



Independent observer
of the Global Fund

Report Renews Concerns About Stolen Malaria Medicines

A report published recently in a medical journal has focussed renewed attention on the problem of donated malaria drugs being stolen and then sold in the private sector in Africa. According to researchers, in a study conducted between 2007 and early 2010, of nearly 900 samples purchased from private pharmacies in 11 African cities, 6.5% were stolen. For artemisinin combination therapies (ACTs), the most effective medications available for malaria, the percentage was higher; 15% of the 2007 samples and 30% of the 2010 samples were stolen drugs.

The report, which appeared in the journal *Research and Reports in Tropical Medicines*, was co-authored by Roger Bate of the American Enterprise Institute (AEI) and two colleagues from Africa Fighting Malaria (AFM). AEI is a conservative think tank. AFM is an NGO based in Washington, D.C. and South Africa whose mission is to “make malaria control more transparent, responsive and effective.” Some critics claim that AFM is more about promoting ideology than delivering services. AFM’s original focus was the promotion of a public health exemption for the use of the insecticide DDT for malaria control.

The 11 cities involved in the study were located in six countries: Ghana, Kenya, Tanzania, Uganda, Rwanda and Nigeria. The researchers acknowledge that the sample size was small, thus making it difficult to reach firm conclusions concerning the extent of the problem. However, they say, “a potentially serious problem may well exist.” It is a public health problem, in the sense that drugs intended for hospitals and clinics are diverted to for-profit pharmacies. But there are also other possible harms, such as increased trade in counterfeit medicines, and in expired and otherwise substandard medicines.

Most of the malaria drugs being donated to African countries come from programmes supported by the Global Fund or the (U.S.) President’s Malaria Initiative. Manufacturers package donated drugs differently than those meant for resale, which is how the researchers were able to identify which drugs had been

stolen.

The Global Fund's communication director, Jon Lidén, told the media that the Fund is investigating the possible theft and sale of donated malaria medications in a number of countries. Lidén did not say which countries. 'There have been anecdotes about stolen drugs as long as there have been donated drugs in Africa,' he said. 'This is not a new thing at all, but we have had some more clear or concrete allegations – though so far not substantiated – in the last months that has led us to start a full investigation of these issues.' The investigation is being carried out by the Global Fund's Office of the Inspector General (OIG).

Lidén told Global Fund Observer that "there is a large difference between finding random stray drugs in market stalls on the one hand and actually finding sufficient evidence of theft and perpetrators of such theft to be able to take firm action on the other. Thefts can range from organized stealing of drugs in large quantities to individuals pilfering a few boxes of drugs here and there. The Global Fund cannot sanction countries without a clear sense of the nature and size of the problem. This is the task the OIG is pursuing at the moment and it will take some time."

The drugs purchased in the study had been donated to ministries of health. Exactly where in the supply chain these medications are being stolen, and who is responsible for the thefts is unknown. Tido von Schoen-Angerer, of Médecins Sans Frontières, said that it is extremely difficult to determine the scale of the problem since drugs are not often followed from their origin to their ultimate destination in Africa.

In 2009, an audit of the U.S. President's Malaria Initiative in Angola found that malaria drugs were 'persistently stolen.' Four major thefts of the malaria drug, Coartem, valued at over \$642,000, were reported.

The OIG identified counterfeiting as a "significant risk" in an audit on procurement practices published in April 2010. The OIG said:

Quality assured health products imported using Global Fund funds may be exchanged for inferior or counterfeit products which are then distributed to the intended recipients of the grants. The quality assured health products are then sold in commercial centers in the country or exported to neighbouring countries. Although this risk cannot be easily quantified, it has a great impact on the grant program both in terms of reputational risk as well as endangering the lives of the recipients of Global Fund programs.

The OIG recommended that the Global Fund consider (a) encouraging implementers to strengthen their supply and logistics management; and (b) requiring tracking of products to the intended beneficiaries.

Lidén said that the Global Fund's Affordable Medicines Facility – malaria (AMFm) initiative should help to reduce thefts. The AMFm initiative is designed to significantly reduce the cost of ACTs through a combination of negotiating lower prices with manufacturers and providing subsidies. A significant reduction in the cost of ACTs would remove some of the incentive for the thefts. The AMFm initiative is currently in a pilot phase in 12 countries in Africa. If the pilot is successful, the initiative will be expanded to other countries.

Information for this article came from the following sources:

- "Global Fund investigates possible theft, sale of malaria medication," T. Miller, The Rundown, Public Broadcasting System (PBS), 4 September 2010, www.pbs.org/newshour/rundown/2010/09/global-fund-investigating-possible-theft-of-malaria-medication.
- "Some donated malaria drugs being stolen in Africa," M. Cheng, Associated Press (AP), 1 September 2010, http://www.salon.com/wires/health/2010/09/01/D9HV3PB80_af_med_stolen_malaria_drugs.

- Review of Oversight of Grant Procurement and Supply Chain Management Arrangements, Office of the Inspector General, Global Fund, 22 April 2002, www.theglobalfund.org/en/oig/reports.

[Read More](#)
