Global Health Technologies Coalition Outside Witness Testimony for the Record
Subcommittee on State, Foreign Operations, and Related Programs
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On behalf of the Global Health Technologies Coalition (GHTC), a group of 40 nonprofit organizations, academic institutions, and aligned businesses advancing policies to accelerate the creation of new drugs, vaccines, diagnostics, and other tools that bring healthy lives within reach for all people, I am providing testimony on fiscal year 2023 (FY23) appropriations for global health programs at the US Agency for International Development (USAID). These recommendations reflect the needs expressed by our members working around the globe to develop new and improved technologies for the world's most pressing health issues. We appreciate the Committee's support for global health, particularly for continued research and development (R&D) to advance new drugs, vaccines, diagnostics, and other tools for long-standing and emerging health challenges, including COVID-19.

To this end, in FY23, we strongly urge the Committee to sustain and grow funding for research to develop new global health products and innovations through the Global Health Programs account under the State Department and USAID by supporting, at minimum, sustained funding at FY22 enacted levels for each disease- or population-specific account under Global Health Programs, and supporting funding increases where possible, including those outlined in the president's FY23 discretionary budget request. However, beyond the need to sustain funding for existing accounts critical to global health R&D, several concerning trends have converged in the past several years that necessitate a new, reinvigorated approach to funding global health innovation at USAID. To respond to and mitigate these trends, outlined below, our coalition—joined by more than 100 endorsing organizations—proposes the creation of a new Supporting Innovative Global Health Technologies (SIGHT) Fund, a new and additive source of flexible, catalytic funding for the research, development, and deployment of new global health products, created through a new appropriation of $250 million to the USAID Global Health Bureau, in addition to robust funding for existing lines under the Global Health Programs account.

US investment in the development of new health technologies is essential to addressing some of the world's most pressing health challenges—achieving an AIDS-free generation; curbing the spread of malaria, tuberculosis (TB), and neglected tropical diseases (NTDs); addressing antimicrobial resistance; and ending preventable child deaths. Over the past two years, the importance of strong investment in global health R&D has become clearer than ever before as scientists raced to develop the tools desperately needed to diagnose, treat, and prevent COVID-19. Today, we have a robust set of tools to counter COVID-19 in high-resource settings, but still lack critical tools designed to meet the unique needs of patients and health workers in low-resource settings, where basic resources like electricity, laboratory capacity, and reliable cold chain storage cannot be taken for granted. These inequities persist as we compare the glaring disparities in COVID-19 vaccine coverage between high-income regions and low- and middle-income regions of the globe—as of June 2022, nearly 80 percent of the population of North America has received at least one vaccine dose, compared to just over 20 percent of sub-Saharan Africa—and also mirror broader challenges in developing and deploying health products for enduring global health threats.

We are grateful for the Committee's ongoing support for global health R&D and recognize that you face difficult decisions in balancing many appropriations priorities. New global health tools and technologies hold promise to dramatically improve the lives of those

living in the poorest countries around the world both to end the acute phase of the COVID-19 pandemic and tackle long-standing global health challenges, and we ask for your continued support in FY23.

Critical Need for New Global Health Tools

While we have made tremendous gains in global health over the past 15 years, millions of people around the world are still threatened by neglected diseases and conditions. In 2019, 1.5 million people were newly diagnosed with HIV, 1.5 million died from TB, and 1.27 million people died from antimicrobial-resistant bacteria, including TB. Nearly half the global population remains at risk for malaria, and drug-resistant strains are growing. Women and children remain the most vulnerable, especially in low-resource settings: an estimated 7 of every 10 pregnancy-related deaths occur in sub-Saharan Africa, also where 1 out of every 14 children dies before the age of 5. These figures highlight the tremendous global health challenges that remain and the need for sustained investment in global health R&D to deliver new tools, both to address unmet global health needs and to address challenges of drug resistance, toxic treatments, and health technologies that are difficult to administer in poor, remote, and unstable settings.

The COVID-19 pandemic has only made it more difficult to assess and provide services to address these challenges. It has also highlighted that we do not have all the tools we need to prevent, diagnose, and treat many neglected and emerging infectious diseases—a reality foreshadowed by the recent Zika and Ebola epidemics.

USAID Contributions to Global Health R&D

With less than one-half of one percent of the federal budget, USAID works around the world to support US goals in global health and development and strengthen relationships with key US partners. Global health R&D at USAID has supported the development, introduction, and scale-up of affordable health products, as well as policies and practices appropriate for addressing health issues in developing countries. In this work, USAID harnesses its comparative advantage of strong on-the-ground presence in low- and middle-income countries to support end-to-end product development, including through human-centered design, support for clinical trials, and introduction of global health technologies appropriate for the low-resource settings where they will be used. We applaud the efforts that USAID has made in fostering innovation in health technologies, including:

- Establishing a multi-year partnership with the Coalition for Epidemic Preparedness Innovations (CEPI) to advance the development of vaccines and other critical R&D efforts against priority emerging infectious diseases with epidemic or pandemic potential. This includes leveraging American Rescue Plan Act funding toward CEPI's ongoing COVID-19 R&D; significant pledges toward CEPI's next five-year strategy, including efforts to prepare for the next "Disease X" and to shorten the vaccine development timeline for emerging threats to 100 days; and an ongoing award focusing on vaccine development against priority pathogens including Lassa fever, Middle East Respiratory Syndrome, Nipah, chikungunya, Rift Valley fever, and Ebola.
- Supporting research to develop safe, effective, and accessible tools to prevent HIV globally, including investigational HIV vaccines; microbicides and a microbicide vaginal ring to prevent HIV infection in women; and low-cost, rapid diagnostics.
- Supporting the development of vaccines, treatments, insecticides, and novel vector control tools against malaria, including a promising single-dose cure.

- Playing a key role in the global effort to fight TB by supporting research to develop innovative, new drug regimens and diagnostics for drug-susceptible and drug-resistant TB, including the world's first child-friendly TB medicines, developed with critical seed funding from USAID, and a new six-month regimen for drug-resistant TB.
- Developing interventions, including oxygen therapies, to help women and children during childbirth in low-resource settings that may not have electricity, refrigeration, or access to highly trained health workers.
- Developing new drugs and diagnostics for a select group of NTDs, including tools to fight dengue and other mosquito-borne diseases.

Ongoing investments in the development of new biomedical technologies and tools have the potential to greatly accelerate global health progress—but a new approach to supercharging USAID's R&D capabilities is needed to enable the agency to fulfill its innovation mandate and deliver game-changing products.

To Continue Innovation Progress, a New Funding Approach is Needed

Despite USAID's rich history of R&D impact, its global health innovation mandate has been increasingly constrained by three interrelated challenges that necessitate a new, reinvigorated approach to funding global health innovation at the agency. First, funding for health-related R&D has declined as a proportion of overall global health spending. In 2006, this proportion peaked at 8 percent but has steadily declined to around 5 percent as total funding for global health has grown and funding for R&D has stagnated. Second, innovation at USAID is siloed by health area, with R&D funding primarily drawn from disease- and population-specific appropriations accounts, limiting opportunities to support multipurpose products, or products that address more than one disease or condition, and a responsive research portfolio that can be pivoted to address emerging health threats. Third, facing constrained budgets and growing mandates, USAID Global Health Bureau (GHB) leaders struggle to balance funding the delivery of today's imperfect health tools to drive immediate impact and supporting health innovation—developing new and improved tools to drive transformative and accelerated impact in the future. Understandably, leaders often choose to limit risk and focus on immediate results rather than make bets on R&D that could transform future global health programming, achieve greater impact, and ultimately reduce costs.

Each of these challenges came into devastatingly clear focus in March 2020, when in response to COVID-19, USAID put out a call for proposals for innovations specifically designed to mitigate the pandemic in low-resource settings. During previous health crises, including Zika and the West African Ebola outbreak, USAID pursued a similar approach through Grand Challenge programs to identify and successfully fund the development of new tools, such as a battery-powered IV infusion rate monitor for Ebola treatment centers and a low-cost diagnostic for Zika. Within weeks, the agency received several hundred proposals for technologies to aid the global response to COVID-19. Unfortunately, without dedicated funding available for the agency to invest in innovation, USAID was able to support just two promising technologies, despite the clear need for tools designed and adapted to prevent and treat COVID-19 in low-resource settings. The lack of dedicated USAID funding for health innovation has had serious consequences for the global response to the COVID-19 pandemic—and many other enduring health threats. It is clear that a new approach is needed.

The Supporting Innovative Global Health Technologies (SIGHT) Fund

To solve these intersecting challenges and drive a global health innovation agenda at USAID that is more flexible, responsive, and coordinated, we need a new approach that supplements and supercharges ongoing innovation efforts at USAID: a new and additive source of flexible, catalytic funding at USAID to conduct research, development, and deployment of new global health products, created through a new appropriation to the USAID Global Health Bureau. The SIGHT Fund would be used to advance new global health products through the research pipeline—with an emphasis on clinical development, regulatory approval, and product introduction—prioritizing support for innovators close to affected communities and the engagement of end users in the research process.

To address the challenge of proportionately declining funding for health R&D, the SIGHT Fund would be launched through an initial appropriation of $250 million to the USAID Global Health Bureau. This level of dedicated innovation funding would raise total annual USAID investments in global health innovation to a healthy target of approximately 10 percent of overall GHB funding, while still representing less than 3 percent of US spending on global health across USAID and the State Department.

To address the challenge that USAID's approach to innovation is currently siloed by health area, the SIGHT Fund would be based within the GHB but independent of any health-area technical offices. The SIGHT Fund would be disease agnostic and could be tapped for different health challenges as R&D needs evolve and opportunities emerge. As a centralized, additive source of innovation funding, the SIGHT Fund would improve research coordination across the agency, and its independence would foster investments in multipurpose products.

To address the challenge of leaders being forced to choose between near-term programming and long-term innovation potential, the SIGHT Fund would create an additional pot of resources dedicated only to innovation. Several GHB offices have long and rich partnerships with innovators funded directly from their appropriation lines, and the SIGHT Fund would supplement, not supplant, these existing programs and partnerships. By expanding the global health pie rather than slicing it further, the Fund would enable USAID to make bolder investments to develop tools that are more effective, better suited to the needs of unique populations, and essential to achieving our long-term disease elimination and mitigation goals.

GHTC urges the Committee to continue to direct USAID to prioritize science, technology, and innovation to advance its global health and development mission, allocate sufficient resources to support this work, and continue producing detailed, public annual reports on USAID's health R&D strategy—once the agency has fulfilled the directive in the FY22 bill to develop a new multi-year strategy.

We urge the Committee to maintain strong support for the Global Health Programs account under the State Department and USAID—supporting at minimum sustained funding at FY22 levels for each disease- or population-specific program, and supporting increases where possible, including those outlined in the president's FY23 discretionary budget request—and creating a new SIGHT Fund for global health innovation with a new $250 million investment. Global health innovation and implementation must not be seen as competing priorities, but rather part and parcel of the US commitment to improving global health. Global health research that improves the lives of people around the world—while at the same time supporting US interests, creating jobs, and spurring economic growth at home—is a win-win investment.