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## Bulletin:

# International Finance Facility for Immunisation Ratings Unaffected By Outcome Of Second Gavi Replenishment

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LONDON (Standard & Poor's) Jan. 30, 2015--Standard & Poor's Ratings Services said today that its ratings and outlook on the International Finance Facility for Immunisation (IFFIm) are unaffected by the announcement on Jan. 27, 2015, of the second pledge replenishment of Gavi, the Vaccine Alliance, for 2016-2020.

The replenishment was the outcome of the Vaccine Alliance meeting, hosted by the German government. Record new pledges amounting to \$7.5 billion were made to Gavi for the next five years. Out of these, \$252 million were committed to the IFFIm for 2016-2035 (i.e. 3.4% of the total new pledges). In practice, two governments out of the nine IFFIm donor countries have made new pledges, namely France and The Netherlands, with respective contributions of \$180 million and \$72 million. In addition, Australia indicated that it may channel a portion of its new contribution of \$206 million through IFFIm.

The combined amount of these new financial commitments is somewhat lower than the amount Gavi was encouraging eligible donors to contribute through IFFIm, namely 15% of the asked for replenishment (equating to approximately \$1 billion in new pledges).

Noticeably, the U.K. has not pledged a new financial contribution to IFFIm, despite currently being the largest donor country to the facility, with committed pledges representing 47.5% of the total as of year-end 2014.

Moreover, the U.K. is the largest contributor to this Gavi replenishment, with an additional \$1.6 billion pledged directly for 2016-2020, representing more than 21% of the total new contributions to Gavi. We note, however, that through its previous commitments, the U.K. will disburse \$2.4 billion to IFFIm, which we view as a significant proportion of the total pledges.

In our view, this modest percentage of new pledges testifies to the diminishing policy importance of IFFIm for future financing of Gavi's immunisation programmes in the eyes of donor countries. Commitments previously made to IFFIm will yet lead to continuous disbursements over the period 2016-2020.

We do not assess the outcome of this second replenishment as one "in which a large proportion of Gavi pledges was made to IFFIm," which could have led us to stabilize the rating (see Outlook section of "International Finance Facility for Immunisation," published on Dec. 23, 2014, on RatingsDirect). Our outlook on the ratings on IFFIm therefore remains negative.

#### RELATED CRITERIA AND RESEARCH

##### Related Criteria

- Multilateral Lending Institutions And Other Supranational Institutions Ratings Methodology, Nov. 26, 2012
- Understanding Standard & Poor's Rating Definitions, June 3, 2009

##### Related Research

- International Finance Facility for Immunisation, Dec. 23, 2014
- France Outlook Revised to Negative; 'AA/A-1+' Ratings Affirmed, Oct. 10, 2014
- Supranationals Special Edition 2014, Oct. 8, 2014
- International Finance Facility for Immunisation Long-Term Rating Lowered to 'AA' On France Downgrade; Outlook Stable, Nov. 8, 2013

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