

IFFIM CHAIR REPORT

BOARD MEETING

Kenneth Lay

24-25 July 2025, Geneva, Switzerland

gavi.org



Annex A



IFFIm contribution to Gavi's funding requirements

- In the 2021-2025 period IFFIm can provide US\$ 3.3 billion for core programmes and COVAX AMC support:
 - US\$ 2.3 billion for core funding
 - US\$ 975 million for COVAX AMC
- Through March 2025, IFFIm has provided US\$ 2.8 billion
 - US\$ 1.8 billion for core funding
 - US\$ 975 million for COVAX AMC
- A further US\$ 440 million will be provided to Gavi before the end of the year
- Assured resources for the 6.0 period are US\$ 655 million
- IFFIm has provided c. 15% of Gavi resources to countries since 2006
 - Frontloaded resources resulted in 142 million children being immunised ahead of the receipt of donor contributions

Recent bond activity - IFFIm sustains appeal among impact investors

- US\$ 1 billion issue in October 2024 increased by US\$ 250 million
 - Increase makes the October bond the largest for IFFIm at US\$ 1.25 billion
 - Coupon rate (interest paid to investors) 4.125%
 - Priced at only 1/5th of 1% (20.7 bps) over the 3-year US Treasury
- GBP 300 million benchmark issue
 - IFFIm's third issue in sterling raised to GBP 816 million its total funding in the sterling market
 - Coupon rate 4.25%
 - Oversubscription drove increased size and decreased cost
 - Priced at c. 50 bps over the reference UK government bond, c. 21 bps over the comparable maturity US Treasury
- IFFIm has raised funds at a cost broadly in line with donors' funding costs

IFFIm financing is essential for Gavi to meet 6.0 goals

- Confirmed commitments of US\$ 800 million from Australia, Canada, Italy, Spain, and the United Kingdom
- The recent replenishment meetings in Brussels have been encouraging for IFFIm - discussions with current and prospective donors are ongoing and we expect additional commitments in the coming months
- IFFIm remains a key instrument in Gavi's financial toolkit as it increases its impact in the coming years
 - To frontload resources
 - To scale immunisation efforts in response to urgent needs
 - To shape vaccine markets more effectively
- A huge thank you colleagues at Gavi and the World Bank for their efforts!

Where we go from here – broadening the donor base and the fiscal toolkit

Annex A

- IFFIm is a proven model that is valuable to both Gavi and donors and has the potential to host broader participation...
 - Diversification among existing donors helps support strong credit ratings and keeps funding costs down
 - IFFIm's model could accommodate a broader range of sovereign, sub-sovereign and private-sector supporters – e.g. states/provinces, philanthropies and corporates
- ...and a broader array of fiscal tools to support an evolving Gavi agenda:
 - Continuing the existing approach – IFFIm providing outright grants to Gavi
 - Exploring how IFFIm can support transitioning and middle-income countries
 - Providing guarantees
 - Supporters could make contingent funding commitments triggered in the event of pandemic

Gavi and IFFIm are exploring these and other options in close coordination with donors and stakeholders

Thank you