Post Waiver Impact of USA government administration's directive to pause all foreign aid obligations on program implementation and funding Second data update

GNP+, Aidsfonds and Robert Carr Fund 7 February 2025

Over the last two weeks, the new U.S. administration has taken a cascade of actions that are already having a catastrophic impact on the global HIV response. Billions in funding have vanished overnight, and millions of people face needless suffering and death without immediate action.

The Latest on the HIV Funding Crisis:

- On January 20, the U.S. issued a 90-day freeze on virtually all foreign aid, including the United States President's Emergency Plan for AIDS Relief (PEPFAR), until it conducts a review to ensure programs align with its America First vision.
- On January 27, the U.S. ordered organizations in other countries to stop disbursing HIV medication purchased with U.S. funding leaving medication sitting on the shelves of local clinics and depriving people of access to lifesaving treatment.
- On January 28, a waiver was given for lifesaving medicines, including HIV medication. Services not included in the waiver are PrEP (other than for pregnant women), and services for orphans and vulnerable children. It remains unclear if prevention and other services and costs for key populations are included.
- The government has also taken PEPFAR data systems offline, signaling that the program may not return, and placed at least 56 senior USAID officials and hundreds of contractors on leave.
- These actions come on top of moves to reinstate the Global Gag Rule, curtail the rights of trans and non-binary people, and bar diversity and inclusion programs.
- The U.S. also paused and then quickly rescinded all domestic federal funding, specifically calling out programs related to "D.E.I, woke gender ideology, and the Green New Deal."

Sources: KFF Waiver Update (February 3, 2025) and FCAA Update News Alert (February 4, 2025).

There are currently more than 20 million people supported by PEPFAR on antiretroviral treatment. They are representing two-thirds of all people living with HIV receiving treatment globally. These actions will jeopardize their lives, cost jobs and taxpayer resources, and will threaten to unravel decades of progress on HIV. Based on available data, amfAR states in Impact of Stop Work Orders for PEPFAR Programs factsheet (dated January 24, 2025) this globally means that 222,000 people won't receive their HIV medication for each day the pause is in effect. Of these, 7,445 are children under the age of 15. During a 90-day stoppage, amfAR estimates that this would mean 135,987 babies acquiring HIV. Despite the waiver, getting people back onto treatment after the stop work order is lifted will take enormous effort.

Initial mapping of impact on community networks and organizations

TTo draw attention to the devastating effects of the stop work order, Aidsfonds, GNP+ and Robert Carr Fund started an initial mapping of this impact to community networks and organizations. A data brief with the first preliminary results has been shared with FCAA members last week (January 31, 2025). Please find below the second update of outcomes, including additional analyses of the impact on the ground.

About these data:

- These data come from a web-based survey that is conducted between January 27 and February 10, 2025. The findings from this survey present an early look at the impact of the stop work order on organizations worldwide.
- The information included in this update reflects post-waiver developments, allowing us to assess the impact of the measures based on the most recent situation.
- Responses are collected anonymously, though participants have the option to provide their country and
 organization name. Those willing to share additional insights can indicate their openness to being contacted for
 follow-up.
- All information in this data update is based on survey responses as reported to us. The figures presented are narratives and estimates directly reported by community-based organizations and networks operating closest to recent events, giving them the clearest understanding of the situation and its effects.
- This update is a rapid analysis to ensure that initial results become available as soon as possible. Therefore the data has not been thoroughly checked and verified yet. This will be done in a comprehensive report with a full summary of the data analysis, which will be shared after February 10 to inform advocacy and funding decisions.

Data of 564 survey respondents is used in this update, comprised from a wide range of organizations working on the front lines of the crisis, such as service provider-focused NGOs and community networks (52%) and advocacy-focused NGOs and community networks (40%) amongst others. They work across 25 different countries, with 74% of organizations operating in Eastern and Southern Africa and 15% in Western and Central Africa, illustrating the regional impact of this policy change. Organizations are disproportionately affected by funding losses and operational challenges, yet they remain committed to supporting their communities, proofing the vital role of grassroots organizations in the HIV response.

Figure 1: Respondents organization type

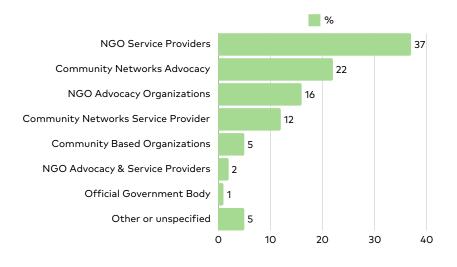
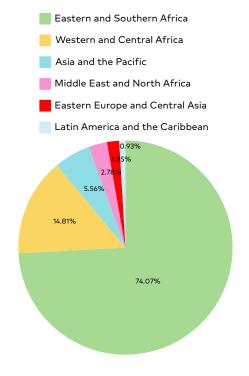


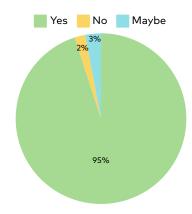
Figure 2: Respondents geographic distributuion



Widespread and severe impact

The preliminary results of the survey reveals a widespread and severe impact of the "stop-work order" and the reinstatement of the global gag rule on HIV programs across various countries. Among the participants who answered the question about whether their HIV response was affected (496 respondents), the vast majority (95%) confirmed that they were directly impacted.

Figure 3: Respondents directly impacted



A substantial proportion of organizations (43%) report having faced implementation halting, with 35% specifying complete program suspension, leading to a total cessation of essential services. Additionally, of those reporting implementation halting, 43% specifically reported experiencing a partial service reduction, indicating that while some services continued, others were significantly curtailed.

The reported implementation halting includes (partially) halting of outreach, prevention, and community-based services. Community testing events and follow-up appointments have also been suspended, leaving significant gaps in critical healthcare services. These closures affect not only healthcare access but also the livelihoods of countless healthcare workers, peer educators, and support staff who depend on these programs for their income and livelihoods.

This shows that, despite the waiver, the measures continue to have devastating consequences for affected individuals and healthcare workers.

Even though some HIV treatment programs will still receive funding through waivers, the lack of funding for other interventions will significantly impact the overall effectiveness of treatment. Additionally, there remains confusion about the waiver's scope. Communications on the stop work order were reported as being very unclear by one-third of respondents in the PEPFAR Watch survey <u>Deadly Pause, Impact of the PEPFAR stop work order</u> (Data from 28 January - 31 January 2025). PEPFAR Watch states that "as of 31 January, there has been little clarity from PEPFAR missions as to if this waiver applies to PEPFAR programming, and, if so, to what extent program activities are covered. The waiver has had no impact so far."

Most affected populations

Based on the survey responses, the current disruptions threaten to create a new generation of preventable HIV infections. 53% of the survey respondents reported which populations they see as the most affected by these disruptions. These most affected populations include:

- People Living with HIV (mentioned by 46% of the respondents): Despite the waiver, many reported difficulty in maintaining adherence to life-saving HIV medication due to disruptions in medication supply.
- Key Populations (mentioned by 38% of the respondents): Sex workers, MSM (men who have sex with men), people who use drugs, LGBTIQ+ communities, and prisoners face increased barriers to accessing services.
- Children and Mothers (mentioned by 9% of the respondents): Organizations describe pregnant women and children facing interruptions in their treatment regimens.

Survey quote

"This halt interrupts critical life-saving work including clean water to infants, basic education for kids, ending the trafficking of girls, and providing medications to women, children and others suffering from disease. It halts decades of life-saving work through PEPFAR that helps babies to be born HIV-free. It's a cruel decision that has life or death consequences for millions of people around the world and it will have life or death consequences for millions of people in communities."

Scale of the impact

The scale of the impact is alarming, with first estimates of reported affected populations ranging from hundreds to millions, indicating potential long-term consequences for global public health infrastructure. The magnitude of these disruptions varies across regions.

77% of the survey participants responded with their estimated scale of impact. Of these respondents:

- 57% respondents estimate a large-scale crisis (>1,000,000 people affected).
- 13% respondents estimate a medium-scale impact (100,000 999,999 people affected).
- 30% of respondents estimate a small-scale impact (<100,000 people affected).

A first analysis of co-occurrences of thematic codes identifies that organizations reporting smaller-scale impacts tend to be direct service providers operating at a community level, serving specific key populations in defined geographic areas, rather than larger advocacy organizations working at a national scale.

Multitude of issues already affecting communities

The impact of these disruptions has been deeply felt across multiple areas:

- Specific Service Disruptions: Stock-outs of essential HIV medications and supplies, such as antiretrovirals (ARVs), condoms, and HIV testing kits, have been widely reported. In some cases, patients have only received partial supplies of their medication, increasing the risk of treatment interruptions and the development of drug-resistant strains of HIV. Out of the 63% of respondents who reported specific service disruptions:
 - 069% reported treatment service interruptions (e.g. ART, ARV access, loss of opioid agonist treatment (OAT))
 - 29% indicated a halt to prevention services (e.g. PrEP, PEP, self-testing kits, condoms).
- Stigma and Discrimination Increase: The suspension has also triggered a concerning resurgence of stigma and discrimination. Community leaders report increased instances of harassment and discrimination, particularly against key populations. This backsliding threatens to undo years of progress in creating inclusive and accessible healthcare environments.
 - 22% of organizations reported increased experiences of discrimination. While 59% remained general, 48% highlighted community-level stigma, and 19% identified discrimination within healthcare settings, where people faced barriers to accessing care.
- Mental Health Concerns: Mental health emerges as a critical concern across all regions, with healthcare workers and patients alike reporting increased anxiety and depression. Organisations describe a palpable sense of fear among their clients, many of whom worry about treatment interruptions and the potential development of drug resistance.
 - 014% noted increased psychological distress among affected individuals, staff, and communities due to service instability and uncertainty.

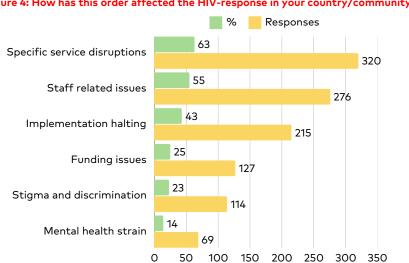


Figure 4: How has this order affected the HIV-response in your country/community?

Loss of funding

25% of survey respondents identified funding instability as a major concern, with 82% of respondents citing immediate funding cuts, forcing organizations to scale back operations rapidly. Loss of funding particularly impacts community-led groups that play a crucial role in HIV advocacy and service delivery. Hundreds of health care and aid workers have lost their jobs and it is expected that many more will as well.

Without sufficient financial support, some organizations have been unable to pay rent or staff salaries, leading to personnel related challenges (reported by 55% of the survey respondents). Some of those respondents further specified issues faced, citing staff layoffs (62%) and staff turnover (23%) among other impacts. This weakens the capacity of these organizations to deliver essential services and meet the needs of their communities. The disruption of harm reduction services for people who use drugs further compounds the challenges, increasing the risk of HIV transmission in vulnerable populations.

Risk of waiver leaving behind key areas

The survey was updated to inquire about the waiver and its impacts. This inquiry was added to the survey on February 3, 2025. Since then, 59 respondents provided insights that were thematically coded to identify critical gaps resulting from waiver-related policy changes, focusing on how the lack of funding for other interventions influence the overall effectiveness of treatment, posing severe risks such as:

- Higher Infection Rates: The loss of prevention and treatment services has contributed to an increased risk of new HIV infections, drug resistance, and re-infections, as noted by 40% of respondents. Respondents cited evidence on an increased rate of HIV infections in the days following the chaos around the funding halt.
- Broad and multi-layered challenges for vulnerable groups: 33% of respondents reported increased general challenges for vulnerable groups such as adolescents, refugees, PLHIV with disabilities.
- Mortality and Co-Infections: 19% reported the potential rising mortality rates and heightened vulnerability to coinfections such as TB, malnutrition, and STIs due to service gaps. It shows that the measures lead to an overall disruption of the healthcare system, resulting in these new co-infections.

Case studies: the human cost of policy decisions

Among the responses, several case studies illustrate the real-world consequences of these changes. Organizations reported first-hand examples of how the decisions have directly impacted their ability to provide services. These narratives underscore the urgency of addressing these gaps before further harm is done. Examples of direct impact stories are:

- A respondent from Uganda signals cascading impacts across the entire healthcare system. Over 1.3 million people
 on ART face treatment disruptions. They describe the scope is particularly concerning as many rural and hard-toreach areas depend on US-funded programs for home-based ART delivery, and the suspension affects multiple
 aspects of care including cervical cancer screening, TB treatment, and gender-based violence programs. Another
 initiative in Uganda is receiving calls from people aging with HIV expressing fears about drug refills and increasing
 hypertension due to panic about service disruptions.
- From Côte d'Ivoire is reported that PEPFAR finances approximately 80% of the HIV response in their country. They estimate 60-70% of their active caseload (approximately 250,000 PLHIV) would be affected, particularly impacting PrEP provision, testing outside health centers, HIV self-testing, and PLHIV monitoring.
- From South Africa comes a story that highlights the unprecedented scale of impact. The country's 5.9 million people on ART the world's largest HIV treatment program face disruption. Support staff, including nurses and counselors who run children's support groups, have been laid off, demonstrating how funding cuts affect both medical care and crucial health support systems.

- From Mombasa, Kenya, a community-led organization reports that their safe space has been abruptly closed as it
 was 100% USAID supported. The closure directly affects 245 community members. They warn that without HIV
 prevention services, infection rates will rise significantly. In Nairobi, Kenya, a respondent has had their USAIDsupported HIV KP program stalled, affecting 17,229 people, including 841 children. They report increased targeting
 of individuals based on gender expression following the policy changes.
- A response from Vietnam demonstrates global systemic risks. Since January 24th, all PrEP programs have been suspended, and technical support staff for key surveillance programs and epidemiological data management have stopped working. They note particular concern about the impact on their Global Fund programming, as it provides all second-line drugs and alternative regimens.
- An organization from Tanzania reports increasing social media stigmatization, particularly affecting adolescence and young women sex workers living with HIV. They estimate around 10,000 people in their project are directly affected.

Long-term implications

The implementation data demonstrates the limitations of the waiver in maintaining comprehensive HIV services. The presented figures, combined with other available reports, indicate that the waiver's narrow focus on maintaining medical services has not prevented broader systemic disruptions to HIV response capabilities.

Looking ahead, organisations express grave concern about the long-term implications of the suspensions. Beyond the immediate health impact, they anticipate the erosion of community trust, the loss of experienced healthcare workers, and the creation of a new generation of preventable HIV infections. Many fear that even if funding resumes, rebuilding the damaged infrastructure and restoring community confidence will take years.

PEPFAR accounts for \$7.5 billion in annual investments in the global AIDS response. While many countries have been able to increase their own financial contributions in recent years, many nations—especially in Sub-Saharan Africa—remain heavily dependent on PEPFAR. Without this funding, local organizations will be forced to shut down their operations.

We must work together swiftly to meet urgent needs in our communities while also continuing to build their power for the long term. Our collective power is our greatest asset, and we firmly believe that our passion, creativity, and perseverance will carry us through this crisis.

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Please continue to share your inputs to international@aidsfonds.nl before February 10, 2025.





