MOODY'S
INVESTORS SERVICE

CREDIT ANALYSIS

International Finance Facility for Immunisation (IFFIm)

Supranational

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Rating Rationale

IFFIm's Aaa/Stable long-term and P-1 short-term issuer ratings are based on the firm commitment of the donor governments to make payments to IFFIm on specified dates over periods of up to 20 years, adherence to its gearing and liquidity policies, and the involvement of the International Bank for Reconstruction and Development (IBRD or World Bank) as Treasury Manager to carry out the financial and risk management functions.

In addition to the legally-binding nature of donors' pledges, Moody's assesses commitment to IFFIm to be very strong. The likelihood that a donor will break the pledge contract is low due to strong ability to make the scheduled payments. Using government bond ratings as a proxy of ability, the weighted average government bond rating of IFFIm's donors is Aa1. Reinforcing this is donors' very strong willingness to honor pledges based on IFFIm's success in fulfilling its purpose, which is to accelerate and facilitate funding for immunizations carried out by the GAVI Alliance, to help the international community achieve the United Nation's Millennium Development Goals. Since inception, new donors have joined and there have been several instances of the original donors making additional pledges. Donors have never missed a scheduled payment to IFFIm.

IFFIm's gearing ratio and liquidity policy provide a substantial financial cushion against adverse developments in the full and timely receipt of donor payments. There are two sources of potential reduction in donors' scheduled pledge payments: a donor fails to comply with the contract or the high-level financing condition which systematically and automatically reduces scheduled payments when recipient countries are in arrears with the IMF. To ensure that there are sufficient funds to repay bondholders despite these risks, IFFIm monitors and limits its indebtedness through a gearing ratio and adheres to a liquidity policy which requires that liquid assets equal one year's debt service. As of September 2011, the actual gearing ratio came to 43.8% and liquid assets were 1.6X the prudential minimum at end-2010.

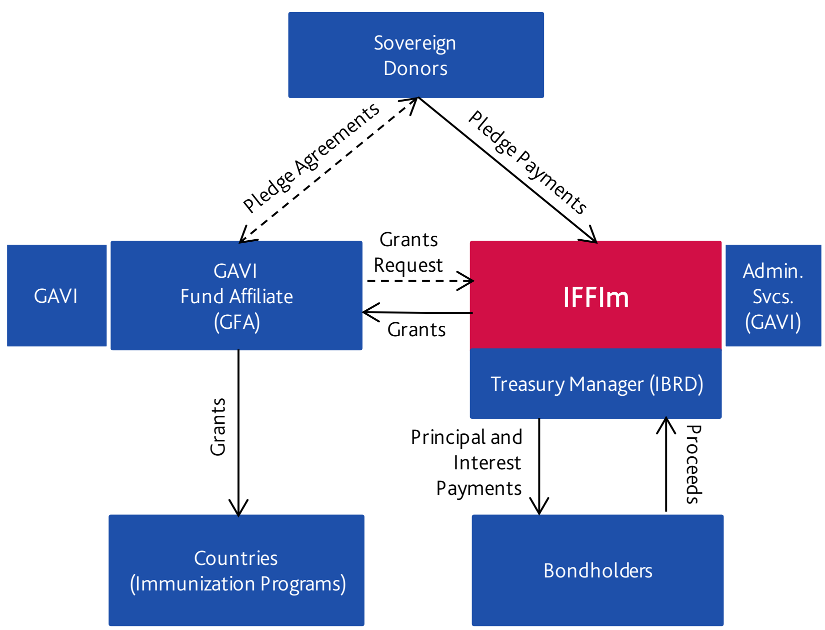
The World Bank's role as the Treasury Manager in helping to establish these prudent policies and effectively monitor the underlying risks and make adjustments when necessary, is a key factor in IFFIm's Aaa rating. As an innovation in financing, IFFIm started as an untested structure. The World Bank's capacity, experience, and proven track record of timely debt servicing brings a necessary institutional strength to the structure.

Organization Structure

IFFIm is a multilateral development institution[1] created in 2006 as a financing tool to accelerate and facilitate funding for immunizations carried out by the GAVI Alliance (GAVI)[2], to help the international community achieve the Millennium Development Goals. IFFIm serves as an additional funding vehicle for GAVI-approved programs and does not have any operations other than making grants to the GAVI Fund Affiliate (GFA) to finance programs in the world's poorest countries[3]. IFFIm has no employees and therefore receives administrative support from GAVI and its financial affairs – including risk management – are conducted by the Treasury of the International Bank for Reconstruction and Development (IBRD or Treasury Manager). IFFIm is incorporated as a private company, registered as a charity in England and Wales, and is governed by its own board of directors.

GFA is the intermediary through which all funds are transferred between GAVI and IFFIm. Sovereign donors enter into pledge agreements with GFA, setting a total amount to be paid according to a schedule over a set time period. GFA grants IFFIm the right to receive the cash as it comes in and IFFIm uses this right to future cash flows to access the international debt markets. The proceeds from IFFIm's bond issues are channeled through GFA to GAVI-approved immunization programs in the form of grants. IFFIm uses the cash from scheduled donor payments to service debt and cover operating expenses. Repayment of IFFIm debt will have priority over funding for immunizations, and the Treasury Manager is authorized to delay program funding in order to repay debt obligations.

FIGURE 1
Stylized Representation of IFFIm's Structure



1 The Basel Committee on Banking Supervision's Newsletter No. 10 in October 2006 stated that supervisors may allow banks to apply a 0% risk weight to claims on IFFIm in a similar way as an MDB, in accordance with paragraph 59 of the document *International Convergence of Capital Measurement and Capital Standards, A Revised Framework*, June 2004 (Basel II Framework).

2 A charity established in 2000. As a public-private partnership, GAVI's donors are governments, corporations, foundations, and private individuals.

3 The world's poorest countries are defined as those with per capita GDP of less than USD1,000. Seventy countries are eligible to apply for immunization programs with GAVI.

Since grants bear no credit risk, Moody's analysis of IFFIm is different from the analysis of other supranationals in which loan portfolio quality is integral. Instead, Moody's focuses on the risks – and management of risks – associated with reductions in donor's scheduled payments, which could affect IFFIm's ability to service debt.

Sovereign Donors

Sovereign commitments to GFA are legally valid, binding, and enforceable payment obligations. The six original donor governments to IFFIm were the United Kingdom, France, Italy, Spain, Sweden, and Norway. Since inception, four donors pledged additional amounts and three new donors finalized pledges. Figure 2 breaks down the USD6.3 billion in total commitments by donor but does not include Brazil's new pledge of USD20 million over 20 years made in June 2011 as it is still in the parliamentary approval process. Also not included in this table is the UK's pledge to match Italy's and Brazil's new pledges made in 2011.

FIGURE 2

Sovereign Donors and Pledges as of December 2011

	Date		Time Period (Years)	Amount (USD mil)	Share of Total Pledges	Rating** as of Dec 5, 2011
United Kingdom	Oct 2006	*	23	2,980	47.5	Aaa
France	Oct 2006	*	20	1,720	27.4	Aaa
Italy	Oct 2006	*	20	635	10.1	A2
Norway	Oct 2006	*	15	265	4.2	Aaa
Australia	June 2011		20	256	4.1	Aaa
Spain	Oct 2006		20	240	3.8	A1
Netherlands	Dec 2009		8	114	1.8	Aaa
Sweden	Oct 2006		15	38	0.6	Aaa
South Africa	Mar 2007		20	20	0.3	A3
				6,268		

* Additional pledge made by UK in August 2010; France in December 2007; Italy in November 2011; and Norway in August 2010.

** Government bond rating.

Source: IFFIm and Moody's

The two largest donors, the UK and France, pledge 75% of the total. This concentration of pledges may come down – although not significantly – as new or additional pledges are made and the total pledged amount reaches the target figure of USD7.0 billion.

Conditionality of Donors' Pledge Payments

Under Eurostat accounting rules, if the payment obligations of the donors were unconditional the total pledge would have to be recognized all at once as a liability on donor's accounts. In order for the donors to not have to report their entire pledge to GFA as a liability immediately upon making the pledge, a high-level financing condition (also referred to as the Grant Payment Condition) was added. This conditionality does not alter the legally binding nature of the commitments.

The condition is that if any of the 70 countries eligible for GAVI programs goes into protracted arrears with the IMF (i.e. more than six months), the amount of the donor disbursements to IFFIm will be reduced by a predetermined amount during the time that the country remains in arrears. If the country becomes current again, the donor payments will resume according to the original schedule. The Treasury Manager determines the reduction and coordinates the reduced payments from the donors on IFFIm's behalf.

For all but eight of the countries, the reduction would be 1% of scheduled grants. For Vietnam the reduction would be 3% and for Bangladesh, DR Congo, Ethiopia, India, Indonesia, Nigeria, and Pakistan, 5%. As a result, if enough countries were in arrears to the IMF at the same time, the amount of the payments to IFFIm could in some circumstances be less than the amount needed to service debt – depending on the actual amount of debt that had been issued and scheduled debt service payments at the time.

Donor Commitment

Given IFFIm's structure and grant operations, the focus of Moody's analysis of its creditworthiness is the likelihood that donor pledges will fall short of what was originally contracted, thus potentially hampering its ability to service debt. A reduction in the amount paid in could result from either a donor breaking its contract with GFA or a substantial number of recipient countries going into arrears with the IMF causing significant reductions in donor payments via the high-level financing condition. The former is discussed in this section, while the latter is discussed in the "Gearing Ratio and Limit" section below.

Moody's views the likelihood that a donor would break its contract with GFA to be very low due to not only the legally-binding nature of the pledges, but also the very strong commitment of the donors. Incorporated in the determination of commitment are measures of donors' ability and willingness to honor pledges.

Legality of Pledges

Each donor signs an unconditional and irrevocable Grant Agreement with GFA which specifies the total commitment and the payment schedule. Each Grant Agreement is supported by a legal opinion stating it is indeed legal, valid, binding, and enforeceable.

Ability to Honor Pledges

The ability of the donors to honor the commitment can be measured using Moody's government bond ratings, which assess the expected loss an investor may face when holding debt obligations issued by the sovereign. As bonds represent contracts that the sovereign enters into and commits to paying cash (interest and principal) on a set schedule, Moody's views the government bond ratings as a good proxy and applicable to IFFIm's case. As of December 5, 2011, the weighted average donor rating is Aa1; historically, issuers rated at this level had a default rate of 0.81% at the 20-year horizon[4]. However, the two largest donors, the UK and France, are both rated Aaa. Given that the combined pledges of these two sovereigns represent 75% of total pledges, any reduction in scheduled payments from either would impact IFFIm more than reduced payments from the other donors. The historical default rate associated with a Aaa rating is 0.18%, also at the 20-year horizon. Whether looking at all donors or just the two largest, the very low default rates indicate a very high likelihood that IFFIm will receive the pledges as promised from the sovereign donors with no, or minimal, reductions.

[4] Moody's, *Corporate Default and Recovery Rates 1920-2010*, Exhibit 36, February 28, 2011.

In addition, the annual commitment for each donor is small in the context of the government's total budget. For example, the British government's commitment, while varying by year, averages around GBP80 million annually. This is a small amount given the total UK budget, with revenues of around GBP590,000 million and expenditures of around GBP735,000 million in 2010. Similarly, France's annual commitment to IFFIm represents an extremely small portion of the total annual budget at around 0.006% of revenues and expenditures, separately. It seems unlikely that given the relative affordability of the annual amounts there would be a sudden move against immunizing children.

Willingness to Honor Pledges

Moody's sovereign bond rating methodology includes an assessment of the quality of the institutions in the country. This includes elements like rule of law, a measure of how strong is the upholding of contracts. Sovereigns rated Aaa often have the highest quality institutions, relatively. Six of the donors to GFA have government bond ratings of Aaa, representing 86% of total pledges. The average rule of law score[5] for the Aaa-rated donors is 1.79 and of all donors is 1.38, scoring very high on the -2.50/+2.50 scale. This is an indication that the willingness of the donors – based solely on the fact of the contract – to honor the commitment to GFA is very strong. As such, the likelihood that a change in government would result in a reduction (or cancellation) of payments owed to IFFIm is very small. This was demonstrated during the UK's change in government in May 2010 which did not lead to a diminished commitment to IFFIm by the government – Prime Minister Cameron re-affirmed its full pledge to IFFIm despite enacting significant spending cuts.

With IFFIm, as with all supranationals, willingness is also assessed in light of the importance of the institution to the donor. A very strong willingness to support an institution could potentially trump a sovereign's weaker ability. Regional multilateral development banks, as enactors of public policy, often have strong economic importance to its sovereign members. This is not the case for IFFIm since GAVI is a charity organization and all immunization programs are located exclusively in non-donor countries. Therefore, the importance to the donors rests on the importance of the charity mandate and its ability to fulfill that mandate. GAVI – and its financing through IFFIm – is an integral part of United Nations Millennium Development Goals Target Four, which is to reduce the incidence of mortality among children less than five years of age by two thirds by 2015. The likelihood that a donor would abandon this goal once they've committed to it is very small, not just because of the gravity of the goal, but also because of the negative political development stemming from a lawsuit over failure to honor commitments to fund immunization.

In addition, there are no serious questions as to IFFIm's role in helping to reach this goal. Recent independent reviews separately commissioned by several different stakeholders spoke positively about IFFIm's effectiveness in accelerating and facilitating funding for GAVI. GAVI's disbursements for immunization programs have more than doubled from USD300-400 million each year before IFFIm to USD900 million as a result of IFFIm.

As a result of very strong willingness, all sovereign donors may have a stronger commitment than what is indicated by the sovereign bond rating that Moody's uses as a proxy for ability to honor the pledge.

[5] World Bank, Worldwide Governance Indicators, 2010.

Treasury Operations and Risk Management

A key credit strength of IFFIm's is its very strong treasury management services conducted by the World Bank, which follows very prudent debt and liquidity guidelines in line with the overarching mandate stated specifically in the establishing documents that debt issuance must be rated Aaa. This explicit framework to guide the treasury management function results in very conservative policies and practices.

World Bank Treasury Involvement

IFFIm's financial management function is provided by the IBRD Treasury under the rules set forth in the Treasury Management Agreement (TMA). As such, there is active management of cash flows, investments, and disbursements by a historically strong institution. During 2011, the original 5-year TMA was re-signed by IFFIm and the IBRD Treasury for another 5-year period.

The IBRD's financial management is very strong and is one factor in its own Aaa rating and a strong supporting factor of IFFIm's Aaa rating. Its involvement in establishing and managing IFFIm's gearing ratio, liquidity policy, and the maturity structure of the debt provides confidence that debt repayments will be made on time. As detailed in the following section, the Treasury Manager has flexibility in delaying disbursements for programs and in cutting back on further debt issuance in order to be within the desired gearing ratio and to maintain liquidity according to the established policy. Furthermore, it has, perhaps more than any other organization, a sense of the credit quality of recipient countries. It will be able, therefore, to adjust IFFIm's financial metrics in advance of the time when the reduction in donor's scheduled payments potentially endangers debt repayment capacity.

Asset/Liability Management

As IFFIm's Treasury Manager, the IBRD Treasury carries out the asset/liability management, namely the management of IFFIm's market risk stemming from foreign exchange rate and interest rate risks. Almost all sovereign pledges are denominated in local currency and not United States dollar[6] and some bonds outstanding are denominated in other currencies. In addition, interest rate fluctuations can impact the value of sovereign pledges and bonds. To hedge the risk that fluctuations in foreign exchange rates will impact cash flows and interest rate fluctuations will adversely affect the value of its assets and liabilities, IFFIm enters into USD floating rate swaps. Counterparty risk is low, as the swap contracts are with the World Bank.

Gearing Ratio and Limit

IFFIm will issue bonds of up to USD4 billion – less if total commitments do not reach the target level of USD7.0 billion. Moody's deems it unlikely that reductions in donor's scheduled payments would occur to the extent that IFFIm's ability to service debt would be jeopardized. An additional factor supporting this view is the Treasury Manager's oversight of this risk by monitoring and setting a limit on IFFIm's gearing ratio.

The gearing ratio is defined as Net Debt/Present Value of Donor Pledges[7]. At end-2010 it was 40.6% and had increased further to 43.8% by September 2011. The ratio has gradually increased from 20.0% at end-2006 and will continue to increase to close to the guiding limit of around 70%, as set by the trustees. This is a natural evolution of the ratio as intended by IFFIm's structure, which frontloads bond issuance for immediate immunization impact while the sovereign pledges are paid in gradually over IFFIm's life.

[6] As of November 30, 2011 only South Africa's pledge is denominated in USD.
[7] Debt is net of cash holdings.

It is important to note that despite the existence of a maximum level, the Treasury Manager is under no obligation to reach that level. The Treasury Manager is obligated to follow restrictions set forth in the Finance Framework Agreement[8] which state that IFFIm may not make borrowings that aren't Aaa-rated to fund immunization programs and that IFFIm may not approve funding of new programs unless it is Aaa rated by at least two credit rating agencies (Sections 5.2.2 and 5.2.3, respectively).

To that end, the IBRD Treasury models the risks associated with reductions in donor's scheduled payments, either stemming from recipient countries going into arrears with the IMF or due to donor "default" on the pledge contract with IFFIm. The model builds in the risk of either reduction source and can be adjusted as risks increase, with the ultimate goal of minimizing the potential that a shortfall in cash inflows would prevent the timely payment of debt obligations (as reflected in a Aaa bond rating).

The limit on the gearing ratio provides a cushion such that net debt[9] will never exceed the present value of cash inflows from donor's scheduled pledge payments. The cushion would account for 30 1%-reduction countries going into arrears with the IMF, or six of the seven 5%-reduction countries, or some combination. This would be unprecedented, based on the historical record.

IMF Arrears Historically Low

At present, three countries (Somalia, Sudan, and Zimbabwe) have protracted arrears. During the past 36 years (since 1975), there have been an average of 5 of these 70 countries with protracted arrears at any one time, of which only one (Vietnam in the 1980s and through 1993) would trigger a reduction in payments of more than 1% per country. The highest number of countries in arrears in any single year was 11 in both 1988 and 1989, when Vietnam was one of the countries. Therefore, in those two years, the reduction in donor payments would have been 13% from the committed amounts had IFFIm existed.

It is notable that after a period of 11 years through 1994, when the number of countries in arrears averaged 10, there has been a considerable reduction to the current level of three. Also, none of the countries that would trigger a 5% reduction in payments has ever been in protracted arrears. Going forward, it seems likely that the number of countries going into arrears will remain low, in part because of the debt relief granted in 2005 to more than thirty of the most heavily indebted countries. In addition, the global financial crisis of 2008-09 was largely an advanced industrial crisis and although there was an eventual spillover to the global macro economy, the 70 countries in consideration here were relatively financially insulated. Going forward, Moody's expects that these countries should retain a similar level of financial insulation in the event that the European sovereign debt crisis were to cause another global recession.

In Moody's view, the strength of the gearing ratio limit is not only a function of how well the risks are modeled in order to set the limit, but a function of the flexibility of the limit to account for increasing risks, and, more importantly, the flexibility for the Treasury Manager to delay debt issuance and grant disbursements to GFA in respect of the gearing ratio limit. If the Treasury Manager believes that a large number of countries will go into arrears or that donor's finances are facing stress which would hinder ability to pay in according to schedule, it could halt further debt issuance as well as not approve further GFA grants until such time that the gearing ratio falls comfortably below the guiding limit. This institutionalized priority on timely debt servicing plays a large role in IFFIm's Aaa rating.

[8] Agreement entered into by the initial sovereign donors, IFFIm, the GAVI Fund, the GAVI Fund Affiliate, and the Treasury Manager.

[9] Net of cash holdings.

Liquidity

As stated by IFFIm, its liquidity policy aims to ensure an adequate level of liquid assets in order to meets its operational requirements, provide predictability of program funding, and support its Aaa credit rating. To this end, the policy sets a prudential minimum level of liquidity equivalent to its cumulative contracted debt service payments for the next twelve months, in line with the liquidity policies of other highly-rated supranationals. The Treasury Manager recalculates and resets the prudential minimum once every quarter. Moody's considers this policy to be very strong as it would ensure the ability to service debt for one year in the (unlikely) event that IFFIm is completely cut off from the markets and unable to rollover existing debt.

IFFIm has consistently held more liquid assets than the prudential minimum set by the policy. At the end of 2010, the prudential minimum was USD1 billion while holdings were USD1.6 billion. For the four-year period 2007-2010, the actual liquid asset holdings were an average 3.3X greater than the prudential minimum.

The Treasury Manager invests liquid assets on IFFIm's behalf following very conservative guidelines which are guided by preservation of capital rather than earnings goals and are similar to the IBRD's own guidelines:

» Money market instruments issued or guaranteed by financial institutions rated A3 or higher
» Foreign currency government and agency obligations rated Aa3 or higher
» Local currency government obligations carry no rating minimum
» Agency or instrumentality of a government, multilateral organization, or other official entity rated Aa3 or higher
» Asset-backed securities must be rated Aaa
» Corporate securities must be rated Aaa

At end-2010, 36% of liquid assets were invested in instruments or securities rated Aaa and 62% in those rated in the Aa category. Euro area exposure (both sovereign and bank) is low at under 22% of the total portfolio and is primarily to Germany with some investments in France and the Netherlands; there is no exposure to the peripheral euro area.

IFFIm's investment guidelines are slightly more conservative than the IBRD's own guidelines in that holdings are even shorter in maturity. The weighted average maturity of securities holdings is 9.4 months and the average maturity of deposits is three weeks.

Borrowing Program

IFFIm's borrowing program can be characterized as modest in size and diversified. By end November 2011, total bond issuance amounted to USD3.6 billion[10] with most of that issued in 2006, 2009, and 2010 (around USD1.0 billion, 1.1 billion, and 0.85 billion, respectively). Issuance during 2011 was low at around USD400 million and is likely to remain around that level in 2012 but expected to be higher in 2012 at around USD1.0 billion. Bonds are issued in five markets: Uridashi, Sterling, USD, AUD, and the private placement market. IFFIm bonds are well received in the deep Uridashi market and it has returned to it repeatedly. In order to hedge currency and interest rate risk, all bonds are swapped at issuance into USD floating rate.

[10] As compared to USD700 million paid in so far from donor's pledges, which exemplifies IFFIm's structure to frontload bond issuance now based on long-term donor pledges paid in over time.

Despite having a sovereign donor base that is almost entirely European and including several euro area members, IFFIm has been able to maintain its very low borrowing rates (Libor minus) throughout the ongoing European sovereign debt crisis. In fact, since August 2011, spreads have tightened more, perhaps as a result of flight to quality as investors reduce their exposure to the euro area. This compares favorably to other European supranationals and can be largely attributed to the reputational benefits of having the World Bank as its Treasury Manager (IFFIm's borrowing costs are similar to the World Bank's). Moody's views it unlikely that there will be a dislocation in IFFIm's market access, but the liquidity policy discussed above provides additional protection to bondholders in the event that the crisis worsens and the markets no longer distinguish IFFIm from other European issuers.

Rating History

International Finance Facility for Immunisation (IFFIm)

	Issuer Rating		Senior Unsecured	Outlook	Date
	Long-term	Short-term			
Rating Assigned	--	P-1	Aaa	Stable	November-06
Rating and Outlook Assigned	Aaa	--	--	Stable	October-06

Annual Statistics

International Finance Facility for Immunisation (IFFIm)

Balance Sheet (US$ thousands)	2006 [1]	2007	2008	2009	2010
ASSETS					
Cash	499	667	392	772	2,442
Funds held in trust	498,682	96,520	145,362	1,082,285	1,565,302
Prepayments	498	469	442	396	424
Derivative financial instruments	--	--	40,667	326,648	460,740
Sovereign pledges	2,149,262	2,976,828	2,741,183	2,882,103	3,171,579
o/w due within one year	60,209	127,048	130,706	150,424	163,588
o/w due after more than one year	2,089,052	2,849,780	2,610,477	2,731,679	3,007,991
TOTAL ASSETS	2,648,940	3,074,485	2,928,045	4,292,204	5,200,487
LIABILITIES					
Creditors falling due within one year	3,525	2,768	12,691	267,490	1,079,932
Creditors falling due after more than one year	1,006,958	1,043,078	1,255,486	2,345,259	2,330,046
Grants payable to GAVI Fund Affiliate	336,341	94,125	146,606	437,064	517,064
Derivative financial instruments	71,965	106,762	--	305,048	320,270
TOTAL LIABILITIES	1,418,788	1,246,733	1,414,783	3,354,861	4,247,312
NET ASSETS/RESTRICTED FUNDS	1,230,152	1,827,752	1,513,262	937,343	953,175
TOTAL LIABILITIES AND RESTRICTED FUNDS	2,648,940	3,074,485	2,928,045	4,292,204	5,200,487

[1] IFFIm was incorporated on June 26, 2006.

International Finance Facility for Immunisation (IFFIm)

Income Statement (US$ thousands)	2006 [1]	2007	2008	2009	2010
INCOME					
Contribution revenue	2,109,970	679,709	0	87,137	401,608
Donated services	1,084	105	171	842	835
Investment and interest income	3,602	16,675	4,501	10,773	5,670
TOTAL INCOME	2,114,656	696,488	4,672	98,752	408,113
EXPENSES					
Programme grants to the GAVI Fund Affiliate	861,090	186,053	325,120	620,485	400,000
Treasury manager's fees	1,903	1,298	1,779	1,965	2,212
Governance costs	1,595	2,160	2,786	2,985	2,934
Interest on bonds	8,141	50,000	65,344	110,554	132,437
Other financing charges	--	245	3,877	8,091	6,586
TOTAL EXPENSES	872,729	239,756	398,906	744,080	544,169
SURPLUS BEFORE FAIR VALUE	1,241,928	456,732	-394,234	-645,328	-136,056
FAIR VALUE GAINS (LOSSES)					
Net fair value gains (losses)	-11,924	140,405	78,688	70,664	150,663
On pledges & pledge swaps	-10,442	140,322	23,567	-9,522	18,074
On bonds & bond swaps	-1,481	83	55,121	80,186	132,589
Other unrealised FX gains	148	463	1,057	-1,255	940
On interest rate overlay swap	--	--	--	--	285
TOTAL FAIR VALUE GAINS (LOSSES)	-11,776	140,868	79,745	69,409	151,888
SURPLUS FOR YEAR	1,230,152	597,600	-314,489	-575,919	15,832

[1] IFFIm was incorporated on June 26, 2006.

International Finance Facility for Immunisation (IFFIm)

Financial Ratios	2006 [1]	2007	2008	2009	2010
LIQUIDITY (%)					
Liquid Assets/Total Assets	18.8	3.2	5.0	25.2	30.1
Liquid Assets/Total Liabilities	35.2	7.8	10.3	32.3	36.9
Liquid Assets/Debt	49.4	9.3	11.5	41.5	46.0
Liquid Assets/Prudential Minimum (X) [2]	12.5	2.0	5.1	4.6	1.6
CAPITAL ADEQUACY (%)					
Sovereign Pledges due after more than one year/ Financial liabilities falling due after more than one year	207.5	273.2	207.9	116.5	129.1
Restricted Funds/Grants Payable to GAVI	365.7	1941.8	1032.2	214.5	184.3
Gearing Ratio [3]	20.0	35.5	33.1	40.9	40.6

[1] IFFIm was incorporated on June 26, 2006.

[2] IFFIm maintains a prudential minimum level of liquidity equivalent to its cumulative contracted debt service payments for the next twelve months.

[3] Net debt as percent of the present value of donor pledges; guiding maximum is around 70%.

Moody's Related Research

Analyses:

» IBRD (World Bank), February 2011 (131436)

» Australia, Government of, April 2011 (132834)

» France, Government of, October 2011 (135588)

» Netherlands, Government of, November 2011 (137328)

» Norway, Government of, July 2011 (134559)

» South Africa, Government of, June 2011 (133771)

» Spain, Government of, March 2011 (131724)

» Sweden, Government of, October 2011 (136158)

Credit Opinions:

» Brazil, Government of

» Italy, Government of

» United Kingdom, Government of

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Websites

For additional information, please see the following websites:

» IFFIm: www.iffim.org

» IBRD (World Bank): www.worldbank.org

» GAVI Alliance: www.gavialliance.org

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