

A conversation with Greg Garrett and Karen Ziffer, April 20, 2015

Participants

- Greg Garrett – Director, Large Scale Food Fortification, GAIN
- Karen Ziffer – Director, U.S. Office, GAIN
- Ben Rachbach – Research Analyst, GiveWell
- Tim Telleen-Lawton – Research Analyst, GiveWell

Note: These notes were compiled by the GiveWell and give an overview of the major points made by Greg Garrett and Karen Ziffer.

Summary

GiveWell spoke with Mr. Garrett and Ms. Ziffer of the Global Alliance for Improved Nutrition (GAIN) to get an update on GAIN's work on salt iodization. Conversation topics included GAIN's programs in Ethiopia and Ghana, in particular the revolving fund for potassium iodate (KIO₃) in Ethiopia that GAIN helped set up.

Ethiopia

Setting up the revolving fund

Prior to 2012, the Ethiopian government had been requesting 20 metric tons of KIO₃ per year from donors for salt iodization. In 2012, after receiving a request for two years' worth of KIO₃ (costing about \$2.4 million), GAIN performed an analysis that determined that there was only demand for about 12 metric tons of KIO₃ per year. GAIN thinks there would likely have been significant wastage of funds for KIO₃ as well as expired stock if it had not discovered this discrepancy. This is illustrated by the fact that in 2011 prior to the establishment of the revolving fund, the Ethiopian government shipped about 14-15 metric tons of donated KIO₃ in bulk to salt producers, of which about 12.6 metric tons ended up expiring.

GAIN researched existing institutions in the country to determine how to best set up a supply system and ultimately partnered with the Pharmaceutical Fund and Supply Agency (PFSA), a quasi-governmental group, as a hosting institution for the revolving fund. GAIN, the Micronutrient Initiative, and UNICEF provided 12 metric tons of KIO₃ as seed stock for the revolving fund, which the Ethiopian government was able to sell onwards to salt suppliers at cost. In addition, GAIN led on all logistics and negotiated the recovery led by Calibre Chemicals of an additional 6 metric tons of KIO₃ from the 12.6 metric tons of reprocessed expired stock. The funds recovered from the sale of the seed stock were put in a bank account that GAIN helped establish. The government's forecasting of KIO₃ demand has also improved. The revolving fund launched in February 2013.

Use of the revolving fund

It's possible that some large salt companies have enough capacity and infrastructure to buy KIO₃ in bulk directly from suppliers, rather than using the revolving fund

(though even these larger companies will often use a list of trustworthy KIO₃ suppliers audited by GAIN's Premix Facility).

Typically, medium and small salt suppliers benefit the most from revolving funds and distribution hubs. In Ethiopia, small- to medium-scale salt suppliers make up about 80% of the market, and large-scale suppliers make up about 20%).

Salt producers are more willing to buy KIO₃ at near-market rate prices when the Food, Medicine and Health Care Administration and Control Authority of Ethiopia (FMHACA) monitors and enforces salt iodization. Mr. Garrett thinks that government monitoring might need to become more effective for the effectiveness and sustainability of the iodization program in Ethiopia.

Impacts

Household coverage of iodized salt in Ethiopia has increased from about 20% to over 80% within the timeframe of GAIN's work in Ethiopia. There have also been observable health impacts (e.g., reduction in goiter, increased urinary iodine levels) from improved iodine nutrition in that time.

In March 2012, Ethiopia's Prime Minister declared that the government would enforce universal salt iodization (USI), for which GAIN had been advocating along with UNICEF.

Ghana

GAIN helped set up a KIO₃ procurement and supply chain in Ghana with a local business that repackages 50kg drums of KIO₃ from global suppliers into smaller quantities, then stores and distributes these to small- and medium-scale salt producers. This system has probably not greatly increased iodization coverage or the number of salt producers. Rather it has reduced the costs of KIO₃ for the producers using the system through a pooled procurement approach and improved overall access.

In Ghana, GAIN provides salt suppliers with funds on credit to buy 6 months' worth of KIO₃ at a time.

Other impacts

Within the last year, GAIN's quality assurance and quality control (QA/QC) work in Indonesia has led to six salt producers newly gaining salt iodization capacity.

GAIN also works to improve local groups' capacity to perform ongoing monitoring and evaluation of, e.g., household iodization coverage and urinary iodine levels. GAIN hopes that this will help update outdated data in many regions.

The GAIN premix facility audits global producers of iodine (and other micronutrients) to ensure access to good quality KIO₃ (and other vitamins and minerals) at a fair price for countries including Ghana and Ethiopia.

Other people to talk to

- Teshome Desta, former assistant to the Ethiopian State Minister and national coordinator of the USI program in 2012
- FMHACA, about the revolving fund system and their regulatory monitoring practices
- PFSA, on how much potassium iodate has been moved through the revolving fund
- Ethiopia's Minister of Health (though this might be difficult)

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