General Course Information

The course will teach the fundamentals of Project Finance.

The course will address the rationale for this type of financing and examine project risk analysis, risk mitigation strategies, financing options, and legal/regulatory/industry frameworks. The course will address cash-flow modeling concepts for Project Finance but will not engage in the mechanics of modeling techniques.

Instruction will commence on Thursday October 27th and be followed by five weekly classes. The first two sessions will review the fundamental aspects of Project Finance followed by specific perspectives of respective stakeholder interests – such as sponsors, consultants, governments or NGOs. The subsequent classes are built around specific project finance topics and team presentations based upon a number of tangible cases which highlight specific practical situations and relevant issues.

Evaluation will be 10% from class participation, 40% from case presentation and 50% from a final take-home paper.

Course Objective

Fundamentals of Project Finance.
Method of Instruction

Method of instruction will be six weekly classes. The first two sessions will review the fundamental aspects of Project Finance followed by specific perspectives of respective stakeholder interests – such as sponsors, consultants, governments or NGOs. The subsequent classes are built around specific project finance topics and team presentations based upon a number of tangible cases which highlight specific practical situations and relevant issues.

Course Description

The course teaches the fundamentals of Project Finance. The course addresses the rationale for this type of financing and examines project risk analysis, risk mitigation strategies, financing options, and legal/regulatory frameworks

Text


(Additional readings will be assigned during the course.)

Method of Evaluation

At the end of the first session, teams of students will be assigned to prepare an individual case. At a subsequent class each team will present their case from several stakeholder perspectives, the remainder of the class is expected to contribute to the discussion and ask thoughtful questions. The final take-home paper asks students review a Project Finance Proposal (provided) and, in not more than 2000 words, identify the relevant project finance issues and discuss the merits of a proposed solution. Class attendance is mandatory given the high importance of class participation in final grade assessment.
**Class 1:** Thursday 27th October  
Introduction to Project Finance and in-class review of the Nghe An case.

**Class 2:** Thursday 3rd November  
Introduction to Project Finance and in-class review of the Mozal case.

**Class 3:** Thursday 10th November  
Project Finance modeling and in-class review of the Enron case.

**Class 4:** Thursday 17th November  
Public Private Partnerships and in-class review of the Petrozuata case.

**Class 5:** Thursday 24th November  
Environmental issues and in-class review of the Vancouver case.

**Class 6:** Thursday 3rd December  
Default and recovery characteristics and in-class review of the Sydney case.