







Project Finance

Practical learning with real-world application

Project Finance provides a framework and methodology to look at project financing as a viable financing option from both the debt and equity perspective. You will gain “hands-on” experience by applying the principles learned to case studies documenting real projects.

How you will benefit

- Understand when to use project finance and how it differs from other corporate finance techniques
- Identify the key financing sources: bank loans, multilateral funding and bond issue
- Structure the financing with a wide variety of financial and industrial participants
- Understand BOT's and Public Private Partnerships (PPP's)
- Conduct the due diligence of a project from a bank's point of view
- Manage the key risks, specifically the political, construction, market, FX and environmental risks
- Understand the cash flow model and sensitivity analysis
- Recognize the limits of IRR and how it can be manipulated
- Know how to value projects

	4 days
	€4400
	Corporate Finance
	English
	4.4/5
	6 – 9 March 2016

Faculty

Pierre Hillion is the de Picciotto Chair at INSEAD in Alternative Investments and Visiting Professor at UCLA and CalTech in the USA. At INSEAD, he has received the Best Teacher Award for Electives, Singapore campus on several occasions. Pierre received his MBA from Ecole HEC, holds a DEA from the Université Paris-Dauphine and a PhD from the University of California.



This program is eligible for **24 CE credit hours** as granted by CFA Institute.

“Excellent practical knowledge on project finance which was highly valuable”

- Financial Controller
Mubadala Development Company
United Arab Emirates

EARLY ENROLLMENT DISCOUNT - Enroll more than 90 days in advance and receive a 10% discount on the program fee

ENROLL NOW
www.aif.nl

Program Content

Subject	Content
Overview of project finance	<ul style="list-style-type: none"> • The project finance framework • Key characteristics • Key parties involved • Risks and risk mitigants <ul style="list-style-type: none"> - Political, sovereign and expropriation risks - Economic risks • Project finance as a financial contract • Public Private Partnerships (PPPs) and Private Finance Initiatives (PFIs) <p>Case study</p>
Financing issues in project finance	<ul style="list-style-type: none"> • Financing types: Bonds versus loans • Assessing project finance debt • Financial ratios: DSCR, LLCR, PLCR, etc. • Financing risks and re-financing risks • Lenders protection: Cash sweeps, mandatory cash sweeps, etc. • Role of Multi-Lateral Agencies (MLA) and Political Risk Insurance (PRI) • Common derivatives used in project finance: Swaps, etc. • Excess leverage and financial distress: The ITR example <p>Group exercise</p>
Project valuation	<ul style="list-style-type: none"> • Introduction to discount rates: Cost of unlevered equity, cost of levered equity, cost of debt, Weighted Average Cost of Capital (WACC) • Introduction to cash-flows: Free-Cash Flows (FCF), Cash Available for the Debt Service (CADS) • Introduction to Net Present Value (NPV) <p>Group exercise</p>
	<ul style="list-style-type: none"> • Reasons why the WACC cannot be used in project finance • WACC alternatives: Adjusted Present Value (APV) techniques, Compressed Adjusted Present Values (CAPV) techniques • Flow-to-equity (FTE) techniques <p>Group exercise</p>
	<ul style="list-style-type: none"> • The unlevered (project) IRR versus the levered (equity) IRR • Usefulness of the IRR • How to look good with the IRR • IRR manipulation <p>Group exercise</p>
	<ul style="list-style-type: none"> • Summary of valuation and financing issues in project finance <p>Case study</p>
Project finance versus corporate finance	<ul style="list-style-type: none"> • Pros and cons of project finance over corporate finance • Project finance as a risk management tool • When is project finance optimal? • Optimal contract design <p>Case study</p>
Infrastructure investments	<ul style="list-style-type: none"> • Infrastructure as an asset class • Investing in project finance equity • Investing in project finance debt • Project securitization <p>Case study</p>

ENROLL NOW

www.aif.nl

Enrolling & Practical Information

Enrollment requirements

AIF considers each enrollment application carefully to ensure the quality and level of the program is maintained and that participation of candidates is beneficial to both themselves and their companies. The general prerequisite for all AIF programs is the possession of an academic or equivalent degree, as well as proficiency in English and practical experience.

How to enroll

Enrollment applications are available via www.aif.nl. There is no closing date for enrollment although it is advisable to enroll early as places are limited. General Terms & Conditions of enrollment are available via www.aif.nl

Program calendar

Program dates and information about all AIF programs are available at www.aif.nl or by contacting AIF directly.

Accommodation

AIF has special reduced rates available for participants at nearby hotels.

Program location

All AIF programs take place at AIF's premises in the center of Amsterdam. AIF's premises are easily accessible by public transport and car and are a 30-minute drive from Schiphol international airport and a 5-minute walk from Amsterdam's central train station.

Program fees

Program fees include all the comprehensive program materials, books, and software that are required per program, as well as daily luncheons. Accommodation is not included.

As an educational and not-for-profit foundation, AIF is exempt from charging VAT. For clients located within the Netherlands, the AIF program fee is exempt from VAT. For other EU and all non-EU clients, VAT may be due by client to the tax authority.

Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete an AIF Open Enrollment or In-Company program.

About Amsterdam Institute of Finance

AIF is a global financial education and innovation institute headquartered in Amsterdam. Through our programs (open enrollment and in-company) we connect ambitious professionals with the best minds in finance. Taking part in one of our programs or events is a direct investment in your personal future. Joining the AIF alumni network means connecting with the world's leading financial experts, in addition to professionals from more than 1200 organizations. Together with them we endeavor to impact your career and shape the future of finance.

This is what makes AIF and the AIF experience unique:

- We believe in responsible and sustainable finance
- AIF is a not-for-profit foundation which allows us to independently select our faculty from the world's leading business schools (such as INSEAD, NYU Stern, Berkeley, etc.) and other institutions
- Our clients, rather than profits, come first for us
- AIF delivers top quality. Our alumni give our faculty an average rating of 4.6 out of 5.0
- Enrollment in one of our programs means you become part of the AIF network which connects you to professionals in more than 110 countries
- Our programs are applicable to daily practice and prepare you for the future of finance.

CONTACT US

www.aif.nl | +31 (0)20 520 0160 | info@aif.nl