



INNOVATIVE INFRASTRUCTURE FINANCING TO UNLOCK REGIONAL INTEGRATION AND CONNECTIVITY

APPLICATION OF ISDBs RISE MODALITY TO FINANCE REGIONAL PROJECTS

Date: 22 August 2021 Time: 13:00-15:00 (GMT+5)- Tashkent Time Venue: Virtual event

Financing and operationalization of cross-border regional projects is a complex venture. The costs and benefits associated with these projects vary at national and regional level which generates different incentives among stakeholders in bringing these projects to fruition. However, most of these projects have high socio-economic return and could generate large private returns if structured and implemented properly. The financing of cross-border projects often also requires multitude of stakeholders ranging from national governments, international financial institutions to private investors. Coordinating multiple sources of funding through a suitable mechanism to finance the entire project lifecycle requires innovative financing modalities. Further, successful financial structuring of such projects also calls for brokering political and commercial deals to bring together various stakeholders. MDBs and regional development institutions can play a critical role in this context to catalyze and coordinate financing and enable risk sharing to mobilize private funding. Further, they can also play a lead role in technically supporting governments to identify high potential regional projects with significant development returns and to use their mandate in mediating political agreements. This event would focus on sharing experiences, approaches and knowledge of stakeholders in successfully financing regional infrastructure projects. It will also highlight IsDB's flagship Regional Infrastructure Supranational Entity (RISE) model, a new innovative structure, to demonstrate how it can be structured to finance a regional project.

KEY ISSUES TO BE ADDRESSED

- a) Complex Intergovernmental Arrangements required for financing and implementation of regional projects
- b) Managing Political Risks entailed in regional projects and addressing them through risk sharing structures
- c) Issues of Disparate Policy and Regulatory Environments and coordination/ harmonization across national standards
- d) Cost and Benefit Allocation in financing structures
- e) Using GIS and other technologies for selection of regional projects
- f) Economic and financial viability of projects and viability gap funding
- g) Overview of RISE modality with possible application to a regional project
- h) Role of regional integration promotion bodies in mobilizing financing
- i) GIS and infrastructure observatory in structuring better deals

Panelists

Mr. Shukhrat Abdusharifovich Vafaev, is the Deputy Minister of Investments and Foreign Trade of Uzbekistan. He has served as the Deputy Chairman of the State Investment Committee of the Republic of Uzbekistan. He holds significant experience in attracting investments for financing regional projects.

Mr. Asif Mateen Zaidi, Additional General Manager, Infrastructure, Pakistan Railways.

Mr. Akbar Khodaei, Director Transport and Communication of ECO Secretariat

Mr. Roel Janssens, an experienced economic affairs officer currently serving as Secretary to the UNECE Working Party on Transport Trends and Economics (WP.5). In this capacity he manages the recently established International Transport Infrastructure Observatory (ITIO) which offers a Geographic Information System (GIS) based platform operating as a virtual marketplace for attracting financing of transport infrastructure projects.

Mr. Mohamed El Habib Chenguiti Ansari is the Head of Alternate Development Finance Unit at IsDB. He is the architect of the new RISE approach. Previously he has served as the Vice President at JP Morgan Chase, VP at Nomura as well as UBS. He holds significant experience in structured finance.

Ibrahim Shoukry (moderator) is the Head of the Regional Hub of Almaty Kazakhstan which manages IsDBs program in Uzbekistan, Kazakhstan, Kyrgyzstan, Turkmenistan and Tajikistan. Previously he has served as Head of the IsDBs Regional Hub in Indonesia. He has also served as Director of Investment and Financing in Islamic Corporation for the Development of the Private Sector (ICD) overseeing institutional investments and financing activities in 54 ICD member countries.