

PROFINA

Project & Private Finance



Infrastructure projects without funding remain unfulfilled ideas...

Changing Project Finance Needs:

Around the world, private and public sector project sponsors are seeking new sources of funding from the private capital and debt markets to finance their projects. They also want existing sources to work better. Financial viability has displaced economic feasibility as the key to implementation.

Governments are more committed to private sector participation in new projects. Old enterprises are being unbundled. New technology and management are improving productivity and reducing costs. New user charges align demand more closely with supply, and expand capacity. Projects are designed with affordability and sustainability in mind.

Transactions are increasingly complex with more participants. Forms of public private partnership are more widely understood and accepted. Procurement methods are changing. Investors and lenders, both foreign and domestic, are taking up the challenges.

While senior debt continues to be in shortest supply, and inflation, interest and exchange rate risks continue to be problematic, sources of concessional lending and many forms of public support are available. Needs have changed; so have solutions.

PROFINA's Response:

Central to PROFINA's approach is establishing for its clients the necessary conditions for financing their projects. These include the degree of cost recovery and investor return, the feasible commercial and regulatory environment, a realistic allocation of project risk, the capacities of the financial markets, the case for, and scope of financial support, and the types of funding required.

PROFINA's associates are independent advisors and seasoned financiers experienced in these fields. Projects include any asset or business capable of limited recourse, cash flow, project or BOT finance. They include any revenue-earning infrastructure in all modes of transport, energy, utilities and communications. Sponsors may be private or public.

Projects might be infrastructure or property related, comprise packages of fixed or operating assets, privatisations, or management buy-outs. All projects include an element of commercial or private funding, ownership, investment or management.

The challenge in financing sound projects is designing appropriate capital and risk structures, supported by cost effective funding, and gaining agreement from all the parties

PROFINA's associates are:

Professionals with business, economics and accountancy qualifications and experience in government, consultancy, banking and finance. Core financing competencies are augmented by experience of working in multi-disciplinary groups towards feasible and practical outcomes. Associates have direct line experience in:

- Structuring, negotiating and underwriting project finance
- International capital markets and commercial banking
- Project preparation and appraisal
- Public sector funding and support measures
- Negotiating concession, loan and subscription agreements
- Corporate governance and performance management

PROFINA is typically engaged on:

Project Feasibility, Financial Modeling and Structuring

- Development of the projects financial model
- Risk identification, allocation and pricing
- Development of project risk structures and return characteristics
- Transaction due diligence
- Advising, structuring and arranging deal finance - senior debt, mezzanine or equity
- Development of alternative project, ownership, charging, operating and financing modalities

Concession Design and Public Private Partnership (PPP) Financing Terms

- Specifying, designing and appraising concession agreements and PPP contracts
- Review and design of sector regulatory and institutional frameworks
- Advising on the degree and nature of public support for projects
- Policy to attract private sector involvement in infrastructure
- Diagnosis of constraints on private sector involvement and policy to overcome them

Procurement Policy and Tendering

- Advising on appropriate bidding and procurement strategy
- Financial pre-qualification of tenders
- Design of concession award criteria
- Advice and assistance in negotiating concession agreements and financial closing

Financial Advisory Roles

- IBRD, ADB, EBRD and DFID appraisal and supervision missions
- Retained Advisor to private project sponsors
- Preparation and delivery of courses and seminars on project finance and private sector participation

Public Policy Issues.

- Public debt and liability management and organizational design
- Design and establishment of PPP institutions and funds
- PFI and establishing public sector comparators

PROFINA'S Clients include:

- Project sponsors and owners
- Nationalised industries and agencies
- Development and commercial banks
- Consulting engineers and contractors
- Monoline insurers

PROFINA is experienced in the following:

A. Sectors

Transportation	Roads and toll ways, bridges and estuarial crossings Railways, airports, terminals, urban transport and metros Ports and landward distribution, pipelines
Utilities	Water supply and waste water treatment Pipelines and satellite communications Solid and municipal waste treatment
Energy	Private independent power and renewable energy projects
Resources	Oil and gas projects, coal and gold mines
Property	Commercial, industrial, offices and retail schemes
Operating Assets	Aircraft and transport equipment

B. Economies and Financial Markets:

UK, US and Europe

England, Scotland, Ireland, USA, Netherlands, Luxembourg, Poland, Russia, Kazakhstan.

Middle East and Africa

Egypt, United Arab Emirates, Mauritius, Iran, Senegal, Tanzania, Nigeria, Syria, Saudi Arabia.

Southern and Eastern Asia

China, Hong Kong, Indonesia, India, Pakistan, Malaysia, Laos PDR, Bangladesh, Philippines, Australia.

For cv's and detailed statements of project experience, contact

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