



Independent observer
of the Global Fund

DRUG THEFT: A SERIOUS THREAT TO MALAWI'S HEALTH SYSTEM

The theft of medicines by workers in public health facilities in Malawi has become rampant and represents a serious threat to Malawi's fragile health systems.

In an [article](#) in the Nyasa Times on 8 January 2015, the Minister of Health, Peter Kumpalume, is quoted as saying that almost a third of the government's 17 billion kwacha (\$24.7 million) budget for the procurement of medicines is being lost to theft. Mr Kumpalume warned that the government will hand out stiff punishments in 2016 to health workers involved in the thefts.

"It is disheartening to note that the government is losing lot of money due to drug theft by the people government entrusted with the responsibility of taking care of the lives of people," he said.

A South African newspaper, the Mail & Guardian, [reported](#) on 4 December 2015 that prescription drugs plundered from Malawi's public hospitals – including antiretrovirals and powerful antibiotics and painkillers – are being smuggled into South Africa and sold on the streets. The newspaper quoted traders in central Johannesburg as saying that the main purchasers of the drugs are Malawians illegally in South Africa who fear being identified if they use the public health system.

"At the root of the trade is poor management and security lapses in Malawi's health system, which health workers and hospital pharmacists exploit," the newspaper said.

On 29 November, an [article](#) in The Nation revealed that some health workers in clinic on the border with Mozambique were stealing drugs and selling them to private clinics and pharmacies in Mozambique.

Last year, the Ministry of Health conducted its first comprehensive assessment of health commodity storage capacity in public health facilities. The assessment found that more than three-quarters of the facilities do not have enough space to properly store medicines and supplies. It found out that in many facilities, medicines are stored in corridors, treatment rooms, offices and in open spaces, which contributes to theft as well as spoilage and drug expiries.

The situation has led to drug shortages in most of the public hospitals in Malawi. Some hospitals have had to turn patients away, and some doctors are rationing the few medications they have.

The situation is made worse when private hospitals are owned by health officials or retired workers who employ personnel who work for public establishments. Doctors in these private hospitals are prescribing drugs for patients and then telling them that they can only get them in their hospitals (at higher prices) because the public hospitals have no stock.

According to an [article](#) in The Nation on 11 November 2015, the U.S. Global Coordinator for the President's Malaria Initiative, Rear Admiral Ted Ziemer, and the U.S. Ambassador to Malawi, Virginia Palmer, warned that Malawi risks losing 114 billion kwacha (\$203.6 million) for the fight against malaria if the widespread theft of drugs is not stopped.

Ambassador Palmer also suggested that the Ministry of Health submit amendments to Parliament to the Pharmacies, Medicines and Poisons Board Act to stiffen penalties for the theft of medicine. According to the newspaper, Malawi President Peter Mutharika has promised to do this.

As one way of addressing the problem, on 27 November 2015, the Central Medical Stores Trust adopted a Corruption and Fraud Prevention Policy. GFO has been told that the policy outlines courses of action for dealing with corruption and fraud; and that the policy is designed to increase awareness of the problem and encourage prevention and reporting of corruption. [Editor's Note: At the time of writing, we had not yet been able to obtain a copy of the policy.]

GFO has been informed that during a ceremony officially launching the policy, Mr Kumpalume said:

“In every country and organisation, procurement is prone to abuse. Central Medical Stores procures medicines in billions of kwachas. As such, the likelihood of abuse is there. We have heard of members of staff demanding 10% of every bid they make. This has to stop and there is need to expose perpetrators of corruption so that the law could take its course.”

On 11 December 2015, the U.S. Agency for International Development (USAID) and the (U.K.) Department for International Development (DFID) signed a memorandum of understanding with the Government of Malawi regarding pre-fabricated pharmacy storage units for the 108 health facilities in the country. The donors have committed \$8.3 million for the initiative. The goal is to increase storage capacity in the health facilities and to increase the security of the medicines.

Meanwhile, Malawi is one of three pilot countries where The Global Fund's Office of the Inspector General is conducting a “speak out” campaign to try to stem the pilfering (see [GFO article](#)). Thomas Fitzsimmons, communications specialist for the OIG, told GFO that “the Malawi campaign is intended to be national in scope.... USAID and DFID are working on similar initiatives, so we are seeing what we can do together to fight the drug theft. Channels will include radio, billboards, and other media.”

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