



Independent observer  
of the Global Fund

## Global Fund lifts suspensions of net suppliers caught in Cambodia case

The Global Fund Secretariat will lift the suspensions of two major suppliers of long-lasting impregnated nets (LLINs) who were found to have paid kickbacks to government officials in Cambodia.

Acting on the recommendations of the Sanctions Panel, the Secretariat also imposed

three conditions on Vestergaard Frandsen and Sumitomo Chemical Co in order to remain eligible to compete in tenders for future commodity purchases.

The conditions are:

- Engagement of an independent compliance monitor to assess internal controls, verify implementation of improvements and report to the Fund by 30 June 2014. A second report will be due at year's end
- Donation of one million LLIN to a principal recipient of a Fund grant
- Subscription to an anti-bribery pact for other manufacturers and commitment to garnering support from other manufacturers for the pact

Both suppliers have agreed to the conditions.

Vestergaard Frandsen and Sumitomo Chemical were, until their suspensions, responsible for nearly 50% of all LLIN purchased by the Global Fund on behalf of their malaria projects worldwide.

They were found to have paid kickbacks worth some \$410,000 to two Cambodian officials at the national malaria control program, which was at the time the principal recipient of malaria grants worth \$11.8 million

from 2006-2011 (see article [here](#)).

The decision announced on 5 February emerged from a meeting in January of the Sanctions Panel, which was composed of three Global Fund staff and three external independent members.

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