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Global Health: Spending Requirement Presents Challenges for Allocating Prevention Funding under the President's Emergency Plan for AIDS Relief

GAO-06-395, Issued April 4, 2006

Introduction

Study Objectives and Methodology

Background

Key Findings

Recommendations

Selected Technical Issues

GAO is an independent, nonpartisan agency that performs analysis for Congress, often performance audits, on a broad range of federal programs and activities

GAO initiates reviews in response to Congressional requests and mandates, and also under the Comptroller General's authority

While the 2003 Leadership Act has significantly increased the U.S. commitment to fight HIV/AIDS, the Act's 33 percent abstinence-until-marriage spending requirement has presented challenges to integrating components of the ABC model and responding to local needs

GAO recommended that OGAC collect and report to Congress information from country teams about the spending requirement's effect, and that information be used

- By OGAC to consider its application of the spending requirement to certain funds
- By Congress to assess how well the spending requirement supports the Leadership Act's endorsement of both the ABC model and strong abstinence programs

Review trends and allocation of PEPFAR prevention funding

Describe the PEPFAR strategy for preventing sexual transmission of HIV

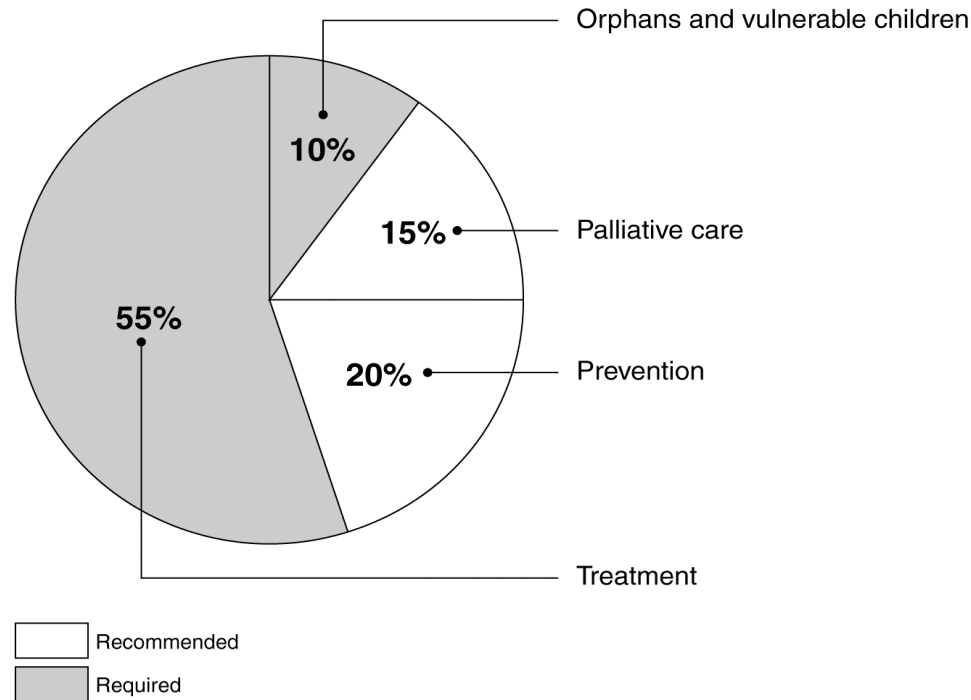
Examine key challenges associated with applying the PEPFAR sexual transmission prevention strategy

Key Elements of Study Methodology

- Structured interviews with U.S. country teams in 15 PEPFAR focus countries
- Review of PEPFAR documents, such as country operational plans, guidance to country teams, reports to Congress, and requests for exemptions
- Analysis of budget data in the PEPFAR Country Operational Plan and Reporting System database
- Interviews with U.S. agency officials in Washington
- Fieldwork in four countries (Botswana, Ethiopia, South Africa, and Zambia)
- Interviews with nongovernmental organizations in Washington and the field
- Communication with U.S. country teams in additional countries

Leadership Act specifies percentages for PEPFAR program areas

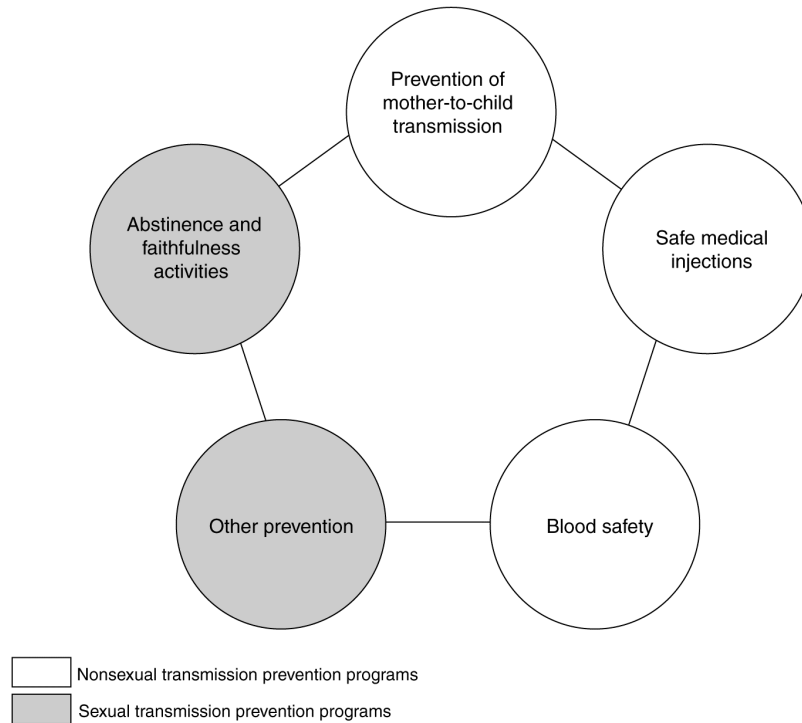
**Selected Spending Recommendations and Requirements
for Fiscal Years 2006-2008 Contained in the 2003 Leadership Act**



Source: GAO analysis of 2003 Leadership Act.



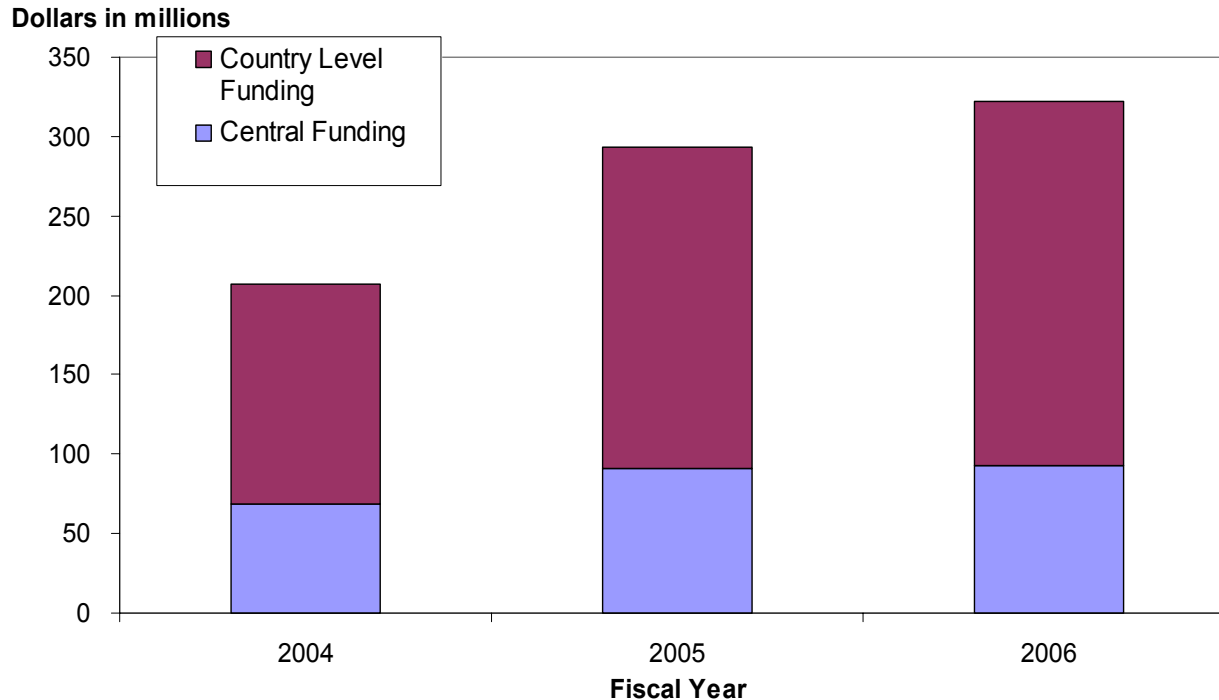
PEPFAR Prevention Program Areas



Source: GAO analysis of OGAC's fiscal year 2006 Country Operational Guidance.

PEPFAR prevention funding in focus countries has grown

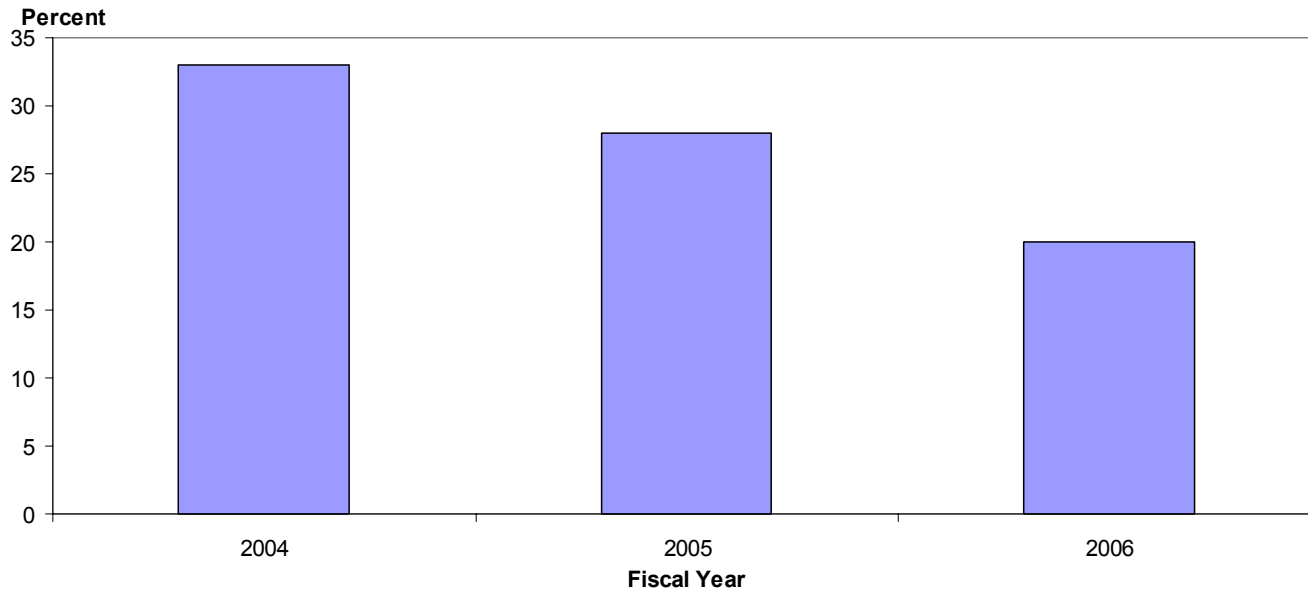
Total PEPFAR prevention funding in 15 focus countries, fiscal years 2004-2006



Source: GAO analysis of fiscal year 2004 budget data provided by OGAC, OGAC's Country Operational Plan and Reporting System Database, and OGAC's Central Awards Database. Fiscal year 2006 funding is planned funding.

Share of PEPFAR funding dedicated to prevention in focus countries has declined

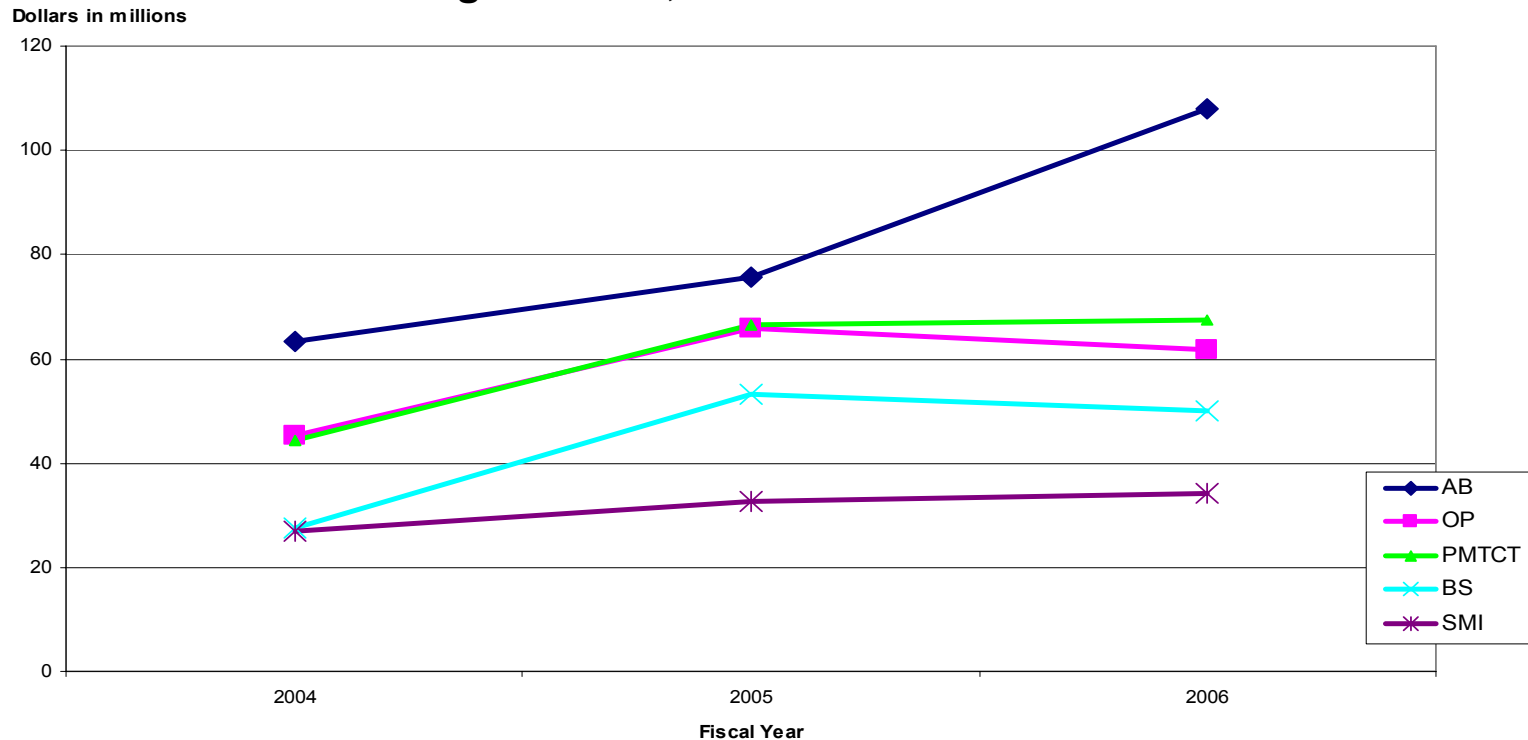
Share of PEPFAR Prevention Funding Dedicated to Prevention in the 15 Focus Countries, Fiscal Years 2004-2006



Source: GAO analysis of fiscal year 2004 budget data provided by OGAC; OGAC's Country Operational Plan and Reporting System database; and OGAC's Central Awards database. Fiscal year 2006 funding is planned funding.

PEPFAR Prevention funding by program area has varied

Reported PEPFAR Prevention Funding in Focus Countries, by Program Area, Fiscal Years 2004-2006



Source: GAO analysis of fiscal year 2004 budget data provided by OGAC, OGAC's Country Operational Plan and Reporting System database, and OGAC's Central Awards database. Fiscal year 2006 funding is planned funding.



PEPFAR strategy for preventing sexual transmission has three primary components

- ABC model and OGAC's ABC guidance to country teams
- Abstinence-until-marriage spending requirement
- Country teams' strategies for responding to local needs

OGAC's ABC guidance has created some confusion

- Many teams report guidance generally clear
- 10 of 15 country teams said aspects of guidance have caused confusion, such as
 - Definition of high-risk groups open to varying interpretations
 - Lack of clear delineation of permissible “C” activities
- OGAC officials told us they are providing additional clarification to country teams on ABC guidance

Spending requirement can limit efforts to design programs that are integrated and responsive to local needs

- Country teams value the ABC model
- Meeting spending requirement presents challenges for majority of country teams
 - 8 of 15 focus country teams said requirement can undermine program integration
 - 17 of 20 teams required to meet requirement, absent exemptions, reported challenges in responding to local prevention needs
- OGAC's policies implementing the requirement give some countries greater flexibility but further constrain others

OGAC's application of spending requirement to all U.S. prevention funding may further challenge country teams

- OGAC chose to apply spending requirement to all PEPFAR prevention funding
 - OGAC determined that, as a matter of law, the requirement applies only to Global HIV/AIDS Initiative (GHAI) funding
 - OGAC stated its broader application best supported program integration
- Non-GHAI funding was \$35 million for FY 2006, representing
 - about 2 percent of focus country spending
 - About 82 percent of spending for 5 additional country teams with PEPFAR funding over \$10 million

GAO recommended that the Secretary of State direct the Global AIDS Coordinator to

- Collect and report to Congress information from country teams about the spending requirement's effect on their prevention programming
- Use this information to, among other things, consider whether the spending requirement should be applied to all U.S. prevention funding

GAO suggested that Congress should consider the information provided by OGAC to assess the extent to which the spending requirement supports the Leadership Act's endorsement of both the ABC model and strong abstinence-until-marriage programs

PEPFAR goal to avert 7 million infections by 2010

OGAC will estimate progress toward infections averted using statistical model

- Developed by Census
- Compares “actual” incidence rates to baseline projections
- Cannot attribute changes to specific efforts
- Involves substantial technical challenges

OGAC considered alternative method

- Modeling group assessed Goals Model of Futures Group
- Determined research was too limited for linking infections averted to specific efforts

Country teams have used varying methods for categorizing funding across certain prevention activities

- These include programs such as integrated ABC programs, and broader programs such as stigma reduction
- For example, some ABC programs have been categorized entirely as Other Prevention while others have been divided between AB and Other Prevention
- Finding based on structured interviews and review of country operational plans
- These differences place some limitations on the reliability of reported allocations for AB and Other Prevention program areas