

Uganda in another Global Fund scam

Fraud. The report has revealed that prices of malaria drugs were inflated and free condoms were sold.

BY EMMANUEL AINEBYOONA
eainebyoona@ug.nationmedia.com

KAMPALA. Ten years after Uganda was shaken by the Global Fund corruption scandal involving \$37m (about Shs124.8b), a new audit report by the Office of the Inspector General (OIG) based in Geneva, has revealed another plunder of \$3.9m (about Shs13.1b) in inflated costs for anti-malaria drugs or lack of accountability.

"Anti-malaria medicines that were distributed under the private sector co-payment mechanism were sold at prices higher than those recommended, that is Shs5,000 instead of Shs3,500," the audit report reads in part.

The Uganda audit, which sought to provide insurance to the board on the adequacy and effectiveness of the current grant implementation also indicated that \$0.2m (about Shs674.9m) collected from the sale of

16.5m condoms has remained unaccounted for. The condoms were supposed to be distributed free of charge but were sold.

"Value added taxes amounting to \$0.3m [about Shs1b] had also not been refunded to the programmes. The audit identified expenses for which there was not adequate supporting documentation, amounting to \$3.9m [about Shs3.1b]," the audit discovered.

The report further blames the Ministry of Health for not installing accountability software, which has been pending since 2011.

Besides failure to account, the audit also noted that only 46 per cent of the funds disbursed to the Ministry of Finance between January 2013 and June 2015 had been spent at the time of the audit.

"The audit noted lapses in the Principal Recipient [Finance ministry] oversight over their sub-recipients [ministry of Health]," the report added.

Since inception in Uganda in 2002, the Global Fund has signed 20 grants worth \$1b (about Shs3.3 trillion), out

"The findings of the OIG report points out challenges in the management of programmers and grants which are a result of failure by the Ministry of health to consistently undertake follow up actions to address this problem.,,"

SOURCE FROM CCM

of which \$623m (about Shs2.1 trillion) had been disbursed to the country at the time of the audit.

A member of the CCM, who asked not to be named, blamed the Ministry of Health for failing to set up accountability mechanisms on behalf of ministry of Finance.

"The findings of the OIG report points out challenges in the management of programmers and grants which are a result of failure by the Ministry of Health to consistently undertake follow up actions to address this problem," a source at CCM said.

However, the latest audit report

does not give specifics into the extent of abuse of the funds but only gives a general overview. For instance, it does not name culpable individuals responsible for mismanaging the funds meant to procure HIV/TB testing kits, condoms and malaria drugs.

Ms Rukia Nakamatte, spokesperson ministry of Health, said 90 per cent of the Global Fund money are spent on procurement of medicines and health products which is done by Global Drug Facility in Geneva.

"As the Ministry of Health, we only manage 5 per cent of the grant and by the time of the audit in November last year, we had used 48 per cent of the funds and we don't think 48 per cent is low absorption since we are undertaking many activities," said Ms Nakamatte.

She added that by the time the grant expires, the ministry will have utilised all the money and since it does not pay upfront to the service providers, she said, money cannot be lost in any way.

"Twelve per cent out of the 50 facilities visited were found performing HIV tests with expired testing kits

and, contrary to national guidelines, 14 per cent of the facilities visited did not perform confirmatory tests," the audit revealed.

Yesterday, the development prompted a group of civil society organisations (CSOs) to call upon the Inspector General of Government to conduct an investigation into the abuse of the Global Fund money and prosecute the individual culprits.

The CSOs include Anti-Corruption Coalition Uganda, International Community of Women Living with HIV/Aids in Eastern Africa (ICWEA), Aids HealthCare Foundation and the Action Group for Health and Human Rights and HIV/Aids (AGHA-U).

"We want to know the role the general manager of NMS played in procuring the expired testing kits before we go into the naming and shaming of individuals," said Mr Denis Odwe, the executive director of AGHA-U.

The spokesperson of NMS, Mr Dan Kimosho, on Thursday defended the drugs distribution body from any wrongdoing saying they had never distributed expired drugs and items or whose expiry dates are due.