



THE WORLD BANK

IFFIm

SUPPORTING
GAVI

The International Finance Facility for Immunisation (IFFIm)



Bringing together capital market investors and children in the world's poorest countries. **Both benefit.**

INNOVATIVE FINANCE

The challenge



In the developed world, protection from disease through immunisation is taken for granted. But every year in poorer countries, some 23 million children miss out on vaccinations against the most common diseases, making them vulnerable to sickness, disability and death.

Every year, about 1.7 million children die from easily-preventable diseases such as diphtheria, pneumonia, diarrhoea and yellow fever – a massive and inexcusable loss of human potential.

One of the main reasons for this global failure is a lack of predictable funding that allows developing countries to plan and implement programmes to protect and improve their children's health.



“A child’s access to life-saving vaccines too often depends on where he or she lives in the world. Vaccines taken for granted in rich countries still don’t get to millions of children in the developing world. This is a solvable problem.”

Melinda Gates
The Bill & Melinda Gates Foundation

The solution



The International Finance Facility for Immunisation (IFFIm) exists to rapidly accelerate the availability and predictability of funds for immunisation.

The funds raised by IFFIm are used by the GAVI Alliance, a public-private partnership working to reduce vaccine-preventable deaths and illness among children under five.

The GAVI Alliance provides funds to purchase and deliver vaccines and strengthen health services in the world's poorest countries.

The resources raised by IFFIm help GAVI accelerate immunisation and health programmes to save lives and protect people's health against disease.



"IFFIm is building a remarkable bridge between investors and children in the world's poorest countries. It has enabled us to double our spending on immunisation and health services."

David Ferreira
Managing Director for Innovative Finance, GAVI Alliance

How IFFIm works



IFFIm's donors are the United Kingdom, France, Italy, Norway, Australia, Spain, the Netherlands, Sweden and South Africa, which together have pledged more than US\$ 6.2 billion to IFFIm over 23 years.

This strong financial base enables IFFIm to have a AAA /Aaa /AAA rating from the three major rating agencies.

IFFIm raises finance by issuing bonds in the capital markets and so converts the long-term, legally binding government pledges into immediately available cash resources. The government pledges are used to repay the IFFIm bonds.

The World Bank is the treasury manager for IFFIm.

From 2006 to March 2011, IFFIm has raised US\$ 3.4 billion from institutional and individual investors at an average interest cost of 1.2%.



"IFFIm's investors can measure their return not only in terms of a market-based interest rate but also the lives they have helped save from vaccine-preventable diseases."

Alan Gillespie
IFFIm Board Chair



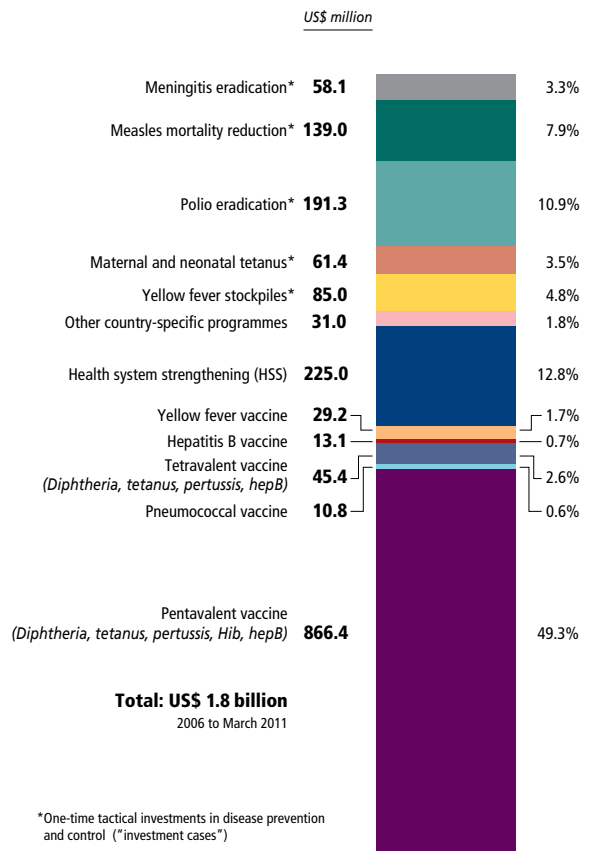
Results

GAVI has led the effort to vaccinate more than 288 million children in the past decade, saving more than five million lives.

This would not have been possible without IFFIm. Since IFFIm began in 2006, through 2010, IFFIm funding has allowed GAVI to double its expenditures on vaccine and health programmes. In total, US\$ 1.8 billion has already been disbursed to support vaccine purchase and delivery for more than 70 developing countries.



GAVI disbursements of IFFIm funds



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The benefits of IFFIm are illustrated by the use of US\$ 535 million in proceeds from IFFIm bonds to fund tactical purchases in special disease areas, known as “investment cases.” This helped prevent 1.4 million deaths from yellow fever, polio and measles. Such dedicated funding also played a significant role in combating 600,000 cases of meningitis and maternal and neonatal tetanus.

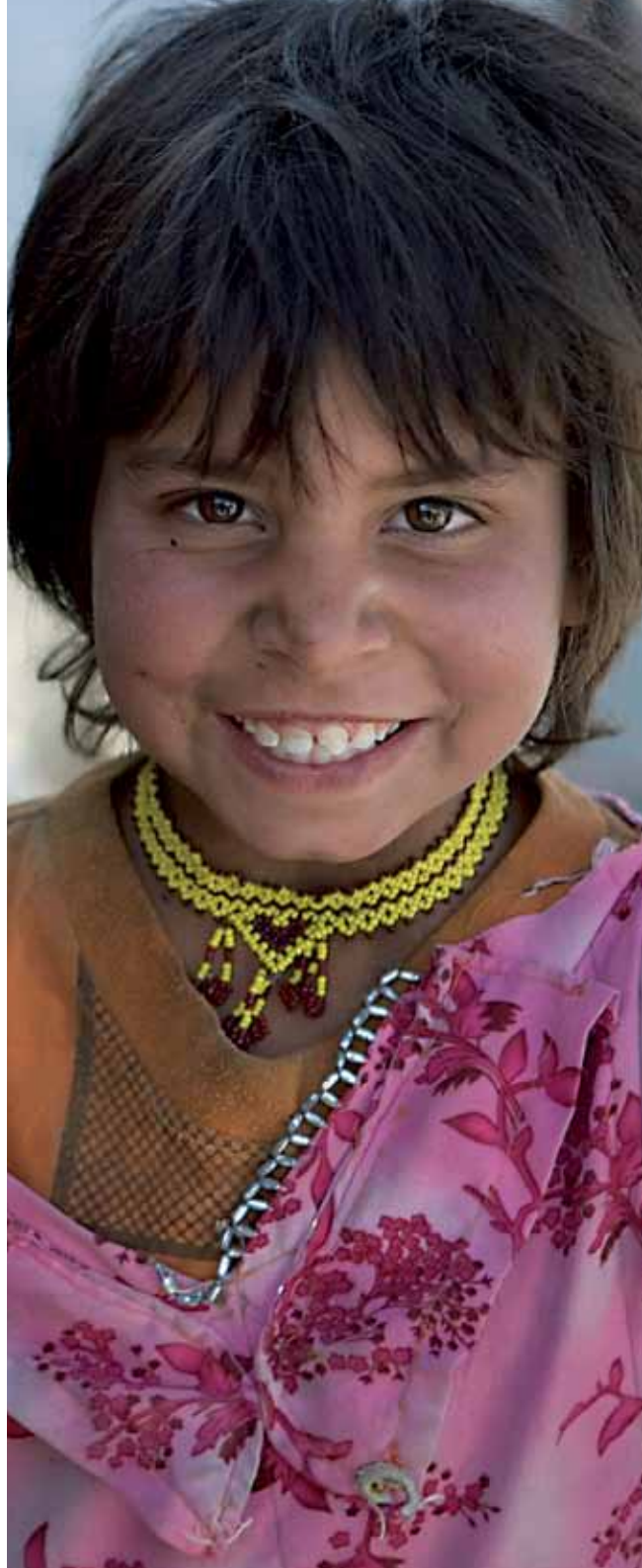
In addition, IFFIm has been instrumental in helping GAVI fund breakthrough vaccines quickly and securely. For instance, IFFIm financed more than 90% of the guaranteed payment to UNICEF to secure initial doses of pentavalent, a single shot of which immunises against five infectious diseases: diphtheria, tetanus, pertussis, *Haemophilus influenzae* type B (Hib) and hepatitis B.

GAVI could not have made that commitment, including up-front cash payments, without its ability to rely on long-term, stable funding from IFFIm.

For further information please visit www.iffm.org

“Supporting children’s immunisation is undoubtedly the best investment we’ve ever made.”

Bill Gates
The Bill & Melinda Gates Foundation





The GAVI Alliance is a public-private global health partnership committed to saving children's lives and protecting people's health by increasing access to immunisation in poor countries. The Alliance brings together developing country and donor governments, the World Health Organization, UNICEF, the World Bank, the vaccine industry in both industrialised and developing countries, research and technical agencies, civil society organisations, the Bill & Melinda Gates Foundation and other private philanthropists.

Since it was launched at the World Economic Forum in 2000, GAVI has prevented more than five million future deaths and helped protect 288 million children with new and underused vaccines.

www.gavialliance.org



THE WORLD BANK

The World Bank manages IFFIm's funding strategy, implementation in the capital markets, rating agency and investor outreach, hedging transactions and investment management. The World Bank also coordinates pledges and payments with IFFIm's donors as well as IFFIm's disbursements for immunisation and health programmes through the GAVI Alliance. In effect, the market views IFFIm – whose bonds are rated triple A – as having a risk profile in the same category as the World Bank and other multilateral development agencies. This has provided IFFIm with the ability to raise funds at excellent pricing.

www.worldbank.org



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