
Subject	IFFIm Chair Report
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Category	For Information
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Overview

- This report provides the Board with (1) an overview of IFFIm's work to-date supporting Gavi's 2021 - 2025 strategic period and (2) a summary of anticipated future capacity.
- Since the last Gavi Board meeting, IFFIm accessed the capital markets on two occasions. In April, IFFIm increased its existing US\$ 1 billion October bond issue by an additional US\$ 250 million, bringing the total to US\$ 1.25 billion – its largest issue to date.
- In addition, IFFIm issued a GBP 300 million sterling issue in June. This is IFFIm's third bond issue in the UK market.
- Both transactions were met with strong investor demand, contributing to favourable pricing and an increased transaction size.
- At the replenishment sessions held in Brussels, five donors confirmed further commitments to IFFIm totalling US\$ 800 million. Discussions with current and prospective donors remain active and additional commitments are expected.
- IFFIm continues to serve as a critical and flexible financing instrument within Gavi's broader resource mobilisation strategy. Looking ahead, there is significant potential to expand IFFIm's donor base and diversify its role in supporting Gavi's mission. Gavi and IFFIm will collaborate with donors and stakeholders to explore strategic options that ensure IFFIm's model remains responsive and impactful throughout the Gavi 6.0 period and beyond.
- Annexed hereto is the IFFIm Chair Report to be presented and discussed during the forthcoming Gavi Board meeting.

Annexes

Annex A: IFFIm Chair report

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