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The Impact of the U.S. Foreign Aid Freeze: An Urgent Call For Action

How the PEPFAR Freeze Threatens Decades of Progress in HIV Diagnostics and Care

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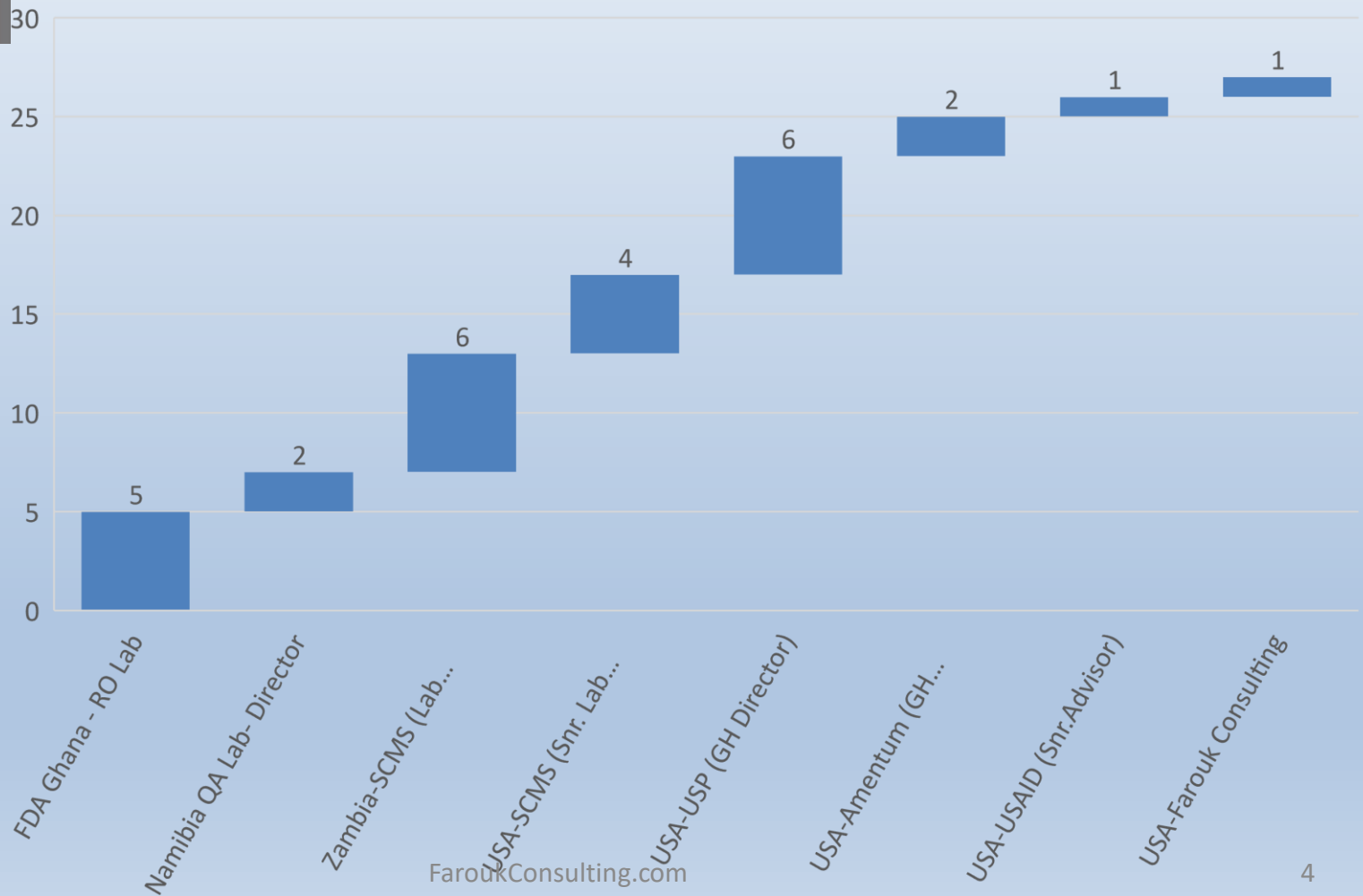
Agenda

- Introduction
- Background and progress of PEPFAR
- PEPFAR's Achievement in African Laboratory Landscape
- Ricks and Impact of Executive Order 14196 – Foreign Aid Freeze
- Call To Action!



About Me

My Career Journey; 2000 – 2025 (Yrs.)



PEPFAR BACKGROUND - 1

Congressional appropriation

Table 1

PEPFAR Legislation

Full Title	Authorization Level	Public Law #	Years
United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 "The Leadership Act"	\$15 billion	P.L. 108-25	FY04-FY08
Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008 "The Lantos-Hyde Act"	\$48 billion	P.L. 110-293	FY09- FY13
PEPFAR Stewardship and Oversight Act of 2013 "The PEPFAR Stewardship Act"	Did not specify authorization for funding*	P.L. 113-56	FY14- FY18
PEPFAR Extension Act of 2018 "The PEPFAR Extension Act"	Did not specify authorization for funding*	P.L. 115-305	FY19-FY23
Department of State, Foreign Operations, and Related Programs Appropriations Act, 2024 "Extension of Certain Requirements of PEPFAR"	Did not specify authorization for funding*	P.L. 118-47	FY24 - March 25 of FY25 (March 25, 2025)

Note: * Congress effectively authorizes funding when it appropriates funding for a purpose. See the KFF brief on PEPFAR Reauthorization: Side-by-Side of Legislation Over Time

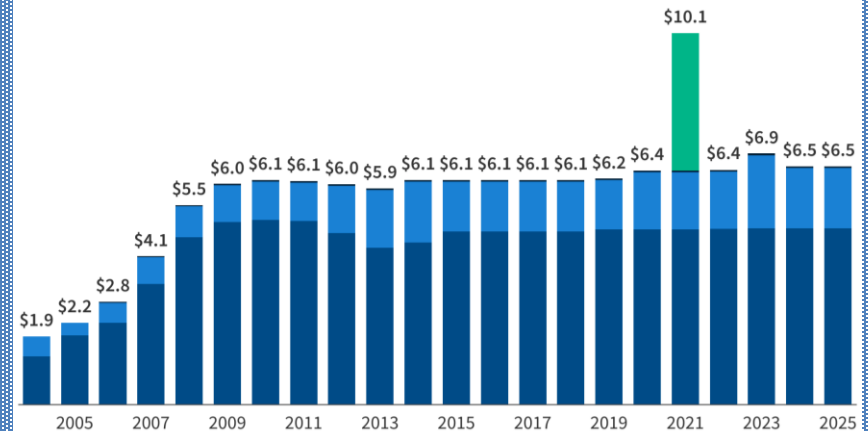
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Annual allocation – BL & ML

U.S. Funding for the President's Emergency Plan for AIDS Relief (PEPFAR), FY 2004 - FY 2025

(In Billions)

■ Bilateral HIV ■ Global Fund ■ UNAIDS ■ Emergency Funding



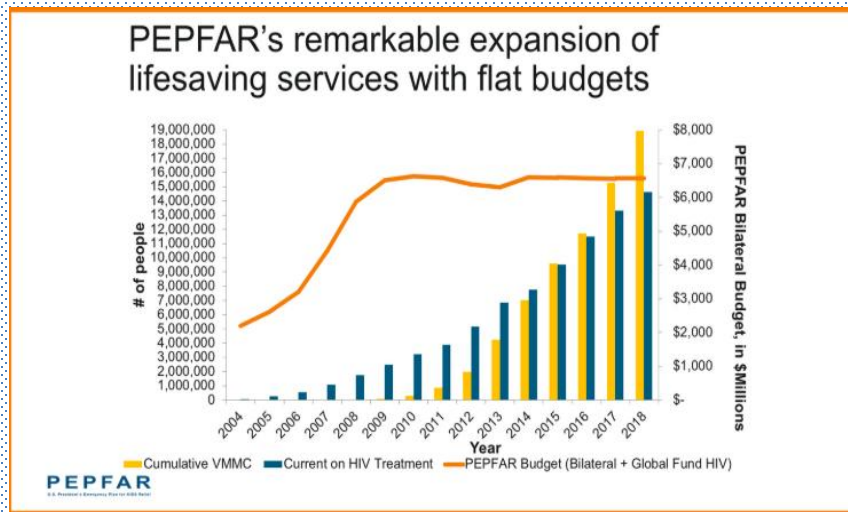
Note: PEPFAR was created in 2003 and funding began in FY04. PEPFAR includes funding for bilateral HIV, UNAIDS, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. Bilateral HIV includes funding through State/OGAC, USAID, CDC, and DoD. Global Fund includes contributions provided through the State Department, USAID, and NIH. FY13 includes the effects of sequestration. FY21 includes emergency funding specified in the "American Rescue Plan Act of 2021" (P.L. 117-2). FY25 is based on funding provided in the "Full-Year Continuing Appropriations and Extensions Act, 2025" (P.L. 119-4) and is a preliminary estimate. Some funding for HIV programs through the Economic Support Fund (ESF) account at USAID is not yet known for FY23- FY25 and is assumed to remain at prior year levels.

Source: KFF analysis of data from the Office of Management and Budget, Agency Congressional Budget Justifications, Congressional Appropriations Bills, and U.S. Foreign Assistance Dashboard [website], available at: www.foreignassistance.gov.

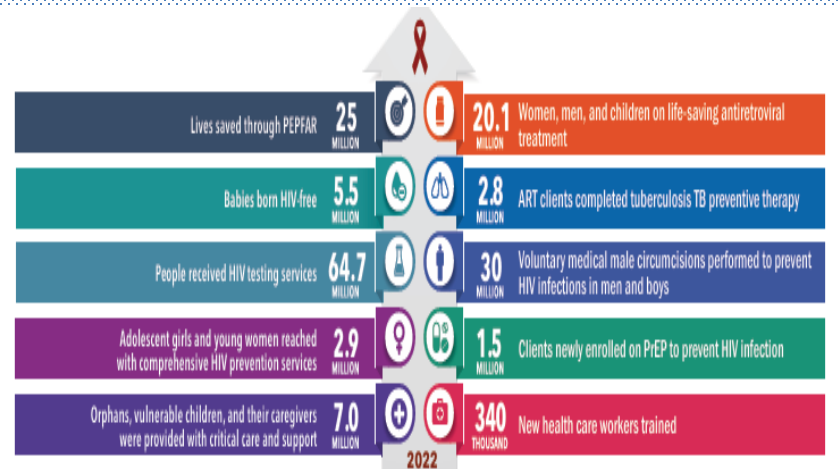
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PEPFAR BACKGROUND - 2

PEPFAR annual expansion



PEPFAR by the numbers

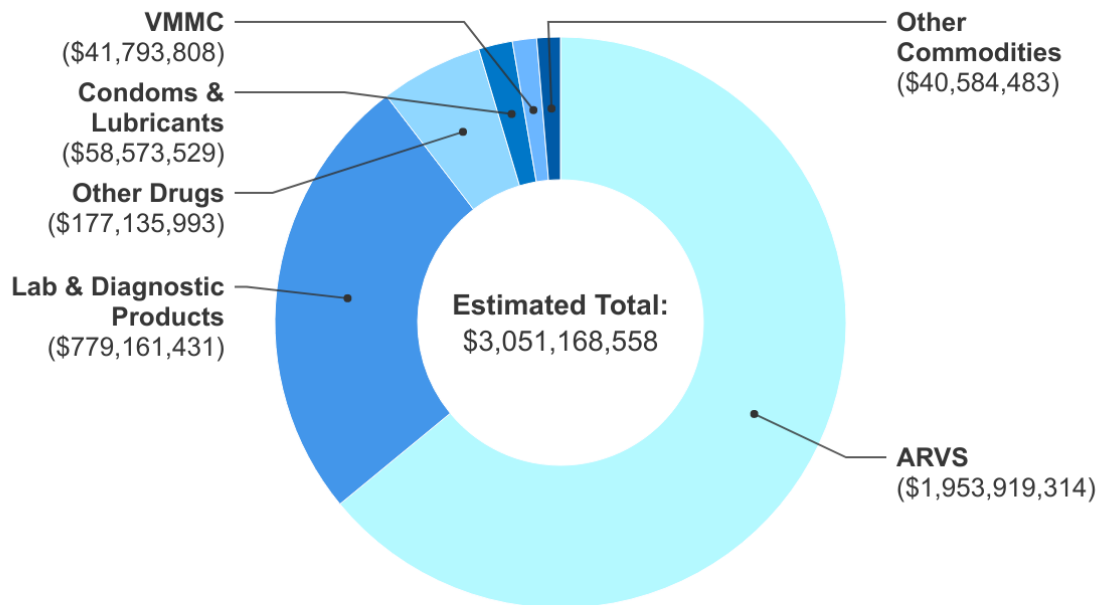


U.S. Investments in African Labs

- Legacy TA in policy, population and partnerships
 - supply chain, quality assurance, disease surveillance, capacity building
 - Access to HIV/AIDS testing, CD4, viral load, early infant diagnosis
 - Accreditation and support to quality diagnostics testing and surveillance (SLMTA program)
- USAID procurement: procures reagents, equipment and supplies
 - HIV test kits, viral load equipment purchases, rental and service level agreement
 - All-Inclusive services and DNO

Procurement and Supply Chain Management (PSM) form the bulk of PEPFAR funding

Funding for Key Commodities by Commodity Type in 2019



NOTE: Represents 2019 COP/ROP data for 34 countries.

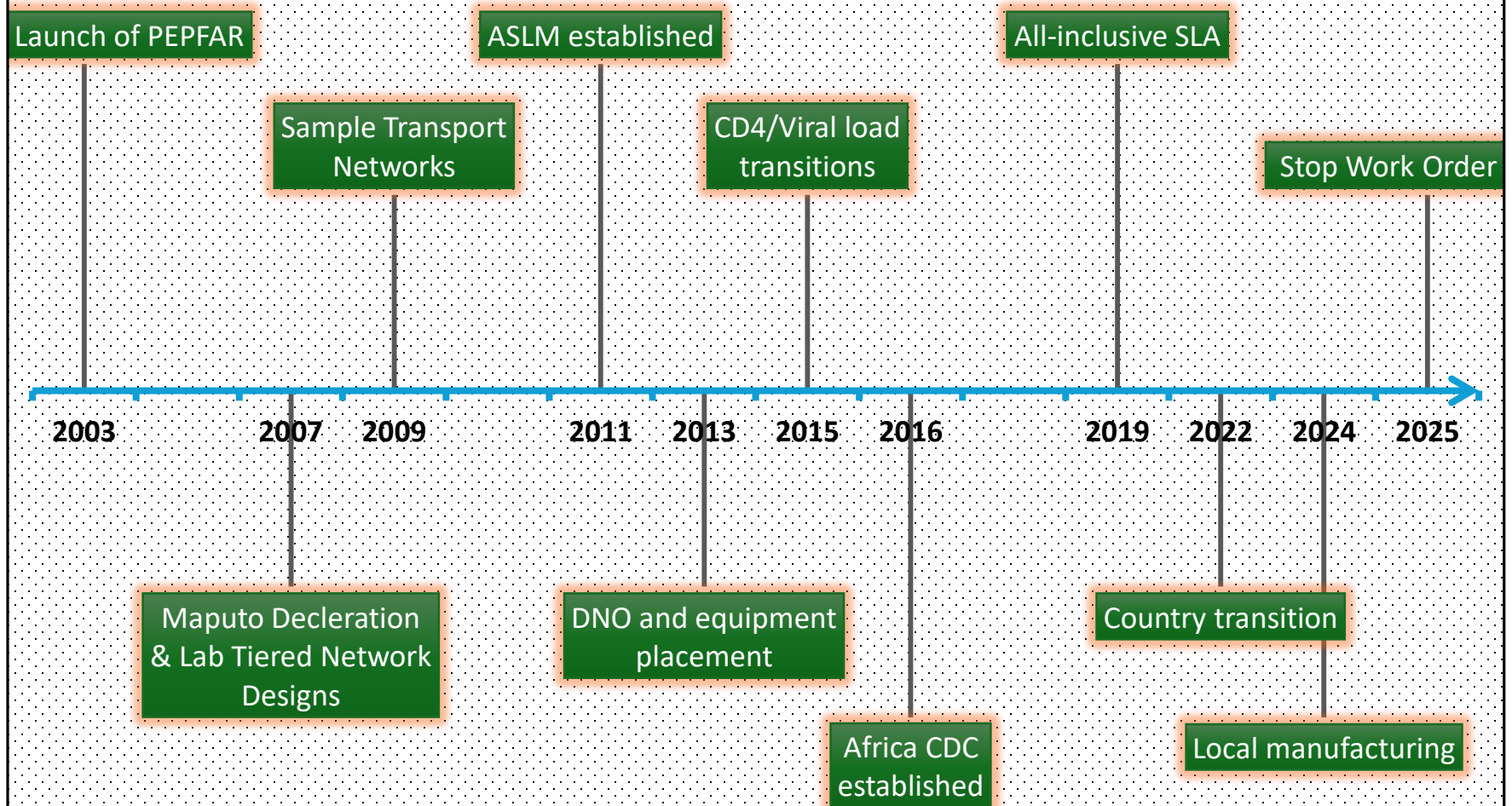
SOURCE: KFF analysis of amfAR's PEPFAR Commodities Database.

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In FY 2019:

- ARVs accounted for 64% (\$1.95 billion) of funding for all commodities.
- Lab and diagnostic products (26% or \$779 million)
- Other drugs (6% or \$177 million)
- Condoms and lubricants (2% or \$59 million).

Milestones of key events in African Laboratories (2003 – 2025)



Key PEPFAR Progress to Date - 1

- Procurement and supply chain of lab supplies and technologies
 - ✓ Over 10B invested in life-saving diagnostics – bringing hope to 50+ countries
- Standardized diagnostics services
 - ✓ 400+ labs now meet international standards, ensuring accurate diagnoses for millions
- Improved outbreak preparedness
 - ✓ 1000s of trained lab personnel are now able to prevent, detect and respond to outbreak and emerging pandemic



Key PEPFAR Progress to Date - 2

- Increased Access to viral load
 - More countries are on target to achieving 95% viral suppression by 2030 (HIV pandemic control).
- Human resource for health capacity
 - Pre-service and in-service training curriculum
- Local economic growth and stability
 - Grants to local business and technical transfer
 - Local contract for last mile distribution and sample referral networks



Critical Risks from Aid Freeze - 1

High dependency on US Funding in African Labs

Levels of dependence on US funding for HIV prevention services, by country

High US dependence	Greater than 60% of prevention funding is from PEPFAR	Malawi (88%), DRC (87%), Zimbabwe (83%), Mozambique (82%), Eswatini (80%), Uganda (69%), Lesotho (68%)
Mixed funding	30-60% of prevention funding is from PEPFAR + Global Fund and domestic	Rwanda (59%), Benin (56%), Ethiopia (54%), Mali (41%)
Transitioning	<30% of prevention funding is PEPFAR + higher domestic and Global Fund percentages	Kenya (28%), Myanmar (27%), El Salvador (18%), Indonesia (8%), Burkina Faso (6%)
Domestic leadership	<10% of prevention funding is PEPFAR + high domestic funding	Thailand (10%), Kazakhstan (6%), Guatemala (5%), Angola (0.7%)

Critical Risks from Aid Freeze - 2

Large staff layoffs

- over 200,000 health workers – nurses, lab tech, logisticians – left without support

HIV 95-95-95 goals threatened

- closures of 100s of HIV testing and treatment sites in South Africa, Uganda, Malawi, etc. affecting service delivery

Infant Mortality

- Thousands of infants may not live to see their first birthday due to halted early infant diagnostics services

19,519*

confirmed American jobs lost.

233,818*

confirmed global jobs lost.

*As of May 30, 2025, these are the confirmed jobs lost from USAID and their implementing partners who have had to lay off or furlough employees due to the funding freeze. The confirmed number is based on 159 organizations.

Estimated deaths associated with the funding freeze and discontinuation between January 24th, 2025 at 12:00 PM EST and present

Estimated adult deaths

59,790

Incrementing every 3.3 minutes

Estimated child deaths

6,364

Incrementing every 31 minutes

Source: <https://pepfar.impactcounter.com/>

Call to Action 1 – Africa Resilience Fund

- Establish Africa health systems resilience fund
 - Modeled around the Global Funds and UNAIDS, convene immediate funding commitment forum.
 - Africa financial institutions, such as Africa Development Bank, Africa Export Import Bank and ECOBANK among others
 - Africa philanthropic foundations – Mo Ibrahim, DanGote , Gates among others
 - Africa Diaspora, local CSO, and Lab Directors Forums

Call to Action 2 – Domestic Mobilization

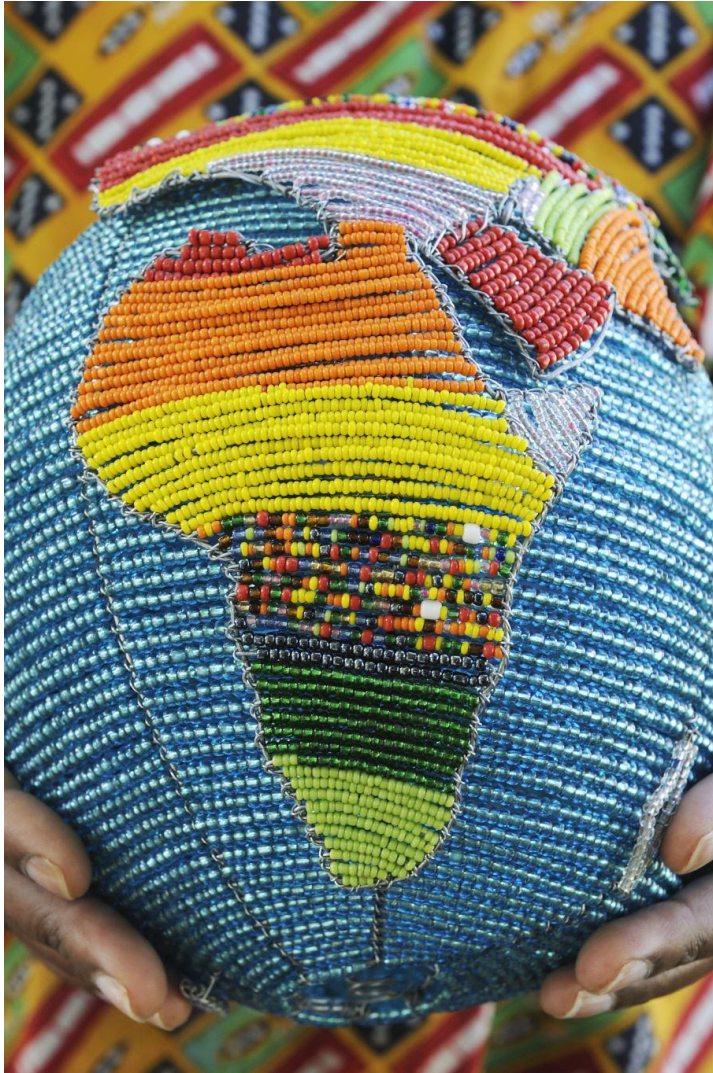
- Mobilize domestics allocation
 - Africa must invest in its own population!
 - Mobilize local government resources.
 - Mandatory minimum percentage of national budget allocation to health systems
 - Innovative taxing scheme at the local and regional level towards health systems structures

Call to Action 3 – Local Innovation

- Empower Location Innovation
 - From Silicon Valey to Nairobi – let's build our own!
 - Promote entrepreneurships in our youth to take up local production of goods and services
 - Science and technology startups, Silicon Valey type innovation hubs
 - Low interest financing mechanism for small scale manufacturers

Call to Action 4 – Partnerships

- Forge Public-Private Partnerships
 - Engage the private sector as allies in health
 - Incentivize local laboratories to partner with the public sector services
 - Partner with international pharma and diagnostics manufacturers for tech transfer and local manufacturing



Final Thought

- ✓ We MUST act now – not tomorrow, not next year. The health of the continent depends on it!
- ✓ US Foreign Aid will NEVER be the same again!
- ✓ Africans are resilience people and CAN rise to the occasion!
- ✓ Let's do this together!!
- ✓ We CAN create the Africa We WANT!
- ✓ We CAN go far together
- ✓ We CAN do it alone!!!

Thank You!



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