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House Committee on Appropriations
Subcommittee on State, Foreign Operations, and Related Programs

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The House Foreign Operations Appropriations Subcommittee has led Congress in ensuring our foreign assistance invests in the poorest and most vulnerable, reflecting the best American values of compassion and justice while enhancing our economic and national security. I urge you to continue to support and give particular priority to funding for basic education; the Global Fund to Fight AIDS, Tuberculosis and Malaria; child health and nutrition; tuberculosis; and microfinance.

Basic Education: Thanks to leadership of this subcommittee, the U.S. has become a global leader for quality basic education around the world. Despite our progress, there are nearly 61 million primary school aged children not in school, and many more children who are in school are failing to acquire even basic reading, writing and numeracy skills. We now face a critical moment when we must decide how to most effectively program our education aid dollars to achieve the most sustainable and cost-effective results.

The Global Partnership for Education (GPE) is the only multilateral partnership focused on ensuring all children have access to a quality education. The GPE is an innovative and effective model, working directly with 54 developing country governments as well as donor governments, multilateral institutions, private foundations and companies, and civil society organizations to develop and fund national education plans. Since 2003, GPE has worked with these donors and partner countries to put nearly 23 million more children into school, trained over 413,000 teachers, and supported the construction of over 37,000 classrooms.

In November 2011, GPE's developing country partners came forward and pledged to increase their domestic education budgets by $5 billion by 2014. The commitment of these countries is clear, and it is critical that donors do their part to fill the financing gaps. The United States made its first-ever pledge to the GPE of $20 million in fiscal year 2012 – a significant first step for the U.S. However, this represents only 2.5 percent of the U.S.'s basic education program in 2012. A U.S. contribution of $125 million to the Global Partnership for Education in 2014 would have a powerful impact on the lives of children worldwide, leverage commitments from other donors, and demonstrate our government's commitment to improving education for all.

Global Health – Global Fund to Fight AIDS, Tuberculosis and Malaria: The FY14 allocation for the Global Fund will be instrumental in determining the success or failure of the next phase of our response to AIDS, tuberculosis (TB), and malaria. In the fall of 2013, donors will gather for a pledging (or "replenishment") conference held every three years. The U.S. contribution will drive the overall size of the replenishment, both because it is the largest donor to the Global Fund, and its contribution has historically been matched 2:1 by other donors.

Investments through the Global Fund save over a million lives a year from AIDS, tuberculosis, and malaria. Since its inception in 2002, the Global Fund has supported 4.2 million people receiving antiretroviral treatment, has detected and treated 9.7 million new cases of infectious tuberculosis, and distributed 310 million insecticide-treated nets to protect families from the transmission of malaria in over 150 countries around the world. With U.S. support, and under the new leadership of Dr. Mark Dybul, the Global Fund is poised to defeat these deadly diseases.

An allocation of $1.65 billion for FY2014 would support the U.S. commitment to creating an AIDS-free generation and leverage investments in these life-saving programs from other donor resources so that these programs can be sustained and expanded.

Global Health – Child Health and Nutrition: In June 2012, the U.S. co-hosted the Child Survival Call to Action in Washington, DC, in partnership with UNICEF and the governments of Ethiopia and India. At this conference, the U.S. and over 55 health ministers from around the globe endorsed a simple yet audacious goal: ending the preventable deaths of children by 2035.

Since the U.S. instituted the Maternal and Child Health Account to focus funding on preventing child deaths in developing countries, the world has made enormous strides in saving children's lives. UNICEF has reported that in the past two decades alone child deaths have fallen dramatically, plummeting from 12 million children dying a year in 1990 to 6.9 million in 2011.

While innovation and targeted health interventions have improved global child survival rates, of the nearly seven million children still dying annually, the vast majority are in poor countries; half are in sub-Saharan Africa alone. The leading causes of death in young children are almost entirely preventable or treatable. Together, pneumonia and diarrhea account for over a third of child deaths. Child malnutrition is a condition that results in 2.5 million preventable child deaths annually and drains billions of dollars in lost productivity and health care costs from poor countries. Through vaccination and early intervention these conditions can be prevented and/or treated cost- effectively when they do occur.

In order to ramp up the U.S. efforts to achieve this goal, the U.S. should increase its support for the Maternal and Child Health account to $750 million for FY2014 and fulfill its pledge to the GAVI Alliance. To keep our June 2011 commitment to GAVI to provide new and

underutilized vaccines to developing countries, the U.S. should appropriate $175 million to GAVI for FY2014. With full funding between now and 2015, GAVI can immunize an additional 240 million children, saving an estimated 4.2 million lives. Further, an allocation of $200 million for Nutrition would leverage our investments in child survival programs, setting the foundation for improved health and gains in economic development.

Global Health – Tuberculosis: Although usually treatable with a course of inexpensive drugs ($22–50), tuberculosis kills 1.4 million people every year. TB is the leading curable infectious killer in the world. In 2011, there were 8.7 million new TB cases; 13 percent of those were among people with HIV.

As the leading killer of people living with HIV/AIDS, TB is undermining the United States' substantial investment through PEPFAR. Without treatment, the vast majority of people with HIV and TB will die within a few months. TB control must also be strengthened as part of a comprehensive approach to women's health. TB is the third leading cause of illness and death of adult women worldwide, and women who develop the disease are more likely to die from it than men. The risk of premature birth or having a low birth weight baby doubles for women with TB, and those who receive a late diagnosis are four times as likely to die in childbirth.

A new rapid diagnostic technology called Xpert, developed by an American company, has the potential to revolutionize the fight against TB. Xpert can detect whether TB is a drug-resistant strain so the patient is not given ineffective drugs, and it dramatically reduces the time it takes to obtain an accurate diagnosis from days or even weeks or month to just two hours.

U.S. support for global TB programs has already had a substantial impact; an estimated 20 million people are alive today as direct result of TB programs. An allocation of $400 million for bilateral TB programs in 2014 would bolster progress to date, scale up innovative approaches

that reach more people, and invest in research for even better TB diagnostics, vaccines, and medications.

Microenterprise: An estimated 2.5 billion people have no access to formal financial services, which are both safer and less expensive than informal alternatives. In sub-Saharan Africa, where the population includes the highest burden and percentage of people living in extreme poverty of any region, no financial institution – microfinance or otherwise – is reaching 80 percent of the 800 million people living there.

Despite promising models to extend microfinance to even the most destitute among the poor, USAID has failed to comply with the legislative mandate in the Microfinance Results and Accountability Act of 2004 (PL 108-484) requiring that half of its assistance is directed to the very poor. The most recent USAID results report indicated that approximately 38 percent of its funding benefitted the very poor in 2011 – but this is only an estimate, as USAID measured the poverty levels of just 41 percent of its microfinance participants. In addition to low measurement levels, USAID has yet to produce a strategy to reach this target, as directed by FY2010 Foreign Operations bill report language. The Subcommittee should urge USAID to comply with this legislative mandate by including the following language in its report:

> *The Committee is concerned about the lack of funding for sub-Saharan Africa and directs increased investment in microfinance in sub-Saharan Africa within the USAID microfinance and microenterprise program. As required by section 251(c) of the Foreign Assistance Act of 1961, USAID is to target half of all microfinance and microenterprise funds to the very poor, defined as those living on less than $1.25 a day. The Committee recommends that USAID modify and improve the poverty assessment tools so that the tools can assist partner organizations' management and outreach to the very poor.*