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Mr. Chairman and Members of the Subcommittee:

We are pleased to provide our statement for the record, which gives our observations on the response by the United States and United Nations (U.N.) to AIDS in Africa.[1] This disease exacts an enormous toll on the developing world, and on sub-Saharan Africa in particular, where AIDS is a health problem, a development problem, and a humanitarian tragedy of epic proportion.

AIDS has killed almost 14 million people around the world, 11 million of whom lived in sub-Saharan Africa. Two-thirds of the 34 million people who are currently infected with AIDS live in sub-Saharan Africa, including 1 million children. Despite these alarming statistics and the efforts of the world community to halt the spread of AIDS, the epidemic continues to advance (see fig. 1). The World Bank estimates that 16,000 people become newly infected each day, with the greatest concentration of new infections in sub-Saharan Africa.

Specifically, this statement will focus on (1) the social and economic implications of AIDS in Africa and (2) efforts to combat the disease by the United States and the United Nations. This statement is based on our 1998 report issued to the House Committee on International Relations, HIV/AIDS: USAID and U.N. Response to the Epidemic in the Developing World (GAO/NSIAD-98-202, July 27, 1998) and updated information we recently obtained from the U.S. Agency for International Development (USAID) and the United Nations on their programs. In our work, we reviewed USAID's and the United Nations' AIDS programs and activities at their headquarters and in the Dominican Republic, Honduras, India, the Philippines, and Zambia.

SUMMARY

Despite some breakthroughs in treatment and techniques for preventing AIDS, the epidemic continues to grow. The broader economic and social consequences are becoming clear—and they are not good. Over the last decade, the life expectancy in nine African countries declined by over 17 years due to AIDS. By 2010, the United Nation's Joint Program on HIV/AIDS (UNAIDS) estimates that 42 million children in Africa will lose one or both parents to AIDS and that gross domestic product (GDP) in many countries will decline by as much as 20 percent.

The countries in sub-Saharan Africa are among the poorest in the world and have a limited capacity to address the epidemic. The United States and the United Nations have made some important contributions to the fight against AIDS. USAID supported research that helped to identify interventions proven to prevent the spread of AIDS and UNAIDS has played an important role as an advocate for increased spending for AIDS programs by national governments, private companies, and donors. However, the World

[1] The human immunodeficiency virus/acquired immunodeficiency syndrome or HIV/AIDS is referred to in this statement as AIDS.

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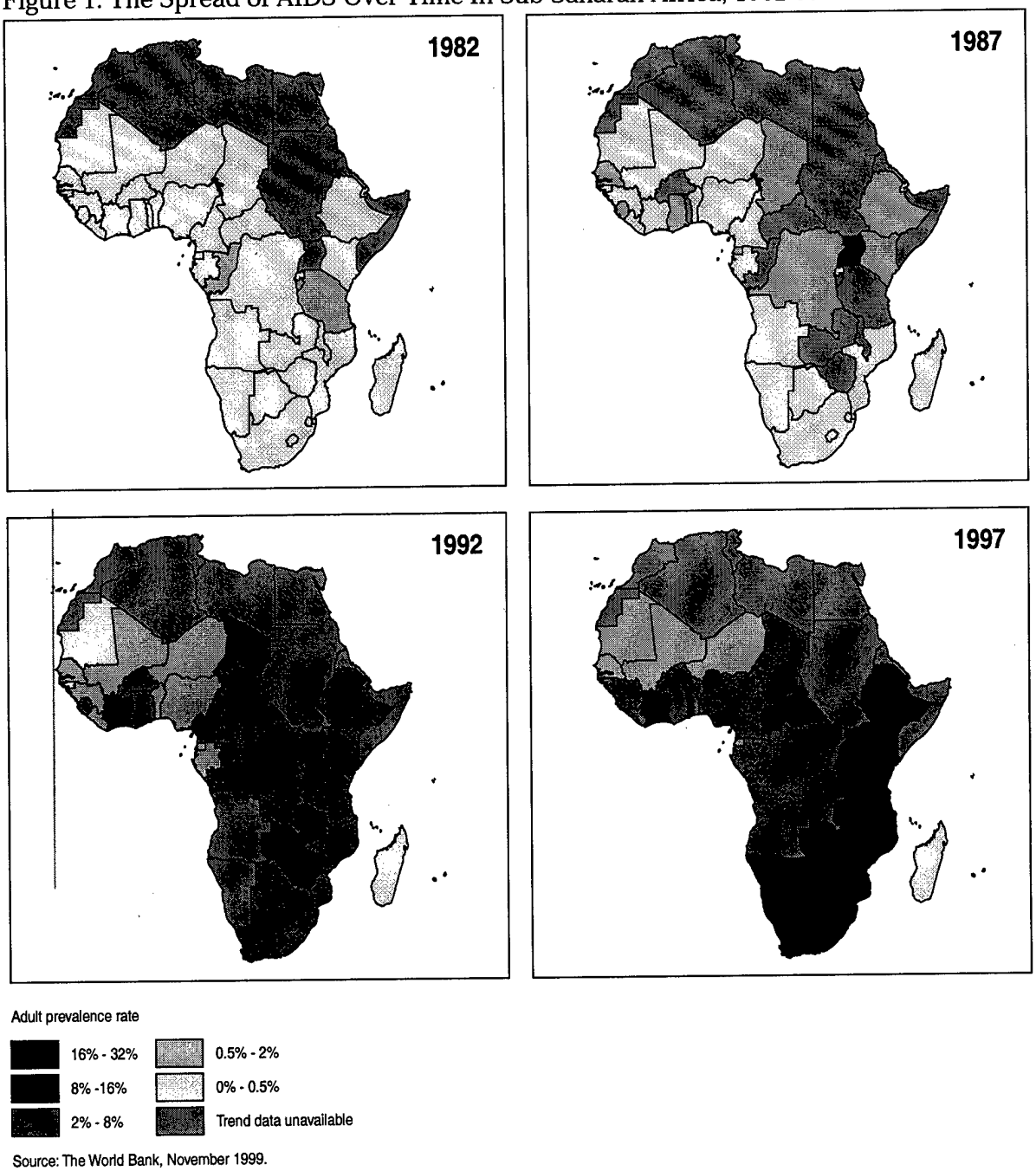
Bank estimates that $1 billion a year is needed by the world community to address the epidemic in Africa—more than three times the current level of spending.

Figure 1: The Spread of AIDS Over Time In Sub-Saharan Africa, 1982-97



Source: The World Bank, November 1999.

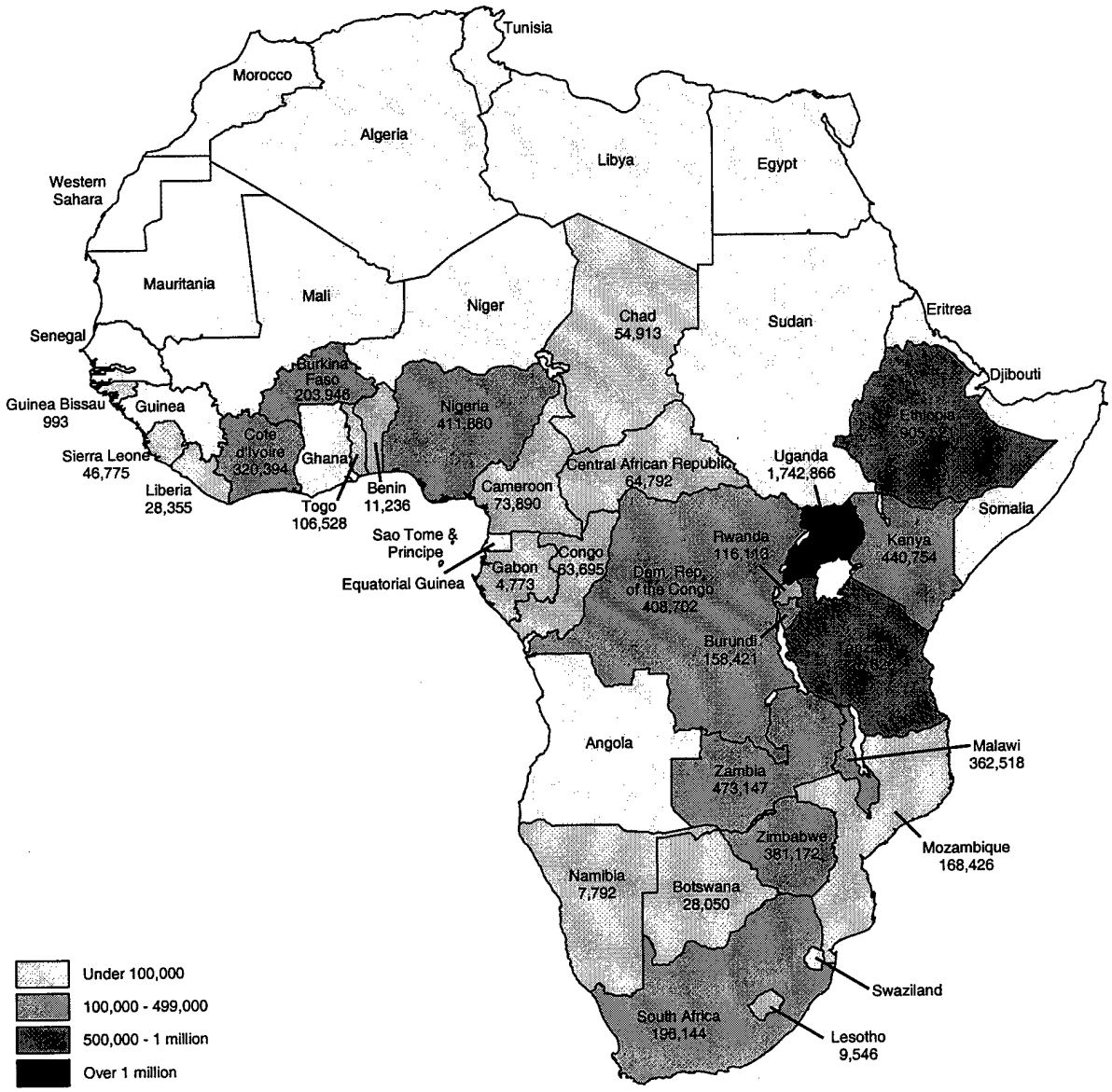
SOCIAL AND ECONOMIC IMPLICATIONS OF AIDS IN AFRICA

The devastating social and economic consequences and human tragedy of AIDS have not been felt anywhere as severely as in the countries of sub-Saharan Africa. With only 10 percent of the world's population, sub-Saharan Africa carries the burden of more than 80 percent of AIDS deaths worldwide, losing 5,500 men, women, and children each day. Hard-won gains in life expectancy, child survival, education, and economic development are eroding in many countries on the African continent. According to the World Bank, the life expectancy in nine African countries with AIDS infection rates over 10 percent has declined by 17 years, from 64 to 47 years of age. In many countries in the region, infant mortality is expected to double over the next decade. UNAIDS officials estimate that the impact on productivity, profitability, and foreign investment will result in growing losses in GDP, reducing GDP by as much as 20 percent or more in some sub-Saharan countries by 2010. Barclays' Bank and British Petroleum have stated that they hire two people for every job, assuming that one will die of AIDS.

Many African families are overwhelmed by the burden of caring for victims of the disease. In some parts of the region, pregnant women have extremely high infection rates—for example, 73 percent of the pregnant women in Beit Bridge, Zimbabwe are infected with AIDS. According to U.S. Agency for International Development (USAID) officials, children are forced to become heads of household, unable to attend school because they must try to find food for their siblings. Currently, there are approximately 8 million African AIDS orphans and UNAIDS estimates that 42 million children will lose one or both parents to AIDS in the next decade (see fig. 2). These children are at serious risk of physical and sexual abuse as well as other forms of exploitation, including child labor abuse and organized crime group use as drug couriers. According to USAID officials, many orphaned children resort to prostitution for money to buy food. As a result, while many children are born HIV-negative, their fight for survival puts them at a serious risk of becoming infected by the disease.

The countries of sub-Saharan Africa are among the poorest countries in the world and their national capacity to respond to this epidemic is limited. While they have increasingly demonstrated leadership in fighting the epidemic, the entire health budget in many countries in sub-Saharan Africa is about $20 per person each year. In countries where less than half of the citizens have access to any form of health care, up to 80 percent of the beds in urban hospitals are filled with AIDS patients. USAID officials estimate that, on average, countries in Africa are contributing about 5 percent of the cost of their national AIDS programs. But even the most optimistic experts hope to increase the percentage that national governments can commit up to 30 percent of the total.

Figure 2: Cumulative Number of African Children Who Have Lost One or Both Parents, June 1998



Source: UNAIDS, February 2000

U.S. AND U.N. EFFORTS TO COMBAT AIDS

Donor nations like the United States and multilateral organizations like the United Nations are the largest sources of finance for national-level AIDS programs in Africa, spending about $300 million a year on AIDS in Africa. USAID and UNAIDS have made important contributions to the fight against the epidemic. USAID supported research that helped identify interventions proven to prevent the spread of AIDS. USAID's efforts have helped slow the spread of the disease in target groups such as truck drivers, sex workers, men who have sex with men, and intravenous drug users. To bolster these efforts, funding for the agency's AIDS program has increased from $117.5 million per year in 1997 to $200 million in the year 2000 (see fig. 3), and the program has been expanded from 18 to 52 countries--27 of which are in Africa. While primarily focusing on research and prevention in the 1990s, USAID has extended its program to include projects that address care for AIDS victims, mother-to-child transmission, health infrastructure, and support for AIDS orphans. In addition, USAID is working with the Departments of Defense, Health and Human Services, and Labor to attack the disease on all fronts.

Figure 3: USAID AIDS Funding 1986-2000

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Africa	na	na	55.2	60.3	77.1	25.5	23.3	23.7	30.6	40.4	58.9	51.1	51.1	56	104.2	124
Total	11.1	50	34.6	47.1	48.5	78.4	96.7	124.4	112.8	120.6	117.8	117.5	121	125	200	244

Source: USAID, February 2000

At the United Nations, UNAIDS was established to coordinate the efforts of U.N. cosponsoring agencies[2] to address the broad range of sociological and developmental factors that affect the spread of the disease. UNAIDS created "theme groups" in the field as the forum for coordinating projects undertaken by the cosponsoring agencies. These theme groups consist of representatives from all U.N. agencies working in the field on AIDS projects. UNAIDS officials report that they have also begun to include field representatives from bilateral donor agencies in the theme groups. UNAIDS has played an important role in advocacy, attempting to raise the level of awareness of the problem among national leaders and encouraging additional spending by donors and the private

[2] UNAIDS' cosponsoring agencies include the United Nations Children's Fund; the United Nations Drug Control Program; the United Nations Development Program; the United Nations Population Fund; the United Nations Educational, Scientific and Cultural Organization; the World Health Organization; and the World Bank.

sector. In addition, UNAIDS has provided information on the techniques that have been effective in addressing AIDS. After a difficult start, UNAIDS has undertaken a number of efforts to improve the coordination of U.N. agencies in the field, and U.N. resources devoted to AIDS have increased. The United Nations Development Program's Regional Bureau for Africa recently increased the allocation to its regional AIDS project based in South Africa by $1 million. The United Nations Children Fund established 14 additional posts in Africa focused primarily on prevention programs for young people and the prevention of mother-to-child AIDS transmission.

The World Bank, one of the cosponsoring agencies of UNAIDS, has increased its global commitment to AIDS from $28.7 million in 1997 to $391.5 million in 1999. It has also initiated a significant program devoted to fighting AIDS in Africa, announcing that it will reexamine all existing African programs to ensure that they include projects to address AIDS and ensure that resources can be made available quickly for AIDS projects. However, the World Bank estimates that a significant increase in global spending is necessary—at least $1 billion a year—to provide basic prevention and blood safety programs, to care for people living with AIDS, and to begin to develop safety nets for AIDS orphans.

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Mr. Chairman and Members of the Subcommittee, this concludes our statement for the record. I hope that this information will help the Committee as it deliberates the focus and size of any foreign assistance directed toward combating AIDS in Africa.

Contact and Acknowledgments

For future contacts regarding this testimony, please call Ben Nelson at (202) 512-4128. Lynne Holloway and Tom Zingale made key contributions to this statement.