

Written Testimony of
William H. Gates
Co-Chair, Bill & Melinda Gates Foundation

Before the
Committee on Foreign Relations
United States Senate

March 10, 2010

Introduction

Chairman Kerry, Ranking Member Lugar, Members of the Committee. Thank you for inviting me to testify today.

I want to thank the Committee for taking the time to focus on global health and more broadly for your commitment over the years to robust U.S. investment in global health and development. I am grateful for the opportunity to share some thoughts with you about the foundation's global health work, the progress we have made in addressing global health needs, and the new U.S. approach to improving health around the world.

This is my first time testifying before Congress since I relinquished my day-to-day role at Microsoft and began focusing exclusively on the work of the foundation. I have often said that my work at Microsoft had three magical elements: an opportunity for big breakthroughs; a chance to make a big contribution by building teams of people with different skill sets focused on tough problems; and work that let me engage with people who were smart and knew things I didn't. I have found – not surprisingly -- that my job at the Bill & Melinda Gates Foundation meets these same criteria.

The work of the foundation reflects the essential optimism that Melinda and I feel about the future, and our belief that a combination of scientific innovation and great partnerships with leaders who work on behalf of the world's poorest people can dramatically improve the human condition. It also reflects the belief Melinda and I share that every person deserves the chance to have a healthy and productive life – a value embodied in the words and deeds of the distinguished members of this Committee. Most importantly, we know that aid works and there is a track record of success in global health to prove it. All of us in the global health community need to build on this success through continued investment. We can't walk away from funding right now, even in the face of very difficult fiscal challenges.

Our foundation focuses on three programs: Global Health, Global Development, and US Programs. Our Global Health program is our largest grant making area, and our priority conditions can be divided in two categories: Infectious diseases, which includes diarrheal diseases, HIV/AIDS, malaria, tuberculosis, neglected diseases, pneumonia, polio and other vaccine-preventable diseases; and Family Health, which focuses on the leading causes of illness and death for mothers and newborns during and immediately after childbirth, as well as nutrition and family planning. The Global Development Program explores the best opportunities to help the world's poorest people lift themselves out of hunger and poverty. Our grantmaking areas include agricultural development; financial services for the poor; water, sanitation, and hygiene; and global libraries. In the United States, our goal is to dramatically improve education so that all young people have the opportunity to reach their full potential. We know that, in order for our students and our country to successfully compete in the global economy, our young people need more

than a high school education. Yet only 40 percent of those aged 25 to 29 have obtained some type of college degree. Working with our partners, we invest in solutions that help all students graduate high school prepared to succeed in college and their careers, and dramatically increase the number of young people who complete a degree beyond high school with real value in the workplace.

We invest in global health because we know that when health improves, life improves by every measure. Healthy, well-nourished women have children who perform better in school and earn more throughout their lives. By treating people with particular diseases, programs like the President's Emergency Plan for AIDS Relief (PEPFAR) help create the infrastructure — clinics, distribution systems, and so on — necessary to tackle other health problems. We also invest in health because we know that we can dramatically save and improve lives in poor countries right now, with simple, cost-effective solutions like insecticide-treated mosquito nets and oral rehydration therapy. Vaccines are a prime example of an inexpensive solution that makes a vital impact. Simply expanding access to vaccines that already exist can save millions of lives. Moreover, new advances in science have put us in a better position than ever to discover and develop new vaccines, drugs, and other interventions, and we hope donors and companies can work together to accelerate the pace of research.

Why I am an Impatient Optimist - Because Investments in Global Health Work

I am proud that the American resolve to improve the lives of others has persevered, and that in the last decade President Bush and President Obama have both worked to increase U.S. investments in global health and development. I also want to acknowledge the crucial contributions of President Clinton, who is a tireless champion for this cause.

The vision and leadership of this Committee and of Congress in general in support of a robust investment in global health and development has been indispensable. You recognize that when we invest in the least fortunate among us, we save lives, and we make an important statement about the kind of leader and partner America is in the world.

Last fall, I came to Washington to talk about “Living Proof”, a project that showcases investments in global health are working. Melinda and I spoke about the amazing results we've seen, and the people we've met who are alive today because they received medicines and other help through programs like PEPFAR or the President's Malaria Initiative. We came to Washington to say ‘thank you.’”

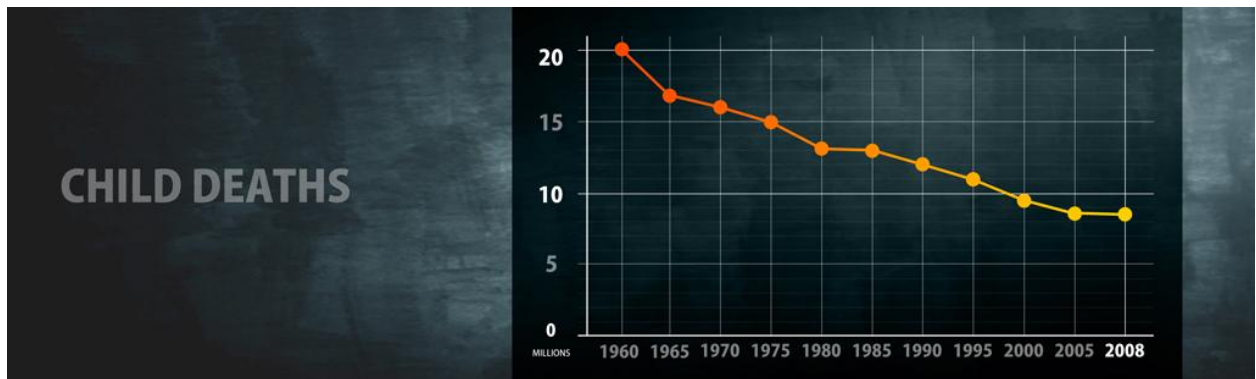
Thanks in part to American investments, malaria cases and deaths are both down 50 percent in several African countries, including Rwanda and Zambia. The first malaria vaccine is going into late stage trials and could be available as a new tool within the next five years. Four million people in sub-Saharan Africa are receiving antiretroviral treatment for HIV/AIDS, up from 155,000 five years ago, due for the most part to the investments the U.S. has made in PEPFAR, an initiative that this Committee had a large part in shaping, and in the Global Fund to Fight AIDS, Tuberculosis, and Malaria. In the 1970s, the U.S. led global efforts to eliminate smallpox – an investment of \$130 million over 10 years that has saved over \$17 billion in costs to the U.S. alone. And the U.S. has been the largest funder of efforts to eliminate polio around the world, reducing new cases of the disease 99 percent since 1988.

I am optimistic because aid works. I am also impatient. We know how to save lives, we have low-cost tools, but children are still dying because we can't reach them all with the interventions that we have. Solutions won't solve anything if they can't be delivered. Every human life is precious, and every death is tragic, and this gives me a sense of urgency to create and deliver what is needed. Our foundation will be

doing everything we can to achieve this by funding research and working closely with other governments, donors, research institutes, pharmaceutical companies, and a broad range of actors committed to this same goal. Although the foundation can fund some of these programs, our resources are but a “drop in the bucket” compared to what’s needed. The U.S. government is a critical partner in this mission.

Consider the progress with child mortality. The chart below demonstrates the progression of child mortality in the last 50 years. In 1960, more than 20 million children died before their fifth birthday; last year, it was fewer than 9 million. During this time, the number of births rose by about 25 percent. This means that we have reduced the number of deaths by a factor of more than two even as more children were born. I think this is one of the greatest accomplishments of the last hundred years, and it was achieved through increased resources and the availability of vaccines.

Yet 9 million children dying unnecessarily each year is still 9 million too many. I believe that a combination of interventions, as suggested by the approach of the Global Health Initiative, can cut this figure in half again in well under 15 years. The Johns Hopkins University Bloomberg School of Public Health modeled the expected results of applying several basic interventions to the problem of child mortality. They discovered that if existing and newly developed vaccines were widely available, an array of prevention and treatment techniques were applied against malaria, and simple interventions to care for newborns plus treatment of diarrhea and pneumonia were more widespread, the survival rates of babies in the first month of life would increase and child deaths would fall to 5 million per year. To achieve this, we must continue to invest in success and share best practices so that all countries can learn from leading examples.



Source: UNICEF, *Progress for Children: A World Fit For Children Statistical Review*, No. 6 (New York: UNICEF, 2007) and http://www.unicef.org/media/media_51087.html (accessed September 30, 2009).

If we continue to innovate and to dedicate resources, huge gains in global health and development are ahead of us. If we keep pushing, we will be able to reduce poverty and prevent disease, which will help countries ultimately end their dependence on foreign assistance and allow more people to live healthy, productive lives without support from the U.S. or other donor governments. Already, South Korea, China, Mexico, and Brazil have graduated from heavy reliance on aid, and other nations want to follow in their footsteps.

As a believer in the role of the scientific process in driving innovation – trial and error, taking calculated risks – I understand that some experiments in foreign assistance did not work, and some gains were undone by poor governance, natural disaster, or insufficient sustainability plans. I do not believe that

the U.S. should invest increased resources in foreign assistance based on the false belief that more is always better. To be sure, some programs should be expanded. Ineffective programs should be ended. Working collaboratively, Congress and the Administration can maximize the return on these important investments.

I do know that when programs are coordinated, held accountable, and designed based on evidence, they will work better. The budget scrutiny that has come with this economic downturn can and should be used to force a new fiscal vigilance that is more creative and more constructive than simply cutting spending. We have to demand smarter spending. If a more equitable world is worth fighting for – and I believe that it is – we have to make sure we are getting as much as we can for every dollar. I commend the Chairman and Ranking Member for recognizing this and for exploring legislative avenues to better evaluate the impact of U.S. foreign assistance programs, identify best practices, and find innovative approaches to solving global development challenges.

I recognize that I am bringing this message of optimism to a body that is tasked with guiding our country through the harshest realities of our time. We are fighting wars in Iraq and Afghanistan. We're facing climate dangers, trade imbalances, and record deficits. The global financial crisis has cost millions of Americans their businesses, homes, jobs, and savings. We have severe budget strains at every level of government that, combined with the deficit outlook, have changed some people's view of what our country can afford.

This crisis has affected Americans profoundly, and it has also reverberated throughout the world. It has increased the need for American generosity even as it has tested our will to give. But Americans have maintained that will to give - *The Chronicle of Philanthropy* reported that in seven weeks, Americans gave more than \$895 million to Haiti relief efforts

I understand that the federal budget now under consideration will be one of tradeoffs, and a certain amount of spreading the pain will be necessary. As you and your colleagues in both chambers consider the President's Fiscal Year 2011 International Affairs budget request, I urge you to be mindful of the many successes U.S. foreign assistance has achieved and equally aware of the many challenges that persist. With proposed Fiscal Year 2010 supplemental spending taken into account, the President's FY2011 International Affairs Budget would be 2.8 percent above FY2010 amounts. These increases would fund the scale-up of the Administration's Global Health Initiative, which I will address in a moment. They will also fulfill the President's historic G-20 commitments on global food security and provide resources to America's first Global Hunger and Food Security Initiative. The Gates Foundation has devoted nearly \$1.5 billion to increasing global food security, and we are thrilled with the President's proposals in this area. I know that they would not be possible without the leadership that Ranking Member Lugar, Senator Casey, and others have shown on this issue, and that they will require Congressional resolve to bring to fruition.

The Global Health Initiative

I've been asked today to discuss my views on the Administration's Global Health Initiative (GHI). I believe GHI is an important next step – indeed a natural progression – in U.S. efforts to address health challenges around the world. I would like to touch on four points related to the GHI. First, I support the overall increases requested by the Administration for global health. Like many of you, I would like to see a more rapid rise in the trajectory of global health funding given the extraordinary need for these investments. Second, I believe that the GHI, when taken with the recently-released PEPFAR five-year

plan, represents a shift in approach to HIV/AIDS that will make U.S. efforts more effective, specifically by expanding its focus on prevention. Third, I am pleased that the GHI will include an increased emphasis on family health and the myriad of interventions that, when taken together and integrated in both approach and execution, make families healthier and societies more productive. Finally, I want to address the issue of vaccines and continued innovation— components of the GHI that I believe should be afforded more focus and investment – and the power of research and development to achieve massive breakthroughs in global health.

I do not approach the issue of global health merely as an interested observer. Melinda and I have made saving lives through investments in innovative global health technologies and programs the centerpiece of the Gates Foundation's philanthropy. Since the foundation's establishment, we have committed just over \$13 billion in global health investments. We are proud that some of our largest commitments have been made side-by-side with U.S. investments, including the Global Fund to Fight AIDS, Tuberculosis, and Malaria, and the Global Alliance for Vaccines and Immunizations (GAVI). So it is with deep personal commitment and a clear recognition of the kinds of resources necessary to make real progress on key global health challenges that I testify before you today.

Nevertheless, it is important to note that the foundation's resources represent only a small part of the overall funding picture for fighting disease and improving health in developing countries. Our global health grants accounted for about 5 percent of total donor assistance for health in 2007. Far bigger shares were provided by other sources, including government and corporate donations. This comparison considers only donor assistance, and not expenditure by developing country governments or private health spending, which further reduces our overall share of health funding.

The U.S. has been a generous donor to global health efforts, as demonstrated by dramatic scale-up in resources that began nearly a decade ago. If Congress grants the President's FY2011 budget request, the U.S. will be on pace to invest more than \$9.5 billion in global health next year, making this country by far the world's largest single donor in dollar terms. At the same time, the U.S. provides only 0.19 percent of its Gross Domestic Product (GDP) for official development assistance, far less than the 0.5-1.0 percent of GDP provided by a number of European countries.

In the President's May 2009 announcement of the six-year, \$63 billion Global Health Initiative and again in the Consultation Document released on February 1 of this year, the Administration made it clear that global health is in a much different state than a decade ago when the U.S. scaled up investments in global health through programs like PEPFAR, the President's Malaria Initiative (PMI) and GAVI.

As you know, the GHI aims for greater resources and a fresh approach to deploying resources in order to maximize health outcomes in as short a time as possible. It seeks to concentrate resources in order to better achieve scale in selected countries. And it utilizes targeted funding increases on diseases and conditions that have a devastating health and economic impact on countries yet are entirely preventable or treatable. These are laudable goals.

For instance, the President's FY2011 budget request would increase funding for neglected tropical diseases (NTDs) from \$65 million this year to \$155 million next year. According to Administration estimates, this additional funding would reduce the prevalence of seven NTDs by 50 percent among 70 percent of the affected population. NTDs are a tragedy. Lymphatic filariasis, which the GHI proposes to help eliminate by 2017, causes grotesque swelling of the limbs, making it impossible for otherwise healthy people to work or even at times to move. Onchocerciasis, a treatable infection that the GHI

aims to eliminate in Latin America by 2016, is the second leading infectious cause of blindness. The Administration's request is building on Congressional leadership in this case. The Senate, in fact, pushed for the first funding, calling for \$30 million explicitly for the development and distribution of treatments for NTDs in 2006.

HIV/AIDS, TB and Malaria

I'm pleased that the Global Health Initiative aims to build off of and improve successful American platforms such as PEPFAR and PMI, and that it will enable a more integrated approach to health both here in Washington, D.C., and on the ground – where we lose patients if we can't address their needs comprehensively.

PEPFAR has been a truly revolutionary approach to global health. The \$32 billion the U.S. has invested in AIDS relief since Fiscal Year 2004 has leveraged billions of dollars from other donors and resulted in countless millions of lives saved. Estimating the number of people alive today thanks to these investments can be difficult, but we do know one thing for certain: 4 million men, women and children who would have otherwise gone without life-saving AIDS treatment are alive today thanks to the generosity of the U.S. government. That's a 10-fold increase in just five years.

Right now, more than 5 million people are in need of antiretroviral drugs on top of those already receiving them. That's just a subset of the 33 million people living with HIV who will one day need drugs to stay alive. The lowest price for first-line treatment drugs is an average of \$88 per person per year; in many cases the cost is much higher. The cost of personnel, lab work, and other expenses easily exceeds another \$200 per person per year. Providing treatment to all of those who currently need it to stay alive would cost over \$1.5 billion per year at a minimum. That doesn't account for the 29 million people who don't currently need treatment or the estimated 2.7 million people who will become HIV infected this year.

We have to understand that the goal of universal treatment, or even the more modest goal of significantly increasing the percentage of people who get treatment, cannot happen unless we dramatically reduce the rate of new infections.

We need to bring down treatment costs, an area in which we have made some progress. From 2004 to 2008, drug prices dropped as much as 48 percent. However, even considering greater price decreases, it is clear when you consider likely future scenarios that there is no feasible way to do what morality requires — treat everyone with HIV — unless we dramatically reduce the number of new infections. The harsh mathematics of this epidemic prove that prevention is essential to expanding treatment, and that stressing treatment without paying adequate attention to prevention is simply unsustainable.

Data shows that if we scale up well-planned, evidence-based prevention programs we can avert as much as half of all new HIV infections. For example, support from PEPFAR for scaling up programs to prevent mother to child transmission of HIV has prevented more than 300,000 babies being born HIV positive.

This is why I commend the Administration, under the leadership of Global AIDS Coordinator Ambassador Eric Goosby, for its new PEPFAR five-year plan that places prevention as a top priority, even as it seeks to maintain and expand access to treatment. This shift in emphasis should yield better results, in terms of lives saved, for U.S. taxpayer investments.

The President's Malaria Initiative is an essential partner in the fight against malaria. PMI has contributed to the significant scale up of malaria interventions in 15 African countries, through the distribution of insecticide-treated bed nets, effective treatment and indoor residual spraying. As coverage with these interventions increases, the number of people sickened by the disease declines rapidly. Within Africa, Eritrea, Zambia, and Rwanda cut their malaria burden by 50 percent or more between 2000 and 2008. As malaria cases continue to decline in many parts of the world, so do the number of deaths from malaria.

PEPFAR and PMI are important pieces in the fight against AIDS and malaria. The Global Fund to Fight AIDS, Tuberculosis and Malaria is another. As a major investor in the Global Fund, the US has been able to leverage billions of additional dollars for the world's most deadly diseases. Our foundation also contributes to the Global Fund and I consider it one of our best investments. In six years, the Global Fund has become the leading funder of malaria and TB programs around the world - further expanding the power of US dollars for global health.

I was disappointed that the President's budget request would decrease the U.S. commitment to the Global Fund even as the GHI has pledged to place more of an emphasis on multilateral approaches, and I hope Congress will work to remedy this. This is a replenishment year for the Global Fund, and other potential donors will be looking to the U.S. for cues as they craft their own commitments.

Family Health

I'm pleased that the GHI approach builds on the progress that has been made through U.S. investments in PEPFAR and PMI by recalibrating those investments to strike the most effective, integrated balance of resources. At the Gates Foundation, we are grappling with similar issues. We have begun to look at how to combine various health interventions – such as malaria prevention and treatment; vaccines for childhood illnesses; antenatal health care and behavior change; increased access to family planning; and nutrition – in what we call a “family health” framework. This framework doesn't mean that we have stopped investing in certain things or only invest in others. It simply means that we are moving beyond individual disease stovepipes and sharing developments and best practices. I view the GHI as seeking to do the same thing.

We know that healthy mothers mean healthier children. More than 500,000 mothers die each year in childbirth, most of preventable causes. When a mother dies, she leaves behind a newborn and usually several older children who have lost their primary caretaker. A mother's death destabilizes the family, causing a chain reaction that affects everything from her surviving children's health to their prospects for education and ultimately breaking the cycle of extreme poverty.

When our foundation is determining how to invest our global health dollars, we often measure the projected outcomes in terms of dollars per “disability adjusted life years” (or “DALYs”) saved. One DALY is equal to one year of healthy life lost, and takes into account both premature death and the deterioration of quality of life due to illness. Investments in family health are highly cost effective, especially when we make it easier for women and children to access information and multiple health services in an integrated setting. Up to 72 percent of deaths in the first month of life could be prevented through delivery of packages of proven interventions during pregnancy, childbirth and the postnatal period, in households, communities and in primary care and referral level facilities in low and middle income countries. Some of the interventions are scientifically innovative; others have existed for

decades but have never before been applied systematically and to scale. Some key interventions that could be taken to scale include:

- Fortifying foods with key vitamins and minerals like zinc and iodine, one of the most cost-effective interventions as it can reach individuals for fewer than 25 cents per person per year. Cost: \$8-\$30 per DALY saved.
- Promoting breastfeeding, starting immediately after birth and continuing as the sole food for the first six months of life, then transitioning to feeding appropriate foods in addition to breast milk, to boost a child's immunity, prevent the uptake of pathogens and ensure healthy nutrition. Cost: \$2-\$7 per DALY saved.
- Promoting a comprehensive package of interventions for mothers and newborns, including: discouraging a mother from washing a baby right after she is born, which can induce hypothermia and introduce an abrasion, and then an infection, through the skin; encouraging "kangaroo mother care," which allows a baby to benefit from his mother's warmth until she is strong enough to maintain his own body temperature, while also promoting breastfeeding and prevention of infection; and providing two very inexpensive drugs to prevent postpartum bleeding so a mother doesn't hemorrhage during childbirth. Cost: between \$1 and \$18 per DALY saved.
- Training community-based health workers and skilled birth attendants who can help ensure that women in the most rural and remote areas receive prenatal care, accurate information about best practices in newborn care, assistance in delivering their babies safely and hygienically, and advice on care seeking for illness.

Another powerful and cost-effective intervention that could have a dramatic effect on everything from maternal and child health to HIV prevention is providing access to voluntary family planning. An estimated 215 million women would like to determine the number and spacing of their children but lack sufficient access to family planning. Integrating family planning into other services would cost \$1.20 per year per capita and could have a dramatic effect on lives saved. A recent study by the Guttmacher Institute found that combining maternal and neonatal health interventions with access to family planning services could cut maternal deaths by 70 percent – saving the lives of 390,000 mothers every year.

Incorporating family planning services into programs aimed at preventing mother-to-child-transmission of HIV (PMTCT) would prevent twice the number of child HIV infections and three times the number of child deaths than PMTCT programs alone. In fact, between 1999 and 2006, access to family planning services helped prevent more than 10 times the number of HIV-infected pediatric cases in sub-Saharan Africa than did the provision of antiretroviral drugs to pregnant mothers.

I know that for some lawmakers, family planning is a controversial issue. The question of whether and how the U.S. should help increase access to voluntary family planning for those who seek it remains difficult for many lawmakers. As you wrestle with this question, I urge you to remember that voluntary family planning is a proven and cost-effective way to save lives.

Vaccines

As many of you may have heard, Melinda and I recently called for this to be the “Decade of Vaccines.” We committed to providing \$10 billion over the next ten years in the hopes of saving millions of young lives through vaccines. We made this commitment because we know that vaccines are the single most effective investment we can make. We are making this commitment because it will make a difference, but we can’t do it alone.

Ten years ago, when the foundation made its first major global health investment of \$750 million to launch the Global Alliance for Vaccines and Immunization, now the GAVI Alliance, immunization rates in poor countries were in decline and there was slow progress in introducing vaccines that were readily available in rich nations. Thanks to the work of the GAVI Alliance and other global efforts around polio and measles, global vaccination rates are today at an all time high. Yet 24 million children remain unimmunized, thereby suffering and dying needlessly from diseases we know how to prevent. That’s not acceptable.

Prior to calling for the Decade of Vaccines, we modeled what would happen if we could further increase access to existing vaccines from today’s 79 percent average to 90 percent. We found that this scale-up could save nearly 8 million lives in the next ten years. While the foundation’s investment is significant, it is not sufficient. Saving these young lives and helping millions more children get a healthy start at life is quite possible, but cannot be achieved by the Gates Foundation alone. It will require a collective effort among donors, developing country governments, and the private sector. Billions of dollars are needed. Even with the foundation’s commitments, and a potential commitment of \$90 million by the US government, the GAVI Alliance alone is facing a resource gap approaching \$3 billion through 2015. The polio eradication program is facing a gap of more than \$1 billion through 2012. We all need to do much more.

Key to the success in raising global vaccination rates in recent years has been the global partnership model. The Global Polio Eradication Initiative, the Measles Initiative and the GAVI Alliance have demonstrated what is possible when stakeholders bring their respective strengths together under a common cause.

I am pleased that, as part of GHI, the U.S. has signaled increased support to the GAVI Alliance in addition to its ongoing support of programs including polio and measles. The GAVI Alliance is an innovative public-private partnership that harnesses the unique strengths of global stakeholders (including the World Health Organization, UNICEF, World Bank, donor governments, industry, developing country governments and civil society) to efficiently deliver vaccines to the world’s poorest countries. Since 2000, the GAVI Alliance has reached more than 250 million children and, critically, saved 5 million lives.

I want to highlight two important features of the GAVI Alliance model as an illustration of why partnerships of this nature are critical in our efforts to improve health in an environment of expanding need and limited resources. First, GAVI has successfully shaped the vaccine market, reducing vaccine prices by guaranteeing developing country markets for the manufacturers. For example, the price of the five-in-one pentavalent vaccine has declined by more than 20 percent since the start of GAVI and 56 of the poorest countries of the world had introduced this vaccine by the end of 2009. Second, the GAVI model emphasizes the practice of cost-sharing. In 2009, 45 of the 49 countries required to co-finance GAVI-supplied vaccines did so. This is a 91 percent success rate.

The U.S. has been a generous donor in the area of vaccines, contributing \$1.8 billion to polio eradication and another \$568 million to the GAVI Alliance. We will never have a better chance to eradicate polio

than we will in the next three years. The new Global Polio Eradication Initiative 2010-2012 strategy outlines a time-bound, aggressive program, one which takes full advantage of new tools, acknowledges and overcomes previous setbacks, looks to address risks proactively, and builds on the lessons learned in the past several years. We are optimistic that this will strike at the final reservoirs of polio and consign this terrible virus to history. In addition, we now have new vaccines available to help prevent the two leading causes of death among young children – pneumonia and diarrhea – and a mechanism through the GAVI Alliance to make them available to countries in greatest need.

I recognize that times are tough and it will be an uphill battle to fund the GHI at the level of the President's request. But, an investment in GAVI will give American taxpayers the best bang for their buck, and the committee should consider increasing the level of funding beyond the administration's request. Poor countries have an enormous desire to introduce these new vaccines to their children as they recognize their lifesaving potential. The opportunity is immediate. These early investments have positive life-long returns.

It is our hope that with increasing commitment from the US and the Global Health Initiative, that we are one step closer as a global community to making the Decade of Vaccines, measured by lives saved, a reality.

Innovation

Melinda and I have built our foundation on the premise that innovation in product, process, and organization is essential to realize the greatest gains possible for the world's poor. In the global health arena, we have placed particular attention on science and technological innovation, improving upon existing interventions and driving the development of new ones. Imagine a world with a significantly simplified HIV drug regimen, a malaria drug to which the parasite cannot become resistant, a fever diagnostic test mothers can administer to children in their homes to figure out whether or not the child has pneumonia or malaria, or a revolutionary new manufacturing process that cuts the time and thus the cost of making critical, life saving vaccines in half.

We can save lives while saving money. Multiple US government agencies – NIH, the Department of Defense, Centers for Disease Control and Prevention, the State Department, the FDA, and USAID - have supported research to advance new global health solutions. The US commitment to innovation – doing things differently, applying the best science and the best minds – is critical as you develop and implement the Global Health Initiative. I would like to underscore the need for investments in clinical trials, including at USAID, to ensure that global health investments are solidly grounded in the scientific evidence of what works best. I would urge you to consider incentives that could increase private sector investments in global health innovation and product development. Experience under current policies such as the Orphan Drug Act (1983) and the Priority Review Voucher provided by the Food and Drug Administration Amendments Act may offer insights into how to design new incentives most efficiently. I pledge the best efforts of my foundation to finding ways in which it can partner with the U.S. government in this work.

The Potential of U.S. Commitment

I recognize that you must be able to explain your choices to your constituents and show them what they get for their taxpayer dollars. You must be able to assure them that their money is being spent on efforts that will save lives, reduce suffering, and positively impact our country's future.

The Administration has set ambitious targets for the GHI. If achieved, these targets would make clear to the American people what their investment can yield. With the support of Congress, the GHI will aim to prevent 12 million new HIV infections, double the number of at-risk babies born HIV-free, and bring 4 million people under antiretroviral treatment. It will seek to reduce the burden of malaria by 50 percent for 70 percent of the at-risk population in Africa, save 1.3 million lives by reducing TB prevalence by 50 percent, save 360,000 women's lives by reducing maternal mortality 30 percent in targeted countries, prevent 54 million unintended pregnancies, and save 3 million children's lives. In my judgment, this effort to dramatically reduce needless suffering is worthy of Congressional support, even in these times of great fiscal stress.

I pledge to you today to devote the resources of the foundation to this effort as well.

I want to thank Chairman Kerry, Ranking Member Lugar, and the members of this Committee for the tremendous leadership they have demonstrated in changing the very shape of our nation's commitment to global health and development. Your vision of the role the U.S. must play in the world has inspired your colleagues – in Congress and in the Executive Branch – to set ambitious goals and devote the resources to achieve them. Our team at the Bill & Melinda Gates Foundation and I look forward to continuing to be a partner with the U.S. government in pursuit of health and development goals, and we are eager to help you move this important agenda forward in whatever way we can.

It has been an honor to appear before you today. I appreciate your time, and I look forward to a productive conversation.