

Subject	Financial Update, including forecasts, Secretariat and Partners budgets
Agenda item	04
Category	For Decision

Executive Summary

This paper presents the updated Financial Forecasts for (i) Gavi 5.1 (2021-2025) and (ii) Gavi 6.0 (2026-2030) prepared in line with the July 2025 Board recalibration targets and subsequent operationalisation guidance from the Programme and Policy Committee (PPC), and (iii) the 2026 and 2027 annual budgets for Secretariat Operating Expenditure and Partner programmes not covered by the Programme Funding Policy for Gavi Board approval based on recommendation from the Audit and Finance Committee (AFC).

Gavi 5.1 forecast (2021-2025)

The **Gavi 5.1** consolidated forecast confirms financial flexibility with **US\$ 94 million available for future investment** and assumed to be **carried forward** to **Gavi 6.0**. There are limited changes to underlying forecasts for the remaining months of 2025. Country demand remains strong, and with the risk of disbursement delays incorporated into the prior forecast (reflecting the potential impact on country delivery capacity of reduced global health funding) only partly materialising, expenditure estimates have increased by US\$ 110 million.

Gavi 6.0 forecast (2026-2030)

The Global Summit in June 2025 mobilised US\$ 9.0 billion in resources and with additional opportunities identified, the Secretariat is forecasting Gavi 6.0 resources of **US\$ 10 billion**. In July, the Board recalibrated Gavi 6.0 expenditure to **US\$ 10 billion**. Gavi retains its ambition to fundraise the full US\$ 11.9 billion required to deliver the Gavi 6.0 strategy.

The Secretariat is operationalising the recalibration priorities, incorporating guidance from the October 2025 meeting of the PPC. This forecast provides an update on **Qualifying Resources now at US\$ 8.5 billion** as well as changes to programmatic expenditure envelopes, noting that the **overall Gavi 6.0 forecast** (that is **US\$ 10.0 billion forecast resources** and **US\$ 10.0 billion forecast expenditures**) remains unchanged.

2026 and 2027 Annual Operating Budgets

The **Secretariat Budget** request is **US\$ 166.3 million** for **2026** and **US\$ 138.4 million** for **2027** and the budgets have been prepared based on the ongoing Secretariat Review, including the additional initiatives being implemented to reflect the outcome of the July 2025 Board recalibration. As a number of these initiatives will be implemented throughout 2026, the full annualised benefit

(representing a 33% reduction over two years) of the Secretariat Review will materialise from 2027.

The **Partner budgets** for Procurement Fees, Partnerships in Innovation and Studies & Evaluations are not covered by the Programme Funding Policy and are also presented for approval. The Partner budget request is US\$ 60.6 million for 2026 and US\$ 50.9 million for 2027 which is consistent with the Gavi 6.0 Board recalibration outcome and the revised Gavi 6.0 envelope.

Action Requested of the Board

The Gavi Alliance Audit and Finance Committee reviewed the **Financial Forecasts**, confirmed that sufficient funding is available for the current strategic period, and **recommended** to the Gavi Alliance Board that it:

- a) **Note** that the Audit and Finance Committee reviewed the financial implications of recommendations made by the Programme and Policy Committee, and concluded that there are no financial impacts to the overall forecast expenditure budgets for the Gavi 5.1 strategic period, and that the financial impacts are included in the overall forecast expenditure budgets for the Gavi 6.0 strategic period;
- b) **Approve** the **Gavi 5.1 Financial Forecast** (2021-2025) of Qualifying Resources of US\$ 13.6 billion and Forecast Expenditure of US\$ 13.5 billion;
- c) **Note** that, due to current uncertainties, the Board should make no additional financial commitments, other than programmatic commitments aligned with the Board's recalibration guidance;
- d) **Note** the remaining balance on the COVAX AMC Pandemic Vaccine Pool in Gavi 5.1 is US\$ 1.9 billion, prior to any donors repurposing funds to Gavi 6.0;
- e) **Note** that the Programme and Policy Committee has set up a task force to support the development of country vaccine budgets and this initiative will change the allocation by programme within the overall vaccine procurement forecast;
- f) **Approve** the **Gavi 6.0 Financial Forecast** (2026-2030) of Qualifying Resources of US\$ 8.5 billion (including US\$ 0.2 billion forecast interest from the African Vaccine Manufacturing Accelerator (AVMA) funds subject to decision) and Forecast Expenditure of US\$ 10.0 billion, noting the Secretariat will only commit funds aligned with available Qualifying Resources and cash flow forecasts;
- g) **Note** in a replenishment year, the Gavi 6.0 Financial Forecast (2026-2030) of Resources is US\$ 10.0 billion of which US\$ 8.5 billion is Qualifying Resources. At this point in time US\$ 2.9 billion is secured through contractual agreements as replenishment pledges are turned into signed agreements. Under the Programme Funding Policy, the Secretariat is permitted to make contractual commitments for the first year of the next strategic period putting aside Qualifying Resources equivalent to current and next two years of programmatic commitments. To make these commitments the Secretariat currently estimates requiring US\$ 5.5 billion of Qualifying Resources;

h) **Note** that in relation to Gavi 6.0,

- i) The Alliance continues to operationalise the Gavi Board retreat recalibration outcomes and that detailed Gavi 6.0 programmatic expenditure forecast will be updated regularly within the overall Forecasted Resources envelope; and
- ii) As Forecasted Resources include both Qualifying Resources (as defined by the Programme Funding Policy), and Opportunities (which the Secretariat anticipates will be converted into Qualifying Resources), the Secretariat will ensure that sufficient Qualifying Resources are reserved to meet future funding allocations as required by the Programme Funding Policy and will regularly update the Audit and Finance Committee (AFC) at each meeting of the AFC.

The Gavi Alliance Audit and Finance Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** the attribution of investment income generated by the African Vaccine Manufacturing Accelerator (AVMA) over the Gavi 6.0 strategic period to Board-approved programmes;
- b) **Note** that investment income generated by the First Response Fund will be retained for use within the instrument over the Gavi 6.0 strategic period

The Gavi Alliance Audit and Finance Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** US\$ 166.3 million for the Secretariat Operating Budget in 2026;
- b) **Approve** US\$ 138.4 million for the Secretariat Operating Budget in 2027;
- c) **Approve** US\$ 1.0 million in 2026 and US\$ 1.0 million in 2027 for Capital Expenditure Budgets
- d) **Note** the Secretariat will update the AFC in June 2026 on any necessary changes to the 2027 budget, in particular, from the impact of operationalising the July 2025 Board recalibration.

The Gavi Alliance Audit and Finance Committee **recommended** to the Gavi Alliance Board that it:

- a) **Approve** US\$ 60.6 million for the Partner Budget in 2026 for Procurement Fees, Partnerships in Innovation and Studies & Evaluations; and
- b) **Approve** US\$ 50.9 million for the Partner Budget in 2027 for Procurement Fees, Partnerships in Innovation and Studies & Evaluations.

Next steps/timeline

On approval, the Secretariat will allot funding against the forecast in line with the Programme Funding Policy. The Gavi 6.0 financial forecast will be updated for the next governance cycle (May 2026 AFC, June 2026 Board).

In addition, the Secretariat will begin to allocate the Secretariat budget within the Secretariat and the Partner budgets to the relevant Partners.

Previous AFC or Board deliberations related to this topic

In 10 November 2025 AFC meeting book: Doc 04 *Gavi 6.0 (2026-30) Financial Forecast*

In 7-8 October 2025 AFC meeting book: Doc 08a *Financial Forecasts for Gavi 5.1 and Gavi 6.0 (2026-2030)*

In 7-8 October 2025 AFC meeting book: Doc 07ii and Doc 08bi *Secretariat Budget (2026-2027)*.

In 7-8 October 2025 AFC meeting book: Doc 08bii *Partner Budget Partner Budgets (Procurement Fees, Partnerships in Innovation and Studies & Evaluations) for 2026/27*

Report

1. Financial Forecast and Forecast Approach

- 1.1 The forecast is prepared on a consolidated basis for Gavi 5.1, encompassing all approved ongoing programmes, including those funded by repurposed COVAX AMC funds. For Gavi 6.0, the forecast reflects the replenishment and subsequent recalibration of Gavi 6.0 and therefore African Vaccine Manufacturing Accelerator (AVMA) and Pandemic Prevention, Preparedness and Response (PPPR) programmes are not included in this financial forecast update. **Annex A** to this paper includes further details on both forecasts.

2. Gavi 5.1 Financial Forecast Update

Figure 1: Gavi 5.1 Financial Forecast Overview

Overview of resources to meet expenditure - Gavi 5.1 US\$ million, cash-flow basis	2021-2025		
	Prior Forecast (v22.1) July 2025 Board	Change upon updating estimates	New Forecast (v23.0) Dec 2025 Board
Qualifying Resources	13,574 \$13.6 bn	18 \$0.0 bn	13,592 \$13.6 bn
Vaccine Procurement	6,859	68	6,927
Cash Disbursement	5,707	42	5,750
Opex	822	-	822
Total Expenditure	13,388 \$13.4 bn	110 \$0.1 bn	13,498 \$13.5 bn
Available for future investments	185 \$0.2 bn	(92) (\$0.1 bn)	94 \$0.1 bn

2.1 Qualifying Resources: US\$ 18 million higher

Qualifying Resources have increased from the prior forecast by US\$ 18 million driven by (i) lower **Direct Contributions** of US\$ 65 million based on donor payment rephasing and (ii) higher **Investment income** of US\$ 78 million driven by actual returns from the long-term investment plan (LTIP) and higher interest rates and higher cash balances on the short-term portfolio.

2.2 Forecast Expenditure: US\$ 110 million higher

Expenditure overall: The increase in expenditure is driven by the removal of the US\$ 214 million central country-execution adjustment (included in the prior forecast in light of the global health funding uncertainty, with US\$ 159 million against vaccine procurement and US\$ 55 million against immunisation support). While underlying core country programme demand remains strong,

underlying vaccine expenditure has decreased, in part due to the decision to pause certain Decision Letters that may represent an ongoing commitment in Gavi 6.0, pending Board recalibration outcomes.

- 2.3 **Vaccine procurement is US\$ 68 million higher** overall, driven by the removal of the risk adjustment in the prior forecast (US\$ 159 million increase). Partly offsetting this, base vaccine procurement costs are US\$ 91 million lower, reflecting i) impact from paused Decision Letters (US\$ 41 million decrease), ii) decreases from country and programmatic drivers (including US\$ 19 million lower HPV expenditure from lower country demand and US\$ 16 million decrease in Rota following product supply disruption), iii) US\$ 25 million lower disbursements as a result of a lower buffer on cash balances held in escrow, all partly offset by iv) a US\$ 10 million net price increase (driven by changes in the Euro to US dollar exchange rate)
- 2.4 **Cash disbursements are US\$ 42 million higher** driven primarily by a US\$ 57 million increase in Immunisation Support costs following the removal of the central risk adjustment of US\$ 55 million (with underlying country demand and execution remaining stable). Higher Health System and Immunisation Support (HSIS) costs of US\$ 36 million, driven by the early phasing of the final disbursement of the India strategy support from 2026 to 2025, partly offset by lower Partner Engagement Framework costs of US\$ 27 million and lower Middle-Income countries payments of US\$ 22 million, both of which are primarily due to disbursement phasing.
- 2.5 **Secretariat Operating Expenditure** is unchanged from the prior forecast.
- 2.6 While certain **risks and opportunities** relating to Gavi 5.1 forecast could result in a range of outcomes in some key areas the Secretariat has assessed, supported by the latest internal resource and disbursement tracking, that the risk of significant forecast deviation is low.
3. **COVAX AMC financial forecast**
 - 3.1 The PVP balance, prior to donors repurposing to Gavi 6.0, remains at US\$ 1.9 billion. For more details and supporting COVAX AMC financial schedule, please refer to **Annex A**.
4. **Gavi 6.0 financial forecast**
 - 4.1 The forecast is prepared in line with the resources and expenditure recalibrated by the Board at its July 2025 retreat. Operationalisation of the Board retreat outcomes is ongoing, including the detailed design of Country Vaccine Budgets (CVBs, also known as 'vaccine envelopes') and validating the cost reduction assumptions for specific vaccine programmes as requested by Board members during the retreat, including hexavalent, cholera, IPV and measles / measles rubella programmes. Guidance on these programmes was sought from the PPC in October, with the outcomes included in this forecast update (although

the overall Gavi 6.0 forecast remains unchanged). Additional programme expenditure detail can be found in **Annex A**.

Figure 2: Gavi 6.0 Financial Forecast Overview

Gavi 6.0		2026-2030				
\$M cashflow basis	Gavi 6.0			Change on updating estimates	Amounts for decision	Dec Board v23 forecast
	Base fcast (v22.1, Jul 25)	Recal-ibration	Recalibrated Estimate			
Qualifying resources					178	8,455
Forecast resources					(178)	1,595
Total Resources	n/a	n/a	10,005	45	0	10,050
			\$ 10.0 bn			\$ 10.0 bn
Vaccine procurement	7,610	(1,765)	5,845	35		5,880
Cash disbursement	4,645	(1,220)	3,425	(50)		3,375
Opex	750	(50)	700	0		700
Total Expenditure	13,005	(3,035)	9,970	(15)		9,955
			\$ 10.0 bn			\$ 10.0 bn
Net available funds	n/a	n/a	35	60		95
			\$ 0.0 bn			\$ 0.1 bn

- 4.2 **Resources** are forecast at **US\$ 10.0 billion** in line with the recalibration target. At the time of dispatch, this includes **US\$ 8.5 billion** of Qualifying Resources as defined by the Programme Funding Policy, including US\$ 178 million of AVMA investment income for Gavi 6.0 (subject to decision at this meeting), of which **US\$ 2.9 billion** is classified as Secured Resources—comprising grants and amendments that have already been signed
- 4.3 **Expenditures** are aligned with the outcomes of the Board retreat and subsequent further technical validation of recalibration outcomes for specific vaccine programmes in consultation with Alliance partners as requested by the Board. They amount to **US\$ 10.0 billion**. This includes vaccine procurement expenditure of US\$ 5.9 billion (integrating recalibration reductions of US\$ 1.8 billion), cash disbursements of US\$ 3.4 billion across the Consolidated Cash Envelope, Partner Support (including the Foundational Fund), Fragile and Humanitarian approach (F&H) and Catalytic Phase support (integrating recalibration reductions of US\$ 1.2 billion across these programmes) and Secretariat Opex of US\$ 0.7 billion.
- 4.4 **Ongoing operationalisation of the recalibrated costs** also includes technical and PPC consultations on some programme-level vaccine recalibration outcomes, as well as updating the latest operational assumptions behind the vaccine cost forecast. This alters some programmatic vaccine forecast detail, without changing the overall recalibrated cost estimate of US\$ 5.9 billion, as set out below.
- 4.4.1 **Latest vaccine operational forecast assumptions** include using the latest vaccine prices, and the latest expected country applications and multi-year approval outcomes. These changes drive small programme-level cost increases versus prior expectations (<3% of the pre-

recalibration base vaccine forecast) and are largely offset by disbursement timing differences, with more vaccine (and related Ops and VIGs) disbursements being made in Gavi 5.1 than assumed in the base 6.0 forecast.

- i. **PPC guidance** on programme-level forecasts leading to the following forecast changes on the following vaccines: **Measles / Measles-Rubella, Malaria and IPV**
- ii. Forecast expenditure for **outbreak support** is lower by US\$ 200 million, with the forecasted outbreak response cost for 2026 & 2027 maintained as is, and the reduction made to later years in the strategic period (2028-2030). In the event that higher outbreaks materialise, the Board will review available resources and prioritisation and decide whether additional resources are available.
- iii. Expenditure for **Co-finance waivers** of US\$ 99 million has been removed from the vaccine forecast, with the assumption that any expenses will be funded from the Global Resilience Mechanism (GRM).
- iv. **Immunisation support** remain unchanged in total, with US\$ 33 million increases in the Measles / Measles-Rubella costs as a result of the technical consultations and PPC review being absorbed into the assumed efficiency adjustment at the portfolio level.

4.4.2 Any final differences from the above are offset in expected 'country led reductions' to bridge the gap to the funding available for the Country Vaccine Budgets. **The vaccine forecast overall remains in line with the Board recalibration outcome of US\$ 5.9 billion.**

4.5 Key specific **risks and opportunities** (set out in the presentation accompanying this paper) exist which, if crystallised, could materially impact the **Gavi 6.0 forecast**. In particular, current Qualifying Resources available to fund programme commitments are US\$ 8.5 billion although target resources for recalibration are set at US\$ 10 billion and the Gavi replenishment ambition remains US\$ 11.9 billion. In this context, the Secretariat confirms that the Gavi 6.0 financial forecast presented is aligned with the outcome of the Board recalibration and the operationalisation of Gavi 6.0 will take into consideration the risk and opportunities to ensure that available Qualifying Resources can fund commitments in line with Programme Funding Requirements.

5. Secretariat Annual Operating Budget for 2026 and 2027

5.1 The total Secretariat Operating Expenditure envelope approved across the Strategic Period (2026 – 2030) and funded by Gavi 6.0 is US\$ 700 million at planning forex rates. In addition, the African Vaccine Manufacturing Accelerator (AVMA) and Pandemic Prevention Preparedness and Response (PPPR) programmes funded from ring fenced funding separate from Gavi 6.0 also

provide a modest level of funding for operational support.¹ As set out in **Figure 3 below**, the budgets for 2026 and 2027 and the 5 year projection for the strategic period incorporates the operationalisation of the Secretariat Review including the new initiatives required to deliver the additional reduction in Secretariat operating expenditure from the July Board recalibration.

- 5.2 At forex planning rates, the Secretariat Operating budget for 2026 is set at US\$ 150.9 million (US\$ 148.9 million funded from Gavi 6.0 and US\$ 2 million funding of ring-fenced programmes) and the budget for 2027 is set at US\$ 138.4 million. In summary, Secretariat Operating Expenditure is projected to decrease by one third (33%) at planning rates from the 2025 approved budget in 2 years reflecting a significant reduction of the Secretariat in line with the Board recalibration of Gavi 6.0 priorities and the Secretariat resources.

Figure 3: Annual Secretariat Expenditure

in US\$m	2025 Budget	2025 Fest.	2026 Budget	2027 Budget	2028 Projection	2029 Projection	2030 Projection	Gavi 6.0
Total Workforce	113.7	111.5	95.9	90.9	93.96	95.80	97.7	474.3
Total Non-Workforce	59.5	55.2	41.6	38.0	38.2	38.6	39.3	195.7
Total Recurring expenditure	173.2	166.7	137.5	128.9	132.2	134.4	137.0	670.0
Total Non-Recurring expenditure	32.1	38.7	13.4	9.5	7	4.8	5.3	40.0
Ringfenced programmes			(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(10.0)
Sec Expenditure (excl. ringfencing)	205.3	205.3	148.9	136.4	137.2	137.2	140.3	700.0
FX Impact			15.4					
Gavi Opex Budget (inc. ringfencing & FX)	205.3	205.3	166.3	138.4				

- 5.3 The annual budgets reflect the planned reduction in workforce full-time equivalents (FTE), and a significant reduction in non-FTE related expenditures including professional services and travel. The annual budgets and projections reflect the anticipated phasing of the planned changes and the front-end weighting of non-recurring projects to support the technology roadmap and Grant Management Reform.
- 5.4 Around 80% of the Secretariat's cost base is in Swiss Francs (CHF). To enable the reductions in the cost base of the Secretariat to be measured without distortion from foreign currency fluctuations, the financial impact of the Secretariat Review is measured based on the 2025 Budget foreign exchange planning rate (1 CHF : USD 1.1). In light of the current weaknesses of the US Dollar, the 2026 budget foreign exchange rate will be set at 1 CHF : US\$ 1.24 resulting in a 2026 budget of US\$ 166.3 million with the 2027 budget exchange rate set at a later date.
- 5.5 There are several **risks** related to the Secretariat Organisation Review which could impact the Secretariat Operating budgets including the timing of

¹ Note: the AVMA and PPPR investment cases, approved by the AFC in October 2023, included an allocation for operating costs of ~6% of the total Programme funding. The proposed Operating Expenditure 2026-2030 for these initiatives is ~US\$ 10 million, ~0.5% of total programme funding for AVMA and PPPR. Funding of AVMA and PPPR programmes is outside Gavi 6.0.

implementing the outcome of the Secretariat Review including the additional reorganisation changes required as a result of the July 2025 Board recalibration. Any delay could result in assumed savings not materialising as quickly as planned or result in certain restructuring costs currently forecast as expense in 2025 being incurred in 2026. In addition the reduction in the capacity of the Secretariat could impact the Secretariat's ability to support countries' implementation of Gavi 6.0 strategy despite the Secretariat prioritising country facing roles and working with Alliance partners to align roles and responsibilities.

6. Partner Budgets

- 6.1 As set out in **Figure 4** below, the **Partner budget** for 2026 of US\$ 60.6 million and for 2027 of US\$ 50.9 million is consistent with the Gavi 6.0 Board recalibration outcomes and the revised Gavi 6.0 envelope.

Figure 4: Annual Partner Budgets

All values in US\$m	2024	2025	2026	2026	2027	2027	6.0	2026-7
	Actual	Approved Budget	Budget Request	Variance vs 2025	Budget Request	Variance vs 2025	Approved Envelope	% Envelope utilised
Procurement Fees	29.7	32.7	32.1	(2%)	29.7	(9%)	150.0	41%
Partnerships in Innovation	28.1	48.0	17.0	(65%)	12.0	(75%)	65.0	45%
Studies and Evaluations	13.6	31.6	11.5	(64%)	9.2	(71%)	55.0	38%
Total Expenditure	71.4	112.3	60.6	(46%)	50.9	(55%)	270.0	41%

- 6.2 **Procurement fees** is funding to UNICEF Supply Division for vaccines, diagnostics and the Cold Chain Equipment Optimisation Platform (CCEOP).
- 6.3 **Partnerships in Innovation** support partnerships with the private sector which leverage additional financing, expertise and the latest innovations to tackle key coverage and equity bottlenecks and are funded from matching fund, INFUSE and private sector donations earmarked for innovation programmes.
- 6.4 **Studies and Evaluations** budget will fund independent evaluations, programme capacity assessments and impact assessments in countries including completion of ongoing studies including Malaria evaluation and launch of 6.0 prioritised learning activities.

Annexes

Annex A: Supporting detail on the Gavi 5.1 & Gavi 6.0 financial forecast

Additional information available on BoardEffect

- Vaccine Programme Acronyms