

ASSISTANCE FOR ORPHANS AND OTHER VULNERABLE
CHILDREN IN DEVELOPING COUNTRIES ACT OF 2004

MAY 5, 2004.—Committed to the Committee of the Whole House on the State of the
Union and ordered to be printed

Mr. HYDE, from the Committee on International Relations,
submitted the following

R E P O R T

[To accompany H.R. 4061]

[Including cost estimate of the Congressional Budget Office]

The Committee on International Relations, to whom was referred the bill (H.R. 4061) to amend the Foreign Assistance Act of 1961 to provide assistance for orphans and other vulnerable children in developing countries, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

TABLE OF CONTENTS

	Page
Purpose and Summary	1
Background and Need for the Legislation	2
Hearings	7
Committee Consideration	8
Votes of the Committee	8
Committee Oversight Findings	8
New Budget Authority and Tax Expenditures	8
Congressional Budget Office Cost Estimate	8
Performance Goals and Objectives	10
Constitutional Authority Statement	10
Section-by-Section Analysis	10
New Advisory Committees	17
Congressional Accountability Act	17
Federal Mandates	17
Changes in Existing Law Made by the Bill, as Reported	17

PURPOSE AND SUMMARY

The purpose of "The Assistance for Orphans and Other Vulnerable Children Act of 2004" (H.R. 4061) is to authorize assistance

for orphans and other vulnerable children in developing countries for the fiscal years 2005 and 2006, and to establish important reforms to promote accountability and effectiveness of such programs, as administered by the U.S. Agency for International Development (USAID).

H.R. 4061 will establish a variety of important new authorities relating to the provision of assistance for orphans and other vulnerable children into a single new title V in chapter 2 of part I of the Foreign Assistance Act of 1961.

BACKGROUND AND NEED FOR THE LEGISLATION

Congress has demonstrated its support for assistance for orphans and other vulnerable children, most recently through Public Law 108-25 (The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003), and through annual appropriations laws that have historically provided specific appropriations for the provision of assistance to displaced children and orphans. H.R. 4061 takes into account the diverse needs of orphans and other vulnerable children, especially such children orphaned or affected by HIV/AIDS, and creates a new title V in chapter 2 of part I of the Foreign Assistance Act of 1961 to house such authorities.

The Committee believes it is essential that the United States Government adopt a comprehensive approach for the provision of assistance to orphans and other vulnerable children in developing countries, and that such a comprehensive approach should ensure that important services, such as basic care, health services including treatment for those children with HIV/AIDS, mental health problems (or conditions) and related services for those children affected by HIV/AIDS, school food programs, increased educational opportunities and employment training and related services, and the protection and promotion of inheritance rights, are made more accessible. The Committee considers that treatment shall include medical treatment for children, including the provision of anti-retroviral drugs.

An estimated 110 million orphans and other vulnerable children now live throughout Sub-Saharan Africa, Asia, Latin America and the Caribbean. Every 14 seconds another child is orphaned by AIDS. The global orphans crisis is a profound humanitarian disaster that will be felt for decades to come.

Many African children are now born into a world without hope. With parents dying at an alarming rate, grandparents and extended families with few resources are called upon to take in additional children to feed, shelter and clothe. Children for whom there are no families often wind up in the streets at the mercy of criminals, traffickers and others who exploit their vulnerability. Street children live precarious lives without food, shelter, education, or protection. Such children face a greater risk for malnutrition, illness, abuse and exploitation. Girls take responsibility for more household chores and are especially likely to drop out of school and take on responsibilities for the care of an ailing parent. Orphaned children are less likely to receive basic education, health care, or job skills. By 2010, one in every four children will face this grim future in Botswana, Malawi, Uganda, Zambia, and Zimbabwe.

School fees and related education costs also are often barriers to attending school. Despite national and international conventions

that commit nations to provide free and compulsory education at the primary level, school fees continue to be levied in at least 100 countries. Other costs, such as books, school uniforms, transport or community contributions, are also common.

The Committee believes that eliminating school fees is the single most effective step to ensuring universal access to education for orphans and other vulnerable children. In the poorest places in the world, school fees effectively keep millions of children out of school altogether. Eliminating school fees in some African countries has had an immediate and dramatic impact on expanding the number of children in school, and especially the opportunities for girls and AIDS orphans to go to school.

Orphans rarely are able to attend school because many cannot afford school fees or are forced to financially support their families or care for sick relatives. Eliminating fees can also dramatically reduce the risk of girls contracting HIV, as evidence demonstrates a close link between schooling and reduced vulnerability to HIV. In addition, eliminating the need to find cash to pay school fees also reduces the severe pressure on mothers and other caretakers of children who may be forced in desperation to risk HIV infection by engaging in prostitution to raise money for school fees. The need to pay orphans' school fees is the biggest barrier to adoption of AIDS orphans. Removing school fees is necessary, but not sufficient to ensure increased attendance over the long term, and must also be coupled with action by developing countries and the international donor community to address the increased demand for additional teachers, classrooms, materials and financial resources.

AIDS orphans are much more vulnerable to exploitation, including forced labor and physical and sexual abuse. Children without hope are more likely to be recruited, sometimes by force, by militias, rebel armies and terrorists. A 2001 Report by the International Crisis Group found that "young people with no job, no income, and no family to support them are also at risk of joining, or being abducted by local militias."

The Committee finds that as a result of the numerous United States Government programs under which assistance is specifically authorized or otherwise available for orphans and vulnerable children in developing countries, the United States Agency for International Development will be required to develop innovative methods for the conduct and monitoring of these programs, including through the collection, analysis, and reporting of information on the programs. Innovative community-based programs designed by indigenous communities are likely to develop the best approaches address the social, economic, and cultural needs of their children.

The reforms of H.R. 4061 were prompted by recent Committee oversight of the Agency's implementation of Public Law 108-25, and of oversight of other programs relating to the provision of assistance for orphans and other vulnerable children.

THE LEGISLATION

The "Assistance for Orphans and Other Vulnerable Children in Developing Countries Act of 2004" provides additional legislative authorities to the President with respect to the provision of assistance for orphans and other vulnerable children, and contains important provisions that will improve existing programs by increas-

ing the Administration's oversight of and responsibility for dispersing funds and by creating better accountability while encouraging innovative initiatives within communities from the ground up.

H.R. 4061 meets the concerns and implements the recommendations of the Committee and of the HIV/AIDS advocacy community by establishing responsibility for administration of programs for the assistance of orphans and other vulnerable children within a new Office of Orphans and Other Vulnerable Children, within the U.S. Agency for International Development.

Currently, assistance programs for orphans and other vulnerable children are designed and managed primarily by the various field missions of the Agency. A small work unit within USAID's Bureau for Global Health (USAID/GH) provides technical assistance for assistance for children affected by HIV/AIDS, and other work units in the Agency have additional responsibilities for other aspects of assistance for orphans and vulnerable children, including other offices within USAID/GH, and offices within the Bureau for Democracy, Conflict and Humanitarian Assistance (USAID/DCHA) and the Bureau for Africa (USAID/AFR).

However, there is no office or individual within the Agency with responsibility for the overall oversight or implementation of programs for orphans and vulnerable children. H.R. 4061 creates such an office, and provides it with responsibility and accountability to assure the intentions of Congress are met to promote effective community-based programming, document and disseminate information on best practices, and account more accurately for the expenditure of funds.

Providing Basic Care and Support

The legislation expands the capacity of communities to take care of the basic needs of orphans. The bill also promotes school nutrition, psychosocial support and protection of the rights of orphans as key building blocks of a comprehensive response. As the number of child-headed households is growing rapidly, the need for extended families and community caregivers to play a greater role in the lives of these children is increasingly urgent.

In communities across Africa, millions of people are volunteering their time and resources to care for orphans of AIDS and other vulnerable children. In addition to the care provided by families, in Malawi, Zambia, Uganda and many other countries, community volunteers identify and enumerate orphans and vulnerable children, provide what they can from community resources, and seek outside support for the basic needs of these children. These volunteers are linked to a community-supported multi-service AIDS community center.

Expanding and supporting such community-based care is critical, because when whole communities are responsible for raising orphaned children, the children are cared for in a rich and nurturing environment and remain connected to community traditions, rituals and family. Orphanages should be a last resort option because of their potential to separate orphans from the rest of the community without providing the psychosocial support mechanisms that are critical for healthy development.

School Feeding

In sub-Saharan Africa alone, over 8 million additional children are underweight now as compared to a decade ago. Members of the family are often drawn away from production and other activities to care for the sick, compounding the problem of food insecurity and nutrition at the household level. Malnutrition enhances the risk that AIDS orphans and other vulnerable children will be at risk for infections, especially if they are infected with HIV. Today, it is estimated that 120 million children around the world do not attend school, in part because of hunger and malnutrition, and the vast majority of these are young girls.

School meals provide basic nutrition to children whose life circumstances do not necessarily offer reliable food supplies. Orphans have often seen one or both parents die slow deaths, impoverishing the household in an inevitably futile attempt to save parents' lives. The result is very often emotionally traumatized orphans with no financial resources. In particular, older children drop out of school to provide for younger ones, and girls often end up in sexually vulnerable situations in an effort to maintain reliable access to sufficient food. Providing meals at school would remove most orphans' single biggest daily worry, and reduce disease and stunting.

Expanding Educational Opportunity

Eliminating school fees is essential to ensuring that millions of orphans and other poor and vulnerable children, especially girls, are enrolled in school. Orphans are often unable to attend school because many cannot afford school fees or are forced to financially support their families or care for sick relatives. Millions of girls from poor families do not attend school when families that cannot afford school costs send their sons to school instead of daughters. When countries in Africa have eliminated school fees, the resulting increases in enrollment have been dramatic. Kenya eliminated all fees for primary students in 2003 and school enrollment jumped by 22% within a few days of the policy change. In effect, over a million children gained access to education within a matter of weeks. In Uganda, debt relief funds were used to eliminate primary school fees 3 years ago and school enrollment increased by 40 percent.

The experience of most countries that have eliminated school fees is that while there is a transition period where there is a major influx of new students and challenges to the existing education system, increased public and political attention on the schools following increased enrollment has helped catalyze resources to address scale-up and quality improvements.

The Committee intends that, in addition to funds provided under this act to eliminate school fees especially in developing countries heavily affected by HIV/AIDS, the United States and the international donor community should also take into account the human and physical resources necessary to provide schooling of acceptable quality in the context of rapid expansion. Retention of children in school and increasing enrollment rates is strongly influenced by quality. The intent of this provision is ultimately to ensure that children who are currently excluded from school not only gain such access, but also stay in school through at least fifth grade to establish basic skills. It is also the intent of the Committee that efforts authorized under this provision complement ongoing efforts to in-

crease school enrollment through basic education programs administered with United States bilateral assistance.

Funds for this initiative should be provided in two or more tranches to countries. The first tranche should be provided when a country agrees to eliminate public primary school fees and reports increases in overall primary school enrollment rates and enrollment rates of girls compared to baseline enrollment levels and school completion rates. Subsequent tranches should be provided when it is confirmed that overall and girls' primary enrollments have increased compared to baseline levels and that the enrollment and completion rates of AIDS orphans and other affected children have increased compared to the baseline levels. Funds should be prioritized to support the transition costs of education for nations agreeing to eliminate public primary school fees and additionally promote best practices in education focused on the expansion of quality school enrollment.

UNICEF is unusually well placed to lead this effort since it already finances school fees in many countries. The leadership of UNICEF has expressed enthusiasm for dramatically expanding its work around eliminating school fees. UNICEF will work with countries and coordinate other agencies and the key players within country. A UNICEF basic education incentive fund will leverage the elimination of fees and support the transitional costs to governments of eliminating fees and expanding enrollment.

Bringing the Hope of Treatment to Orphans

As of 2003, 2.5 million children were living with HIV globally, and each year, an additional 700,000 babies are born infected with the virus, most through mother-to-child transmission. Many of these children will become orphans and without treatment, most will die by the age of two.

With sustained drug treatment throughout childhood, the chances of long-term survival and a productive adulthood improve dramatically, bringing new hope to the littlest victims of AIDS. While the scientific evidence on the benefits of antiretroviral (ARV) treatment in children is clear, very few of these children have access to lifesaving AIDS medications and specialized care and treatment services. Most ARV programs do not prioritize treating children because medical and non-medical staff are not adequately trained to treat them. Frequently this lack of training is compounded by a lack of proper dosing and safety information for existing drugs, which can be dramatically different for children as compared to adults, as well as the paucity of drugs specially formulated for children.

Finally, an early and accurate diagnosis is also critical to providing optimal care for children. Currently, most programs cannot accurately diagnose infection in infants prior to 18 months of age because they lack the appropriate technology. While diagnostic tests exist that can detect the virus in younger children, they are expensive and are not available in most locations. Greater availability of this technology at a reduced cost could increase the chances of children receiving the most appropriate and timely care and ensure the most efficient use of scarce treatment resources.

To fully level the playing field for orphans and vulnerable children, these issues must be prioritized within care and treatment

programs so that children receive the same quality of care as adults.

Ensuring Accountability of Programs for Orphans

The legislation builds in monitoring and evaluation criteria so that taxpayer money will be used in the most effective way to help orphans. The bill also provides improved coordination of orphans programs to ensure effective oversight of the response.

By establishing an Office for Orphans and Vulnerable Children, the Agency will be better equipped to coordinate efforts within the Agency and among departments. Based on the successful implementation of the Displaced Children's and Orphans Fund (DCOF), this legislation creates a coordinated central organization that will review or approve all programs relating to orphans and other vulnerable children. This mechanism is urgently needed. Public Law 108-25 requires that by 2006, not less than 10 percent of HIV/AIDS funds be programmed for the needs of orphans and other children affected or made vulnerable by HIV/AIDS. Agencies will be held accountable for measurable results.

The Committee intends that coordination within the Agency should include coordination with ongoing child survival programs, the Food for Peace Program, microenterprise development assistance programs, programs that provide assistance to civilians affected by conflict, and with ongoing efforts to improve basic education. In addition, the Office should coordinate with other departments and agencies, such as the Department of Treasury, which oversees programs for orphans and other vulnerable children of the World Bank, the Department of Agriculture which oversees the Dole-McGovern school feeding program and other food assistance efforts that are managed through the World Food Programme (WFP). Finally, the Office shall coordinate with Office of the Global AIDS Coordinator within the Department of State, which is primarily responsible for the oversight and coordination of all resources and international activities of the U.S. Government to combat HIV/AIDS, as established by Public Law 108-25, the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003."

By establishing a central monitoring and evaluation framework for programs to assist orphans and other vulnerable children, the Office will ensure sound investments are being made with taxpayer dollars. The Office should coordinate with other international agencies such as UNICEF and UNAIDS to ensure a global consensus exists on a common monitoring and evaluation framework. Ensuring that all USAID and United States Government entities are utilizing a common monitoring and evaluation framework for the provision of assistance for orphans and other vulnerable children is a key priority. The central monitoring and evaluation framework also will provide a mechanism for documenting and sharing best practices, create basis for targeted technical assistance to community-care centers and providers, and establish a sound basis for program revisions or policy changes directed by Congress.

HEARINGS

The Committee did not hold any hearings specifically on assistance for orphans and vulnerable children during the second session

of the 108th Congress prior to the consideration of H.R. 4061. However, on March 4, 2004, the Committee held an oversight hearing entitled "The United States Government Strategy for Fighting HIV/AIDS: Implementation of Public Law 108-25." Section 403(b) of Public Law 108-25 requires that for fiscal years 2006 through 2008, not less than 10 percent of amounts appropriated for HIV/AIDS assistance for each such fiscal year shall be expended for assistance for orphans and other vulnerable children affected by HIV/AIDS. During the 107th Congress, the Committee held a hearing entitled "AIDS Orphans and Vulnerable Children in Africa: Identifying the Best Practices for Care, Treatment, and Prevention" on April 17, 2002.

COMMITTEE CONSIDERATION

The Committee considered H.R. 4061 at a meeting on March 31, 2004.

VOTES OF THE COMMITTEE

There were no recorded votes during the consideration of H.R. 4061.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee reports that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of House Rule XIII is inapplicable because this legislation does not provide new budgetary authority or increased tax expenditures.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 7, 2004.

Hon. HENRY J. HYDE, *Chairman,*
Committee on International Relations,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4061, the Assistance for Orphans and Other Vulnerable Children in Developing Countries Act of 2004.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Joseph C. Whitehill, who can be reached at 226-2840.

Sincerely,

DOUGLAS HOLTZ-EAKIN

Enclosure

cc: Honorable Tom Lantos,
Ranking Member.

H.R. 4061—Assistance for Orphans and Other Vulnerable Children in Developing Countries Act of 2004

H.R. 4061 would establish within the U.S. Agency for International Development (USAID) a new Office for Orphans and Other Vulnerable Children. The office would be responsible for reviewing and approving all assistance provided by USAID to orphans and vulnerable children in developing countries and for coordinating all such assistance provided by other government agencies. The bill also would require the President to create a system for monitoring assistance to orphans and vulnerable children and to provide detailed reports to the Congress on such assistance. Based on information from USAID, CBO estimates that implementing H.R. 4061 would require an additional 15 staff members and cost about \$2 million each year, assuming the appropriation of the necessary funds. The bill would not affect direct spending or receipts.

The United States provides hundreds of millions of dollars of assistance to children and their families in developing countries through bilateral assistance programs, such as the child survival and health programs fund; through contributions to international organizations, such as the United Nations Children's Fund (UNICEF); and through other assistance, such as the McGovern-Dole International Food for Education and Child Nutrition Program Grants. In addition, the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 requires that 10 percent of the \$3 billion each year that is authorized by that act be spent for assistance to orphans and other children affected by HIV/AIDS.

H.R. 4061 would provide specific authorization for assistance to orphans and vulnerable children: to provide basic care, to provide medical treatment and psychological support for children affected by HIV/AIDS, to provide school feeding programs, to increase educational opportunities and employment training, and to protect the inheritance rights of orphans. Those programs are currently being undertaken by USAID and other agencies under more general authority. The bill would not authorize the appropriation of additional funds for those programs; however, it would require centralized review and approval of all assistance to orphans and children undertaken by USAID and coordination of other agencies' assistance to children by the new office in USAID.

Based on information from USAID, CBO estimates the new office would require a staff of between 30 to 45 personnel to review and approve all assistance for orphans and other vulnerable children, to create and maintain a monitoring system, and to prepare the required reports. We estimate that 15 of those would be new positions and that it would cost an additional \$2 million each year to operate the office, assuming the appropriation of the necessary funds.

H.R. 4061 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

PERFORMANCE GOALS AND OBJECTIVES

The goals and objectives of this legislation are to improve the results and accountability of programs for the assistance of orphans and other vulnerable children, administered under the authority of the Foreign Assistance Act of 1961.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds the authority for this legislation in article I, section 8, clause 18 of the Constitution (relating to making all laws necessary and proper for carrying into execution powers vested by the Constitution in the Government of the United States).

SECTION-BY-SECTION ANALYSIS AND DISCUSSION

Section 1. Short Title. Section 1 contains a short title, the “Assistance for Orphans and Other Vulnerable Children in Developing Countries Act of 2004.”

Section 2. Findings and Declarations of Policy. Section 2 contains 15 findings or statements of policy. The first 11 paragraphs summarize data on infant and child morbidity and mortality; statistics of orphans in sub-Saharan Africa, Asia, Latin American and the Caribbean; and the characteristics of orphans and other vulnerable children with respect to nutrition, labor practices, and prevalence of disease, including HIV/AIDS. Paragraph 12 declares that a considerable number of United States and indigenous private voluntary organizations, including faith-based organizations, provide relatively modest amounts of assistance to orphans and other vulnerable children in developing countries, especially children affected by HIV/AIDS, and that while many of these organizations have submitted applications for grants from the United States Agency for International Development in order to provide increased levels of assistance for orphans and other vulnerable children in developing countries, in many cases the Agency has not approved applications. Paragraph 13 explains that Section 403(b) of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108–25) establishes the requirement that for fiscal years 2006 through 2008, not less than 10 percent of amounts appropriated for HIV/AIDS assistance for each such fiscal year shall be expended for assistance for orphans and other vulnerable children affected by HIV/AIDS, and that 403(b) of Public Law 108–25 requires that at least 50 percent of such amounts shall be provided through non-profit, nongovernmental organizations, including faith-based organizations, that implement programs on the community level. Paragraph 14 declares that it is essential that the United States Government adopt a comprehensive approach for the provision of assistance to orphans and other vulnerable children in developing countries, and that such a comprehensive approach should ensure that important services, such as basic care, treatment for those children with HIV/AIDS, mental health and related services for those children affected by HIV/AIDS, school food programs, increased educational opportunities and employment training and related services, and the protection and promotion of inheritance rights, are made more accessible.

Paragraph 15 declares that as a result of the numerous United States Government programs under which assistance is specifically authorized or otherwise available for orphans and vulnerable children in developing countries, the United States Agency for International Development will be required to develop innovative methods for the conduct and monitoring of these programs, including through the collection, analysis, and reporting of information on the programs.

Section 3. Assistance for Orphans and Other Vulnerable Children in Developing Countries. Section 3 amends title V of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2201) to read as follows: "Title V—Assistance for Orphans and Other Vulnerable Children." The new title V has 12 sections.

Section 241, "Findings; Declaration of Policy," is divided into two subsections.

Section 241(a) includes six findings on the state of orphans and vulnerable children, including that by 2010, HIV/AIDS will orphan more than 25,000,000 children worldwide; that ongoing conflicts and civil wars in developing countries are adversely affecting children in these countries, the vast majority of whom currently do not receive humanitarian assistance or other support from the United States Government; that although the United States Government currently administers assistance programs for orphans and other vulnerable children in developing countries, for fiscal year 2002 the United States Agency for International Development reported that the United States Government provided assistance to only 462,000 such orphans and other vulnerable children, or less than $\frac{1}{2}$ of 1 percent of the estimated 108,000,000 total number of such orphans and other vulnerable children; that the United States Government should increase its efforts to provide assistance for orphans and other vulnerable children in developing countries, especially those children affected by HIV/AIDS or conflict; that the United States Agency for International Development should establish improved capacity to deliver assistance to orphans and other vulnerable children in developing countries through partnerships with private voluntary organizations, including faith-based organizations, and that the United States Agency for International Development should be the primary United States Government agency responsible for identifying and assisting orphans and other vulnerable children in developing countries.

Section 241(b) includes a declaration of policy which states that Congress, recognizing that prompt and appropriate action by the United States to assist orphans and other vulnerable children in developing countries is an important expression of the humanitarian concern and tradition of the people of the United States, affirms the willingness of the United States to assist such orphans and other vulnerable children by providing assistance for the purpose of improving the health, nutritional, shelter, educational, economic, and psychological status of orphans and other vulnerable children in such countries; and by providing humanitarian and protection assistance to such orphans and other vulnerable children affected by conflict or civil strife.

Section 242, "Assistance to Provide Basic Care," is divided into two subsections.

Section 242(a) includes three findings on the importance of mobilizing individuals and local organizations in developing countries to assist households headed by children is necessary due to the increase in the number of such households. Paragraph two states that when communities are responsible for raising orphans, such children are cared for in a rich and nurturing environment and remain connected to the traditions and rituals of families and the community. Paragraph three states that as the number of these children increases, the ability of communities to provide basic care for such children is limited. Assistance to support the provision of such basic care is therefore necessary in and of itself and also to facilitate the provision of other types of assistance for such children under this title.

Section 242(b) authorizes the President to provide assistance for programs in developing countries to provide basic care for orphans and other vulnerable children. Such assistance should be used to support individuals and local organizations, including teachers, social workers, and representatives from religious institutions and nongovernmental organizations, to mobilize their own resources through the establishment of 'community care councils' to provide basic care for orphans and other vulnerable children, including day care, food assistance, protection assistance, and home visits; to increase the capacity of community care councils to meet on a regular basis to identify orphans and other vulnerable children and to facilitate the provision of services; and to establish and operate centers in such communities to provide basic care.

Section 243, "Assistance to Provide Treatment to Orphans and Other Vulnerable Children with HIV/AIDS," is divided into two subsections.

Section 243(a) includes six findings on the impact of HIV on children, including that approximately 2,500,000 children under the age of 15 worldwide have HIV/AIDS. Every day another 2,000 children under the age of 15 are infected with HIV; that in 2002, approximately 2,500,000 children were at risk for infection with HIV through mother-to-child transmission, which includes transmission at any point during pregnancy, labor, delivery, or breastfeeding; that to date, more than 4,000,000 children worldwide are estimated to have died from AIDS, primarily contracted through mother-to-child transmission; that every year, approximately 700,000 babies are infected with HIV, of which the majority are living in Africa; that in southern Africa HIV/AIDS is now the leading cause of death among young children, accounting for almost half of such deaths; that research has shown conclusively that initiation in a timely manner of antiretroviral therapy for infants or young children with HIV/AIDS can preserve or restore their immune functions, promote normal growth and development, and prolong life; and that few international development programs specifically target the treatment of children with HIV/AIDS in developing countries, due to the perceived low priority of pediatric treatment, a lack of pediatric health care professionals, lack of expertise and experience in pediatric drug dosing and monitoring, the perceived complexity of pediatric treatment, and mistaken beliefs regarding the risks and benefits of pediatric treatment.

Section 243(b) authorizes the President to provide assistance for the treatment of orphans and other vulnerable children with HIV/

AIDS in developing countries, and that such assistance should be used for the provision of pharmaceuticals, including high-quality, low-cost antiretrovirals and other therapies, including generically manufactured pharmaceuticals where appropriate; and for the recruitment and training of individuals to provide the treatment, including the recruitment and training of appropriate support personnel.

Section 244, "Assistance to Provide Psychosocial Support to Orphans and Other Vulnerable Children Affected by HIV/AIDS," is divided into two subsections.

Section 244(a) includes five findings on the psychosocial problems of orphans and other vulnerable children affected by HIV/AIDS, including that many children who are orphaned as a result of AIDS blame themselves for the death of a parent and many children are separated from siblings, sometimes for life; that the trauma resulting from the loss of a parent as a result of AIDS can trigger behavior problems of aggression or emotional withdrawal and negatively affect a child's performance in school and the child's social relations; that children living in families affected by HIV/AIDS are often stigmatized, teased, and ostracized by peers; that children living in families affected by HIV/AIDS who are most vulnerable are those children in households headed by children; and that in many African countries, religious leaders are mobilizing individuals and local organizations within the community to identify and respond to the psychosocial needs of those children affected by AIDS.

Section 244(b) authorizes the President to provide assistance for programs in developing countries to provide mental health treatment and related services to orphans and other vulnerable children affected by HIV/AIDS.

Section 245 is divided into two subsections.

Section 245(a) includes five findings on the relationship between HIV/AIDS, nutrition, and school attendance, including that in 2004, it is estimated that 125,000,000 children worldwide do not attend school, in part because of hunger and malnutrition, and the vast majority of these children are young girls; that school food programs, including take-home rations, in developing countries provide strong incentives for parents to send their children to school and ensure that they continue with their education. School food programs may reduce short-term hunger, improve cognitive functions, and enhance learning, behavior, and achievement; that in 2004, more than 8,000,000 children in sub-Saharan Africa are underweight compared to 1994. Malnutrition enhances the risk that orphans and other vulnerable children will be at risk for illness and infections, especially if these children are also infected with HIV; that healthy members of families affected by HIV/AIDS in developing countries often leave the workforce to care for those family members with HIV/AIDS, which compounds the problem of access to food for the family; that although a number of organizations seek to meet the needs of children who are orphaned or vulnerable as a result of HIV/AIDS, local communities continue to be the primary providers of support for these children; and that according to a survey by the United States Agency for International Development, orphans and other vulnerable children relied on relatives for food support 74 percent of the time and on friends for food support 19 percent of the time.

Section 245(b) authorizes the President to provide assistance for school food programs in developing countries, and that such assistance should be used to purchase local or regional foodstuffs, where appropriate, for school food programs.

Section 246, "Assistance to Increase Educational Opportunities and Provide Employment Training," is divided into two subsections.

Section 246(a) includes six findings on the importance of non-formal education for orphans and other vulnerable children, including such children affected by HIV/AIDS, including that the lack of financial resources in families affected by HIV/AIDS prevents many orphans and other vulnerable children in developing countries from attending school because of the requirement to pay school fees and other costs of education; that such children, in particular young girls, are often forced to miss school in order to serve as caregivers to relatives with HIV/AIDS or assume adult responsibilities for providing for the family. Younger children who lose a parent also lose the opportunity to learn skills that they will need to support themselves as they grow older; that according to the International Labor Organization, approximately 250,000,000 children and adolescents ages 5 to 14 in developing countries are working part-time and approximately 120,000,000 children and adolescents ages 5 to 14 in developing countries are working full-time; that in many regions of Africa and other developing countries, non-formal education plays an important role to provide children who are unable to attend school with the employment and related life skills training such children need to survive; that many organizations in Africa, including faith-based organizations, provide employment and related life skills training for older children to better prepare them to serve as caregivers for younger siblings; and that organizations that provide non-formal education can assist the thousands of children in developing countries who are not currently being assisted by families or communities and are struggling to survive.

Section 246(b) authorizes the President to provide assistance for programs in developing countries to increase enrollment in public primary schools by eliminating school fees and other costs of education, especially in developing countries heavily affected by HIV/AIDS, and that amounts are authorized to be made available to the President to make voluntary contributions to the United Nations Children's Fund to achieve the purposes of this subsection. Paragraph two of subsection 246(b) authorizes the President to provide assistance for programs in developing countries to provide employment training and related services for orphans and other vulnerable children, especially in developing countries heavily affected by HIV/AIDS.

Section 247, "Assistance to Protect and Promote Inheritance Rights," is divided into two subsections.

Section 247(a) includes a finding that orphans and other vulnerable children in developing countries, particularly children who are orphaned as a result of AIDS, are routinely denied their inheritance or encounter difficulties in claiming the land and other property which they have inherited.

Section 247(b) authorizes the President to provide assistance in support of programs in developing countries to protect and promote the inheritance rights of orphans and other vulnerable children,

particularly young girls and children who are orphaned as a result of AIDS.

Section 248, "Administration of Assistance," includes six subsections.

Section 248(a) establishes within the United States Agency for International Development an Office for Orphans and Other Vulnerable Children, which shall be headed by a Director who shall be appointed by the Administrator of the Agency. Paragraph two of subsection 248(a) establishes that the office shall be responsible for carrying out this title.

Section 248(b) establishes that the Director of the Office established in section 248(a) shall be responsible for reviewing or approving all applications submitted to the United States Agency for International Development for assistance under this title, including applications submitted to field missions of the Agency.

Section 248(c) establishes that in providing assistance under title V, priority should be given to assistance for developing countries in which the rate of HIV infection, as reported in the most recent epidemiological data for that country compiled by the United Nations Joint Programme on HIV/AIDS (UNAIDS), is at least 5 percent among women attending prenatal clinics or more than 15 percent among individuals in groups with high-risk behavior.

Section 248(d) requires that assistance under this title shall be provided in the form of grants, cooperative agreements, or contracts; contributions to international organizations; or assistance to the governments of developing countries.

Section 248(e) requires that the provision of assistance under title V for children who are orphaned as a result of HIV/AIDS, or are children with HIV/AIDS, shall be undertaken in a manner that is consistent with assistance authorized under section 104A of this act and assistance relating to HIV/AIDS authorized under the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108-25).

Section 248(f) requires that the Director of the Office shall be responsible for reviewing or approving each component of the annual plan of a mission, bureau, or other office of the United States Agency for International Development as the component relates to assistance for orphans and other vulnerable children in developing countries; and each program, project, or activity relating to such assistance; and that the Director of the Office shall be responsible for ensuring coordination of all United States Government programs to provide assistance for orphans and other vulnerable children in developing countries.

Section 249, "Monitoring System," is divided into two subsections.

Section 249(a) states that in order to maximize the sustainable development impact of assistance authorized under this title, the President shall establish a monitoring system that meets the requirements of section 249(b).

Section 249(b) establishes that the monitoring system required by section 249(a) shall establish performance goals for the assistance and express such goals in an objective and quantifiable form, to the extent feasible; shall establish performance indicators to be used in measuring or assessing the achievement of such performance goals; and shall provide a basis for recommendations for ad-

justments to the assistance to enhance the impact of the assistance.

Section 250, "Report," is divided into two subsections.

Section 250(a) requires that not later than December 31, 2005, and each December 31 thereafter, the President shall transmit to Congress a report that contains a detailed description of the implementation of title V for the previous fiscal year.

Section 250(b) establishes that the report required by section 250(a) shall contain the information on each grant, cooperative agreement, contract, contribution, or other form of assistance awarded or entered into under this title, including the amount of the grant, cooperative agreement, contract, contribution, or other form of assistance, the name of each recipient and each developing country with respect to which projects or activities under the grant, cooperative agreement, contract, contribution, or other form of assistance were carried out, and the approximate number of orphans and other vulnerable children who received assistance under the projects or activities; and the results of the monitoring system with respect to the grant, cooperative agreement, contract, contribution, or other form of assistance. Section 250(b) also requires the same information for each grant, cooperative agreement, contract, contribution, or other form of assistance awarded or entered into under any provision of law other than title V for assistance for orphans and other vulnerable children in developing countries. Section 250(b) requires any other appropriate information relating to the needs of orphans and other vulnerable children in developing countries that could be addressed through the provision of assistance under this title or under any other provision of law.

Section 251, "Authorization of Appropriations; Additional Provisions," is divided into two subsections.

Section 251(a) authorizes that of the amounts made available to carry out Public Law 108-25 or any other provision of law under which assistance is authorized for orphans and other vulnerable children in developing countries, there are authorized to be appropriated to the President to carry out this title such sums as may be necessary for each of the fiscal years 2005 and 2006.

Section 251(b) establishes that amounts appropriated pursuant to the authorization of appropriations under section 251(a) are authorized to remain available until expended and are in addition to amounts otherwise available for such purposes; and that not less than 60 percent of amounts appropriated pursuant to the authorization of appropriations under section 251(a) for a fiscal year (other than amounts made available for assistance to eliminate school fees and other costs of education pursuant to section 246) shall be provided through United States or indigenous private voluntary organizations that implement programs on the community level. Section 251(b) establishes that amounts provided by for-profit entities to not-for-profit entities from assistance under this title shall not be considered for purposes of satisfying the requirement of this paragraph. Paragraph 3 of section 251(b) establishes that notwithstanding any other provision of law, amounts made available for assistance for orphans or other vulnerable children in developing countries under any provision of law other than this title may be provided to further the purposes of this title; and that to the extent such assistance is provided, the President shall include,

as part of the report required under section 250, a detailed description of such assistance and, to the extent applicable, the information required by section 250(b)(1)(A) with respect to such assistance.

Section 252 includes six definitions used throughout title V.

NEW ADVISORY COMMITTEES

H.R. 4061 establishes no new advisory committees.

CONGRESSIONAL ACCOUNTABILITY ACT

H.R. 4061 does not apply to the legislative branch.

FEDERAL MANDATES

H.R. 4061 imposes no Federal mandates.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

FOREIGN ASSISTANCE ACT OF 1961

* * * * *

PART I

* * * * *

CHAPTER 2—OTHER PROGRAMS

* * * * *

⌘ Title V—Disadvantaged Children in Asia

⌘ SEC. 241. ASSISTANCE TO CERTAIN DISADVANTAGED CHILDREN IN ASIA.—(a) The Congress recognizes the humanitarian needs of disadvantaged children in Asian countries where there has been or continues to be a heavy presence of United States military and related personnel in recent years. Moreover, the Congress finds that inadequate provision has been made for the care and welfare of such disadvantaged children, particularly those fathered by the United States citizens.

⌘ (b) Accordingly, the President is authorized to expend up to \$3,000,000 of funds made available under chapter 1 of this part, in addition to funds otherwise available for such purposes, to help meet the needs of these disadvantaged children in Asia by assisting in the expansion and improvement of orphanages, hostels, day care centers, school feeding programs, and health, education, and welfare programs. Assistance provided under this section shall be furnished under the auspices of and by international organizations or private voluntary agencies operating within, and in cooperation with, the countries of Asia where these disadvantaged children reside.

Title V—Assistance for Orphans and Other Vulnerable Children

SEC. 241. FINDINGS; DECLARATION OF POLICY.

(a) *FINDINGS.*—Congress finds the following:

(1) *By 2010, HIV/AIDS will orphan more than 25,000,000 children worldwide.*

(2) *Ongoing conflicts and civil wars in developing countries are adversely affecting children in these countries, the vast majority of whom currently do not receive humanitarian assistance or other support from the United States Government.*

(3) *Although the United States Government currently administers assistance programs for orphans and other vulnerable children in developing countries, for fiscal year 2002 the United States Agency for International Development reported that the United States Government provided assistance to only 462,000 such orphans and other vulnerable children, or less than one-half of one percent of the estimated 108,000,000 total number of such orphans and other vulnerable children.*

(4) *The United States Government should increase its efforts to provide assistance for orphans and other vulnerable children in developing countries, especially those children affected by HIV/AIDS or conflict.*

(5) *The United States Agency for International Development should establish improved capacity to deliver assistance to orphans and other vulnerable children in developing countries through partnerships with private voluntary organizations, including faith-based organizations.*

(6) *Further, the United States Agency for International Development should be the primary United States Government agency responsible for identifying and assisting orphans and other vulnerable children in developing countries.*

(b) *DECLARATION OF POLICY.*—Congress, recognizing that prompt and appropriate action by the United States to assist orphans and other vulnerable children in developing countries is an important expression of the humanitarian concern and tradition of the people of the United States, affirms the willingness of the United States to assist such orphans and other vulnerable children—

(1) *by providing assistance for the purpose of improving the health, nutritional, shelter, educational, economic, and psychological status of orphans and other vulnerable children in such countries; and*

(2) *by providing humanitarian and protection assistance to such orphans and other vulnerable children affected by conflict or civil strife.*

SEC. 242. ASSISTANCE TO PROVIDE BASIC CARE.

(a) *FINDINGS.*—Congress finds the following:

(1) *The need for individuals and local organizations in developing countries to assist households headed by children is necessary due to the increase in the number of such households. Millions of children in these types of households lack basic care, such as access to food and shelter.*

(2) *When communities are responsible for raising orphans, these children are cared for in a rich and nurturing environment and remain connected to the traditions and rituals of families and the community.*

(3) *As the number of these children increases, the ability of communities to provide basic care for such children is limited. Assistance to support the provision of such basic care is therefore necessary in and of itself and also to facilitate the provision of other types of assistance for such children under this title.*

(b) ASSISTANCE.—

(1) IN GENERAL.—*The President is authorized to provide assistance for programs in developing countries to provide basic care for orphans and other vulnerable children.*

(2) ACTIVITIES SUPPORTED.—*Assistance provided under paragraph (1) should be used—*

(A) *to support individuals and local organizations, including teachers, social workers, and representatives from religious institutions and nongovernmental organizations, to mobilize their own resources through the establishment of “community care councils” to provide basic care for orphans and other vulnerable children, including day care, food assistance, protection assistance, and home visits;*

(B) *to increase the capacity of community care councils described in subparagraph (A) to meet on a regular basis to identify orphans and other vulnerable children and to facilitate the provision of services; and*

(C) *to establish and operate centers in such communities to provide basic care described in subparagraph (A).*

(3) DEFINITION.—*In this subsection, the term “protection assistance” means all appropriate measures to promote the physical and psychological security of an individual, provide equal access to basic services for the individual, and safeguard the legal and human rights and dignity of the individual.*

SEC. 243. ASSISTANCE TO PROVIDE TREATMENT TO ORPHANS AND OTHER VULNERABLE CHILDREN WITH HIV/AIDS.

(a) FINDINGS.—*Congress finds the following:*

(1) *Approximately 2,500,000 children under the age of 15 worldwide have HIV/AIDS. Every day another 2,000 children under the age of 15 are infected with HIV.*

(2) *In 2002, approximately 2,500,000 children were at risk for infection with HIV through mother-to-child transmission, which includes transmission at any point during pregnancy, labor, delivery, or breastfeeding.*

(3) *To date, more than 4,000,000 children worldwide are estimated to have died from AIDS, primarily contracted through mother-to-child transmission. Every year, approximately 700,000 babies are infected with HIV, of which the majority are living in Africa.*

(4) *In southern Africa HIV/AIDS is now the leading cause of death among young children, accounting for almost half of such deaths.*

(5) *Research has shown conclusively that initiation in a timely manner of antiretroviral therapy for infants or young children with HIV/AIDS can preserve or restore their immune functions, promote normal growth and development, and prolong life.*

(6) *Few international development programs specifically target the treatment of children with HIV/AIDS in developing countries. Reasons for this include the perceived low priority of*

pediatric treatment, a lack of pediatric health care professionals, lack of expertise and experience in pediatric drug dosing and monitoring, the perceived complexity of pediatric treatment, and mistaken beliefs regarding the risks and benefits of pediatric treatment.

(b) ASSISTANCE.—

(1) IN GENERAL.—The President is authorized to provide assistance for the treatment of orphans and other vulnerable children with HIV/AIDS in developing countries.

(2) ACTIVITIES SUPPORTED.—Assistance provided under paragraph (1) should be used to carry out the following activities:

(A) The treatment of orphans and other vulnerable children with HIV/AIDS through the provision of pharmaceuticals, including high-quality, low-cost antiretrovirals and other therapies, including generically manufactured pharmaceuticals where appropriate.

(B)(i) The recruitment and training of individuals to provide the treatment described in subparagraph (A), including the recruitment and training of appropriate support personnel.

(ii) Such training should include appropriate methodologies relating to initial diagnosis, appropriate dosages of pharmaceuticals, monitoring, medication adherence techniques, and treatment for any complications resulting from such pharmaceuticals.

(C) Activities of medical laboratories relating to the treatment described in subparagraph (A), including assistance for the purchase of necessary equipment.

SEC. 244. ASSISTANCE TO PROVIDE PSYCHOSOCIAL SUPPORT TO ORPHANS AND OTHER VULNERABLE CHILDREN AFFECTED BY HIV/AIDS.

(a) FINDINGS.—Congress finds the following:

(1) Many children who are orphaned as a result of AIDS blame themselves for the death of a parent and many children are separated from siblings, sometimes for life.

(2) The trauma that results from the loss of a parent as a result of AIDS can trigger behavior problems of aggression or emotional withdrawal and negatively affect a child's performance in school and the child's social relations.

(3) Children living in families affected by HIV/AIDS are often stigmatized, teased, and ostracized by peers. In Uganda, some children who are orphaned as a result of AIDS are called "walking corpses" and discouraged from attending school.

(4) Children living in families affected by HIV/AIDS who are most vulnerable are those children in households headed by children. In these households, trained community volunteers can play a major role through home visits.

(5) In many African countries, religious leaders are mobilizing individuals and local organizations within the community to identify and respond to the psychosocial needs of those children affected by AIDS.

(b) ASSISTANCE.—The President is authorized to provide assistance for programs in developing countries to provide mental health

treatment and related services to orphans and other vulnerable children affected by HIV/AIDS.

SEC. 245. ASSISTANCE FOR SCHOOL FOOD PROGRAMS.

(a) FINDINGS.—Congress finds the following:

(1) In 2004, it is estimated that 125,000,000 children worldwide do not attend school, in part because of hunger and malnutrition, and the vast majority of these children are young girls.

(2) School food programs, including take-home rations, in developing countries provide strong incentives for parents to send their children to school and ensure that they continue with their education. School food programs may reduce short-term hunger, improve cognitive functions, and enhance learning, behavior, and achievement.

(3) In 2004, more than 8,000,000 children in sub-Saharan Africa are underweight compared to 1994. Malnutrition enhances the risk that orphans and other vulnerable children will be at risk for illness and infections, especially if these children are also infected with HIV.

(4) Healthy members of families affected by HIV/AIDS in developing countries often leave the workforce to care for those family members with HIV/AIDS, which compounds the problem of access to food for the family. Food consumption has been shown to drop by as much as 40 percent in these families.

(5)(A) Although a number of organizations seek to meet the needs of children who are orphaned or vulnerable as a result of HIV/AIDS, local communities continue to be the primary providers of support for these children.

(B) According to a survey by the United States Agency for International Development, orphans and other vulnerable children relied on relatives for food support 74 percent of the time and on friends for food support 19 percent of the time.

(b) ASSISTANCE.—

(1) IN GENERAL.—The President is authorized to provide assistance for school food programs in developing countries.

(2) ACTIVITIES SUPPORTED.—Assistance provided under paragraph (1) should be used to purchase local or regional foodstuffs, where appropriate, for school food programs.

SEC. 246. ASSISTANCE TO INCREASE EDUCATIONAL OPPORTUNITIES AND PROVIDE EMPLOYMENT TRAINING.

(a) FINDINGS.—Congress finds the following:

(1) The lack of financial resources in families affected by HIV/AIDS prevents many orphans and other vulnerable children in developing countries from attending school because of the requirement to pay school fees and other costs of education.

(2) Such children, in particular young girls, are often forced to miss school in order to serve as caregivers to relatives with HIV/AIDS or assume adult responsibilities for providing for the family. Younger children who lose a parent also lose the opportunity to learn skills that they will need to support themselves as they grow older.

(3) According to the International Labor Organization (ILO), approximately 250,000,000 children and adolescents ages 5 to 14 in developing countries are working part-time and ap-

proximately 120,000,000 children and adolescents ages 5 to 14 in developing countries are working full-time.

(4) In many regions of Africa and other developing countries, non-formal education plays an important role to provide children who are unable to attend school with the employment and related life skills training such children need to survive.

(5) Many organizations in Africa, including faith-based organizations, provide employment and related life skills training for older children to better prepare them to serve as caregivers for younger siblings.

(6) Organizations that provide non-formal education can assist the thousands of children in developing countries who are not currently being assisted by families or communities and are struggling to survive.

(b) ASSISTANCE.—

(1) EDUCATION ASSISTANCE.—The President is authorized to provide assistance for programs in developing countries to increase enrollment in public primary schools by eliminating school fees and other costs of education, especially in developing countries heavily affected by HIV/AIDS. Amounts made available to carry out this paragraph are authorized to be made available to the President to make voluntary contributions to the United Nations Children's Fund to achieve the purposes of this paragraph.

(2) EMPLOYMENT TRAINING ASSISTANCE.—The President is authorized to provide assistance for programs in developing countries to provide employment training and related services for orphans and other vulnerable children, especially in developing countries heavily affected by HIV/AIDS.

SEC. 247. ASSISTANCE TO PROTECT AND PROMOTE INHERITANCE RIGHTS.

(a) FINDING.—Congress finds that orphans and other vulnerable children in developing countries, particularly children who are orphaned as a result of AIDS, are routinely denied their inheritance or encounter difficulties in claiming the land and other property which they have inherited.

(b) ASSISTANCE.—The President is authorized to provide assistance in support of programs in developing countries to protect and promote the inheritance rights of orphans and other vulnerable children, particularly young girls and children who are orphaned as a result of AIDS.

SEC. 248. ADMINISTRATION OF ASSISTANCE.

(a) OFFICE FOR ORPHANS AND OTHER VULNERABLE CHILDREN.—

(1) ESTABLISHMENT.—There is established within the United States Agency for International Development an Office for Orphans and Other Vulnerable Children (hereafter in this title referred to as the "Office"), which shall be headed by a Director who shall be appointed by the Administrator of the Agency.

(2) DUTIES.—The Office shall be responsible for carrying out this title.

(b) APPROVAL OF APPLICATIONS.—The Director of the Office shall be responsible for reviewing or approving all applications sub-

mitted to the United States Agency for International Development for assistance under this title, including applications submitted to field missions of the Agency.

(c) *PRIORITY.*—In providing assistance under this title, priority should be given to assistance for developing countries in which the rate of HIV infection, as reported in the most recent epidemiological data for that country compiled by the United Nations Joint Programme on HIV/AIDS (UNAIDS), is at least 5 percent among women attending prenatal clinics or more than 15 percent among individuals in groups with high-risk behavior.

(d) *FORM OF ASSISTANCE.*—Assistance under this title shall be provided in the form of—

- (1) grants, cooperative agreements, or contracts;
- (2) contributions to international organizations; or
- (3) assistance to the governments of developing countries.

(e) *COORDINATION.*—The provision of assistance under this title for children who are orphaned as a result of HIV/AIDS, or are children with HIV/AIDS, shall be undertaken in a manner that is consistent with assistance authorized under section 104A of this Act and assistance relating to HIV/AIDS authorized under the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108–25).

(f) *OTHER ASSISTANCE.*—

(1) *REVIEW AND APPROVAL OF OTHER USAID ASSISTANCE.*—The Director of the Office shall be responsible for reviewing or approving—

(A) each component of the annual plan of a mission, bureau, or other office of the United States Agency for International Development as the component relates to assistance for orphans and other vulnerable children in developing countries; and

(B) each program, project, or activity relating to such assistance.

(2) *COORDINATION OF ALL U.S. GOVERNMENT ASSISTANCE.*—The Director of the Office shall be responsible for ensuring coordination of all United States Government programs to provide assistance for orphans and other vulnerable children in developing countries.

SEC. 249. MONITORING SYSTEM.

(a) *ESTABLISHMENT.*—In order to maximize the sustainable development impact of assistance authorized under this title, the President shall establish a monitoring system that meets the requirements of subsection (b).

(b) *REQUIREMENTS.*—The requirements referred to in subsection (a) are the following:

(1) The monitoring system establishes performance goals for the assistance and expresses such goals in an objective and quantifiable form, to the extent feasible.

(2) The monitoring system establishes performance indicators to be used in measuring or assessing the achievement of the performance goals described in paragraph (1).

(3) The monitoring system provides a basis for recommendations for adjustments to the assistance to enhance the impact of the assistance.

SEC. 250. REPORT.

(a) *REPORT.*—Not later than December 31, 2005, and each December 31 thereafter, the President shall transmit to Congress a report that contains a detailed description of the implementation of this title for the previous fiscal year.

(b) *CONTENTS.*—The report shall contain the following information:

(1) For each grant, cooperative agreement, contract, contribution, or other form of assistance awarded or entered into under this title—

(A) the amount of the grant, cooperative agreement, contract, contribution, or other form of assistance, the name of each recipient and each developing country with respect to which projects or activities under the grant, cooperative agreement, contract, contribution, or other form of assistance were carried out, and the approximate number of orphans and other vulnerable children who received assistance under the projects or activities; and

(B) the results of the monitoring system with respect to the grant, cooperative agreement, contract, contribution, or other form of assistance.

(2) For each grant, cooperative agreement, contract, contribution, or other form of assistance awarded or entered into under any provision of law other than this title for assistance for orphans and other vulnerable children in developing countries, the information described in paragraph (1)(A).

(3) Any other appropriate information relating to the needs of orphans and other vulnerable children in developing countries that could be addressed through the provision of assistance under this title or under any other provision of law.

SEC. 251. AUTHORIZATION OF APPROPRIATIONS; ADDITIONAL PROVISIONS.

(a) *AUTHORIZATION OF APPROPRIATION.*—

(1) *IN GENERAL.*—Of the amounts made available to carry out the provisions of law described in paragraph (2), there are authorized to be appropriated to the President to carry out this title such sums as may be necessary for each of the fiscal years 2005 and 2006.

(2) *PROVISIONS OF LAW.*—The provisions of law referred to in paragraph (1) are the following:

(A) The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108-25) and the amendments made by that Act.

(B) Any other provision of law under which assistance is authorized for orphans and other vulnerable children in developing countries.

(b) *ADDITIONAL PROVISIONS.*—

(1) *AVAILABILITY.*—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended and are in addition to amounts otherwise available for such purposes.

(2) *MINIMUM FUNDING REQUIREMENT.*—Not less than 60 percent of amounts appropriated pursuant to the authorization of appropriations under subsection (a) for a fiscal year (other than amounts made available for assistance to eliminate school

fees and other costs of education pursuant to section 246) shall be provided through United States or indigenous private voluntary organizations that implement programs on the community level. Amounts provided by for-profit entities to not-for-profit entities from assistance under this title shall not be considered for purposes of satisfying the requirement of this paragraph.

(3) ASSISTANCE UNDER OTHER PROVISIONS OF LAW.—

(A) IN GENERAL.—Notwithstanding any other provision of law, amounts made available for assistance for orphans or other vulnerable children in developing countries under any provision of law other than this title may be provided to further the purposes of this title.

(B) REPORT.—To the extent assistance described in subparagraph (A) is provided in accordance with such subparagraph, the President shall include, as part of the report required under section 250, a detailed description of such assistance and, to the extent applicable, the information required by subsection (b)(1)(A) of such section with respect to such assistance.

SEC. 252. DEFINITIONS.

In this title:

(1) AIDS.—The term “AIDS” has the meaning given the term in section 104A(g)(1) of this Act.

(2) CHILDREN.—The term “children” means persons who have not attained the age of 18.

(3) HIV.—The term “HIV” has the meaning given the term in section 104A(g)(2) of this Act.

(4) HIV/AIDS.—The term “HIV/AIDS” has the meaning given the term in section 104A(g)(3) of this Act.

(5) ORPHAN.—The term “orphan” means a child deprived by death of one or both parents.

(6) VULNERABLE CHILDREN.—The term “vulnerable children” includes children who are neglected, destitute, abandoned, homeless, disabled, suffering from malnutrition, are sexually exploited or abused, or are displaced or otherwise adversely affected by armed conflict.

* * * * *