FINANCIAL FORECAST

BOARD MEETING
David Sidwell, Assietou Diouf
30 July 2020, Virtual Meeting
Forecasting...the journey

- Covid19 impact
- Replenishment

July AFC

- Annual forecasts update
- Board decisions on Covax Facility & Covax AMC
- Board decisions on additional investments

October AFC

Focus on near term 2020-2021

2021-2025

December 2019 Board

July & September Board

We are here

December 2020 Board

Board decisions on additional investments

Board Meeting
30 July 2020
Main Assumptions

**Vaccines →Medium Severity Scenario**

- 6-month acute pandemic period
- 12-24 months recovery with COVID-19 resurgence in some countries
- Medium economic downturn and social stability with some exceptions
- Gavi-supported countries substantially affected for 1-3 years

**HSS**

- **2016-2020**
  - US$ 1.375 billion
- **2021-2025**
  - US$ 1.2 billion

**Bottom-up review of each country’s near-term anticipated disbursements**

**Outcome of the Replenishment**

- Board Decisions on Gavi’s response to support countries
- Delays in countries in RI

**WHO Pulse survey outputs**

Board meeting 30 July 2020
Impact of COVID-19 pandemic on Gavi’s core mission

Of the 39 identified: 30 were in the Dec-19 Board forecast (77%), 23 have approvals (58%) and 15 have been disbursed (38%). Of the 24 Delayed, 19 currently with re-schedule intro dates are within 2020.

Source: Gavi Vaccine Launch Database, also available on Country Dashboard; CP COVID Tracker, 22 June 2020
Gavi’s immediate response to supporting countries …*at a glance*

<table>
<thead>
<tr>
<th>Pillar 1: Immediate Support for Country Response</th>
<th>Countries</th>
<th>Partners</th>
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<tr>
<td>HSS Re-Programming</td>
<td>UNICEF Pre Financing</td>
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<td>• PPE</td>
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<tr>
<th>Pillar 2: Maintain, Restore &amp; Strengthen Immunisation Services</th>
<th>Supplemental Approaches including:</th>
<th>PEF – TCA and SFA</th>
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<td>• PIRI’s</td>
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<th>Pillar 3: Responding to Fiscal Impact</th>
<th>• 2020 Co-Financing Waivers</th>
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<td>• 2021 freezing of Eligibility</td>
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<td>• Prevention of Backsliding in former Gavi eligible countries</td>
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*As presented to the Board in May & June 2020*
### Short Term impact: 2020-2021 Expenditures (in US$ million)

#### 2020

- **Pillar (a): Immediate Response**
  - Original forecast: $2,119m
  - Supplmnt. Delivery Actv. (Vax): $78m
  - TCA: $15m
  - SFA: $6m

- **Pillar (b): Maintain & Restore**
  - Original forecast: $8m
  - PPE Adv. - UNICEF: $40m

- **Pillar (c): Resp. to Fiscal Impact on Immun. Svcs**
  - TCA: $150m
  - Co-financing waiver: $-188m
  - Post transition support: $-75m
  - Updated PCV-AMC assumptions: $-75m
  - Programmatic disruption: $-50m
  - Delayed new intros & campaigns: $-9m
  - Updated cashflow assumptions: $-75m

#### 2021

- **Pillar (a): Immediate Response**
  - Original forecast: $1,858m
  - Suppl. Delivery Actv. (Vax): $52m
  - HSS: $30m
  - TCA: $51m
  - SFA: $10m

- **Pillar (b): Maintain & Restore**
  - TCA: $-20m
  - Updated VIS assumptions: $-140m

- **Pillar (c): Resp. to Fiscal Impact on Immun. Svcs**
  - TCA: $-40m
  - Updated Cashflow assumptions: $-8m

**Updates to Forecast Assumptions**
- Co-financing waiver
- Post transition support
- Updated PCV-AMC assumptions
- Programmatic disruption
- Delayed new intros & campaigns
- Updated cashflow assumptions

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Refer Annex 2
Qualifying Resources Re-forecast (in US$ millions)

2016-2020

- $53m

- Update of Direct Contributions
- C&I Reserve: updated to reflect changed estimates in expenditure
- Removal of allowance for further contributions (now incl. in direct contributions)

2021-2025

+ $1.06bn

- Figures updated for 4 June 2020 Vaccine Summit
- C&I Reserve: updated to reflect changed estimates in expenditure
- Removal of allowance for further contributions (now incl. in direct contributions)

*includes reduction for PCV-AMC (-$187.5m)
2016-2020

Dec-19 Board

9,520

9,467

-0.6%

7,469

7,750

July Re-forecast

253

343

0.7%

303

367

Dec-19 Board

9,110

9,099

-0.1%

7,544

7,515

July Re-forecast

513

65

530

988

Programmatic

CEPI

Secretariat

Current decisions - July Board

Partnership

Available from C&I

Allowance for DC

AMC Proceeds

IFFIm - incl CEPI

Investment Income

Direct Contributions

Net Available for Future Investment is

US$ 368m
2021-2025

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<td>Partnership</td>
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+11.2%  -0.9%

- US$1.18 billion remain available for future investments
- Revised forecast to be presented to the AFC in September

US$ 1.18 bn

US$10.540 million

US$9.478 million

US$9.364 million

US$9.444 million

US$7,451 million

US$7,874 million

US$7,029 million

US$7,175 million

US$7,029 million

Available from C&I

Partnership

Programmatic

Secretariat

Prov Strategic Inv

Current Decision - July Board

Resources

Expenditure

Net Available for Future Investment is

Available from C&I

Partnership

Programmatic

Secretariat

Prov Strategic Inv

Current Decision - July Board

Available from C&I

Partnership

Programmatic

Secretariat

Prov Strategic Inv

Current Decision - July Board

Available from C&I

Partnership

Programmatic

Secretariat

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Current Decision - July Board

Available from C&I

Partnership

Programmatic

Secretariat

Prov Strategic Inv

Current Decision - July Board
Net Potential Available shows that enough resources are available for future investments

$368m + $1.18bn = $413m + $1.590bn

2016-2020
2021-2025

Available for future Strategic Investments

Excludes Covax AMC Contributions & Commitments

Subject to further updates on forecasts and donor’s considerations

September Board

Board meeting
30 July 2020
Covax Facility & Covax AMC

Set up costs required to operationalize the COVAX Facility & COVAX AMC
- Legal fees
- Consultancy
- Surge capacity

$ 8.4m

FOR DECISION ⇒ PreFinancing
Decision 1: Financial Forecast

The Gavi Alliance Board:

**Noted** that the Audit and Finance Committee has reviewed the financial implications of the recommendation as set out in Figures 1 of Doc 03 b (Financial Update) to the 23 July 2020 meeting of the Audit and Finance Committee and concluded that the recommendation could be approved by the Gavi Alliance Board in accordance with the Programme Funding Policy.