



IFFIm Chair's report

Gavi Board meeting

Cyrus Ardalan

Chair, IFFIm Board of Directors

Delhi, 4-5 December 2019

Treasury manager:





IFFIm Chair Report

AGENDA

Benefits of IFFIm

IFFIm support for the Gavi 2021-2025 Investment Opportunity

IFFIm's place in Gavi's replenishment

IFFIm resources

Replenishing IFFIm

Concluding comments

Benefits of IFFIm

- IFFIm has made a significant contribution to Gavi and IFFIm's donors
- For Gavi
 - Funding to scale up vaccine programmes
 - Flexibility
 - Market shaping
- For donors
 - Managing budgetary impact using an alternative to direct funding
 - Allowing flexibility to utilise funds as needed through front loading
 - Having an innovative and adaptable financial mechanism with multiple applicability: CEPI, guarantees
 - Hedging long-term currency risk

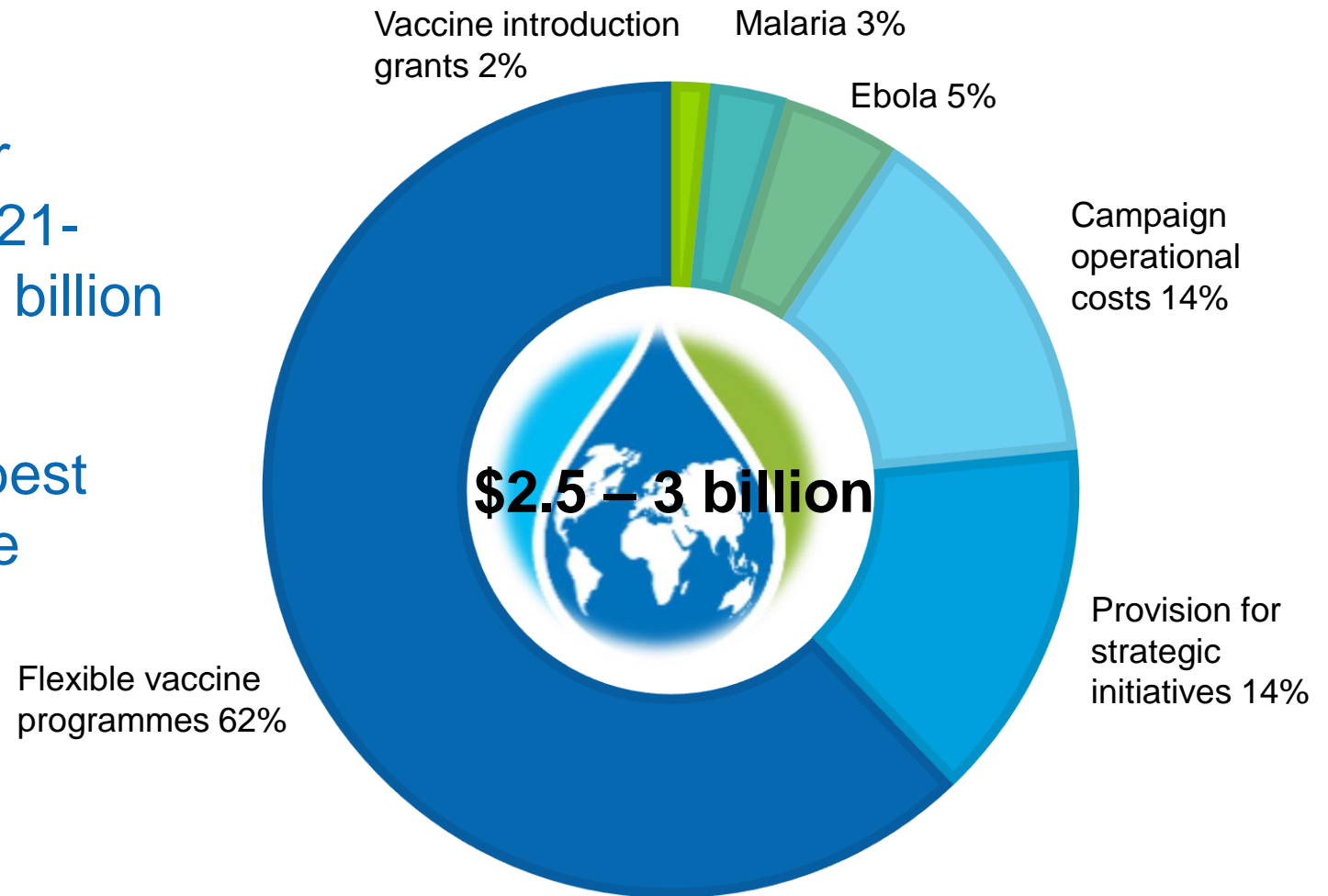
IFFIm support for the Gavi 2021-2025 Investment Opportunity

- IFFIm is projected to provide Gavi with US\$ 1.47 billion for the 2021-2025 period
- IFFIm's value added is its ability to provide financial flexibility
- This flexibility allows Gavi to respond when needs materialise



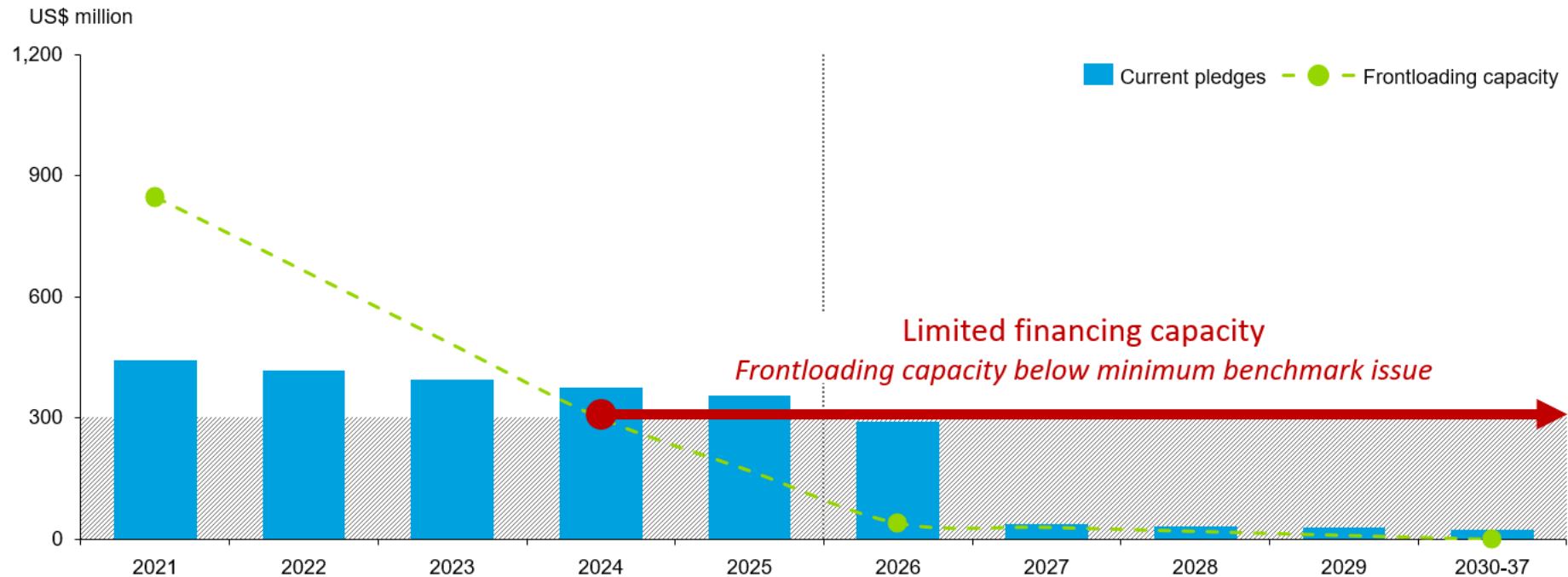
IFFIm's place in Gavi's replenishment

- Gavi's anticipated need for flexible spending in the 2021-2025 period is US\$ 2.5 - 3 billion
- Time-flexible spending is best matched by equally flexible financing commitments



IFFIm resources

IFFIm resources will be nearly exhausted by the end of the 2021-2025 period



Replenishing IFFIm

- Incremental pledges of a minimum of US\$ 500 million and up to US\$ 1 billion over 10 years recommended
 - Provide Gavi resources to meet the higher end of the flexible spending needs (US\$ 3 billion)
 - Maintain operational continuity

New pledges	Estimated amount available to Gavi		Capital markets efficiency decreased
	2021-2025	2026-2030	
No replenishment	1.5 billion	0.1 billion	2024
US\$500 million	1.9 billion	0.2 billion	2025
US\$1 billion	2.2 billion	0.3 billion	2026

Concluding comments

- IFFIm continues to play a significant role in Gavi's 2021-2025 Investment Opportunity
- However, with a diminished asset base from around 2024, IFFIm may not have efficient access to the capital markets
- Similarly, IFFIm's financial strength may be significantly compromised and its sustainability could be called into question
- Long-term pledges of US\$ 500 million to US\$ 1 billion would match IFFIm's financial flexibility with Gavi programmes that require flexible resources and would enable IFFIm to remain relevant for Gavi post 5.0



THANK YOU

Treasury manager:



www.iffim.org

2 Lambs Passage
London EC1Y 8BB,
United Kingdom

Company limited by guarantee.
Registered in England and Wales
with number 5857343. Registered
as a charity with number 1115413.

