

# WHAT IS THE COST OF INACTION?

## Impact of funding cuts on the global HIV response and needs for emergency funding

GNP+, Aidsfonds and Robert Carr Fund  
1 March 2025

On 27 February 2025, the U.S. government decided to **permanently cut 92% of all development aid** provided through USAID with immediate effect. Even the most life-saving programs, such as the distribution of HIV medication, have now been stopped. This is a catastrophe for global health, security, and stability and will cost millions of lives. **UNAIDS estimates** suggest that this decision alone will result in **8.7 million new HIV infections, 6.3 million AIDS-related deaths and 3.4 million AIDS orphans**. Additionally, millions more will die due to a lack of food, clean drinking water, and life-saving medical care. Previously, the Trump administration had announced a 90-day review period to evaluate all aid programs. The decision to immediately halt aid and cut **\$60 billion** per year comes much sooner than expected.

### What has happened in the past few weeks:

- 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), while 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 HIV prevention services such as PrEP, except for those targeting mother-to-child transmission. The waiver caused a lot of confusion and did not reach the majority of PEPFAR partners. Most services remained paused.

Source: [Early impacts of the PEPFAR stop-work order: a rapid assessment](#), JIAS, February 18.

- On February 1, the government took **PEPFAR data systems offline** and placed USAID officials and contractors on leave.
- These actions came on top of reinstating 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 The U.S. also paused and then quickly rescinded all domestic federal funding, specifically calling out programs related to "D.E.I, woke gender ideology, and the Green New Deal."
- On February 13, a federal judge granted a **temporary restraining order** that halted all U.S. aid freezes of already signed contracts while a case against the stop-work order moves through the court. The same judge ordered the U.S. government to immediately resume aid programs' payments. However, this did not happen.

Source: [Judicial Update](#), CHANGE, February 24.

- On February 27, catastrophic news was released. Instead of releasing funds, the U.S. administration decided to **immediately and permanently cut 92% of all development assistance through USAID**, noting that 10,000 USAID awards have been terminated. This includes termination of funding of the Joint United Nations Program on HIV/AIDS, known as UNAIDS.

Source: [The World is on the Brink of a Humanitarian Disaster](#), Aidsfonds, February 27.

This comes at a time when millions of people worldwide rely on this support for survival. **It is a disaster for global health, security and stability and will cost millions of lives.**

## The global impact of PEPFAR

Over the past two decades, PEPFAR has been a leader in the global HIV response, saving more than 26 million lives and averting almost 5 million HIV infections among children. The PEPFAR program operated in 55 countries, primarily in Africa. As of December 2024, the United States Government, through PEPFAR, was supporting more than 20 million people with life-saving antiretroviral treatment and services, including about 560,000 children (ages 0-14 years).

The permanent cut of all development aid funding will have an immediate impact on the delivery of life-saving HIV medicines and the provision of HIV prevention services to millions of people who depend on them. The decision will especially impact key populations – those most at risk of acquiring HIV – as PEPFAR financed 40.5% of key population programming in Lower and Middle Income Countries between 2019 and 2023.

Source: [Dangerously Off Track: How Funding for the HIV Response is Leaving Key Populations Behind](#), Aidsfonds, December 2024.

## Survey reveals devastating impact on communities and organizations

Aidsfonds, GNP+, and the Robert Carr Fund conducted a global survey to assess the impact of the stop-work order during the first weeks, specifically among community organizations and networks directly involved in HIV prevention and treatment. **The results are alarming: 95% of respondents report being directly affected by these measures.** This high percentage emerged during the temporary stop work order, and before it was announced that budget cuts are permanent.

The web-based survey was conducted between January 27 and February 10, 2025.

The findings present an early look at the impact of the stop work order on organizations worldwide. A **first publication** was released to ensure that initial results became available as soon as possible.

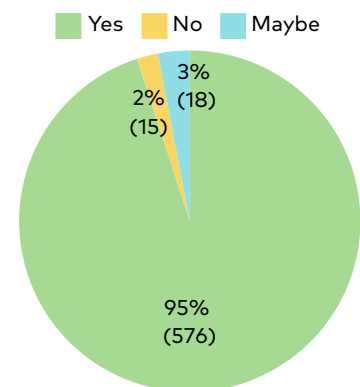
Source: [Post Waiver Impact of USA government administration's directive to pause all foreign aid obligations on program implementation and funding](#), Aidsfonds, Robert Carr Fund, and GNP+, 7 February 2025.

Data of **623 survey respondents** was gathered, comprising from a wide range of organizations working on the front lines of the HIV funding crisis, such as service provider-focused NGOs and community networks (50%) and advocacy-focused NGOs and community networks (40%) amongst others (10%). Of all respondents, 515 have stated their country of operation. Overall, they work across 51 different countries, with 68% of organizations operating in Eastern and Southern Africa and 23% in Western and Central Africa, illustrating the **regional impact** of this policy change:

- Eastern and Southern Africa (14 countries): 348 respondents (67.6%)
- Western and Central Africa: (12 countries): 116 respondents (22.5%)
- Asia and the Pacific: (15 countries): 36 Respondents (7%)
- Middle East and North Africa: (4 countries): 6 respondents (1%)
- Latin America and the Caribbean (4 countries): 5 respondents (0.9%)
- Eastern Europe and Central Asia (2 countries): 3 respondents (0.4%)
- North America and Europe (1 country): 1 respondent (0.2%)

Respondents indicated which populations are most affected by the disruptions during the first weeks of the crisis. These include People Living with HIV (mentioned by 43% of the respondents), Key Populations (mentioned by 37% of the respondents) and Children and Mothers (mentioned by 11% of the respondents).

Figure 1: Respondents directly impacted



### Survey quote

"This loss of funding not only jeopardizes medical care but also exacerbates discrimination against marginalized communities, undermining years of hard-won progress. The looming specter of staff turnover and layoffs within health programs only adds to the despair, as vital support systems are dismantled at a time when they are needed most."

It is not just people living with or at risk for HIV that face an existential threat. Notices sent out in mass mailings are terminating over 90% of USAID's contracts for humanitarian and development work around the world. The financial void left by the US funding cuts is forcing community groups to fire employees and close services entirely. A week before the funding cuts, GNP+ convened leaders from national and regional networks of people living with HIV, and released a statement with the main concerns.

Source: [Taking stock at the frontline: People Living with HIV Networks face uncertainty, looming threats as community interventions suspended](#), GNP+, 17 February 2025.

## Key findings from the survey

- 73% of respondents reported specific service disruptions, of which the majority indicated that it affects the distribution of HIV treatment medication.
- Among respondents reporting financial instability due to the funding freeze, a staggering 67% cite direct budget cuts significantly impacting their work.
- 61% of organizations experiencing staffing challenges face direct layoffs of employees.
- 49% of organizations report a partial or complete shutdown of their programs.
- 36% of organizations report an increase in discrimination against groups in a vulnerable position.
- 22% note increased psychological distress among affected individuals, staff, and communities due to service instability and uncertainty.

The data show that over the past weeks, the cascade of actions by the U.S. administration has an immediate catastrophic impact on the global HIV response. The decision of the U.S. administration to eliminate more than 90% of foreign aid contracts and \$60 billion in overall U.S. assistance around the world, will impact the entire HIV response including the continuity of life-saving HIV services for people living with and affected by HIV.

## Global South countries continue to take a lead in the fight against HIV

Countries with strong government involvement in their national HIV response are better positioned to maintain services. This is shown via cross-referencing respondents who reported their HIV response was not significantly affected, with their country's funding profile. This information from the ground has been verified through the [Country Updates by UNAIDS](#). The following governments have already issued statements indicating they will increase domestic resources to ensure continuity of HIV treatment in the face of the U.S. funding cuts: Botswana, Ghana, Kenya, Malawi, and South Africa.

On 25 February 2025, the South African government launched [a plan to put an additional 1.1 million people living with HIV on life-saving treatment by the end of 2025](#) as a significant step towards ending AIDS as a public health threat by 2030. Domestic resources account for around 74% of South Africa's HIV response, which demonstrates the political will and commitment of the country's leadership to end the AIDS pandemic, and underscore the importance of HIV prevention. It is noted that increased funding from governments is often going to government-run health services, and not to community-led outreach and treatment services that serve key populations. Since key populations often experience stigma and discrimination at public facilities it is crucial where the additional funding goes, to ensure that all groups are able to access services.

In contrast, countries heavily dependent on U.S. government funding like Cote d'Ivoire, Haiti and the United Republic of Tanzania already reported continuous immediate and severe disruptions to their HIV response during the first weeks of the crisis. Most countries fall between these extremes, operating mixed funding models where even partial government coverage helps buffer, but does not mitigate, the impact of the funding cuts.

This highlights the urgent need for sustained investment in healthcare systems, vital for the continent's and the world's stability. Countries in the Global South continue to take a lead in ending the AIDS epidemic through increased co-financing of their national HIV response. Now more than ever, global solidarity is required to provide transition funding. As well as, eliminate the debt burdens that limit states' abilities to invest in the public health responses and other critical infrastructure.

## Case studies: the human cost of policy decisions

This is a humanitarian crisis **reversing decades of achievement in HIV prevention and treatment**. In all countries, while some activities are being resumed and **communities have tremendous resilience**, the U.S. funding stop has disastrous consequences across vital healthcare services. Most pressing for people living with and affected by HIV and TB. The case studies show communities and healthcare workers struggling to provide critical services, highlighting the urgent need for **sustainable solutions** to preserve the structures built by decades of work. A few examples:

- In **Somalia**, a health organization was forced to immediately shut down the sole health clinics in 13 communities. "Starting today, without providing those health services, absolutely people will die."
- From **Mombasa, Kenya**, a community-led organization focusing on key populations 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. A Dutch news paper reported about the current situation in **Kisumu, Kenya**. One of the interviewed respondents reported: "I know I am going to die soon. I sell some vegetables. The proceeds are just enough for a meal a day, not for my medicine. Since USAID stopped paying for my medicine, I begged the teachers every day, but they sent my daughter away because I can no longer afford the school fees."
- A health facility in **Zimbabwe** reports that 1,600 children living with HIV are facing immediate challenges accessing ARVs. The termination has left many children with access challenges to ARVs, effectively "dumping" them without support.

Looking ahead, organisations express grave concern about the **long-term implications of the budget cuts**. 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. Rebuilding the damaged infrastructure and restoring community confidence will take years.

## Urgent need for immediate action

The survey findings and other relevant resources underscore **the critical need for immediate action** to preserve essential services and protect vulnerable populations. We are facing a humanitarian disaster that will cause millions of deaths. Even the most life-saving programs, such as the distribution of HIV medication, have now been stopped. **If we do not act now, the consequences will be irreversible**. Without swift intervention, the progress made in global HIV response could be significantly compromised, with long-lasting implications for communities and healthcare systems worldwide. Without immediate donor intervention, we face:

- Treatment interruptions for millions of people living with HIV
- Collapse of community-based support systems
- Increased HIV infection rates
- Increased preventable AIDS-related deaths
- Rising healthcare costs from delayed interventions
- Loss of skilled healthcare workforce
- Reversal of progress in stigma reduction

## Responding to the crisis

On 14 February 2025, Aidsfonds set up an emergency fund for HIV response to support current and past Aidsfonds and Robert Carr Fund (RCF) grantees and partners. **With the fund, Aidsfonds aims to continue life-saving prevention and treatment for people living with or vulnerable to HIV.** In doing so, the Fund supports partners in their work to cover the most critical gaps. Aidsfonds Emergency Fund offers up to €15,000 for the 90-day period to continue to provide access to essential treatment and testing services. **It currently reviews its application requirements to see how it can best deploy the Fund, now that the 90-day period has become a permanent funding stop.** For updates, visit the [Emergency Fund for HIV Response page](#).

To support donors with data on how they can specifically contribute, Aidsfonds has analyzed the data of 88 proposals as received between 14 and 24 February 2025 by the Emergency Fund. This provides a current insight into the need for funding for specific groups, countries and interventions. Key trends and insights are:

- The requests for funding span across multiple countries, with a significant number of applications from **Kenya, South Africa, and Uganda**. Other notable countries include **Nigeria, Tanzania, and Zambia**.
- The primary target groups are **Key Populations, People Living with HIV, Adolescents and Young People, and, Children and Mothers**.
- The requests funds are aimed at **Linkage to Care** (38%), followed by **Treatment** (36%) and lastly **Prevention** (26%).
- The total funds needed so far for emergency funding amount to **€1,464,542**, to reach at least **391.729** individuals.

More data to support the global HIV response in this funding crisis can be found in the **Appendix**. This analysis aligns with the data presented by the Center for Global Development on the 26 countries most vulnerable to U.S. global health aid cuts. The main findings and full dataset can be downloaded on [their website](#).

## Other donors stepped up as well to organize a rapid response:

- The Network for Empowered Aid Response (NEAR) is launching the Bridge Funding Window through their Change Fund. This is a flexible, trust-based grant-making initiative to address the massive impact from the stop-work order. The Bridge Funding Window is only open to current NEAR Members significantly impacted by the U.S. government funding freeze. More information [here](#).
- Africa REACH is inviting proposals from organizations based in South Africa and Cote d'Ivoire that are working on evidence-based advocacy for access to long-acting options for HIV prevention and/or HIV treatment at the community and/or policy levels. This grant aims to support initiatives that strengthen advocacy efforts and engagement with key decision-making bodies. More information [here](#).
- Frontline AIDS Rapid Response Fund is an ongoing fund that helps organizations and individuals to tackle HIV-related human rights challenges, including stigma, discrimination and threats of violence. Emergency response grants of up to \$15,000 are available to organizations across 24 countries, led by or working closely with marginalized groups affected by HIV. More information at [their page](#).
- Foreign Aid Bridge Fund: Unlock Aid, together with other individuals and organizations, is fundraising to provide emergency funding to organizations affected by the freeze. The goal is to enable "high-impact" organizations to "get back to work to prevent unnecessary harm and disruption to millions of people." More information [here](#).
- GlobalGiving Community Aid Fund: GlobalGiving, known for its crowdfunding platform that connects donors with grassroots projects globally, is also fundraising for \$1 million to support local organizations impacted by the freeze. More information [here](#).

- Founders Pledge Rapid Response Fund: Founders Pledge, an initiative where entrepreneurs pledge to commit a portion of their personal wealth to charity, has partnered with the nonprofit The Life You Can Save, which provides recommendations on the best charities people can donate to. Their goal is to also bridge funding gaps left by the U.S. aid freeze. More information [here](#).
- Keep the Lights On: The Stop TB Partnership launched a \$3 million fundraising campaign, called "Keep The Lights On," to sustain the work of tuberculosis survivor networks and local community organizations combating TB that have been affected by the aid freeze. More information can be found [here](#).
- The John D. and Catherine T. MacArthur Foundation will increase its giving over the next two years in response to the crisis. More information on [their website](#).

Source: [Rapid response funds for organizations affected by the US aid freeze](#), Devex, 25 February 2025.

## The time for action is now.

The international community must step forward to preserve essential services and protect vulnerable populations. The cost of inaction - measured in lives, resources, and reversed progress - far exceeds the investment needed to maintain critical programs. The global HIV response has always been strengthened by international solidarity. This moment requires us to demonstrate that solidarity once again. We call upon donors to respond with urgency.

## Call to Global Donors

We urge the global donor community to:

1. **Implement Emergency Bridge Funding and Grants:** Establish immediate emergency funding mechanisms to prevent service interruptions and maintain essential programs.
2. **Prioritize Services for PLHIV and other Key Populations:** Direct resources to maintain services for the most vulnerable populations who face disproportionate impact from these disruptions.
3. **Support Workforce Retention:** Provide emergency core funding to prevent the loss of skilled healthcare workers and community personnel.
4. **Provide Flexibility in Current Financing:** To ensure that existing activities can be adjusted based on what is needed, for example, allowing funding to be reallocated for service delivery.

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.

Sincerely,

**GNP+, Aidsfonds and Robert Carr Fund**



## Appendix: Helpful Insights from Aidsfonds Analysis of Emergency Proposals

On 14 February 2025, Aidsfonds set up an emergency fund for HIV response to support current and past Aidsfonds and Robert Carr Fund (RCF) grantees and partners. **With the fund, Aidsfonds aims to continue life-saving prevention and treatment for people living with or vulnerable to HIV.** In doing so, the Fund supports partners in their work to cover the most critical gaps. Aidsfonds Emergency Fund offers up to €15,000 for the 90-day period to continue to provide access to essential treatment and testing services. **It currently reviews its application requirements to see how it can best deploy the Fund, now that the 90-day period has become a permanent funding stop.**

Of all 127 Proposals received between 14 and 24 February 2025 by the Emergency Fund, **88 full proposals have been analyzed.** Partners have requested a total of **€ 1.464.542** to reach a total population of **391.729** individuals.

### Overall analysis

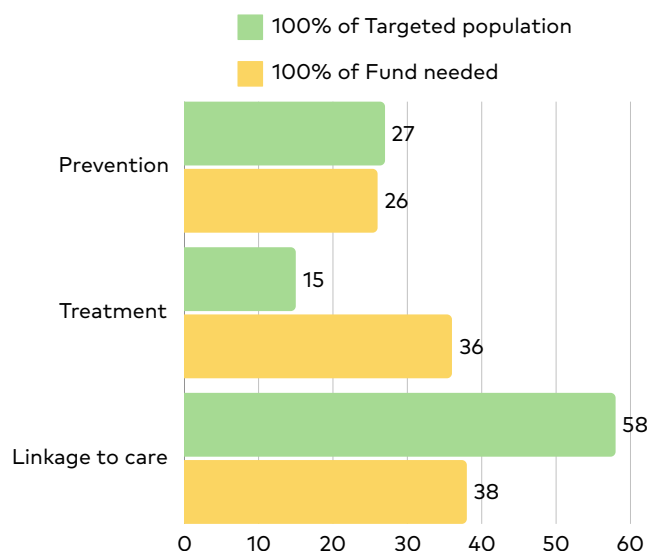
Notably, even though the general population represented 4% of all requests for funding, it requested represented 19% of all targeted population in the region. This variance could be explained by multiple ways, including, the costs in countries with little HIV infrastructure and/or the type of intervention required for this target group. Inversely, Children and Mothers represented 19% of the targeted population while requiring only 4% of funding.

Figure 1

Target Groups	% of Funding requested	Funding Requested (€)	Number of Individuals targeted	% of Target Population
Adolescents and Young People	9%	126,196	30,688	8%
Children and Mothers	10%	147,229	14,881	4%
General Population	4%	59,305	74,001	19%
Key Populations	54%	788,480	216,679	55%
KP and PLHIV	6%	93,090	13,220	3%
PLHIV	17%	250,242	42,260	11%
<b>Grand Total</b>	<b>100%</b>	<b>1,464,542</b>	<b>391,729</b>	<b>100%</b>

Of the total sample, **Linkage to Care** has been requested for the biggest groups of target populations, it is also the most area requiring funds following the Stop Work Act. This is not a surprising result as a significant number of countries rely on their national governments for Treatment while community based organizations are mostly the ones organizing linking care to treatment and well as prevention.

**Figure 2**



## Key Trends and Insights

- There is a strong emphasis on interventions targeting **Key Populations**, which include groups at higher risk of HIV infection. This aligns with UNAIDS' focus on addressing the needs of these populations to curb the spread of HIV.
- In **East and Southern Africa region**, countries like Kenya, South Africa, and Uganda have a high number of interventions, reflecting the region's significant HIV burden and the need for comprehensive prevention and treatment programs. In **West and Central Africa region**, Nigeria and Democratic Republic of Congo (DRC) also feature prominently, indicating ongoing efforts to address HIV in these regions.
- Interventions targeting **Adolescents and Young People (AYP)** are notable, highlighting the importance of addressing HIV prevention and treatment among younger populations to ensure long-term impact.
- There is a **noticeable disparity** in the amount of funding requested, with some countries and interventions requiring significantly more resources. This could reflect differences in the scale or price of interventions per the specific needs of the target populations.
- Many interventions are planned for **short durations** (2-3 months), which may indicate a focus on immediate impact and quick implementation. However, sustained efforts and longer-term programs are also crucial for lasting change.

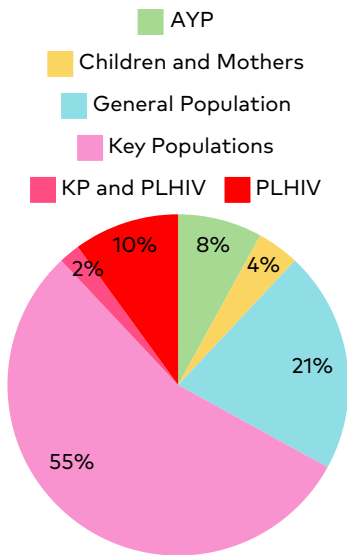


## Regional analysis

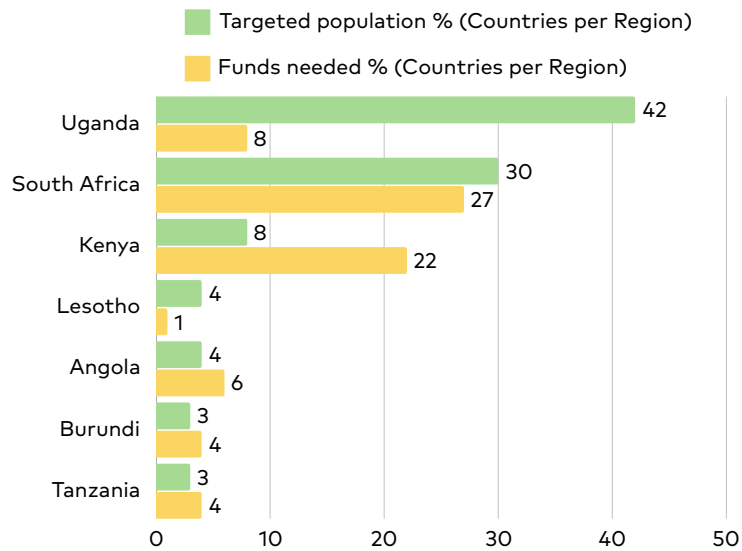
### Analysis Per region: Eastern and Southern Africa

In the Eastern and Southern Africa region, a total of **1,012,803 Euros** is needed to address the HIV/AIDS interventions, targeting **356,743 individuals**. The highest demand for funds and reach is seen in Uganda, South Africa, and Kenya, with Uganda accounting for **42%** of the population reach but only **8%** of the funds needed. South Africa, on the other hand, requires **27%** of the funds while reaching **30%** of the population. The distribution of funds across interventions shows that **27%** is allocated to prevention, **14%** to treatment, and **59%** to Linkage to Care. This highlights a significant focus on comprehensive approaches to tackle the epidemic effectively. Other countries like Lesotho, Angola, Burundi, and Tanzania also contribute to the regional needs, albeit with smaller percentages in both population reach and funds required.

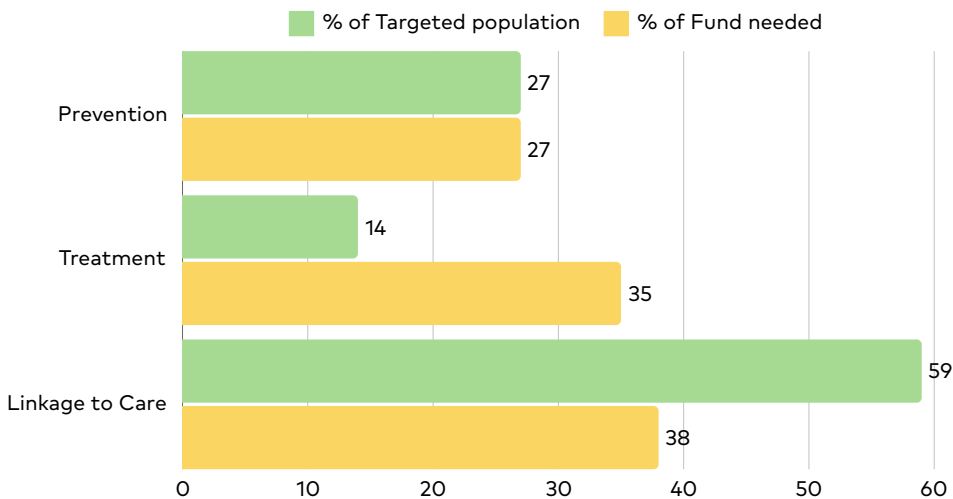
**Figure 3: Targeted Populations in East and Southern Africa**



**Figure 4: Target Population and Funds needed per country in East and Southern Africa**



**Figure 5: Prevention and Treatment Costs and Target population in East and Southern Africa**

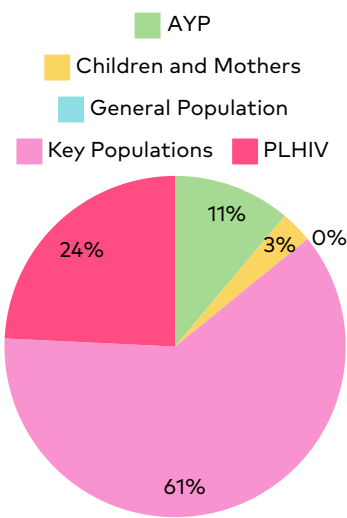


**Analysis Per region: West and Central Africa**

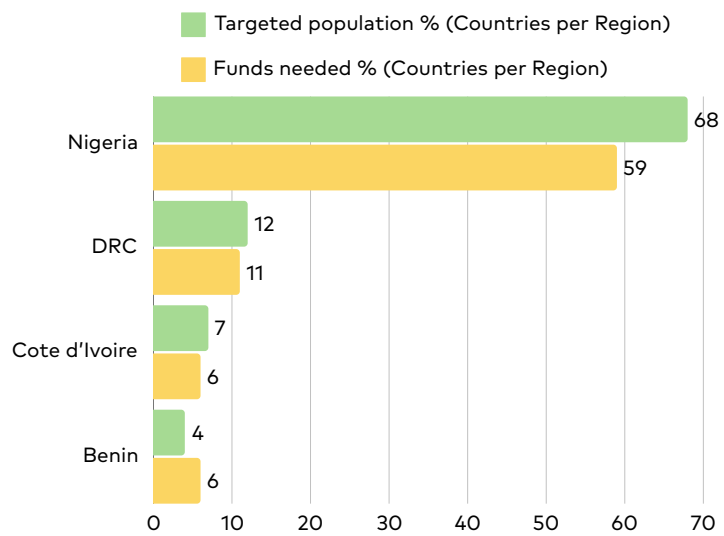
In the West and Central Africa region, a total of **254,004 Euros** is needed to support HIV/AIDS interventions, targeting **22,019 individuals**. Nigeria has the highest demand for funds and reach, accounting for 68% of the population reach and 59% of the funds needed.

The distribution of funds across interventions shows that **29%** is allocated to prevention, **54%** to treatment, and **18%** to Linkage to Care efforts. This indicates a significant focus on treatment interventions in this region. Other countries like DRC, Cote d'Ivoire, and Benin also contribute to the regional needs, with DRC requiring 11% of the funds while reaching 12% of the population. The data highlights the diverse needs and strategies employed to combat the urgent cut in funds in West and Central Africa, with a strong emphasis on **treatment**.

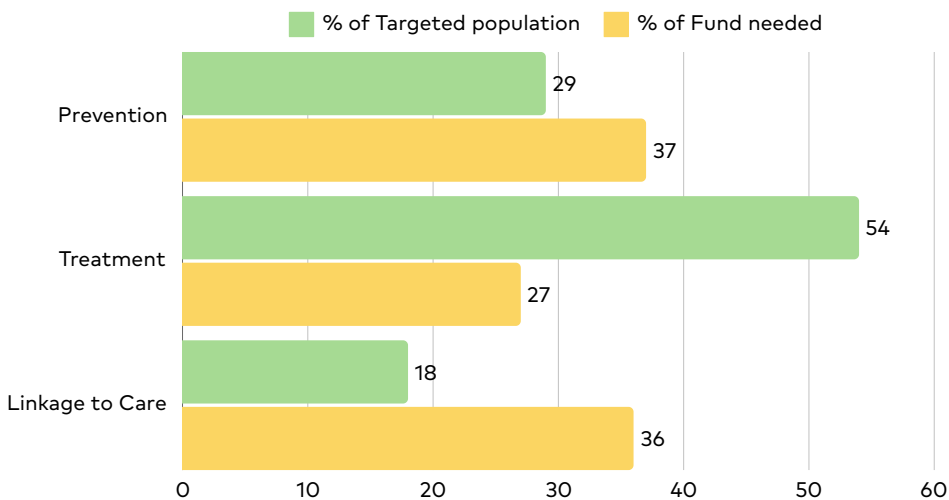
**Figure 6: Targeted Populations in West and Central Africa**



**Figure 7: Target Population and Funds needed per country in West and Central Africa**



**Figure 8: Prevention and Treatment Costs and Target population in West and Central Africa**

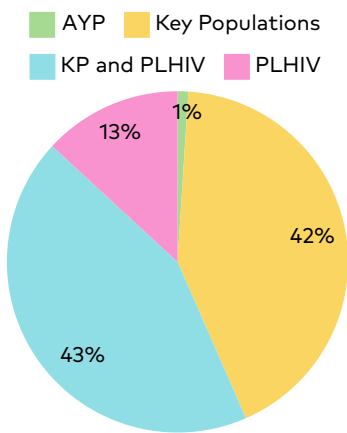


**Analysis Per region: Asia and the Pacific**

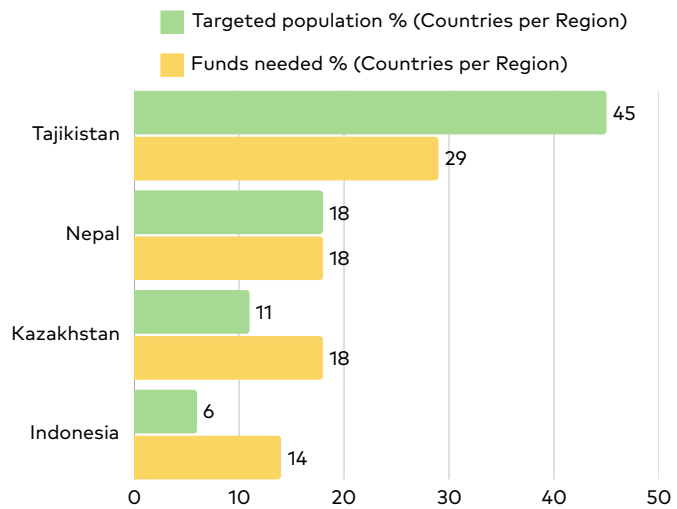
In the Asia and the Pacific region, a total of **167,735 Euros** is needed to support HIV/AIDS interventions, targeting **11,515 individuals**. The highest demand for funds and reach is seen in Tajikistan, which accounts for **45%** of the population reach and **29%** of the funds needed.

The distribution of funds across interventions shows that **7%** is allocated to prevention, **19%** to treatment, and **74%** to linkage to care efforts. This indicates a significant focus on ensuring individuals are linked to care services. Other countries like Nepal, Kazakhstan, and Indonesia also contribute to the regional needs, with Nepal and Kazakhstan each requiring **18%** of the funds while reaching **18%** and **11%** of the population, respectively.

**Figure 9: Targeted Populations in Asia and the Pacific**



**Figure 10: Targeted Populations in Asia and the Pacific**



**Figure 11: Prevention and Treatment Costs and Target population in Asia and the Pacific**

