



All about IFFIm

9 June 2015 | Geneva

The International Finance Facility for Immunisation

Marcus Fedder - IFFIm Board member

François Lefebvre - World Bank

Paolo Sison - Gavi Innovative Finance



- 1. Overview**
- 2. Financing immunisation**
- 3. IFFIm's impact**

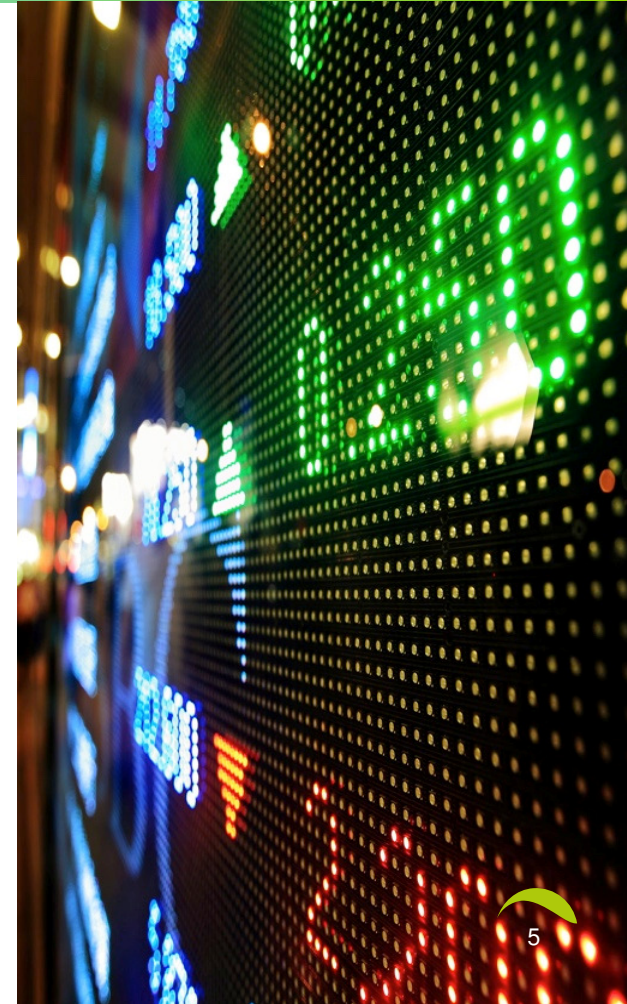
1. Overview

IFFIm's Business Model:

IFFIm raises money for Gavi by issuing vaccine bonds in the capital markets and repaying these bonds with long term donor pledges

IFFIm fundamentals

- **Supranational issuer**
- **Rated AA / Aa1 / AA (S&P / Moody's / Fitch)**
- **Established as charity**
- **The World Bank is IFFIm's Treasury Manager**
- **Sound and prudential financial policies**



Unique features of IFFIm



Eurostat ruling is beneficial to donors

- **Favourable balance sheet treatment of pledges**
 - Donor commitments attributed at the time of pledging
 - However, pledges are not reflected in government deficits until year they are due
- **IFFIm bonds do not count as donor debt**



IFFIm's role within Gavi

- IFFIm was created in 2006 to rapidly accelerate the availability and predictability of funds for immunisation (“frontloading”)
- IFFIm provides flexibility, allowing Gavi to de-link its vaccination programs from when pledges are paid in



Importance of IFFIm to Gavi

- **Secures long-term funding visibility & predictability**
 - Gives implementing countries greater confidence in Gavi's programmatic commitments
- **Provides Gavi with operational cash flow flexibility**
 - Gavi is able to draw down funds when they are needed the most: Frontloading resources over short period, or smaller drawdowns over longer term
- **Provides market shaping potential**
 - Gavi is in a better position vis-à-vis vaccine suppliers



IFFIm's Board

▪ Six directors with extensive finance and capital markets experience

**René
Karsenti**



IFFIm Chair

President of the
International Capital
Market Association
(ICMA)

**Cyrus
Ardalan**



**Vice Chairman,
Barclays Bank**

Former Vice
Chairman and Head
of Public Sector for
EMEA of Barclays
Capital

**Didier
Cherpitel**



**IFFIm Audit
Committee Member**

Former Chairman & MD,
JP Morgan

Former Secretary
General & CEO of the
International Federation
of the Red Cross and
Red Crescent

**Fatimatou
Zahra Diop**



**Co-founder, and Vice
President**

of the Board of
Directors, Afrivac

Former Secretary
General, Central Bank
of West African States

**Christopher
Egerton-Warburton**



**Partner, Lion's Head
Capital Partners**

Former Head of
Sovereign,
Supranational, and
Agency at Goldman
Sachs

**Marcus
Fedder**



**IFFIm Audit
Committee Chair**

Former Vice Chair, TD
Securities

Former Treasurer of
the European Bank for
Reconstruction and
Development

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IFFIm's funding mechanism

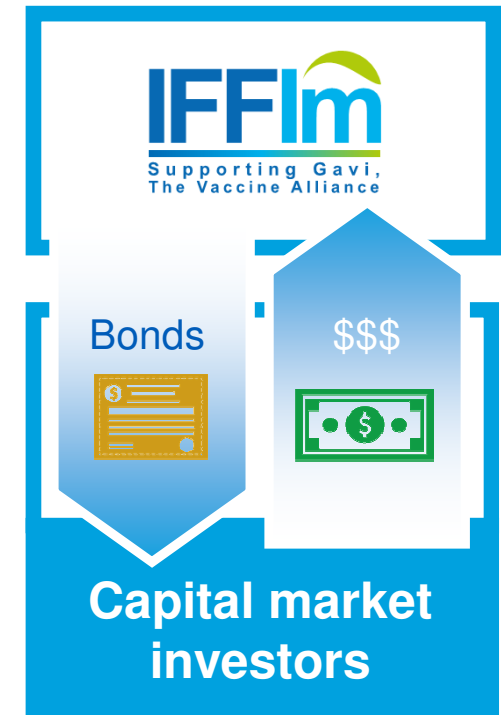


World Bank as Treasury Manager



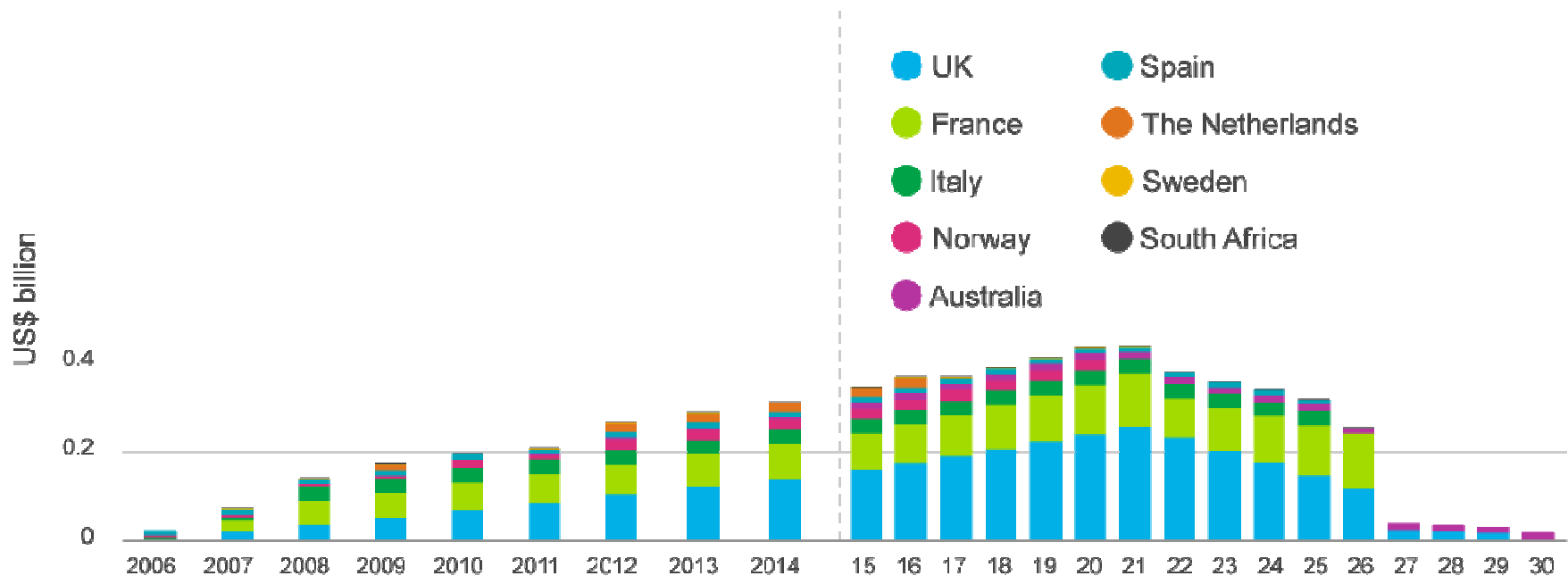
THE WORLD BANK

- Execution of IFFIm funding programme
- Liquidity management
- Asset and liability management
- Management of gearing ratio
- Accounting and reporting
- Donor payment tracking / cash management



IFFIm frontloading / financial flexibility

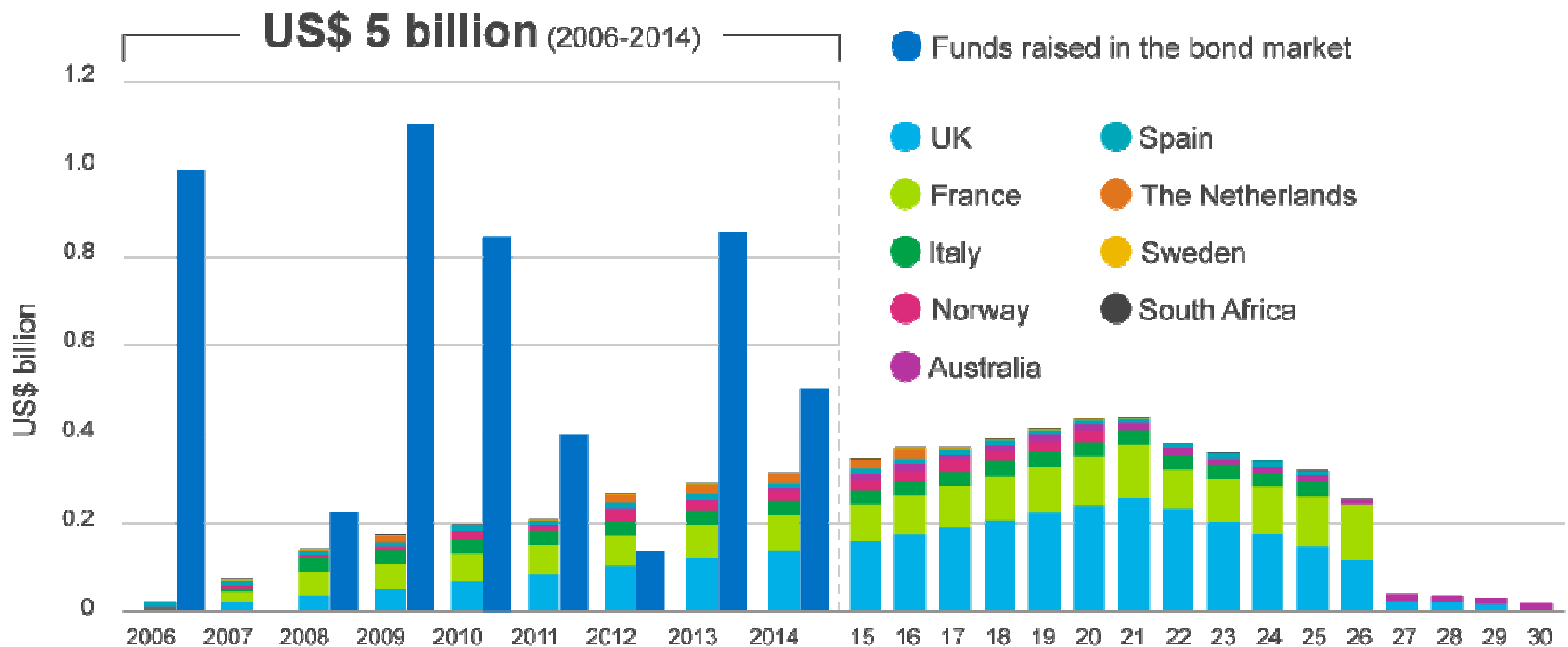
■ Long-term donor commitments



New pledges from France, the Netherlands, Australia, and Brazil are in the process of being finalised. These pledges will bring the total amount of donor commitments to IFFIm up to US\$6.5 billion.

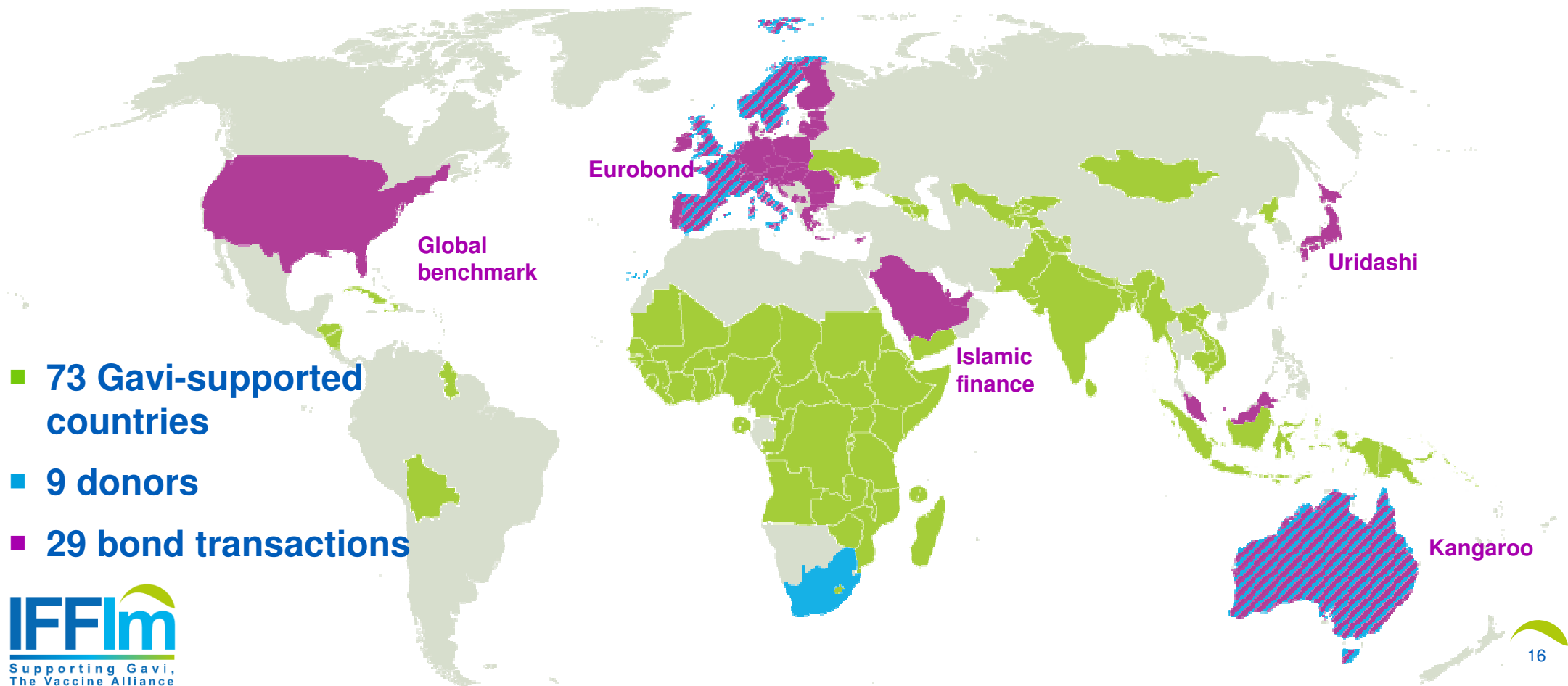
IFFIm frontloading / financial flexibility

- Enables IFFIm to issue bonds to create immediate funds for Gavi



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Bridging countries, donors & investors



IFFIm recognised widely for innovation

- Cited as “SRI Innovation of the Decade” by mtn-i
- Recognised by the G8 and the WHO as an innovative financial solution for catalysing development
- Numerous award-winning bond issuances
- Shortlisted to FT/IFC Transformational Business Award 2015



Islamic Finance News
Social Impact Deal of the Year



Euromoney
Innovation in Islamic Finance



EMEA Finance
Best Supranational Sukuk

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- 3. Impact**

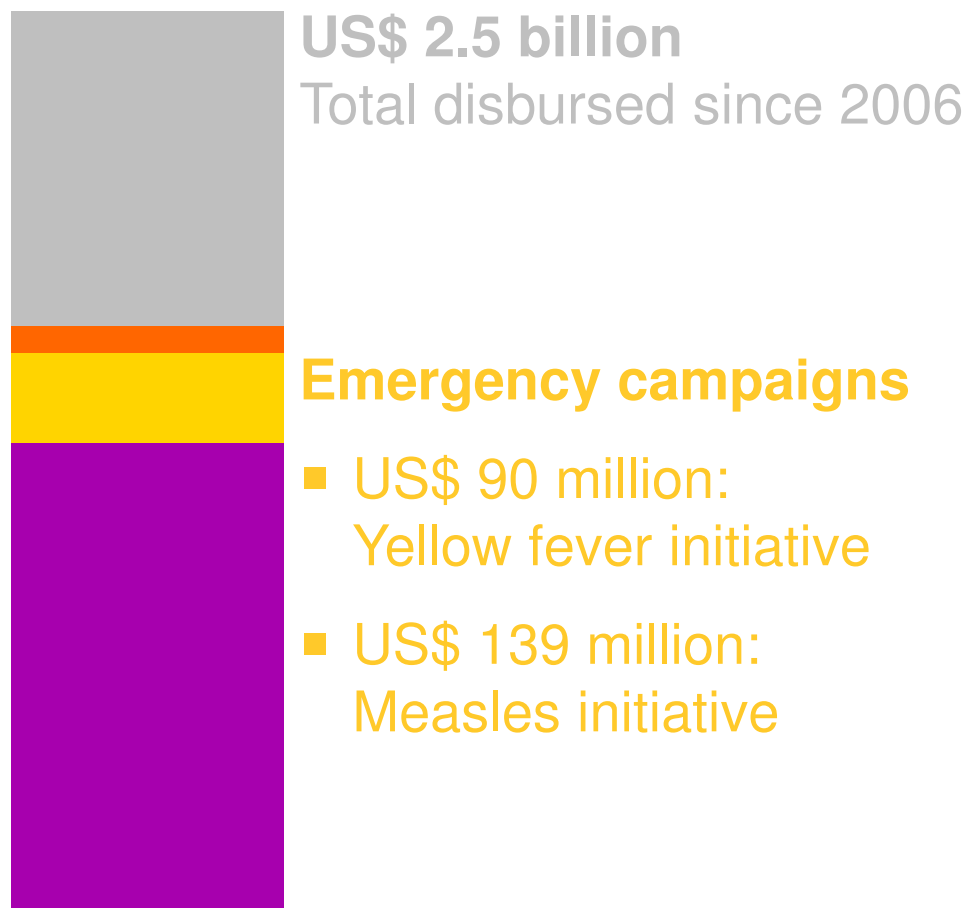
Examples of Gavi's use of IFFIm proceeds

Maternal and Neonatal health

- Tetanus elimination:
US\$ 61.4 million

New vaccines

- US\$ 1.3 billion:
5-in-1 pentavalent vaccine



IFFIm's impact: Pentavalent

Issue	IFFIm's contribution	Result
<p>Five diseases kill ~1 million people every year</p> <p>diphtheria, tetanus, pertussis, <i>haemophilus influenzae</i> type B (Hib), hepatitis B</p>	<ul style="list-style-type: none">■ IFFIm helped establish pentavalent programme by financing >90% of initial vaccines■ Gavi now able to procure penta for as low as only \$1.19 a dose■ Total IFFIm support now at US\$ 1.3 billion	<p>~ 14.5 million children immunised</p> <p>~ 207,000 future deaths prevented (2006-2013)</p> <p>All 73 Gavi countries have introduced pentavalent vaccine</p>



IFFIm's impact: Maternal neonatal tetanus

Issue	IFFIm's contribution	Result
<p data-bbox="152 619 613 906">A newborn dies every nine minutes due to unsanitary delivery resulting tetanus infection</p> <p data-bbox="152 970 584 1098">Two doses of tetanus toxoid vaccine will protect mother and child</p>	<ul data-bbox="674 619 1211 847" style="list-style-type: none"><li data-bbox="674 619 1211 847">■ US\$ 61.4 million to fight the disease, including sustaining elimination efforts	<p data-bbox="1350 619 1771 783">Supported the immunisation of 40 million women</p> <p data-bbox="1350 847 1778 1075">Elimination of maternal neonatal tetanus in ~ 20 countries</p>



IFFIm's impact: Emergency immunisation campaigns

Issue	IFFIm's contribution	Result
<p>African resurgence of Yellow Fever ~200,000 cases ~30,000 deaths</p> <p>Measles continues 145,700 measles deaths annually</p>	<ul style="list-style-type: none">■ US\$ 90 million to the Yellow Fever Initiative■ US\$ 139 million to the Measles Initiative for targeted mass campaigns against these diseases	<p>Helped reach approx. 70 million people, reducing burden of yellow fever by ~27%</p> <p>500,000 future deaths averted are expected from Gavi-funded measles campaigns</p>



IFFIm works for...

Gavi

Able to efficiently draw down over US\$2.5bn thus far for vaccine purchases and health systems strengthening

Since its inception, IFFIm has accounted for over a third of Gavi's programme funding

Donors

Making a significant immediate impact to immunising children and saving lives

IFFIm has in aggregate been able to raise financing at a lower funding cost than the weighted composite cost of donors

Investors

Able to participate in award-winning socially responsible investment with attractive risk-weighted returns

Successfully raised US\$5bn through 29 transactions in six currencies since 2006

Future of IFFIm

- **IFFIm has proven to be a one-of a kind, unique funding instrument for Gavi, providing it with long-term predictable and flexible funding**
 - IFFIm is currently projected to provide US\$ 1.2 billion to Gavi in 2016-2020
- **Looking ahead, there are several areas where IFFIm could potentially play an important role, including:**
 - Funding to accelerate development and rollout of new vaccines, including possibly malaria
 - Emergency responses
 - Funding to support new projects and initiatives
 - Potentially deploying IFFIm to address broader development needs