



Fourteenth IMF–OECD–WBG

Global Bond Market Forum

Infrastructure Financing and Bond Markets: Meeting the Challenges

International Monetary Fund
1900 Pennsylvania Avenue, Northwest, Washington, D.C., U.S.A.
Headquarters 2, Meeting Hall 1

December 5–6, 2013

AGENDA

Thursday, December 5, 2013—Day One

- 8:15 – 9:00 **Registration**
- 9:00 – 9:10 **Welcome**
- ***Peter Dattels***, Deputy Director, Monetary and Capital Markets Department, International Monetary Fund
- 9:00 – 9:40 **Opening Remarks**
- ***Alison Harwood***, Manager, Capital Markets and Corporate Governance, Finance and Private Sector Development, The World Bank Group
 - ***Dr. Hans J. Blommestein***, Head of Bond Market and Public Debt Management Unit, Organization for Economic Co-operation and Development
 - ***Luc Everaert***, Assistant Director, Monetary and Capital Markets Department, International Monetary Fund

SESSION I THE INVESTOR BASE FOR INFRASTRUCTURE BONDS

- 9:40 – 12:30 *Infrastructure needs are large in both advanced and emerging economies and even more so in low-income countries. Infrastructure can be financed in multiple ways: it can be done privately, through public-private partnerships, or through the public sector. Different instruments may be used to finance infrastructure. Some may be tied directly to the proceeds of the infrastructure, others may be partly or wholly guaranteed by the public sector, and infrastructure can, of course, be funded with plain government bonds. This session will provide a general overview of the investor base for infrastructure finance, in particular through bonds. More specifically the session will explore the following questions:*

Where are the investors for infrastructure finance? How can the investor base be expanded? What is the (likely) composition of the investor base to fund infrastructure projects (domestic versus external, financial versus nonfinancial, and equity versus debt)? Is there a good and realistic sense about the potential size of this investor base? What is the role for banks (syndication) and investment banks and other financial intermediaries in infrastructure financing? What is needed to make bond financing more attractive for market participants?

Moderator : *Luc Everaert*, Assistant Director, Monetary and Capital Markets Department, International Monetary Fund

9:40 – 10:40

Panel Discussion

- *Robert Dewing*, Managing Director, Infrastructure Debt Strategy, J.P. Morgan Asset Management
- *Vishal Gujadhur*, Director, Public Sector, Standard Chartered Bank
- *Jérôme Haegeli*, Managing Director, Head Investment Strategy, Swiss Re Asset Management, Switzerland
- *Han van der Hoorn*, Principal Risk Manager, PGGM, Netherlands

10:40 – 11:10

Coffee Break

11:10 – 12:30

Panel Discussion (continued) and General Discussion

12:30 – 14:00

Lunch

SESSION II

LOCAL CURRENCY BOND MARKETS FOR INFRASTRUCTURE

14:00 – 17:00

Much attention is being given to the growing need for local currency bond markets (LCBMs) to help finance infrastructure development, particularly in emerging market countries (EMs), given the sizable amounts needed and post-crisis constraints on banks. In many EMs, LCBMs are still small and underdeveloped, raising questions about their ability to fulfil this role.

In this context, this session will discuss: What role can LCBMs play in financing infrastructure? How should sovereign, subnational, and nongovernment bonds contribute and interact with one another to have the greatest impact? What are the key challenges to using local currency bond markets for infrastructure financing? How can these challenges be addressed to make the markets more attractive to borrowers and investors? What intermediate solutions might be used in countries with high infrastructure financing needs and less developed markets? What types of instruments could help improve use of bond financing, such as future flow transactions? What actions would be needed to make them more usable?

Moderator: *Alison Harwood*, Manager, Capital Markets and Corporate Governance, Finance and Private Sector Development, The World Bank Group

14:00 – 15:30

Panel Discussion

- *Alexei Remizov*, Managing Director, HSBC Securities
- *Megan McDonald*, Head, Debt Primary Markets, Standard Bank
- *Nicky Prins*, Chief Director, National Treasury, South Africa
- *Leandro Secunho*, Deputy Coordinator, National Treasury, Brazil

15:30 – 16:00

Coffee Break

16:00 – 17:00

General Discussion

17: 45 – 19:45

Cocktail Reception

Friday, December 6, 2013—Day Two

SESSION III CONTINGENT LIABILITIES

9:00 – 12:00 The issue of contingent liabilities inevitably arises in the context of infrastructure projects and financing.

How important are sovereign, multilateral, or third party guarantees? Does the 2005 OECD report on Good Practices for Credit State Guarantees warrant an update and extension from the perspective of further facilitating infrastructure finance?

The results from a recent OECD survey on guarantees will be circulated as background.

9:00 – 10:30 **Moderator:** *Dr. Hans J. Blommestein*, Head of Bond Market and Public Debt Management Unit, Organization for Economic Co-operation and Development

Panel Discussion

- *Magnus Thor*, Head of Guarantee & Loan Department, Swedish National Debt Office
- *Taşkın Temiz*, Director General, Undersecretariat of Treasury, Republic of Turkey
- *Sturla Pálsson*, Senior Manager, Treasury and Market Operations, Central Bank of Iceland
- *Richard Hughes*, Head, Public Financial Management Division, International Monetary Fund

10:30 – 11:00 **Coffee Break**

11:00 – 12:00 **General Discussion**

SESSION IV CONCLUSIONS AND POLICY REMARKS

12:00 – 13:00 *[Session Overview]*

12:00 – 12:30 **Panelists**

- *Alison Harwood*, Manager, Capital Markets and Corporate Governance, Finance and Private Sector Development, The World Bank Group
- *Dr. Hans J. Blommestein*, Head of Debt Management and Bond Market Unit, Organization for Economic Co-operation and Development
- *Luc Everaert*, Assistant Director, Monetary and Capital Markets Department, International Monetary Fund

12:30 – 13:00 **General Discussion and Closing Remarks**