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UNITED STATES LEADERSHIP AGAINST HIV/AIDS, TUBERCULOSIS, AND MALARIA ACT OF 2002

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Mr. BIDEN, from the Committee on Foreign Relations,
submitted the following

REPORT

[To accompany S. 2525]

The Committee on Foreign Relations, to which was referred the bill (S. 2525) to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

CONTENTS

	Page
I. Purpose	1
II. Major Provisions	2
III. Funding Chart	3
IV. Background	3
V. Committee Action	5
VI. Committee Comments	5
VII. Section-by-Section Analysis	8
VIII. Cost Estimate	16
IX. Evaluation of Regulatory Impact	18
X. Changes in Existing Law	19

I. PURPOSE

The purpose of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 is to strengthen U.S. leadership and the effectiveness of the U.S. response to the global spread of HIV/AIDS, tuberculosis (TB), and malaria by establishing a comprehensive, integrated 5-year global strategy to fight HIV/AIDS; providing increased resources for multilateral efforts to fight HIV/

AIDS; providing increased resources for U.S. bilateral efforts to combat HIV/AIDS, TB, and malaria; encouraging the expansion of private sector efforts and expanding public-private partnerships to combat HIV/AIDS; and intensifying efforts to support the development of vaccines and treatment for HIV/AIDS, TB, and malaria.

II. MAJOR PROVISIONS

The bill has five titles. Title I strengthens policy planning and coordination across the U.S. Government to combat the HIV/AIDS pandemic. A key provision of this title mandates the establishment of a comprehensive, integrated 5-year U.S. Government strategy to promote the goals and objectives of the June 2001 U.N. General Assembly Declaration of Commitment on HIV/AIDS and to strengthen the capacity of the United States to be an effective leader of the international campaign against AIDS.

This title also requires the U.S. Agency for International Development (USAID) to develop a plan specifically designed to empower women to prevent the spread of HIV/AIDS, including the provision of currently available technologies. It also creates a new HIV/AIDS Response Coordinator in the Department of State.

Title II authorizes funding for the Global Fund to Fight AIDS, Tuberculosis and Malaria and relevant public-private partnerships focused on vaccine research for these three diseases. The bill authorizes appropriations of \$1 billion for the Global Fund in FY 03 and \$1.2 billion in FY 04.

Title III authorizes expanded debt relief for poor countries to provide resources to combat HIV/AIDS, TB, or malaria. The Secretary of the Treasury is authorized to conclude as soon as possible an agreement with the World Bank and other appropriate multilateral development institutions and donors to modify the Enhanced HIPC (Heavily Indebted Poor Countries) Initiative to achieve debt reduction for health programs.

Title IV strengthens and expands U.S. bilateral efforts to respond to the health crises posed by AIDS, TB, and malaria. The Foreign Assistance Act of 1961 is amended to provide USAID with expanded and more detailed authorities with respect to the provision of assistance to combat each of these diseases. This title authorizes appropriations for USAID of \$800 million in FY 03 and \$900 million in FY 04 for HIV/AIDS programs, \$150 million in FY 03 and \$200 million in FY 04 for TB programs, and \$70 million in FY 03 and \$80 million in FY 04 for malaria programs.

Title IV also establishes a new Health Care Provider Service and Training Program to enable American health care professionals to provide basic health care services and on-the-ground training to African and other countries severely affected by HIV/AIDS, TB and Malaria, expands the Department of Defense's HIV/AIDS prevention assistance program to countries beyond sub-Saharan Africa and to international peacekeepers, and requires the submission of a comprehensive report on U.S. efforts to increase access to treatment for people living with HIV/AIDS.

In recognition of the needs of children and families, Title IV requires that the 5-year U.S. Government strategy mandated by the bill meet or exceed the mother-to-child transmission (MTCT) prevention goals in the U.N. Declaration of Commitment on HIV/AIDS and include testing and treatment programs for HIV-positive

women and their family members and expanded programs for children orphaned by AIDS. The bill also creates a new assistance program for children and families to provide care and treatment to parents and/or caregivers infected with HIV.

Title V sets forth a voluntary code of conduct for U.S. businesses operating in countries affected by the HIV/AIDS pandemic. This code includes best principles and practices for handling the challenges posed by HIV/AIDS in the workplace including discrimination and stigmatization, testing and confidentiality of HIV status, work tenure and separation, the development of HIV/AIDS policies and programs for the workplace and access to them, and availability of treatment.

III. FUNDING CHART

U.S. LEADERSHIP AGAINST HIV/AIDS, TUBERCULOSIS, AND MALARIA ACT OF 2002—Funding Levels

	FY02	FY03	FY04
	(appropriated)	(under the bill)	(under the bill)
Global Fund to Fight HIV/AIDS, TB and Malaria	¹ \$300 million	\$1.0 billion	\$1.2 billion
USAID—Bilateral	435 million	800 million	900 million
(Microbicide Research) ²	(15 million)	(20 million)	(24 million)
(Pharmaceuticals) ²	³ N/A	(100 million)	(120 million)
Vaccine Fund	53 million	60 million	70 million
International AIDS Vaccine Initiative	10 million	12 million	15 million
Children's Program	³ N/A	15 million	30 million
Health Care Professionals Program	³ N/A	10 million	20 million
DOD HIV/AIDS Expanded Program	14 million	50 million	55 million
TB—USAID Programs	75 million	150 million	200 million
Malaria Vaccine Fund (PATH)	³ N/A	5 million	6 million
Malaria—USAID Program	65 million	70 million	80 million
Total in billions	\$.952	\$2.172	\$2.576

¹Includes \$100 million from FY01 Supplemental Appropriations bill.

²Sub-authorization under USAID Bilateral Funding.

³N/A—Spending has not been previously authorized.

IV. BACKGROUND

In the twenty years since AIDS was first recognized as an international health problem, the numbers of those infected with the HIV virus and dying of AIDS has increased steadily and alarmingly. The epidemic, confined to sub-Saharan Africa for many years, is now worldwide. According to the Joint United Nations Programme on HIV/AIDS (UNAIDS) more than 60 million people have been infected with HIV since the epidemic began. AIDS has now become the fourth-highest cause of death globally, already claiming the lives of 22 million people. More than three-quarters of these deaths—more than 17 million—have been in sub-Saharan Africa, where AIDS is now the leading cause of death. Last year alone, AIDS killed 2.3 million African people. Experts project that the disease will eventually take the lives of one in four adults throughout that region. Because of AIDS, Botswana, Zimbabwe, and South Africa are already experiencing negative population

growth, and life expectancy for children born in some parts of the continent has dropped to as low as 35 years. Of the estimated 40 million people now living with HIV globally, 28.1 million are in sub-Saharan Africa. This number includes 3.4 million people who were infected last year alone.

The Caribbean is now the second most affected region, with 2.3% of adults infected with HIV. Eastern Europe, especially the Russian Federation, is experiencing the world's fastest-growing epidemic, mainly from injection drug use. In Asia and the Pacific region, 7.1 million people are infected with HIV or living with AIDS. Although national prevalence rates in most countries throughout that region are relatively low, localized epidemics have broken out in many areas, and there is a serious threat of major outbreaks of the virus in China, India, and a number of other countries. A newly released U.N. study estimates that as many as 1.5 million Chinese contracted HIV last year and that China might have more HIV infections in the near future than any other country in the world.

The AIDS crisis takes a severe toll on children and young people. Nearly one-third of the 40 million people currently living with HIV are between the ages of 15 and 24; one-half of all new infections occur in this age group. Mother-to-child transmission is responsible for the vast majority of infections among children under the age of 15. Without preventive measures, 30–40% of infants born to HIV-positive mothers contract the virus. Even those who are not infected in this manner can confront tremendous difficulties—more than 13 million children under age 15 have already lost their mothers or both parents to AIDS, and this number is expected to more than double by the end of the decade. Children orphaned by AIDS are susceptible to extreme poverty, malnutrition, psychological distress, and a long list of other hardships. Many of these orphans turn to crime in order to survive.

The AIDS pandemic strikes at the foundations of societies—threatening family cohesion and productivity; undermining local and national economies; and weakening a broad range of institutions by taking the lives of educators, health care providers, police, military personnel, and civil servants. These forces cripple the potential for long-term economic development and jeopardize political and social stability and national security in sub-Saharan Africa, the most-severely affected region, and increasingly in all corners of the world. These ramifications of the AIDS crisis pose serious security concerns for the international community because they increase the potential for instability and failing states.

The devastation wrought by the HIV/AIDS pandemic is compounded by the prevalence of two other infectious diseases—tuberculosis and malaria—particularly in developing countries where the poorest and most vulnerable members of society, such as women, children and those living with HIV/AIDS, become infected. In the year 2001, HIV/AIDS, TB, and malaria claimed the lives of more than 5.7 million people and caused debilitating illnesses in millions more. Tuberculosis, a highly communicable disease, causes the death of one out of every three people with AIDS. HIV infection is the leading threat to TB control. Tuberculosis, in turn, accelerates the onset of AIDS in those infected with HIV.

There is an alarming resurgence of malaria, the most deadly of all tropical parasitic diseases, because of increasing resistance of the malaria parasite to existing drug therapies and standard insecticides. The World Health Organization (WHO) estimates that between 2 and 3 million people die from malaria annually. Ninety percent of these deaths are in sub-Saharan Africa. Those infected with HIV are particularly vulnerable to malaria.

The spread of the pandemic has led the international community to accelerate its response. In April 2001 the U.N. Secretary General, Kofi Annan, issued a call for action on HIV/AIDS including the creation of a global fund to fight AIDS and other infectious diseases. At the end of the U.N. Special Session on HIV/AIDS, held in June 2001, the Secretary General announced the creation of the fund and welcomed pledges from donor nations and the private sector. The U.N. General Assembly concluded the session with the adoption of the Declaration of Commitment on HIV/AIDS. This Declaration set forth an international strategy for responding to the AIDS crisis including specific targets for reducing the rate of infection and death from HIV/AIDS.

The Global Fund to Fight AIDS, Tuberculosis and Malaria is a public-private partnership with a board comprised of representatives of donor countries, developing countries, non-governmental organizations, the private sector, relevant U.N. agencies, and those living with or affected by one of the three diseases. The Fund solicits proposals and funds those that are deemed by the Technical Review Committee to have a clear and demonstrable impact in the fight against AIDS, TB, and malaria. At the end of May 2002, the Fund had some \$2 billion in pledges with \$700 million available for disbursement in 2002. The United States has pledged \$300 million to the Fund through FY 02. The Bush Administration has requested \$200 million for the Fund in its FY 03 budget.

V. COMMITTEE ACTION

The committee held two days of hearings on the HIV/AIDS crisis and the United States Government response on February 13 and 14, 2002. On June 13, by unanimous voice vote, the committee ordered reported favorably without amendment S. 2525, the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002," introduced by Senators Kerry and Frist with 12 co-sponsors on May 15.

VI. COMMITTEE COMMENTS

The committee recognizes that the HIV/AIDS pandemic presents a serious moral and humanitarian crisis as well as one of the largest public health crises to date. While the rates of infection and incidence of death seem overwhelming, there is reason to believe that this crisis can be addressed effectively. Behavior can be changed through prevention and education programs, especially if those programs make treatment available to those individuals who already have AIDS. The transmission of the HIV virus from mother to child can be drastically reduced through the use of the drug nevirapine. More children can be prevented from becoming "AIDS orphans," that is children who lose one or both parents to AIDS, if voluntary counseling, testing, and where necessary treatment is provided to

the parents or caregivers through expansion of MTCT programs, commonly called "MTCT plus." It is the intention of the committee that funding levels for programs for mother-to-child transmission and treatment of family members and for programs for orphans shall continue to rise above current levels.

HIV/AIDS is a global health crisis which must be addressed through the full range of medical responses including access to drugs, care and treatment for those who are ill, prevention programs for those not yet infected, and research to find a vaccine. Parallel responses must also be directed toward TB and malaria. However, the AIDS crisis is a multi-dimensional crisis with ramifications at the family, community, national and international level. Dimensions beyond the health sector must be recognized and factored into the response of the United States and others in the international community.

The challenges posed by the AIDS pandemic demand a sustained response at international and bilateral levels. The Global Fund is a central element of the international response, mobilizing resources and moving governments in affected nations to draw up essential national strategies to combat the epidemic. However, a successful response requires intensified efforts on the part of all those in the campaign against AIDS: the United States and other donor nations, national governments in those countries severely affected, non-governmental organizations, local community organizations, charitable foundations, pharmaceutical companies, and others in the private sector. The committee recognizes the major challenge of developing as rapidly as possible the human and physical infrastructure required to undertake successful programs against AIDS. The committee believes that this problem must be addressed urgently by all parties.

The committee believes that active participation and leadership of the United States are critical to the success of the international community's campaign against HIV/AIDS. The United States has much to bring to the effort: resources, technical expertise and training, scientific research and knowledge, and a host of interested and committed parties in the private sector. The bill approved by the committee, S. 2525, will strengthen the capacity of the United States to undertake this leadership role and enhance the effectiveness of the U.S. bilateral response.

In recognition of the critical need for resources, the bill authorizes substantial increases in appropriations for Fiscal Years 03 and 04 for U.S. contributions to the Global Fund and for bilateral programs administered by USAID for HIV/AIDS, TB, and malaria. The bill authorizes a total of \$2.17 billion in FY 03—approximately \$1 billion more than the FY 02 appropriated level—and a total of \$2.57 billion for FY 04.

The bill brings coherence and rationality to the U.S. response by ensuring that the United States has a 5-year, comprehensive, and integrated government-wide strategy for addressing the global AIDS crisis and meeting the targets set by the international community in the Declaration of Commitment on HIV/AIDS. The strategy mandate reflects the committee's view that the U.S. response must address the fundamental elements of prevention and education; care and treatment including access to drug therapies; research for vaccines, new drug protocols, and technologies for

women; training of health care workers and the strengthening of health care infrastructure and delivery systems.

The committee believes that the formulation of an integrated strategy will reduce the duplication of efforts by the panoply of U.S. Government agencies now involved in the fight against global AIDS, including the Department of State, USAID, the Department of Health and Human Resources and agencies under its control, and the Department of Defense. It will also provide for greater coordination among these agencies and ensure that each agency undertakes programs primarily in those areas where it has the greatest expertise and experience. The committee also believes that the creation of a new post, an HIV/AIDS Response Coordinator in the Department of State, will improve inter-agency coordination.

The bill expands and strengthens the legislative mandate for USAID to undertake the broad range of programs necessary to combat not only HIV/AIDS but also TB, and malaria. While the committee understands that funding limitations often force the agency to make difficult choices, the committee expects USAID to ensure that there is a fair balance between prevention and education programs, on the one hand, and care and treatment programs including programs that provide antiretrovirals and other necessary drug therapies, on the other.

The committee realizes that a successful campaign to combat these three major infectious diseases will require not only increased resources but also sustained cooperation among the donor nations and between the donors and international organizations such as the Global Fund and UNAIDS and increased efforts on the part of the governments of countries acutely impacted. The bill seeks to enhance the capacity of these governments by authorizing expanded debt relief under the Enhanced HIPC Initiative as long as the resources are devoted to health and poverty reduction programs.

Ultimately the "cure" for AIDS and other infectious diseases lies in the development of effective vaccines. The committee strongly supports ongoing efforts, such as those by the International AIDS Vaccine Initiative and the Malaria Vaccine Initiative, to develop vaccines. While efforts to produce a vaccine continue, it is essential that plans be made now to assure prompt access to vaccines once they are developed. Populations in resource-limited countries have typically waited a decade or longer to receive life-saving vaccines after they are licensed for use in industrialized nations. Similar delays have occurred with access to AIDS therapies. The committee understands that steps must be taken in advance of licensure of AIDS, malaria, and TB vaccines to ensure that these vaccines are rapidly available around the world. The public sector has an important role to play in providing resources to purchase vaccines for use in resource-limited countries. Tax credits and other incentives may also be useful in promoting sale of priority vaccines for use in these countries. In addition, the public sector can significantly contribute to accelerated vaccine access by working with vaccine manufacturers to ensure a sufficient, affordable supply of vaccines for developing country markets and avoid shortages.

The committee believes that resource-limited countries should have technical assistance available from developed country regulatory bodies, including the Food and Drug Administration, to assist with review of preclinical, clinical and manufacturing data. This assistance will facilitate local decision making about hosting clinical trials of particular products and expand each country's ability to assure the safety and consistency of new products.

The committee regards assistance for vaccine research and development, and expanded access to vaccines once developed, as key components of the strategy mandated by the bill.

VII. SECTION-BY-SECTION ANALYSIS

Section 1. Short Title: Table of Contents

This section entitles the Act as the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002." The Act is divided into five titles. The titles, with the sections each contains, are listed herein.

Sec. 2. Findings

This section presents findings regarding the magnitude and scope of the global HIV/AIDS crisis, its impact at the family, community and national levels, and the type of response this crisis requires of the international community and the United States. Section 2 also contains findings on the impact of TB and malaria.

Sec. 3. Definitions

This section defines the key terms used throughout the Act.

Sec. 4. Purpose

This section states that the purpose of the Act is to strengthen U.S. leadership and the effectiveness of the U.S. response to the AIDS pandemic by establishing a comprehensive, integrated 5-year global strategy, providing increased resources for multilateral and bilateral efforts, encouraging the expansion of private sector efforts and public-private sector partnerships, and intensify efforts to support the development of vaccines and treatment for HIV/AIDS, TB, and malaria.

TITLE I—POLICY PLANNING AND COORDINATION

Sec. 101. Development of a Comprehensive, Five-Year, Global Strategy

This section mandates the President to establish a comprehensive, integrated 5-year strategy to combat global HIV/AIDS that promotes the goals and objectives of the U.N. Declaration of Commitment on HIV/AIDS and strengthens the capacity of the United States to be a leader in the international campaign against HIV/AIDS. The strategy must address key issues including goals, strategies for vulnerable groups including treatment strategies, priorities for relevant executive branch agencies and improving coordination among them and at the international level, projected resource levels, expanding public private-sector partnerships, and maximizing United States capabilities in the areas of technical assistance and training and research including vaccine research. The President is

required to submit a strategy report to Congress within 180 days of enactment of the bill. Specific elements to be included in the report are listed in this section.

The committee views a 5-year strategy as essential to a successful U.S. Government response to the HIV/AIDS crisis and to effective American leadership on this issue. Many U.S. Government agencies administer worthy international AIDS programs, but often there is insufficient coordination and duplication of effort. A strategy that sets specific objectives and benchmarks for measuring success, addresses the full range of health issues including treatment of those infected with the HIV virus and the needs of vulnerable groups, treats AIDS as a multi-sectoral challenge, integrates the programs of U.S. Government agencies into a rational approach, and matches needs with resources will enable the United States to undertake a credible and responsible leadership role in the fight against AIDS.

Sec. 102. Comprehensive Plan to Empower Women to Prevent the Spread of HIV/AIDS

This section requires USAID to develop a comprehensive plan to empower women to protect themselves against the spread of HIV/AIDS and lists specific elements to be included in the plan including increased access to currently available technologies for women and microbicides when available. Section 102 mandates a report within 270 days of enactment of the Act, and every year for the next three years, on the programs and other activities undertaken under the plan.

The committee recognizes that in many developing societies women lack control over sexual encounters and that women are biologically four times more vulnerable to HIV/AIDS infection than men. These same women, who represent 55% of the HIV infections in sub-Saharan Africa, are also the primary care givers to those infected with the disease.

The purpose of this section is to ensure that women of all ages have access to education programs including health education and economic empowerment programs in order to reduce their vulnerability to HIV and/or to mitigate its impact. USAID is directed to devise a plan aimed at empowering women socially and economically to reduce their vulnerability to pressures which lead to unsafe sexual practices. The plan is to include ways to target refugee populations as well.

As part of the plan, the Agency must increase women's access to micro-finance programs. In addition, the committee expects the Agency to make use of a variety of existing programs which increase women's access to regular paid employment, productive resources, and income.

The plan must also include an expansion of education programs for men and boys which emphasize responsible sexual behavior, such as refraining from coercive sexual practices, delaying sexual debut, using safe sexual practices, and respecting the rights of women and girls. Programs such as these are important and necessary components of any strategy to empower women to protect themselves against HIV/AIDS.

Access to microbicides and other female initiated prevention methods is an essential means of preventing infection and lowering

the HIV/AIDS infection rate. The committee expects the Agency to ensure that its programs for women provide access to currently available technologies and others as they become available at an affordable price for women in developing countries.

Sec. 103. HIV/AIDS Response Coordinator

Section 103 establishes the position of HIV/AIDS Response Coordinator, to be appointed by the President with the advice and consent of the Senate, in the Department of State. The Coordinator shall report directly to the Secretary of State and have ambassadorial rank. The Coordinator shall have primary responsibility for the oversight and coordination of all U.S. Government activities to combat the HIV/AIDS pandemic and for pursuing coordination with other countries and international organizations.

The committee believes that coordination of executive branch agencies involved in the fight against HIV/AIDS is essential if the U.S. Government response is to be effective. The Coordinator is to ensure that U.S. Government programs are carried out in a coherent and structured manner and that there is communication between the agencies which contribute to efforts to fight the disease overseas. While it is not the committee's intent that the Coordinator manage or approve individual agency programs, the committee intends that the Coordinator make all final decisions regarding the resolution of disputes among various agencies as to program coordination, policy and funding.

Sec.104. Report on Reversing the Exodus of Critical Talent

This section requires the President to submit a report to Congress within one year of the date of enactment analyzing the out migration of critically important medical and public health personnel from sub-Saharan African countries that are acutely impacted by HIV/AIDS. Included in the report must be a description of incentives and programs that the United States could provide to encourage critical personnel to remain and work in their home countries.

TITLE II—PUBLIC-PRIVATE PARTNERSHIPS

Sec. 201. Sense of Congress on Public-Private Partnerships

This section presents findings on the importance of public-private partnerships in addressing international health crises and expresses the sense of Congress that these partnerships should be a priority of the U.S. strategy to combat HIV/AIDS and other global infectious diseases.

Sec. 202. Participation in the Global Fund to Fight AIDS, Tuberculosis, and Malaria

This section provides the authority for the United States to participate in the Global Fund to Fight Aids, Tuberculosis and Malaria and authorizes appropriations of \$1 billion for FY 03 and \$1.2 billion for FY 04 for contributions to the Fund. It also mandates an annual report on the activities of the Fund.

The committee applauds the establishment of the Global Fund, which will serve as a focal point for the international community's campaign against the three major infectious global diseases—HIV/

AIDS, TB, and malaria. The authorizations in this section reflect the committee's view that the provision of substantial resources to the Fund is and must be a key component of U.S. leadership. Demands on the Fund will no doubt grow as national HIV/AIDS strategies are developed and grant applications increase. The committee would support an increase in U.S. contributions to the Fund above the authorization levels provided in this section to address these demands.

While the committee expects the United States to demonstrate strong support for the Fund and its work, the committee also believes that bilateral U.S. programs to combat AIDS, TB, and malaria should be strengthened and expanded. The committee does not want to see contributions for the Global Fund made at the expense of these bilateral programs. To the contrary, funding for these programs should increase because they are essential components of the U.S. response.

Sec. 203. Voluntary Contributions to International Vaccine Funds

This section authorizes appropriations for Fiscal Years 03 and 04 for the Vaccine Fund, the International AIDS Vaccine Initiative (IAVI), and the Malaria Vaccine Initiative of the Program for Appropriate Technologies in Health (PATH). The Vaccine Fund is authorized at \$60 million for FY 03 and \$70 million for FY 04. IAVI is authorized at \$12 million for FY 03 and \$15 million for FY 04. The Malaria Vaccine Initiative is authorized at \$5 million for FY 03 and \$6 million for FY 04.

It is the intention of the committee that the funding for the Malaria Vaccine Initiative be additional to the funding that USAID currently provides for existing malaria programs, including malaria vaccine programs.

TITLE III—MULTILATERAL EFFORTS

Sec. 301. Improvement of the Enhanced HIPC Initiative

This section proposes deeper international debt cancellation to provide poor countries with financial resources necessary to respond to public health crises, promote human development, and reduce poverty. The Secretary of the Treasury is authorized and encouraged to engage in negotiations with other donor countries, the International Monetary Fund, the World Bank, and other international financial institutions to improve the operation of the Enhanced HIPC Initiative.

Specifically, the debt of HIPC countries would be reduced to a more sustainable level as measured by two criteria: first, net present value of qualified debt not to exceed 150% of the annual value of exports, the standard in the current HIPC Initiative; and second, annual payments on qualified debt not to exceed 10%, or in the case of a country facing a public health crisis, 5% of internal revenues, an additional measure of a country's ability to repay external debt.

In financing the objectives of this section, the international financial institutions shall give priority to using their own resources.

An eligible poor country must ensure that the financial benefits of debt reduction are applied to combating major health crises like AIDS, poverty reduction, human development and to redress envi-

ronmental degradation; to ensure that the financial benefits are in addition to current public health and poverty reduction programs; and to implement good government measures.

Sec 302. Reports on Implementation of Improvements to the Enhanced HIPC Initiative

This section requires the Secretary of the Treasury to report no later than 180 days after the date of enactment on progress toward an agreement to improve the operation of the Enhanced HIPC Initiative. In addition, one year after the submission of that report, the Secretary of the Treasury is required to report on the progress of countries to implement an improved HIPC program.

TITLE IV—BILATERAL EFFORTS

SUBTITLE A—GENERAL ASSISTANCE AND PROGRAMS

Sec. 401. Assistance to Combat HIV/AIDS

This section amends the Foreign Assistance Act of 1961 to strengthen and expand the authorities of USAID to furnish assistance to prevent, treat and monitor HIV/AIDS and to carry out related programs in sub-Saharan Africa and other countries and areas. Specific authorities include the provision of medications to prevent MTCT, assistance to ensure safe blood supplies, research on microbicides, bulk purchases of available prevention technologies for women, treatment of those infected with the HIV virus including the provision of antiretrovirals, and the purchase and distribution of HIV/AIDS pharmaceuticals.

Section 401 authorizes appropriations of \$800 million for FY 03 and \$900 million for FY 04 for HIV/AIDS programs and activities administered by USAID. Reflecting the committee's view that care and treatment programs are fundamental elements of an effective response to the AIDS crisis, the bill authorizes \$100 million of the funds authorized for FY 03 and \$120 million of the funds authorized for FY 04 for the procurement and distribution of HIV/AIDS pharmaceuticals.

Recognizing the urgent public health need to develop new HIV prevention options and the emerging scientific opportunities in the field, the committee is strongly supportive of USAID's microbicides research and development program, and urges USAID's Office of HIV/AIDS, in conjunction with other Agency offices and other appropriate executive branch agencies, to fully implement the Agency's comprehensive strategy to support the development of microbicides, and facilitate wide-scale introduction once these products are available. The bill authorizes \$20 million for FY 03 and \$24 million for FY 04 for microbicide research, reflecting the committee's expectation that USAID will fully fund this program.

Sec 402. Assistance to Combat Tuberculosis

This section amends the Foreign Assistance Act of 1961 to expand the authorities of USAID to provide assistance for the prevention, treatment, control and elimination of tuberculosis. Priority is to be given to activities that increase directly observed treatment shortcourse (DOTS) coverage, including funding for the Global Tuberculosis Drug Facility and the Stop Tuberculosis Partnership.

This section authorizes \$150 million for FY 03 and \$200 million for FY 04 for TB programs.

The committee intends that the increased resources authorized by this section be used to measurably increase the number of patients cured of TB through proven, effective DOTS treatment (and DOTS-plus treatment for multi-drug resistant TB). The committee expects USAID to devote a large majority of the funds to the provision of anti-TB drugs, commodities, direct patient services and health worker training to increase treatment coverage.

Efforts to provide much needed drugs and patient services have been enhanced through the work of the Stop Tuberculosis Partnership, the Global Tuberculosis Drug Facility, and the Global Alliance for Tuberculosis Drug Development. The committee supports the activities of these organizations and encourages the Agency to expand support for each of them, including increased U.S. contributions to the Global Tuberculosis Drug Facility in order to provide high quality, very low-cost TB drugs and help fill the \$53 million anticipated need for drugs through the Facility in 2003, and to the Stop Tuberculosis Partnership.

Sec 403. Assistance to Combat Malaria

This section amends the Foreign Assistance Act of 1961 to add a new section specifically authorizing assistance for the prevention, treatment, control, and elimination of malaria. Section 403 also authorizes appropriations of \$70 million for FY 03 and \$80 million for FY 04 for bilateral programs to combat malaria.

The committee believes that the resurgence of the malaria epidemic, particularly in sub-Saharan Africa and other developing countries, requires an expanded assistance effort by the United States. This effort should include not only assistance for malaria vaccine research, which is authorized in section 203 of the bill, but also support for entities engaging in anti-malarial drug research. Currently, drugs are the only intervention that can treat malaria, but drugs now available may not be effective in 5 to 10 years because the malaria parasite develops resistance to them. Given this situation, the development and bringing to market of new, affordable drugs is critical to control of the malaria epidemic. The Medicines for Malaria Venture (MMV), a public-private partnership founded by the World Health Organization, the World Bank, donor nations and various U.S. charitable foundations, is at the forefront of the effort to develop new malaria drugs. The committee urges USAID to support MMV's work, which holds the promise of closing the treatment gap and reversing the spread of malaria.

Sec. 404. Pilot Program for the Placement of Health Care Professionals in Overseas Areas Severely Affected by HIV/AIDS, Tuberculosis, and Malaria

This section requires the President to establish a program to enable American health care professionals to serve in sub-Saharan Africa and other areas severely affected by HIV/AIDS, tuberculosis, and malaria. Participants in the program must provide basic health care services, training to medical and other personnel in the area in which they are serving, and health care educational training to local residents. The President may offer financial incentives as necessary to encourage participation in the program. Section 404

authorizes appropriations of \$10 million for the program for FY 03 and \$20 million for FY 04.

Sec 405. Department of Defense HIV/AIDS Prevention Assistance Program

The Department of Defense currently has a program to provide prevention counseling and education for sub-Saharan African militaries. Section 405 mandates an expansion of that program to the militaries of other countries severely affected by the AIDS crisis and also to those serving in international peacekeeping operations. Section 405 authorizes appropriations of \$50 million for FY 03 and \$55 million for FY 04 for the expanded program.

Sec 406. Report on Treatment Activities by Relevant Executive Branch Agencies

This section mandates a report to Congress within 15 months after the date of enactment on the programs and activities of USAID, the Centers for Disease Control and Prevention (CDC), and other relevant executive branch agencies to bring treatment to individuals infected with the HIV virus or living with AIDS in foreign countries. Section 406 specifies elements to be included in the report, including efforts to treat opportunistic infections and to provide antiretrovirals.

In the committee's view, treatment is fundamental to a successful strategy to combat AIDS. Access to treatment strengthens the impact of prevention, education and counseling programs and prolongs the lives of those living with HIV/AIDS.

SUBTITLE B—ASSISTANCE FOR CHILDREN AND FAMILIES

Sec . 411. Findings

This section presents findings on the impact of the HIV/AIDS crisis on children and efforts to reduce that impact.

Sec. 412. Policy and Requirements

Section 412 states that the United States Government should place high priority on the prevention of mother-to-child transmission, the care and treatment of family members and care givers, and the care of children orphaned by AIDS. This section also requires that the United States meet or exceed the specific targets set by the Declaration of Commitment on HIV/AIDS to reduce the rate of MTCT, include programs in the U.S. strategy to make testing and treatment available to HIV-positive women and their families, and expand programs for children orphaned by AIDS.

The committee believes that a strong emphasis on preventing MTCT is one of the most important steps that can be taken to stem the tide of the HIV/AIDS pandemic. At the United Nations Special Session on HIV/AIDS, the United States made a commitment to reduce global infections of infants in accordance with the targets agreed to in the Declaration of Commitment on HIV/AIDS, including a 20% reduction in the rate of infection of infants by 2005 and a 50% reduction by 2010. USAID and CDC have skills and experience in preventing MTCT abroad; both are specifically authorized to proceed with rapid scale-up of MTCT programs in resource poor

nations, with an emphasis on meeting the targets set by the United Nations.

Funding is not the only obstacle to preventing MTCT. USAID, working with other appropriate executive branch agencies, should support operational research aimed at improving the success of these programs by increasing the number of pregnant women who participate and the number of women and infants who receive a drug intervention to prevent HIV infection of the infant.

Rapid expansion of MTCT activities by USAID and other U.S. Government agencies should include close cooperation with the governments of resource poor nations, non-governmental organizations, and international entities such as UNICEF, WHO, UNAIDS and the Global Fund to Fight AIDS, Tuberculosis and Malaria. Nationwide scale up of MTCT prevention programs should focus on a select number of nations prepared to undertake this step.

Efforts to prevent MTCT can serve as a basis to provide expanded care and treatment services to mothers and families living with HIV/ AIDS. The committee supports the expansion of MTCT to MTCT plus programs and urges USAID to expand the availability of care and treatment services for family members at MTCT prevention sites that are well established and ready to take the next step forward.

While it is particularly important to have programs to prevent MTCT in sub-Saharan Africa, where in some nations more than one-third of pregnant mothers are HIV-positive, the committee believes that USAID, working with CDC, should begin to initiate MTCT prevention programs in other countries and regions where the HIV infection rates are growing.

Sec. 413. Annual Reports on the Prevention of Mother-to-Child Transmission of the HIV Infection

This section mandates a report, the first to be submitted within 270 days after the date of enactment and annually thereafter for the next eight years, on the activities of relevant U.S. Government agencies to assist in the prevention of mother-to-child transmission of the HIV infection. Section 413 lists specific elements to be included in the report.

Sec. 414. Pilot Program of Assistance for Children and Families Affected by HIV/AIDS

This section directs the Administrator of USAID to establish a new program of assistance for the care and treatment of orphans and other children and young people affected by the global AIDS crisis. The program must build upon and be integrated into programs currently administered by the Agency for children affected by HIV/AIDS. It must also meet other requirements set forth by the section. Section 414 authorizes appropriations of \$15 million for FY 03 and \$30 million for FY 04 for the new program.

TITLE V—BUSINESS PRINCIPLES

Sec. 501. Principles for United States Firms Operating in Countries Affected by the HIV/AIDS Pandemic

This section presents findings on the impact of the HIV/AIDS pandemic in the workplace and expresses the sense of Congress that U.S. firms operating in countries affected by the pandemic can make significant contributions to the U.S. response to the pandemic through the voluntary adoption of certain principles and practices.

Section 501 lays out ten principles and practices dealing with a range of workplace issues including discrimination and stigmatization, compulsory HIV/AIDS testing, confidentiality, work tenure and separation policies, the development of HIV/AIDS programs and policies for the workplace, and access to treatment.

VIII. COST ESTIMATE

UNITED STATES CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 24, 2002.

Honorable JOSEPH R. BIDEN, JR., *Chairman*
Committee on Foreign Relations,
United States Senate,
Washington, DC.

DEAR MR. CHAIRMAN:

The Congressional Budget Office has prepared the enclosed cost estimate for S. 2525, the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Joseph C. Whitehill.

Sincerely,

BARRY B. ANDERSON
(for Dan L. Crippen).

Enclosure.

S. 2525—UNITED STATES LEADERSHIP AGAINST HIV/AIDS,
TUBERCULOSIS, AND MALARIA ACT OF 2002

Summary

S. 2525 would require the President to develop a comprehensive strategy for the prevention, treatment, and monitoring of acquired immune deficiency syndrome (AIDS) caused by the human immunodeficiency virus (HIV) and would authorize appropriations in 2003 and 2004 to fund those efforts. Specifically, the bill would authorize appropriations for contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria and to various international vaccine funds. It would authorize funding for bilateral assistance programs to prevent, treat, and monitor HIV/AIDS, tuberculosis, and malaria and for assistance to the families and children of persons affected by those diseases. Assuming appropriation of the authorized amounts, CBO estimates implementing S. 2525 would cost \$256 million in 2003 and almost \$4.5 billion over the 2003-2007 pe-

riod. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 2525 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government

The estimated budgetary impact of S. 2525 is shown in Table 1. The estimate assumes that the bill will be enacted by September 30, 2002, and the authorized amounts will be appropriated each year. The costs of this legislation fall within budget functions 150 (international affairs) and 050 (defense).

TABLE 1.—BUDGETARY IMPACT OF S. 2525

[By fiscal year, in millions of dollars]

	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for HIV/AIDS and other Infectious Diseases:						
Budget Authority ¹	785	0	0	0	0	0
Estimated Outlays	646	461	170	79	37	17
Proposed Changes:						
Authorization Level	0	2,172	2,576	0	0	0
Estimated Outlays	0	256	1,478	1,789	655	303
Spending Under S. 2525 for HIV/AIDS and other Infectious Diseases:						
Authorization Level ¹	735	2,172	2,576	0	0	0
Estimated Outlays	646	717	1,648	1,868	692	320

¹ The 2002 level is the amount appropriated for that year.

Basis of Estimate

S. 2525 would identify three diseases—HIV/AIDS, tuberculosis, and malaria—as being of particular concern to the United States and would require the President to develop a comprehensive strategy to combat these diseases on a global basis. It would establish the position of Coordinator of U.S. Government Activities to Combat HIV/AIDS with the responsibility to oversee and to coordinate U.S. programs with those of other countries and international organizations. The bill would require numerous reports to the Congress, and it would permit a portion of the authorized amounts to be used for administrative expenses.

Table 2 shows the amounts specifically authorized by the bill. CBO estimates that spending for bilateral assistance programs and for contributions to the international vaccine funds will follow historical patterns for similar programs. The Global Fund to Fight AIDS, Tuberculosis, and Malaria is just starting operations, having approved its first grants in April 2002. CBO estimates that disbursements to the fund will proceed relatively slowly with disbursements tied to the fund's payments to grant recipients to preclude the fund from building up idle cash balances.

TABLE 2.—SPECIFIC AUTHORIZATIONS IN S. 2525

[By fiscal year, in millions of dollars]

	2003	2004
Contribution to the Goba Fund to Fight Aids, Tuberculosis, and Malaria	\$1,000	\$1,200
Contributions to International Vaccine Funds:		
Global Alliance for Vaccines and Immunizations	60	70
AIDS Vaccine Initiatives	12	15
Malaria Vaccine Initiative	5	6
Bilateral Assistance Programs:		
Assistance to Combat HIV/AIDS	800	900
Assistance to Combat Tuberculosis	150	200
Assistance to Combat Malaria	70	80
Department of Defense HIV/AIDS Prevention Assistance	50	55
Pilot Program to Place Health Professionals Overseas	10	20
Pilot Programs to Assist Children and Families	15	30
Total Authorization Level	\$2,172	\$2,576

Title III would urge the Secretary of the Treasury to negotiate an agreement with other bilateral and multilateral creditors to provide debt relief to highly indebted poor countries (HIPC) on terms more generous than the enhanced HIPC initiative agreed to in 1999. The cost of this more generous debt relief would be borne by other creditors because current law only authorizes the United States to cancel its bilateral debt to HIPC countries. The bill would not authorize funds for any United States' contribution to multilateral, creditors for the cost of debt reduction that the U.S. government would be asking them to bear. CBO has no basis for estimating whether or not such negotiations would be successfully concluded.

Pay-as-you-go considerations

None.

Intergovernmental and private-sector impact

S. 2525 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on the budgets of state, local, or tribal governments.

Estimate prepared by

Federal Costs: Joseph C. Whitehill. Impact on state, local, and tribal governments: Greg Waring. Impact on the private sector: Paige Piper/Bach.

Estimate approved by

Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

IX. EVALUATION OF REGULATORY IMPACT

In accordance with rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has concluded that there is no regulatory impact from this legislation.

X. CHANGES IN EXISTING LAW

In compliance with Rule XXVI, paragraph 12 of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

Foreign Assistance Act of 1961

PART I

CHAPTER 1—POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATIONS

* * * * *

SEC. 104.—POPULATION AND HEALTH.

* * * * *

(c) ASSISTANCE FOR HEALTH AND DISEASE PREVENTION.—(1) In order to contribute to improvements in the health of the greatest number of poor people in developing countries, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for health programs. Assistance under this subsection shall be used primarily for basic integrated health services, safe water and sanitation, disease prevention and control, and related health planning and research. The assistance shall emphasize self-sustaining community-based health programs by means such as training of health auxiliary and other appropriate personnel, support for the establishment and evaluation of projects that can be replicated on a broader scale, measures to improve management of health programs, and other services and suppliers to support health and disease prevention programs.

(2) (A) In carrying out the purposes of this subsection, the President shall promote, encourage, and undertake activities designed to deal directly with the special health needs of children and mothers. Such activities should utilize simple, available technologies which can significantly reduce childhood mortality, such as improved and expanded immunization programs, oral rehydration to combat diarrhoeal diseases, and education programs aimed at improving nutrition and sanitation and at promoting child spacing. In carrying out this paragraph, guidance shall be sought from knowledgeable health professionals from outside the agency primarily responsible for administering this part. In addition to government-to-government programs, activities pursuant to this paragraph should include support for appropriate activities of the types described in this paragraph which are carried out by international organizations (which may include international organizations receiving funds under chapter 3 of this part) and by private and voluntary organizations, and should include encouragement to other donors to support such types of activities.

(B) In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the President \$25,000,000 for fiscal year 1986 and \$75,000,000 for fiscal year 1987 for use in carrying out this paragraph. Amounts appropriated under this subparagraph are authorized to remain available until expended.

(C) Appropriations pursuant to subparagraph (B) may be referred to as the “Child Survival Fund.”

(3) The Congress recognizes that the promotion of primary health care is a major objective of the foreign assistance program. The Congress further recognizes that simple, relatively low-cost means already exist to reduce incidence of communicable diseases among children, mothers, and infants. The promotion of vaccines for immunization, and salts for oral rehydration, therefore, is an essential feature of the health assistance program. To this end, the Congress expects the agency primarily responsible for administering this part to set as a goal the protection of not less than 80 percent of all children, in those countries in which such agency has established development programs, from immunizable diseases by January 1, 1991. Of the aggregate amounts made available for fiscal year 1987 to carry out paragraph (2) of this subsection (relating to the Child Survival Fund) and to carry out subsection (c) (relating to development assistance for health), \$50,000,000 shall be used to carry out this paragraph.

[(4) (A) Congress recognizes the growing international dilemma of children with the human immunodeficiency virus (HIV) and the merits of intervention programs aimed at this problem. Congress further recognizes that mother-to-child transmission prevention strategies can serve as a major force for change in developing regions, and it is, therefore, a major objective of the foreign assistance program to control the acquired immune deficiency syndrome (AIDS) epidemic.

[(B) The agency primarily responsible for administering this part shall—

[(i) coordinate with UNAIDS, UNICEF, WHO, national and local governments, and other organizations to develop and implement effective strategies to prevent vertical transmission of HIV; and

[(ii) coordinate with those organizations to increase intervention programs and introduce voluntary counseling and testing, antiretroviral drugs, replacement feeding, and other strategies.

[(5) (A) Congress expects the agency primarily responsible for administering this part to make the human immunodeficiency virus (HIV) and the acquired immune deficiency syndrome (AIDS) a priority in the foreign assistance program and to undertake a comprehensive, coordinated effort to combat HIV and AIDS.

[(B) Assistance described in subparagraph (A) shall include help providing—

[(i) primary prevention and education;

[(ii) voluntary testing and counseling;

[(iii) medications to prevent the transmission of HIV from mother to child; and

[(iv) care for those living with HIV or AIDS.

[(6) (A) In addition to amounts otherwise available for such purpose, there is authorized to be appropriated to the President \$300,000,000 for each of the fiscal years 2001 and 2002 to carry out paragraphs (4) and (5).

[(B) Of the funds authorized to be appropriated under subparagraph (A), not less than 65 percent is authorized to be available through United States and foreign nongovernmental organizations, including private and voluntary organizations, for-profit organiza-

tions, religious affiliated organizations, educational institutions, and research facilities.

[(C)(i) Of the funds authorized to be appropriated by subparagraph (A), not less than 20 percent is authorized to be available for programs as part of a multidonor strategy to address the support and education of orphans in sub-Saharan Africa, including AIDS orphans.

[(ii) Assistance made available under this subsection, and assistance made available under chapter 4 of part II to carry out the purposes of this subsection, may be made available notwithstanding any other provision of law that restricts assistance to foreign countries.

[(D) Of the funds authorized to be appropriated under subparagraph (A), not less than 8.3 percent is authorized to be available to carry out the prevention strategies for vertical transmission referred to in paragraph (4)(A).

[(E) Of the funds authorized to be appropriated by subparagraph (A), not more than 7 percent may be used for the administrative expenses of the agency primarily responsible for carrying out this part of this Act in support of activities described in paragraphs (4) and (5).

[(F) Funds appropriated under this paragraph are authorized to remain available until expended.

[(7) (A) Congress recognizes the growing international problem of tuberculosis and the impact its continued existence has on those nations that had previously largely controlled the disease. Congress further recognizes that the means exist to control and treat tuberculosis, and that it is therefore a major objective of the foreign assistance program to control the disease. To this end, Congress expects the agency primarily responsible for administering this part)—

[(i) to coordinate with the World Health Organization, the Centers for Disease Control, the National Institutes of Health, and other organizations toward the development and implementation of a comprehensive tuberculosis control program; and

[(ii) to set as a goal the detection of at least 70 percent of the cases of infectious tuberculosis, and the cure of at least 85 percent of the cases detected, in those countries in which the agency has established development programs, by December 31, 2010.

[(B) There is authorized to be appropriated to the President, \$60,000,000 for each of the fiscal years 2001 and 2002 to be used to carry out this paragraph. Funds appropriated under this subparagraph are authorized to remain available until expended.】

(4) RELATIONSHIP TO OTHER LAWS.—Assistance made available under this subsection and sections 104A, 104B, and 104C, and assistance made available under chapter 4 of part II to carry out the purposes of this subsection and such other sections of this Act, may be made available in accordance with this subsection and such other provisions of this Act notwithstanding any other provision of law.

(d) INTEGRATION OF ASSISTANCE PROGRAMS.—

* * * * *

SEC. 104A. ASSISTANCE TO COMBAT HIV/AIDS.

(a) *FINDING.*—Congress recognizes that the alarming spread of HIV/AIDS in countries in sub-Saharan Africa and other developing countries is a major global health, national security, and humanitarian crisis.

(b) *POLICY.*—It is a major objective of the foreign assistance program of the United States to provide assistance for the prevention, treatment, and control of HIV/AIDS. The United States and other developed countries should provide assistance to countries in sub-Saharan Africa and other countries and areas to control this crisis through HIV/AIDS prevention, treatment, monitoring, and related activities, particularly activities focused on women and youth, including strategies to prevent mother-to-child transmission of the HIV infection.

(c) *AUTHORIZATION.*—

(1) *IN GENERAL.*—Consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, to prevent, treat, and monitor HIV/AIDS, and carry out related activities, in countries in sub-Saharan Africa and other countries and areas.

(2) *ROLE OF NGOS.*—It is the sense of Congress that the President should provide an appropriate level of assistance under paragraph (1) through nongovernmental organizations in countries in sub-Saharan Africa and other countries and areas affected by the HIV/AIDS pandemic.

(3) *COORDINATION OF ASSISTANCE EFFORTS.*—The President shall coordinate the provision of assistance under paragraph (1) with the provision of related assistance by the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the United Nations Development Programme (UNDP), the Global Fund to Fight AIDS, Tuberculosis and Malaria and other appropriate international organizations (such as the International Bank for Reconstruction and Development), relevant regional multilateral development institutions, national, state, and local governments of foreign countries, appropriate governmental and nongovernmental organizations, and relevant Executive branch agencies.

(d) *ACTIVITIES SUPPORTED.*—Assistance provided under subsection (c) shall, to the maximum extent practicable, be used to carry out the following activities:

(1) *PREVENTION.*—Prevention of HIV/AIDS through activities including—

(A) education, voluntary testing, and counseling (including the incorporation of confidentiality protections with respect to such testing and counseling), including integration of such programs into health programs and the inclusion in counseling programs of information on methods of preventing transmission of the HIV infection, including delaying sexual debut, abstinence, reduction of casual sexual partnering, and, where appropriate, the use of condoms;

(B) assistance for the purpose of preventing mother-to-child transmission of the HIV infection, including medications to prevent such transmission and access to infant formula and other alternatives for infant feeding;

- (C) assistance to ensure a safe blood supply, to provide—
 - (i) post-exposure prophylaxis to victims of rape and sexual assault and in cases of occupational exposure of health care workers; and
 - (ii) necessary commodities, including test kits, pharmaceuticals, and condoms;

(D) assistance through nongovernmental organizations, including faith-based organizations, particularly those organizations that utilize both professionals and volunteers with appropriate skills and experience, to establish and implement culturally appropriate HIV/AIDS education and prevention programs;

(E) research on microbicides which prevent the spread of HIV/AIDS; and

(F) bulk purchases of available prevention technologies for women and for appropriate program support for the introduction and distribution of these technologies, as well as education and training on the use of the technologies.

(2) *TREATMENT.*—The treatment and care of individuals with HIV/AIDS, including—

(A) assistance to establish and implement programs to strengthen and broaden indigenous health care delivery systems and the capacity of such systems to deliver HIV/AIDS pharmaceuticals and otherwise provide for the treatment of individuals with HIV/AIDS, including clinical training for indigenous organizations and health care providers;

(B) assistance to strengthen and expand hospice and palliative care programs to assist patients debilitated by HIV/AIDS, their families, and the primary caregivers of such patients, including programs that utilize faith-based and community-based organizations; and

(C) assistance for the purpose of the care and treatment of individuals with HIV/AIDS through the provision of pharmaceuticals, including antiretrovirals and other pharmaceuticals and therapies for the treatment of opportunistic infections, nutritional support, and other treatment modalities.

(3) *MONITORING.*—The monitoring of programs, projects, and activities carried out pursuant to paragraphs (1) and (2), including—

(A) monitoring to ensure that adequate controls are established and implemented to provide HIV/AIDS pharmaceuticals and other appropriate medicines to poor individuals with HIV/AIDS; and

(B) appropriate evaluation and surveillance activities.

(4) *PHARMACEUTICALS.*—

(A) *PROCUREMENT.*—The procurement of HIV/AIDS pharmaceuticals, antiviral therapies, and other appropriate medicines, including medicines to treat opportunistic infections.

(B) *MECHANISMS FOR QUALITY CONTROL AND SUSTAINABLE SUPPLY.*—Mechanisms to ensure that such HIV/AIDS pharmaceuticals, antiretroviral therapies, and other appro-

priate medicines are quality-controlled and sustainably supplied.

(C) *DISTRIBUTION.*—The distribution of such HIV/AIDS pharmaceuticals, antiviral therapies, and other appropriate medicines (including medicines to treat opportunistic infections) to qualified national, regional, or local organizations for the treatment of individuals with HIV/AIDS in accordance with appropriate HIV/AIDS testing and monitoring requirements and treatment protocols and for the prevention of mother-to-child transmission of the HIV infection.

(5) *RELATED ACTIVITIES.*—The conduct of related activities, including—

(A) the care and support of children who are orphaned by the HIV/AIDS pandemic, including services designed to care for orphaned children in a family environment which rely on extended family members;

(B) improved infrastructure and institutional capacity to develop and manage education, prevention, and treatment programs, including training and the resources to collect and maintain accurate HIV surveillance data to target programs and measure the effectiveness of interventions;

(C) vaccine research and development partnership programs with specific plans of action to develop a safe, effective, accessible, preventive HIV vaccine for use throughout the world; and

(D) the development and expansion of financially sustainable microfinance institutions and other income generation programs that strengthen the economic and social viability of communities afflicted by the HIV/AIDS pandemic, including support for the savings and productive capacity of affected poor households caring for orphans.

(e) *ANNUAL REPORT.*—

(1) *IN GENERAL.*—Not later than January 31 of each year, the President shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report on the implementation of this section for the prior fiscal year.

(2) *REPORT ELEMENTS.*—Each report shall include—

(A) a description of efforts made to implement the policies set forth in this section;

(B) a description of the programs established pursuant to this section; and

(C) a detailed assessment of the impact of programs established pursuant to this section, including—

(i) the effectiveness of such programs in reducing the spread of the HIV infection, particularly in women and girls, in reducing mother-to-child transmission of the HIV infection, and in reducing mortality rates from HIV/AIDS; and

(ii) the progress made toward improving health care delivery systems (including the training of adequate numbers of staff) and infrastructure to ensure increased access to care and treatment.

(f) *FUNDING LIMITATION.*—Of the funds made available to carry out this section in any fiscal year, not more than 7 percent may be

used for the administrative expenses of the United States Agency for International Development in support of activities described in this section. Such amount shall be in addition to other amounts otherwise available for such purposes.

(g) **DEFINITIONS.**—In this section:

(1) **AIDS.**—The term “AIDS” means acquired immune deficiency syndrome.

(2) **HIV.**—The term “HIV” means the human immunodeficiency virus, the pathogen that causes AIDS.

(3) **HIV/AIDS.**—The term “HIV/AIDS” means, with respect to an individual, an individual who is infected with HIV or living with AIDS.

SEC. 104B. ASSISTANCE TO COMBAT TUBERCULOSIS.

(a) **FINDINGS.**—Congress makes the following findings:

(1) Congress recognizes the growing international problem of tuberculosis and the impact its continued existence has on those countries that had previously largely controlled the disease.

(2) Congress further recognizes that the means exist to control and treat tuberculosis through expanded use of the DOTS (Directly Observed Treatment Short-course) treatment strategy and adequate investment in newly created mechanisms to increase access to treatment, including the Global Tuberculosis Drug Facility established in 2001 pursuant to the Amsterdam Declaration to Stop TB.

(b) **POLICY.**—It is a major objective of the foreign assistance program of the United States to control tuberculosis, including the detection of at least 70 percent of the cases of infectious tuberculosis, and the cure of at least 85 percent of the cases detected, not later than December 31, 2005, in those countries classified by the World Health Organization as among the highest tuberculosis burden, and not later than December 31, 2010, in all countries in which the United States Agency for International Development has established development programs.

(c) **AUTHORIZATION.**—To carry out this section and consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, for the prevention, treatment, control, and elimination of tuberculosis.

(d) **COORDINATION.**—In carrying out this section, the President shall coordinate with the World Health Organization, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the Department of Health and Human Services (including the Centers for Disease Control and Prevention and the National Institutes of Health), and other organizations with respect to the development and implementation of a comprehensive tuberculosis control program.

(e) **ANNUAL REPORT.**—Not later than January 31 of each year, the President shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives specifying the increases in the number of people treated and the increases in number of tuberculosis patients cured through each program, project, or activity receiving United States foreign assistance for tuberculosis control purposes.

(f) **PRIORITY TO DOTS COVERAGE.**—In furnishing assistance under subsection (c), the President shall give priority to activities that increase directly observed treatment shortcourse (DOTS) cov-

erage, including funding for the Global Tuberculosis Drug Facility and the Stop Tuberculosis Partnership.

(g) **DEFINITIONS.**—In this section:

(1) **DOTS.**—The term “DOTS” or “Directly Observed Treatment Short-course” means the World Health Organization-recommended strategy for treating tuberculosis.

(2) **GLOBAL TUBERCULOSIS DRUG FACILITY.**—The term “Global Tuberculosis Drug Facility (GDF)” means the new initiative of the Stop Tuberculosis Partnership to increase access to high-quality tuberculosis drugs to facilitate DOTS expansion.

(3) **STOP TUBERCULOSIS PARTNERSHIP.**—The term “Stop Tuberculosis Partnership” means the partnership of the World Health Organization, donors including the United States, high tuberculosis burden countries, multilateral agencies, and non-governmental and technical agencies committed to short- and long-term measures required to control and eventually eliminate tuberculosis as a public health problem in the world.

SEC. 104C. ASSISTANCE TO COMBAT MALARIA.

(a) **FINDING.**—Congress finds that malaria kills more people annually than any other communicable disease except tuberculosis, that more than 90 percent of all malaria cases are in sub-Saharan Africa, and that children and women are particularly at risk. Congress recognizes that there are cost-effective tools to decrease the spread of malaria and that malaria is a curable disease if promptly diagnosed and adequately treated.

(b) **POLICY.**—It is a major objective of the foreign assistance program of the United States to provide assistance for the prevention, control, and cure of malaria.

(c) **AUTHORIZATION.**—To carry out this section and consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, for the prevention, treatment, control, and elimination of malaria.

(d) **COORDINATION.**—In carrying out this section, the President shall coordinate with the World Health Organization, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the Department of Health and Human Services (the Centers for Disease Control and Prevention and the National Institutes of Health), and other organizations with respect to the development and implementation of a comprehensive malaria control program.

(e) **ANNUAL REPORT.**—Not later than January 31 of each year, the President shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives specifying the increases in the number of people treated and the increases in number of malaria patients cured through each program, project, or activity receiving United States foreign assistance for malaria control purposes.

* * * * *

SEC. 302. AUTHORIZATION.—

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(k) In addition to amounts otherwise available under this section, there is authorized to be appropriated to the President **[\$50,000,000 for each of the fiscal years 2001 and 2002]** \$60,000,000 for the fiscal year 2003 and \$70,000,000 for the fiscal

year 2004 to be available only for United States contributions to the [Global Alliance for Vaccines and Immunizations] Vaccine Fund.

(l) In addition to amounts otherwise available under this section, there is authorized to be appropriated to the President [\$10,000,000 for each of the fiscal years 2001 and 2002] \$12,000,000 for the fiscal year 2003 and \$15,000,000 for the fiscal year 2004 to be available only for United States contributions to the International AIDS Vaccine Initiative.

(m) In addition to amounts otherwise available under this section, there are authorized to be appropriated to the President \$5,000,000 for the fiscal year 2003 and \$6,000,000 for the fiscal year 2004 to be available only for United States contributions to the Malaria Vaccine Initiative of the Program for Appropriate Technologies in Health (PATH).

State Department Basic Authorities Act of 1956

TITLE 1—BASIC AUTHORITIES GENERALLY

ORGANIZATION OF THE DEPARTMENT OF STATE

SECTION 1. (a) SECRETARY OF STATE.—

* * * * *

(f) HIV/AIDS RESPONSE COORDINATOR.—

(1) *IN GENERAL.*—There shall be within the Department of State a Coordinator of United States Government Activities to Combat HIV/AIDS Globally, who shall be appointed by the President, by and with the advice and consent of the Senate. The Coordinator shall report directly to the Secretary of State and shall have the rank and status of ambassador.

(2) *DUTIES.*—(A) The Coordinator shall have primary responsibility for the oversight and coordination of all activities of the United States Government to combat the international HIV/AIDS pandemic, including all programs, projects, and activities of the United States Government under this Act or any amendment made by this Act.

(B) The duties of the Coordinator shall specifically include the following:

(i) Ensuring program and policy coordination among the relevant Executive branch agencies.

(ii) Ensuring that each relevant Executive branch agency undertakes programs primarily in those areas where the agency has the greatest expertise, technical capabilities, and potential for success.

(iii) Avoiding duplication of effort.

(iv) Enhancing onsite coordination.

(v) Pursuing coordination with other countries and international organizations.

(vi) Resolving policy, program, and funding disputes among the relevant Executive branch agencies.

International Financial Institutions Act

* * * * *

TITLE XVI—HUMAN WELFARE

* * * * *

SEC. 1624. REFORM OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY

* * * * *

SEC. 1625. IMPROVEMENT OF THE ENHANCED HIPC INITIATIVE.

(a) *AUTHORITY.*—In order to ensure that the Enhanced HIPC Initiative achieves the objective of substantially increasing resources available for human development and poverty reduction in heavily indebted poor countries, the Secretary of the Treasury is authorized and requested to conclude as soon as possible an agreement within the Paris Club of Official Creditors, as well as the International Bank for Reconstruction and Development (World Bank), the International Monetary Fund, and other appropriate multilateral development institutions to accomplish the modifications in the Enhanced HIPC Initiative described in subsection (b).

(b) *AGREEMENT.*—The agreement referred to in subsection (a) is an agreement that provides the following:

(1) *LEVEL OF EXPORTS AND REVENUES.*—

(A) *IN GENERAL.*—The amount of debt stock reduction approved for a country eligible for debt relief under the Enhanced HIPC Initiative shall be sufficient to reduce, for at least each of the first 3 years after the Decision Point—

(i) the net present value of the outstanding public and publicly guaranteed debt of the country to not more than 150 percent of the annual value of exports of the country for the year preceding the Decision Point; and

(ii) the annual payments due on such public and publicly guaranteed debt to not more than 10 percent or, in the case of a country suffering a public health crisis (as defined in subsection (c)), not more than 5 percent, of the amount of the annual current revenues received by the country from internal sources.

(B) *LIMITATION.*—In financing the objectives of the Enhanced HIPC Initiative, an international financial institution shall give priority to using its own resources.

(2) *RELATION TO POVERTY AND THE ENVIRONMENT.*—The debt cancellation under the Enhanced HIPC Initiative shall not be conditioned on any agreement by an impoverished country to implement or comply with policies that deepen poverty or degrade the environment, including any policy that—

(A) implements or extends user fees on primary education or primary health care, including prevention and treatment efforts for HIV/AIDS, tuberculosis, malaria, and infant, child, and maternal well-being;

(B) provides for increased cost recovery from poor people to finance basic public services such as education, health care, clean water, or sanitation;

(C) reduces the country's minimum wage to a level of less than \$2 per day or undermines workers' ability to exercise effectively their internationally recognized worker rights, as defined under section 526(e) of the Foreign Operations, Ex-

port *Financing and Related Programs Appropriations Act, 1995* (22 U.S.C. 262p-4p); or

(D) promotes unsustainable extraction of resources or results in reduced budget support for environmental programs.

(3) *FOREIGN GOVERNMENT POLICIES.*—A country shall not be eligible for cancellation of debt under the *Enhanced HIPC Initiative* if the government of the country—

(A) has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 6(j)(1) of the *Export Administration Act of 1979* (50 U.S.C. App. 2405(j)(1)) or section 620A(a) of the *Foreign Assistance Act of 1961* (22 U.S.C. 2371(a)); and

(B) engages in a consistent pattern of gross violations of internationally recognized human rights (including its military or other security forces).

(4) *PROGRAMS TO COMBAT HIV/AIDS, TUBERCULOSIS, AND MALARIA.*—A country that is otherwise eligible to receive cancellation of debt under the *Enhanced HIPC Initiative* may receive such cancellation only if the country has agreed—

(A) in the case of a country suffering a public health crisis (as defined in subsection (c)), to ensure that, where practicable, 10 to 20 percent of the financial benefits of debt cancellation are applied to programs to combat HIV/AIDS, tuberculosis, and malaria in that country;

(B) to ensure that the financial benefits of debt cancellation are applied to programs to combat poverty (in particular through concrete measures to improve basic services in education, nutrition, and health), and to redress environmental degradation;

(C) to ensure that the financial benefits of debt cancellation are in addition to the government's total spending on programs to combat HIV/AIDS and poverty reduction for the previous year or the average total of such expenditures for the previous 3 years, whichever is greater;

(D) to implement transparent and participatory policy-making and budget procedures, good governance, and effective anticorruption measures; and

(E) to broaden public participation and popular understanding of the principles and goals of poverty reduction.

(c) *DEFINITIONS.*—In this section:

(1) *COUNTRY SUFFERING A PUBLIC HEALTH CRISIS.*—The term “country suffering a public health crisis” means—

(A) a country in which HIV/AIDS, tuberculosis, or malaria is causing significant family, community, or societal disruption; and

(B) a country that has rapidly rising rates of incidence of at least one of such diseases that is likely to lead to conditions described in subparagraph (A).

(2) *DECISION POINT.*—The term “Decision Point” means the date on which the executive boards of the World Bank and the International Monetary Fund review the debt sustainability analysis for a country and determine that the country is eligible for debt relief under the *Enhanced HIPC Initiative*.

(3) *ENHANCED HIPC INITIATIVE.*—The term “Enhanced HIPC Initiative” means the multilateral debt initiative for heavily indebted poor countries presented in the Report of G-7 Finance Ministers on the Cologne Debt Initiative to the Cologne Economic Summit, Cologne, June 18–20, 1999.

