

# The IFFIm Investment Case for Gavi 6.0: Funding IFFIm with New Donor Contributions

A Complement to Gavi's Investment Opportunity 2026–2030

20 June 2024



A photograph of a man with a beard and short hair, wearing a light-colored button-down shirt, holding a young child. They are standing in front of an orange wall with some windows. The man is looking towards the camera with a slight smile, and the child is looking off to the side.

# Contents

Executive Summary	1
1 IFFIm to date: A critical instrument to maximise Gavi's and donors' impact	3
2 Protecting our future: IFFIm supporting Gavi in delivering its 6.0 plan	11
3 Call to action: Safeguarding the future, together	14
Annexes	16
Annex 1: IFFIm donors and their contributions to date	16
Annex 2: Gavi disbursement of IFFIm funds to various programmes	17
Annex 3: Pledge scenarios based on payment durations	18

## Disclaimer:

This document presents IFFIm's value propositions to build a case for new donor contributions in support of Gavi's 2026–2030 strategy (Gavi 6.0). Nothing in this document (i) constitutes an offer to sell, or a solicitation of an offer to buy, any securities from any person in any jurisdiction, or (ii) constitutes or forms part of any offering document for any security. This document has been prepared for information purposes only and is provided to you on the basis of your acceptance of this disclaimer. It is not an advertisement and does not constitute a prospectus or other offering document in whole or in part for the purposes of EU Prospectus Regulation or otherwise. This document does not constitute or contain investment advice and nothing herein should be construed as a recommendation or advice to invest in any securities. Any purchase of securities should be made solely on the basis of the information contained in the prospectus prepared and published by IFFIm.

# Executive Summary

## Helping donors maximise Gavi's life-saving impact

A child in need of a life-saving vaccine cannot afford to wait. IFFIm's frontloading model allows Gavi to protect people, communities and the world faster by bringing future aid forward so it can have an impact today. Since 2006, IFFIm's innovative financing model has enabled donor countries' long-term, multi-year financial pledges to be made available to Gavi faster through vaccine bond issuances, immunising more children and making vaccines widely available to communities

around the world at a lower cost. To date, IFFIm has contributed US\$ 5.8 billion to bolster Gavi's vaccination programmes – an investment that has saved millions of lives.



**A child in need of a life-saving vaccine cannot afford to wait**

## Accelerating funding through a proven versatile model

IFFIm's frontloading and flexible funding capacity has been an integral tool underpinning Gavi's historic achievements, including:

- **Catalysing life-saving impact** by contributing 17% of Gavi's overall funding
- **Speeding up Gavi's response** to COVID-19 (C19) by frontloading over 90% of IFFIm COVAX pledges
- **Shaping the vaccine market** to secure supplies and lower costs since IFFIm's inception
- **Enabling Gavi's swift response** to halt the 2014 Ebola crisis by providing standby funding

## Providing an efficient and cost-effective solution, attuned to donor needs

As donor countries face competing demands for resources and greater fiscal constraints, IFFIm's financing model has never been more valuable. IFFIm offers donors a cost-effective way to deliver immediate immunisation impact while spreading contributions over the long term. It has consistently provided exceptional value to donors, with approximately 98% of its resources directed toward supporting Gavi's life-saving programmes.

## Protecting our future – How IFFIm will support Gavi to deliver its ambitious 6.0 plan

The Gavi 6.0 plan will see the rollout of its widest ever portfolio of life-saving vaccines, which will require flexible, long-term sustainable funding – for countries, for manufacturers and crucially, for emergencies. IFFIm's unique strengths, underpinned by new donor pledges, will enable Gavi to:

- **Frontload large-scale funding** for the rapid introductions and scale-up of new, breakthrough and existing vaccines, such as malaria, hexavalent and HPV
- **Forge long-term commitments** with manufacturers, securing supplies and reducing prices
- **Provide surge funding** to respond to unexpected events, such as future outbreaks and pandemics
- **Deliver time-flexible funding** to adapt to the changing needs of vaccine introductions and campaigns and maximise the reach to zero-dose children
- **Accelerate funding** to help countries strengthen and sustain critical health systems

## Call to action



Gavi is seeking to mobilise **20% of its overall resources** (or US\$ 2.4 billion) for the 6.0 period through IFFIm, as a long-term, predictable and flexible source of funding.



This represents **US\$1.9–US\$2.5 billion** in new long-term donor pledges for IFFIm, as part of Gavi's overall ask.

Funding IFFIm is integral to the Gavi 6.0 replenishment effort. By committing to IFFIm, donors will make an immediate, outsized impact on Gavi's mission, while ensuring that this unique innovative finance mechanism continues to deliver for Gavi and its partners.



1

## IFFIm to date

A critical instrument to maximise Gavi's and donors' impact

### Protecting the world through financial innovation

IFFIm is Gavi's **flagship platform** for financial innovation, offering a critical and efficient mechanism for donors to accelerate Gavi's impact. Initiated in 2006 by France, Italy, Norway, Spain, Sweden and the United Kingdom, IFFIm relies on cost-effective borrowing in the debt capital markets to achieve the immediate, large-scale resource deployment essential to successful immunisation efforts. IFFIm's founding donors were joined by South Africa in 2007, the Netherlands in 2009, Australia in 2011, Brazil in 2018 and Canada in 2023.

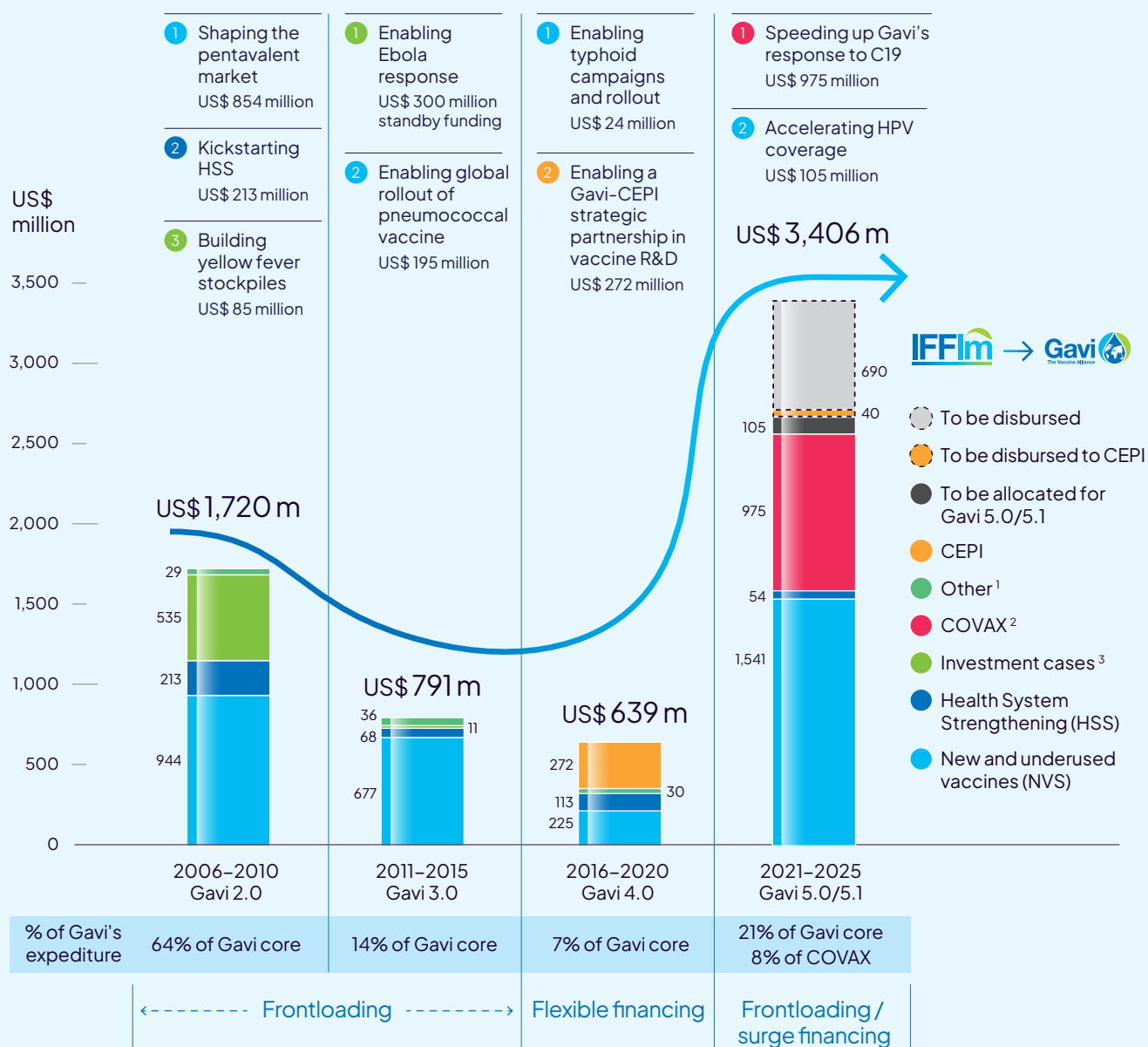
IFFIm is an indispensable, versatile source of financing for Gavi, providing long-term, predictable and flexible funding. This allows Gavi to either rapidly **frontload** resources or commit and draw down funds over a **longer period**. This flexibility enables Gavi to use funds when they are needed most, whether for immediate routine immunisations, vaccine introductions or outbreak response, or for sustained, long-term funding support for programmes that straddle strategic periods. Moreover, it

significantly enhances the efficiency with which Gavi manages its finances.

In its first five years, IFFIm's frontloading capability **nearly doubled Gavi's funding** and transformed its financial landscape, dramatically expanding vaccine coverage and bolstering health systems. During the 2011–2015 period, frontloading supported the global rollout of the pneumococcal vaccine while flexibly funding Gavi's unforeseen needs, such as providing standby funding for the Ebola crisis. From 2016 to 2020, IFFIm's role evolved into more flexible financing to support Gavi's tactical investments, such as scaling up a new typhoid conjugate vaccine and enabling a strategic partnership with the Coalition for Epidemic Preparedness Innovations (CEPI). In the current period, IFFIm has once again become a crucial frontloading platform for both Gavi and its donors, facilitating the scale-up of high-impact routine immunisation and a swift response to the C19 pandemic. Figure 1 provides an overview of IFFIm's funding to Gavi over time and Annex 2 (see page 17) shows Gavi's disbursement of IFFIm funds across various programmes.

FIGURE 1

## An overview of IFFIm's funding to Gavi over time



<sup>1</sup> Other includes injection safety support, operational support costs and Equity Accelerator Fund.

<sup>2</sup> Includes reallocated funds.

<sup>3</sup> Investment cases include yellow fever stockpiles, polio eradication and targeted mass campaigns for measles, meningitis, and maternal and neonatal tetanus.

<sup>4</sup> Amounts represent Gavi's programmatic disbursements of IFFIm funds across Gavi's strategic cycles. The transfers of IFFIm funds to Gavi consist of the following: Gavi 2.0 (US\$1,876 million) and Gavi 3 (US\$600 million), Gavi 4 (US\$872 million) and Gavi 5.1 actual/forecast (US\$3,208 million).

## Scaling up human papillomavirus (HPV) coverage: saving girls and women from cervical cancer

IFFIm is protecting millions of girls by supporting Gavi's efforts to eliminate one of the world's most deadly diseases – cervical cancer. IFFIm has provided US\$ 130 million to Gavi for HPV programmes, improving the health outlook for millions of mothers, daughters, partners and sisters. By the end of 2022, these programmes had reached more than 16.3 million girls, averting more than 387,000 deaths. Over the coming years, IFFIm support will help Gavi reach over 120 million adolescent girls, with a goal of preventing 1.5 million deaths. IFFIm's contributions will reduce gender barriers to immunisation and ensure girls grow into strong, healthy women supporting their families and communities.



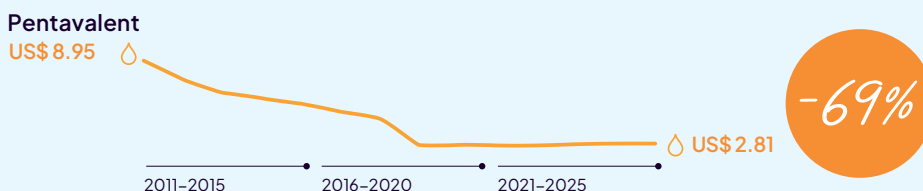
## Frontloading pentavalent: cutting vaccine costs

IFFIm was the force behind a significant cost reduction in the pentavalent vaccine. In 2007, IFFIm was instrumental in enabling Gavi to make its initial upfront payment of US\$ 191 million to vaccine suppliers, encouraging them to step up production of the vaccine and reduce its price. A 2011 independent evaluation of IFFIm found that funding provided by IFFIm led to 'greater competition and reduced prices' in the market for pentavalent vaccines.<sup>1</sup>

Total IFFIm support for pentavalent vaccines now exceeds US\$ 1.5 billion, with the average cost of fully immunising a child with pentavalent having dropped from US\$ 8.95 in 2010 to US\$ 2.81 in 2023. By the end of 2022, over 705 million children in all 73 countries had been immunised with a pentavalent vaccine with Gavi support. Protected by this powerful, high-impact vaccine, these children can now look forward to a future where they can be healthy and thrive in their communities.

FIGURE 2

Weighted average price per vaccine (cost to fully immunise a child)\*



\* Prices are based on UNICEF tender prices for Gavi-supported countries.

Source: Gavi Investment Opportunity 2026-2030



<sup>1</sup> This independent evaluation was carried out by a healthcare consulting firm HLSP in 2011. More information can be found at <https://iffim.org/news/independent-evaluation-confirms-iffim-success>

## Financial flexibility: standby funding capacity enabling Gavi's Ebola response

IFFIm significantly boosted Gavi's ability to respond swiftly to emergencies, notably during the 2014 Ebola crisis. IFFIm's flexibility to provide funding at scale gave Gavi latitude to quickly make a previously unbudgeted commitment of US\$ 300 million to support a comprehensive Ebola response, including procuring hundreds of millions of vaccine doses. This proactive approach spurred vaccine development, which led to advanced trials and a stockpile of 300,000 investigational doses available to combat Ebola outbreaks in the Democratic Republic of the Congo (DRC) during 2018 and 2019. By protecting more than 206,000 people from Ebola, IFFIm helped stop the spread of this highly contagious, fatal disease and saved countless lives.



## Bolstering countries' health systems: delivering life-saving vaccines and preventing disease outbreaks

IFFIm kickstarted Gavi's health system strengthening investments (HSS) in 40 countries, contributing nearly 84% of Gavi's initial funding during the first two years. Strong health systems are crucial not only for delivering life-saving vaccines but also for preventing disease outbreaks.

Vaccinating a child connects families with healthcare systems, especially in hard-to-reach places. IFFIm's flexible funding has consistently enabled lower-income countries to enhance and maintain the essential health systems that communities rely upon. By December 2022, IFFIm had provided almost 10% of its funding to Gavi for HSS, totalling close to US\$ 500 million.





## IFFIm has catalysed Gavi's life-saving impact by enabling immunisation of more children, faster

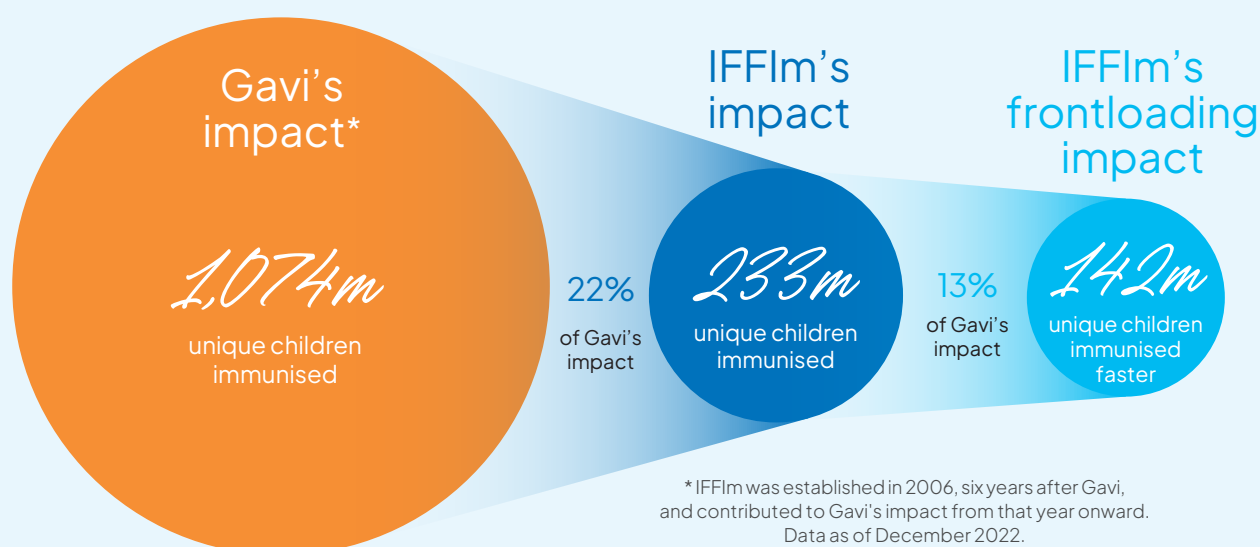
IFFIm has catalysed **Gavi's life-saving impact** by enabling immunisation of more children, faster. Since 2006, IFFIm has contributed US\$ 5.8 billion<sup>2</sup>

to bolster Gavi's vaccination programmes, representing 17% of Gavi's overall funding. IFFIm has played a transformative role in global health, facilitating Gavi's routine immunisation of over 233 million additional

children, contributing to the total 1.1 billion immunised by Gavi. Notably, over 13% of these children – 142 million – were immunised because of IFFIm's ability to frontload donor pledges due years later. This frontloaded funding mechanism provided crucial support to Gavi well ahead of actual donor payments, ensuring timely immunisation efforts, and accelerating broader economic benefits amounting to US\$ 26.5 billion across Gavi countries.

FIGURE 3

An overview of IFFIm's impact on routine immunisation



As part of Gavi's impact analysis, Gavi estimates how IFFIm funds have contributed to the immunisation of children, i.e. Unique Children Immunised (UCI). There are three key components underlying IFFIm's impact figures:

The first is Gavi support in routine immunisation ("**Gavi's impact**") as presented in the Annual Progress Report 2022, which estimates the total number of unique children immunised at 1,074 million.

The second is IFFIm's share of contribution to Gavi's impact, which is based on IFFIm's funding in proportion to Gavi's spending ("**IFFIm's impact**").

The third is the proportion of Gavi impact due to IFFIm's frontloading capabilities ("**IFFIm's frontloading impact**"). This frontloading impact arises when Gavi accesses cash in advance of receiving actual incoming IFFIm donor grants to contribute to the vaccination of children.

<sup>2</sup> Including disbursements to CEPI.

## Extending IFFIm's invaluable frontloading capabilities as a critical pandemic response tool

IFFIm emerged as one of the **earliest funding sources** to support Gavi's global pandemic response, frontloading over 90%, or US\$ 975 million, of donor pledges for the COVAX Advance Market Commitment (COVAX AMC) alongside an additional US\$ 206 million for CEPI's C19 vaccine research and development. This feat was only possible because IFFIm had available funding capacity supported by other IFFIm grants. IFFIm was able

to frontload grants notionally allocated for the COVAX AMC, providing US\$ 400 million in January 2021, within a month of the grant signature.

IFFIm also continuously explores how to enhance its value through **additional innovative financing mechanisms** built on the IFFIm platform, such as the IFFIm – European Investment Bank (EIB) Letter of Credit (see below) and the contingent financing mechanism initiative.<sup>3</sup>



**IFFIm emerged as one of the earliest funding sources to support Gavi's global pandemic response**

## Enhancing Gavi's market-shaping with the IFFIm – EIB Letter of Credit facility

A partnership between Gavi, IFFIm, the EIB and UNICEF, the Letter of Credit (LoC) is a mechanism to support Gavi's long-term market shaping transactions, guaranteeing future payments as vaccines are procured and then releasing the guarantees as obligations are paid. By leveraging IFFIm's long-term balance sheet beyond vaccine bond issuances, Gavi's procurement activities can now benefit from further firepower, allowing for both more efficient use of donor cash and a stronger negotiation stance with manufacturers.



<sup>3</sup> A strong IFFIm replenishment is a prerequisite for offering enhancements like the Contingent Financing Mechanism (CFM). Therefore, Gavi's primary focus will be to increase IFFIm's asset base as part of the Gavi 6.0 replenishment for its core programmes. Once the 6.0 replenishment is completed, and assuming donors significantly renew their pledges for IFFIm, work on the CFM will continue with a focus on lessons learned from the pandemic. The IFFIm CFM is expected to complement Gavi's other Day Zero Financing tools, further strengthening Gavi's Pandemic Prevention, Preparedness and Response (PPPR) capabilities into 6.0.

## Offering a cost-effective solution for donors

IFFIm has consistently provided **value to donors**, disbursing nearly 98% of its resources available to support Gavi's programme objectives, with the net balance covering its financing and administrative costs.<sup>4</sup> Moreover, IFFIm has demonstrated effectiveness and efficiency in meeting Gavi's urgent financing needs by swiftly raising funds in the capital markets within as little as 26 days post-grant signature, a record turnaround, even during challenging financial climates as in the case of the 2020 Norwegian Krone (NOK) 2 billion issuance amid the pandemic.

From inception, IFFIm donors have anticipated IFFIm's aggregate funding cost, on average, to be higher than the weighted average funding cost of all donors. However, this higher cost is offset by the utility and impact of its flexible financing structure. When assessing its lifetime cost to date,

IFFIm's weighted average cost of borrowing is broadly in line with the average of its donors.<sup>5</sup> Further, due to its treasury

management by the World Bank, from 2006–2023 IFFIm's average annual investment income<sup>6</sup> of c. US\$ 11 million was more than twice its annual administrative costs of US\$ 5.1 million.



**IFFIm has consistently provided value to donors**

In short, IFFIm's forward-pledge frontloading model has proven to be an exceptionally effective addition to its donors' fiscal toolkits, fully complementing direct contributions to Gavi while providing greater flexibility in managing the scale and timing of additional support.

## Harnessing the power of capital markets

IFFIm's ability to harness the capital markets reinforces Gavi's unique Public Private Partnership (PPP) model in global health. Through IFFIm's 'vaccine bonds', Gavi has put pledged contributions to work ahead of payments, saving more lives, faster. Since its inception, IFFIm has raised resources through 41 bond issues in eight currencies.<sup>7</sup> These bonds



<sup>4</sup> A proportion of disbursements for Gavi programmes relative to the total IFFIm resources available to Gavi to date (as of Dec 2023). The total resources include overall IFFIm resources available to Gavi, including those to cover IFFIm's financing and administrative (governance and treasury management) costs. IFFIm's governance costs include Gavi's in-kind administrative service costs, among others. Please refer for more details at <https://iffim.org/investor-centre/trustee-reports-financial-statements>.

<sup>5</sup> IFFIm's weighted average cost of all bonds issued is about 0.07% higher than that of its donors (Source: World Bank).

<sup>6</sup> IFFIm's risk management policies require it to hold a minimum level of liquidity and IFFIm may also hold additional liquidity for other reasons, such as preparing for unforeseen but urgent disbursements to Gavi. The World Bank, as Treasury Manager, manages IFFIm's liquidity according to the same prudent risk-return framework mandated for the IBRD-TRUST pool, namely its cash holdings, generating investment income for IFFIm.

<sup>7</sup> The total amount of financing raised through these bond issuance equals US\$ 8.7 billion. This sum is higher than the proceeds disbursed to Gavi because a proportion of IFFIm funds raised in the capital markets is used to repay capital when bonds mature, service interest payments and maintain its liquidity cushion. The latter two are in accordance with IFFIm's liquidity policy, which requires it to maintain a minimum liquidity balance equivalent to 12 months' projected debt service (the amount of interest payments to bondholders plus repayment of principal for maturing bonds).

have been issued to institutional and retail investors worldwide, with additional funding raised in Islamic financial markets through sukuk transactions. IFFIm's diverse market activities have promoted Gavi's life-saving model to audiences not normally reached by Gavi, including investors, and in strategically important regions such as the Gulf Region, Europe and Asia. Recognised as a pioneering, 'pure play' social bond issuer, IFFIm enjoys strong demand from impact investors drawn to Gavi's focused mission, ensuring efficient funding for Gavi.

Since 2021, IFFIm has fully utilised its financing capacity to support Gavi, significantly expanding its capital market activities (US\$1.8 billion) and maximising funding for Gavi (US\$ 2.5 billion), backed by a record increase in assets from donors (US\$ 3.1 billion).<sup>8</sup> IFFIm's consistent **A+ rating** in annual reviews over the past five years by the UK, IFFIm's largest donor, underscores its effectiveness, efficiency and financial prudence.<sup>9</sup>

## Forging strategic partnerships

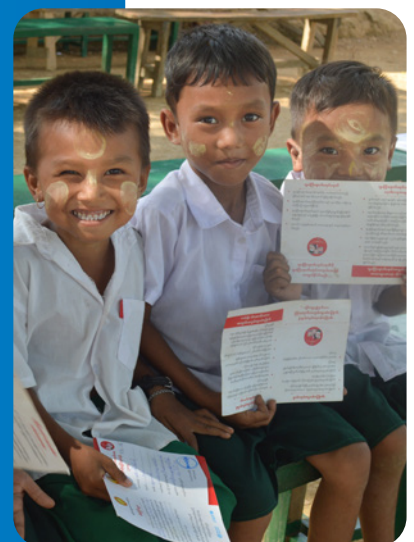
IFFIm's financial strength is significantly enhanced through its treasury management partnership with the World Bank. Since IFFIm's launch, donor contributions via IFFIm have benefitted from the World Bank's prudent management of IFFIm, including of currency and interest rate risks through hedging to insulate against volatility in the foreign exchange and interest rate markets and preserve the long-term value of donor contributions.

The IFFIm model is currently being explored for other humanitarian uses, from mine clearance to restoring forest canopies. Further, its frontloading mechanism helps foster new strategic partnerships and health outcomes that are aligned with Gavi's mission. IFFIm has made available its financing capability to Norway, Italy and Spain to channel their contributions totalling US\$ 354 million in nominal value to CEPI, accelerating funding for the research and development of new vaccines, including C19.

## Providing donors with a flexible option to support Gavi 6.0

Long-term contributions via IFFIm can help to accommodate donors' budgetary constraints, which is particularly important in the current fiscal environment. Donors can flexibly construct their pledges to Gavi 6.0 between direct grants and long-term IFFIm pledges, according to their annual capacity to pay and desired timelines. By helping IFFIm sustain its credit strength and brand through continued support, existing donors also encourage the participation of future new donors in IFFIm, while securing IFFIm's ability to efficiently access capital markets.

IFFIm also offers a unique opportunity for European Union (EU) donors to provide long-term forward pledges that are only accounted in donor budgets in the year the contributions are paid, not in the year in which the commitment or the impact is made, following the ruling of Eurostat, the statistical office of the donors, at the time of IFFIm's creation.



<sup>8</sup> Including COVAX.

<sup>9</sup> The UK evaluates IFFIm annually for its economy, efficiency and effectiveness, using indicators such as funding cost, maximising value for money, cost of carry, market access, among others.

## 2

# Protecting our future

IFFIm supporting Gavi in delivering its 6.0 plan



**Gavi's investment opportunity describes the extraordinary opportunity for the Alliance to roll out its widest-ever portfolio of life-saving vaccines**

## Navigating an increasingly challenging environment

As Gavi enters its 6.0 strategic period, the world faces a convergence of crises, including regional conflict, climate change and rising debt levels. At the same time, Gavi's investment opportunity describes the extraordinary opportunity for the Alliance to roll out its widest-ever portfolio of life-saving vaccines,

immunising the next billion children in half the time, including the introduction of new blockbuster vaccines, notably the new malaria vaccine, and accelerated scale-up of the HPV vaccine. Addressing these needs and opportunities requires generous support from donors.

Yet donors are contending with heightened fiscal constraints amid competing demands and finite resources. And in contrast to the Gavi 5.0/5.1 era, the advent of Gavi 6.0 marks a notable decrease in assured IFFIm resources. In such a challenging and dynamic environment, IFFIm's role is more critical than ever for the success of Gavi's mission, giving donors an attractive mechanism to provide more financing to Gavi 6.0 while spreading their contributions over future years.

Gavi's Investment Opportunity (IO)<sup>10</sup> estimates that its financial needs for the period 2026–2030 will be at least US\$ 11.9 billion. The IO lays out an ambitious plan to support countries recovering from the pandemic and accelerate progress towards the UN Sustainable

<sup>10</sup> <https://www.gavi.org/investing-gavi/resource-mobilisation-process/protecting-our-future#io>

Development Goals (SDGs). Of various 6.0 goals outlined in the IO, IFFIm will specifically support Gavi's plans to: (1) introduce and expand the reach of both new and existing vaccines such as malaria, hexavalent or HPV, with the overall goal to immunise over 500 million children; (2) lower prices across a minimum of 50% of the vaccine portfolio; (3) strengthen global health security and protect against the threat of future pandemics by significantly augmenting emergency stockpiles and response capabilities, including standing ready to respond to **150** disease outbreaks; and 4) enhance health systems, particularly for underserved and vulnerable populations, reducing the number of zero-dose children by 50%.

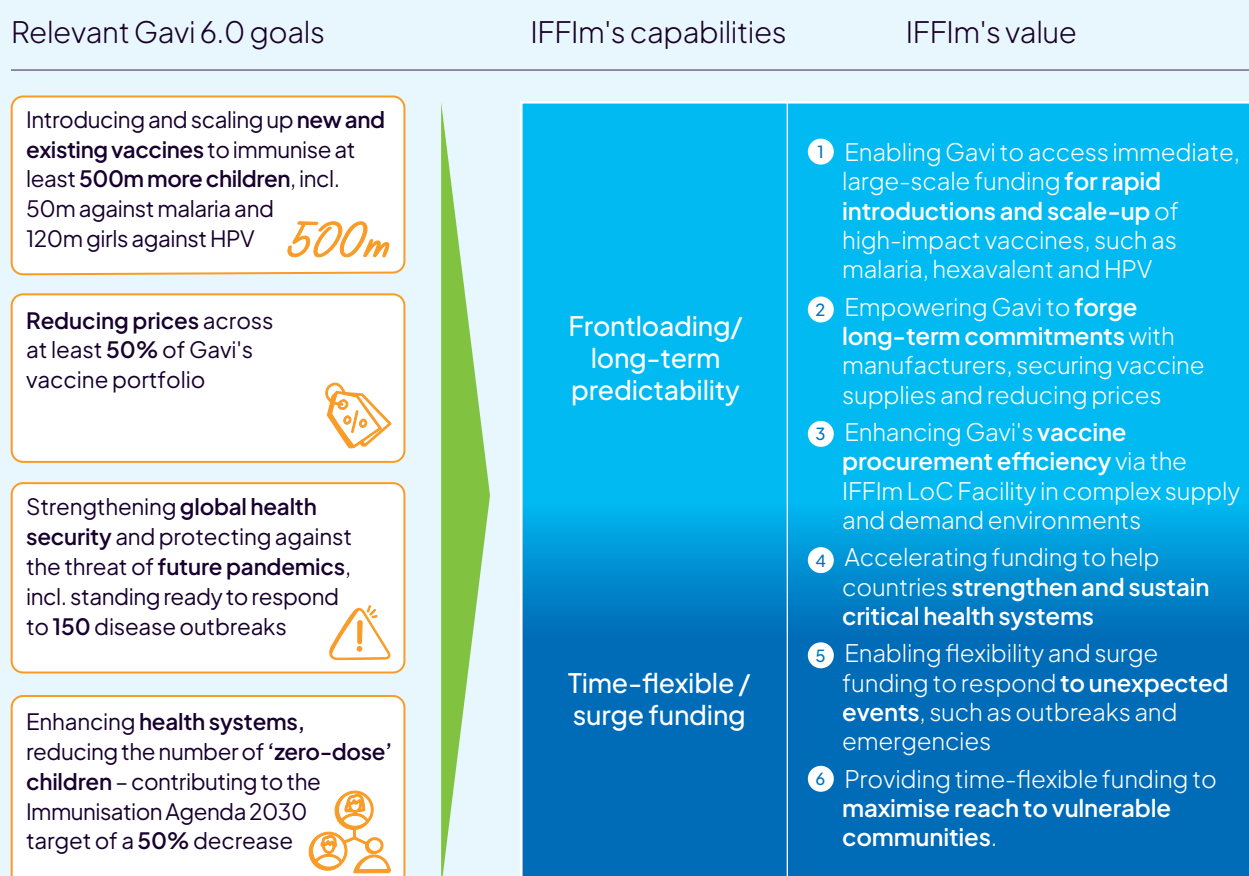
## Frontloading, flexibility and surge funding for Gavi 6.0

### Frontloading and enabling long-term commitments for vaccine introductions and scale-up

Gavi will be offering the widest vaccine portfolio in its history, continuing and scaling up established programmes as well as introducing new, breakthrough vaccines. To swiftly implement and scale up these critical vaccines, IFFIm is pivotal for Gavi to generate substantial upfront funding and long-term financial predictability. IFFIm's frontloading will contribute to its ambitious investment of US\$ 6.6 billion for vaccine programmes, including US\$ 1.1 billion towards the groundbreaking malaria vaccine and an additional US\$ 347 million in hexavalent, which protects against six potentially deadly diseases in infants and toddlers.

FIGURE 4

A summary of the IFFIm value propositions to support specific Gavi 6.0 goals



Building on its previous support, IFFIm can also help Gavi step up its efforts to eliminate cervical cancer by scaling up HPV vaccines to reach over 120 million girls and saving 1.5 million lives. With IFFIm in its financial toolkit, Gavi can confidently place **large-volume orders** early on, helping to create visible demand for important vaccines and underpinning the investments necessary for their ongoing availability.

IFFIm's long-term, legally binding pledges will empower Gavi to forge long-term commitments with manufacturers by mitigating the risks of unpredictable funding. Such steadfast commitments are essential to ensure adequate supply and reduce costs over time.



### The IFFIm–EIB Letter of Credit (LoC) Facility can strengthen Gavi's positioning in complex supply and demand environments

Furthermore, the IFFIm–EIB Letter of Credit (LoC) Facility can strengthen Gavi's role in complex supply and demand environments, especially as new vaccines enter the pipeline, by improving the efficiency and flexibility of Gavi's financial commitments.

### Enabling surge funding to respond to emerging global health security challenges

The C19 pandemic underscored the critical importance of IFFIm's frontloading and flexibility for Gavi to respond to **global health security** challenges. Despite best efforts of countries and the international community, including Gavi's new Day Zero Financing Facility for Pandemics (DZF), unpredictable and unforeseen events not covered by Gavi's stockpiles or the First Response Fund, which is dedicated primarily to

supporting the gravest pandemics, will persist.<sup>11</sup> This will require additional flexible and surge funding beyond what is provided by Gavi's DZF instruments. IFFIm makes available a layer of reserve capital to smooth grant payment and expenditure mismatches, which also serves as efficient standby funding for outbreaks and emergencies, providing a safety net for Gavi's unforeseen needs.

### Time-flexible funding to address the needs of vulnerable populations

Maximising routine immunisation requires adopting time-flexible spending strategies to ensure that prevention and protection programmes can swiftly adapt to new circumstances, such as changes in vaccine introduction timelines and emergency catch-up campaigns or working in conflict, humanitarian and climate disaster settings. This flexibility is particularly crucial for reaching zero-dose populations who are the most vulnerable to conflicts and climate change. Meeting these challenges requires the agility to align funding with these shifting expenditure needs. This is a flexibility that IFFIm financing offers to a much greater extent than core Gavi resources.

Building on its strong past support, IFFIm can also continue to leverage its assured, flexible funding to contribute to Gavi's **HSS programme**. By making more funds continuously available for HSS early on, IFFIm can help countries strengthen and sustain critical health systems. This support will further facilitate the delivery of vaccines to underserved communities, prevent disease outbreaks and reduce the need for costly outbreak responses in the future.

<sup>11</sup> The DZF, a key pillar of Gavi's future PPP, is an umbrella suite of financing instruments that enhance Gavi's financial capacity to ensure a swift and equitable vaccine response in the next pandemic. The DZF includes the First Response Fund (FRF) and complementary surge financing instruments, such as the frontloading facilities with the U.S. International Development Finance Corporation (DFC) and the European Investment Bank (EIB). These tools are specifically designed to provide immediate and surge funding for a pandemic response. In comparison IFFIm's core flexible and surge funding capacity allows Gavi to draw on IFFIm more broadly to respond to any outbreaks and pandemics.



3

## Call to action

Safeguarding the future, together

### Funding the future with US\$ 1.9 – US\$ 2.5 billion in long-term donor pledges

Gavi's long-term funding strategy calls for a proportion of Gavi's long-term financing to be predictable and flexible capital.<sup>12</sup> For 2026–2030, Gavi aims to maintain around 20% of its resources

as a long-term, predictable and flexible funding source through IFFIm. This will also allow IFFIm to maintain its market presence at the current level and continue to attract attention from its investor base.

The full utilisation of IFFIm's available capacity during 2021–2025 has

<sup>12</sup> As stated in Gavi Board-Approved Long-term Funding Strategy (December 2012) and Gavi's Annual Financial Reports.



### Gavi's long-term funding strategy calls for a proportion of Gavi's long-term financing to be predictable and flexible capital

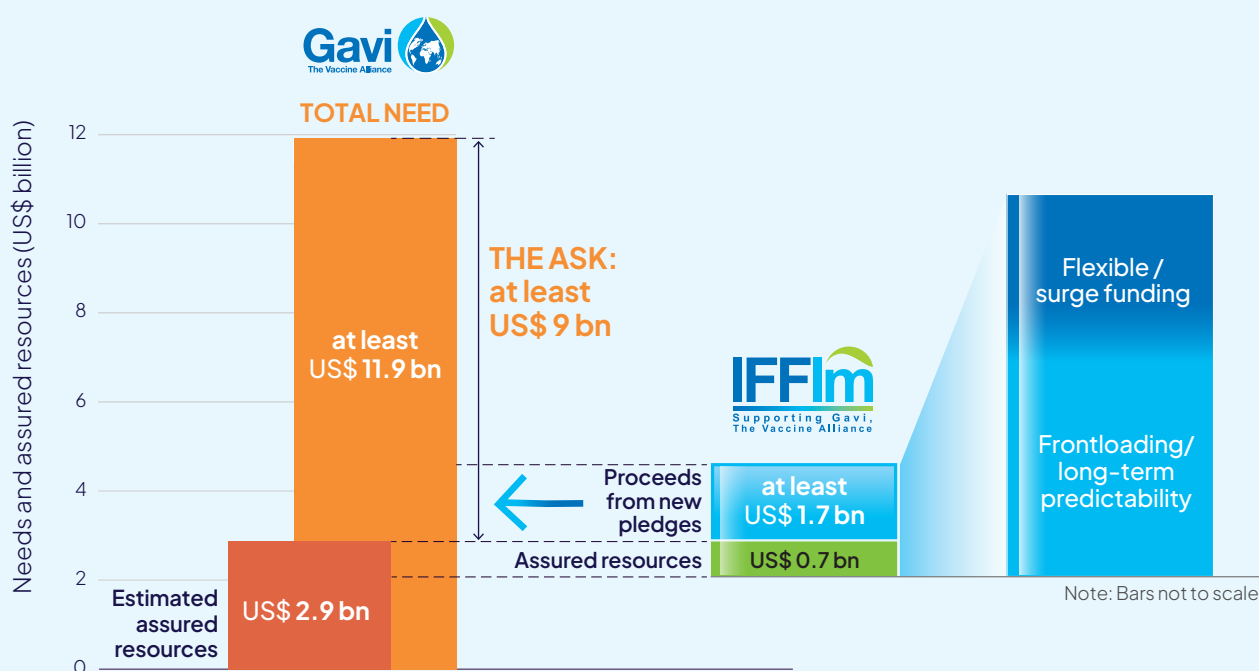
reduced its assured resources available for Gavi 6.0 to c. US\$ 655 million,<sup>13</sup> significantly lower than the US\$ 1.48 billion available at the start of Gavi 5.0. A substantial proportion of IFFIm's current pledges will mature during Gavi 6.0, decreasing its asset base and capacity to support Gavi's goals. IFFIm's

diminished capacity will constrain Gavi's core activities and compromise its ability to respond swiftly and flexibly to potential future emergencies, including outbreaks and pandemics.

Gavi's overall ask for the period is at least US\$ 9 billion. As part of this ask, Gavi is seeking new long-term pledges from donors through IFFIm, allowing it to contribute around **20% of Gavi's resource needs** for 2026–2030. Considering IFFIm's available assured resources of US\$ 655 million, IFFIm would need to generate total proceeds of **US\$ 1.7 billion** from new donor grants for the period [Figure 5]. This represents new pledges with a total value varying between **US\$ 1.9–2.5 billion** for 7- to 15-year pledges, or **US\$ 170–280 million** per year. Annex 3 (on page 18) provides additional information about pledge scenarios based on payment durations.

FIGURE 5

IFFIm's contribution to Gavi's resource needs for 2026–2030


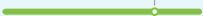





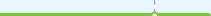











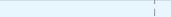

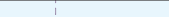


Note: Gavi's total need and ask are based on the Gavi 6.0 Investment Opportunity.

<sup>13</sup> Current forecast from the World Bank, IFFIm's treasury manager. This figure may change based on market conditions and other developments.

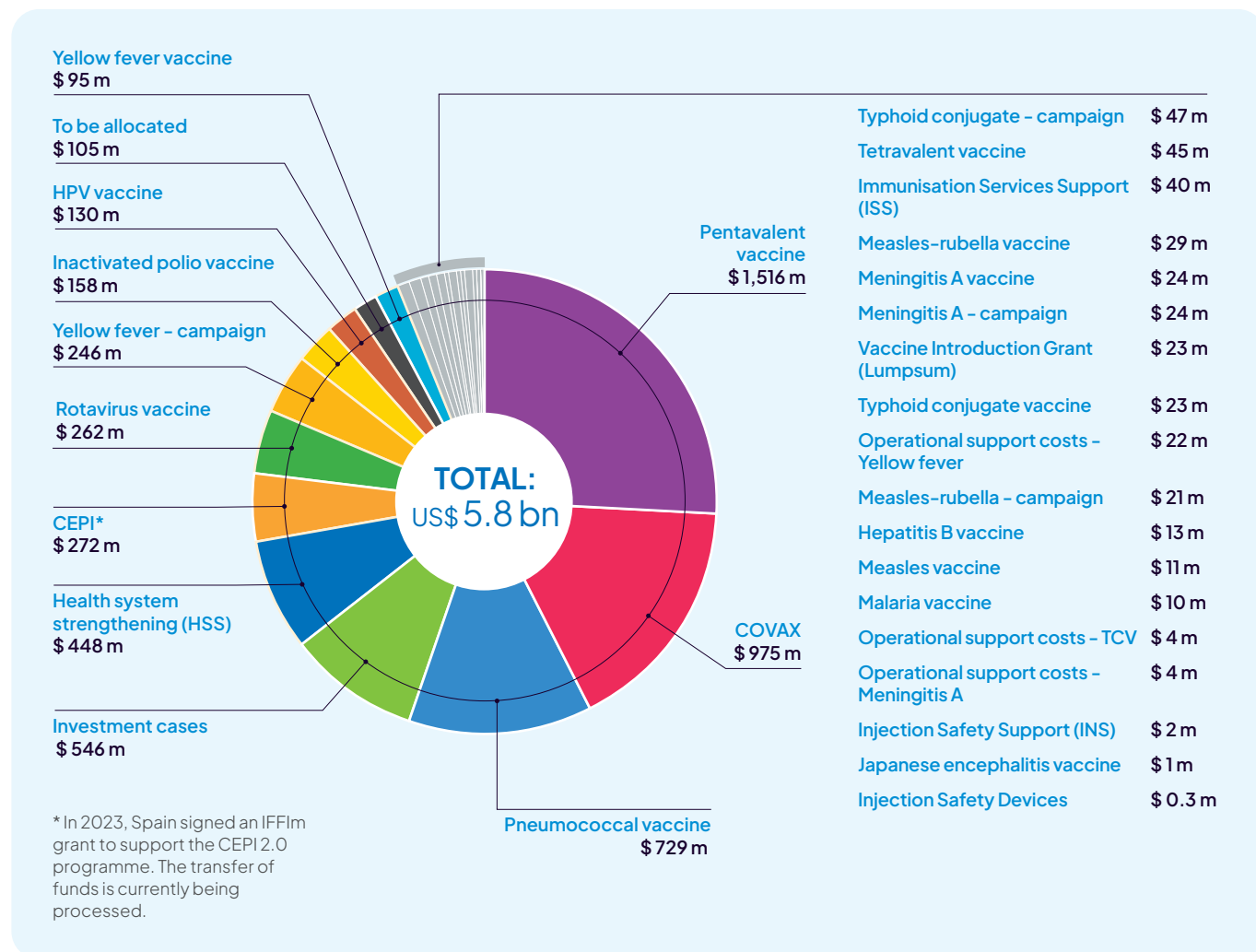
# Annexes

## Annex 1: IFFIm donors and their contributions to date

Country (S&P/Moody's/Fitch)			Amount committed (US\$ m equiv.)	Grant period	
					2024
	United Kingdom	(AA/Aa3/AA-)	4,230	2007-2029	
	France	(AA/Aa2/AA-)	1,884	2007-2026	
	Norway	(AAA/Aaa/AAA)	1,068	2006-2030	
	Italy	(BBB/Baa3/BBB)	821	2006-2030	
	The Netherlands	(AAA/Aaa/AAA)	487	2009-2030	
	Australia	(AAA/Aaa/AAA)	346	2011-2030	
	Spain	(A/Baa1/A-)	427	2006-2035	
	Sweden	(AAA/Aaa/AAA)	325	2007-2031	
	Canada	(AAA/Aaa/AA+)	92	2023-2030	
	South Africa	(BB-/Ba2/BB-)	20	2007-2026	
	Brazil	(BB/Ba2/BB)	20	2018-2037	
Total			9,720		

Notes: The figures shown represent the US\$ equivalent nominal value of the donor pledges, not their real value. The actual realised value available for frontloading will depend on the timing and amounts of drawdowns, and market conditions (time value of money) and other factors.

## Annex 2: Gavi disbursements of IFFIm funds to various programmes



## Annex 3: Pledge scenarios based on payment durations

### Additional IFFIm proceeds

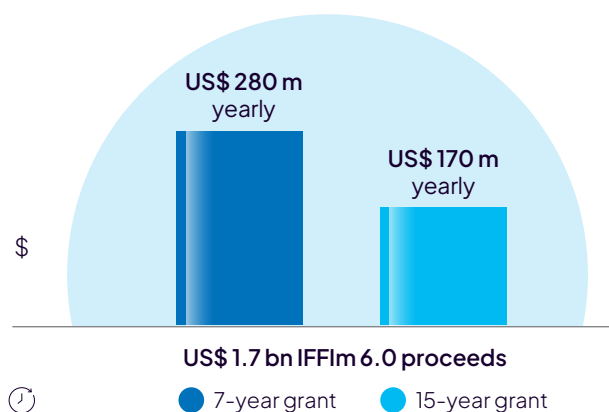


Accounting for its existing available capacity of US\$ 655 m, IFFIm would need to provide **US\$ 1.7 bn in additional proceeds for Gavi 6.0** to reach US\$ 2.4 bn in total proceeds for Gavi 6.0 (20% of Gavi's overall funding needs).

### Potential new IFFIm grants

Circa **US\$ 1.9 bn to 2.5 bn** of new donor grants depending on grant payment schedules (ie, **donor contributions**)

Aggregate annual contribution scenarios to reach the **IFFIm 6.0 proceeds level of circa US\$ 1.7 bn**



#### Note:

- 1) For illustrative purposes, we have modelled 7- and 15-year grants paid in equal annual instalments. IFFIm can accommodate payment schedules based on donors' preferences.
- 2) Assumptions: Current Gearing Ratio Limit of 72%; Market Conditions as of 15 May 2024 and First payment in 2026.



