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West African Man Charged In \$12 Million Anti-Malaria Program Fraud Scheme

Washington, D.C. — The United States Attorney for the Southern District of New York announced the indictment of a citizen of Burkina Faso for his role in a scheme to procure and distribute approximately two million fraudulent and substandard mosquito nets in the West African nation. The indictment charges Malamine Ouedraogo with one count of wire fraud involving more than \$12 million meant to support the country's anti-malarial effort.

The alleged fraud affected a Burkinabe Ministry of Health program, supported by The Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund), which receives funding from the U.S. Agency for International Development (USAID) and other donors. In response to a bid request from the Ministry of Health for the distribution of more than six million insecticide-treated mosquito nets, which can help reduce the incidence of mosquito-borne disease, Ouedraogo submitted an offer on behalf two collaborating firms with which he was associated. Ouedraogo subsequently received more than \$12 million to provide mosquito nets in four regions in Burkina Faso.

Rather than acquire properly-treated mosquito nets through a supplier approved by the World Health Organization, as required in his Ministry of Health contracts, Ouedraogo allegedly purchased fraudulent nets, containing little or no insecticide, from a non-approved supplier. He labeled and packaged the fraudulent nets to resemble those produced by the approved supplier, according to the indictment. Knowing the nets were fraudulent and not approved, Ouedraogo proceeded to distribute the nets to government health facilities, the U.S. Attorney stated. Mosquito nets without insecticide are less effective and pose a higher risk of exposure to mosquitos, and an increased health risk for people using them.

Details of the matter surfaced pursuant to a transnational multi-year investigation by the USAID Office of Inspector General (OIG). USAID OIG collaborated with the Global Fund OIG, the USAID President's Malaria Initiative, the U.S. Department of State's Regional Security Office in the U.S. Embassy in Burkina Faso, and the U.S. Attorney's Office for the Southern District of New York.

"I commend the work of our special agents, and of our U.S. Government and international partners," said Catherine M. Trujillo, Acting Deputy Inspector General for USAID. "Their work has helped highlight and mitigate a grave threat to the integrity of global health programs and, most importantly, to the lives of those we strive to protect."

The U.S. Government has acted to protect the integrity of anti-malarial programs throughout West Africa, in part through the 2014 launch of the “Make a Difference” (MAD) campaign, a collaborative effort between the USAID OIG and the President’s Malaria Initiative. The MAD campaign aims to raise awareness in target countries of the dangers of stolen and falsified medicine and to promote the use of toll free hotlines for local communities to report illicit activities directly to USAID OIG. The program offers cash rewards for relevant and actionable information.

Also, in a related release, the Global Fund OIG published a [notice](#) of the results of its own investigation into the fraud scheme. The notice and the investigation report, *Global Fund Grants to Burkina Faso: Programme d’Appui au Développement Sanitaire, GF-OIG-15-019*, are both available on the Global Fund OIG’s Web site. The report outlines the Global Fund OIG findings concerning the actions of the Burkinabe firms mentioned above, those of a and a third, separate firm, and the need to address weaknesses in the affected program.

The charges and allegations contained in the U.S. Attorney’s indictment are accusations and the defendant is presumed innocent unless and until proven guilty.

Elisha J. Kobre is the Assistant U.S. Attorney assigned to prosecute this case.

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