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House Resolution (HR) 3519 [World Bank AIDS Marshall Plan Trust Fund Act]

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**UNIFIED DRAFT TECHNICAL CHANGE REVISION DOCUMENT TO THE
WORLD BANK AIDS MARSHALL PLAN TRUST FUND ACT**

**Using the original bill, strikethroughs and underline (to show new additions) are
used to suggest changes—FOR DISCUSSION PURPOSES**

World Bank AIDS Marshall Plan Trust Fund Act

106th CONGRESS

2d Session

H. R. 3519

AN ACT

To provide for negotiations for the creation of a trust fund to be administered by the International Bank for Reconstruction and Development or the International Development Association to combat the AIDS epidemic.

HR 3519 EH

106th CONGRESS

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AN ACT

To provide for negotiations for the creation of a trust fund to be administered by the International Bank for Reconstruction and Development or the International Development Association to combat the AIDS epidemic.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'World Bank AIDS Marshall Plan Trust Fund Act'.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS- The Congress finds the following:

(1) According to the Surgeon General of the United States, the epidemic of human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) will soon become the worst epidemic of infectious disease in recorded history, eclipsing both the bubonic plague of the 1300's and the influenza epidemic of 1918-1919 which killed more than 20,000,000 people worldwide.

(2) According to the Joint United Nations Programme on HIV/AIDS (UNAIDS), 33,600,000 people in the world today are living with HIV/AIDS, of which approximately 95 percent live in the developing world.

(3) UNAIDS data shows that among children age 14 and under worldwide, 3,600,000 have died from AIDS, 1,200,000 are living with the disease; and in one year alone--1999--an estimated 570,000 became infected, of which over 90 percent were babies born to HIV-positive women.

(4) Although sub-Saharan Africa has only 10 percent of the world's population, it is home to 23,300,000--roughly 70 percent--of the world's HIV/AIDS cases.

(5) Worldwide, there have already been an estimated 16,300,000 deaths because of HIV/AIDS, of which 13,700,000--over 80 percent--occurred in sub-Saharan Africa.

(6) According to testimony by the Office of National AIDS Policy, an entire generation of children in Africa is in jeopardy, with one-fifth to one-third of all children in some countries already orphaned and the figure estimated to rise to 40,000,000 by 2010.

(7) The 1999 annual report by the United Nations Children's Fund (UNICEF) states '[t]he number of orphans, particularly in Africa, constitutes nothing less than an emergency, requiring an emergency response' and that 'finding the resources needed to help stabilize the crisis and protect children is a priority that requires urgent action from the international community.'

(8) A 1999 Bureau of the Census report states that the average life expectancy in the Republic of Botswana, the Republic of Zimbabwe, the Kingdom of Swaziland, the Republic of Malawi, and the Republic of Zambia has decreased from approximately age 65 to approximately age 40--the lowest life expectancy in the world--due to high mortality rates from HIV/AIDS.

(9) A January 2000 unclassified United States National Intelligence Estimate (NIE) report on the global infectious disease threat concluded that the economic costs of infectious diseases--especially HIV/AIDS--are already significant and could reduce GDP by as much as 20 percent or more by 2010 in some sub-Saharan African nations.

(10) According to the same NIE report, HIV prevalence among militias in Angola and the Democratic Republic of the Congo are estimated at 40 to 60 percent, and at 15 to 30 percent in Tanzania.

(11) The HIV/AIDS epidemic is of increasing concern in other regions of the world with UNAIDS reporting, for example, that there are 6 million cases in South and South-east Asia, that the rate of HIV infection in the Caribbean is second only to sub-Saharan Africa, and that HIV infections have doubled in just two years in the former Soviet Union.

(12) Despite the grim statistics on the spread of HIV/AIDS, some developing nations--such as Uganda, Senegal, and Thailand--have implemented prevention programs that have substantially curbed the rate of HIV infection.

(13) AIDS, like all diseases, knows no boundaries, and there is no certitude that the scale of the problem in one continent can be contained within that region.

(14) According to a 1999 study prepared by UNAIDS and the Francois-Xavier Bagnoud Center for Health and Human Rights at the Harvard School of Public Health, HIV/AIDS is spreading three times faster than funding available to control the disease.

(15) The United Nations Secretary General has stated '[n]o company and no government can take on the challenge of AIDS alone,' and that 'what is needed is a new approach to public health--combining all available resources, public and private, local and global.'

(16) The World Bank, declaring AIDS not just a public health problem but 'the foremost and fastest-growing threat to development' in Africa, has launched a new strategy for HIV/AIDS in Africa, declaring it a top priority for the Bank on that continent.

(17) The World Bank estimates that for Africa alone \$1,000,000,000 to \$2,300,000,000 annually is needed for prevention in contrast to the approximately \$300,000,000 a year in official assistance currently available for HIV/AIDS in Africa.

(18) Accordingly, United States financial support for medical research, education, and disease containment as a global strategy has beneficial ramifications for millions of Americans and their families who are affected by this disease, and the entire population which is potentially susceptible.

(b) PURPOSES- The purposes of this Act are to prevent the spread of HIV/AIDS and promote its eradication, prevent human suffering, and to mitigate the devastating impact of the disease on economic and human development, social stability, and security in the developing world, through the creation of a trust fund which is designed to--

(1) work with governments, civil society, non-governmental organizations, the Joint United Nations Program on HIV/AIDS (UNAIDS), the International Partnership Against AIDS in Africa, other international organizations, donor agencies, and the private

sector to intensify action against the HIV/AIDS epidemic and to support essential field work in the most affected countries to assist in the development of AIDS vaccines; and

(2) seek to leverage financial commitments by the United States in order to mobilize additional resources from other donors, the private sector, nongovernmental organizations, and recipient countries to combat the spread of HIV/AIDS.

TITLE I--NEGOTIATIONS FOR THE CREATION OF A WORLD BANK AIDS TRUST FUND

SEC. 101. TRUST FUND TO ASSIST IN HIV/AIDS PREVENTION, CARE AND TREATMENT, AND ERADICATION.

The Secretary of the Treasury ~~shall seek~~ is authorized to enter into negotiations with the International Bank for Reconstruction and Development or the International Development Association, in consultation with and with other U.S. government agencies, and with the member nations of the IBRD or IDA such institutions and with other interested parties, for the creation of a trust fund which would be authorized to solicit and accept contributions from governments, the private sector, and nongovernmental entities of all kinds and use the contributions to address the HIV/AIDS epidemic in countries eligible to borrow from such institutions, as follows:

- (1) PROGRAM OBJECTIVES- The trust fund would provide only grants, including grants for technical assistance, to support measures to build local capacity in national and local government, civil society, and the private sector to lead and implement effective and affordable HIV/AIDS prevention, education, treatment and care services, and research and development activities, including access to affordable drugs. Among the activities the trust fund would provide grants for would be programs to promote best practices in prevention, including health education messages that emphasize risk avoidance; measures to ensure a safe blood supply; voluntary HIV/AIDS testing and counseling; measures to stop mother-to-child transmission of HIV/AIDS, including through diagnosis of pregnant women, access to cost-effective treatment and counseling and access to infant formula or other alternatives for infant feeding; and deterrence of gender-based violence and provision of post-exposure prophylaxis to victims of rape and sexual assault.

New sub-section (2)—using existing language previously merged with (1):

- (2) PROGRAM COORDINATION-In carrying out these objectives, the trust fund ~~would~~ is expected to closely collaborate and coordinate its activities with governments, civil society, nongovernmental organizations, the Joint United Nations Program on HIV/AIDS (UNAIDS), the International Partnership Against AIDS in Africa, other international organizations, the private sector, and donor agencies working to combat the HIV/AIDS crisis.

(3) PRIORITY- In providing such grants, the trust fund would give priority to countries that have the highest HIV/AIDS prevalence rate or are at risk of having a high HIV/AIDS prevalence rate, and that have or agree to carry out a national HIV/AIDS program which--

(A) has a government commitment at the highest level and multiple partnerships with civil society and the private sector;

(B) invests early in effective prevention efforts;

(C) requires cooperation and collaboration among many different groups and sectors, including those who are most affected by the epidemic, religious and community leaders, nongovernmental organizations, researchers and health professionals, and the private sector;

(D) is decentralized and uses participatory approaches to bring prevention care programs to national scale; and

(E) is characterized by community participation in government policymaking as well as design and implementation of the program, including implementation of such programs by people living with HIV/AIDS, nongovernmental organizations, civil society, and the private sector.

(3 4) GOVERNANCE-

(A) IN GENERAL- The trust fund would be administered as a trust fund of the International Bank for Reconstruction and Development. The Trust Fund is expected to use technical expertise from UN agencies, such as UNAIDS, or other appropriate organizations in the execution of the grants program.

New sub-section B:

(B) MANAGEMENT STRUCTURES— Subject to general policy guidance from the President of the United States and representatives of the other donors to the trust fund, the Trustee would ~~be responsible for managing the day-to-day operations of the trust fund~~ establish appropriate management structures to ensure proper day to day operations of the Fund, accountability of grants, country ownership, oversight and monitoring and evaluation, and relevance to countries.

(C) SELECTION OF PROJECTS AND RECIPIENTS- In consultation with the President and other donors to the trust fund, the Trustee would establish criteria, that have been agreed on by the donors, for the selection of projects to receive support from the trust fund, standards and criteria regarding qualifications of recipients of such support, as well as such rules and procedures as would be necessary for cost-effective management of the trust fund. The trust fund would not make grants for the purpose of project

development associated with bilateral or multilateral development bank loans.

(D) TRANSPARENCY OF OPERATIONS- The Trustee shall ensure full and prompt public disclosure of the proposed objectives, financial organization, and operations of the trust fund.

(E) ADVISORY BOARD-

(i) APPOINTMENT- The President of the United States and representatives of other participating donors to the trust fund would establish an Advisory Board, and appoint to the Advisory Board renowned and distinguished international leaders who have demonstrated integrity and knowledge of issues relating to development, health care (especially HIV/AIDS), and Africa.

(ii) DUTIES- The Advisory Board would, in consultation with other international experts in related fields (including scientists, researchers, and doctors), advise and provide guidance for the trust fund on the development and implementation of the projects receiving support from the trust fund. Once the Advisory Board is established, the Secretary of the Treasury shall ensure that the Trustee provides the Advisory Board complete access to all information and documents of the trust fund necessary to the effective functioning of the Advisory Board.

TITLE II--UNITED STATES FINANCIAL PARTICIPATION

SEC. 201. LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.

In addition to any other funds authorized to be appropriated for multilateral or bilateral programs related to AIDS or economic development, there are authorized to be appropriated ~~to the Secretary of the Treasury \$100,000,000~~ \$500,000,000 for ~~each of~~ fiscal years 2001 ~~to through~~ 2005 for payment to the trust fund established as a result of negotiations entered into pursuant to section 101. Following the initial appropriation, subsequent appropriations shall not exceed 25 percent of the contribution of other donors.

TITLE III--REPORTS

SEC. 301. REPORTS TO THE CONGRESS.

(a) ANNUAL REPORTS- Not later than 1 year after the date of establishment of trust fund pursuant to this Act ~~of the enactment of this Act~~, and annually thereafter for the duration of the trust fund established pursuant to section 101, the Secretary of the Treasury shall submit to the appropriate committees of the Congress a written report on the trust fund, the goals of the trust fund, the programs, projects, and activities, including any vaccination approaches, supported by the trust fund, and the effectiveness of such programs, projects, and activities in reducing the worldwide spread of AIDS.

(b) APPROPRIATE COMMITTEES DEFINED- In subsection (a), the term 'appropriate committees' means the Committees on Appropriations, on International Relations, and on Banking and Financial Services of the House of Representatives and the Committees on Appropriations, on Foreign Relations, and on Banking, Housing, and Urban Affairs of the Senate.

TITLE IV--HIV/AIDS PREVENTION AND CARE

SEC. 401. STRENGTHENING LOCAL CAPACITY IN SUB-SAHARAN AFRICA TO IMPLEMENT HIV/AIDS PREVENTION AND CARE PROGRAMS.

Title XVI of the International Financial Institutions Act (22 U.S.C. 262p--262p-7) is amended by adding at the end the following:

'SEC. 1625. STRENGTHENING LOCAL CAPACITY IN SUB-SAHARAN AFRICA TO IMPLEMENT HIV/AIDS PREVENTION AND CARE PROGRAMS.

'The Secretary of the Treasury shall instruct the United States Executive Director at the International Bank for Reconstruction and Development to use the voice and vote of the United States to encourage the Bank to work with sub-Saharan African countries to modify projects financed by the Bank and develop new projects to build local capacity to manage and implement programs for the prevention of human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS) and the care of persons with HIV/AIDS, including through health care delivery mechanisms which facilitate the distribution of affordable drugs for persons infected with HIV.'.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 15, 2000
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 3519 - World Bank AIDS Marshall Plan Trust Fund Act
(Leach (R) IA and 29 cosponsors)

The Administration strongly supports the passage of H.R. 3519, which would increase international efforts to combat the global spread of HIV/AIDS, and agrees with its sponsors that there is a critical need for new sources of funding in order to combat this growing pandemic effectively. The President's FY 2001 Budget requests a \$100 million increase for HIV/AIDS prevention, treatment, and related activities, bringing the total HIV/AIDS funding (exclusive of research) in FY 2001 to \$342 million. The current U.S. efforts to combat global HIV/AIDS are by far the largest among bilateral and multilateral donors. In addition, the Administration has proposed a \$50 million contribution to the Global Alliance for Vaccines and Immunization (GAVI) and new tax credits to help spur the development and distribution of vaccines for HIV/AIDS and other diseases that result in millions of deaths every year in the developing world.

The Administration believes that H.R. 3519 takes an important step towards our common objective of increasing the international effort to combat this pandemic. We believe that additional flexibility in negotiating the exact structure of the multilateral funding mechanism will ensure that this mechanism will best meet the objectives of other donors and the requirements of recipient countries and organizations, and therefore will maximize our ability to increase other donor participation. The Administration looks forward to working with the Congress to address this goal. We also note that H.R. 3519 raises constitutional concerns regarding the President's exclusive authority in foreign affairs to represent, and negotiate on behalf of, the United States.

The Administration remains fully committed to other high priority international initiatives and to the funding levels proposed in the President's Budget for HIV/AIDS programs and other critical components of our existing international affairs budget request. A new multilateral funding mechanism will take time to become operational and effective, and therefore the passage of the President's FY 2001 Budget for HIV/AIDS programs is imperative and will result in immediate assistance in the fight against global HIV/AIDS.

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