

FINANCIAL UPDATE, INCLUDING FORECAST

BOARD MEETING

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26-27 June 2023, Geneva, Switzerland

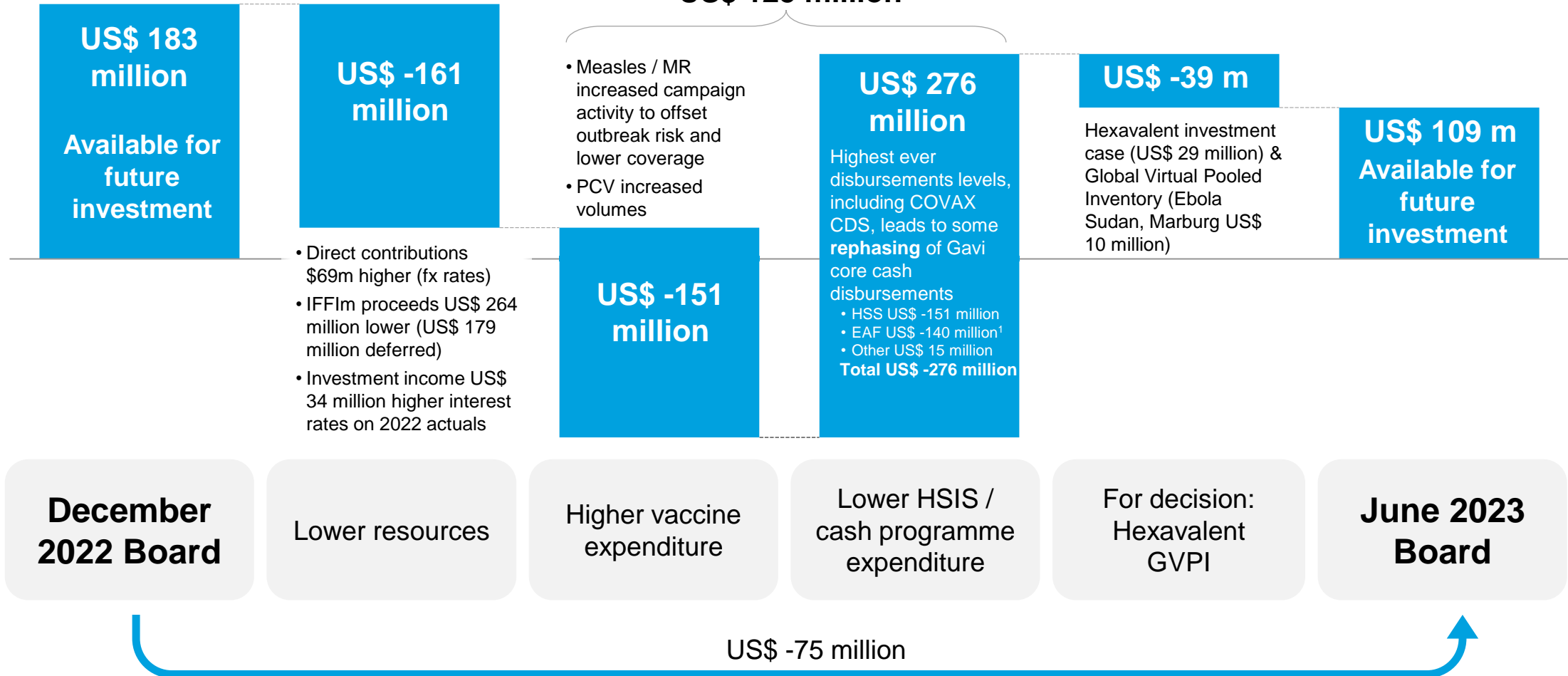
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Gavi Core (2021-2025)

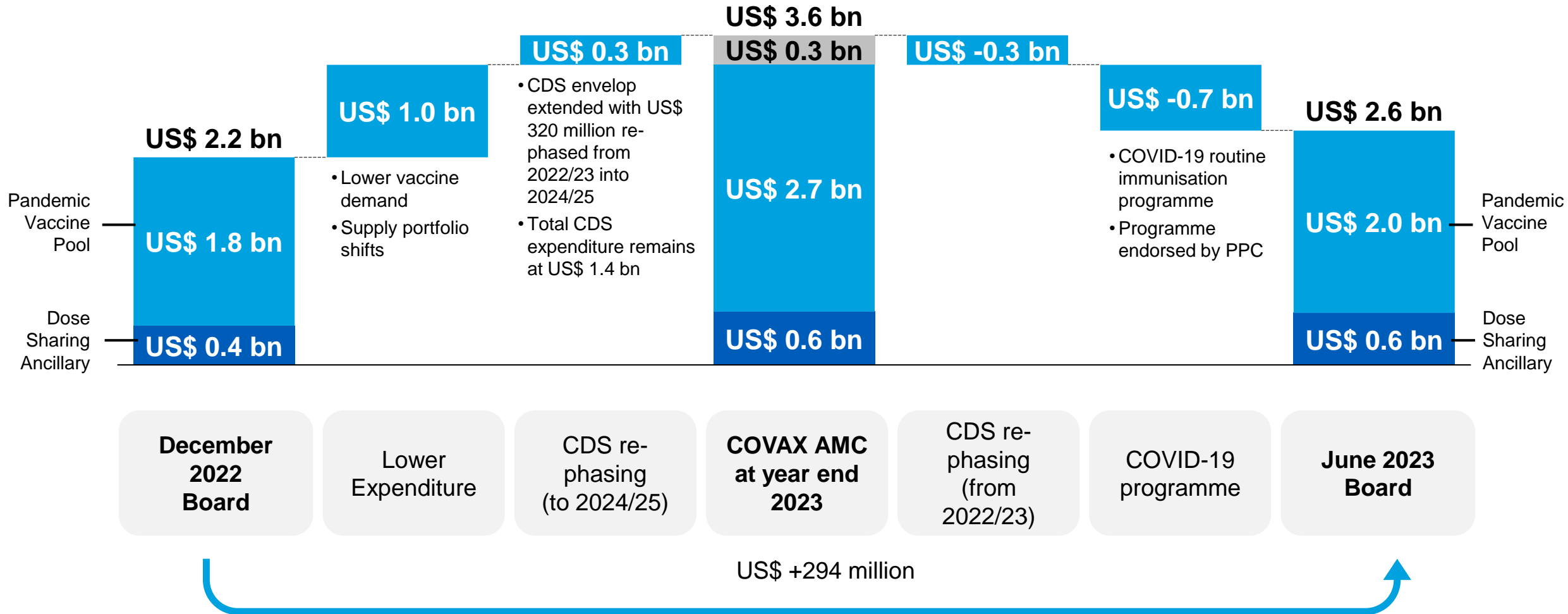
US\$ 109 million remains available for future investment

US\$ 125 million



COVAX (2020-2025)

US\$ 2.5 billion remains available in the Pandemic Vaccine Pool (US\$ 2.0 billion) / Dose Share Ancillaries (US\$ 0.6 billion) at the end of 2025



Forecast risks and opportunities (consolidated)

Risks

Gavi Core

- **Future pledges** - foreign exchange fluctuations (5%) US\$ 0 to US\$ 44 million
- **Vaccines** – ambition for higher campaign / launch levels than previously achieved (e.g. measles) / improved supply (e.g. cholera) and earlier VIS 18 launches¹ US\$ 0 to US\$ 302 million
- **Hexavalent** – higher demand scenario US\$ 0 to US\$ 34 million
- **Vaccines** – to support catch up campaigns / stockpiles
- **Cash programmes** – higher absorption and earlier VIS 18 support US\$ 0 to US\$ 200 million

COVAX

- **Vaccines** – Gavi remains ready to respond to a resurgence in COVID-19 via the Pandemic Vaccine Pool to procure new vaccines and a dose sharing ancillary pool to fund devices and shipment to countries for doses shared by donors

Risks of US\$ 0 to US\$ 580 million

Opportunities

Gavi Core

- **Future pledges** - foreign exchange fluctuations (5%) US\$ 0 to US\$ 46 million
- **Long term investment income** – inclusion in forecast for future periods US\$ 0 to US\$ 100 million
- **IFFIm drawdown** US \$ 0m to US\$ 179 million
- **Vaccines** – working capital efficiencies (including UNICEF extension of CTN payment terms) US\$ 0 to US\$ 150 million
- **Cash programmes** - delay 2024/25 disbursements US\$ 0 to US\$ 200 million
- **Operational Excellence** efficiency gains, synergies & implementation costs (TBC)

COVAX

- **Vaccines** – Demand and dose-sharing mix & availability US\$ 0 to US\$ 200 million
- **Investment Income** not included in forecast US\$ 100 to US\$ 496 million

Opportunities of US\$ 100 to US\$ 1,371 million

⁵ ¹VIS 18 launches forecast in Gavi 6.0. Following May 2023 PPC guidance, Alliance considering feasibility to accelerate Hep-B and DTP booster launches as well as HSIS and partner activities which may require some funding in current strategic period

Gavi 6.0 (2026-2030) Projections

Expenditure Estimate 2026-2030 (INDICATIVE)

US\$ million, cash-flow basis

Assured Resources (projected)
Allowance for further Direct Contributions, not yet pledged (formula-driven, based on existing levels)

Qualifying Resources

Forecast Expenditure (continuation and extension of Approved & Endorsed Programmes)

Potential Available for Further Investments

Gavi 6.0 2026-2030		
Prior Forecast (v20) Dec 2022 Board	Change upon updating estimates	New Forecast (v20.1) June 2023 Board
478	114	592
8,319	(154)	8,165
8,797	(40)	8,758
\$8.8 bn		\$8.8 bn
8,489	(2,204)	6,285
\$8.5 bn		\$6.3 bn
308	2,165	2,473
\$0.3 bn		\$2.5 bn

Additional expenditure projection

US\$ 4.6 bn to US\$ 5.2 bn

See annex slides for further details

- Projections prepared to enable the Secretariat to allot funding to existing programmes in accordance with the Programme Funding Policy (PFP)
- **Does not prejudge future donor contributions or future investment decisions**

UPDATES TO GAVI 6.0

- Qualifying Resources US\$ 8.8 bn**
Formula driven estimation guided by Program Funding Policy (PFP): current contribution levels from existing donors
- Expenditure US\$ 6.3 bn**
Continuation & extension of already approved and endorsed programmes (excludes new country applications under existing programmes, driving reduction versus prior forecast)
- Additional expenditure projection of US\$ 4.6 bn – US\$ 5.2 bn**
Subject to future decisions and funding availability

Recommendation

The Gavi Alliance Audit and Finance Committee **recommends** to the Gavi Alliance Board that it:

- a) **Note** that the Audit and Finance Committee reviewed the financial implications of the recommendations to be made to the Programme and Policy Committee (PPC) and concluded that, should the PPC support the recommendations relating to the current strategic period, they could be approved by the Gavi Alliance Board in accordance with the Programme Funding Policy, however the recommendations relating to the next strategic period (Gavi 6.0) are contingent on additional funding being made available;
- b) **Note** that the Financial Forecast appropriately reflects Gavi's expenditure needs (as set out in the Gavi Alliance Board's spending plan) and available resources;
- c) **Approve** the updated Financial Forecast for the Gavi 5.1 (2021-2025) Strategic Period of Qualifying Resources of US\$ 10.2 billion and Forecast Expenditure of US\$ 10.1 billion noting that future investment return on the Long-Term Investment Portfolio is not included in the Financial Forecast, pending review of the Programme Funding Policy scheduled to be tabled for Gavi Alliance Board approval in December 2023;
- d) **Approve** the updated Financial Forecast for the COVAX AMC (2020-2023) and the COVID-19 programme (2024-2025) of Qualifying resources of US\$ 12.5 billion and Forecast Expenditure of US\$ 12.5 billion (made up of US\$ 9.9 billion base expenditure and US\$ 2.5 billion pandemic vaccine pool and dose sharing ancillary, after funding the COVID-19 programme), noting that projected interest income is not included in the Financial Forecast pending alignment of use with donors; and
- e) **Approve** the illustrative Financial Forecast for the Gavi 6.0 (2026–2030) Strategic Period of Qualifying Resources of US\$ 8.8 billion and Forecast Expenditure of US\$ 6.3 billion noting that only **existing Approved and Endorsed programmes have been forecast** and the forecast has been prepared to enable the Secretariat to allot funding to these programmes in accordance with the Programme Funding Policy and **does not prejudge future donor contributions or future investment decisions**

Thank you