



IFFIm CHAIR REPORT

The International Finance Facility for Immunisation

GAVI BOARD MEETING **René Karsenti, Chair IFFIm Board of Directors** 7-8 December 2016, Abidjan, Côte d'Ivoire





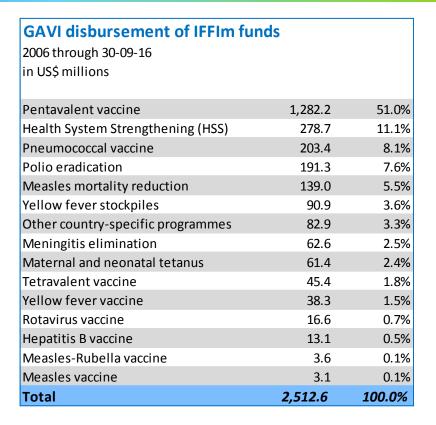


- 1. Funding Gavi
- 2. IFFIm US\$ 500 million Floating Rate Note (FRN)
- 3. IFFIm's continued strategic role
- 4. Other potential uses of the IFFIm model



FUNDING GAVI

- 2006 through September 2016: IFFIm has funded US\$ 2.5 billion
- Represents over 1/4 of total Gavi funding
- 2016-20: US\$ 1.3 billion expected proceeds from IFFIm to Gavi including estimated proceeds from new pledges
- Pledge agreements for France and The Netherlands in process





STRONG DEMAND FOR US\$ 500 MILLION BOND

Terms	
Issuer	International Finance Facility for Immunisation (IFFIm)
Format	Reg S registered
Ratings	Aa1 / AA / AA
Size	US\$ 500 million
Pricing Date	26 October 2016
Maturity	1 November 2019
Re-offer Price	100%
Coupon (s.a.)	3 month \$LIBOR +26 bps
Issue Spread	3 month \$LIBOR +26 bps
Joint Lead Managers	Citi, Deutsche Bank, JP Morgan

- Three year Floating Rate Note
- IFFIm's first visit to the international US\$ benchmark market since 2013
- An execution strategy tailored to IFFIm's specific requirements included a global investor call and net roadshow
- Books closed with orders of over US\$ 500 million
 - Bonds oversubscribed and successfully placed with investors around the world



IFFIm's CONTINUED STRATEGIC ROLE

Following the IFFIm donors workshop held in June 2016, status update on the four areas under consideration

- Vaccine scale-up
 - Potential opportunity for IFFIm support to be reviewed in 2018 in conjunction with VIS decisions
- Medium and long-term purchase guarantees
 - Perform a cost-benefit analysis and develop potential structures for consideration
- Cold Chain Equipment Optimization Platform (CCEOP)
 - Continue analysis and incorporate outcomes of Gavi Board discussions
- Contingent pledges
 - Further analysis to better understand how contingent pledges could help Gavi should there be a strategic need





IFFIm IS INSPIRING OTHERS

- IFFIm has been approached by several sectors seeking guidance on replicating the IFF model
- Coalition for Epidemic Preparedness Innovations (CEPI)
 - Explore the possibility of using the IFFIm structure to facilitate donor support to CEPI
 - Discussion on the process for evaluation and engagement to be held with the Gavi Board
- Discussion and innovative thinking around how potential uses of the IFFIm model can drive new strategic avenues in innovative finance for development



QUOTES FROM LEAD MANAGERS

"It's a privilege for Citi to be a joint-bookrunner on this successful and rare USD FRN for the International Finance Facility for Immunisation (IFFIm). IFFIm bonds provide the perfect platform for the capital markets to support immunisation and reduce the incidence of disease across the developing countries. IFFIm issuance is perfectly attuned to the substantial rise we're seeing in investor interest in socially responsible investing," said **Philip Brown, MD, Head of Public Sector Origination, Citi**

"We congratulate IFFIm on an outstanding result. Attracting an oversubscribed, diverse and superior quality book at fine pricing is an impressive feat for such a rare issuer. This success is an affirmation of IFFIm's model of harnessing capital market resources strategically to finance the tangible social benefits of Gavi's work. Notably we saw some very rare investors participate in the transaction. Deutsche Bank's association with IFFIm goes back to their inaugural USD benchmark in 2006 and we are honoured to have partnered with IFFIm and the World Bank on all of IFFIm's international USD offerings since then," said **Steven Jallport, Head of SSA Origination at Deutsche Bank.**



Thank You



