



INFRASTRUCTURE AS AN ASSET CLASS AND ROLE OF INSTITUTIONAL INVESTORS

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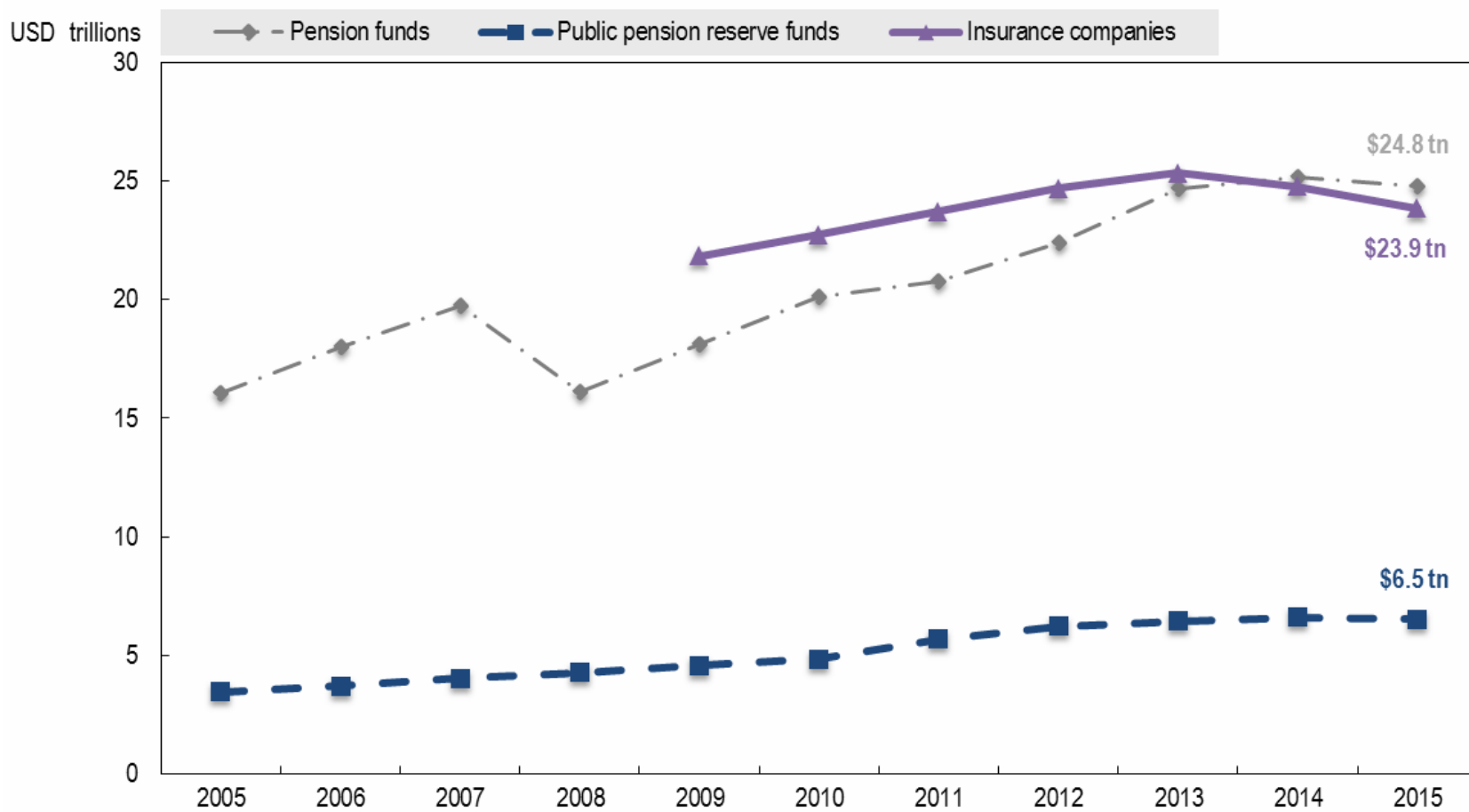
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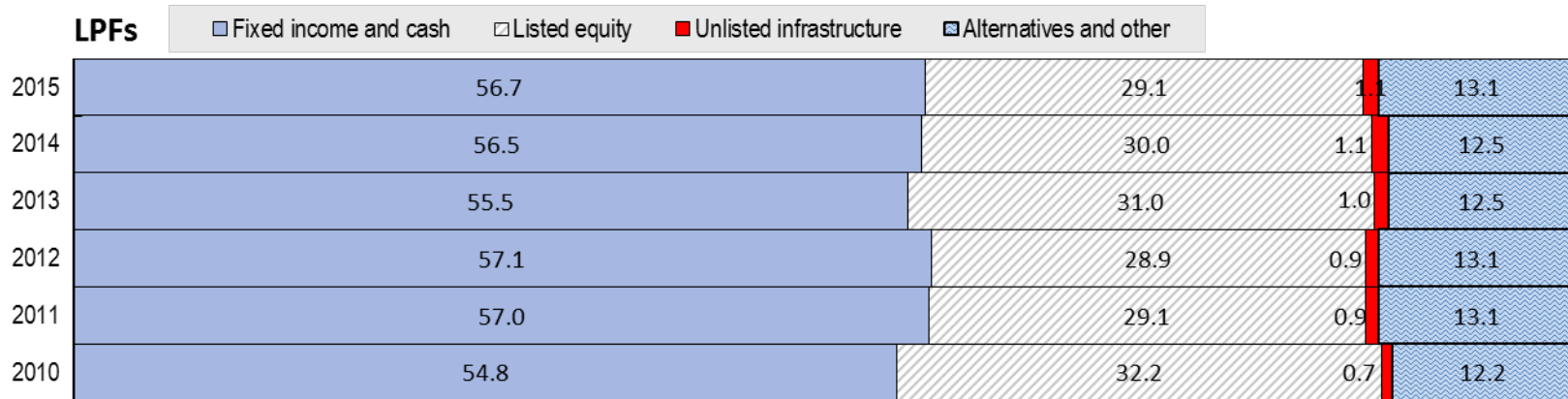


Pension fund, pension reserve fund, and insurance company assets under management, OECD countries

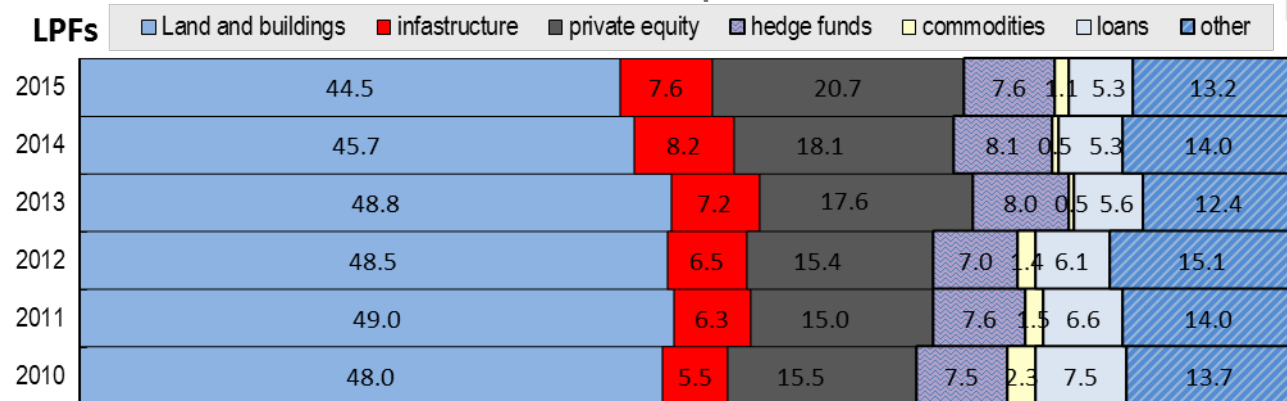




LPFs – Historical asset allocation and trends in alternatives

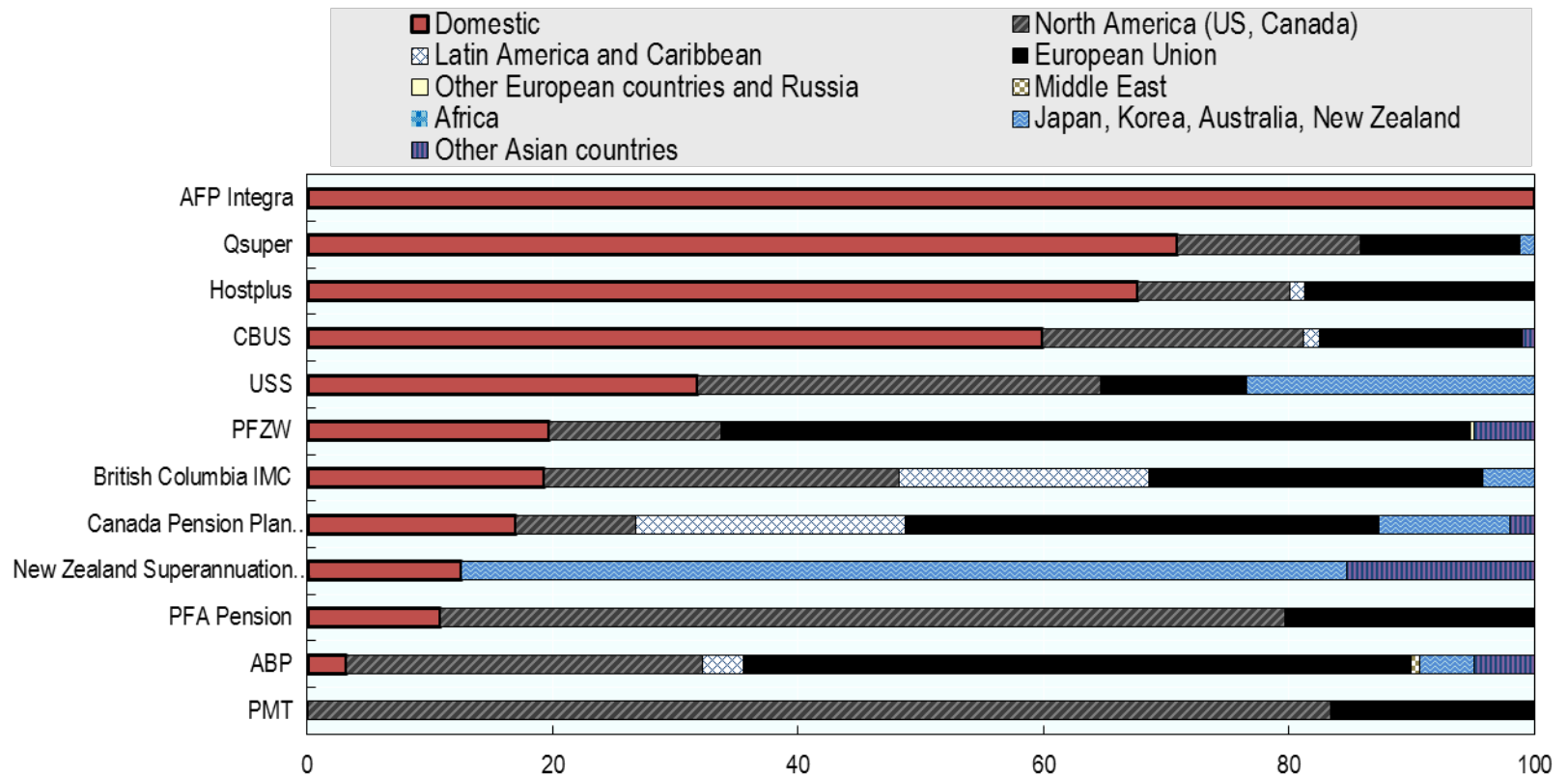


Alternatives, as a percent of total alternatives





Very little investment in unlisted infrastructure equity reported in emerging markets



..some funds have a significant home-market bias. Dutch funds invest almost exclusively in foreign markets



Describing infrastructure as an asset class

- What are the common characteristics that differentiate infrastructure from other asset types?
 - Fundamentally, are the cash flows that infrastructure assets generate sufficiently different
 - Business activities or contractual arrangements that define the profile of future cash flows
 - Capital structure, leverage, regulatory environment, risk mitigation instruments, macroeconomics
- The need to describe with strong empirical evidence the role of infrastructure investments in the portfolio
 - Does infrastructure increase portfolio efficiency?
- Improving the quality and availability of information for investors to determine whether infrastructure makes sense as part of their long-term asset allocation
 - Benchmarking infrastructure investment
- Improve accessibility to information in order for investors to complete the due diligence process



Developing infrastructure as an asset class: Financing and investing in sustainable infrastructure – data issues, risk management, sustainability standards, and financing models

- a) Is there data and information available on infrastructure projects that help to link sustainability and resilience performance with financial performance? What are some major performance-based standards, rating systems and benchmarking initiatives for sustainability in infrastructure?
- b) Do current financing models for infrastructure support further investment in sustainable infrastructure? What is the role of public, private, and philanthropic capital?
- c) How can policymakers support the use of innovation and technology to support investment in sustainable infrastructure? How can they also promote investment in emerging countries?
- d) How can countries support data collection and analysis for sustainable and quality infrastructure? What is the potential role of the OECD and the G20?