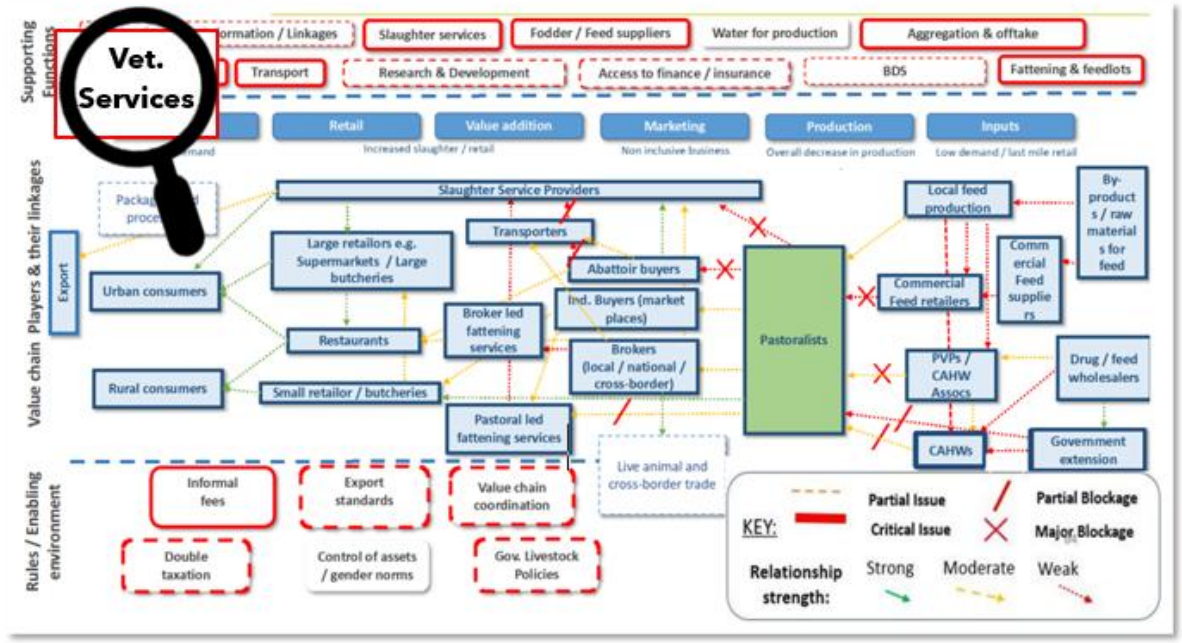
Target area

The target locations included; Borena, East Borena, South Omo, Liben, Dawa in Southern Ethiopia and Meta in East Hararghe.



System strengthening

Mapping of the livestock system illustrating the value chain dysfunctionalities, critical supporting functions, and rules that are preventing the system from working more efficiently and inclusively for agro-pastoralists.



Free or subsidised drugs are available but with **regular stock-outs**, which causes aid dependency and discourages private sector-led veterinary service provision. **Contraband and counterfeit drugs** circulating widely reducing Government revenue and contribute to drug resistance.

Hard currency requirements for the importation of veterinary inputs means that supply does not meet demand, causing **supply chain shortages and leading to price variability**. This reduces agro-pastoralists ability to pay for veterinary services. There are **poor business linkages** between wholesalers and Private Veterinary Pharmacies (PVPs), with wholesalers located centrally, far from veterinary service providers. There are also **no inclusive business models** between market actors, wholesalers, Private Veterinary Pharmacies (PVPs), and Community Animal Helath Workers (CAHWs) - and formal **financing is difficult to secure**.

Community-based Animal Health Workers (CAHWs) often have **limited business acumen**, do not charge appropriately for their services, and do not earn a profit. As a result, they seek out alternative livelihoods, reducing veterinary service provision. **Women have little power or control over veterinary inputs and services**, and communities often expect CAHWs to provide veterinary services for free.

Approaches

GOAL uses a **Market Systems Development** (MSD) approach to sustainably increase access to veterinary products and services for hard to reach agro-pastoralist.

GOAL **partners with the private sector** to co-design interventions based on our private sector partners existing business models, in order to increase access to veterinary inputs and services for excluded communities and to private sector resources.



Bundling' of goods and services is a key supply side approach to increasing access to essential goods and services for excluded, harder-to-reach communities. This works best with an existing shop or agent who has already demonstrated their ability to do business. To be viable, retailers need multiple income streams and relationships with different suppliers. This is even more important in agricultural systems, where all inputs and services are seasonal. Bundling goods and services together at the same retail point can also facilitate business efficiencies, such as mobile money - which allows for safer transactions while also providing a critical financial service to excluded communities.

Local Partnerships

Wetaga Int. Pharma & Agribusiness PLC (Wetaga) was established in 2013 and are wholesalers of veterinary inputs. GOAL and Wetaga partnered in 2021 to increase access to veterinary services through extending the veterinary input supply chain to Private Veterinary Pharmacies (PVPs) and their network of CAHWs in RIPA-S areas.

The partnership with Wetaga will leverage approx. $371,336 (budget amount) of Wetaga resources, with donor resources of $99,728. This demonstrates how market systems approaches can amplify donor funding and facilitate the permanent market actors to reach greater scale.

Results

$1.5m — **Worth of veterinary inputs imported** through a private sector partnership with a wholesaler, Wetaga, and support from Awash Bank, to extend the distribution system to ***hard-to-reach areas***, to reduce stock-outs and stabilize previously volatile prices.

4 — **Wetaga invested >$440,** in four new wholesale points in Moyale Somali (Sept. 2023), Nagelle (May 2023), and South Omo (Dec. 2023) and Harar City (2025) to bring quality vet inputs closer to veterinary service providers; Private Vet Pharmacies (PVPs), Government and Community Animal Health Workers (CAHWs). Wetaga pre-financed PVPs, demonstrating increased levels of trust between market actors and ***inclusive business behaviour***.

133% — Increase in Wetaga' s turnover in 2025, a direct result of their own investment,

$710,733 — **342 Private Veterinary Pharmacies** purchase veterinary inputs from Wetaga worth

$110,863 — **461 Community Animal Health Workers** (CAHWs, 25 female), purchase veterinary inputs from PVPs worth

$35,713 — Local government providers of veterinary services also have supply chain interruptions; they purchased inputs from Wetaga worth.

723,591 — **Sheep & goats were treated** by CAHWs for parasites using a 20% off smart subsidy to increase demand for quality vet drugs in the Moyale cattle corridor in Southern Ethiopia. Poor quality counterfeit drugs compete with, and undermine legitimate supply chains, causing loss of revenue for local governments as well as loss of income and increased production costs for agro-pastoralists.

Results (overtime)

Year	2023 - 2024	2025		2026	2027	Total
		Borena	E. Hararghe			
Increase in Wetaga turnover (%)	2022: ETB 28,170,591 2023: ETB 33,274,627 2024: ETB 106,321,435 229%	ETB 141,775,118 133%				
New veterinary service providers	45	12	0			**57**
# of PVPs supplied by Wetaga	320	18	4			**342**
Private Veterinary Pharmacies purchase veterinary inputs from Wetaga to the value of	ETB 107,429,909 ($664,366)	ETB 2,170,167 ($13,421)	ETB 5,377,396 ($32,946)			**ETB114,977,472 $710,733**
# of CAHW supplied by PVPs	371 (F 25)	45	45			**416**
CAHWs purchase veterinary inputs to the value of	ETB17,341,827 ($107,245)	ETB 585,000 ($3,618)	ETB 2,632,500 ($ 49,670)			**ETB17,926,827 $110,863**
Local government purchase veterinary inputs to the value of	$35,713	0	0			
# of sheep and goats treated by CAHWs using a smart subsidy	723,591	NA	NA			

Bundling of goods and services In addition to selling a range of livestock inputs, Halima was linked to a water filter supplier, Tulip Addis https://tulipaddiswaterfilter.com/ and she **now sells water filters**. She was also linked to the Cooperative Bank of Oromia and is now a **mobile money agent**. https://coopbankoromia.com.et/



Dermi Turi, Samira Veterinary Pharmacy, Moyale, GOAL 2024

Key findings (2025)

1. **Like other importers** in Ethiopia, Wetaga will need to export to access hard currency to import. A reliable supply of veterinary inputs is critical to a sustained supply chain, price stability and the provision of veterinary services to the last mile.

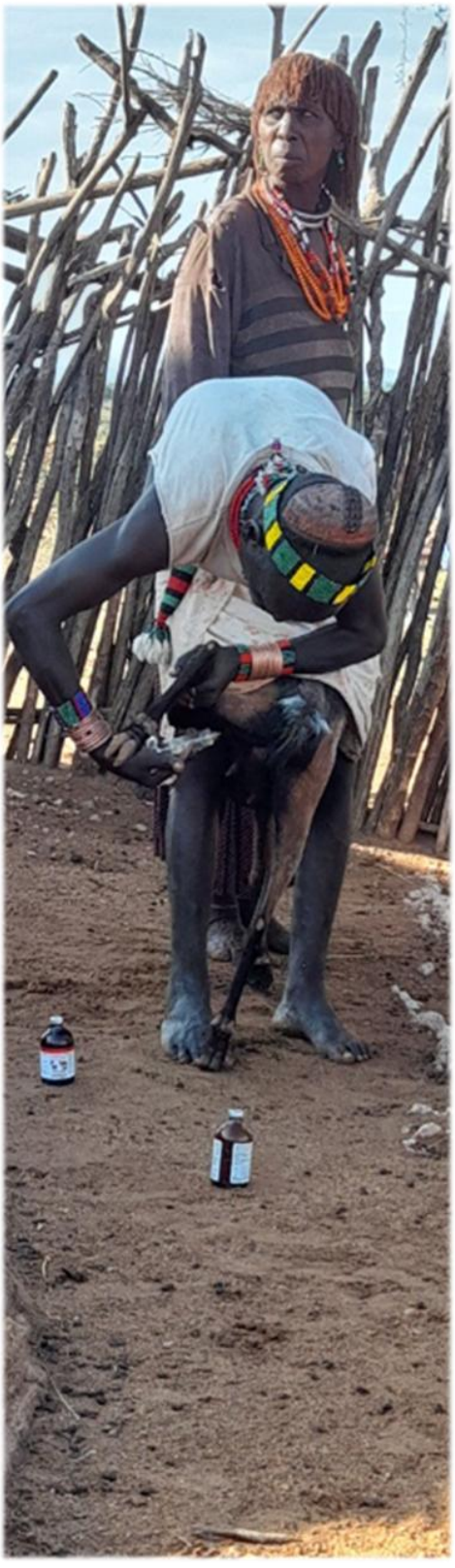
2. **Counterfeit inputs:** For now, the smart subsidy on veterinary inputs may be challenging counterfeit vet inputs. The Government is an actor in this system with the incentive to address this.

3. **Building business skills:** CAHWs that do not keep any formal business records and are unlikely to be able to charge accurately for veterinary services. Access to appropriate business development skills (BDS) could assist CAHWs to keep business records, price services appropriately, and link to other input suppliers to increase revenue and access to financing.

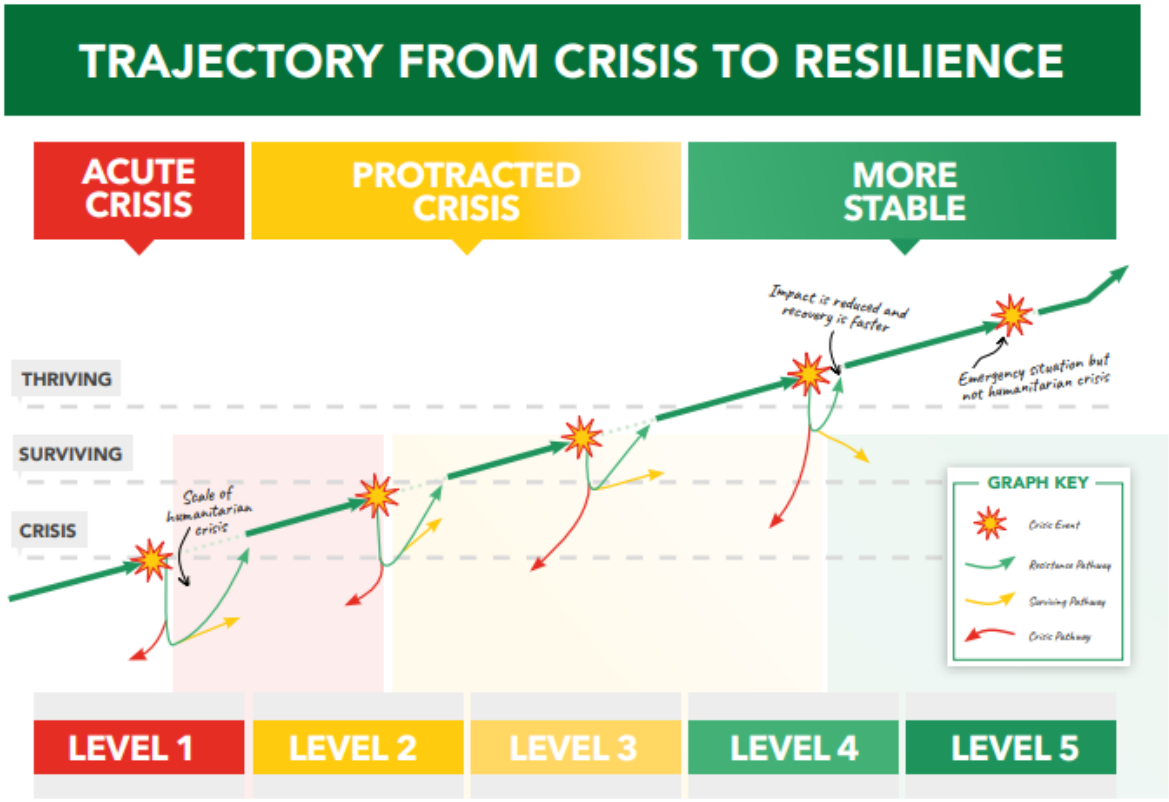
4. **Bundling goods & services:** There are substantial opportunities to "bundle in" more inputs and services with existing retailers, PVPs & CAHWs to increase revenue streams as well as access to goods and services, with a socio-economic value for agro pastoralists**.**

5. **Inclusive business models** are possible even in "thin" markets where the apex market actor in the system (wholesaler) sees the opportunity to extend supply chains and supports smaller actors in the system through skills and pre-financing. This stimulates other actors (PVPs) in the system to do the same, benefiting the smallest actor in the system (CAHW), who provide services to hard-to-reach communities.

6. **Sustainability & scale are all about how we work.** By partnering with the market actor in the system who has the power and influence to create change, the smaller actors in the system e.g., PVPs and CAHWs, develop business relationships for transport and supply of veterinary inputs, upskilling in product knowledge and handling and financing.



GOAL delivers a wide range of humanitarian and development programmes, with a focus on systems, partnerships and building resilience.



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