

April 30, 2024

The Honorable Patty Murray Chair Senate Appropriations Committee 154 Russell Senate Office Building Washington, DC 20510 The Honorable Susan Collins Ranking Member Senate Appropriations Committee 413 Dirksen Senate Office Building Washington, DC 20510

The Honorable Christopher Coons Chair Subcommittee on State, Foreign Operations, and Related Programs 218 Russell Senate Office Building Washington, DC 20510

The Honorable Lindsey Graham Ranking Member Subcommittee on State, Foreign Operations, and Related Programs 211 Russell Senate Office Building Washington, DC 20510

Dear Members of the Appropriations Committee:

As members of the Global Health Technologies Coalition (GHTC)—a group of more than 45 nonprofit organizations, academic institutions, and aligned businesses advancing the creation of new drugs, vaccines, diagnostics, and other tools for global health—we write to highlight the critical role of US programs that support global health research and development (R&D) and encourage your continued support for this important work.

Our request: In fiscal year 2025 (FY25), we strongly urge the Committee to support global health research by:

- Increasing or sustaining funding levels for every global health program under the US Department of State and the US Agency for International Development (USAID).
- Creating a new, *additive* <u>Supporting Innovative Global Health Technologies (SIGHT) Fund under</u> <u>USAID for</u> global health innovation at \$250 million in FY25.
- Again, including report language directing USAID to increase global health innovation spending.
- Again, including report language requesting that USAID produce an annual report on its global health research programs.

Global health R&D is a practical and moral imperative, and it protects Americans.

Why global health matters: Global health is a bipartisan cornerstone of US foreign policy. Supporting the public health of partner countries has practical and moral justifications:

- It protects Americans from national health security threats, increases global political stability, lifts economies, and most importantly, saves millions of lives.
- Investments in global health are highly effective. In the last 20 years, investments in the President's Emergency Plan for AIDS Relief alone have saved more than 25 million lives and were integral to the COVID-19 response in affected countries. This comes from the relatively modest investments from State, Foreign Operations, and Related Programs global health-related programs at USAID and the State Department, which accounted for approximately six cents on

every 100 dollars budgeted for fiscal year 2023.

Investments in global health R&D also lead to economic gains in the United States and in partner countries. As told in a recent analysis conducted by a partnership between Policy Cures Research and GHTC, between 2007 and 2022, \$46 billion in global health R&D investment led to \$102 billion in economic activity and the creation of over 600,000 jobs countrywide. This is not to mention the follow-on effects of the innovations the United States invested in during that time period, which are projected to generate \$251 billion and counting for the US economy.

Still, millions of people die every year because we do not have the technologies to save them.

The challenge: In 2022, 1.3 million people were killed by tuberculosis, 1.3 million people were newly diagnosed with HIV, and 249 million people were infected by malaria. In 2019, at least 1.27 million people were killed by antibacterial resistance. More than 1 billion people worldwide are affected by neglected tropical diseases, a group of 20 diseases caused by a variety of pathogens. Women and children are often underserved in the health sector, especially in low-resource settings. In the future, the world is likely to face new pandemic threats.

The United States, as a biomedical research powerhouse, can change history through relatively small public investments.

New medical products are needed to overcome neglected diseases; to beat antimicrobial resistance (AMR); to replace outdated and toxic treatments; to defeat future pandemics; and to better reach low-resource, remote, and unstable settings. Examples of the technologies we need include:

- A vaccine and cure for HIV/AIDS.
- New treatments and prevention technologies for malaria.
- Shorter tuberculosis treatment regimens and a more effective vaccine.
- Better diagnostics and new treatments for neglected tropical diseases.
- A universal pandemic vaccine.
- New antibiotics and other tools to address AMR.
- New tools to address insecticide resistance.
- And many others.

Why public investment is needed: US government support for this research is critical because the private sector typically does not invest in technologies that have limited profit potential.

• Public investments often seed multisector-funded product development partnerships, or PDPs: nonprofit organizations that convene government, science, private-sector, and community partners to develop and promote access to new global health technologies.

USAID's critical role in global health innovation

USAID has provided unparalleled support for the late-stage development of global health technologies for decades.

Why it matters: USAID is the only US agency with a mandate to improve global health that supports the development of global health products from early-stage concepts to delivery around the world:

• USAID identifies innovation gaps, sponsors clinical trials, and scales new technologies to

communities in need.

- USAID uses novel financing models, builds interagency and multisectoral partnerships, and applies a business mindset to stretch the US government dollar for maximum impact.
- USAID's value-add is driving research and scale-up of global health products that offer significant public health benefits but are not supported by other public or private funders.

But: USAID's global health innovation mandate is increasingly constrained by three challenges:

- 1. **USAID funding for R&D has not kept pace with total global health spending.** In 2006, USAID spent eight percent of its global health budget on R&D. Today, USAID spends five percent, and this spending is projected to decline further without a course correction.
- 2. USAID funding for R&D is siloed by health area, limiting funding opportunities for products that are novel or needed for emergencies. Funding for innovation today is drawn from diseaseand population-specific appropriations accounts, limiting the ability of USAID to fund products that address multiple health issues or emerging challenges.
- 3. Constrained budgets force leaders in the Global Health Bureau to prioritize immediate impact over innovation. With limited resources, leaders must make difficult decisions between funding programs and funding innovation that could drive greater impact in the future.

What is needed: Sustained or increased funding for every global health line and a new, *additive* approach to funding global health innovation at the agency.

A solution endorsed by top former USAID officials

To address these challenges, **GHTC urges Congress to create a** <u>SIGHT Fund</u> within the USAID Global Health Bureau with an initial appropriation of \$250 million in FY25 created through topline growth.

In short: The SIGHT Fund would be a new appropriations line under USAID's global health programs. It would provide supplemental, crosscutting funding at USAID to conduct research, development, and deployment of new global health products. The SIGHT Fund would prioritize support for innovators near affected communities and the engagement of those communities in the research process.

Status of legislation containing complementary authorizing language: The SIGHT Act (HR 6424) was introduced on a bipartisan basis in the House of Representatives in November 2023. It would establish the program area and staffing needs to implement the SIGHT Fund's appropriated budget. GHTC is actively advocating for the passage of HR 6424 and a Senate companion bill in 2024.

Who is talking about it: The SIGHT Fund concept is <u>endorsed</u> by the broader global health community and former senior leaders at USAID:

- More than 100 major global health nongovernmental organizations, universities, industry coalitions, and faith-based organizations.
- Former Trump administration-appointed USAID Administrator Mark Green, who said the SIGHT Fund would "[create] opportunities to strengthen research capacity as part of the journey to self-reliance and [accelerate] the achievement of our most ambitious global health targets."
- Former Obama administration-appointed Assistant Administrator for Global Health Ariel Pablos-Mendez, who said, "Investment in R&D shouldn't be something USAID does if there's extra money in an annual budget, it should be an articulated priority with its own additional funding."

• Former Trump administration-appointed USAID **Chief of Staff Bill Steiger**, who said, "We need a new mechanism to finance crosscutting and disease-agnostic innovation that could help us develop the next generation of essential global health tools in cooperation with the private sector. **A dedicated funding line to support that work, like the SIGHT Fund, is long overdue**."

The SIGHT Fund would solve the three challenges to progress mentioned above:

- 1. **The SIGHT Fund would raise R&D funding closer to the need.** With an initial appropriation of \$250 million, the SIGHT Fund would raise total annual USAID investments in global health innovation to approximately ten percent of overall Global Health Bureau funding, slightly above the previous peak of eight percent set in 2006.
- The SIGHT Fund would fill the cracks. The SIGHT Fund could be tapped for different health challenges as R&D opportunities emerge, especially products currently without a funding source, such as for AMR, malnutrition, and population-specific tools. The SIGHT Fund would improve health research coordination within USAID and with health research agencies across the US government.
- 3. The SIGHT Fund would eliminate the zero-sum choice between programming and innovation. USAID has long-standing partnerships with many innovators, and the SIGHT Fund would supplement—not supplant—these existing programs and partnerships—expanding the global health pie rather than slicing it further. It would enable USAID to make bolder investments in new technologies while reducing the trade-off between programming and innovation.

Request for USAID reporting on health-related R&D

At the request of Congress, USAID releases an annual report on its health-related R&D investments and programs. We urge Congress to renew its request for this report.

Why it matters: These reports provide Congress and the global health community insight into how USAID is investing in global health research and progressing toward its health-related R&D strategy.

• The strategy is an important articulation of USAID's health innovation mission and (together with the reports) is an essential accountability tool to ensure that USAID is on track to meet its health R&D goals.

What is needed: We encourage Congress to include report language that 1) requests the report to be publicly posted on USAID's website and 2) either references or matches the detail of <u>Senate Report</u> <u>116-126</u>.

This request is critical to ensuring that US investments in global health research are efficient, coordinated, and maximally effective.

We stand ready to work with you to advance US leadership in global health and global health innovation and ask that support for global health R&D not come at the expense of other humanitarian assistance and development accounts.

Now more than ever, Congress must make smart budget decisions. Global health research that improves the lives of people around the world while supporting national health security and economic prosperity

is a win-win federal investment.

Please do not hesitate to contact GHTC's US Policy and Advocacy Officer Alex Long at <u>along@ghtcoalition.org</u> if you have questions or need any additional information.

Sincerely,



American Society of Tropical Medicine and Hygiene



AVAC

CEPI

Coalition for Epidemic Preparedness Innovations, U.S.



Coalition for Health Research and Development



Elizabeth Glaser Pediatric AIDS Foundation Fighting for an AIDS-free generation

Elizabeth Glaser Pediatric AIDS Foundation



Drugs for Neglected Diseases initiative



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Global Health Technologies Coalition



Medicines for Malaria Venture



Population Council



Public Health Ambassadors Uganda



Speak Up Africa





Treatment Action Group

Washington Global Health Alliance