U.S. GLOBAL HEALTH POLICY

FACT SHEET

The U.S. President's Emergency Plan for AIDS Relief (PEPFAR)

November 2009

Although the U.S. has been involved in efforts to address the global AIDS crisis since the mid 1980s, the creation of the President's Emergency Plan for AIDS Relief (PEPFAR) in 2003 marked a significant increase in funding and attention to the epidemic.[1] First proposed by President George W. Bush in January 2003, PEPFAR was authorized in May of that year by the *United States Leadership Against HIV/AIDS, Tuberculosis and Malaria Act of 2003* (P.L. 108-25), a 5-year, $15 billion initiative to combat global HIV/AIDS, TB, and malaria through bilateral programs and multilateral contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria (The Global Fund) as well as UNAIDS; appropriations from Congress over this period were higher, totaling $18.8 billion.[1,2,3,4]

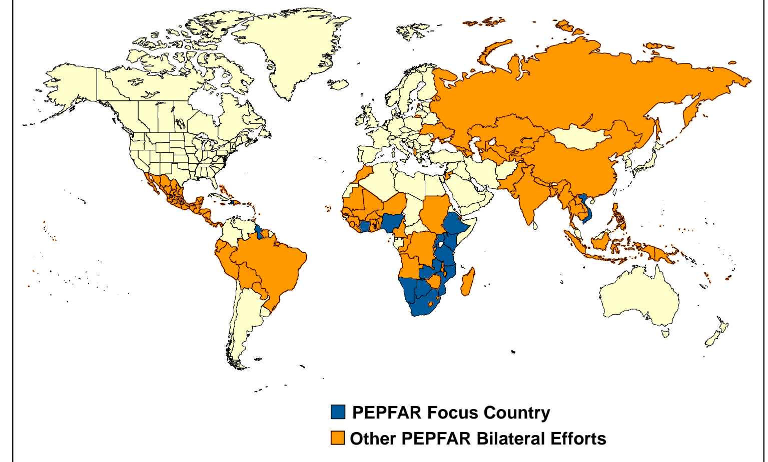
PEPFAR was reauthorized in 2008 by the *Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2008* (P.L. 110-293 or "Hyde-Lantos"), for an additional five years (FY 2009-FY 2013) at up to $48 billion for HIV, TB, and malaria efforts.[5] Reauthorization also relaxed prior spending directives, emphasized country partnerships and health systems strengthening, mandated 5-year strategic plans for HIV, TB, and malaria, and ended the statutory ban on HIV-positive visitors and immigrants wishing to come to the United States. President Obama has proposed a new $63 billion, 6-year Global Health Initiative (GHI) calling for a broader, global health agenda and coordination across the U.S. government's global health portfolio, which will likely lead to an evolving role for PEPFAR.[6]

Goals. Several broad goals guided the first 5 years of PEPFAR, often referred to as the "2-7-10" goals: treat 2 million, prevent 7 million new infections, and provide care to 10 million.[3] Updated goals through FY 2013 are: treat at least 3 million, prevent 12 million new infections, and provide care to 12 million, including 5 million orphans and vulnerable children (OVC), and, in support of these goals, train 140,000 new health care workers in HIV prevention, treatment, and care. As of September 2008, PEPFAR reports that it supported antiretroviral treatment for more than 2 million, care for more than 10 million, antiretroviral prophylaxis to nearly 1.2 million HIV positive pregnant women, and reached more than 58 million with prevention programs designed to reduce sexual transmission of HIV.[1]

Key Structures & Mechanisms. The original authorization, P.L. 108-25, created new structures and authorities for HIV, TB, and malaria. All USG bilateral and multilateral activities and resources for global HIV/AIDS are consolidated under PEPFAR, with a number of U.S. agencies, host country governments, and partners involved in implementation.[7,8] While *Hyde-Lantos* also authorizes funding to combat TB and malaria, PEPFAR remains an AIDS-specific program, with its TB and malaria efforts primarily focused on addressing the linkage with HIV.

- **The U.S. Global AIDS Coordinator & OGAC.** P.L. 108-25 created the position "U.S. Global AIDS Coordinator," a Presidential appointee requiring Senate confirmation and holding the rank of Ambassador, who reports directly to the Secretary of State. The law also established the Office of the U.S. Global AIDS Coordinator (OGAC) in the State Department (State) to oversee all USG resources and activities for global HIV, and coordinate funding for USG agencies implementing global HIV/AIDS programs.[9] *Hyde-Lantos* codified the position of U.S. Malaria Coordinator, in the U.S Agency for International Development (USAID), to oversee all bilateral malaria programming and funding (there is no coordinator for TB).[5]
- **Implementing Agencies.**[2,7] In addition to State, other implementing departments and agencies for HIV activities include: USAID; the Department of Health and Human Services, primarily through the Centers for Disease Control and Prevention (CDC), Health Resources and Services Administration (HRSA), and National Institutes of Health (NIH); the Departments of Labor, Commerce, and Defense (DoD); and the Peace Corps.
- **Countries.** PEPFAR bilateral activities are carried out in more than 80 countries in Africa, the Middle-East, Asia, Europe, the Americas, and the Caribbean (in FY 2008).[10] Most funding is concentrated in 31 countries heavily impacted by HIV, including the 15 original "focus countries" (Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Viet Nam, and Zambia).[1] Additional countries are reached by the U.S. through its multilateral contributions to the Global Fund.

Figure 1: PEPFAR Focus Countries and Other Bilateral Efforts, FY 2008[1,10]



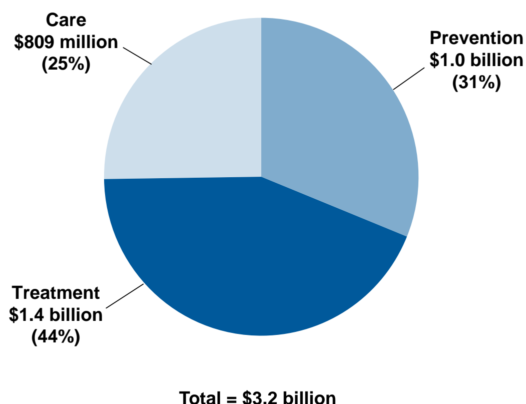
- **Operational Plans.** U.S. embassies in each focus country, 16 other countries, and the Caribbean region are required to develop "Country Operational Plans" (COPs) to document annual investments and anticipated results. OGAC provides final review and approval of COPs and incorporates them into an annual PEPFAR "Operational Plan".[11,12]
- **Partnership Frameworks**.[13] *Hyde-Lantos* included a new emphasis on country ownership to help foster sustainability and accountability by authorizing "Partnership Frameworks" with recipient countries, 5-year joint strategies for cooperation between the USG, the partner ("host") government, and other partners to combat HIV that outline the responsibilities of each party in achieving a country's national HIV/AIDS strategy.

Countries must be invited to develop Partnership Frameworks. For countries and regions with signed Frameworks, COPs serve as a yearly plan outlining USG responsibilities to the Partnership.[12] To date, 24 countries and three regions have been invited and four Frameworks have been signed (Angola, Lesotho, Malawi, and Swaziland).

Funding. PEPFAR funding includes all bilateral funding for HIV and TB, and U.S. contributions to the Global Fund and UNAIDS. Congressional appropriations for PEPFAR have increased over time, rising from $2.3 billion in FY 2004 to $6.6 billion in FY 2009. The President's FY 2010 budget requests $6.7 billion.[6,14] PEPFAR represents the vast majority of GHI funding (77% of the FY 2010 request) and the Administration has indicated that PEPFAR will account for more than 70% of cumulative GHI funding over the Initiative's 6-year period.[6,14] Of the $6.6 billion appropriated for PEPFAR in FY 2009:

- $5.5 billion (82%) was for HIV, $177 million (3%) for TB, and $1 billion (15%) for the Global Fund.[11,14,15]
- The majority of funding is channeled by Congress to State, which received $5.2 billion in FY 2009 (most of which are then transferred to other agencies); $627 million was provided by Congress to USAID; $119 million to CDC; $726 million to NIH; and $8 million to DoD.[11,14] These amounts include the $1 billion contribution to the Global Fund, provided through State ($600 million), USAID ($100 million), and NIH ($300 million).
- In countries preparing PEPFAR COPs, HIV treatment programming represented the majority (44%) of approved HIV bilateral funding in FY 2009, followed by prevention (31%) and care (25%).[11,16] Funding to address OVC, which is part of care programming, represented 10% of approved funding overall.

Figure 2: Distribution of Approved PEPFAR Funding in Countries by Activity, FY 2009[11,16]



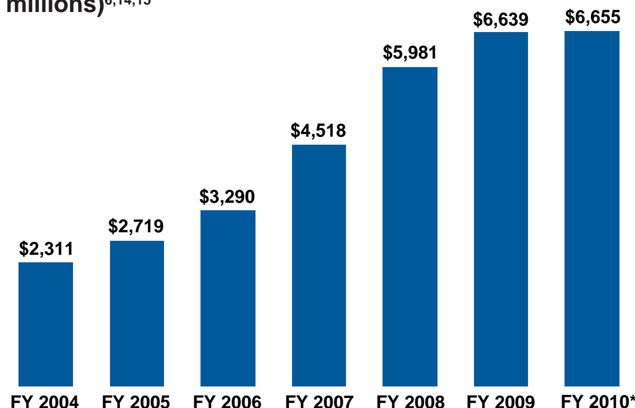
Total = $3.2 billion

Spending Directives/Earmarks. P.L. 108-25 recommended that 20% of funds be spent on prevention and 15% on palliative care, and required for FY 2006-FY 2007 that at least 55% of funds be spent on treatment, 10% on OVC, and 33% on abstinence-until-marriage programs.[3] *Hyde-Lantos* relaxed some of these directives; while requiring that 10% of funds be spent on programs targeting OVC and half on treatment and care, the 33% abstinence-until-marriage directive was removed and replaced by a requirement of "balanced funding" for prevention to be accompanied by a report to Congress if less than half of prevention funds were spent on abstinence, delay of sexual debut, monogamy, fidelity, and partner reduction activities in any host country with a generalized (high prevalence) epidemic.[5]

- While PEPFAR's initial authorization did not specify funding levels for TB and malaria (instead authorizing "such sums as may be necessary"),[3] reauthorization included up to $4 billion for TB and $5 billion for malaria over the 5-year period.[5] Up to $2 billion was authorized for the Global Fund in FY 2009, and such sums as may be necessary for FY 2010-FY 2013.

PEPFAR & The Global Fund. The U.S. is the single largest donor to the Global Fund. Congressional appropriations to the Fund have totaled $4.6 billion to date, including $1 billion in FY 2009; the President's FY 2010 budget to Congress includes $900 million for the Global Fund. The Global Fund provides another mechanism for U.S. support by funding programs developed by recipient countries, reaching a broader range of countries, and supporting TB and malaria programs, in addition to (and beyond their linkage with) HIV. To date, 140 countries have received Global Fund grants; 61% of Global Fund support has been disbursed to HIV programs, 25% to malaria, and 14% to TB.[17] The initial authorization of PEPFAR included a cap on cumulative U.S. contributions at 33% of the Global Fund's total contributions, a provision retained in the 2008 reauthorization.[3,5]

Figure 3: Total PEPFAR Funding, FY 2004–2010* (in millions)[6,14,15]



* FY 2010 figure is President's budget request only.

Looking Ahead. Since PEPFAR's launch in 2003, many successes have been achieved and lessons learned and PEPFAR has been cited by the new Administration and others as one of the most important global health initiatives. Still, as the Administration works to develop global HIV, TB, and malaria strategies for Congress, as well as its broader U.S. Global Health Initiative, several key issues face the U.S. response. These include:

- Evolving challenges as PEPFAR shifts from an "emergency" response to a sustained, country-led response, including the need to engage host governments in new ways and integrate a growing focus on health systems strengthening;[2]
- In moving toward a more outcomes-based system for purposes of assessing impact, the difficulties of attributing programming in the field to PEPFAR support;
- The way in which PEPFAR will be integrated into and coordinated with the new Global Health Initiative and what lessons learned from PEPFAR can be applied more broadly in this context;
- The appropriate funding balance between HIV treatment, prevention, and care amidst concerns about the ability of the U.S. and others to sustain current HIV treatment needs, let alone expand access to treatment, prevention and care, over an extended period;[2,18]
- Ongoing debate about the appropriate amount and balance of U.S. funding between bilateral HIV programs and the Global Fund, particularly given concerns that country demand for Global Fund resources might outpace availability; and
- Outstanding questions and concerns about U.S. HIV prevention policy, including the extent to which the U.S will support policies that include a more comprehensive approach to reducing sexual transmission of HIV and support harm reduction among injection drug users.

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2 CRS. *International HIV/AIDS, Tuberculosis, and Malaria: Key Changes to U.S. Programs and Funding;* August 2008.
3 U.S. Congress. Public Law No: 108-25; May 27, 2003.
4 The Global Fund is an independent, multilateral institution, providing grants to combat HIV/AIDS, TB, and malaria.
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6 White House. *Statement by the President on Global Health Initiative;* May 5, 2009.
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8 CRS. *Trends in U.S. Global AIDS Spending: FY2000–FY2008;* July 2008.
9 PEPFAR. *About OGAC:* http://www.pepfar.gov/c22835.htm.
10 PEPFAR. *PEPFAR Bilateral Countries:* http://www.pepfar.gov/countries/bilateral/index.htm.
11 PEPFAR. *Fiscal Year 2009: PEPFAR Operational Plan;* June 2009.
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13 PEPFAR. *Partnership Frameworks:* http://www.pepfar.gov/frameworks/index.htm.
14 Personal communication, OMB; May and October 2009. Personal communication, OGAC; October 2009.
15 PEPFAR. *Making a Difference: Funding; October 2009:* http://www.pepfar.gov/press/80064.htm.
16 Data are based on a second iteration of PEPFAR's FY 2009 *Operational Plan*, released in June 2009.
17 The Global Fund: www.theglobalfund.org/programs/search/?lang=en.
18 Norton R. "The global financial crisis: an acute threat to health." *The Lancet.* Vol. 373, No. 9661; 2009.

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