



The brightest minds in finance

Project Finance and PPPs

Learn how to structure, finance and value large capital projects. Build and sustain successful PPPs.

The Project Finance and PPPs program focuses on structuring, financing and valuing large capital projects and emphasizes Public Private Partnerships (PPP). Funding large capital expenditure projects delivers high returns but is inherently risky. In the aftermath of the great financial crisis, project failures have generated billions of dollars of losses for the equity sponsors and the creditors.

The program provides a framework and methodology to look at project financing as a viable financing option from both the debt and equity perspective. Using case studies that cover both social and economic infrastructure projects, the program illustrates how and why major infrastructure projects succeed or fail.

How you will benefit

By attending the program, you will

- 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 BOTs and Public Private Partnerships (PPPs)
- Conduct the due diligence of a project from a bank's point of view
- Identify and 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
- Learn how to properly value projects
- Familiarize yourself with new initiatives for infrastructure finance

Who should attend

The **Project Finance and PPPs** program is relevant for finance professionals, consultants, developers, project managers, engineers, lawyers and portfolio managers from both the private and public sectors.

No prior valuation experience is assumed. Please contact us should you feel the need to verify your level of knowledge.

Program at a glance

Overview of Project Finance

- The project finance framework
- Key characteristics and key parties involved
- Risks and risk mitigants
- Project finance as a financial contract and contract types (BOT, BOO, etc.)
- Public Private Partnerships (PPPs)

Financing Issues in Project Finance: the Macro View

- 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

Financing Issues in Project Finance: the Micro View

- Financing issues during construction
- Financing issues during operation
- Interplay between construction and operation

Project Valuation: Cash Flows and Discount Rates

- Relevant cash flows and the cash flow waterfall
- Discount Rates
- Cash flows
- Net Present Value (NPV)
- Reasons why the WACC cannot be used in project finance
- WACC alternatives
- Flow-to-equity (FTE) techniques

Program delivery

The program will be a mixture of lecturers, case studies, and practical exercises. This will allow participants to develop the required skills, and to apply them to specific business situations. Practical examples allow participants to better understand drivers of successful PF and PPP investments and identify risk factors that may jeopardize desired outcomes.

4 days | € 5,150 | Check AIF.nl for dates

The expert

Meet the brightest minds in finance. Learn from the world's leading finance academics and experienced corporate executives



Paolo Fulghieri is a Professor of Finance at the Kenan-Flagler Business School of the University of North Carolina, USA.

He is actively conducting research in corporate finance and in its interactions with investment and commercial banking. As a result of his research activity, he has published several papers in leading finance journals, such as: *Journal of Finance*, *Review of Financial Studies*, *Journal of Financial Economics*, and *Journal of Banking and Finance*.

Some of Paolo's research papers include: "Synergies and Internal Agency Conflicts: The Double-edged Sword of Mergers", "Optimal Disclosure and Litigation Rules around New Equity Offerings", "Information Production, Dilution Costs, and Optimal Security Design", "Uncertainty Aversion and Systemic Risk", "Asymmetric Information and the Pecking (Dis)Order", and "Uncertainty, Investor Sentiment, and Innovation".

Finance professor Fulghieri has taught Corporate Finance and the Economics of Information at the Graduate School of Business of Columbia University, from 1987 to 1993, and Financial Management at the J.L. Kellogg Graduate School of Management of Northwestern University, from 1993 to 1995. Between 1995 and 2002 he taught Corporate Finance in the MBA and several Executive Education programs at INSEAD, France, where he has been Dean of the PhD Program. He has also taught Corporation Finance at the Graduate School of Business of the University of Chicago and in several executive education programs.

He holds a Dottore in Discipline Economiche e Sociali from Università Commerciale L. Bocconi in Milan, Italy and PhD in Economics from the University of Pennsylvania, Philadelphia, USA.

"No better time than now: the many transitions we face require highly skilled financial expertise."

Professor Pierre Hillion (INSEAD)

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 organizations. 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.

Accommodation

AIF has special corporate rates available for participants at a number of hotels in central Amsterdam.

Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete the program.

Program location

The programs are held in the financial hub in the south of Amsterdam, within an easy walk from Amsterdam Zuid Station, and within 15 minutes from Schiphol International Airport.

Program fees

Program fees include tuition, all comprehensive program materials, books, and any software that is required for the program, as well as luncheons and daily refreshments. Accommodation is not included.

In-company programs

For information on how AIF can add value to your organization via a tailored in-company program, please contact AIF directly at: +31 20 246 7140.

Ready to learn more? Find your program and reserve your place at [AIF.nl](https://aif.nl)

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