IFFIm Chair Report

Gavi Board Meeting

Cyrus Ardalan
Chair, IFFIm Board of Directors
Geneva, 28-29 November 2018
# IFFIm Chair Report

## AGENDA

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IFFIm attracted over US$ 6.5 billion of pledges from ten sovereign donors

IFFIm raised over US$ 6 billion from investors worldwide through 33 transactions since 2006

Sound and prudential financial policies translates into a strong credit rating (AA/Aa1/AA)

Widely recognised for financial innovation, notably in pioneering socially responsible investments
IFFIm is a major contributor to Gavi financing

- From 2006 through 2018 US$ 2.6 billion
- Represents 18% of Gavi disbursements
- At a critical period after its implementation, IFFIm disbursed 53% of Gavi’s total disbursement (2006-10)
- Capacity remains to provide Gavi with a reliable and stable source of funding

Funding for spectrum of Gavi initiatives

- Routine immunisation: funding enables developing countries to introduce and scale up routine immunisation faster
- HSS: flexible and predictable funding mobilised to help developing countries tackle the most pressing constraints on expanding immunisation coverage
- Strategic investments: funding when needed to combat measles, yellow fever, polio and tetanus
IFFIm’s impact… catalytic to saving lives

- The impact of IFFIm as an incremental, long-term and flexible source of funding is significant
- The benefits have been far-reaching:
  - Accelerated the vaccination of at least 80 million children with DTP3
  - Provided more than 90% of initial Pentavalent funding contributing to a 75% price reduction to US$ 0.88 per dose¹
  - Funded more than US$ 300 million to 37 countries through Gavi’s health system strengthening support
  - Quickly disbursed over US$ 400 million to fund time-sensitive, large-scale lifesaving interventions and stockpiles

¹2006 – 2018
Key update: building relationships

- **Middle East trip: UAE, Kuwait, Saudi Arabia**
  - Gavi and IFFIm viewed with great interest
  - There is significant potential in the region
  - Gavi has positive social impact in the region: 50% of its work is in OIC countries
  - IFFIm considering issuing an Islamic Finance instrument in the region

- **Kuwait invited IFFIm and Gavi back for follow up meetings**
  - Recognized common principles on which relationships can be built and strengthened
  - Identified influencers in the power circles in the country

- **Brazil is the newest donor to IFFIm**
  - Powerful message for donors: alongside traditional donor countries, emerging economy countries, including BRICS, can and are playing important roles
### Purpose and IFFIm’s Value Proposition

#### Initiative: Financial commitments for market shaping
- Additional financial tool for Gavi to help secure favourable vaccine pricing and sustainable supply
- Predictability of funding

#### Initiative: Supporting CCEOP
- Provide innovative financing support for CCEOP through themed IFFIm bonds or helping unlock other sources of capital
- Access to new funding / capital markets

#### Initiative: Vaccine scale-up
- Utilise IFFIm’s flexible funding capabilities to support Gavi’s VIS
- Flexibility / frontloading of funds

#### Initiative: Contingent pledges for outbreak response
- Pledges on stand-by that are activated upon occurrence of a disease outbreak to enable rapid deployment of funds
- Large funding capacity and access to new funding / capital markets
THANK YOU