

Project Financing

- An Evaluation of Cashflows and Risks Analysis

Comment from past participant

"I am not in the banking industry and I joined the Project Financing seminar to see how banks deal with project financing, which is a subject I deal with all the time in our oil and gas projects. The seminar was very interesting as it gave me the insiders' view of the process from application to approval to providing financing and finally collection."

– Dr. Said El Salmey, Melrose Resources Egypt, Egypt.
[Class of November 2010]

Highlights

- Gain an in-depth understanding of what Project Financing encompasses
- Examine the risks involved in Project Financing and learn how to mitigate them
- Learn how to reduce lending risks through various project financing structures
- Avoid financial losses through cash flow analysis
- Use spreadsheets to create and model sensitivity analysis
- Learn to build and use projected financial statements using spreadsheets
- Determine the optimal investment decisions
- Discover the project finance rating methodology of rating agencies
- Adopt key financial metrics to measure project risks

Seminar Facilitator
Mr. Adam K. K. Wong, B.Acc, FCPA, Certified Professional Trainer

Seminar Duration
3 Days, 9:00am to 5:00pm

Seminar Background

Arising from the recent global financial crisis, lenders have to seek new and innovative ways to finance their customers. Project financing is the financing of long-term infrastructure and projects based on a complex financial structure. This seminar addresses the various ways to analyse a project and explains the financial tools used.

Seminar Content

➤ Overview of Project Finance

- Development of Project Finance
- Types of Project Finance
- Characteristics of Project Finance
- Reasons why borrowers choose the Project Finance route
- Inter linkage of the various parties in a Project Finance
- Know how key relationships mitigate risks
 - Types of offtake contracts
 - Types of concession agreements
 - Types of supply contracts
- Key contract terms in various project finance agreement
- Understanding the various phases of project finance

➤ Analysis of Project Risks

- Identifying various project finance risks
 - Commercial risks
 - Macro-economic risks
 - Political risks
- Project finance structures
 - Typical project finance structure
 - Mitigating risks through Export Credit Agencies
 - Understanding some specialised project finance structure
- Understanding the rating methodologies used by leading rating agencies

➤ Cash Flow Assessment in Project Finance

- Analysing Cashflow from the Investor's perspective
 - Determining The Project's Profitability -Decision Tools:
 - Methods of Cash Flow Assessment - (non DCF methods)
 - Methods of Cash Flow Assessment - (DCF methods)
 - Time Value Concepts
 - Determining The Value of Cash flows over Several Periods
 - Understand how to apply weighted average cost of capital
 - Financial functions
 - Discounted Cash Flow Methods
 - 7 key steps in analysing cash flow

- Analysing Cashflow from the Lender's perspective
 - Developing a multi-variable table for analysis
 - Sensitivity analysis
 - Building financial projections
 - Key financial metrics used in analysing project finance
 - Using reserve accounts to mitigate risks
 - Understanding the cashflow cascade

Benefits of Attendance

This programme will provide Lenders with the necessary skills to analyse the cash flow and risks of project finance and identify ways to mitigate risks.

Who should attend?

- Senior relationship managers
- Team leaders
- Marketing staff
- Senior credit analyst
- Senior credit approvers

PI ETA CONSULTING COMPANY

SEMINAR CODE: PPF01

Seminar Facilitator

Mr. Adam K. K. Wong is a Business Domain Expert Facilitator with PI ETA Consulting Company. He is also an adjudicator of the Financial Industry Disputes Resolution Centre in Singapore.

Prior to his current appointments, he was a General Manager with Standard Chartered Bank and other international banks with 22 years of successful track record in Cash Management, eCommerce, Corporate Banking and Trade Finance and Small & Medium Enterprises.

Having strong strategic orientation and regional exposure in South East Asia and Hong Kong, he is credited with significantly growing global banks' SME assets by 450% and net profit by 140% over a 3-year period in Singapore. He also started a new cash management business for a leading bank in Asia and grew it to a USD35 billion business annually.

Mr. Wong graduated in Accountancy and is a Fellow Certified Public Accountant. He is also a Certified Credit Risk Management Professional and a Certified Professional Trainer.

Mr. Wong has contributed actively to the development and training of professionals in the financial services sector for the past 17 years by sharing his expertise regularly through The Institute of Banking and Finance, Singapore and various other organizations in Malaysia and Indonesia.

He has also conducted programmes in the area of banking and finance for Australian and local universities.

For more information, please contact PI ETA Engagement Resource (PEER) Group at
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