



Long-term
Infrastructure
Investors
Association

The Long-term Infrastructure Investors Association



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1. Rationale and objectives
 2. Organization & Governance
 3. Meetings and Events
 4. Workstreams and Outlook



1. Rationale and objectives of the Long-term Infrastructure Investors Association

Infrastructure investment: a priority topic for both the private and public sectors

A growing investment industry

- 3% average allocation of institutional investors' assets under management, i.e. USD 2,500bn, to infrastructure
- Allocation set to double over the next 10 years
- Among investors, steep learning curve with earlier investors allocating more than 10% to infrastructure

A key factor in achieving the UN Sustainable Development Goals and the Paris Climate Agenda

- Strong attention paid by International financial institutions and governments of both developed and emerging economies

- Long term investment in infrastructure a key topic of international and regional forums as for example:
 - G20: Investment and Infrastructure Working Group
 - EU: the Infrastructure Investment Plan (the “Juncker Plan”) and Solvency II
 - US: TIFIA long-term credit support, Private Activity Bonds

Both Public and Private Sectors benefit from the emergence of an Infrastructure Investors Industry Voice





LTIIA Objectives

Sharing and promoting best practices within the industry

- Promote and support the creation of performance benchmarks for the infrastructure asset class for asset allocation, regulatory and risk management purposes
- Support research and analysis of infrastructure investment related topics (e.g. direct or indirect access to the asset class, risk management tools, sector and financial regulations changes, long-term trends of the sector)
- Enable better integration of Environment, Social and Governance (ESG) aspects in a sustainable infrastructure approach.

Providing policy-makers an infrastructure investment industry entry point

- Linking financial regulations and infrastructure funding policies
- Contributing actively to market consultations at regional and global levels
- Ensuring industry representation in relevant fora (G20/B20, OECD, MDBs meetings/workshops, etc.)

To facilitate and promote private investment in infrastructure that enables long-term, sustainable development of communities, countries and regions.



2. Organization and Governance

An association for investors and by investors

Full Members

- Asset owners active in the investment in infrastructure, or intending to develop such an activity;
- their objective is to act as long term principal investors in infrastructure assets.

Associate Members

- Other organizations active in the domain of long-term investment in infrastructure – such as advisors and investment managers with bounded discretion over third-party capital.

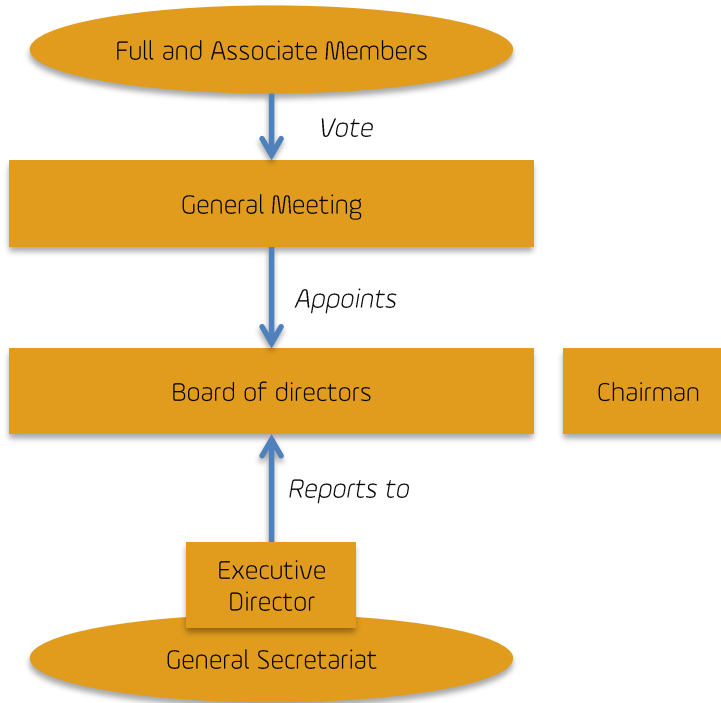
Honorary members

- Honorary membership can be granted by the Board of the Association to institutions significantly contributing to the development of long-term investment in infrastructure without directly intervening in the investment process;
- For example, research institutions, non-profits and other trade associations, making up LTIIA's Action Circle.

Governance of the Association, including strategic direction, is reserved to full and associate members



A straightforward governance model ensuring transparency and efficiency



- Annual General Meeting responsible for appointing board members, approving budget/accounts and amendments to the Articles of Association
- Board of Directors responsible for approving all Association policies and initiatives
- General Secretariat responsible for daily management under the guidance of the Board





Meet the Board of LTIA:



Recep Kendircioglu
Head of Power and Infrastructure Group
John Hancock Life Insurance Company



Bernd Kreuter
Founder and Managing Partner
Palladio Partners



Thierry Déau, Chairman
Founder and CEO
Meridiam



Shigefumi Kuroki
Head of Global Infrastructure Investments
Development Bank of Japan



Petya Nikolova
Head of Infrastructure Investments
New York City Comptroller's Office



Paul Shantic
Director Inflation Sensitive
CaSTRS



Tom Sumpster
Head of Infrastructure Finance
Legal & General Investment Management



Helmut von Glasenapp
Vice President
KfW Bankengruppe



Deborah Zurkow
Global Head of Alternatives
Allianz Global Investors

Meet the Executive Director:



Francois Bergere

Previously Program Manager for the Public-Private Infrastructure Advisory Facility (PIIAF) at World Bank. Prior experience in the French Ministry of Finance PPP Task Force, Infrastructure Funds and Caisse des Dépôts Group, working on infrastructure and project finance



3. Meetings and Events



From left to right:
Michel Sapin, Minister of Finance and Public Accounts
Emmanuel Macron, Minister of Economy, Industry and the Digital Sector
Thierry Déau, CEO of Meridiam and Chairman of LTIIA



U.S. Transportation Secretary Anthony Foxx
addresses the meeting

2014

October 17, 2014

LTIIA's First Annual Meeting, Paris

Strong momentum created, with the support from the EU and French policy makers

Infrastructure benchmarking and focus on ESG aspects defined as the initial core workstreams

2015

September 21-22, 2015

LTIIA's Second Annual Meeting, Washington D.C

First reflections after a year in the market

Building momentum with the American stakeholders from the public and private side

2015



December 2, 2015

Global Infrastructure Investment Seminar, Tokyo

Traction continues to Asia-Pacific driven by several major Japanese investors

2016



Keynote address by Ofgem CEO Dermot Nolan,

September 8, 2016

Seminar on UK Infrastructure Regulation,
London

Convened in partnership with UK Regulators' Network, this seminar set a new precedent of an open and constructive debate between the regulators, policy makers and private investors

As a direct follow on, LTIIA contributed to Ofwat's consultation on PR19

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2016



Gabriel Bernardino, Chairman of the European Insurance and Occupational Pensions Authority, addresses the meeting

October 19-20, 2016

LTIIA's Third Annual Meeting, Frankfurt

Presentation of concrete results, including ESG Library, demo version of the infrastructure benchmark and amendments of Solvency II

Debates on new intervention areas for LTIIA and on coping with the growth

2017



From left to right:
Brett Himbury, Chief Executive, IFM Investors
Mike Mrdak, Secretary, Department of Infrastructure and Regional Development

April 11, 2017

Private Infrastructure Forum, Sydney

LTIIA's inaugural event in Australia, bringing together top leadership from the public and private side for an open, action focused dialogue

Discussion covered value capture in Australian concessions, transparency and predictability of regulation, innovations in financial structuring, etc



2017



Left to right: Joe Hockey, Australian Ambassador to USA; Martin Klepper, Executive Director, Build America Bureau; Patrick Foye, Executive Director, The Port Authority of New York and New Jersey

June 12, 2017

Private Infrastructure Forum, New York

Announcement of the first release of EDHEC financial performance indices

Debates on infrastructure pipeline, private financing, policies and regulation in the US under the Trump administration and in Canada

October 18, 2017

LTIIA Fourth Annual Meeting and a joint Forum with OECD, Paris

LTIIA presented Second Edition of the ESG Handbook for Long-Term Investors in Infrastructure and EDHEC*infra* presented their latest results from the LTIIA-sponsored research chair on infrastructure benchmarking

Policy dialogue to develop infrastructure as an asset class was the core theme of the event.



Franco Bassanini, President of Open Fiber and Advisor to the Prime Minister of Italy

2018



Stefan Engdahl, Deputy Director General, Swedish Transport Administration



The French Ministry for the Economy and Finance in Paris

April 19, 2018

Private Infrastructure Forum, Stockholm

Our inaugural forum dedicated to infrastructure investment in, and investors from, the Nordics

40 influential leaders attended representing institutional investors, fund managers, regulators and government

October 8, 2018

LTIIA Fifth Annual Meeting as part of the Paris InfraWeek, Paris

The Annual General Meeting called on Board to collect feedback and expectations to prepare a roadmap for next 5 year period.

Focus on Responsible Infrastructure Finance for Sustainable Growth. Members given a Masterclass on Infrastructure Equity Investment by EDHEC*infra*.



4. Workstreams and Outlook

Selected Highlights for fiscal year 2019

Engagement with policy makers

- LTIIA, together with multilateral development banks and the OECD, will continue the implementation of the Infrastructure Data Initiative. Endorsed by the G20 November 2018 Communique, the initiative aims to close data gaps that are now hindering the development of infrastructure as an asset class, regarding the financial performance, ESG and project evaluation.
- LTIIA is to further contribute to OECD's events and expert groups, such as the Forum on Green Finance and investment.
- Under the Japanese G20 presidency, LTIIA will continue working in the B20 Taskforce for Financing Growth and Infrastructure.

Building out financial performance benchmarks for infrastructure

- Following the first release of 384 financial performance indices for European infrastructure in June 2017, LTIIA continues working with EDHEC Infrastructure Institute to expand the coverage of the benchmarks and attract more investor data.
- By early 2019 we plan to release new indices that will cover North America, Australia and certain emerging markets.
- LTIIA supports EDHEC*infra* & GRESB to work closely to research & document the link between ESG & financial performance for infrastructure investment.
- An EDHEC*infra* research paper on the drivers for secondary market valuations of unlisted infrastructure equity to be published in 2019

Several other initiatives are under way. Through **standardization** and **benchmarking**, we foster greater transparency and deeper alignment between governments and investors.



Selected Highlights for 2019 (continued)

Shaping Infrastructure Regulation

- Following 2017 policy recommendations by the G20, LTIIA has engaged with a task force of the Financial Stability Board to enable greater convergence in basic ESG definitions for infrastructure.
- Following report on “Boosting Social Infrastructure in Europe”, LTIIA will work on innovative policy measures to foster private investment in new social infrastructure in Europe, as per the ELTI-LTIIA social infrastructure workshop recommendations.
- Through its partnership with UK Regulators’ Network, LTIIA will continue bringing private investor views on regulatory cases by Ofwat, Ofgem and CAA.
- LTIIA to support feedback from private investors to Multilateral Development Banks on perceived obstacles to private investment in infrastructure in emerging markets.

ESG & Sustainability Workstreams

- LTIIA in partnership with GRESB, will continue to work on the ESG Indicators, with a view to incorporate them in the investment process.

We focus **proactively** on specific roadblocks restraining private investment in infrastructure and believe in a commitment to **investing for the long term** in order to drive the best outcomes for all.





LTIA Members



年金積立金管理運用独立行政法人
GOVERNMENT PENSION INVESTMENT FUND



LTIA Action Circle





4, PLACE DE L'OPÉRA
75002
PARIS
FRANCE

INFO@LIIA.ORG
WWW.LIIA.ORG
[@LIIAssociation](https://www.instagram.com/LIIAssociation)