



Independent observer  
of the Global Fund

## Transfer of PR in the Works for a Mali HIV Grant

Change due to findings by the OIG of misuse of funds

This is the latest in a series of bad news stories on Mali grants

Management of a \$29 million Round 8 HIV grant to Mali will be transferred to a new principal recipient (PR) at the end of 2011. The transfer of management coincides with the end of the first two-year phase of the grant. The new PR has not yet been identified.

The current PR is the National Aids Council, a governmental body. According to the Global Fund, the decision to transfer management of the grant follows evidence of misappropriation of funds uncovered during an investigation by the Global Fund's Office of the Inspector General (OIG). No details were provided. The investigation is on-going.

The Global Fund has asked Mali's CCM to identify a new principal recipient to manage the second phase of the grant. Meanwhile, the scope of the grant will be reduced between now and the end of the year. Grant activities will be restricted to providing life-saving treatment for the 25,288 people in Mali who receive antiretroviral therapy with Global Fund support, and to starting some new patients on treatment.

According to the Associated Press (AP), Dr Youssouf Diallo, a spokesperson for the National AIDS Council, called the decision "premature" and said the Council had not been shown any of the evidence against it. "This decision is not the right way to work together as partners," Diallo said.

This is the latest in a series of negative developments regarding Global Fund grants in Mali. As the table below shows, misuse of grant funds has now been identified regarding all eight grants in Mali.

Table: Developments concerning grants in Mali

PR	Disease	Round	Developments
Ministry of Health	Malaria	1	OIG audit and investigation found evidence of fraud and unjustified use of funds (early 2010). Grant had already ended in 2007.
	Malaria	6	OIG audit and investigation found evidence of fraud and unjustified use of funds (early 2010). Grant suspended (December 2010). Grant subsequently consolidated with a Round 10 grant, not yet signed, with Population Services International (PSI) as PR.
	TB	4	OIG audit and investigation found evidence of fraud and unjustified use of funds (early 2010). Grant reached its planned end in January 2011.
		7	OIG audit and investigation found evidence of fraud and unjustified use of funds (early 2010). Grant terminated (December 2010).
	HIV/AIDS	4	OIG reported evidence of fraud (December 2010). Grant had already ended in June 2010.
Groupe Pivot Santé Population	Malaria	6	Grant suspended (December 2010) because of evidence that funds had been misused. Grant subsequently consolidated with a Round 10 grant, not yet signed, with PSI as PR.
	HIV/AIDS	8	Grant suspended because of evidence that grant funds had been misused (March 2011). Grant subsequently transferred to a new PR (identity not known).
National AIDS Council	HIV/AIDS	8	Grant to be transferred to a new PR based on evidence from the OIG concerning misuse of funds (announcement made in October 2011).

In a press release issued on 19 October 2011, the Global Fund said that the Government of Mali has condemned the misuse of funds and is working with the Global Fund to ensure that grant activities can resume as soon as possible. The Global Fund is seeking the return of the misused funds, and has “sought assurances from the Government of Mali that efforts will be pursued with vigour through Mali’s courts to hold those responsible for the fraud and losses to account.”

The Global Fund has grant agreements with Mali totalling \$125 million, of which \$90 million has been disbursed thus far.

Information for this article was taken from a Global Fund [press release](#) dated 19 October 2011, from an [AP story](#) published on the same day, and from various [OIG reports](#). GFO previously reported on the Mali problems in issues 125, 136, 139, 141 and 149, available [here](#).

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