

IFFIM CHAIR REPORT

BOARD MEETING

Kenneth Lay

7-8 December 2022, Geneva, Switzerland

gavi.org

IFFIm

Gavi
The Vaccine Alliance

 **THE WORLD BANK**
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IFFIm contribution to Gavi's funding requirements

- In the period 2016-2020 (Gavi 4.0), IFFIm contributed US\$ 872 million to Gavi
- In the 2021-2025 period (Gavi 5.0), IFFIm has the capacity to provide US\$ 3.4 billion
 - US\$ 2.5 billion for core funding
 - US\$ 975 million for COVAX AMC
- Disbursements for Gavi 5.0 as of end August 2022 are US\$ 1.2 billion
 - US\$ 957 million for core funding
 - US\$ 209 million for COVAX AMC
- IFFIm has provided 17% of Gavi resources to countries since 2006

IFFIm remains essential to donors' participation in Gavi programmes

- Frontloading donor pledges provides great flexibility for donors
 - New donors are recognising the value – Canada's pledge now being finalised making it IFFIm's 11th sovereign donor
 - IFFIm, Gavi and The World Bank are developing a strategy to further broaden the donor base
- IFFIm's financing terms remain highly cost-effective
 - Its double-A credit rating reflects both the ratings of its major donors as well as the value of diversification across a broader group of donors
 - The World Bank, IFFIm's Treasury Manager, maintains conservative financial policies for IFFIm
- IFFIm provides strategic value as Gavi's funding needs change
 - Funding for COVAX
 - Guarantee facility for market shaping
 - Contingent financing mechanism
 - Funding for CEPI

Recent market activity

- July bond issue
 - £250 million, 3-year fixed rate with a coupon of 2.75%
 - Greatest demand came from previous and new UK-based investors
- October bond issue
 - US\$ 500 million, 3-year fixed rate with a coupon of 4.75%
 - Demand from investors keen to earn market-rate returns while contributing to IFFIm's "pure play" support of Gavi
- Both issues were oversubscribed and rates are in-line for issuers with the same credit rating

Thank you