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of the Global Fund

Global Fund Terminates One Mali Grant and Suspends Two Others

The Global Fund has terminated or suspended three grants to Mali, following revelations by the Office of the Inspector General (OIG) of misappropriation of funds and unjustified expenditures. One TB grant was terminated. Two malaria grants were suspended. Management of the two suspended grants will be transferred to a new principal recipient (PR). This information is contained in a news release issued by the Global Fund on 7 December.

In addition, the Global Fund is placing grants in Mali and four other countries on its "Additional Safeguards Policy" list. The other countries are Cote d'Ivoire, Djibouti, Mauritania and Papua New Guinea. Grants on this list are subject to closer scrutiny of their grant activities and certain restrictions on cash movements.

The decision to suspend the grants in Mali follows an on-going investigation by the OIG, which found that approximately \$4 million in grant funds has been misappropriated. The investigation uncovered fraud by senior officials working for grant implementers, committed through the submission of false invoices, creation of fake bid documents and overcharging for goods and services, particularly in relation to training activities.

GFO reported on the OIG's preliminary investigation on the Mali grants in GFO 125 (see "[OIG Reports Evidence of Fraud by a PR in Mali](#)"). More current information on the investigation is expected to be included in the OIG's progress report for the period March-October 2010, which should be released

shortly. GFO will report on this when the information has been made public.

(The Associated Press reported that the Minister of Health in Mali, Oumar Ibrahima Toure, resigned “without explanation” two days before the Global Fund issued its news release. One African-based news agency reported that the minister was fired specifically because of the problems with the Mali grants.)

The two grants being suspended are: a \$14.8 million Round 6 malaria grant to buy and distribute insecticide-treated nets for the benefit of pregnant women and children under the age of five, for which the PR is Groupe Pivot Santé Population; and a \$3.3 million Round 6 grant for anti-malaria drugs, for which the PR is the Ministry of Health.

The grant being terminated is a \$4.5 million Round 7 TB grant targeting, among others, prisoners and people in mining communities, and patients with multidrug resistant (MDR) strains of TB. The PR is the Ministry of Health. The Global Fund will ensure that essential services funded by the TB grant, including drugs for patients with MDR TB, will be maintained after the grant is terminated.

Other grants to Mali are also under investigation and further action may be taken at a later date. There are three active HIV grants in Mali, for which the PRs are Groupe Pivot Santé Population, the Ministry of Health and the National High Council for HIV Control in Mali. The only other active grant in Mali is a Round 4 TB grant, for which the PR is the Ministry of Health. No proposals were approved for Mali in Round 9. However, two proposals were approved for Mali in Round 10, one for malaria and one for TB, for which the nominated PRs are Groupe Pivot Santé Population and the Ministry of Health. When the Board approved Round 10 proposals at its meeting this week in Sofia, Bulgaria, there was no discussion of how to handle the two Mali proposals; one possibility is that the Global Fund Secretariat will ask the CCM to nominate different PRs.

The OIG has been working in close cooperation with the Malian authorities. The authorities arrested and imprisoned 15 people in connection with the fraud after an investigating judge was assigned to the case by the President of Mali.

Information for this article was taken from “Global Fund Suspends Two Malaria Grants, Terminates TB Grant to Mali,” news release, Global Fund, 7 December 2010, at www.theglobalfund.org/en/media; and from the Mali country page on the Global Fund website, at <http://portfolio.theglobalfund.org/Country/Index/MAL?lang=en#>. The media stories referred to in this article are: “Global Fund Suspends Malaria, TB Grants in Mali,” Martin Vogl, Associated Press, 7 December 2010, at www.washingtonpost.com/wp-dyn/content/article/2010/12/07/AR2010120701560.html; and “Malian Health Minister Fired for Embezzling AIDS [sic] Funds,” Pan-African Press (Panapress), 7 December 2010 at www.panapress.com/Malian-health-minister-fired-for-embezzling-AiDS-funds-15-744283-30-lang2-index.html.

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