



Developing successful infrastructure projects

kpmg.bm



Financing in the infrastructure sector

In the island region, public sector officials frequently bemoan the lack of financing for infrastructure which is needed to sustain and grow the economic and social foundations of their jurisdictions. Attracting project finance to regional projects has not been without its challenges. However, it could be argued that a greater barrier has been the lack of financeable projects, i.e., projects supported by strong business cases which demonstrate thorough consideration of the project objectives, risks, funding of future financial obligations, governance, value for money (VfM) and sustainability.

At this moment in time, there is an unprecedented level of financing available and with it a far greater appreciation and desire to align financing with projects that are sustainable. Sustainability factors include the UN SDGs to varying degrees depending on the jurisdiction and project. From a regional perspective, there has never been a better time for infrastructure investment to benefit from private sector financing and innovation.

This workshop will provide participants with a solid appreciation of the components of infrastructure business cases, drawing upon regional and international examples, developing leading practice procurement processes to optimise competitive tension and innovation, planning infrastructure from a whole life cycle approach, addressing sustainability to ensure long term benefits are achieved and de-risking projects with significant sustainable elements.

Target audience

Public sector sponsors including executive decision makers, directors of government-owned entities, P3 Units, procurement managers, and controllers, Ministry of Finance officials and technical and policy officers.

Continuing Professional Development

This Workshop is eligible for 2.5 Continuing Professional Education (CPE*) credits. Participants must attend the workshop in its entirety to receive full CPE credits.

*National State Boards of Accountancy (NASBA) CPD program.

Workshop overview:

- A. What's involved in producing an infrastructure business case, i.e., the document that answers the Government's (public sector sponsor) questions in order to make an informed decision on whether to green light an infrastructure investment and to determine the optimal delivery approach.

The following business case components will be covered:
 - Traditional vs P3 analysis;
 - VfM assessment ;
 - Identification, allocation, and management of risks;
 - Affordability;
 - Procurement fundamentals and options to encourage competitive tension and innovation; and
 - Finance-ability and bankability.
- B. Leading practices in relation to:
 - Attracting infrastructure developers' interest;
 - Procuring and selecting the best proponent; incentivising local participation and benefits; and
 - Overseeing the construction and operation phases.
- C. Preparing to answer infrastructure developers and financiers' key questions and concerns:
 - Precisely what does the public sector want, i.e., clarity on project scope, what's essential vs optional, what are the metrics that will determine success.
 - What is the process for procuring the project, what processes will be followed to ensure fairness, are the timelines realistic, etc.
 - Is the project funding availability or concession based, what safeguards will be applied, e.g., ring fencing, guarantees, etc.
- D. Establishing the governance framework and ensuring appropriate transparency and accountability.
- E. Setting up the project team and the role of advisors.

Instructors



Steve Beatty, KPMG's Global Head of Infrastructure will be leading the workshop.

Steve is well-recognised as a subject matter professional in public infrastructure projects and has worked on engagements across six continents. During his career, Steve has been involved in numerous negotiations on complex infrastructure projects and has been instrumental to his clients in delivering large infrastructure projects. Steve has led many major infrastructure transactions and has advised both public and private sector clients extensively in infrastructure strategy, transportation planning, public-private partnership (PPP) policy development and project financing. He has assisted public sector clients in project scoping, process design, process execution, and negotiation with private developers.



Isabel de Caires, Director, Investments Banking, CIBC FirstCaribbean

Isabel is a Director in Investment Banking at CIBC FirstCaribbean International Bank. She is responsible for regional Caribbean coverage of the Bank's top-tier corporate and sovereign clients, and providing relationship and transaction support on a wide range of financing mandates. Since joining CIBC FirstCaribbean in 2010, Isabel has led a variety of syndicated and bilateral infrastructure and project finance transactions for both public and private sector clients. She has had a diversified financial services career spanning 17 years, having worked for both PwC and EY prior to joining CIBC FirstCaribbean. She holds a BBA in Finance from the University of Miami and is a qualified chartered accountant.



Sam Story, Director Corporate Finance, KPMG in the Cayman Islands

Sam leads the Corporate Finance and Transaction Services team at KPMG in the Cayman Islands. He has more than 15 years' experience as a financial advisor. Sam has led economic impact studies and feasibility studies; acted as a financial advisor to the public sector on major national infrastructure projects.

kpmg.bm

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2022 KPMG, a group of Bermuda limited liability companies which are member firms of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.