

CRS Report for Congress

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HIV/AIDS International Programs: Appropriations, FY2003-FY2005

Raymond W. Copson
Specialist in International Relations
Foreign Affairs, Defense, and Trade Division

Summary

The Administration's FY2005 request for international HIV/AIDS, tuberculosis, and malaria programs totals about \$2.8 billion, as compared with \$2.4 billion appropriated for FY2004. The FY2005 request includes a large increase for the bilateral Global AIDS Initiative, headquartered at the Department of State, while the request for the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund) is \$200 million, compared with \$546.7 million appropriated in FY2004. House-passed appropriations, principally for Foreign Operations and Labor/HHS (H.R. 4818 and H.R. 5006), would provide slightly more than the Administration's overall international AIDS, TB, and malaria request, including \$500 million for the Global Fund. Senate legislation, principally the Senate-passed version of H.R. 4818 and the Senate-reported Labor/HHS bill (S. 2810), would provide \$3.1 billion overall, including \$549.1 million for the Global Fund. For additional information, see CRS Issue Brief IB10050, *AIDS in Africa*; and CRS Report RL31712, *The Global Fund to Fight AIDS, Tuberculosis, and Malaria: Background and Current Issues*.

U.S. International HIV/AIDS Programs

Most funding for international HIV/AIDS, tuberculosis, and malaria programs is included in appropriations for Foreign Operations and for the Departments of Health and Human Services, Labor, and Education (Labor/HHS). **Table 1** summarizes appropriations for such programs through these and other appropriations bills.¹

¹ For earlier years, see CRS Report RS21114, *HIV/AIDS: Appropriations for Worldwide Programs in FY2001 and FY2002*; and Kaiser Family Foundation, *Policy Brief: U.S. Government Funding for Global HIV/AIDS Through FY2005*, prepared by Jennifer Kates and Todd Summers [<http://www.kff.org/hivaids/7110.cfm>].

Table 1. Appropriations for U.S. International HIV/AIDS, Tuberculosis, and Malaria Programs

(\$ millions)

Program	FY2003 Actual	FY2004 Estimate	FY2005			
			Request	House ^e	Senate	Final
1. Child Survival Assistance for HIV/AIDS (not including Global Fund)	587.6	513.4	500.0	330.0	350.0	
2. Child Survival Assistance for Tuberculosis and Malaria	129.0	155.0	105.0	155.0	175.0	
3. Child Survival Assistance for the Global Fund	248.4	397.6	100.0	400.0	400.0	
4. Other economic assistance	38.5 ^a	53.5 ^b	40.0	53.5 ^b	40.0	
5. State Department Global AIDS Initiative		488.1	1,450.0	1,260.0	1,450.0	
6. Foreign Military Financing	2.0	1.5	2.0	^d	2.0	
7. Subtotal, Foreign Operations Appropriations	1,005.5	1,609.1	2,197.0	2,198.5	2,417.0	
8. CDC Global AIDS Program	182.6	291.9	142.8	142.8	118.8	
9. CDC International Applied Prevention Research	11.0	11.0	11.0	11.0 ^e	11.0 ^e	
10. CDC international TB and malaria	15.8	17.9	15.9	15.9 ^e	15.9 ^e	
11. NIH International Research	278.6	323.5	355.0	355.0 ^e	355.0 ^e	
12. Global Fund contribution from NIH/HHS	99.3	149.1	100.0	100.0	149.1	
13. DOL AIDS in the Workplace Initiative	9.9	9.9	0	0	10.0	
14. Subtotal, Labor/HHS Appropriations	597.2	803.3	624.7	624.7	659.8	
15. DOD HIV/AIDS prevention education, primarily in Africa	7.0	4.2	0	10.0	0	7.5 ^g
16. Section 416(b) Food Aid	24.8	24.8	0	0	25.0 ^f	
17. TOTAL	1,634.5	2,441.4	2,821.7	2,833.2	3,101.8	

a. This amount is for AIDS only.

b. Includes AIDS, tuberculosis, and malaria. For FY2004 and 2005, the AIDS only amount is \$36 million.

c. Foreign Operations data are from H.R. 4818, which passed the House, July 15, 2004; Senate version passed September 23. House Labor/HHS data are from H.R. 5006, which passed the House, September 9, 2004. Senate Labor/HHS data are from S. 2810, reported (S.Rept. 108-345) on September 15.

d. Not earmarked, although funds could be provided at the Administration's discretion.

e. Not earmarked, but overall appropriations appear sufficient to meet request.

f. S. 2803, Department of Agriculture Appropriations, reported (S.Rept. 108-340) September 14, 2004.

g. P.L. 108-287, Department of Defense Appropriations.

Amounts reported in **Table 1** for FY2003 (H.J.Res. 2) and for the FY2004 Consolidated Appropriations (P.L. 108-199) have been adjusted for the rescissions imposed at the end of each measure on specified budget authorities. These rescissions applied to all program amounts specified in the legislation. The figures in **Table 1** include U.S. contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund). The Fund reports that 60% of its funding goes to fight HIV/AIDS, while 23% goes toward malaria and 17% toward tuberculosis.

HIV/AIDS in the Foreign Operations Appropriations. Line 1 in **Table 1** refers to HIV/AIDS funding through the Child Survival and Health Programs Fund, which is funded by Title II of the Foreign Operations Appropriations. The largest part of Child Survival HIV/AIDS spending goes toward the bilateral HIV/AIDS programs of the U.S. Agency for International Development (USAID). The House version of the FY2005 Foreign Operations Appropriations (H.R. 4818) would move \$170 million in funding for USAID programs in the 15 focus countries of the President’s Emergency Plan for AIDS Relief (PEPFAR, see below) to the Global AIDS Initiative at the State Department. According to the report accompanying the bill (H.Rept. 108-599), this shift should not affect implementation of the programs. Line 2 refers to Child Survival appropriations for international tuberculosis and malaria programs, which are part of the appropriation for “other infectious diseases” in the appropriations legislation.

Line 3 encompasses U.S. contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria through the Foreign Operations Appropriations. In the Senate version of the FY2005 Foreign Operations bill (S. 2812), \$150 million of the amount shown here is provided through Sec. 599E, which designates the money as an emergency requirement and states that half should be devoted to malaria half to HIV/AIDS. The fourth line in **Table 1** indicates that, apart from Child Survival Assistance funding, other economic assistance is used to combat AIDS, tuberculosis, and malaria. This assistance includes food aid,² Economic Support Fund aid, assistance for the former Soviet Union under the Freedom Support Act (FSA), and Assistance for Eastern Europe and the Baltics (AEEB).

The Global AIDS Initiative (GAI), referred to in Line 5 of **Table 1**, is the major component of PEPFAR, announced by President Bush in his State of the Union message on January 28, 2003. This five-year plan totals \$15 billion and is to include \$10 billion in new funds — that is, funds that would not have been spent if spending had continued at the FY2002 level. The State Department’s GAI is primarily focused on 12 African countries as well as Haiti, Guyana, and Vietnam. The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (H.R. 1298/P.L.108-25) established the office of Coordinator for the Initiative and made the Coordinator responsible for administering all international AIDS funds.

Line 6 of **Table 1** refers to Foreign Military Financing (FMF) for equipment purchases to support a Military Health Affairs program under the Department of Defense (DOD) offering HIV/AIDS prevention education, primarily to African armed forces. The program itself is referred to in line 15. The FY2005 Foreign Operations Appropriations reported in the House does not specifically mention the FMF program, although it could be supported by general FMF funds. Line 7 provides a subtotal for HIV/AIDS and Other Infectious Diseases programs funded through the Foreign Operations Appropriations.

In FY2003, \$18 million of Child Survival funding for HIV/AIDS was earmarked for microbicide research, and the Consolidated Appropriations set aside \$22 million in FY2004. S. 2812, the Senate-reported Foreign Operations Appropriations, would increase this to \$32 million in FY2005. The FY2003 Omnibus provided up to \$10.5 million for

² Such aid is in addition to the Section 416(b) food aid listed in **Table 1**. For a description of food aid programs, see CRS Issue Brief IB98006, *Agricultural Export and Food Aid Programs*.

the International AIDS Vaccine Initiative (IAVI), while the Consolidated Appropriations boosted this amount to not less than \$26 million in FY2004. The Senate-reported Foreign Operations bill would provide \$28 million in FY2005, but the House-passed bill (H.R. 4818) would leave the amount at \$26 million. The U.S. contribution to the United Nations Joint Program on HIV/AIDS (UNAIDS) was \$18 million in FY2003 and was taken from the Child Survival HIV/AIDS appropriation, but it was not earmarked. The Consolidated Appropriations specified \$26 million for UNAIDS in FY2004, and the Senate-reported Foreign Operations bill would raise the amount to \$28 million, from the Child Survival HIV/AIDS earmark, in FY2005. The House bill does not specify an amount. The FY2004 Consolidated Appropriation also earmarked \$75 million for injection safety and blood safety programs, and stated that \$15 million may be apportioned directly to the Peace Corps for AIDS, tuberculosis, and malaria programs.

Labor/HHS Appropriations. Lines 8 through 13 in **Table 1** refer to international AIDS programs funded through the Labor/HHS Appropriations. The Centers for Disease Control and Prevention (CDC) at the Department of Health and Human Services administers the Global AIDS Program (GAP), which promotes prevention, care, and capacity building in AIDS-stricken countries. The request for GAP has dropped in FY2005, as compared to the FY2004 appropriation, because funding for mother to child transmission prevention programs has been shifted to the Global AIDS Initiative at the Department of State (see below). In addition to GAP, the CDC conducts international applied prevention research, referred to in line 9, and supports efforts to counter malaria and tuberculosis internationally. Meanwhile, as indicated in line 10, the National Institutes of Health (NIH) also conducts research with an international dimension, focusing primarily on the development of a vaccine for international markets. Appropriations for the CDC and NIH research programs are not specifically earmarked in legislation. Line 12 refers to contributions to the Global Fund channeled through the National Institutes of Health (see **Table 2**). The Administration did not request funding for the Global AIDS in the Workplace Initiative of the Department of Labor (line 13) in FY2004, but the report on the FY2004 Consolidated Appropriations included \$10 million (pre-rescission). Funds have not been requested for FY2005. Line 14 provides a subtotal for international HIV/AIDS funding through the Labor/HHS Appropriations.

Other Appropriations. Line 15 in **Table 1** refers to the Defense Department's AIDS prevention education program, primarily with African militaries. As in previous years, new funding for the education program itself was not requested in the Department of Defense Appropriations for FY2005. As noted above, this program is using Foreign Military Financing funds for equipment purchases.

For FY2002, Congress directed that of any aid provided through the Section 416(b) food aid program, which provides for the donation of surplus food commodities, \$25 million be used to mitigate the effects of AIDS on communities overseas. In subsequent years, this assistance was not requested by the Administration but was provided through legislation. Section 416(b) food aid has again not been requested for FY2005.³ The Administration did not include aid through this provision in a table included in the State Department's February 23, 2004, report on the President's Emergency Plan for AIDS

³ *Budget of the United States Government, Fiscal Year 2003. Appendix, 197.*

relief.⁴ Hence, the FY2003 and FY2004 totals in that table are approximately \$25 million less than those in **Table 1**.

Mother and Child Transmission Initiative. The President’s International Mother and Child HIV Prevention Initiative was announced on June 19, 2002. This initiative, under Administration plans, was to total \$500 million, with \$200 million requested in FY2003 and \$300 million requested in FY2004, to be provided in equal amounts from the Foreign Operations Appropriations and the Labor/HHS appropriations for CDC international AIDS programs. The FY2003 Omnibus Appropriations provided the \$100 million requested through Foreign Operations in FY2003, but \$40 million, rather than \$100 million, was provided through the CDC (H.Rept. 108-10). The Consolidated Appropriations for FY2004 fully funded the request by providing up to \$150 million under Foreign Operations and \$150 million through the Centers for Disease Control and Prevention. Under the FY2005 request, mother and child transmission programs begun under the initiative will continue, but responsibility for these programs is being moved to the Global AIDS Initiative office at the Department of State. Appropriations legislation currently before Congress does not specify particular amounts for these programs.

Total Funding. Press and other accounts typically report that the FY2004 Consolidated Appropriations includes \$2.4 billion for international HIV/AIDS programs. However, this figure is actually the pre-rescission amount for fighting HIV/AIDS, tuberculosis, and malaria. Some other calculations attempt to reach a “pure” HIV/AIDS appropriations amount by counting only 60% of the appropriation for the Global Fund, reflecting the proportion the Global Fund spends just on HIV/AIDS. This approach would yield an HIV/AIDS appropriation of approximately \$1.9 billion. For FY2005, a total of \$2.8 billion has been requested for HIV/AIDS, tuberculosis, and malaria, while HIV/AIDS funding alone would total about \$2.6 billion. Additional U.S. funds go toward fighting the AIDS pandemic through U.S. contributions to the World Bank Group, which has its own HIV/AIDS programs. As noted above, executive branch reporting on AIDS spending is not including assistance available through the Department of Agriculture appropriations. Hence, executive branch spending totals are about \$25 million less than those reported in **Table 1**.

Table 2. Appropriations for U.S. Contributions to the Global Fund
(\$ millions)

	FY2001 Actual	FY2002 Actual	FY2003 Actual	FY2004 Estimate	FY2005		
					Request	House	Senate
1. Foreign Operations	100	50.0	248.4	397.6	100.0	400.0 ^a	400.0 ^c
2. Labor/HHS		125.0	99.3	149.1	100.0	100.0 ^b	149.1 ^d
TOTAL	100	175	347.7	546.7	200.0	500.0	549.1

a. H.R. 4818, passed the House, July 15, 2004.

b. H.R. 5006, passed the House, September 9, 2004.

c. Senate-passed version of H.R. 4818, September 23, 2004.

d. S. 2810, reported by the Senate Appropriations Committee, September 15, 2004.

⁴ U.S. Department of State, *The President’s Emergency Plan for AIDS Relief: U.S. Five-Year Global HIV/AIDS Strategy*, February 23, 2004.

Table 2 provides detail on appropriations for contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria. Appropriations total \$1.17 billion through FY2004. Whether the full amount appropriated for FY2004 can be contributed to the Global Fund is uncertain due to a requirement that the United States contribute no more than one-third of the amount paid in by others. For further information, see CRS Report RL31712, *The Global Fund to Fight AIDS, Tuberculosis, and Malaria: Background and Current Issues*.

Other Legislation

The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, was signed into law (P.L. 108-25) by President Bush on May 27, 2003. This legislation authorizes \$3 billion per year from FY2004 through FY2008 (a total of \$15 billion) for international AIDS, tuberculosis, and malaria programs and includes provisions with respect to AIDS policy coordination, debt forgiveness, and other issues. The bill states that, of the amounts authorized, up to \$1 billion is authorized as a contribution to the Global Fund in FY2004 and such sums as may be necessary for the Fund in FY2005-2008. In an April 29, 2003 Rose Garden address praising the bill, President Bush reiterated that the Emergency Plan for AIDS Relief would begin with \$2 billion in FY2004 spending, and efforts to increase appropriations for FY2004 international HIV/AIDS, tuberculosis, and malaria appropriations to \$3 billion did not succeed. As a result, many AIDS activists and others have argued that what they see as a pledge made in H.R. 1298 is not being fulfilled. Others maintain that additional resources cannot be provided in view of competing priorities or argue that added funds could not be spent effectively until absorptive capacity in the recipient countries is expanded. In a press conference on July 30, 2003, President Bush reiterated that the Administration remained committed to providing \$15 billion over five years but stated that the program needed to “ramp up” first.

On March 12, 2004, the Senate, in acting on its version of the FY2005 budget resolution (S.Con.Res. 95), passed amendments to allow more spending in the International Affairs account than requested by the Administration. According to observers, an amendment by Senators Lugar, Feinstein, and Durbin would allow nearly \$500 million in additional spending beyond the President’s request of \$2.8 billion. An amendment by Senator DeWine, which was also accepted, would permit \$330 million in additional spending under the Child Survival account. On March 25, the House passed its own version of the budget resolution (H.Con.Res. 393), reducing overall spending for international affairs by \$4 billion from the requested amount. Analysts observed that this reduction could make it difficult for the Administration to meet its plans for international HIV/AIDS spending. A conference agreement on the resolution has not yet been reached.

The FY2005 Foreign Affairs Authorization Act (S. 2144) reported in the Senate (S.Rept. 108-248) would add \$200 million to the President’s FY2005 international HIV/AIDS request, so that the total FY2005 authorization would be \$3 billion.