

Become a...

# Certified Project Finance Specialist

**Certified by the American Academy of Financial Management (AAFM).  
Recognised in over 145 countries by 560 training providers, universities,  
colleges and business schools.**

*For the first time in Kuwait*

**6 – 10 July 2008, AAFM Training Center, Salhia Complex**

### Program Objectives:

The goal of this programme is to provide you with project financing skills you can immediately use upon return to your workplace. Analysts will learn to use demonstrated analytical strategies which will enable them to assess the degree of risk and benefit of specific project financing, along with the elements of the day-to-day business and operational aspects. This program is also designed to enhance the check lists and benchmark metrics by which you can reduce losses and which will be viewed favourably by both management and the regulatory community.

### Who should attend?

This programme has been designed to meet the needs of industry brokers of structured finance and the requirements of any banker who is directly involved in structuring finance for the trade, service and project sector of the economy. The outline takes in construction, PPP, energy, infrastructure, government and many other areas that look to sound concepts of structured finance to manage their risk and cash flow while deriving benefits for investors.

### By attending this course, the added benefits you will receive include:

- The ability to use the designation Certified Finance Project Specialist (CFPS™) on your business card and resume
- Up to 18 months membership to the AAFM professional body
- Access to the AAFM risk management network and body of information online
- Being taught by a leading finance expert from the American Academy of Financial Management
- Membership to the only professional body recognised by the AACSB, the world's leading collection of business schools
- Preferred access to education centres in USA, UK, Europe, Asia, Middle-East and Latin America
- Qualification for entry into the AAFM Master Financial Professional programme
- Access to the AAFM international journal published online
- Gold Embossed Certificate with your name and designation as a MAAFM (Member of the American Academy of Financial Management)
- Full accreditation fees included in the course fees.

*Here's what delegates have said about previous AAFM Certified Courses:*

**“Highly informative and effective message delivery – an excellent experience”**

**Noora Al Bahrani**  
Product Manager, IFC, UAE

**“Excellent Course with Excellent facilitator”**

**Husam H Al-Eid**  
Operational Risk Manager, Arab National Bank, KSA



## Martin Davies

### Global Leadership Team

#### AAFMM Dubai



Martin Davies is a principal consultant risk based banking SME and a managing partner within the business solutions competency at Causal Capital. He specialises in designing risk measurement and management systems with a particular focus

on regulatory capital frameworks. He has more than 10 years experience developing bespoke knowledge / workflow and scorecard solutions for financial institutions in both strategic and processing areas of the business. At the Commonwealth Bank of Australia he contributed to the risk program by running the demarcation project for measuring arbitrage between credit and operational risk and a recent engagement saw him with group risk at Suncorp Metway, where he was pioneering the design of the AMA capital framework. Currently he specialises in developing risk solutions and works with loss data, control assessments, indicator systems and scenario analysis, with a particular focus on banking processes, systems and products.

He is a risk commentary journalist for PRMIA (the global risk organisation) and you can access his journal at the following address: <http://www.prmia.org/Weblogs/General/MartinDavies1/>

Martin is proactively entertaining divergent risk theories / techniques, has published several papers and delivered speeches on the use of quantification instruments for risk with a good focus on managing fraud, anti money laundering and business continuity to assist banks reduce negative impact from outages. Recent interest envelopes the ability to dimension type II curves, particularly for use in economic capital models. He holds a Train-The-Trainer and project management certificate, has been invited to present at several conferences throughout South East Asia and has extensive experience delivering complex material to a varied set of participants. In September 2006 he chaired the Singapore Op Risk Congress and in November 2006 he presented and chaired the Indian Auditors Forum in Delhi. More recently he worked with a regulator in the Middle East to present risk based regulation to a large group of risk and banking participants. In addition to his risk knowledge, he has vast experience across the entire retail and corporate banking space from loans to transactional accounts and he understands both front and back office areas of the division. He has worked with initiatives such as delinquency management on revolving lines of credit and also has exposure to both business lending, restructuring as well as with investment products. He reviews risk in a holistic manner with a special

emphasis on business process redesign and process/product measurement for entire customer portfolios and channels of the bank.

Martin heads up the company as the managing director, he is also the lead designer for the Causal Capital risk product suit which involves the delivery and alignment of the risk solutions to the local banking community across South East Asia. His current ongoing project is running a capital market feasibility study for a stock exchange in an Islamic country, assisting the exchange construct a new energy risk instrument. The project will take in the full end-to-end cap and trade cycle as well as the economic factors that effect the market as a whole. This is an exciting piece of work which touches many diverse facets of merchant banking, lending and government based policy. It is a big credit to Martin's dedicated ongoing research in capital markets, risk and the banking community as whole.

## 6 to 10 July - Programme Outline

### Course Timings:

Registration will be at 03:30 pm on Day One with the programme commencing promptly at 04:00 pm each day. There will be two short breaks each day and the sessions will conclude at 09:00 pm.

## Day One - 6 July 2008

### Introduction And Overview

#### The Purpose Of Project Finance

- Investors, Owners, Capital markets, Banks, Insurance Agencies, Brokers

#### Where Is Project Finance Found?

The key areas in the economy where project finance is found and how it goes about to achieve specific results in each sector of the economy.

#### Project Finance Stages

- Elements of common deals and the finance model
- Model layout (input, calculation and report)
- Model output and how it is used by each member role of the project
- Project proposal structuring
- Introduction to the balance sheet approach

#### Cost

- The types of costs and how they should be represented
- Estimating costs
- Granular levels of costs and aggregation
- Time and money
- The concept of interest
- Sample case study on time and cost

#### Revenue And Cash Flow

- Definitions of different types of revenue
- How financial institutions review different types of revenues
- Deriving benefits for investors and how to present
- Introduction to valuation approaches (EBITDA, PV,

- FV etc.)
- Errors with specific valuation approaches
- Case study and example in Excel

## Day Two - 7 July 2008

### Structures And Vehicles

#### The SPV And Its Purpose

- SPV structures
- A set of SPV structures and their purposes
- Pitfalls in specific SPV structures
- A set of examples and case studies for SPV structuring

#### Debt Management I

- Debt goals (terming, cost capping, leveraging and discounting)
- Sources of funds (debt vs. equity)
- Short term debt structures
- Covenants complexities
- Medium term debt structures
- Long term debt structures
- Capital markets - Debt Based Funding: bonds and notes
- Capital markets - Equity Based Funding: shares and convertibles
- Hybrids
- Subordinated debt management

#### Debt Management II

- Mixing debt and equity, IRR and solver examples in Excel
- Cash balancing and reporting
- Commodity based approaches to finance
- Introduction of forwards, futures and options
- The hidden costs of capital markets
- Reserving, Security, Due diligence
- Debt service coverage ratios and credit risk

## Day Three - 8 July 2008

### Risk Management

#### Tax

- Capital gains and the dividend equity trap
- Modelling reserves
- Profit and loss
- Depreciation methods for tax reduction
- Balance write downs
- Calculation of interest and fees from a tax perspective

#### Risk – Overview

- Risk appetite: the gauge against opportunity
- Investor behaviour, myopia and the aversion paradigm
- How banks look at risk and why?
- An overview of credit risk and how to satisfy the lender

#### Risk – Market

- How it is measured
- Value at risk concept
- Examples with foreign exchange
- Examples with interest rate exposure
- Methods for hedging and swapping such exposures

#### Risk – Operational

- The types of operational risk
- Measuring operational risk (Frequency and

- Magnitude Model)
- Scorecard exposures
- Strategies for managing operational risk (control factoring, insurance and hedging, reserves)

## Day Four - 9 July 2008

### Multivariate And Mixed Models

#### Benchmarks And Models

- The key ratios for project performance
- Introduction to scenario analysis for managing risk and error
- Case study and Excel examples for on the fly structuring

#### Advanced Forecasting

- Review of traditional forecasting models
- Leveraging the model and smoothing techniques
- Monte Carlo techniques for forecasting
- Handling and hedging seasonality
- Forecasts and sensitivity analysis
- Currency adjustments

#### Pricing And Payout Calculators

- Advanced optionality calculations on forwards
- Iterative approaches to cash flow management
- Case studies

#### Tools Review And Using Statistics With Numbers

- Full overview on statistical approaches
- Statistical terms, mean, standard deviation
- Curve types and fitting
- Correlation and its uses
- Regression and its uses
- Examples in error propagation

## Day Five - 10 July 2008

### Treasury, Execution And Delivery

#### Treasury Functions And Liquidity

With so few trade and project brokers running treasury functions in their business a real edge can be obtained by looking at a treasuring approach to leverage capital pools.

- Concepts of project liquidity
- Cash management
- Invoice management
- Pooling and sweeping
- Batching and squeezing cost
- Working marginal capital

#### Syndication / M&A

Specific management approaches to engaging value or sharing the costs come from syndication and M&A, what are the key parts to such stances and what needs to be learned from them?

- Definition on management acquisition approaches
- How to carry out valuation?
- Alternative method valuation – Alpha and Beta benchmarking
- What are the main pitfalls of such structures and how are they managed?

#### Assessment

As part of the accreditation process the class will be divided into groups which will be required to develop and then deliver a full case study on a preset question. The task will take in the full scope of the course from end-to-end.

# Registration Form

## Three Easy Ways To Enrol

**T** +965 246 2030 / +965 7688 433

**F** +965 246 2050

**E** enrollQ8@aafmgcc.com

## Course Dates

Certified Project Finance Specialist

6 - 10 July 2008

## Timing

From 4:00 PM to 9:00 PM

## Venue

AAFM Training Center

Salhia Complex

Kuwait City

## Program Fee

Regular fee KD750.00

## Early Bird Discount

Register on or before 22 June and save KD50

## Individual & Corporate Schemes

Enjoy the benefits of our reward, royalty schemes and pricing strategies.

## Payment Methods

Please pay by Cheque, Cash or Bank Transfer, prior to programme commencement.

All cheques should be crossed and made in favour of American Academy of Financial Management.

The fee includes instruction, course material and detailed case studies. On successful completion of the course, the AAFM award free membership for a period of up to 18 months.

## Registration Details

Title: ..... First Name: .....

Last Name: .....

Company Name: .....

Job Title: .....

Department: .....

Address: .....

.....

Country: .....

Tel: .....

Fax: .....

Mobile: .....

Email: .....

For multiple registrations, please copy this page.

Yes! I would like to receive information about future events and services via email.

In the case of unforeseen circumstances, AAFM reserves the right to change venue and/or speakers.

## Payment Options

Cash

Cheque – Payable to “American Academy of Financial Management”

Bank Transfer – American Academy of Financial Management, Commercial Bank of Kuwait, Hawalli Branch, Account Number: 2001012338.

## Cancellation

If you are unable to attend, a substitute delegate will be very welcome in your place. If this is not suitable, a KD 100 service charge will be payable. Registrations cancelled less than seven (7) days before the event must be paid in full.

## Customised Solutions And On-Site Training

AAFM provides tailor-made, superior and highly cost-effective in-house training with professional certification awarded. Our certifications can be articulated to a full university qualification or simply be a highly focused, tailored curriculum delivered by the most experienced industry experts. With global recognition and a faculty of specialists who are industry practitioners, we teach the ‘how’ and ‘why’, not just the ‘what’. Call us now on +965 246 2030 or email enrollQ8@aafmgcc.com

