

**COURSE OVERVIEW FM0260**  
**Finance for Project**

**Course Title**

Finance for Project

**Course Date/Venue**

August 18-22, 2024/Boardroom 1, Elite Byblos  
 Hotel Al Barsha, Sheikh Zayed Road, Dubai,  
 UAE

**Course Reference**

FM0260

**Course Duration/Credits**

Five days/3.0 CEUs/30 PDHs



**Course Description**



***This practical and highly-interactive course includes real-life case studies and exercises where participants will be engaged in a series of interactive small groups and class workshops.***



This course is designed to provide participants with a detailed and up-to-date overview of project financing. It covers the rationale for project financing; the project financing from direct financing; the authorities responsible in financing large projects and the sources of funds for large projects; the project viability; and the technical feasibility, economic viability, creditworthiness, risk and implications in project financing.



During this interactive course, participants will learn the purpose and design of security arrangements and direct security interest in project facilities; the requirements and guidelines in structuring the project; the preparation of project financing plan; the process of discounted cash flow analysis, financial modeling and project evaluation; the real options analysis and the sources of project funds; the elements in managing project risks; the issues for the host government; the benefits of project financing and its potential future applications; and the project finance and practical solutions applicable in the organization.

### Course Objectives

Upon the successful completion of this course, each participant will be able to:-

- Apply and gain an in-depth knowledge on project financing and review its requirements and appropriateness
- Discuss the rationale for project financing as well as its advantages and disadvantages and compare project financing from direct financing
- Identify what is special about large projects and distinguish how large are “large” projects
- Determine the authorities responsible in financing large projects and the sources of funds for large projects
- Analyze project viability by being aware of its technical feasibility, economic viability, creditworthiness and risk and emphasize its implications in project financing
- Explain the purpose and design of security arrangements as well as its direct security interest in project facilities
- Discuss the requirements and guidelines in structuring the project and prepare the project financing plan
- Review and improve the process of discounted cash flow analysis and carryout financial modeling and project evaluation
- Evaluate a project using real options analysis and identify the sources of project funds
- Determine the elements in managing project risks and emphasize the issues for the host government
- Recognize the benefits of project financing and its potential future applications
- Present case studies and examples of project finance and suggest practical solutions applicable in the organization

### Exclusive Smart Training Kit - H-STK®



Participants of this course will receive the exclusive “Haward Smart Training Kit” (H-STK®). The H-STK® consists of a comprehensive set of technical content which includes **electronic version** of the course materials, sample video clips of the instructor’s actual lectures & practical sessions during the course conveniently saved in a **Tablet PC**.

### Who Should Attend

This course provides an overview of all significant aspects and considerations of project finance for finance directors, finance controllers, senior management accountants and other finance people who have been entrusted with the responsibility of managing the finances of the organizations. Further, this course is applicable to project managers, project engineers, supervisors and project team members, bank managers, credit, sales & business associates, general managers, technical managers, engineering managers, planning managers and department managers.

### Course Certificate(s)

Internationally recognized certificates will be issued to all participants of the course who completed a minimum of 80% of the total tuition hours.

### Certificate Accreditations


Certificates are accredited by the following international accreditation organizations: -

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The International Accreditors for Continuing Education and Training (IACET - USA)

Haward Technology is an Authorized Training Provider by the International Accreditors for Continuing Education and Training (IACET), 2201 Cooperative Way, Suite 600, Herndon, VA 20171, USA. In obtaining this authority, Haward Technology has demonstrated that it complies with the **ANSI/IACET 2018-1 Standard** which is widely recognized as the standard of good practice internationally. As a result of our Authorized Provider membership status, Haward Technology is authorized to offer IACET CEUs for its programs that qualify under the **ANSI/IACET 2018-1 Standard**.

Haward Technology's courses meet the professional certification and continuing education requirements for participants seeking **Continuing Education Units (CEUs)** in accordance with the rules & regulations of the International Accreditors for Continuing Education & Training (IACET). IACET is an international authority that evaluates programs according to strict, research-based criteria and guidelines. The CEU is an internationally accepted uniform unit of measurement in qualified courses of continuing education.

Haward Technology Middle East will award **3.0 CEUs** (Continuing Education Units) or **30 PDHs** (Professional Development Hours) for participants who completed the total tuition hours of this program. One CEU is equivalent to ten Professional Development Hours (PDHs) or ten contact hours of the participation in and completion of Haward Technology programs. A permanent record of a participant's involvement and awarding of CEU will be maintained by Haward Technology. Haward Technology will provide a copy of the participant's CEU and PDH Transcript of Records upon request.

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British Accreditation Council (BAC)

Haward Technology is accredited by the **British Accreditation Council** for **Independent Further and Higher Education** as an **International Centre**. BAC is the British accrediting body responsible for setting standards within independent further and higher education sector in the UK and overseas. As a BAC-accredited international centre, Haward Technology meets all of the international higher education criteria and standards set by BAC.

### Course Fee

**US\$ 5,500** per Delegate + **VAT**. This rate includes H-STK® (Haward Smart Training Kit), buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

### Course Instructor(s)

This course will be conducted by the following instructor(s). However, we have the right to change the course instructor(s) prior to the course date and inform participants accordingly:



**Dr. Vida Botes**, PhD, MSc, PGDip, BSc, is a **Senior Financial & Accounting Management Expert** with over **35 years** of practical work experience as a **Chartered Accountant, Facilitator & Consultant** in **Budget Estimation, Forecasting & Cost; Financial Planning Control & Performance Measurement; Budgeting & Costing** for Decision Making, **Financial & Accounting Management, Budgeting & Cost Control, Invoice Processing & Management** and **Fund Management**. She is currently the **Head of the Business School at Wintec (New Zealand)** and the **Adjunct Professor of Strategic Finance at the University of Maryland (USA)** wherein she lectures both local and international **MBA programmes in financial management and strategy**.

During her career life, Dr. Botes was the **Director** for the Department of **Strategic Accounting** and Operational Management at the **Technikon Witwatersrand**. She was also a **Senior Lecturer** for the Department of **Accountancy at UNISA**. Prior to that, Dr. Botes held senior positions within the **finance function** such as the **Business Consultant, Part-time Lecturer & Facilitator, School Head & Research Leader, Senior Lecturer, Area Head of Value Chain & Finance, Accounting & Business Administration Head, Business School Manager, Accountant, Trainer Accountant & Auditor** for international companies such as the **University of Maryland, Business School of Netherlands, University of Wales, Waikato Institute of Technology, University of Johannesburg, ESKOM and Hoek & Wiehahn Chartered Accountants**. She was also the **Finance Manager of Technikon RSA Business School** while lecturing on **Business & Finance** at the same time.

Dr. Botes has a **PhD** degree in **Accounting**, a **Master** and a **Bachelor** degree with Honours in **Accountancy** and a **Post Graduate Diploma in Company Law & Business Taxation** as well as in **Tertiary Education (Cum Laude)**. Further, she is a **Certified Instructor/Trainer** and a **Certified Internal Verifier/Assessor/Trainer** of the **Institute of Leadership & Management (ILM)**. Dr. Vida is a **Certified Chartered Accountant (CA)** and served as a member of various national and international accounting bodies and as a member of the standards governing body in finance of the SA Qualifications Authority as well as an active council member of the SA Institute of Professional Accountants, New Zealand Institute of Chartered Accountants, Council Finance Portfolio and the editorial board of "The Accountant" magazine. Moreover, she has **published 60 technical articles and text books**, and has presented papers, trainings, seminars and workshops nationally and internationally.

### Accommodation

Accommodation is not included in the course fees. However, any accommodation required can be arranged at the time of booking.

### Training Methodology

All our Courses are including **Hands-on Practical Sessions** using equipment, State-of-the-Art Simulators, Drawings, Case Studies, Videos and Exercises. The courses include the following training methodologies as a percentage of the total tuition hours:-

- 30% Lectures
- 20% Practical Workshops & Work Presentations
- 30% Hands-on Practical Exercises & Case Studies
- 20% Simulators (Hardware & Software) & Videos

In an unlikely event, the course instructor may modify the above training methodology before or during the course for technical reasons.

### Course Program

The following program is planned for this course. However, the course instructor(s) may modify this program before or during the course for technical reasons with no prior notice to participants. Nevertheless, the course objectives will always be met:

**Day 1: Sunday, 18<sup>th</sup> of August 2024**

0730 – 0800	<i>Registration &amp; Coffee</i>
0800 – 0815	<i>Welcome &amp; Introduction</i>
0815 – 0830	<b>PRE-TEST</b>
0830 – 0915	<b>What is Project Financing?</b> <i>What is Project Financing? • A Historical Perspective • Requirements for Project Financing • Appropriateness of Project Financing • An Example</i>
0915 – 0930	<i>Break</i>
0930 – 1030	<b>The Rationale for Project Financing</b> <i>Prior Studies' Explanations • The Need for Contracts • The Advantages of Separate Incorporation • Countering the Underinvestment Problem • Reallocating Free Cash Flow • Reducing Asymmetric Information &amp; Signaling Costs</i>
1030 - 1230	<b>The Rationale for Project Financing (cont'd)</b> <i>More Efficient Structuring of Debt Contracts • More Effective Corporate Organization &amp; Management Compensation • Project Financing Versus Direct Financing • Advantages of Project Financing • Disadvantages of Project Financing</i>
1230 – 1245	<i>Break</i>
1245 – 1420	<b>What is Special about Large Projects?</b> <i>How Large are "Large" Projects? • Length of Project Contracts • Initial Project Capital Structure • Why Studying Project Finance is Useful • Why Study How Large Projects are Financed?</i>
1420 – 1430	<b>Recap</b>
1430	<i>Lunch &amp; End of Day One</i>

**Day 2: Monday, 19<sup>th</sup> of August 2024**

0730 – 0900	<b>Who Finances Large Projects?</b> Sources of Funds for Large Projects • Project Bonds' Default Risk • Lead Arrangers, Managing Underwriters and Advisors
0900 – 0915	Break
0915 – 1100	<b>Analyzing Project Viability</b> Technical Feasibility • Economic Viability • Creditworthiness • Conclusion as to Viability • Assessing Project Risks • Completing Risk • Technological Risk • Raw Material Supply Risk
1100 – 1230	<b>Analyzing Project Viability (cont'd)</b> Economic Risk • Financial Risk • Currency Risk • Political Risk • Environmental Risk • Force Majeure Risk • Implications for Project Financing • The Cogeneration Project
1230 – 1245	Break
1245 – 1420	<b>Designing Security Arrangements</b> Purpose of Security Arrangements • Direct Security Interest in Project Facilities • Security Arrangements Covering Completion • Security Arrangements Covering Debt Service • Types of Purchase & Sale Contracts • Raw Material Supply Arrangements • Supplemental Credit Support • Insurance • The Cogeneration Project
1420 – 1430	<b>Recap</b>
1430	Lunch & End of Day Two

**Day 3: Tuesday, 20<sup>th</sup> of August 2024**

0730 – 0900	<b>Structuring the Project</b> Undivided Joint Interest • Corporation • Partnership • Limited Liability Company • The Cogeneration Project
0900 – 0915	Break
0915 – 1100	<b>Preparing the Project Financing Plan</b> General Considerations • Construction Financing • Long-Term Financing • Withholding Tax Considerations • Estimating the Borrowing Capacity of a Project
1100 – 1230	<b>Preparing the Project Financing Plan (cont'd)</b> Loan Repayment Parameters • Borrowing Capacity, Assuming Full Drawdown Immediately Prior to Project Completion • Borrowing Capacity, Assuming Periodic Loan Drawdowns • Application to a Hypothetical High-Speed Rail Project • Annual Coverage Tests
1230 – 1245	Break
1245 – 1420	<b>Discounted Cash Flow Analysis</b> Incremental After-Tax Cash Flows • The Hurdle Rate • Estimating the Cost of Capital for a Project • Net Present Value Analysis • Internal Rate of Return Analysis • Comparing IRR & NPV Analyses
1420 – 1430	<b>Recap</b>
1430	Lunch & End of Day Three

**Day 4: Wednesday, 21<sup>st</sup> of August 2024**

0730 – 0900	<b>Financial Modeling &amp; Project Evaluation</b> <i>Preparing Cash Flow Projections • Preparing Projected Financial Statements • Evaluating a Project's Debt Capacity</i>
0900 – 0915	Break
0915 – 1100	<b>Financial Modeling &amp; Project Evaluation (cont'd)</b> <i>Measuring Expected Rates of Return • Sensitivity Analysis</i>
1100 – 1230	<b>Using Real-Options Analysis to Evaluate a Project</b> <i>Description of the Oil Field Project • Project's Real Options • Evaluating the Project • Traditional DCF Analysis • Sensitivity of Option Value to Oil Price Volatility &amp; to Reserve Dispersion</i>
1230 – 1245	Break
1245 - 1420	<b>Sources of Project Funds</b> <i>Equity • Long-Term Debt Market • Commercial Bank Loans • Fixed-Rate Debt Market • International Capital Market • Supplier Credits • Governmental Assistance • World Bank Loans • Inter-American Development Bank • Local Sources of Capital</i>
1420 – 1430	<b>Recap</b>
1430	Lunch & End of Day Four

**Day 5: Thursday, 22<sup>nd</sup> of August 2024**

0730 – 0900	<b>Managing Project Risks</b> <i>Interest-Rate Swaps • Credit Default Swaps • Options • Forwards &amp; Futures • Hedging • Hedging with Options • Hedging Foreign Exchange Risk</i>
0900 – 0915	Break
0915 – 1100	<b>Issues for the Host Government</b> <i>Contribution to the Host Jurisdiction's Economic Development • Host Jurisdiction's Expected Economic Return • Impact on the Availability of Hard Currency • Exposure of the Host Government to the Project's Obligation to Repay Project Debt • Desirability of Precedents</i>
1100 – 1230	<b>Issues for the Host Government (cont'd)</b> <i>Hibernia Oil Field Project • Public-Private Infrastructure Partnerships • Public-Private Financing Structures • Legislative Provisions that can Affect Public-Private Partnerships</i>
1230 – 1245	Break
1245 – 1345	<b>Conclusions</b> <i>Reaping the Benefits of Project Financing • Recognizing When Project Financing can be Beneficial • Potential Future Applications of Project Financing • Organizational (Re)form • Financial Engineering</i>
1345 – 1400	<b>Course Conclusion</b>
1400 – 1415	<b>POST-TEST</b>
1415 – 1430	<i>Presentation of Course Certificates</i>
1430	Lunch & End of Course

**Practical Sessions**

This practical and highly-interactive course includes real-life case studies and exercises:-



**Course Coordinator**

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