

SUBJECT: IFFIM CHAIR REPORT

Agenda item: 4

Category: For Information

Section A: Introduction

- This report provides an overview of IFFIm's contribution to Gavi and the results of the 2021-2025 replenishment.
- IFFIm is an innovative financing mechanism with strong donor support and recognised as a pioneer in socially responsible investing.
- With the successful replenishment of IFFIm, its financial strength and efficiency will continue to support Gavi for the 2021-2025 strategic period.
- The Gavi Board's approval of engaging IFFIm to support CEPI as an approved Gavi programme, has allowed for additional incremental pledges and leverages IFFIm's ability to frontload long-term donor pledges for immediate needs.
- IFFIm is expected to provide US\$1.475 billion in assured resources for the 2021-2025 strategic period with added value through its financial flexibility.
- The IFFIm Chair report is attached in the form of a presentation as Annex A.

Annexes

Annex A: IFFIm Chair report



IFFIm Chair's report

Gavi Board meeting

Cyrus Ardalan

Chair, IFFIm Board of Directors

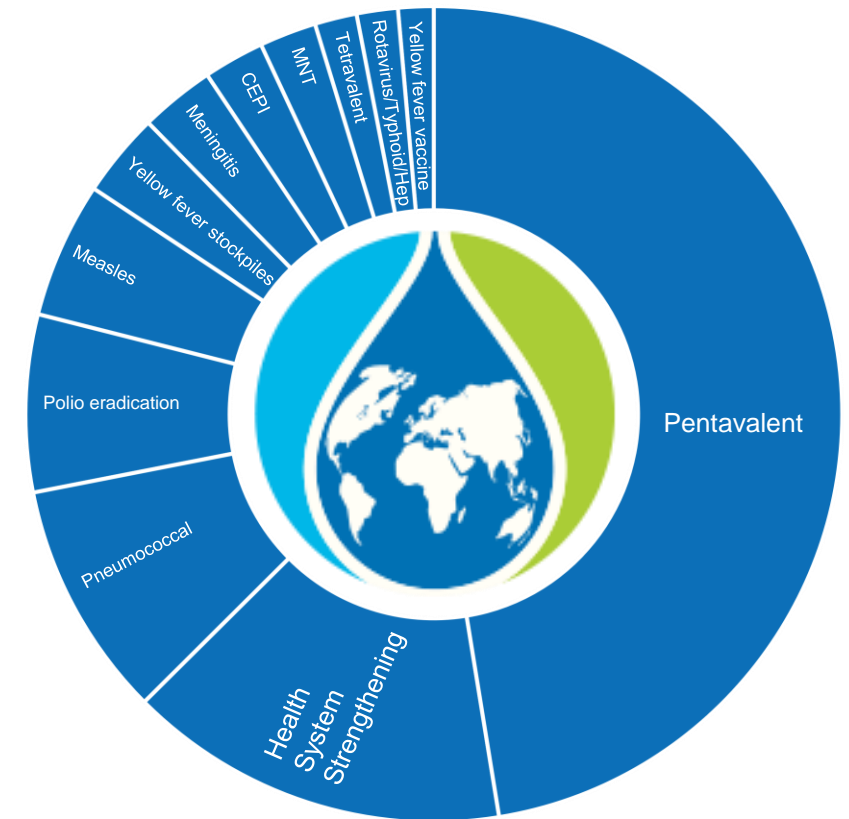
24-25 June 2020

Treasury manager:



Overview

- IFFIm has been a very important source of funding for Gavi
 - Volume: nearly 20% of Gavi funding since 2006
 - Flexibility: surge funding at inception (53% of Gavi funding 2006-2010) and special situations: Ebola, Polio, COVID-19
 - Long-term nature: market shaping
- Depletion of IFFIm resources highlighted at previous Gavi board meeting
- Gavi's successful replenishment has assured IFFIm remains a vital source of financing for Gavi's 2021-2025 strategic period and beyond
- IFFIm's role in supporting CEPI financing through Gavi has added incremental resources and another important role



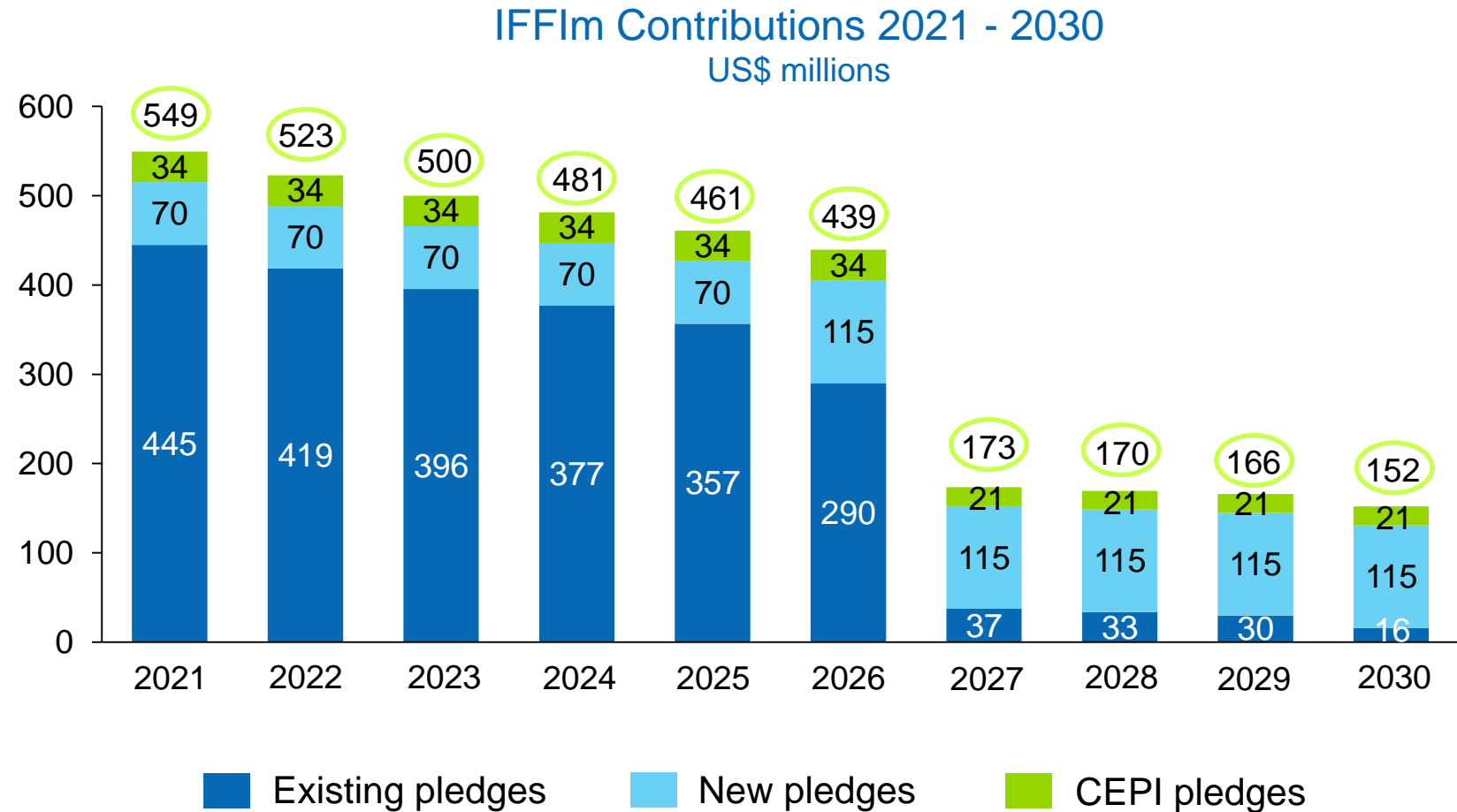
IFFIm disbursed US\$ 2.7 billion to Gavi
2006 through 31 Dec 2019

IFFIm and Gavi 2021-2025 replenishment

- IFFIm has received strong support and significant incremental pledges
 - Total additional pledges of c. **US\$ 926 million** from four countries
 - Total remaining contributions now stand at **US\$ 3.3 billion**
 - Since inception IFFIm has received pledges from 10 donors for **US\$ 7.5 billion** to support Gavi programmes
- NOK 2 billion (c. US\$ 200 million) from Norway to be used for COVID-19 vaccine research through Gavi's approved programme for CEPI
- Full frontloading capacity restored following agreement with World Bank

IFFIm and Gavi's 2021 - 2025 programmes

- In the period 2021 – 2025 IFFIm has the capacity to:
 - Contribute **US\$ 1.475 billion** to Gavi 5.0
 - Frontload **US\$ 735 million** additional from new pledges
- Funding beyond 2025 will depend on how Gavi engages IFFIm in the following strategic period



Concluding comments

- IFFIm's financial position has been greatly strengthened following the Gavi replenishment
- IFFIm remains a highly desired credit in the international capital markets
 - Vaccine Bonds providing excellent access to the bond markets at very attractive terms
 - IFFIm has issued US\$ 6.2 billion through 35 transactions in eight currencies
 - “Deal of the Year” for 2019 Norwegian Kroner issuance for CEPI
- This will enable IFFIm to support Gavi with flexible financing, on attractive terms, in size as and when needed



THANK YOU

Treasury manager:



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