

GLOBAL SPENDING ON HIV/AIDS

Tracking Public and Private Investments in
AIDS Prevention, Care, and Research

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executive summary

EXECUTIVE SUMMARY

The enormity of the global AIDS epidemic, whether measured in lives lost, children abandoned, or health and economic systems destabilized, necessitates an unprecedented response from the international community. In the early years of the epidemic, the international community invested only very limited resources to address AIDS in developing countries. According to UNAIDS, in 1987, total official donor assistance for HIV/AIDS from 10 countries was approximately \$59 million.

Over the last decade, bilateral aid from governments to address HIV/AIDS in developing countries has increased markedly. During the same period, the share of funding provided through multilateral agencies has declined. The steadily increasing number of people living with HIV disease in the developing world makes resources for prevention and care progressively more scarce. Over 36 million people are now living with HIV/AIDS, at least 95% of them in the developing world. In sub-Saharan Africa alone, over 25 million people are living with HIV/AIDS and 3.8 million people were newly infected with HIV in 2000. Though it has increased, global funding for HIV/AIDS in the developing world remains woefully inadequate to take advantage of the many opportunities to prevent new infections and improve and prolong the lives of tens of millions of people.

This monograph presents various estimates of spending on HIV/AIDS prevention, care and research by countries, multilateral organizations, private foundations, and companies. It is intended as a guide for policy makers and advocates seeking to better understand the status of funding for HIV/AIDS in developing countries. The analysis is hampered by serious limitations in the available information about global AIDS-related spending. Better data concerning the sources and uses of HIV/AIDS funding is needed to help policy makers and program planners use resources most effectively and coordinate a comprehensive prevention, treatment and research response in developing countries.

UNAIDS estimates that current annual funding for HIV/AIDS prevention, care and support programmes in low- and middle-income countries is \$1.8 billion, which includes \$1 billion for care and support and \$0.8 billion for prevention. This figure also includes a significant amount, perhaps as much as \$0.5 billion, spent by infected individuals themselves. Previous estimates by UNAIDS have identified continued growth in bilateral funding for international AIDS from 1987 through 1996, stable funding

from 1996 to 1997, and continued increase in growth between 1997 and 1998. In 1998, the United States was the largest bilateral donor on international AIDS, followed by the United Kingdom, the Netherlands, and other countries. The U.S., in particular, has substantially increased its international AIDS funding in recent years, and the European Union, the United Kingdom, and Japan have all pledged significantly expanded contributions.

Multilateral institutions play a reduced, though still significant, role in international AIDS. In 1987, countries channeled 71% of their AIDS funding through multilateral and multi-bilateral organizations. By 1998, the share of funding through these organizations decreased to 20%.

Total philanthropic donations for HIV/AIDS in the developing world have increased recently, chiefly because of new and well-endowed foundations that have dedicated substantial resources to global AIDS. Major donations by corporations, including pharmaceutical companies, appear to have increased.

There is very little information available on how global funding for HIV/AIDS is allocated between prevention, care, and research in developing countries. UNAIDS is in the process of researching current global spending on HIV/AIDS.

There is no dispute that significant new resources are required to address the AIDS epidemic in developing countries. According to UNAIDS, current estimates, based in part on the successes of some countries, show that a global campaign against the epidemic needs \$7-10 billion annually for an effective response in low and middle income countries. Such a funding level would represent a dramatic increase in global resources for HIV/AIDS, but, as the UN Secretary General has pointed out, it would equal only 1% of the world's yearly military spending. At this writing, the United States, United Kingdom and France have made financial pledges to a new global health fund, though advocates have criticized these commitments as far below the need.

Now at the 20th anniversary of the discovery of HIV/AIDS, the international community has an historic opportunity to marshal growing public support to fight AIDS in developing countries. A host of prevention and treatment interventions have been proven effective, and expanded research is necessary to develop treatments, vaccines and microbicides appropriate for developing world populations. What is needed most urgently is the political will to provide adequate financial resources that

This paper provides data, obtained from broad and varied sources, on current global spending on HIV/AIDS prevention, care and research. Based on these sources, we examine spending by bilateral, multilateral, philanthropic and corporate donors. This paper is not a comprehensive source for global HIV/AIDS spending, but rather a compilation of available information today. The majority of figures cited in the paper are best approximations from the various sources on HIV/AIDS-specific spending.

Tracking global HIV/AIDS expenditures is a challenging task for many reasons. Existing resource tracking mechanisms are not equipped to meet current information demands regarding HIV/AIDS resource flows.¹ Existing reporting systems only provide information from previous years, as donors and other international organizations usually provide expenditure data after closing accounts. At present it is difficult to track HIV/AIDS integrated projects and sector-wide approaches.¹ It is especially difficult to measure resource flows at the recipient country level.

These data limitations make current estimates of global AIDS spending at best an educated guess. Still, by comparing various data sources over time, we can develop a picture of approximate levels of funding from public and private donors, and begin to understand trends in funding. This paper attempts to piece together multiple sources of information to present what we know about the sources and uses of HIV/AIDS funding for developing countries.

In the United States, policy makers and advocates have used the concept of a "triple track," that includes prevention, treatment and research, as a framework for discussing HIV policy and funding issues. Recently, United Nations Secretary General Kofi Annan has suggested using a five-part paradigm for discussing global AIDS programming, including, 1) prevention and education, 2) mother-to-child transmission, 3) care and treatment, 4) research (including delivering scientific breakthroughs), and, 5) helping affected populations, especially orphans. In the "Uses of Funding" section of this report we group funding by prevention, care and research simply because the lack of comprehensive data makes it difficult to break out funding uses in more detail. Future efforts to catalogue

FUTURE NEEDS

All independent sources who have examined this issue have concluded that significant additional resources are needed to effectively combat HIV/AIDS globally. According to UNAIDS, donor countries' level of support for the global fight against AIDS is being vastly outpaced by the epidemic.² Others argue that the developed world's response to the epidemic is "desperately inadequate," and that global AIDS funding levels in 1998 stood at a mere \$3 per HIV-infected person in Sub-Saharan Africa.³ After a quick influx of support, AIDS funding began to level off in the early 1990s. Based on a survey of key donor country contributions between 1990 and 1997, when the number of people living with HIV/AIDS more than tripled, HIV/AIDS funding only rose from \$165 million to \$273 million (based on funding from ten donor countries tracked over time).² It seems clear that lack of financing is a leading constraint to progress on global AIDS.

UNAIDS estimates that a global campaign against the epidemic needs \$7-10 billion annually for an effective response in low-and middle-income countries.⁴ According to the Secretary-General, this amount is less than the amount of money charitable foundations in the United States give away annually⁵ and is approximately 1% of the world's annual military spending.⁶ Experts have reviewed the statistics on the costs of the epidemic and have endorsed the \$7-10 billion estimate.⁷

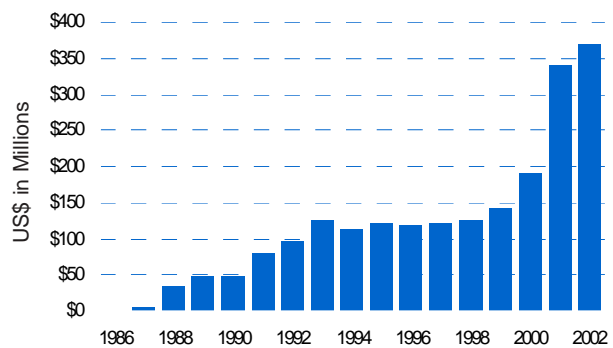
It is further estimated that, in 2005, \$9.2 billion will be needed to expand the global HIV/AIDS response to a point where the spread of the epidemic is reversed and its impact is eased significantly.⁸ The annual resource needs would increase over time from \$3.2 billion in 2002, \$4.7 billion in 2003, \$6.8 billion in 2004, to \$9.2 billion in 2005. A five-year projected annual cost of expanded HIV/AIDS prevention, care and support programmes in low-and middle-income countries, show that, of the \$9.2 billion, \$4.4 billion will be needed for care and support and \$4.8 billion will be needed for prevention.⁴ One article estimates that one-third to one-half of the \$9.2 billion could come from domestic sources. On the regional level, up to 80% of the resource needs may have to come from international sources in Africa and South and South-East Asia. For the other regions, more than half and up to 90% of the resource needs could be met domestically.⁸

One group projected that the total cost of a global treatment effort would be approximately \$1.4 billion in 3 years and approximately \$4.2 billion in 5 years.⁹ Specifically, the total cost of treatment in Africa, which included

testing costs, drug costs, directly-observed therapy costs, clinical costs and clinical research costs, would be approximately \$1.1 billion annually within 3 years to treat 1 million patients and \$3.3 billion annually within 5 years to treat 3 million patients. The authors note that this amount is about 0.01% of the gross national products of the donor countries called on to provide funding.

Chart 1: USAID Funding for Global AIDS Efforts

Source: USAID



GLOBAL TRUST FUND

Early in 2001, United Nations Secretary General Kofi Annan challenged governments to create a Global Fund to address the international HIV/AIDS epidemic. In May 2001, the United States pledged \$200 million for the Global Fund. However, the United States has stated that it will eventually increase its contribution.¹⁰ Subsequently, the United Kingdom has promised \$106.5 US million and France \$125 US million.¹¹

Critics noted that donations at these levels would not capitalize the Fund near the target set by the Secretary-General, and they also raised concerns that the U.S. monies would not represent new expenditures but rather redirection of current funds from biomedical research and international assistance accounts.

On June 18, 2001, the Bill and Melinda Gates Foundation committed \$100 million to the Global Fund, which is to be spread over several years. This amount is intended primarily to support prevention programs.¹²

CURRENT ESTIMATES

UNAIDS' best estimate for current global HIV/AIDS funding in low- and middle-income countries is approximately \$1.8 billion annually, including \$1 billion for care and support and \$0.8 billion for prevention.⁴

Below we present data on the multiple sources of HIV/AIDS funding for developing country populations, listed by bilateral, multilateral, philanthropic, and private donors.

BILATERAL STRATEGIES

Bilateral strategies include direct funding from a donor country to a specific program in a developing country.

UNITED STATES

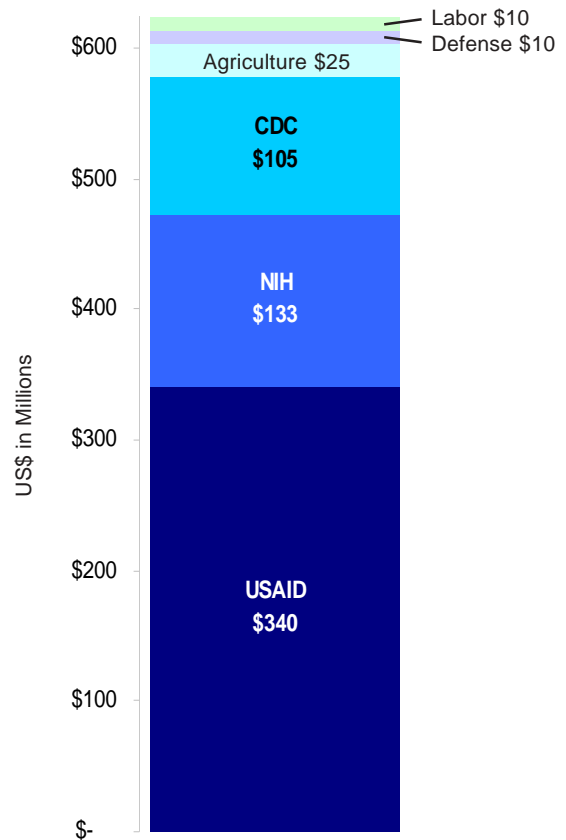
Since HIV/AIDS was first detected in the United States in 1981, annual Federal spending on HIV/AIDS activities has grown from an appropriation of several hundred thousand dollars to over \$10.8 billion in fiscal year 2000.¹³ Of the \$10.8 billion, 71% was appropriated for domestic care and assistance, 19% on research, 8% on domestic prevention and 2% (\$242.7 million) on international efforts (in fiscal year 2000). At the June United Nations General Assembly Special Session on HIV/AIDS, Secretary of State Colin Powell stated that the United States to date had donated more than \$1.6 billion to combat AIDS in the developing world,¹⁴ and that it will be requesting more than \$3.4 billion for AIDS research.¹⁰

United States' funding for international AIDS activities grew markedly in fiscal year 2001. The primary U.S. agency for delivery of HIV/AIDS prevention and care services in the developing world is the US Agency for International Development (USAID). Agency funding for HIV/AIDS in the developing world has grown from \$1.1 million in fiscal year 1986 to \$340 million in fiscal year 2001, nearly double the amount from the previous year (see Chart 1).¹⁵ USAID funding for HIV/AIDS in fiscal year 2001 includes \$20 million for a World Bank AIDS Trust Fund, and \$10 million to support vaccine research through the International AIDS Vaccine Initiative.¹⁶

A majority of USAID's HIV/AIDS funding benefits Sub-Saharan Africa. USAID spent \$114 million in Sub-Saharan Africa in fiscal year 2000, of its total worldwide 2000 HIV/AIDS budget of approximately \$200 million.¹⁷ USAID efforts translated into per capita expenditures for 23 sub-Saharan African countries in fiscal year 2000 ranging from \$0.78 in Zambia to \$0.03 in the Democratic

Chart 2: US Spending on Global AIDS - FY2001

Sources: USAID, NIH, Global Health Council



Republic of the Congo.¹⁷ According to USAID, almost 70% of agency HIV/AIDS assistance is dedicated to small non-governmental organizations.

In July 1999, the Clinton Administration launched an initiative called Leadership and Investment in Fighting an Epidemic, or LIFE. The initiative helped mobilize additional funding and political leadership on the global epidemic. Since fiscal year 2000, the LIFE Initiative has incorporated most funding increases from U.S. government agencies for international AIDS prevention and care.

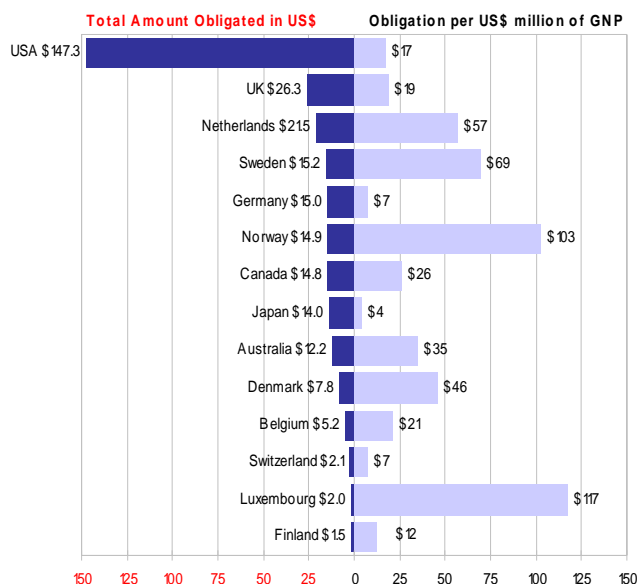
Total current U.S. funding for international AIDS includes \$340 million from USAID¹⁵, \$133 million from the NIH¹⁸, \$104.5 million at the Centers for Disease Control and Prevention (CDC)¹⁹; \$25 million at the Department of Agriculture; \$10 million at the Department of Defense; and \$10 million at the Department of Labor (see Chart 2).²⁰

INTERNATIONAL FIGURES

A comprehensive report from UNAIDS tracks bilateral donations in 1996 and 1997.² The report surveys 15 donor countries (Australia, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States) and the European Commission. According to the report, the 15 countries committed \$314.6 million in 1996 for HIV/AIDS-related activities in developing countries and countries in transition (excluding the European Commission). Excluding France and Luxembourg, for which data was not available, the countries disbursed \$280.3 million in 1997.

Chart 3: Global AIDS Support from Selected Countries

Source: UNAIDS



The United States, Netherlands and the United Kingdom were the largest contributors, with the U.S. providing \$137.5 million in 1996 and \$135 million in 1997, the Netherlands \$35.5 million in 1996 and \$34 million in 1997, and the United Kingdom \$26 million in 1996 and \$24.5 million in 1997. The European Commission reported disbursing approximately \$27.98 million in 1996 and \$26 million in 1997. When funding levels were presented by percentage of a contributor's gross national product, the study found that Norway and the Netherlands ranked first and second, respectively.²¹

In an effort to update its study of 1996-1997 bilateral expenditures, UNAIDS issued data on contribu-

tions made by 14 donor countries in 1998.²² These 14 countries reported having disbursed almost \$300 million for HIV/AIDS-related activities in developing countries and countries in transition in 1998, constituting at least 80% of the official donor assistance donor country contributions for HIV/AIDS activities in 1998 (see Chart 3).

In this updated analysis, the United States was again the largest donor of HIV/AIDS official donor assistance, contributing 49% of the total amount.²² The United Kingdom and the Netherlands were the next largest donors, disbursing \$26.3 million and \$21.5 million, respectively.²² However, in 1998, Luxembourg and Norway disbursed the largest proportion of their country's gross national product to HIV/AIDS activities in developing countries. The following is a ranking of 13 of the countries in order of giving as a percentage of GNP for 1998, from most to least: Luxembourg, Norway, Sweden, the Netherlands, Denmark, Australia, Canada, Belgium, the United Kingdom, the United States, Finland, Germany and Japan.

UNAIDS was able to obtain data from 10 donor countries for the longer-term period of 1987-1998. The 10 countries are Australia, Canada, Denmark, Germany, Japan, the Netherlands, Norway, Sweden, the United Kingdom and the United States.

When inflation and changes in "purchasing power parity" are taken into account, donor assistance for HIV/AIDS from the 10 countries increased each year from 1987-1996, remained stable between 1996-1997, and then increased again between 1997-1998 (see Chart 5). (Because the purchasing power of the dollar differs from one country to another, adjustments were made by UNAIDS to ensure that country-to-country comparisons are more accurate.)

Others have reviewed information that 22 donor countries and the European Union self-reported to the Organization for Economic Cooperation and Development, through 1998, and determined that bilateral donor assistance for HIV/AIDS activities in least developed and other low-income countries during 1990-1998 never exceeded \$144 million annually, and averaged about \$78 million annually.³ (The 1998 data are only approximately 80% complete as of this writing.) The authors noted that reporting discrepancies may have resulted in undercounting of bilateral donations by as much as 50%.³ This is, in part, due to incomplete data, misreports of donor contributions, and imprecise categorizations.

Chart 4: HIV/AIDS Disbursements per HIV-Positive Person from 10 Selected Countries, 1987-1997

Source: UNAIDS

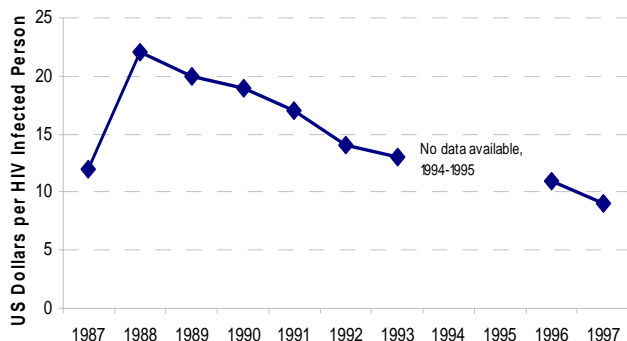
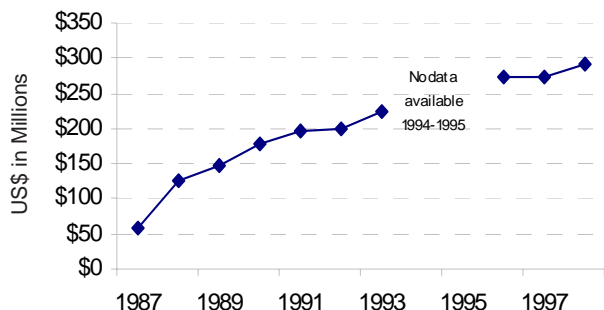


Chart 5: Total HIV/AIDS Disbursements by Selected Donor Countries at 1997 Prices and Exchange Rates, 1987-1998

Source: UNAIDS



MULTILATERAL STRATEGIES

Under multilateral funding, donor funds are channeled through multilateral agencies, such as the United Nations agencies and the World Bank. The funds can be transferred to these agencies as core budget contributions or as supplemental funding for general agency activities implemented at global, regional and national levels. Under multi-bilateral funding, resources are transferred to multilateral agencies for projects in specific countries. With bilateral funding, donors transfer portions of their funding directly to recipient country governments, private institutions or non-governmental organizations.²

The share of funding channeled through multilateral and multi-bilateral organizations has decreased significantly since 1987, as additional avenues for program financing made themselves available to donors. In 1987, countries channeled 71% of their funding through multilateral and multi-bilateral organizations. By 1998, the share of funding through these organizations decreased to 20%.²² Some countries may prefer the additional control over resource expenditures they are afforded through bilateral, vs. multilateral, donation programs.

From 1996-1997, UNAIDS total expenditures incurred for country-based operations were \$47 million for HIV/AIDS activities, the World Health Organization total budget allocations for HIV/AIDS activities was \$19.75 million and the World Bank approved \$35.4 million and \$30.4 million in lending in 1996 and 1997, respectively, for HIV/AIDS activities.²

UNAIDS is currently in the process of evaluating expenditures by United Nations agencies on HIV/AIDS-related activities during the 1996-2000 period and evaluating what future expenditures will be required during the 2000 - 2005 period.¹

UNAIDS

With an annual budget of \$60 million and a staff of 129 professionals, UNAIDS operates as a catalyst and coordinator of action on AIDS, rather than as a direct funding or implementing agency. UNAIDS is guided by a Program Coordinating Board with representatives of 22 governments from all parts of the world, representatives of the seven UNAIDS Cosponsors, and 5 representatives of non-governmental organizations (NGOs). The global mission of UNAIDS is to lead, strengthen and support an expanded response to the epidemic.²³

WORLD BANK

To date, the World Bank has committed over \$1 billion to 99 HIV/AIDS related projects in 56 countries.²⁴ In 2001-2003, the Bank is expected to lend at least \$344 million in loans for HIV/AIDS projects.²⁵ The recent UNAIDS survey of global AIDS funding noted that, in some countries, "World Bank loans have become a major source of funds for HIV/AIDS programmes."²

The World Bank's recently launched Multi-Country HIV/AIDS Program (MAP) in Africa is designed to "dramatically increase access to HIV/AIDS prevention, care, and treatment programs, with emphasis on vulnerable groups." The program will provide resources to local communities to launch their own HIV interventions. Though the International Development Association (IDA), the World Bank has made available \$500 million in MAP funding available over the next three years to Ethiopia, Kenya, Ghana, Gambia, Uganda, Cameroon, and Eritrea. Other countries will be added.

Critics of the World Bank's efforts complain that the provision of loans, rather than grants, imposes too great a burden on developing countries. Many of these countries are already severely debt-ridden, and spend more money on servicing their debt than they do on national healthcare. For example, Zambia spent \$89 million on debt service and \$76 million on health care in 2000.²⁶ According to a senior economist at the WHO, such funds should be "granted autonomy from these institutions and their policies."²⁶

Proponents argue that the World Bank's approach uses a favorable loan structure in which most are likely to be forgiven, and are based on models of participatory planning in each of the developing countries, as well as and include mechanisms for accountability. The MAP approach focuses on encouraging a strong political and government commitment, scaling up what works, increasing community participation and ownership and moving to a multi-sectoral approach with improved coordination and decentralization.

PHILANTHROPIC STRATEGIES

Though accurate estimates are lacking, it is clear that philanthropic giving expanded significantly over the last decade due to strong economic expansion, record growth in the US stock market, and the creation of new foundations.²⁷ Estimated foundation giving for health-related activities grew to \$4.46 billion in 2000, more than double the amount reported in 1995.²⁷ This growth in the health

area was a result of substantial resources being brought into the field by a few, large foundations, including the Bill and Melinda Gates Foundation and the David and Lucille Packard Foundation.²⁷

Combined domestic and international HIV/AIDS-specific giving decreased steadily from 1994 through 1998, but increased dramatically in 1999,²⁸ consistent with the overall growth in philanthropic giving. HIV/AIDS-related giving by foundations, domestic and international, grew by 70% from \$28.3 million in 1998 to \$40.7 million in 1999. In that year, approximately 25% or \$12.5 million was contributed by the Bill and Melinda Gates Foundation. It is estimated that funding in 2000 increased again, due in large part to the \$55.6 million that the Bill and Melinda Gates Foundation committed to HIV/AIDS activities in that year.²⁸

It is important to note that pledges of support from the Gates Foundation, and other foundations, are often provided over a period of years and may come with specific requirements. For example, a recent pledge by the Gates Foundation of \$100 million to the International AIDS Vaccine Initiative (IAVI) is a challenge grant to be dispersed over five years.

According to a recent survey, only 12% of organizations fund HIV/AIDS internationally, even though philanthropy is both aware of and greatly concerned about the international AIDS crisis. It is believed that the limit on international support may be largely due to funding limitations in many foundation charters.²⁹

Giving by some major donors in the field includes:

MAJOR FOUNDATIONS

FORD FOUNDATION

Since 1987, the Ford Foundation has awarded approximately \$70 million in HIV/AIDS-related grants, both nationally and internationally. In 2000, it awarded approximately \$9 million and, in 2001 so far, it has awarded \$3 million.³⁰

BILL AND MELINDA GATES FOUNDATION

With an asset base of \$23 billion, the Gates Foundation has committed over \$350 million to HIV/AIDS prevention and treatment programs domestically and internationally. In 2000, the Gates Foundation committed \$55.6 million towards HIV/AIDS-related activities, with over 99% going towards international HIV/AIDS programs.

HENRY J. KAISER FAMILY FOUNDATION

Over the past 10 years the Henry J. Kaiser Family Foundation has committed in excess of \$100 million to AIDS related programs in the United States and South Africa. Last year, this foundation made the largest commitment in its history, \$50 million over five years to “loveLife”, an initiative in South Africa to reduce HIV infection among adolescents by promoting sexual health and healthy futures through the use of high powered media coordinated with nationwide outreach, support, and clinical services.

ROCKEFELLER FOUNDATION

In 2000, the Rockefeller Foundation made grants and fellowships totaling approximately \$142 million, of which \$1.5 million went toward HIV/AIDS-related activities. The entire \$1.5 million in grants benefited Africa and other developing countries.¹¹ In June 2001, the foundation is committing \$15 million over five years for medical studies of cost-effective AIDS care in Africa. It has committed another \$15 million over five years to advance research on microbicides, topical gels and ointments that can prevent infection with HIV and other sexually transmitted diseases.¹²

MAJOR CORPORATE DONORS

BRISTOL-MYERS SQUIBB

Since mid-1999, Bristol Myers Squibb has committed \$37 million in grants for HIV/AIDS activities.³ In March 2001, the company announced a new program to combat HIV/AIDS in Africa. Through its “Secure the Future” initiative, the company pledged an additional \$15 million on top of a previously committed \$100 million to develop ways to prevent and treat HIV/AIDS among women and children, and to help communities deal with the AIDS epidemic.³¹

GLAXOSMITHKLINE

Established in 1992, Positive Action is GlaxoSmithKline's international program of HIV education, care and community support. It is involved in helping people living with HIV/AIDS in developing countries to play a more visible role in national HIV policy making and fighting stigma and discrimination. To date, GlaxoSmithKline has invested approximately \$50 million in the program.

MERCK

In 2000, Merck launched an initiative with the Gates Foundation and the Republic of Botswana to improve the overall state of HIV/AIDS care and treatment in that country. The Gates Foundation will dedicate \$50 million over five years to help Botswana strengthen its primary health care system. Merck and The Merck Company Foundation will match the Gates Foundation funding through development and management of the program and the contribution of antiretroviral medicines.³² In 1998, Merck started, in cooperation with the Harvard AIDS Institute and the Harvard School of Public Health, a strategic focus on partnerships to improve the quality and outcomes of HIV care.³³ In 1999, Merck Sharp & Dohme donated \$1 million to the Romanian government for HIV/AIDS treatment centers.³³

PFIZER

Pfizer announced in June 2001 that it will offer Diflucan, a drug used to combat fungal infections associated with AIDS, free of charge to more than 50 of the poorest and most AIDS-affected nations in the world. The company has also pledged to provide medical training and patient education in the developing world.³⁴

* Based on HIV/AIDS grant information in The Rockefeller Foundation website.

Few data are available on the allocation of global HIV/AIDS spending by function. Some individual donor agencies provide information on allocation of their own international AIDS funding, but this information has not been compiled in any comprehensive fashion.

There is some overlap between various areas of funding. For example, some prevention interventions are provided through prevention-oriented research projects in developing countries. Provision of treatment services are an opportunity to provide HIV prevention to HIV positive individuals and their partners.

PREVENTION

UNAIDS has estimated that current annual funding for HIV/AIDS prevention in low- and middle-income countries is \$0.8 US billion in 2001.⁴

Prevention researchers have identified an essential package of HIV prevention strategies.³⁵ These include positive policy environments, widespread public education about HIV, promotion of prevention skills, condom availability & social marketing, sex education, sentinel surveillance, HIV counseling & testing, treatment for Sexually Transmitted Diseases (STDs), treatment for HIV, treatment for drug and alcohol abuse, and screening the blood supply.

Based on earlier cost estimates developed by the Global AIDS Program at the World Health Organization, these researchers estimated that in 1998 implementing this basic prevention package would cost approximately \$2.6 billion. This funding would need to come from within countries and from an increased effort on the part of donor nations. Responding to increased transmission around the world, UNAIDS has recently estimated that \$4.8 billion per year would be needed for global prevention efforts over a five-year projected period in low- and middle-income countries.⁴

CARE

UNAIDS has estimated that current annual spending on HIV/AIDS care and support in low- and middle-income countries is \$1.0 US billion in 2001.⁴

The United States will spend approximately \$6 billion on domestic HIV/AIDS care and treatment in fiscal year 2000.³⁶ Dedicated funding for HIV/AIDS health care has been important in the US where there is no system of universal health care. In many other countries, provision

of HIV/AIDS care is integrated into national health care systems available to all citizens.

In developing countries, provision of HIV/AIDS care is complicated by the absence of health care infrastructure and the lack of funding to develop it. Nevertheless, efforts to provide care and treatment to those living with HIV and AIDS are underway in some developing countries, though little data are available on current expenditures for these services. Recent attention has focused on numerous issues associated with the potential cost of providing HIV-related medications. Offers from drug manufacturers, including generic drug makers like Cipla in India, to provide AIDS medications to developing nations at greatly reduced prices—or even at no charge—have expanded opportunities to provide treatment to people with HIV/AIDS throughout the world, though the lack of an underlying health infrastructure to deliver those medications remains a critical barrier.

RESEARCH

Fairly comprehensive data are available on the efforts that the U.S. National Institutes of Health is making in the international arena. Half of the total \$2 billion NIH AIDS research budget supports basic research intended to benefit HIV-infected individuals, including those in developing countries.³⁷

Consistent with overall growth in NIH funding, the Institutes have significantly expanded their internationally focused HIV/AIDS research in recent years. In fiscal year 1999, NIH spent approximately \$73 million on AIDS research in international settings and by fiscal year 2001 this funding had increased to \$133 million. NIH estimates it will spend \$154 million on AIDS research in international settings in 2002.¹⁸ These figures capture only NIH research specifically in international settings and greatly underestimate the total amount NIH research—including vaccine and microbicide research—that potentially benefits communities in developing countries. NIH spending for AIDS vaccine research has increased by more than 100 percent since 1995.³⁷

In June 2000, NIH's National Institute of Allergy and Infectious Diseases (NIAD) announced the formation of the international HIV Vaccine Trials Network (HVTN). The HVTN provides a clinically based network to develop and test preventive HIV vaccines. In addition to the nine units based in the United States, participating sites are located in sub-Saharan Africa (South Africa), Asia (China, India,

Thailand), Latin America (Peru, Brazil), and the Caribbean (Trinidad, Haiti). First-year costs for the HVTN are over \$29 million.³⁶

In July 2000, NIAID formed the international HIV Prevention Trials Network (HPTN) to develop and test promising non-vaccine strategies to prevent the spread of HIV. The global initiative explores alternative measures, other than HIV vaccines, that may be able to block or reduce infection with HIV. The HPTN will constitute NIH's largest comprehensive multi-center network dedicated to this task, comprising core operational, data and laboratory centers, as well as research sites located worldwide in Africa (Malawi, South Africa, Tanzania, Uganda, Zambia and Zimbabwe), Asia (China, India and Thailand), Europe (Russia), South America (Peru, Brazil), and the United States.

Funding for the first year of the project totals slightly over \$30 million.³⁶

The Fogarty International Center's AIDS International Training and Research Program (AITRP) has provided training for more than 1300 scientists from over 90 countries for research that helps to address the global HIV/AIDS and related TB epidemics. AITRP helps to: (1) establish critical biomedical and behavioral science expertise in developing countries affected by HIV/AIDS and TB; (2) facilitate new prevention research efforts that supplement or complement NIH and other U.S. AIDS and TB research; (3) establish long-term cooperative relationships between U.S. and foreign research groups; and (4)

The UN Special Session on AIDS represents a unique opportunity for the international community to acknowledge the magnitude of the HIV/AIDS epidemic and the very real opportunities to apply proven-effective treatment and prevention interventions. Growing international recognition of the moral and practical imperative to expand resources for HIV/AIDS in developing countries offers hope that millions more infections can be prevented, and millions of people living with HIV disease can enjoy longer and higher quality lives. Ultimately, to bring the global AIDS epidemic under control, greatly increased resources are needed for prevention and treatment initiatives, as well as research that can develop microbicides, vaccines, and treatments appropriate for developing country populations.

Current funding increases and recent pledges of more support from industrialized governments are encouraging, but remain orders of magnitude below the need. The lack of accurate data on resource allocations and usage complicates program planning and evaluation, and makes a coordinated response to the epidemic even more challenging. As the world struggles to find the resolve to launch a truly global effort against the worst epidemic of our time, millions more are infected each year and the challenges are magnified. It is time for the international community to greatly increase resources to tackle the global health catastrophe of AIDS.

- ¹ United Nations Joint Programme on AIDS (UNAIDS). Personal Communication; 2001.
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