



International Symposium

Challenges in Global Health: New Opportunities for the Private Sector

27th July 2010

Leveraging Financial Capability for Immunization

~ IFFIm “Vaccine Bonds” proves opportunities for the financial sector ~

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Daiwa
Securities

What is IFFIm?

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- The International Finance Facility for Immunisation (IFFIm) was initiated in 2006 to rapidly accelerate the availability and predictability of funds for immunisation.
- IFFIm sells bonds on the capital markets to raise funds for the GAVI Alliance, a public-private partnership which works to save children's lives and protect people's health by increasing access to vaccination in developing countries.
- IFFIm has been rated AAA /Aaa /AAA by Fitch Ratings, Moody's Investor Service and Standard & Poor's, based on support from the United Kingdom, France, Italy, Spain, the Netherlands, Sweden, Norway and South Africa. Australia has pledged to join in the near future.

出所: IFFIm http://www.iff-immunisation.org/pdfs/update5_ENG.pdf

How Does IFFIm Operate?


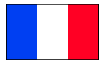







出所: 大和証券グループ主催セミナー「世界の子供たちを救う国際活動～ワクチン債が支える予防接種～」より (2009年1月16日開催)

<http://www.daiwatv.jp/kouen/seminer/090116/index.html>

IFFIm Donors

Governments have entered into long-term legally binding grant agreements; and IFFIm has been constructed to accommodate additional donors

	Donors	Rating	Grant Amount	
	United Kingdom	AAA/Aaa/AAA	£1,380.0 mm	} US\$ 5.2 bn
	Republic of France	AAA/Aaa/AAA	€1,239.96 mm	
	Republic of Italy	AA-/Aa2/A+	€473.5 mm	
	Kingdom of Spain	AAA/Aaa/AAA	€189.5 mm	
	Kingdom of Sweden	AAA/Aaa/AAA	SEK 276.1 mm	
	Kingdom of Norway	AAA/Aaa/AAA	US\$27.0 mm	
	Republic of South Africa	BBB+/Baa1/BBB+	US\$20.0 mm	

Source: IFFIm presentation for “Vaccine Seminar 2009” (organized by Daiwa Securities on 16th January 2009)

<http://www.daiwatv.jp/kouen/seminer/090116/index.html>

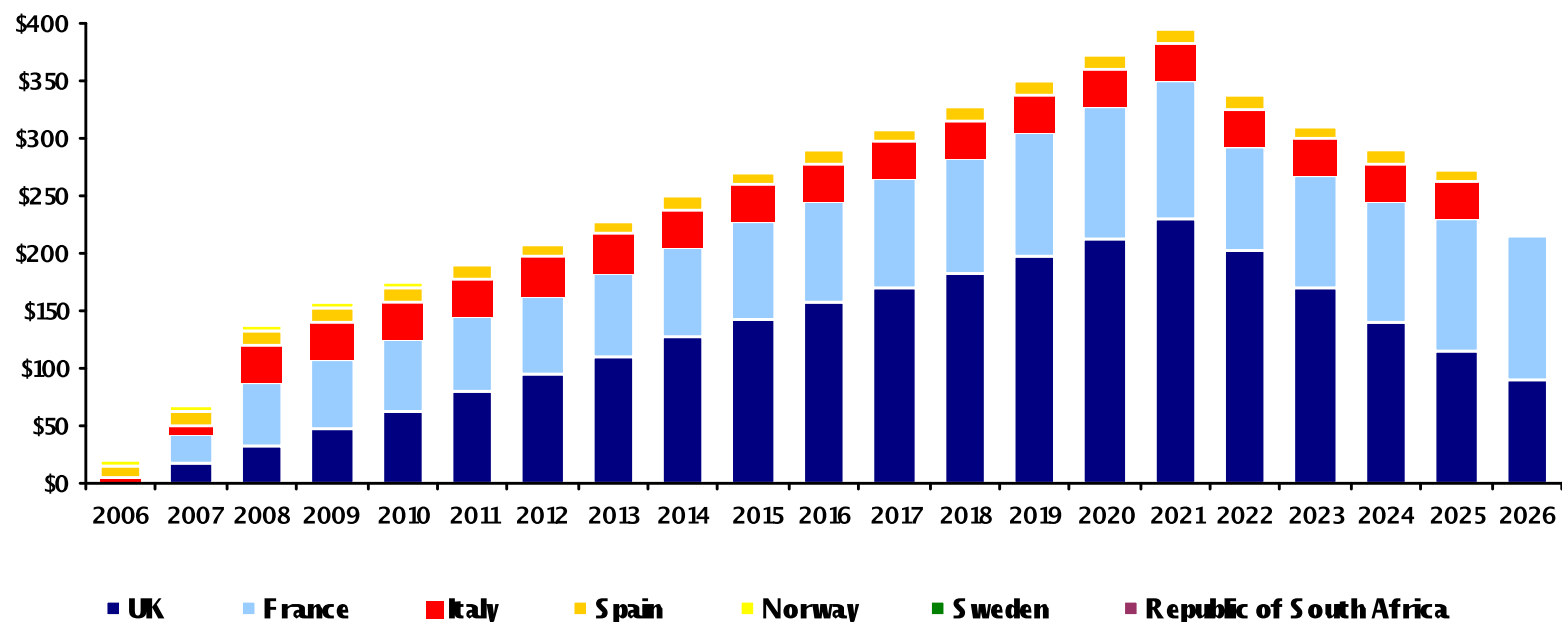
Cash Schedule



IFFIm's Sources of Funds from Donor Countries

(US\$million)

- Donor countries make payments over 20 years.



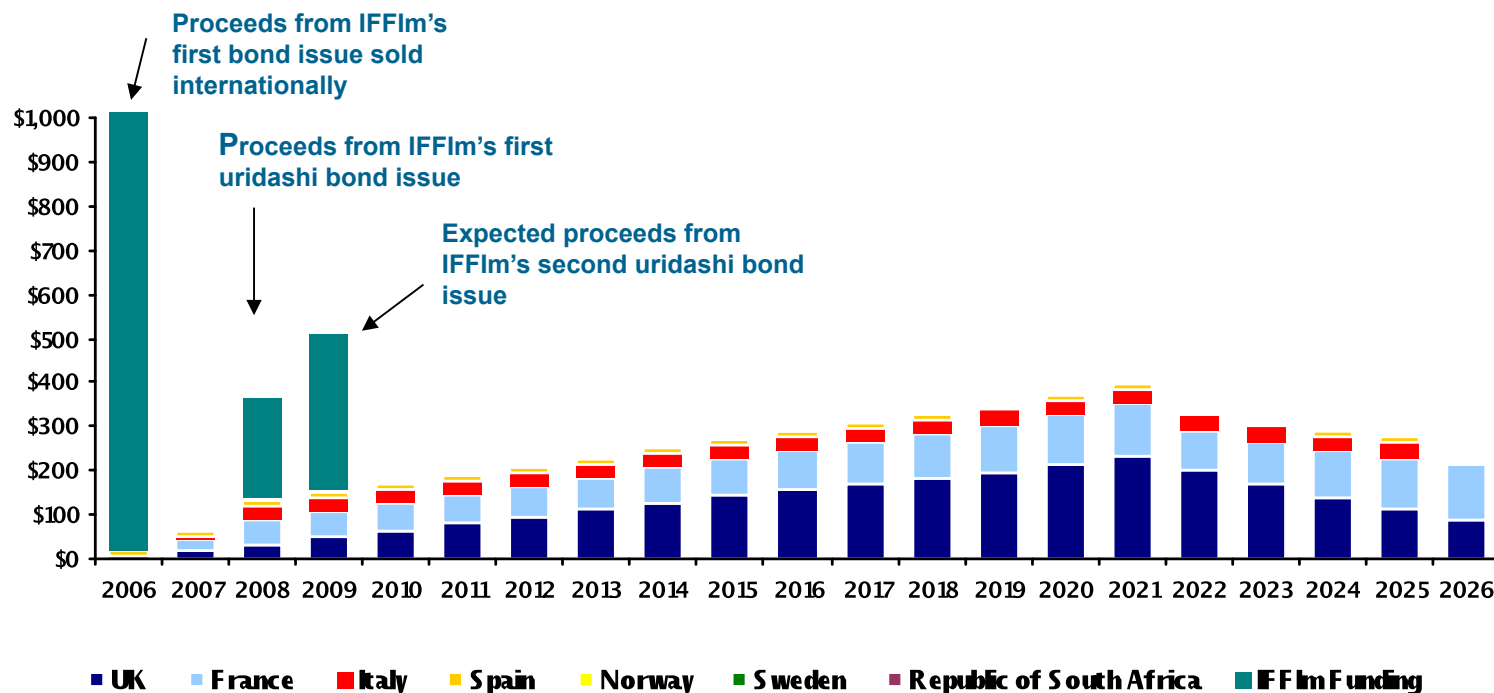
Source: IFFIm presentation for "Vaccine Seminar 2009" (organized by Daiwa Securities on 16th January 2009)

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Leveraging Financial Capability

Maximum donor cashflows and IFFIm's first and second bond issues and expected third issue (US \$ million)

- By accessing the capital markets, IFFIm provides additional funding to government pledges for immunisation



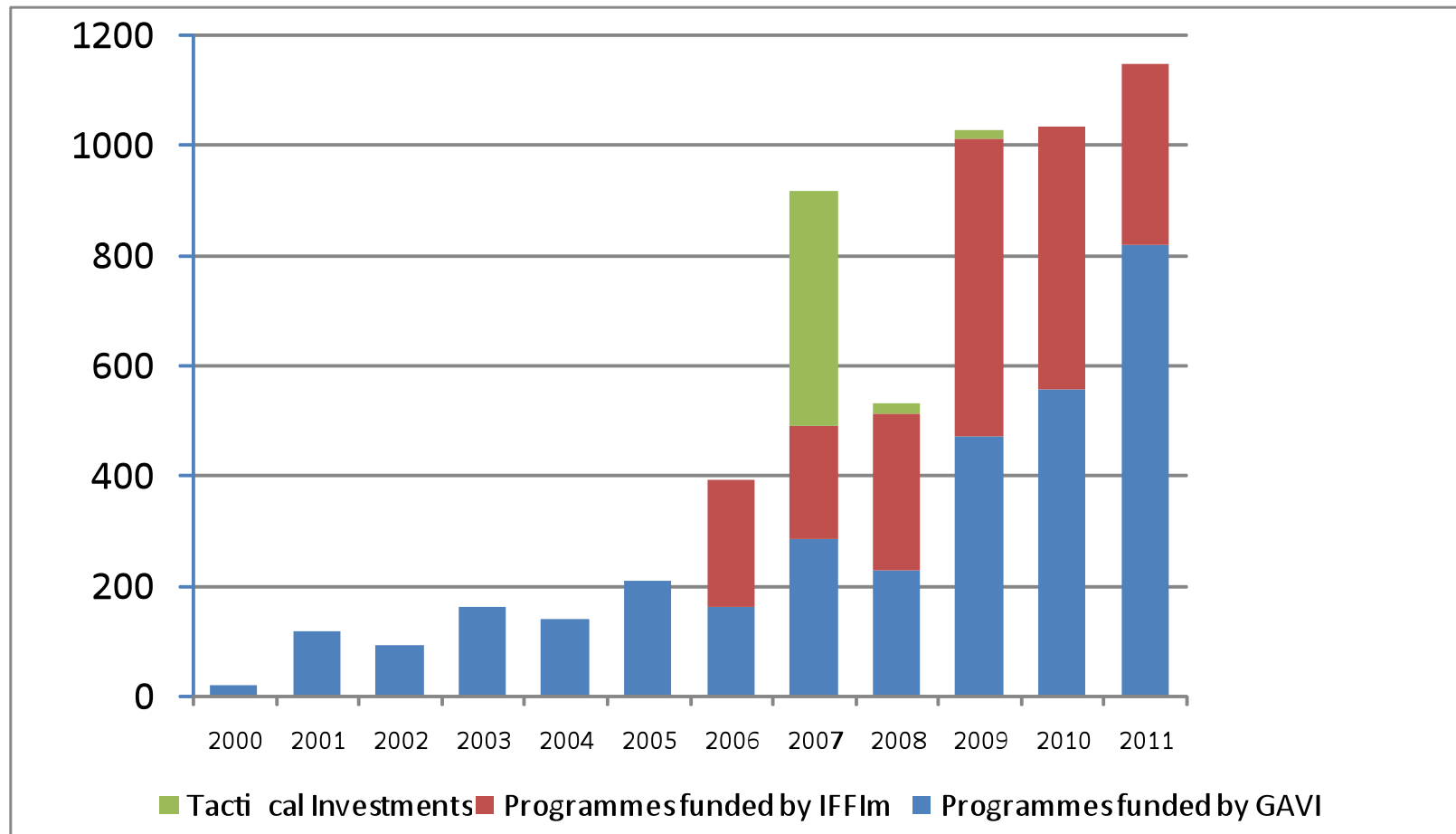
Source: IFFIm presentation for "Vaccine Seminar 2009" (organized by Daiwa Securities on 16th January 2009)

<http://www.daiwatv.jp/kouen/seminer/090116/index.html>

IFFIm Adds Impact Through Frontloading



GAVI programme disbursements and overview of projected expenditures (US\$ million)



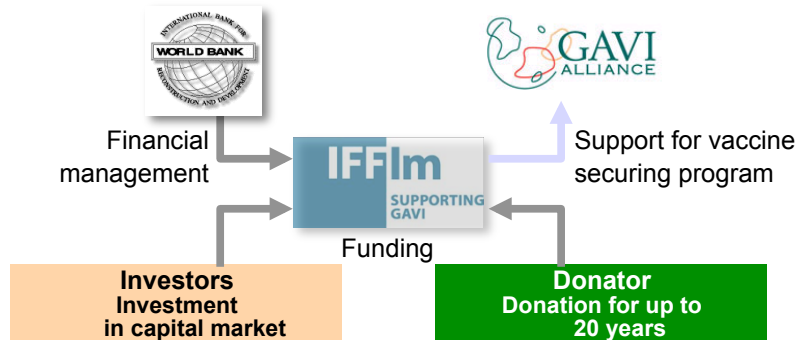
Source: IFFIm presentation for "Vaccine Seminar 2009" (organized by Daiwa Securities on 16th January 2009)

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Example of “Social Bond”

Vaccine Bonds

Issuer: IFFIm
 Purpose: Raise funds in the capital markets to accelerate funding available for health and immunization programmes in 70 of the developing countries around the world.
 Issue date and amount:
 Mar. 19, 2008 \$211 million equivalent
 Feb. 20, 2009 \$437 million equivalent
 Mar. 24, 2010 \$338 million equivalent



Green Bonds

Issuer: IBRD
 Purpose: Support projects in the World Bank’s member countries that meet specific criteria for low-carbon project.
 Issue date: Feb. 3, 2010
 Issue amount: \$106 million equivalent



Water Bond

Issuer: ADB
 Purpose: Support for water project by developing countries in Asia and the Pacific.
 Issue date: Apr. 2010
 Issue amount: \$628 million equivalent



Microfinance Bonds

Issuer: IFC
 Purpose: Support for microfinance business with the purpose of fostering economic independence by providing small scale financial services to the poor segments.
 Issue date: Nov. 20, 2009
 Issue amount: \$275 million equivalent



Climate Awareness Bond

Issuer: EIB
 Purpose: Support for EIB’s future projects in the fields of renewable energy and energy efficiency.
 Issue date: May 2010
 Issue amount: \$628 million equivalent

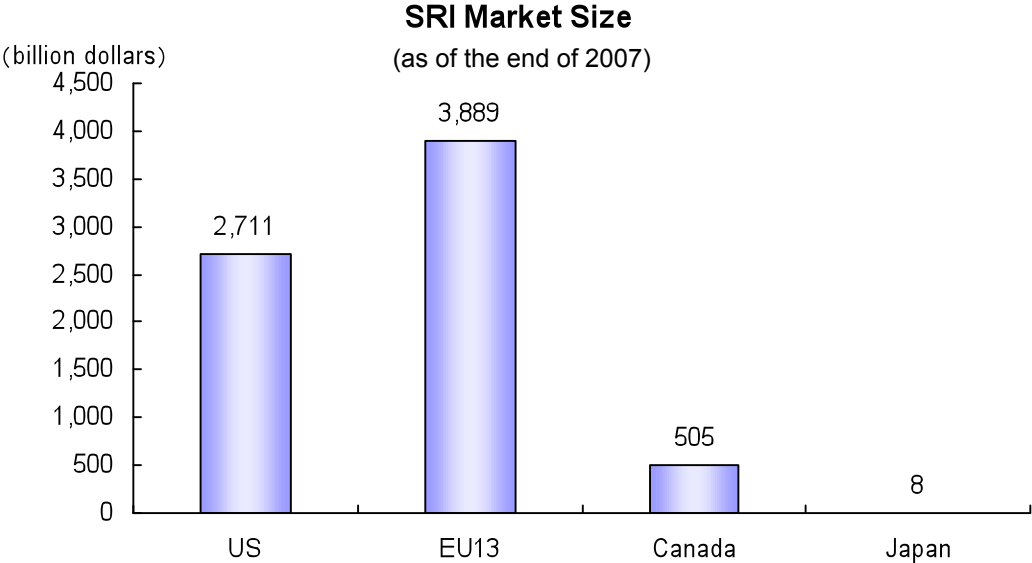


Recent Transactions (2010)



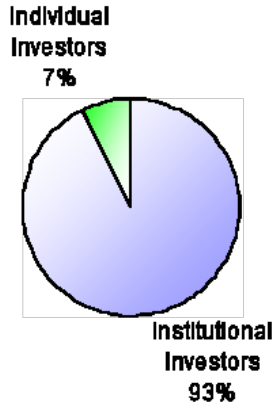
Name	Issuer	Ratings (Moody's/S&P)	Lead Manager	Currency	Coupon	Tenor	Settlement Date	Amount (USD million)
Green Bond	World Bank	Aaa/AAA	Daiwa	NZD	5.23%	5y	03-Feb-10	\$106
Environmental Support Bond	Nordic Investment Bank	Aaa/AAA	Nomura	NZD	4.49%	3y	03-Feb-10	\$207
				ZAR	7.43%			
Climate Awareness Bond	European Investment Bank	Aaa/AAA	HSBC	BRL	8.00%	5y	15-Mar-10	\$200
				AUD	4.83%	4y		
				ZAR	7.43%			
Vaccine Bond	IFFIm	Aaa/AAA	Daiwa	ZAR	7.15%	3y	24-Mar-10	\$338
Clean Energy Bond	African Development Bank	Aaa/AAA	Mizuho	NZD	4.52%	4y	30-Mar-10	\$78
Water Bond	Asian Development Bank	Aaa/AAA	Daiwa	ZAR	7.18%	3y	16-Apr-10	\$625
				AUD	4.40%	2y		
Climate Awareness Bond	European Investment Bank	Aaa/AAA	Daiwa	ZAR	6.68%	3y	21-May-10	\$368
				AUD	4.27%	2y		
Clean Energy Bond	African Development Bank	Aaa/AAA	Mizuho	AUD	4.68%	3y6m	28-May-10	\$106
				NZD	4.35%			
Green Bond	Kommunalbanken Norway	Aaa/AAA	Nikko	ZAR	7.08%	3y	28-May-10	\$101
				AUD	5.23%			
Microfinance Bond	European Bank for Reconstruction and Development	Aaa/AAA	Daiwa	ZAR	6.70%	3y	15-Jun-10	\$606
Green Bond	Kommunalbanken Norway	Aaa/AAA	Nikko	ZAR	6.60%	3y	29-Jun-10	\$47
				AUD	5.00%			
				NZD	4.46%			
Clean Energy Bond	African Development Bank	Aaa/AAA	HSBC	BRL	0.5% (yield at maturity 10.52%)	7y	29-Jul-10	\$13
Poverty Reduction Bond	Inter-American Development Bank	Aaa/AAA	Daiwa	BRL	8.12%	4y	15-Jul-10	\$157
Education Bond	African Development Bank	Aaa/AAA	Daiwa	ZAR	5.25-6.75%	3y	30-Aug-10	TBD

Comparison of SRI Market

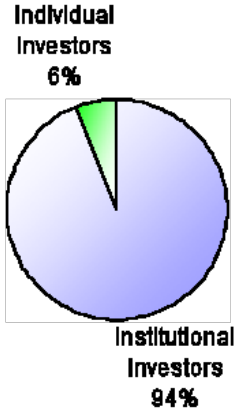


Primary sources: European SRI Study 2008

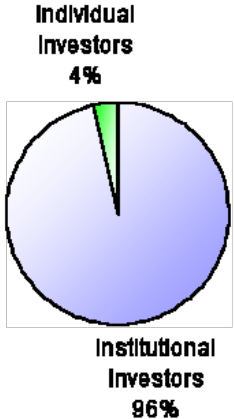
United States



EU13



Canada



Japan

