

# How can we detect and deter medicine theft?

**Ryan Jablonski**

The London School of Economics

**Brigitte Seim**

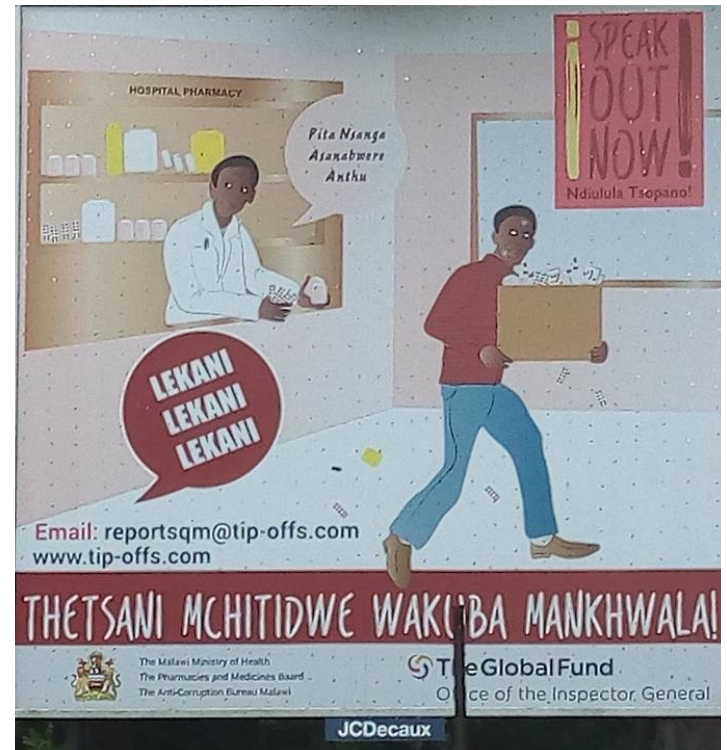
University of North Carolina, Chapel Hill

**Mariana Carvalho**

University of California, San Diego

**Clark Gibson**

University of California, San Diego



Ministry of Health  
REPUBLIC OF MALAWI



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# Diversion is one of the world's biggest health challenges

- Globally, up to one-third of public medicines are diverted to private markets (Bate 2010, Vian 2006)
- In Malawi, 29% of medicines are diverted (Mphande 2017) and 75% of communities have experienced the theft of medicines (author survey 2019)

**The Daily Times**  
ESTABLISHED IN 1895 [www.times.mw](http://www.times.mw) TUESDAY, OCTOBER 26, 2021 **K600**

Everything set for today's by-elections **NATIONAL Page 3**

Rising prices begin to bite **BUSINESS Page 9**

Chikopa heads Pam South Chapter **ARTS Page 32**

**Court rebuffs Chisale in certificate case**

**By Mathews Kusanda**

Lilongwe Chief Resident Magistrate Patrick Chuma has turned down the application which former president Peter Mutharika's bodyguard Norman Chisale made, asking the court to restart hearing the certificate case.

The ex-Malawi Defence Force soldier is accused of using another person's Junior Certificate of Education certificate to get recruited into the force.

However, Chisale pleaded not guilty to counts of impersonating a person named in a certificate, presenting false information to a public officer and intimidation.

Apart from asking for a rehearing of the case, the defence had further asked for the re-examination of all witnesses in the case because, firstly, the case was transferred to another magistrate and, secondly, the charge sheet was amended.

Chisale appeared before the Chief Resident Magistrate for a fresh plea while the court was also expected to give directions.

The defence indicated that they did not anticipate that there would be some changes or amendments to the charge sheet and that, as such, there was a need to



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**RELAXED—Chisale (right) interacts with Mose Wapahiri after the court appearance.—Photos by Mathews Kusanda**

**DRUG THEFT WORSENS**

**Malawi loses K7bn annually**

**By Wezlie Gaud & Richard Chirando**

Five years after a Global Fund survey revealed that 35 percent of drugs used in private healthcare facilities were diverted from Malawi's public healthcare service delivery system, cases of drug theft continue unabated, with the Unicef Health Coverage Coalition (UHC) indicating that the country is losing 30 percent of the national drug budget to the 'vile'.

This means the country loses K7 billion annually.

On August 17 2017, the Global Fund, through its Office of the Inspector General (OIG), indicated that drug pilferage and diversion were rampant in Malawi.

OIG subsequently audits investments, reputation and sustainability of the Global Fund by ensuring that it takes the right action to defuse Aids, tuberculosis and malaria.

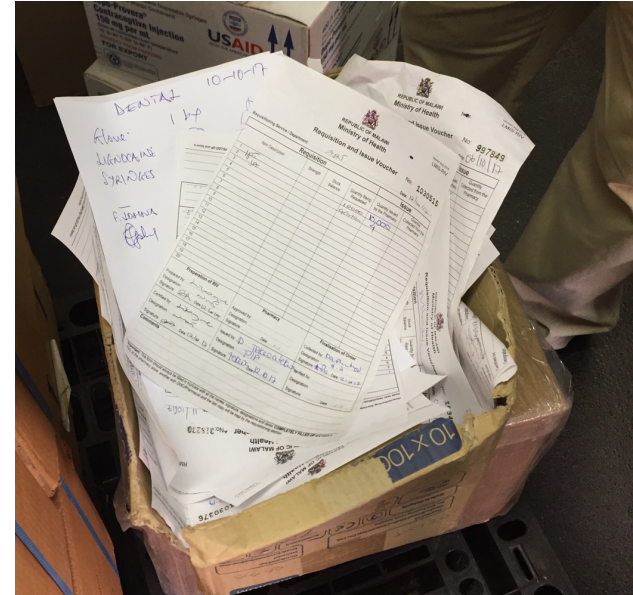
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# Costs of medicine diversion

- **Economic:** Globally, it is likely that 10-25% of global health spending is lost to corruption (Garcia 2019). Up to a third of Malawian medicine budgets are lost (Mphande 2017).
- **Health:** Corruption leads to worse health and mortality. Most Malawians have suffered from medicine stocking issues and see theft as a reason for poor healthcare in their community (authors).

# A difficult policy problem to solve

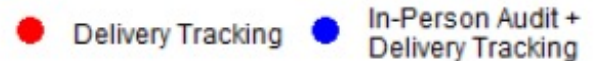
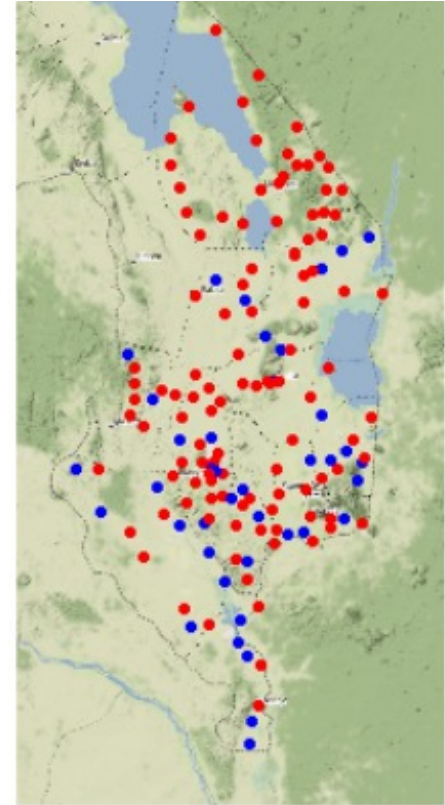
- Theft is profitable and low risk for many
- Theft is difficult to identify, especially at downstream points in the supply chain (e.g., by clinic officials)
- Existing audit mechanisms are imprecise and expensive
- Lack of real-time data leads to large information gaps between accountability organizations and health officials



Procurement records at one clinic (authors)

# What we did

- Surveys and interviews with patients and officials at 100 clinics
- Remote digital tracking of 2,400 medicines to 170 facilities
- Two in-person digital audits at 144 public facilities
- In-person digital audit at 143 private markets and pharmacies
- Experimental evaluation of monitoring information on medicine diversion



# 02

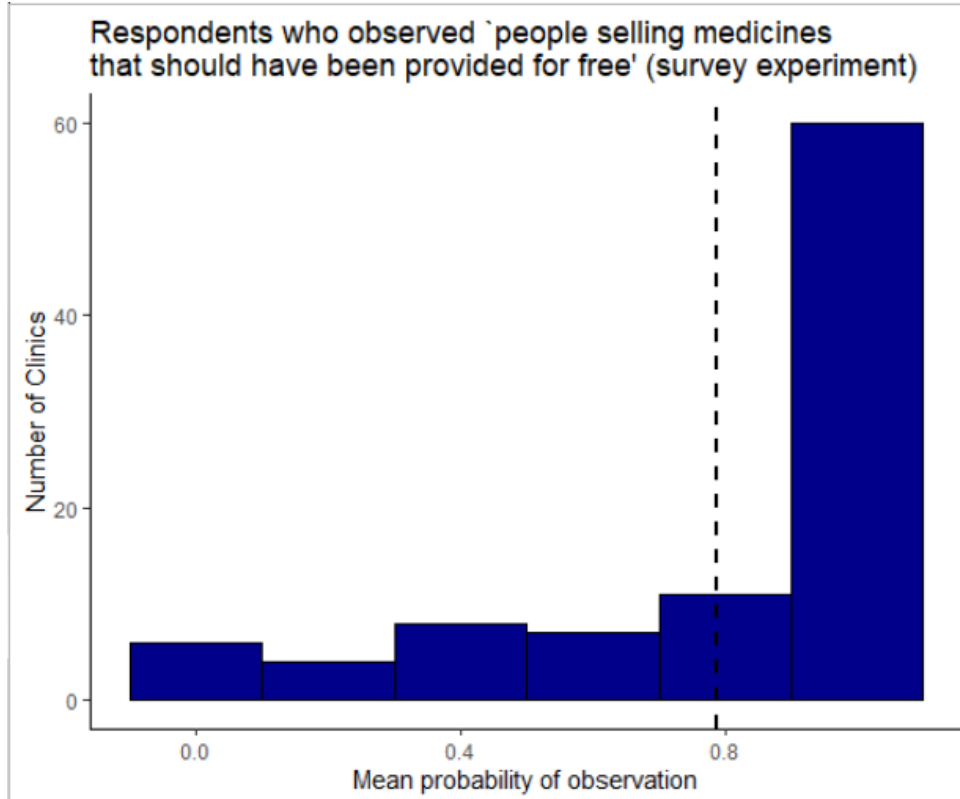
## Survey on diverted and missing medicine



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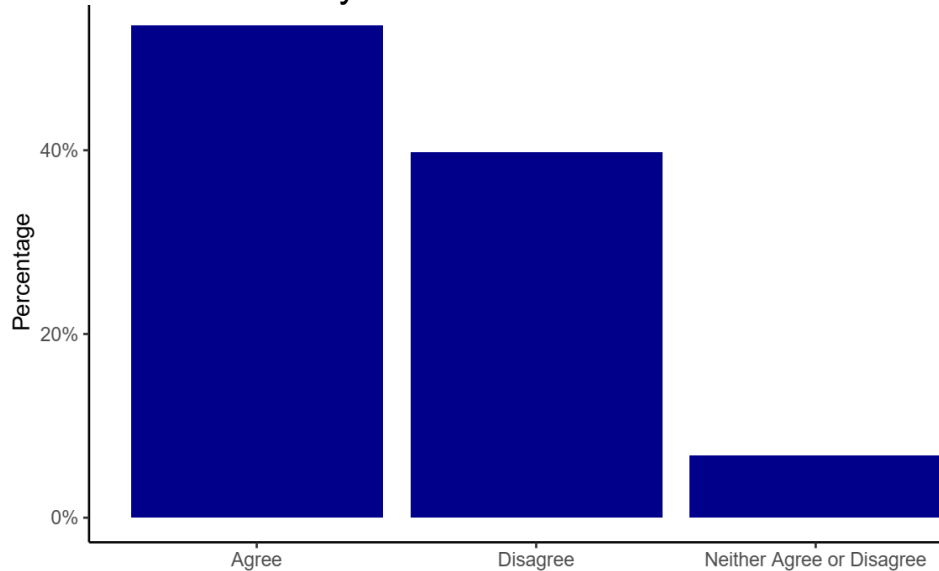
# About two-thirds of citizens have observed the illegal sale of medicine



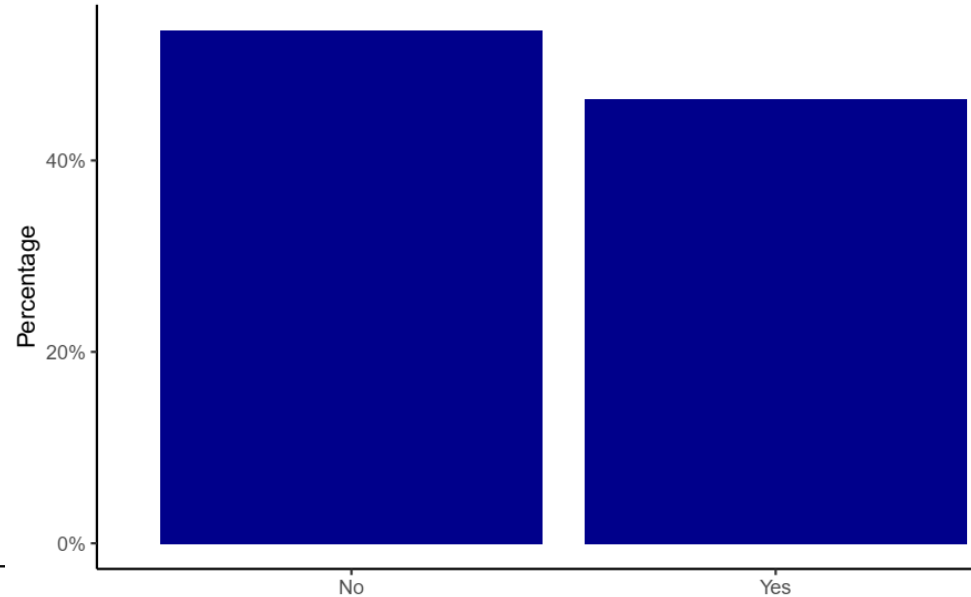
Sale of government medicines at a market (authors)

# Most blame theft for poor quality healthcare

The theft of medicines keep people from getting high quality healthcare in my community:



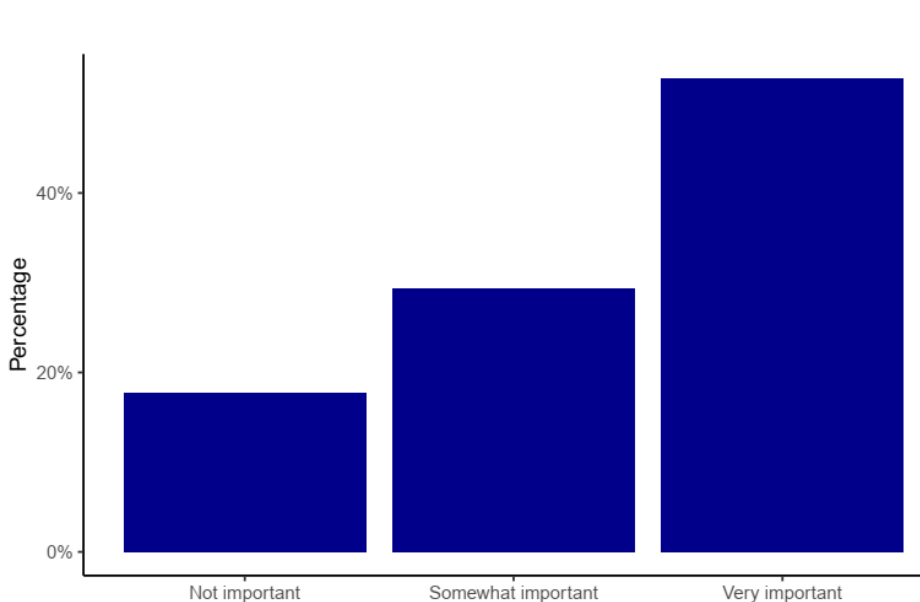
Has someone in your family gone without medications because they were not available from this clinic?



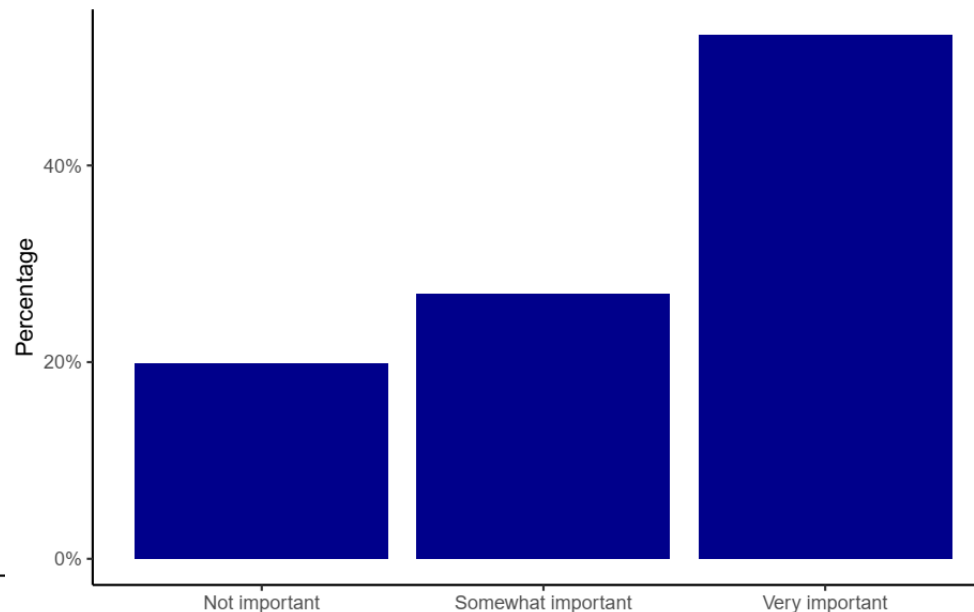


# Information and capacity gaps prevent reporting

People do not have effective ways to report the diversion of medicines

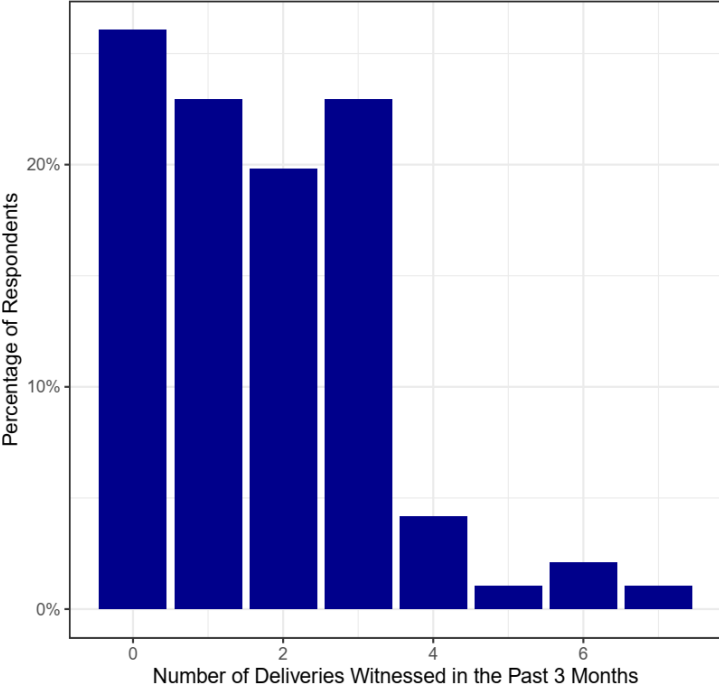


People do not know whether medications in their clinics are stolen.

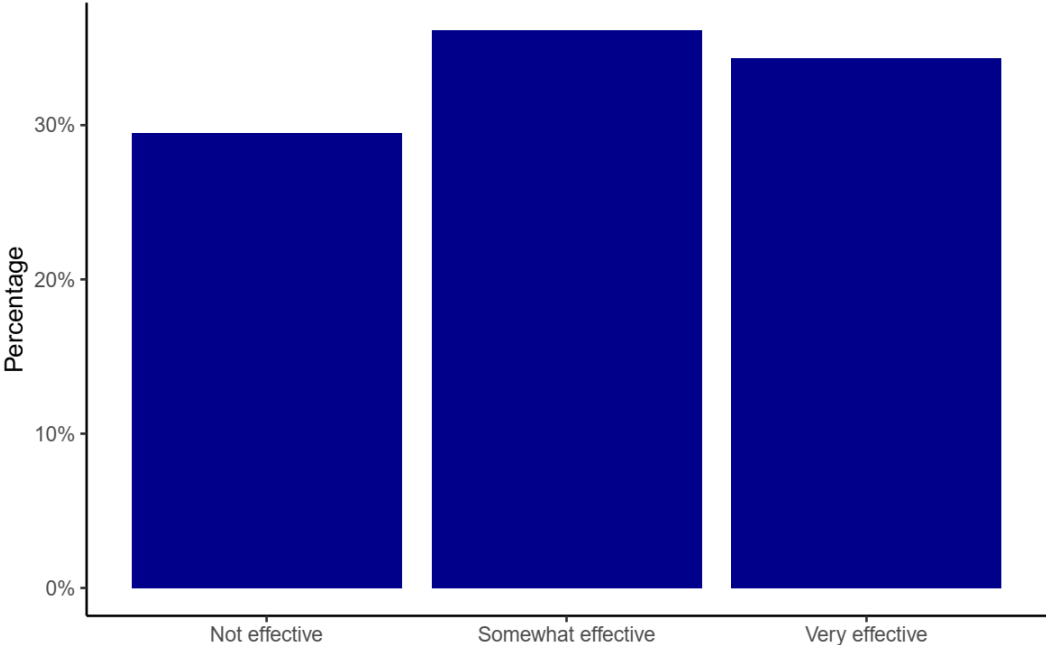


# Formal accountability institutions are weak

How often do citizen health committees (HACs) observe deliveries?



How effective are citizen health committees (HACs)?



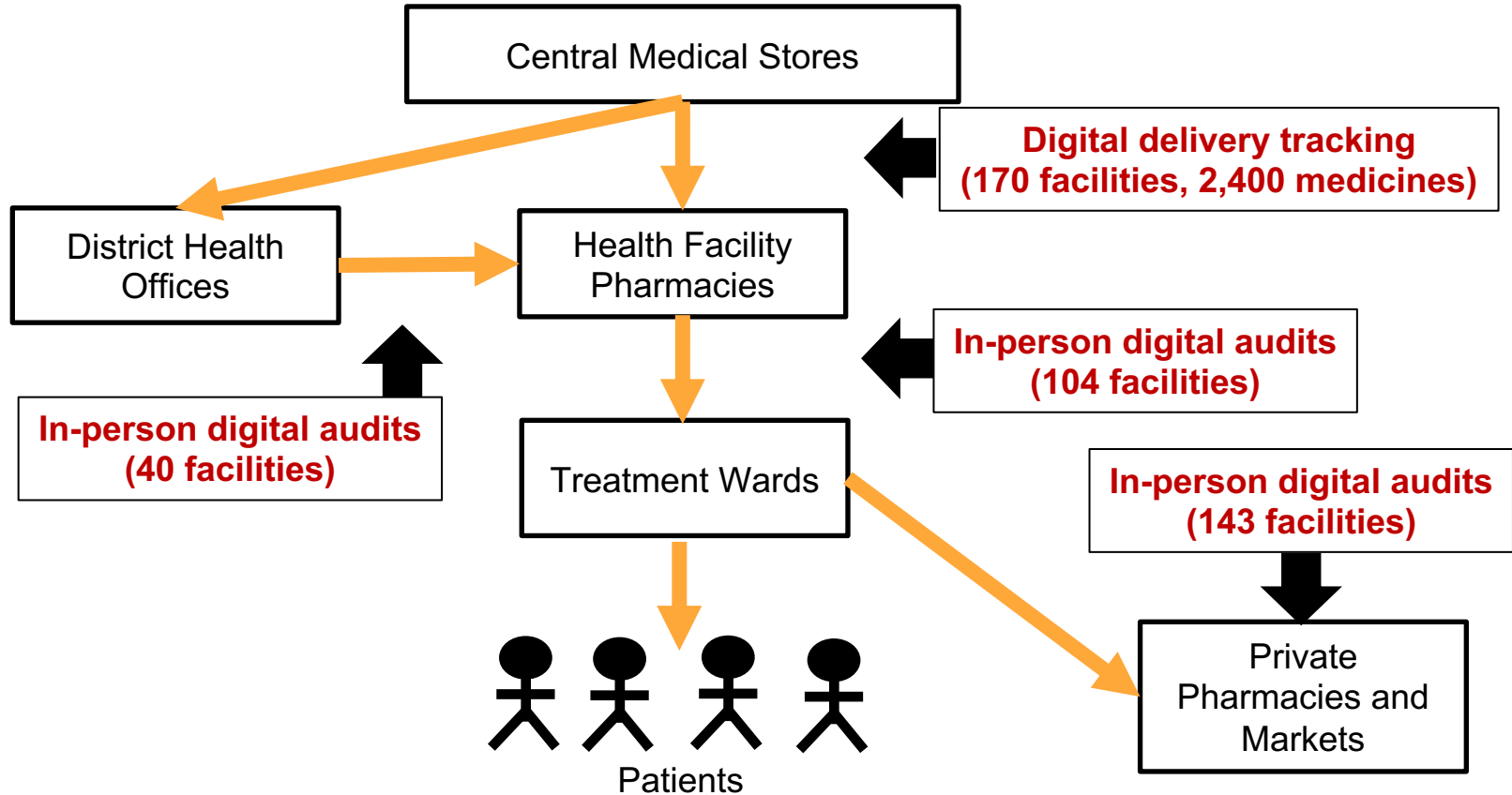
# 03

## Remote and in-person digital audits

# Solving the measurement challenge with tracking and digital audits



# Auditing the medicine procurement process



# In-person audits

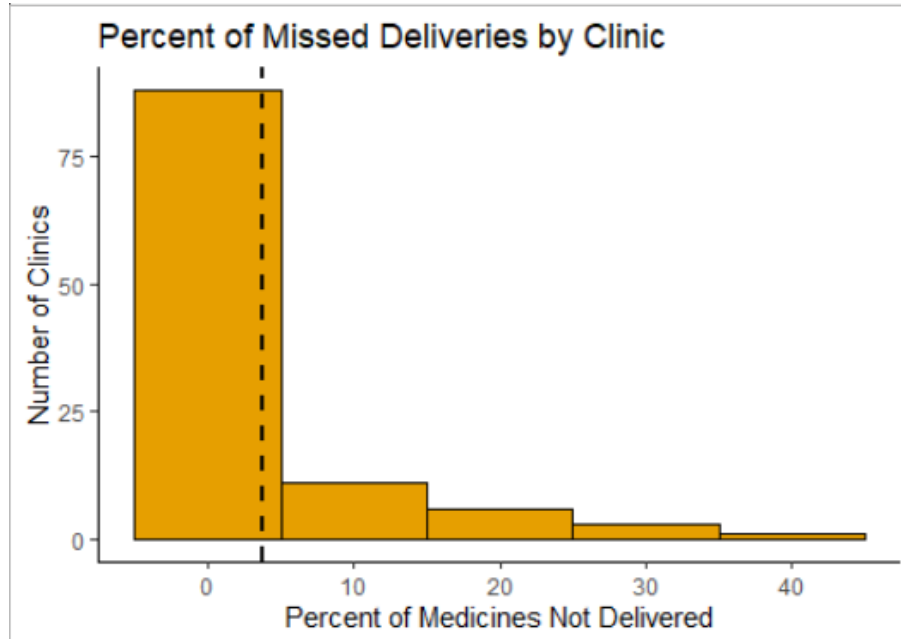


Market during in-person digital audit (authors)



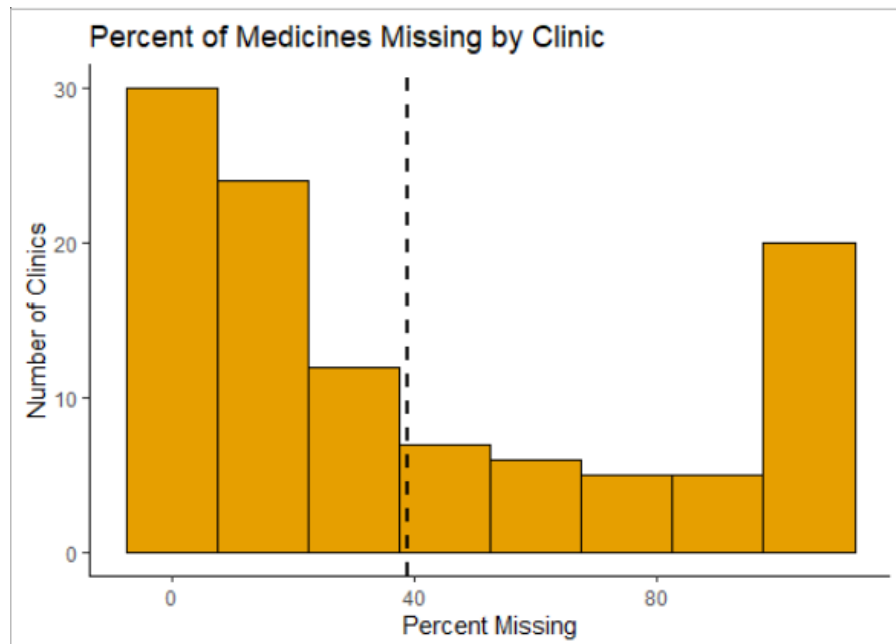
Market during in-person digital audit (authors)

# Medicines rarely go missing during deliveries

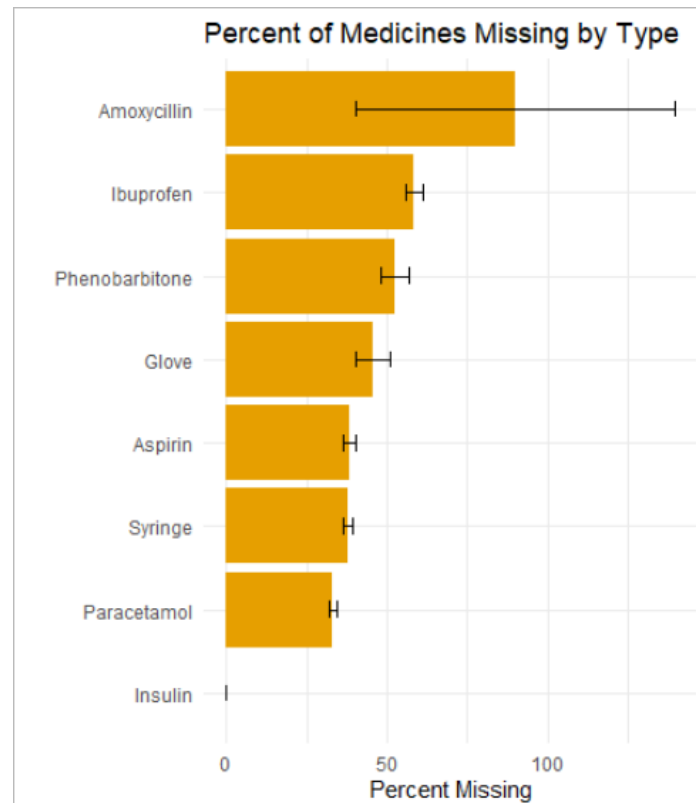


**Preliminary data, do not cite**

# Medicines often go missing after deliveries



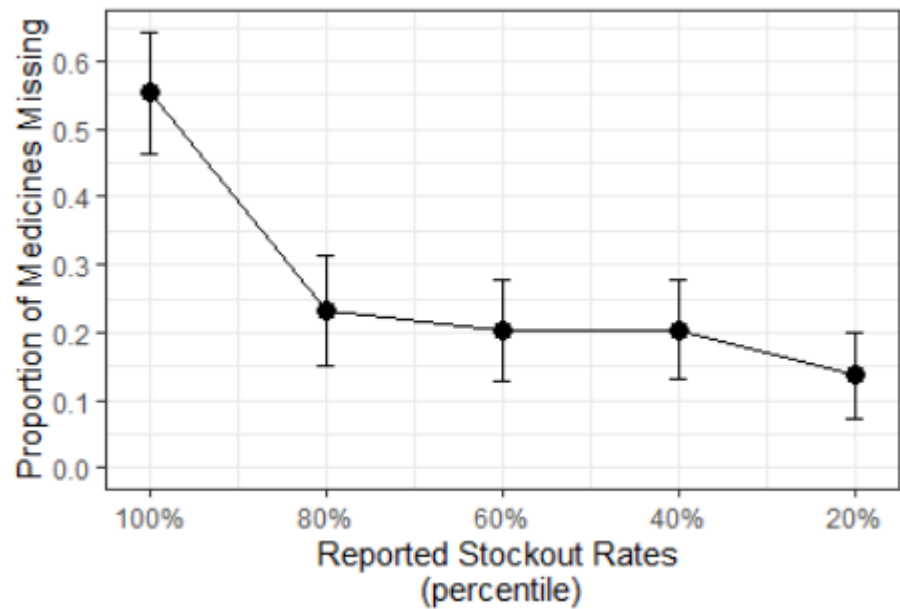
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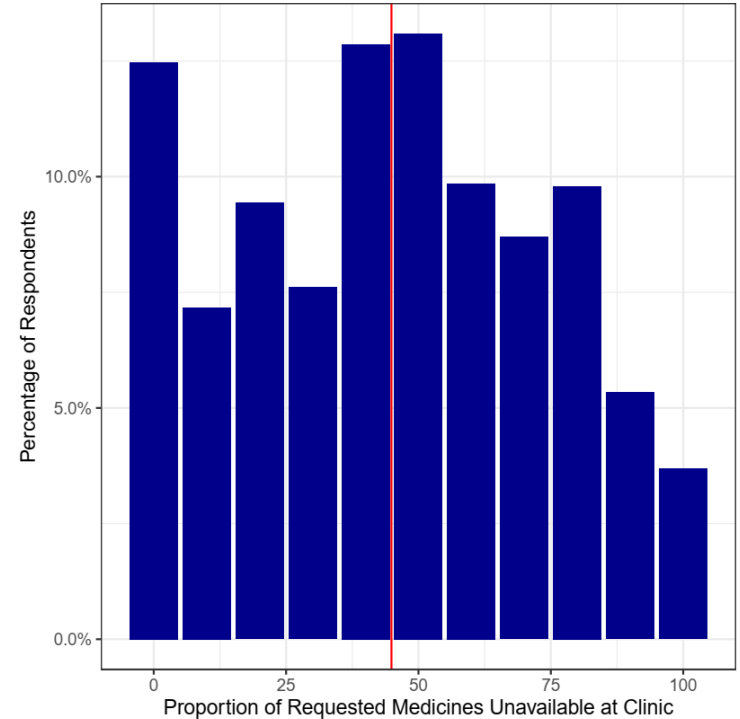


# Missing medicines are correlated with stock outs

Relationship between Stock Outs and Missing Medicines



Reported Stock Outs



**Preliminary data, do not cite**

# 04

## Can digital audits deter theft?

# Treatment provided information about theft costs and tracking

**THIS MEDICINE *IS BEING TRACKED***  
**Stealing it can send you to PRISON**



**This medicine is property of  
The Malawi Ministry of Health**



# Implications and next steps

- Diversion has severe health consequences, yet accountability hindered by capacity and information gaps.
- Pilot of digital auditing suggests greater ability to identify downstream diversion relative to traditional audits.
- Also suggests diversion related to stock outs and other health issues.
- Next steps: Digital audits may be a powerful tool to empower citizens and accountability institutions.



Protests against medicine theft in Malawi



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