# Long-term funding strategy

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### Overview

- Lessons from first replenishment
- Priorities for long-term funding
  - Financing instruments
  - Burden sharing directions
  - Donor diversification







"Saving lives with excellent value for money" -David Cameron London, 13 June 2011



### Lessons from first replenishment

Success factors

 Collaborative replenishment model
 Donor commitment &

identification with GAVI mission

3) Compelling evidence

4) Political timing & adaptability

5) Lobbying & building public support

6) Leadership & coordination

Challenges

1) Underdeveloped strategy

2) Limited timeframe &

operational plan

3) Leadership transitions

4) Stakeholder engagement

 Deliver on promise
 Build consensus on sustained replenishment model
 Develop

ecommendations

comprehensive funding strategy

4) Plan early and clarify management of process

### Focus of funding strategy:

- Mix of funding mechanisms
- Sustainable burden sharing
- Consensus building process



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### **Options for future GAVI expenditures**



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### GAVI's assured resources from donors AMC, IFFIm, Matching Fund, direct contributions



In addition to assured resources noted above, GAVI receives approximately 2% of its overall assured resources from the drawdown of cash & investments, and investment income.



### Challenge of mobilising long-term funding





Finance

### Building a diverse capital structure





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### Moving towards sustainable burden sharing





### Burden sharing directions



Illustrative burden shares (base scenario)

### Graduated countries

Co-financing

- Resource gap: estimated funds from new donors
- Resource gap: estimated funds from current donors
- Assured resources



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## Diversifying GAVI's donor base

### GAVI total contributions and commitments: 2000-2031 as of 1 June 2012 (US\$ 16 billion)



Guidance

## Proposed roadmap to resourcing GAVI 2016–20

Phase I	Phase II	Phase III	Phase IV
Exploring and defining GAVI 2016–20	Illustrating GAVI's leadership in immunisation	Resourcing GAVI 2016–20	Delivering GAVI 2016–20
<ul> <li>Milestones:</li> <li>1. GAVI 2016–20 options defined</li> <li>2. Consensus built around predictable funding model</li> <li>3. Long-term funding strategy adopted</li> </ul>	Milestones: 1. Mid-term review successful and donors' confidence built 2. Adjusted GAVI brand launched and advocacy networks strengthened	<ul> <li>Milestones:</li> <li>1. Evidence base released</li> <li>2. XX US\$ billion mobilised</li> <li>3. Firm co-financing &amp; active market-shaping progress</li> </ul>	<ul> <li>Milestones (2016):</li> <li>1. XX US\$ billion in programmes funded</li> <li>2. Y number of countries graduated</li> <li>3. Mid-term review 2018</li> </ul>



## Early guidance

- Funding model and capital structure
  - Long-term vs. short-term financing
- Burden sharing directions
  - Co-financing vs. donors vs. market-shaping
- Donor diversification
  - De-concentration of donor base
  - New public and private donors





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