

IFFIm/GFA restructuring

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Background

- Original rationale for GFA no longer relevant
- Removing GFA will have no effect on existing grant agreements
- Generates savings of up to US\$ 1.4 million in direct costs per year
- IFFlm donors have supported the restructuring

What the restructuring means to GAVI

- GAVI will enter into future grant agreements with IFFIm donors
- GAVI will immediately assign any future grant agreement with IFFIm donors to the IFFIm company
- IFFIm raises funds on these long-term grant agreements in the international capital markets; IFFIm's purpose is to provide predictable and flexible funding to GAVI

Next steps

- The Secretariat, IFFIm donors, the IFFIm Board and the World Bank are currently reviewing and discussing drafts of the amended legal documents
- We anticipate that GFA and IFFIm Boards will approve the amendments by September 2012
- The amendments also need to be unanimously approved by all of the IFFIm donors and the World Bank
- We anticipate that the process can be completed by Q4 2012

Recommendation:

The Board is recommended to:

- **Approve** GAVI entering into any new grant agreements with the IFFIm donors once the Finance Framework Agreement is amended to remove the GFA from the IFFIm structure; and
- **Approve** the immediate assignment to the IFFIm Company of any new grant agreements entered into between GAVI and the IFFIm donors



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