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The President's Emergency Plan for AIDS Relief (PEPFAR): Summary of Recent Developments

Background

The President's Emergency Plan for AIDS Relief (PEPFAR)—the world's largest bilateral HIV/AIDS assistance program—was proposed in 2003 by former President George W. Bush. Congress authorized the program and has since continuously funded it. PEPFAR is implemented by multiple U.S. agencies and departments, including the U.S. Agency for International Development, Peace Corps, and the Departments of State, Defense, and Health and Human Services (including its implementing agencies). The program supports a wide range of bilateral HIV/AIDS prevention, treatment, and care activities, including those that address malaria and TB co-infection. It also supports multilateral efforts, such as the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund).

> The United States has spent nearly $57 billion on fighting HIV/AIDS worldwide through PEPFAR, including more than $10 billion on the Global Fund.

Under P.L. 108-25, the U.S. Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act (the Leadership Act), as amended, Congress authorized $15 billion to be spent on bilateral and multilateral HIV/AIDS, tuberculosis (TB), and malaria (HTAM) programs between FY2004 and FY2008. In 2008, Congress passed P.L. 110-293, the Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act (the Lantos-Hyde Act), which authorized $48 billion to be spent on global HTAM programs between FY2009 and FY2013. The PEPFAR Stewardship and Oversight Act of 2013 (P.L. 113-56), enacted in December 2013, strengthened congressional oversight of PEPFAR. It also extended through FY2018 spending requirements mandating that at least 50% of HIV/AIDS funds be used on care and treatment and that at least 10% of HIV/AIDS funds be used to support orphans and vulnerable children. The Act did not include a specific funding amount for global HIV/AIDS programs.

PEPFAR Results and Impact

From FY2004 through FY2014, Congress has provided nearly $57 billion for global HIV/AIDS programs (**Figure 1**), including more than $10 billion for the Global Fund. These investments have contributed to significant reductions in new HIV infections and AIDS deaths worldwide (**Figure 2**), as well as improvements in life expectancy in several PEPFAR countries (**Figure 3**). As of the end of FY2013, PEPFAR had supported antiretroviral treatment (ART) for 6.7 million people, and in FY2013, PEPFAR funds enabled

- 17 million people affected by HIV/AIDS to access care and support services, including more than 5 million orphans and vulnerable children;
- 57.7 million people to receive HIV testing and counseling; and
- 780,000 HIV-positive pregnant women to receive ART to prevent mother to child HIV transmission (PMTCT)—averting 240,000 infant HIV infections.

Figure 1. U.S. Global HIV/AIDS, TB, and Malaria Funding: FY2004-FY2015

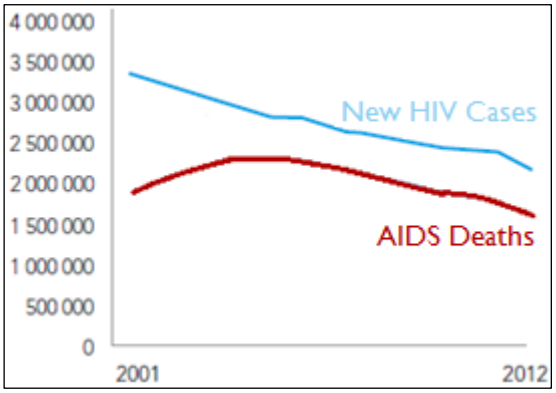
(current U.S. $ in millions and percent)

	FY2004-F72008	FY2009-FY2013	FY2014 Estimate	FY2004-FY2014	FY2015 Request
HIV/AIDS	18,130	32,304	6,536	56,970	6,205
TB & Malaria	**1,363**	**3,975**	**912**	**6,249**	**865**
HIV,TB, Malaria	**19,493**	**36,279**	**7,448**	**63,219**	**7,070**
Global Fund (GF)	*3,003*	*5,965*	*1,650*	*10,617*	*1,350*
GF Share of HTAM	**15%**	**16%**	**22%**	**17%**	**19%**

Source: Created by CRS from correspondence with the Office of Management and Budget (OMB) and analysis of appropriations and budget justifications.

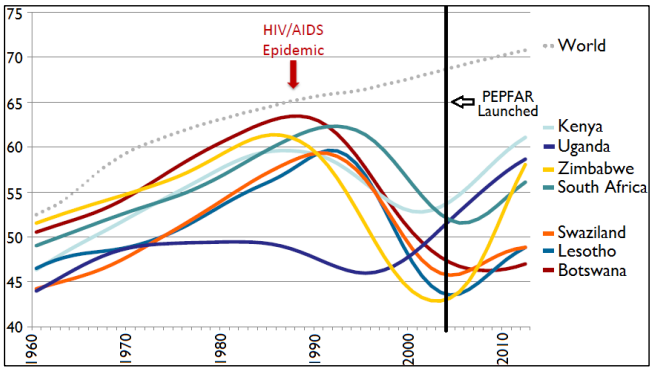
Notes: Congress provides funds for the Global Fund through the State Department as part of its global HIV/AIDS appropriation. Funds for bilateral HTAM programs are outlined in the table above to compare Global Fund support against bilateral HTAM funding level.

Figure 2. Number of New HIV Infections and AIDS Deaths Worldwide: 2001-2012



Source: Adapted by CRS from the Joint United Nations Program on AIDS (UNAIDS), *2013 Global Report*, 2013.

Figure 3. Life Expectancy Changes in Selected PEPFAR Countries: 1960-2013



Source: Adapted by CRS from Ambassador Deborah Birx, "Delivering an AIDS-Free Generation," *Slide Presentation*, Kaiser Family Foundation Town Hall Forum, June 23, 2014.

The Future of PEPFAR

PEPFAR has expanded rapidly since being launched a decade ago and has undergone several transitions. During the first five-year phase, critics urged the State Department to consider the impact U.S.-funded HIV/AIDS programs (which operated largely outside of publically funded health facilities) were having on national health systems. In its second phase, PEPFAR invested more heavily in strengthening health systems and sought to align more closely U.S. efforts with national HIV/AIDS activities. In its third phase, PEPFAR is emphasizing country capacity and focusing on building a sustainable program that recipient countries can maintain. Through Partnership Frameworks and Country Operation Plans, PEPFAR and implementing partners outline the role each will play in transitioning ownership of HIV/AIDS responses from the United States to recipient countries.

In April 2014, Ambassador Deborah Birx was confirmed as the U.S. Global AIDS Coordinator. In that role, she is responsible for overseeing all bilateral HIV/AIDS funds and for achieving PEPFAR goals, as laid out in the *PEPFAR Blueprint* (the PEPFAR plan for working toward the global goal of creating an "AIDS-free generation" by 2015—meaning that no children will be born with HIV in 2015). Ambassador Birx has said that she plans to achieve the Blueprint goals with a focus on three key areas: accountability, transparency, and impact. These areas are summarized below.

Accountability. In March 2013, the Government Accountability Office (GAO) released a report indicating that roughly 21% of PEPFAR funds in FY2012 were spent on capacity-building projects under the "other" budgetary category. The report noted that it was unclear what portions of these funds were spent on care, treatment, and prevention activities. At her confirmation hearing, Ambassador Birx asserted that under her leadership, 50% of all PEPFAR resources, including those funded through other accounts, would be spent on care and treatment activities, as mandated in the Leadership Act. Some global health advocates expressed concern that budgetary reforms aimed at adhering to the law may imperil improvements in health systems made through PEPFAR.

Transparency. PEPFAR is widely viewed as a successful program. Nonetheless, observers, including the Institute of Medicine (IOM) and the GAO, have recommended that the State Department improve transparency and accountability in PEPFAR programs to facilitate evaluation and oversight. In January 2014, PEPFAR released a report outlining its plans for improving evaluation of its programs, and in July 2014, the State Department launched the PEPFAR Dashboards, an online tool under which PEPFAR spending and outcomes data are publicly available.

Impact. Ambassador Birx is leading a comprehensive review of PEPFAR to ensure optimal use of its resources. Part of this process entails shifting from broad-based support to concentrated efforts focusing on high-burden areas and communities. This new approach also emphasizes country ownership through partnership frameworks—agreements that outline the role of all stakeholders, including recipient countries, in financing and implementing national HIV/AIDS plans. Birx also aims to expand the application of evidence-based programming to deepen the impact of PEPFAR.

Despite assurances by the Administration that PEPFAR will not reduce funding to recipient countries that have not completed transition plans, some global health experts are concerned that existing partnership frameworks include planned funding reductions, even in instances when PEPFAR recognizes insufficient government capacity to assume full financial and administrative responsibility for life-saving programs.

Questions also persist about what will happen to people in areas with relatively low HIV prevalence rates. Will countries maintain or extend support to people living in these areas, given plans to concentrate PEPFAR resources in high-prevalence areas? Recognizing the sizable role that PEPFAR plays in global HIV/AIDS responses (accounting for roughly 73% of all bilateral HIV/AIDS aid and nearly half of all international HIV/AIDS spending) and the uncertainty of future U.S. funding, PEPFAR is working with countries to identify alternative funding sources for closing HIV/AIDS funding gaps and boost national HIV/AIDS investments. Some health experts are concerned not only that a number of countries may not be able to maintain support for HIV-affected people as PEPFAR funding wanes, but also that countries may draw resources from other health areas (like maternal and child health) to supplement PEPFAR spending reductions. For more information on PEPFAR, CRS Report R43115, *U.S. Global Health Assistance: FY2001-FY2015 Funding and Issues for Congress*

(Note: Briana Savage, Intern, contributed to this report.)

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