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United States Senate

WASHINGTON, DC 20510-4605

December 15, 2010

Ambassador Eric Goosby
U.S. Global AIDS Coordinator
U.S. Department of State
2201 C Street, NW
Washington, DC 20520

Dear Ambassador Goosby,

I am writing to express my concern with the funding decisions of the Global Fund to Fight AIDS, Tuberculosis, and Malaria, which have provided over \$940 million in grants to China over the past eight years. China is now the fourth largest recipient of donor funding. However, as the second largest economy in the world, it is not even among the top 20 donor countries to the Fund, with a contribution of only \$16 million.

The eligibility criteria for grants, as stated by the Global Fund, "have been designed to give the highest priority to those proposals from countries and regions with the greatest need, based on the highest burden of disease and the least ability to contribute financial resources to fight HIV/AIDS, Tuberculosis, and Malaria." In large part, these criteria depend upon the World Bank's ranking of global economies, which classifies China as a lower-middle-income country because of its lower per capita gross national income (GNI).

While China's burden of HIV/AIDS, Tuberculosis, and Malaria cases meets the threshold for Global Fund grants, this burden is not as heavy as other emerging economies, such as India or Indonesia. Furthermore, its ability to contribute financial resources to combating these diseases vastly exceeds the resources of the other top 20 grantees. Its use of the Global Fund and lack of reciprocal contribution has demonstrated how China's actions to benefit itself are at the expense of developing countries seeking to overcome significant global health challenges.

As stewards of American taxpayer dollars, it is important to ensure that our contributions to international financing mechanisms, such as the Global Fund, are appropriately distributed in line with the organization's objectives. Additionally, it is important to call on China to take a more responsible role in its international affairs. As you participate in the 22nd Global Fund Board Meeting in Sofia, Bulgaria and going forward, I strongly urge you to examine this issue and develop measures to modify the Fund's criteria for awarding grants to ensure that countries with the greatest financial need and highest disease burden receive priority in Global Fund grants.

Sincerely,



Jim Webb
United States Senator