



Berlin

Public Private Partnerships (PPPs): Infrastructure Project Finance

A 3-day workshop, designed to help participants break the project analysis process into its component parts and evaluate the roles played and sources of support provided by many parties.

Featuring:

- What is Public Private Partnership (PPP)?
- Managing and Allocating Risks in PPP
- Quantitative Risk Analysis and Cashflow Forecasts
- Legal and Contractual Issues in PPP Projects
- Financing Issues including Capital Marketing Enhancement for PPP
- The PPP Tender Process
- Sources of Credit Support and Risk Support in International PPP Projects
- Further Sector Considerations: Transport, Electricity and special Features of Water
- PPP and Social Infrastructure

Course Directors: Margaret Osius & Bruno Mejean

Date 1: 10 – 12 December 2007

Date 2: 8 – 10 December 2008

Venue: Berlin, Germany

This programme is
available in-house.

For further information
please call

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or e-mail

[inhouseemea@](mailto:inhouseemea@euromoneytraining.com)

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PPP: Infrastructure Project Finance

Berlin, Germany

INTRODUCTION

Infrastructure development is essential to sustaining economic growth and improving competitive position in today's global markets. Often, however, traditional public sector funding sources are severely constrained when it comes to financing public infrastructure facilities. Innovative approaches to financing infrastructure services and programs for Public Private Partnerships (PPPs) have therefore been endorsed by many countries as means of accelerating delivery of such services. In Europe alone, the number of PPP project financings has exceeded \$115 billion to date.

An essential element of PPP is the desire to link public sector accountability with private sector discipline, expertise, efficiency at delivering such services, and financial resources. This is equally true in both developed and developing countries.

Participants in this hands-on program will become thoroughly familiar with the array of PPP models from Supply and Service Contracts, Management Agreements, Leasing, DBO, BOT, BOO, Privatisation and a continuum of other approaches. They will see how the concept of balancing risk and 'value for money' is central to governmental policy and decision-making. They will also consider the outlooks of other stakeholders, besides creditors and guarantors of projects, when approaching PPP transactions.

COURSE OBJECTIVES

While differentiating between countries and sectors, this program is designed to help participants break the project analysis process into its component parts and evaluate the roles played and sources of support provided by many parties. Techniques for assembling information and making qualitative judgments are described. Tools used to conduct careful quantitative financial analysis will be thoroughly explained. PPP cases and examples from around the world that have successfully weathered the markets, as well as some that have deteriorated or failed, are used to ensure understanding and give participants practice in the application of concepts.

Additionally, careful attention is given to techniques for sourcing and enhancing the terms of funding both in local and international projects. Elements unique to both bank and capital markets approaches to financing of PPP projects in transport, social services, and water sectors are highlighted.

Participants will be provided with a full course workbook as well as copies of all slide presentations, articles and case studies for reference following the session.

COURSE DIRECTORS

Margaret Osius designs and delivers executive level training sessions and provides consulting services to a wide variety of organisations worldwide. Specialising in international project finance, capital markets, and risk management, she has worked with corporate investors, private and development banks, equipment suppliers, law firms etc. helping them structure viable financing packages for green-field projects and facility upgrades in the oil and gas, power, transport, social services and telecom sectors. Prior to establishing her own firm, Ms. Osius was a Vice President in the Global Banking Division of JP Morgan Chase Bank, where she structured international project transactions and advised clients on risk management.

Ms. Osius has published articles in the business press and co-authored several self-study guides covering international project finance, trade and export finance, foreign exchange, and financial futures, as well as approaches to credit and financial analysis in emerging markets. She is a primary speaker in a series of videotapes created to cover the topic of Sound Banking Principles during executive training sessions in Moscow in the 90s.

Currently, Ms. Osius is the Chairwoman of the Technical Advisory Panel of the Public Private Infrastructure Advancement Fund (PPIAF). The fund supports technical assistance in emerging markets to encourage private involvement in infrastructure development. She received an M.B.A. from INSEAD, the European Institute of Business Administration, in Fontainebleau, France. Her B.A. degree is from Princeton University.

Bruno Mejean is Senior Vice President, Structured Finance in the New York Branch of Norddeutsche Landesbank Girozentrale (Nord/LB). He is responsible for developing the branch's project, export and trade financing activities. Prior to joining Nord/LB, Mr. Mejean spent over 20 years with various financial institutions and corporations, specialising in international finance. Previously, Mr. Mejean was Director-Project Finance and Development at Raytheon Engineers & Constructors, based in Princeton, NJ, responsible for power projects. Earlier, Mr. Mejean spent 3 years in London, England where he was responsible for arranging financing for projects in the Hydrocarbon, and Infrastructure sectors for Raytheon's clients globally. Mr. Mejean was Manager of Chase Manhattan Bank's relationships with Eximbank, the Private Export Funding Corporation (PEFCO), and the Overseas Private Investment Corporation (OPIC). Mr. Mejean was also responsible for overseeing export project finance development and export finance advisory services for U.S. based clients. Early in his banking career, Mr. Mejean was based in Tunis where he was responsible for Chase's trade finance activities. Mr. Mejean received his Master of Business Administration in Finance from George Washington University and a Bachelor of Science from Georgetown University's School of Business Administration. He is bilingual (French/English).

5 easy ways to register and obtain further information

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- 2 fax: +44-20-7779 8140
- 3 e-mail: emea@euromoneytraining.com
- 4 web: www.euromoneytraining.com/europe
- 5 mail to: Euromoney Training, Nestor House, Playhouse Yard, London EC4V 5EX, UK

DAY ONE

AM

What is Public Private Partnership (PPP)?

- Public Private Partnerships (PPP) Principles
- Roles for the Public and Private Sector
- Different Structures and Degrees of Private Participation
 - Contract Services: Operations and Maintenance (O&M), O&M and Management
 - Leasing, Lease Develop Operate (LDO), Lease Purchase, Sale Leaseback
 - Design Build (DB), DBM, DBO, DFBO, BOT, BOO, etc.
 - Privatisation

The PPP Tender Process

- Specifying User Needs in Output Terms
- Private Sector Informational Requirements
- Identifying Bidders and Assessing Risks
Negotiating Strategies and Closing

Sources of Finance: Managing and Allocating Risks in PPP; Making a Deal Bankable

- Collecting Information/ Macro and Micro Concerns of Banks
- Risk Allocation in PPP/ Developing a Specialized Matrix
- Risk Mitigation Techniques
- Risk Assumptions (Operating and Maintenance, Construction, Financial, Revenues)
- Environmental Considerations
- Consultants in the PPP Process

PM

Quantitative Risk Analysis and Cashflow Forecasts

- Debt vs. Equity and Key Measurements
- "Value for Money" and the Public Sector Comparator (PSC)
- Unitary Payments (UPs)
- Probabilistic Modelling
- Testing Sensitivities
- Requirements of Creditors vs. Investors
- Other Stakeholder Considerations

Case Study: Financing a Tollroad

Participants will break into groups to evaluate the financing scheme for a toll road. They will assess the allocation of risks, and concession terms, and other contractual agreements. A cash flow model will be used to test qualitative assumptions.

DAY TWO

AM

Tollroad Case Discussion

Legal and Contractual Issues in PPP Projects

- Regulatory Framework and Enforceability
- Policy Objectives of the Government Concessions and Licensing, Process and Oversight

Case-Study: Reviewing a DBFO Term Sheet

Financing Issues: Sources of Funds and Credit Enhancement for PPP

- Using Bank Debt
- Club Deals, Syndications and Secondary Market Resale
- Term Sheets, Information Memoranda and Credit Agreements
- Conflict Resolution
- Case-Example: Canada Line Rapid Transit (Bruno Mejean, NordLB)

Capital Markets and PPP

- Special Consideration in Bond Issuance
- Sales Process, Covenants, Work out Considerations
- Role of the Rating Agencies
- Mono-line Insurers and Wraps
- The Role of Private Equity
- Infrastructure Funds

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The PPP Tender Process

- Special Consideration in Bond Issuance
- Sales Process, Covenants, Work out Considerations
- Role of the Rating Agencies
- Mono-line Insurers and Wraps
- Tapping Local Markets
- Derivative Products for PPP

Case: Financing an Airport

Case focuses on conflicting goals of government and other stakeholders from the concessionaire to the contractor, operator and other stakeholders. Review of cash flow projections, project risks and their allocation through contracts in an airport transaction. The proposed financing mix, and rating agency considerations in evaluating financing structure are considered.

DAY THREE

AM

Case Discussion

Sources of Credit Support and Risk Support in International PPP Projects (Bruno Mejean, NordLB)

- Official Risk Enhancers and PPP (ECAs, Development Banks)
- Rating Agencies and Pension Fund Sales for Chilean and Mexican PPP Tollroads
- Accessing Local Capital Markets in Developing Countries

Further Sector Considerations: Special Features of Water Infrastructure (Bruno Mejean, NordLB)

- PPP in Water and Sanitation Projects
- An Array of Structures
- Who are the Players? Investors and Lenders?
- Case Examples: Wastewater Treatment in Mexico with a peso-denominated private placement. Leasing in West Africa.

Case Study: Financing a Water Treatment Plant

Participants will break into groups to prepare a case study concerned with the terms of a concession and financing a municipal wastewater treatment plant.

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PPP and Social Infrastructure

- Financing Hospitals, Schools, Prisons, Others
- Sample Concessions and Contract Terms
- Risk Evaluation and Allocation
- Monitoring Requirements

Case Study: Financing a School

Self-test and Wrap-up

Close of Program

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registration and further information

GROUP BOOKING DISCOUNTS*

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 4 delegates - 12% discount
 5 delegates - 15% discount

*Available for delegates from one organisation attending the same course.

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Standard delegate fee:
£3,150 Sterling

SAVE MONEY-10% DISCOUNT*

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£2,835 Sterling

*Discount of 10% for second and subsequent delegates from the same institution on the same programme. This discount can not be used in conjunction with any other offer.

Fees include all the tuition, full course documentation, lunches and refreshments for the duration of the programme.

Incidental expenses: Euromoney Training EMEA is NOT responsible for covering airfare or other travel costs incurred by registrants. Delegates will be responsible for their own accommodation.

Please note that Euromoney Training EMEA reserves the right to refuse admission to the training if proof of payment has not been received prior to the start of the programme.

An invoice will be sent upon receipt of registration form.

Payment must be received in full prior to the course start.

CANCELLATION POLICY

A full refund less an administration fee of £100 will be given for cancellation requests received up to 20 working days before the event. Cancellations must be made in writing (letter or fax) and reach this office before the 20 working day deadline.

Delegates who cancel less than 20 working days before the event, or who don't attend, are liable to pay the full course fee and no refunds can be given. However, if you wish to attend the next course, and you have paid your course fee in full, you will only be invoiced for 25% of that course fee. Please note that you can only transfer once. The next course must take place within 6 months of the initial application. Of course, a replacement is always welcome.

DISCLAIMER

Euromoney Training EMEA reserves the right to change or cancel any part of its published programme or teaching faculty due to unforeseen circumstances.

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REGISTRATION

PPP: INFRASTRUCTURE PROJECT FINANCE

- 10 - 12 December 2007, Berlin, Germany (EOT2036)
 8 - 10 December 2008, Berlin, Germany (EOT2196)

In order to guarantee a place on the course delegates are kindly requested to register at least 6 weeks prior to the course start.

PERSONAL DETAILS

Please print clearly or attach business card

Family Name (Mr/Mrs/Ms) _____

First Name _____

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