

## **The PEPFAR Stewardship and Oversight Act**

Facing an overwhelming HIV/AIDS epidemic that threatened to eliminate an entire generation of people in Africa, destroy economies, and destabilize nations, President George W. Bush in January 2003 announced the President's Emergency Plan for AIDS Relief (PEPFAR). Congress authorized the initiative in May 2003 with strong bipartisan support. In 2008, Congress reauthorized the program, setting the stage for PEPFAR to transition from an emergency response to a sustainable program where individual countries take on greater ownership of HIV/AIDS efforts.

PEPFAR remains the largest commitment by any nation to combat a single disease internationally. With the United States' strong commitment to stopping the HIV/AIDS epidemic, nearly 6 million people are receiving life-sustaining antiretroviral treatment. More than 11 million pregnant women received HIV testing and counseling last year, and as a result of treatment, the one-millionth baby was born HIV-free this year. PEPFAR has also provided care and support to nearly 15 million people, including more than 4.5 million orphans and vulnerable children. It is critical that Congress demonstrate its continued support and help guide PEPFAR's transition toward greater country ownership, while enhancing the ability to exercise effective oversight of this life-saving program.

**The PEPFAR Stewardship and Oversight Act (S. 1545 and H.R. 3177) will extend certain critical authorities and strengthen program oversight to ensure access to essential prevention and treatment services continues. This streamlined bill requires:**

- ***Coordination by the Inspectors General:*** Extends the requirement for the State, USAID, and HHS Inspectors General to develop annual, joint oversight/audit plans. This has enhanced Congressional oversight and improved coordination between State, USAID, and CDC.
- ***Cost Studies:*** Extends a reporting requirement intended to capture per-patient costs for PEPFAR-supported treatment and care. This is a key element of oversight and a useful tool for monitoring treatment costs.
- ***Caps U.S. Participation in the Global Fund:*** Extends the current 33 percent limitation on U.S. contributions to the Global Fund, continues proportional withholding requirements related to State Sponsors of Terrorism, and a 20 percent withholding requirement related to Global Fund management reforms. The 33 percent cap serves as an effective tool for leveraging other donor funding, and the withholding requirement has leveraged substantial reforms at the Global Fund.
- ***An Effective Annual Report.*** Updates the existing annual report on PEPFAR to better reflect the program's shift from strictly U.S. supported and toward greater partner country ownership. As PEPFAR has transitioned from an emergency plan to a program focused on building country ownership and ensuring sustainable results, the information needed to conduct effective oversight has changed significantly.
- ***Protected Funding for HIV Treatment and Programs for Orphans and Vulnerable Children.*** Extends existing funding requirements for treatment (at least 50 percent) and orphans and vulnerable children (10 percent).