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GHANA SHOULD REPAY \$3.8 MILLION TO GLOBAL FUND IN FAULTY CONDOM DEAL

Ghana's Ministry of Health spent some \$3.8 million of a Global Fund grant on faulty condoms procured in a tender that was riddled with fraud, the Office of the Inspector General has found. In addition to developing a plan to recover the funds, the Secretariat will be placing all purchasing for Ghana under the pooled procurement mechanism and requiring greater oversight by the local fund agent.

The investigation report published on 11 December confirmed that the procurement of 128 million male condoms purchased for the Ghana Health Service between 2010 and 2013 were "substandard, over-priced and bought through a non-competitive tender process involving forged documents".

The tendering process was flawed from the outset, according to the report. Advertised only locally for a very short time period, the bid was whittled down to a single source with the immediate disqualification of two other bidders. An evaluation by the Ghana Central Tender Board was not reviewed, making the process decidedly untransparent.

Only a month after the bid was approved, the MoH agreed to a 35% per unit cost increase — an increase worth nearly \$1 million over what had been a fixed-price contract that was ostensibly not subject to adjustments. According to the investigation, there is no evidence that the supplier, Global Unilink, provided the Ghana Health Service with documentation including market-pricing data to justify the price increase.

Moreover, the tender was predicated on the provision of falsified documents. Global Unilink provided misleading information related to where the condoms were manufactured, including a falsified manufacturer's certificates that declared the condom manufacturer was WHO-certified.

This led to the other major problem: the condoms were of decidedly inferior quality. The investigation confirmed that the supplier did not source the product from a WHO-certified manufacturer, as it had been contracted to do. The purchased prophylactics did not meet WHO specifications or standards, even though the samples submitted during the tender for quality tests did come from a WHO-certified manufacturer. What this means is that quality condoms were provided for testing and low-quality ones supplied for use.

These quality issues came to light when end users reported that they burst too easily, did not contain enough lubricant and, according to one Ghanaian media report, were not big enough.

Why the Ghana Health Service failed to continue to carry out quality control tests on the Be Safe condoms remains to be seen; going forward, Aidspace understands from the Global Fund Secretariat: "the Secretariat will provide the Ghana Food and Drug Authority with advance notice of the dispatch of critical health products and commodities procured for Global Fund programs from whatever source. The LFA will verify the quality testing has been conducted before distribution."

Other safeguards have been put in place, specifically related to the procurement of health products and commodities for Ghana. Since 2012, Ghana has been enrolled in the pooled procurement mechanism and global drug facility, meaning that ARVs, HIV test kits, drugs and diagnostic kits for malaria and TB drugs are all now procured by the Global Fund on Ghana's behalf. The MoH is now only responsible for the procurement of products such as gloves and cotton swabs.

The Secretariat should pursue the recovery of the full \$3.84 million spent on the faulty condoms — funds that Ghana itself has since 2013 been seeking from the supplier, Global Unilink, according to Ghanaian media reports.

A majority of the faulty condoms remain undistributed, stored in an MoH warehouse that, itself, has been subject to major scrutiny for the poor quality and conditions. In one Ghanaian media report, the facility was described as having a leaky roof and poor temperature controls — less than ideal conditions even at the best of times. The condoms are to be withdrawn and destroyed by the MoH and Ghana Health Service in line with "international procedural and environmental regulations" — whether this will happen is unclear.

Ghana has a generalized HIV prevalence rate of under 2% but within certain key populations, including commercial sex workers and men who have sex with men, the rate is considerably higher. Results from a demographic and health survey supported by the Global Fund should be published in 2015: the best way to determine whether there has been an increase in infection rates. It will not, however, be possible, to make any causatory inference that a spike in infections is due to the use of these problematic prophylactics.

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