



WICKED

situation
for YKP

The Impact of US Government Policy
of Withdrawing PEPFAR from
Intervening Countries for Youth-Led
Organizations in Asia & the Pacific

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BACKGROUND

Starting on day one of his second term, Donald Trump, the 47th President of the United States of America, began to issue several executive orders and other actions that affect global health. One was “Reevaluating and Realigning United States Foreign Aid” which calls for a 90-day pause in new foreign assistance obligations and disbursements pending review of all foreign aid programs. A notice sent to all diplomatic and consular officials on January 24 implementing the order went further, requiring stop-work orders to be issued for all existing foreign assistance awards, effectively halting implementation of U.S. global health efforts, including the President's Emergency Plan for AIDS Relief (PEPFAR), in low and middle-income countries around the world. While PEPFAR was issued a limited waiver a week later, allowing it to restart some services, the situation remains fluid and fast-moving, intersects with several other executive orders and an apparent effort to dissolve USAID (the U.S. international development agency which implements most U.S. global health programs) as an independent agency. In addition, no waivers for other global health programs have been announced. The same day, Trump also signed an executive order withdrawing the United States from the World Health Organization. Later on 27 February 2025, The Trump administration said it is eliminating more than 90% of the USAID contracts and \$60 billion in overall U.S. assistance around the world.

BACKGROUND

This decision impacted development programs around the world supported by the US Foreign Fund. Since its implementation, communities from vulnerable groups have lost access to services and work within various development issues, including HIV programs. Youth-led organizations around the world are heavily impacted by this situation, which worsen the situation of the lack of funding and investment in youth-led movement within the global HIV program, with a majority of the youth-led organisations operating with limited funding, with 49% operating under USD 5,000 per year. To see how youth-led organizations are impacted by this situation, Youth LEAD conducted a survey.



SURVEY

The survey is titled *The Impact of US Government Policy of Withdrawing PEPFAR from Intervening Countries for Youth-Led Organizations in Asia & the Pacific*, and was broadcasted through Youth LEAD's mailing list and social media. This survey was open from 4 - 9 February 2025, and was opened for Youth LEAD's country partners across Asia and the Pacific region.



RESULTS

The US Foreign Fund, through various mechanisms, supported the majority of HIV programs at the country level. Supporting both the government and community initiatives, the support included:

1. Antiretroviral treatments,
2. Condom and lubricant supplies,
3. Prevention program,
4. HIV self-testing kits,
5. HIV antigen testing,
6. Laboratory equipments,
7. PrEP and PEP,
8. Health care services,
9. Human resources,
10. Advocacy initiatives.
11. Community-led outreach initiatives,
12. Clinical research.

RESULTS

With the support from the US government, most countries in Asia and the Pacific did not have a specific intervention for Young Key Populations (YKP), as it has to be approved at the country level, with mechanisms depending on how one country's HIV program operates.

However, there was specific support for YKP in Bangladesh, which was run through various initiatives and partnerships. It provided preventive services, medical, advice and case management for young people. The grant of 2021-222 is effective in 5 districts, which was helping to increase HIV tests and treatment opportunities and strengthen national HIV reactions in collaboration with local companies, including to make preventive treatment and products available. In Vietnam, the U.S. government has funded specific youth-focused interventions within Vietnam's HIV program, including youth-friendly clinics such as Lighthouse Clinic, demand generation media campaigns promoting services for young people, outreach events at universities and industrial zones targeting youth, self-testing campaigns, and integrated mental health and harm reduction programs for young key populations.

Additionally, the HIV/AIDS Awareness Project, a joint effort between the Vietnam Youth Union and Health and Education Volunteers, funded by USAID, focuses on combating the spread of HIV/AIDS in Hanoi. The project employs a peer-to-peer approach, with "Youth Against AIDS Teams" delivering information on HIV/AIDS transmission and prevention to other young people, aiming to increase knowledge and promote behavior change.

RESULTS

The United States ranks as the fifth-largest bilateral development ally in Southeast Asia, providing 4% of the total development funds and amounting to \$10 billion since 2015. Almost half of this financial aid – primarily administered by USAID – goes to larger economies like Indonesia and the Philippines, where such aid represents a minor fraction of government revenue. In these countries, the impact of a suspension may be minimal. However, halting aid funding could undermine civil society. Governance initiatives, which make up 22% of US aid, bolster civil society, law enforcement, and judicial systems in a region where democracy is already on the decline. In the health sector, where the United States contributes 10% of regional aid, the halt poses a risk to essential programs such as those aimed at nutrition and maternal and child health.

Although PEPFAR, a crucial initiative for addressing HIV/AIDS, benefits from a special waiver, it constitutes only 10% of US health assistance, leaving numerous other programs uncertain. Myanmar and Cambodia will face the most significant impact. While US aid represents merely 7% and 6% of total assistance in these nations, it plays a vital role in healthcare and education. For at-risk populations, the suspension isn't just a routine bureaucratic delay – it could result in a significant developmental regression. A potential positive aspect is the exemption for humanitarian assistance. The United States remains the largest provider of humanitarian aid in Cambodia, Myanmar, and Timor-Leste. If executed properly, this exception could guarantee ongoing support for communities affected by crises, even in the face of wider aid reductions..

RESULTS

Since Trump signed the executive order, the HIV program has impacted young people in Asia and the Pacific in negative context instantly, namely:

1. Stock-outs of essential HIV equipments (ARVs, testing kits, etc.).
2. Halting of PEPFAR-funded programs, especially HIV prevention and testing.
3. Increased discrimination and stigma surrounding HIV, particularly for marginalized groups.
4. Loss of funding for NGOs, leading to service closures or scaling back of outreach.
5. Staff turnover and layoffs due to funding cuts, affecting service delivery capacity.
6. Pressure on local health systems to compensate for lost resources, risking a slowdown in progress.

These impacts, if sustained, can result in setbacks in the fight against HIV/AIDS and may hinder the ability of countries in Asia and the Pacific to meet global HIV targets, such as ending AIDS as a public health threat by 2030.

RESULTS

Given the sudden halt in U.S. foreign funding, YKP organizations in Asia and the Pacific are actively seeking diverse and sustainable funding sources to ensure the continuity of HIV services, mental health support, and harm reduction programs for key populations.

The current priority is to reduce dependency on a single funding stream by exploring multiple alternative mechanisms that can sustain the work in both the short and long term.

In the short term, the focus is on securing emergency and short-term support from donor agencies, private sector partners, and philanthropic organizations to cover core operational costs, sustain essential activities, and prioritize critical services for the community. This includes maintaining essential HIV and mental health services, covering operational expenses such as staff salaries, clinic rent, and medical supplies, and exploring commercially viable services at affordable prices for the community.

By piloting a social services model, we aim to generate internal revenue streams that can cross-subsidize HIV services and support long-term sustainability.

For the long term, YKP organizations in Asia and the Pacific are working towards mobilizing domestic funding from government budgets, social health insurance schemes, and local philanthropic sources to integrate HIV prevention and mental health services into national programs.

SUMMARY

The Stop-Work Order has impacted YKP-led movements in HIV programs across Asia and the Pacific. Not only does this situation stop the provision of HIV services for YKP, the number of youth unemployment is rising due to the lack of core funding for YKP-led organizations, which exacerbates the unique and specific barriers for YKP to find jobs due to stigma and discrimination as one of the vulnerable groups in Asia and the Pacific.



SUMMARY

YKP organizations in Asia and the Pacific are facing unique challenges amidst the current funding crisis and require multi-faceted support to ensure the sustainability of our HIV response, mental health initiatives, and harm reduction programs. The sudden halt in U.S. foreign funding has not only disrupted critical services for key populations but has also put youth leadership, innovation, and advocacy at risk.



SUMMARY

The needs of YKP organizations in the Asia-Pacific region are as follows:

- 1. In the short term, YKP organizations urgently need emergency financial support to cover core operational costs, maintain essential services, and prevent staff layoffs. Funding is needed to sustain youth-friendly HIV prevention services, mental health counseling, peer-led integrated service, harm reduction programs, and outreach efforts that directly serve young key populations.**
- 2. Additionally, technical assistance in financial sustainability planning, resource mobilization, and crisis response strategies would help the transition towards more resilient funding mechanisms.**
- 3. For the long term, YKP organizations require support in building sustainable financing models that reduce dependency on a single funding source. This includes connecting with new donors, engaging with the private sector, and piloting social enterprise models that can generate revenue while maintaining affordability for the communities.**
- 4. Capacity-building initiatives that strengthen the leadership, advocacy skills, and organizational resilience are also crucial, particularly as youth-led organizations face systemic barriers in accessing institutional funding.**
- 5. Furthermore, policy advocacy support is essential to ensure that youth voices remain central in national and regional HIV and health strategies, especially as government priorities shift.**
- 6. Beyond financial resources, solidarity and networking opportunities with regional and international partners are crucial in amplifying our work and influencing global funding mechanisms.**

SUMMARY

YKP organizations need a seat at the table in discussions on funding transitions, HIV policy reforms, and the future of youth-led health interventions. Without adequate investment in youth leadership, the progress that has been made in HIV prevention, mental health, and rights-based approaches is at risk of being stalled or reversed. Now, more than ever, YKP organizations need collaborative efforts and strategic investments to ensure that youth-led solutions continue to drive impactful, community-based change despite external funding challenges.

