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WRITTEN TESTIMONY
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My name is Peter Piot and I am executive director of UNAIDS. Thank you for inviting me to testify today before the Senate Health, Labor and Pensions Committee about the HIV/AIDS epidemic, the work of UNAIDS to address this epidemic, and the critical difference that PEPFAR has made in the global fight against HIV/AIDS.

A quarter of a century into this epidemic, we are at a critical juncture. It is a turning point that beckons us to not only manage the urgent and daily emergencies presented by the epidemic – but also forces us to take a long-term view and to establish a sustainable response.

According to our most recent UNAIDS figures, there are an estimated 33.2 million people living with HIV. Each day, there are more than 6,800 new infections and over 5,700 people die of AIDS.

The encouraging news is that HIV prevalence has been leveling off, and is declining in sub-Saharan Africa. That's a real tribute to the significant investment that the G-8 countries, led by the extraordinary commitment of the United States, have made in prevention, care and treatment.

Yet, while the prevalence is leveling off, the sheer number of people in the world living with HIV continues to increase. Moreover, AIDS is still a leading global cause of mortality, and remains the primary cause of death in sub-Saharan Africa.

Prevention and treatment efforts that save lives still remain available to only a small percentage of those who need it. Both new infections and early deaths are preventable if the global community continues its commitment to scaling up essential prevention, treatment, care and support efforts worldwide. Even the most conservative resource need estimates demonstrate that the global need far outpaces the global response to it.

It's important to take a moment and note a few trends of the epidemic. First, the epidemic is still expanding. In fact, it is globalizing. This disease, a disease that was not even known 26 years ago, is now the fourth cause of death in the world; the fourth cause after heart disease, stroke, and respiratory illness. This is clearly not a marginal phenomenon.

Second, there is the feminization of the epidemic. In every single region in the world, including here in the United States, the proportion of women among those who are becoming infected with HIV is increasing. Half of those living with HIV today are women. Globally, 15.4 million women are currently living with HIV. In Sub-Saharan Africa, approximately 61% of people living with HIV are women. In the United States, AIDS is now the leading cause of death for African-American women ages 25-34. In hard hit areas, AIDS is undoing any development gains for women and girls.

Third, we're seeing a tremendous human and social capital loss in the worse affected countries as a result of this epidemic. I refer to it as reverse development or un-development. We estimate that by 2010 the five most affected countries in Africa will have lost about one in five workers due to AIDS. Some sectors that drive national economies are really reaching

the crisis point. For example, the mining industry in Botswana loses more than eight percent of its profits every year because of costs related to HIV. And in the tourism industry in Zambia, which is one of the future assets of the country, HIV related costs total nearly 11 percent every year.

And there is also the absolutely devastating human toll. The numbers of orphans, of vulnerable children in Africa and elsewhere, remains unacceptable. For example, 19 million orphans and vulnerable children will need our help by 2010.

When we look at these trends, it is fair to say that we have a good understanding of the biological drivers – the virology of the disease. However, the societal drivers, which are basically the reason that we have this epidemic, have not been studied that well. And unlike what is often said, AIDS is not just a disease of poverty; AIDS is a disease of inequality, gender inequality being the most striking. When you look at HIV infection rates by income, it's the highest income in most African countries that have had the highest HIV rates. That is very unlike any other health problem. When you look at maternal mortality, child mortality and similar global health challenges, there's a direct link with low income and poverty, but that's simply less true for AIDS.

Economic inequality, social inequality, marginalization of groups because of sexual orientation or drug use or other factors; immigrants, gender inequality, lack of access to service- all of this has created a perfect storm. A perfect storm that sets AIDS apart from other health issues. A perfect storm that forces us to design strategies that directly meet the challenges of this epidemic.

And the AIDS community has worked hard to design and implement country-driven, country-specific strategies. That's why I feel that we are at a real turning point – a real time for hope. And it's evidence-based or evidence informed hope; it's not just something that we wish will happen, or had happened. It's supported by facts. An estimated two and a half million people are on antiretroviral therapy today in the developing world. Just six years ago, when the United Nations held an historic special session in the General Assembly on AIDS, only about 100,000 men and women were receiving antiretroviral therapy in the developing world. Most of these individuals receiving treatment were men living in Brazil because it was the first country in the developing world to offer treatment at state expense.

We're also starting to see the impressive results of prevention efforts. Prevalence is leveling off. In Uganda, we are beginning to witness a reversal in some communities, just as we are seeing it in gay communities in Western Europe. This is the first time in the history of this epidemic that we're seeing these kinds of real results on such a large scale.

A less well known, but equally important development is that investments in the fight against AIDS are having a measurable impact beyond AIDS. A recent study done by FHI in Rwanda shows that primary health care centers where basic AIDS activities were introduced, have seen a much higher coverage and uptake of services beyond AIDS – particularly maternal and child health services and family planning services.

We're also seeing for the first time that there are investments in programs on violence, particularly sexual violence, against women. This issue predates by far the AIDS epidemic, but had received very little attention with the exception of small microfinance programs. So

in many cases, it's the first time that longstanding issues have been given some serious investments, and in that sense, work on AIDS is opening many doors for development.

All of this is positive news, but also reminds us that we cannot become complacent in our early successes. All of the lives saved are the direct result of the significant increase in the world's commitment to fighting AIDS. When UNAIDS began its work in 1996, about $250 million was spent on AIDS in developing countries. This year, we estimate that the global investment in this effort will be about $10 billion total in the world.

There is no doubt that the most significant infusion of leadership, commitment, and resources has come from the United States, through PEPFAR. U.S. leadership has truly transformed the global response to AIDS and the course of the epidemic. It has enabled all of us to make a qualitative and quantum leap forward.

At the 2005 G8 summit at Gleneagles, the leaders of the most powerful economies of the world made a commitment that was incredibly bold, to come as close as possible, as the text said, to universal access to HIV prevention, treatment, care and support. And that was affirmed later by the General Assembly of the UN, and is really our ultimate goal. We cannot rest until the last person living with HIV has access to treatment. We cannot rest until we're reaching everybody with prevention activities, and transmission is stopped.

This needs to be our mission, but we have a lot of work to do if we are to truly achieve this mission. At the current pace, there will be fewer than 5 million people on treatment by 2010; just over half of the people who will need it. And when you look at coverage of mother-to-child transmission prevention programs, they are extremely low in many countries with the exception of Botswana which is, thankfully, doing remarkably well.

So, what does this all mean for PEPFAR? Simply put, just as we are at a turning point in the fight against AIDS, we are also at a turning point in the world's response to AIDS. We are at a point where we must acknowledge that AIDS is not just a short-term emergency, but also a long-term crisis that will require serious commitment and serious resources for decades, not years, to come.

We have reached the point where we must ensure that everything we do contributes to an effective response that can be sustained over the longer term. This means taking a cold hard look at what we are doing, dropping what doesn't work and consolidating and scaling up what does.

And it also means that we must continue to make needed investments. It is not an understatement to say that we wouldn't be where we are today without the commitment and leadership of the U.S.

Reauthorizing PEPFAR is critical because PEPFAR is making a real difference. In looking ahead to reauthorization, UNAIDS offers three overarching recommendations:

- **Promote a truly global effort supported by bold new investments.** This means building on PEPFAR I successes, increasing resources commensurate with the magnitude of the challenge and ensuring the strong leadership of the U.S. It means

continuing support to "focus countries" and expanding support in other parts of the world where significant and high yield opportunities exist.

- **Move from an Emergency to a Sustainability Strategy.** We must support a country driven and flexible approach that allows for an enhanced focus on ***prevention*** while also strengthening health care delivery systems, human resource capacity, and local community-based service organizations. We must also break down implementation barriers and bottlenecks to getting the job done by supporting reform of legal and regulatory processes and policies, as well as research and development to accelerate access to affordable and high quality commodities, medicines, and diagnostics.

- **Maximize effectiveness of investments through partnership and coordination.** At UNAIDS, we call this "Make the Money Work."

Our recommendations are largely based on some extensive surveys that we had with our field operations. On the first point of supporting bold new investments, let's look at where we are. This year, approximately $10 billion will be spent. While that's a considerable investment, it's only slightly more than half of the global need. If we are going to achieve universal access to HIV prevention, treatment, care, we will need a major increase in funds.

In terms of PEPFAR Reauthorization, President Bush has requested $30 billion. That is definitely a very generous proposed investment. But given that the US will likely contribute more than $5.5 billion this year, quite frankly, greater increases will be needed to keep the global momentum growing. The good news is that US leadership leverages action by both partner governments and other donor countries.

With that in mind, I urge Congress and the President to go further, to continue on the same upward trajectory that Congress and the Administration have been following during the first five years of this landmark legislation. Substantial progress has been achieved in bringing essential HIV services to those in need in the low-and middle-income countries where 95% of all people living with HIV reside. The number of people receiving antiretrovirals in these countries increased five-fold between 2003 and 2006, and declines in HIV prevention have been reported in several countries following the implementation of strong HIV measures.

According to the September 2007 UNAIDS "Financial Resources Required to Achieve Universal Access to HIV Prevention, Treatment, Care and Support" Report, available financial resources must more than quadruple by 2010 compared to 2007 – up to $42 billion.

We simply cannot afford to slow down now. Just consider five points. First, the most obvious one is that failure to increase efforts will not keep pace with increased needs, and will result in far more deaths.

Second, what we have learned in the fight against AIDS is that it's either act now or pay later. If we had acted ten or twenty years ago with the same resources, determination and political will that we have today, the AIDS bill would have been much cheaper. So if we delay increased investments now, five years from now the bill will be even greater, particularly if we continue to fall short on HIV prevention. As the UNAIDS Report states, "had the world made prudent investments 10-20 years ago – in prevention, in strengthening health systems in

low-and middle-income countries, in preserving and building essential human resources, in addressing the corrosive effects of gender inequities and other drivers of the epidemic – much smaller amounts would be required today. The same principle holds true today – we cannot afford the costs of inaction. A comprehensive, scaled-up HIV prevention response would avert more than half of all new infections that are project to occur between 2005 and 2015. Unless we can prevent new infections, future treatment costs will continue to mount.

Third, putting resources into combating AIDS is also key to improving health systems, if only because in many countries 50 percent of hospital beds are occupied due to AIDS. And if we can't reduce that burden through antiretroviral therapy, it's only going to get worse.

Fourth, because of the work we have done, we are now set to be more efficient in the future. A great deal of energy and time has been invested in setting up systems -- supply chain management, procurement, community activities – which will provide us with greater economies of scale in the future.

And, finally, earlier investments that have been made will be lost if we do not continue to trend upward. And as a European, I can also say that putting more money into PEPFAR will compel the rest of the world to do the same.

We saw that when President Bush announced in his State of the Union in 2003 that this country would put $15 billion on the table in the fight against AIDS. And the Congress has actually appropriated more than the $15 billion pledged. This global leadership was followed by others – first the UK and, then others. This has happened time and again and demonstrates the true power of American leadership.

In addition to increasing investments, we must maximize the effectiveness of our investments through partnerships and better coordination. We must make the money work more for people on the ground by spending it more efficiently. At UNAIDS, "Making the money work" is our mantra. That is what every staff member knows, that is what we are working for in countries in partnership with national governments and NGOs, PEPFAR and the Global Fund. It means maximizing our effectiveness by improving coordination among donors, government implementers, and everyone in the global fight against AIDS.

It is no surprise that working in partnership produces significant results. In Rwanda, where governments are full partners, and the US effort is fully integrated with national strategies, progress has been measurable. All this may sound a bit bureaucratic, but it means the difference between fighting AIDS effectively or losing ground.

And finally, UNAIDS believes strongly that now is the time to add a long-term view, and sustainable strategies to the emergency response, the "E" in PEPFAR. This shift has a number of implications. First, it means supporting a country-driven and flexible response that allows for an enhanced focus on prevention. For every person who is put on antiretroviral therapy, six become infected with HIV. To get ahead of this epidemic, greater investments in prevention are absolutely essential. Furthermore, strategies must be designed and implemented that respond to the epidemic in that country, and the cultural and social context. It also means minimizing programmatic set asides to foster an appropriate balance among prevention, treatment, care and support in each country. We must increase support for solutions that work best for the particular country.

When it comes to addressing AIDS, anything that has the word “only” in it doesn’t work - whether it’s treatment only, prevention only, condoms only, abstinence only, male circumcision only. The fact is that we need it all to reach our goals. And, more importantly, we need to be smart and effective in our investments. We can benefit from lessons learned. And we have the added benefit that learning from our lessons will save lives.

In conclusion, there is no doubt that, in large part due to U.S. leadership, we have made major progress in the fight against AIDS worldwide. As we prepare for the years to come, and as we make our budgets and formalize our plans, we must commit ourselves to not simply continuing our efforts, but intensifying them and adapting them to the new reality on the ground. We must adapt them to the new and encouraging reality that we’ve all created through U.S. and global investments and efforts.

I am a big believer in the fact that while we cannot predict the future, we can create it. We have a roadmap for the fight against AIDS. We have the evidence to know what works. We have reached a turning point where even turning back slightly is a slippery slope that will jeopardize progress for years to come. We must continue the trajectory upward. And that will require your continued leadership and unwavering support.

This Committee, under the extraordinary leadership of Senator Kennedy, has been a true catalyst for progress and for saving lives – for fighting AIDS and building sustainable health systems. I am confident that in the context of PEPFAR Reauthorization, this longstanding tradition will continue.

UNAIDS stands ready to support this bipartisan effort in any way we can. To that end, I have included a host of recent UNAIDS publications that I hope you will find useful in your effort.

Thank you very much.