

## The International Finance Facility for Immunisation (IFFIm)



Bringing together capital  
market investors and children  
in the world's poorest  
countries. **Both benefit.**

In the developed world, protection from disease through immunisation is taken for granted. But every year in poorer countries, some 19 million children miss out on vaccinations against the most common diseases, making them vulnerable to sickness, disability and death.

Each year, 1.7 million children die from preventable diseases such as diphtheria, pneumonia, diarrhoea and yellow fever — a massive and inexcusable loss of human potential.

One of the main reasons for this global failure is a lack of predictable funding that allows developing countries to plan and implement programmes to protect and improve their children's health.

*"Supporting children's immunisation is undoubtedly the best investment we've ever made."*

Bill Gates  
The Bill & Melinda  
Gates Foundation

**The International Finance Facility for Immunisation (IFFIm) exists to rapidly accelerate the availability and predictability of funds for immunisation.**

The funds raised by IFFIm are used by Gavi, the Vaccine Alliance, a public-private partnership working to reduce vaccine-preventable deaths and illness among children.

Gavi provides funds to purchase and deliver vaccines and strengthen health services in the world's poorest countries, saving lives and protecting people's health against disease.

*"Life or death for a young child too often depends on whether he is born in a country where vaccines are available or not."*

Nelson Mandela  
Former President of South Africa  
and Gavi Board Chair

## US\$ 6.5 billion in donor commitments\*



### **United Kingdom**

*US\$ 2.98 billion over 23 years*



### **France**

*US\$ 1.90 billion over 20 years*



### **Italy**

*US\$ 635 million over 20 years*



### **Australia**

*US\$ 284 million over 20 years*



### **Norway**

*US\$ 264 million over 15 years*



### **Spain**

*US\$ 240 million over 20 years*



### **The Netherlands**

*US\$ 184 million over 8 years*



### **Sweden**

*US\$ 38 million over 15 years*



### **South Africa**

*US\$ 20 million over 20 years*

\* As of August 2016.

- Includes new pledges made to IFFIm by France, the Netherlands, and Australia at the Berlin pledging conference in January 2015.
- IFFIm pledges are expressed in US\$ equivalent amounts of national currency calculated using prevailing exchange rates around the time each grant agreement is signed.
- Brazil pledged the equivalent of US\$ 20 million. A grant agreement is pending.

## IFFIm's donors have together pledged more than US\$ 6.5 billion to IFFIm.

IFFIm issues bonds in the capital markets, converting the long-term government pledges into immediately available cash resources. The pledges are used in part to repay IFFIm bondholders.

The World Bank acts as Treasury Manager to IFFIm. From 2006 through 2015, IFFIm has raised more than US\$ 5.2 billion from institutional and individual investors at an average interest cost of approximately 0.80%.

"IFFIm is a catalytic success story and one that is constantly attracting new members," notes the official report from the G8 May 2012 meeting. The report describes IFFIm as part of a "game changing" effort for global immunisation.

*"Investors in IFFIm's Vaccine Bonds have joined many donor governments to significantly reduce child mortality by helping finance Gavi immunisation programmes around the world. They have blazed an exciting and important new trail in the area of socially responsible investing."*

Dr. Seth Berkley  
Gavi CEO

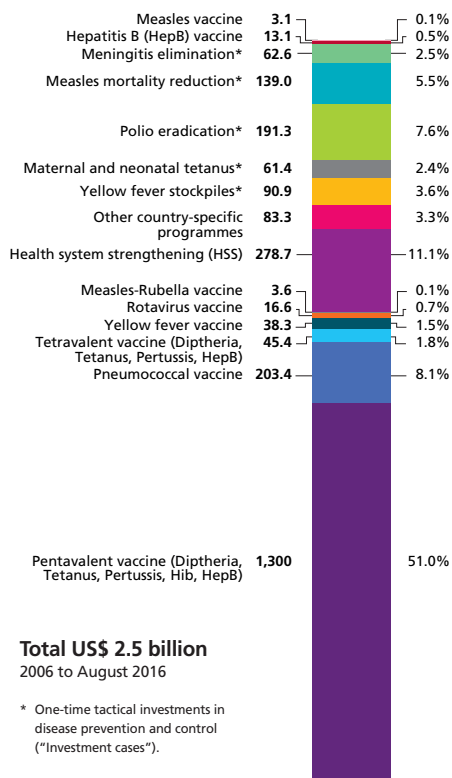




**Gavi, the Vaccine Alliance has helped vaccinate an additional 500 million children, preventing approximately 7 million future deaths. This would not have been possible without IFFIm.**

Since IFFIm began in 2006, IFFIm has funded approximately one third of total Gavi disbursements. In total, US\$ 2.5 billion in IFFIm funding already has been disbursed to support vaccine purchase and delivery for 71 developing countries.

### Gavi disbursements of IFFIm funds US\$ million



**Total US\$ 2.5 billion**  
2006 to August 2016

\* One-time tactical investments in disease prevention and control ("Investment cases").



## IFFIm's strength praised by global community, media

IFFIm's initiatives supporting Gavi's life-saving mission continue earning accolades around the world.

In July 2015, IFFIm was recognised at the International Conference on Financing and Development, held in Addis Ababa, Ethiopia. There, world leaders endorsed the Action Agenda, which highlighted IFFIm as an example of effective, innovative finance that could be a model for other global development causes.

That same year, IFFIm's inaugural Sukuk—the first socially responsible financial certificate that complies with Islamic law – was acknowledged through multiple prestigious industry awards, including “Achievement in Transformational Finance” from the *Financial Times*, and *Euromoney's* prize for “Innovation in Islamic Finance.”

These are among the latest in a series of commendations IFFIm received over the years from capital markets participants, the financial press, development partners and other third parties.

*“We encourage consideration of how existing mechanisms, such as IFFIm, might be replicated to address broader development needs.”*

*The Action Agenda, the Financing for Development Conference, 2015*





## IFFIm's flexible financing provides funds when needed, not just when available

IFFIm provides certainty of funding for both Gavi and recipient countries, aiding long-term planning and short-term needs. For example, US\$ 545 million in proceeds from IFFIm funded tactical purchases that helped prevent 1.4 million deaths from yellow fever, polio and measles. Dedicated IFFIm funding also played a significant role in combating 600,000 cases of meningitis and maternal and neonatal tetanus.

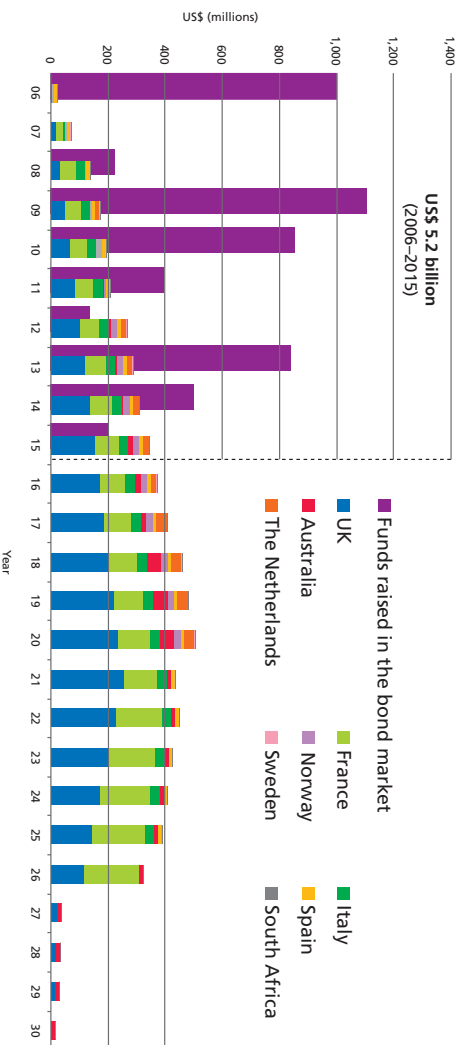
## Financing blockbuster vaccine introductions

In addition, IFFIm helped Gavi fund breakthrough vaccines quickly and securely. IFFIm financed more than 90% of the guaranteed payment to UNICEF for initial doses of pentavalent, which immunises against five infectious diseases: diphtheria, tetanus, pertussis, *Haemophilus influenzae* type B (Hib) and hepatitis B. Gavi could not have made that commitment and upfront cash payment without IFFIm.

*"IFFIm not only provides a market-based return. It saves lives. This is proven."*

René Karsenti  
IFFIm Board Chair

## Long-term commitments enable frontloading of vaccine bonds\*



\* 9 donor countries currently provide legally binding commitments to IFFIm scheduled over periods up to 2030

Source: World Bank, August 2016

## IFFIm works:

**...for immunisation:** Making long-term government pledges available as immediate cash through bond sales produces a “frontloading” effect ideal for vaccination procurement and delivery. This ensures a near-term positive impact on public health that strengthens and protects future generations.

**...for Gavi:** Since its inception, IFFIm has provided US\$ 2.5 billion — one third of Gavi’s programme funding — for vaccine purchases and health system strengthening.

**...for investors:** Vaccine bonds provide a socially responsible investment. Since 2006, IFFIm has raised US\$ 5.2 billion through 31 bond issuances in six currencies.

**...for donors:** IFFIm has exceeded expectations by historically achieving lower borrowing costs than a weighted composite of its donors and provided funding, timing and accounting benefits to them.





**Gavi, the Vaccine Alliance** is a public-private partnership committed to saving children's lives and protecting people's health by increasing equitable use of vaccines in lower-income countries. The Vaccine Alliance brings together developing country and donor governments, the World Health Organization, UNICEF, the World Bank, the vaccine industry, technical agencies, civil society, the Bill & Melinda Gates Foundation and other private sector partners. Gavi is funded by governments (Australia, Brazil, Canada, Denmark, France, Germany, India, Ireland, Italy, Japan, the Kingdom of Saudi Arabia, Luxembourg, the Netherlands, Norway, the People's Republic of China, Republic of Korea, Russia, South Africa, Spain, the State of Qatar, the Sultanate of Oman, Sweden, United Kingdom, and United States), the European Commission, Alwaleed Philanthropies, the OPEC Fund for International Development (OFID), the Bill & Melinda Gates Foundation, His Highness Sheikh Mohamed bin Zayed Al Nahyan and Majid Al Futtaim, as well as private and corporate partners (Absolute Return for Kids, Anglo American plc., the A&A Foundation, The Children's Investment Fund Foundation, Comic Relief, the ELMA Vaccines and Immunization Foundation, The International Federation of Pharmaceutical Wholesalers (IFPW), the Gulf Youth Alliance, JP Morgan, "la Caixa" Foundation, LDS Charities, Lions Clubs International Foundation, UPS and Vodafone. **[www.gavi.org](http://www.gavi.org)**



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**The World Bank** is like a cooperative, made up of 189 member countries. The World Bank's

goals are to (i) end extreme poverty at the global level within a generation and (ii) boost shared prosperity. The World Bank is also the treasury manager for IFFIm. In that capacity, the World Bank, as IFFIm's agent, manages IFFIm's finances according to prudent policies and standards. This includes IFFIm's funding strategy and its implementation in the capital markets, rating agency and investor outreach, risk and investment management. The World Bank also coordinates with IFFIm's donors and manages their pledges and payments as well as IFFIm's disbursements for immunisation and health programmes through Gavi, the Vaccine Alliance. **[www.worldbank.org](http://www.worldbank.org)**



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**[www.iffim.org](http://www.iffim.org)**