

### U.S. Government Funding for HIV/AIDS in Resource Poor Settings

January 2004

#### Background

Funding for international HIV/AIDS activities by the United States government began in earnest in fiscal year (FY) 1986 with a \$1.1 million commitment. Funding levels increased steadily but slowly through 1999. Since then, funding has accelerated at a faster pace: from fiscal years 1999 to 2001, US funding for global AIDS more than tripled (from \$219 million to \$756 million). A significant portion of this increase was due to the first US contribution of \$100 million to the Global Fund to Fight AIDS, Tuberculosis, and Malaria (the Global Fund). Funding increased again in FY 2002, climbing to \$1.03 billion (36% over FY 2001). See Figure 1.

#### Current Funding

US funding for global HIV/AIDS is channeled through both bilateral assistance and multilateral efforts. In FY 2003, Congress appropriated close to \$1.5 billion to combat HIV/AIDS globally, constituting nearly 9% of the total federal HIV/AIDS budget of \$16.6 billion, and representing a 42% increase over FY 2002 (see Table 1).<sup>1, 2, 6</sup> Of the \$1.5 billion appropriated in FY 2003, \$852 million (58%) was allocated to bilateral prevention, care, treatment, and support programs; \$348 million (24%) was for contributions to the Global Fund; and \$263 million (18%) was for international HIV/AIDS research efforts at the US National Institutes of Health (NIH) and Centers for Disease Control and Prevention (CDC).

Most of the \$852 million in US bilateral HIV/AIDS assistance is administered by the US Agency for International Development (USAID). FY 2003 bilateral funding for USAID totaled \$626 million, representing the largest share (43%) of the US global HIV/AIDS budget.<sup>1, 2</sup> In addition, funding for CDC's Global AIDS

Program (GAP) totaled \$183 million or 13% of the US global HIV/AIDS budget. The remainder of US bilateral global HIV/AIDS funding supports: \$25 million in food aid through the Department of Agriculture; \$7 million to the Department of Defense, primarily for "troop to troop" prevention education; and \$10 million for Labor, primarily for workplace HIV initiatives.

#### The Global Fund and Other Multilateral Support

Most US multilateral support for HIV/AIDS goes to the Global Fund, which provides grants to affected, low-income countries. The US has been the largest overall supporter of the Global Fund, pledging a total of \$1.6 billion through 2008. Of that pledge, \$623 million has been paid (or "contributed"), as follows: \$100 million in FY 2001, \$175 million in FY 2002, and \$348 in FY 2003 (see Table 2).<sup>2, 3</sup> These contributions have been passed through USAID and NIH. The US FY 2003 Global Fund contribution accounted for 24% of the US global HIV/AIDS budget.<sup>1</sup> The US also provides support to other key multilateral organizations including the Joint United Nations Program on HIV/AIDS (UNAIDS), the World Health Organization, and the World Bank.

To date, 60% of grant awards made by the Global Fund have been for HIV/AIDS, with the remainder for tuberculosis and malaria.<sup>5</sup> Applying this same proportion to the US FY 2003 Global Fund contribution yields \$209 million. Using this adjusted amount, US funding for global HIV/AIDS in FY 2003 would total \$1.3 billion.

A further adjustment can be made to reconcile US reports of its funding for global HIV/AIDS with those generated by UNAIDS and others. While the US includes estimated funding for international HIV/AIDS research in its global HIV/AIDS budget, that funding category is typically excluded from UNAIDS' reports on global resource needs or funding, which focus on prevention, care, treatment, and support. If further reduced by the amount of funding for international research (\$263 million<sup>2, 8</sup>), US funding for global HIV/AIDS in FY 2003 would total \$1.1 billion.

#### Emergency Plan for AIDS Relief

In January 2003, President Bush announced a new Emergency Plan for AIDS Relief (EPAR), asking Congress to commit \$15 billion over 5 years to international HIV/AIDS efforts beginning in FY 2004.<sup>10</sup> This would represent almost \$10 billion in new dollars. Enabling legislation followed, as Congress passed the United

**Table 1: US Funding for Global HIV/AIDS—FY 2002–2004<sup>1-3</sup>**  
(US\$ Millions)

	2002	2003	2004*
USAID**	435	626	690
State Department	0	2	452
Global Fund***	175	348	200
CDC-GAP	144	183	294
CDC-Intl Research	11	11	11
DoD	14	7	0
Labor	9	10	0
USDA	25	25	0
NIH	218	252	275
<b>Total</b>	<b>\$1,031</b>	<b>\$1,463</b>	<b>\$1,921</b>

#### Net of Share of Global Fund Contributions For Tuberculosis and Malaria

Less Global Fund non-HIV/AIDS****	(70)	(139)	(80)
<b>Adjusted Total</b>	<b>\$962</b>	<b>\$1,326</b>	<b>\$1,843</b>

#### Net of NIH & CDC International Research Funding

Less Intl Research	(229)	(263)	(286)
<b>Adjusted Total</b>	<b>\$732</b>	<b>\$1,062</b>	<b>\$1,557</b>

\*FY 2004 figures reflect the President's budget proposal and are under consideration by Congress.<sup>4</sup> \*\*Includes bilateral and other economic assistance under multiple budget accounts.<sup>2</sup> \*\*\*Combined contributions from USAID and NIH accounts. \*\*\*\*Adjustment is made by deducting 40% of contributions, the percentage of Global Fund grants approved to date used for TB and malaria programs.<sup>5</sup>

**Table 2: US Contributions to the Global Fund, With Adjustment for Non-HIV/AIDS Portion<sup>1, 2, 7-9</sup>**  
(US\$ Millions)

	2001	2002	2003	2004**
USAID	\$100	\$50	\$248	\$100
NIH	0	125	99	100
<b>Totals</b>	<b>\$100</b>	<b>\$175</b>	<b>\$348</b>	<b>\$200</b>
% Change	n/a	75%	99%	-42%
Less non-HIV/AIDS	(40)	(70)	(139)	(80)
<b>Totals</b>	<b>\$60</b>	<b>\$105</b>	<b>\$209</b>	<b>\$120</b>

\* Total contributions reduced by 40%, the proportion of Global Fund grants made through 2003 supporting malaria and TB programs<sup>5</sup> \*\* FY 2004 figures reflect the President's budget proposal and are under consideration by Congress.

States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law No: 108-25).<sup>11</sup> The legislation, consistent with EPAR, established a new Coordinator of global HIV/AIDS activities at the State Department. EPAR focuses US global HIV/AIDS efforts on 14 countries (12 in Africa and 2 in the Caribbean).<sup>12</sup> In FY 2004, the President requested close to \$2 billion for global HIV/AIDS activities, a 31% increase over FY 2003.<sup>9</sup> Congressional action is pending but will likely result in additional funding for FY 2004.<sup>4</sup>

### Uses of Funding

US funding for global HIV/AIDS activities supports programs in nearly 100 resource-poor countries. USAID alone now works in 50 countries. Until recently, US activities in these countries have focused largely on prevention. Since 2001, however, the US has broadened its response in order to enhance the ability of countries both to prevent new HIV infections and to provide care, support, and treatment services to people directly affected by the disease, especially children.

### Conclusion

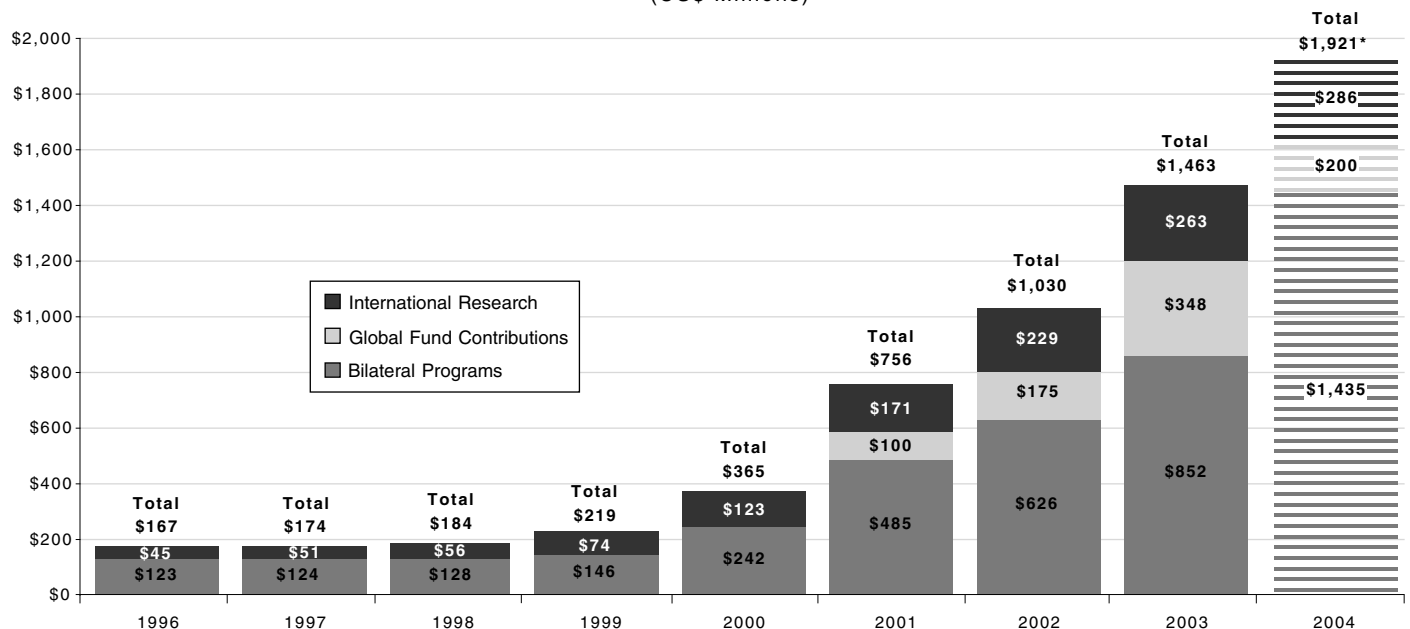
US funding for global HIV/AIDS through bilateral and multilateral channels has increased over time, particularly in the last few years. Congress is currently considering the President's FY 2004 funding request for global HIV/AIDS and will vote on FY 2004 appropriations shortly. In addition, the President will introduce the FY 2005 budget in February 2004. Both are expected to provide increases in US funding to address HIV/AIDS in resource poor settings. Despite these increases, funding by the US and other major donors does not meet estimates of need developed by UNAIDS for an effective response in affected countries.

The Henry J. Kaiser Family Foundation is an independent, national health philanthropy dedicated to providing information and analysis on health issues to policymakers, the media, and the general public. The Foundation is not associated with Kaiser Permanente or Kaiser Industries. Additional copies of this fact sheet (#6115) are available on the Kaiser Family Foundation's website at [www.kff.org](http://www.kff.org). This fact sheet is based on the larger report, *U.S. Government Funding for HIV/AIDS in Resource Poor Settings* (#6050-02), also available online at [www.kff.org](http://www.kff.org).

### References

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5. Global Fund. Round 3 Portfolio & Programmatic Analysis (unpublished). October 2003.
6. NOTE: Global HIV/AIDS funding approved by Congress for FY 2003 was subsequently reduced as a result of a broad, Congressionally-mandated rescission of 0.65%; figures presented in this report, unless otherwise noted, are post-rescission amounts.
7. Office of AIDS Research (NIH). Personal communication; 2002.
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10. Department of State (US). The President's Emergency Plan for AIDS Relief. Available at: [www.state.gov/p/af/rls/fs/17033.htm](http://www.state.gov/p/af/rls/fs/17033.htm). Accessed November 11, 2003.
11. United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (PL 108-25).
12. NOTE: FY 2004 appropriations legislation pending before Congress requests that a fifteenth country be added. While that country is not specified, the legislation stipulates that it should be outside of Africa and the Caribbean.
13. Summers T, Alagiri P, Kates J. Federal HIV/AIDS Spending: A Budget Chartbook, Fiscal Year 2002. *Kaiser Family Foundation*. September. Available at: <http://www.kff.org/hiv/aids/hiv6076chartbook.cfm>. Accessed December 11, 2003.
14. Johnson J, Coleman S. *AIDS Funding for Federal Government Programs: FY 1981 - FY 2004*. Washington, DC: Congressional Research Service; July 17 2003.

**Figure 1: Funding by the US for Global HIV/AIDS—FY 1996-2004**<sup>1, 2, 4, 9, 13, 14</sup>  
(US\$ Millions)



\*FY 2004 figures reflect the President's budget request and are under consideration by Congress.

Note: Global Fund contributions include amounts used to support tuberculosis and malaria programs. International research figures are estimates from NIH and CDC.