



29 June-1 July 2015 | Torino, Italy

PROJECT FINANCE AND REGULATION OF LOCAL SERVICES & INFRASTRUCTURES: A CHALLENGING RELATIONSHIP?

TARGET PARTICIPANTS

The course is mainly addressed to:

- Public sector decision makers and managers involved in large infrastructure urban projects
- Officials from international organizations
- Local and national regulators of infrastructure and public services
- Project finance specialists of the banking sector
- Legal experts focused on international project finance law and practices and loan covenants
- Accounting, financial and risk assessment professionals
- Researchers and doctoral students

RATIONALE

In the last three decades **project finance** has been widely used to finance capital-intensive **investments in transportation infrastructures** (ports, airports, motorways and railways), environmental infrastructures (waste, water and energy systems and networks), telecommunications infrastructures and social accommodation infrastructures (community buildings, hospitals, educational facilities) worldwide. Both the **current scarcity of public funds** in western countries and the fast-rate growth that characterizes emerging countries, can benefit from project finance that is on his way to become a relevant vehicle to meet the world's investment needs **using private sources and private and public ventures**.

Estimates indicate that at least **40 trillion USD will be needed globally in the next 20 years for urban infrastructure investments alone**. Analyzing a specific network industry as a sample, the OECD estimates that 1.3 trillion USD need to be invested annually to replace and maintain water infrastructure in developed countries and emerging markets alone (without considering support needed for new infrastructure).

Investments in local infrastructure and services is indeed the big current issue, in fact when the infrastructure (e.g. waste or water treatment facility or district heating or local urban transportation) addresses **a local public service** where part of the revenue stream comes from fees and tariffs that directly affect citizens, a specific attention is required to protect public interest and to achieve a fair allocation of risks while maintaining the project solvency and attracting a sufficiently large number of funding operators. The question is whether consumers should pay, and to what extent, the higher bills involved, and the consequent implication for general fiscal engagement. Investors, on their side, look carefully at what they will ultimately get, in particular from tariffs and fees paid by consumers, balanced with possible equity injections from the public side. Until that becomes clear, in times of dire public finance, involving private finance in very big numbers and build sound and effective public-private partnerships will simply remain wishful thinking.

A possible answer to start facing these current challenges is **stakeholders and local regulator's capacity building**: it is strongly needed – and there is evidence to prove it – at regional, metropolitan and urban level.

For further information:

visit www.turinschool.eu/eep | or write to: eep@turinschool.eu

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COURSE OBJECTIVES

The course aims to give participants an overview of the wide implications that the presence (or absence) of local economic regulation in the investment sector can exert on project finance, alongside with deep insights from international real case studies presented and discussed among participants.

Project risk allocation and the constraints imposed by financial operators might challenge the local regulators, either the municipality or any other local regulatory authority, in their institutional roles of promoting the public interest and protect the final users.

Today new actors such as pension funds, asset managers and insurance companies are active in financing infrastructures, due to the ongoing decrease of available public funds. Participants will learn how they operate, along with more traditional operators, and what is their influence in building robust project finance programs.

During the course a specific attention will be given to build the proper competence of understanding stakeholder dynamics and incentives alignment with the tool FIELD™.

Classes will start on Monday at 9.00 a.m. and will end on Wednesday at 1 p.m., for a total of 16 teaching hours.

PROGRAMME

Day 1 | REGULATORS, FINANCIAL OPERATORS AND STRUCTURES

- Multi-level regulation of infrastructures and services realized with project finance: the role and policy objectives of the local regulator
- The institutional role of export credit agencies, multilateral banks and shadow banking actors on the financial closing of infrastructures for local public services
- Risk allocation, debt service cover ratios and Basilea requirements vs. consumer protection: contracting mechanisms and covenants in private, public or PPP structures

Day 2 | STAKEHOLDER ANALYSIS AND REAL CASE STUDIES

- Stakeholder analysis with FIELD™ methodology
- Italian case study: gate fee economic regulation and project finance for the TRM municipal solid waste (MSW) thermal treatment plant
- EU case study (accommodation infrastructure)
- non-OECD case study (water)

Day 3 | SITE VISIT: LOCAL WASTE-TO-ENERGY STATION

- Visit to the TRM MSW-to-energy plant located in the metropolitan area of Turin
- Final wrap-up of the site visit and TRM case study using FIELD™ methodology

FACULTY

Lars ANDWANDTER | European Investment Bank
Gianluca GUSTANI | BNP Paribas Project Finance
Salvatore CAPPELLO | CFO TRM Spa
Daniele RUSSOLILLO | Turin School of Local Regulation

...and other executives of private and public organizations involved in large project finance initiatives



FIELD™ is a tool developed by the Turin School of Local Regulation to help local decision-makers to tackle local governance with a richer information basis, to strengthen awareness in public and private choices and to increase effectiveness of local policies and projects by setting the right scenario and asking the right questions before policies and programs are outlined. FIELD stands for "Framework of Incentives, Information Endowment and exchange for Local Decision-making". Know more at: <http://turinschool.eu/FIELD>



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ADMISSIONS

Application Process

Please visit www.turinschool.eu/eep for complete admission requirements and to apply online. Applications and full payment of the fee is requested within the 27th of May 2015. Since qualified candidates are admitted on a rolling, space-available basis, early application is encouraged.

Admission Requirements

Admission is selective and based on professional achievement and responsibility. No formal educational requirements apply, but proficiency in written and spoken English is essential.

Programme Fee

The Fee structure is outlined below. Further instructions on the payment and on cancellation clauses will be sent to participants at the time of application.

Cancellation Clause

The course will take place as scheduled if a minimum number of participants is reached. In case of cancellation of the session due to a lower number of registered participants, already registered applicants will be totally refunded.

FEE STRUCTURE

Full tuition Fee (application and full payment within 27 May 2015)

Course tuition, case materials, one site-visit included in the programme, 3-night accommodation, breakfasts, two lunches, one social dinner and coffee breaks, free access to the SPA.

2.800,00 €

Early Bird Fee (application and full payment within 13 May 2015)

Same conditions of the full fee apply.

2.100,00 €

COURSE VENUE AND ACCOMMODATION

The Course will take place at the [Hotel Victoria](#) in Turin (Italy) . The venue is situated in the heart of the City of Turin, only 5 minutes walking distance from the beautiful and unique baroque city centre of the first capital of Italy.

Participants will enjoy an elegant accommodation with fully equipped single or double rooms, free wi-fi, swimming pool and SPA facilities*.



*Free access to the SPA upon reservation. Opening hours: Tuesday – Friday : 12pm - 9pm , Saturday – Sunday : 10:30am - 9pm. Monday closed.

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THE ORGANIZERS

This course is organized by the



The **Turin School of Local Regulation (TSLR)** is a network school with a specific mission: focusing on local aspects of regulation and governance of public services and bridging the gap between the academic research and the local decision-makers.

The TSLR was officially launched by Foundation for the Environment in 2012 to capitalize a 15-year experience on training and capacity building on regulation of local public services. The School adopts a policy-oriented approach, with the aim of spreading the culture and instruments of regulation and regulatory reform at local level.

In terms of topics and sectors covered, the TSLR focuses on different aspects connected to local regulation (like investment decisions, procurement, tariff setting, asset management and distributional aspects) and on different sectors, namely energy distribution, urban waste and water cycle, local public transport, green areas and sport facilities., local welfare policies

<http://turinschool.eu>

SECRETARIAT

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CATALOGUE 2015

Discover the other executive courses scheduled in 2015:

Regulation of public services: national and local perspectives

Dubrovnik, Croatia | 9-13 March 2015

Project finance and regulation of local services and infrastructures: a challenging relationship?

Turin, Italy | 29 June – 1 July 2015

Local regulation and tourism

Venice, Italy | 13-15 July 2015

Playing the game with better cards:

Actors, incentives and information in local policies

Turin, Italy | 12-13 October 2015

Regulation, infrastructures and local services in Islamic context

Turin, Italy | 21-22 October 2015

To pay or not to pay? Management of arrears for local public service providers

Alba, Italy | 4-5 November 2015

Economic regulation of district heating service: multi-level regulatory tasks, competition and public interest

Turin, Italy | 30 November - 2 December 2015

Competition policy and local regulation : Clash, coexistence and cooperation

Italy | Spring 2016

To know more, visit the webpage of our Executive Education Programme:

<http://turinschool.eu/eep>

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