The word from the new chair:

It is my pleasure to sign this foreword as the newly elected chair of LTIIA. I want first to use this tribune to thank my predecessor, Thierry Deau, for his outstanding work as founder and chair since 2015 at the helm of the Association. I believe the work conducted by our association is more than ever relevant and needed in view of the challenges investors in this asset class have to tackle: Digital revolution, Energy transition, new Mobility patterns, not to forget the huge potential in Social infrastructure, as evidenced by the report we just released.

In that respect, I am confident that the approach implemented by LTIIA, that of a partnership between Asset owners (LPs) and Asset managers (GPs) combined with cross-membership agreements with a number of key Public Development banks has demonstrated its efficiency, as it allows us to take a comprehensive view of the challenges and opportunities. It also enables us to serve as a bridge between private and public long term investors, and beyond to engage proactively in public advocacy with multilateral forums, governments and regulators Development banks.

In this time of unprecedented global challenges, there are many approaches to explore to further increase and improve Private investment in Infrastructure: we are determined that LTIIA will continue identifying and sharing with the broader investors’ community best practices and appropriate business models.

Vincent LEVITA, chair LTIIA, Founder & CEO of Infravia Capital partners
LTIIA welcomes a new Member:

Rivage Investment is an alternative portfolio management and advisory firm based in Paris, with an expertise in European infrastructure debt and public sector debt. The firm was founded in 2010 by a group of experienced individuals bringing together expertise in project finance infrastructure, structured finance, capital markets, derivatives, financial regulation, quantitative analysis, information systems and asset management. It has over 7bn€ AuM, 66% of which correspond to Infrastructure (the rest being public sector/subnational debt)

LTIIA participation in Industry events:

Recently convened events:

The on-going sanitary crisis restrained LTIIA scheduled event participation over the spring & summer of 2021 to webinars & virtual events, taking place by video-conference. In-presence events started again from Sept 2021, with LTIIA board members taking part in various events and LTIIA contributing, like in previous years, to the organization of the Paris Infraweek inaugural Forum, on October 4th.

Among the main events which we took part in over the last 6 months were:


Experts from the EIB Economics Department presented insights from the EIB’s 2020 Municipality Survey to LTIIA members, highlighting infrastructure gaps, investment activities and plans, barriers and potential sources of funding (Public and private) and the challenges of the digital and green transition.
• **4 May 2021 : The Volatility of Unlisted Infrastructure Equity Investments**

This webinar presented a new EDHEC Infra research paper sponsored by LTIIA on the drivers of volatility in unlisted infrastructure investments. Drawing from the asset pricing research and results of EDHECinfra, the paper demonstrates that beyond stale NAVs and smooth volatility, it is possible to capture the impact of systematic market factors on illiquid assets like unlisted infrastructure equity and document the role of interest rates, risk premia and cash flows independently.

Topics covered by the speaker (F.Bergere/LTIIA & F.Blanc Brude and Abhishek Gupta for EDHECinfra) included:
- Explaining & exploring the drivers of volatility in the returns of unlisted infrastructure
- Measuring and managing the risks inherent in unlisted infrastructure assets

• **3rd June 2021: G20 Infrastructure Investors Dialogue: Financing Sustainable Infrastructure for the Recovery**

Organized by the Italian G20 Presidency, the OECD and the D20 Long-term Investors Club (an associated partner of LTIIA), this high-level “G20 Infrastructure Investors Dialogue” saw LTIIA Chair T.Deau speaking in the Session II, in support of “Mobilizing private finance for sustainable infrastructure”

• **4th June 2021: 24th St. Petersburg International Economic Forum-Russia**

F.Bergere intervened in the “Investing in Infrastructure to Drive Economic Recovery” session panel, focusing on quality infrastructure requirements and international best practices drawn from LTIIA’s membership track record.

• **14th to 16th June 2021: WAPPP Annual Congress: Next Level PPP**

The WAPPP (World Association of PPP units, a grouping of 25 country PPP units, plus corporate members & individual PPP professionals) Annual Congress is a 3-day event dedicated to supporting the global growth and development of the Public Private Partnerships (PPP) industry.

F.Bergere took part for LTIIA in the 15th June afternoon session on “Financing: How investors regard next level PPPs?”

• **21 Jun 2021: AFD Webinar (Déj’cryptage): Mobiliser les investisseurs institutionnels dans le financement des infrastructures dans les pays en développement**

F. Bergere for LTIIA and M.Peller for Meridiam presented and discussed for an AFD internal audience the drivers and challenges to scaling up Institutional investors’
financing of Infra assets in EMDEs, with a special focus on Africa

- **8th September: D20 LTIC/VEB-RF Webinar: “Sustainable infrastructure: looking for the balance between quality and costs”**
  
  D20–Long-term Investors Club (D20-LTIC) organized several events on topics linked to key issues for the G20 Italian Presidency, so as to feed the joint “D20 Statement 2021” later addressed to the Italian G20 presidency.

  D20 member Russian Development Bank VEB.RF, conducted a Webinar, covering the aspects of quality infrastructure in different economies, expenditure patterns and participation of development financial institutions (DFI) in creating quality infrastructure. LTIIA (F.Bergere) participated in the exchange, as a private sector member of D20-LTIC, as well as various G20 Engagement groups, national authorities, private sector, experts, academia and other relevant parties.

- **13-14 Sept 2021 The Global Infrastructure Dialogue 2020- Frankfurt**
  
  The panel moderated by F.Bergere, discussed the latest global trends in European Social infrastructure, and more specifically the drivers and challenges for private sector participation and how to scale up private investments.

- **4th October 2021: Paris Infraweek inaugural event**
  
  LTIIA did contribute to this 5th edition of the Paris Infraweek - addressing the role of infrastructure strategy in the global economic recovery and the roadmap for a new generation of quality infrastructure projects, aligned with Sustainable Development Goals- through a keynote address by chair T. Deau and numerous Board members representatives (V.Levita, R.Kassis, ML Mazaud, K.Nietvelt, F.Bergere,...) participating in panels.

  LTIIA also held its Board meeting and back-to-back its Annual General Meeting in the evening on the premises at the Ministry of Finance/Paris Bercy Int’l Conference Center.

- **14th October 2021: Rencontres Internationales des PPP-Paris**
  
  The 2nd day of these Rencontres was dedicated to Africa, with roundtables rondes & testimonies showcasing recent developments in PPP public investment projects. F.Bergere took part on the panel covering: “PPP at the service of social infrastructures in Africa”

- **20th October 2021: The 2nd Finance in Common (FiC) summit -Rome**
  
  This 2nd global summit of all public development banks (PDBs) convened over 500 public banks, institutions and other key stakeholders of the development finance community (see below). LTIIA – as the first private sector organization to join the FiC network by subscribing to its Joint declaration- was designated as co-organizer of the thematic Session: “PDB-Investor Dialogue” on Oct 20th to which LTIIA Board members T. Deau and N. Nikolova
participated, along with representatives of UNEP-FI, CDC, GIIN, JICA and Natixis.

**Marketplace initiatives:**

LTIIA is participating in methodological working groups, set up with the intent to provide feedback from players, table proposals and participate in consultations with public decision-makers at regional or global levels. Of particular importance are the following two:

- **FAST-Infra (“Finance to Accelerate the Sustainable Transition-Infrastructure”):**

  FAST-Infra, a broad-based, Finance industry-led initiative launched in 2020 aims to develop sustainable infrastructure (SI) into a deep and liquid asset class, and scale-up private investment in SI by introducing a sustainable infrastructure labelling system and platforms for targeted market financing interventions. After several months of exchange in working groups - to which LTIIA contributed - FAST-Infra came up this summer with a sustainable infrastructure labelling system, meant to add value across the infrastructure lifecycle by serving as a tool to inform upstream project planning, prioritization, and design. It will also send clear market signals further downstream post-construction to help investors align their decisions with environmental, social, resiliency & governance needs.

  FAST-Infra also proposes undertaking targeted market interventions (such as Guarantee platform), a data repository and tailored financings to facilitate Infrastructure investment in Transition.

- LTIIA supports and endorses the SI Label, which should contribute to closing the trillion-dollar investment gap by transforming sustainable infrastructure into a mainstream, liquid asset class. It encourages its members, and beyond, the global community of institutional investors to:

  1. Incorporate the SI Label framework into their sustainable infrastructure financing/investment requirements/guidelines as it becomes operational
  2. Support the efforts of the FAST-Infra initiative, so that the SI Label becomes the industry standard for sustainable infrastructure.
The whole set of FAST-Infra deliverables will be presented at the Glasgow COP26 in November.

- **Finance in Common (FiC):**

In April 2021, LTIIA was the first representative from private sector to join Finance in Common - a network bringing together over 500 public development banks (PDBs) from various national & regional backgrounds across the world. The aim is to steer global financing flows (in infrastructure and beyond) towards SDG & Climate-aligned projects, in infrastructure and beyond. LTIIA co-organized, together with the International Development Finance Club (IDFC), the thematic session on Public-Private investors dialogue during the 2nd FiC summit on Oct 20th.

This strategic PDB-Investor dialogue is about targeting the climate and SDG-alignment of global financial flows for new investment, as well as that of the stock of existing assets, through potential areas of collaboration as follows:

1. Development of common language around the definition, tracking and accounting of climate and SDG-aligned finance and investment, including data collation and processing, standards and frameworks, assessment, as well as monitoring and reporting tools.

2. Strengthening of financial collaboration and innovation.

PDBs and Investors to discuss what they can do more of and better together regarding financial instruments and investment structures and approaches involving both groups. The collaboration will explore areas such as co-investment, blended finance, climate and SDG bonds, syndication and asset recycling, securitization and other de-risking tools.
3. Outreach and calls to action.

PDBs and Investors will seek to identify concrete actions to jointly promote their shared vision and foster a community of practice on how best to reach sustainability goals. This could be achieved inter alia via coordinated operations with common clients and counterparts; by reaching out to key stakeholders (policy makers, regulators, other private sector entities, civil society, think tanks, and academia); and/or through joint publications, events, calls to action, including in connection with international fora on sustainable finance.

As alignment requires collaboration, we call on all interested PDBs and Investors as well as relevant stakeholders to join forces with us in this endeavour to make of sustainability the new norm of finance.

LTIIA internal working groups:

While in 2021, 2 priority themes were selected:

1-Volatility of unlisted equity investment, a study funded by LTIIA and undertaken by EDHEC Infra, which produced a comprehensive report in Spring and webinar in May (see above/Events), and

2-Social infrastructure: how to scale up private investment, with a corresponding report released in October and currently being disseminated (see http://www.ltiia.org/library/)

For 2022, a number of themes are still considered, among which:

- **Beyond mitigation: How to scale up Private sector Investment in Climate Adaptation projects**, rationale & possible business models

- **Economic recovery/stimulus plans: Impact on Institutional Investors**, shift in risk allocation between Public and private sector,…?

- **Relations with regulators and public advocacy**: How can Investors engage earlier and more proactively with regulators in key jurisdictions?

... Members are called upon to voice their preference before Nov 30th for the final choice

**Internal Governance:**

LTIIA internal governance has undergone significant change on the occasion of its Board and Annual General meetings, on October 4th.

- A new chair: **Vincent LEVITA**, CEO and founder of Infravia Capital Partners was
elected chair of LTIIA at the Oct 4th Board meeting, succeeding to Thierry Deau, LTIIA’s founder and first chair, who after 2 successive 3-year mandates as chairman had reached the statutory limit, and was named Honorary chairman

• Board renewal: at the same Board meeting on Oct 4th, new board Physical representatives were coopted by existing members:

  • Daniel Lau, Associate Portfolio Manager For CALSTRS (California State Teachers’ Retirement System).

  • Takeo Kitamura, deputy General Manager of the Structured Finance department of DBJ

  • Anna Baumbach, a Partner at Palladio Partners,

Beyond those replacements, another Board member was elected by the ensuing AGM on that same day:

Francois Bornens, representing Arjun Infrastructure Partners

Congratulations to the new Board members!
News from our members & partners:

- **GIH (Global Infra Hub) published:**

  - **Improving Delivery Models**, an initiative that aims to help practitioners, policymakers, and decisionmakers select the best models for their projects and tailor the chosen model to meet their objectives.
  - **Infrastructure and the circular economy**
    
    circular economy is a powerful solution for meeting long-term policy objectives related to climate change and sustainable development.

  See: [https://www.gihub.org/](https://www.gihub.org/)

- **INfravia**

  As part of its Social infrastructure strategy, INfravia invested in the acquisition of Grandir (aka “Les Petits Chaperons Rouges”), a leading childcare and early education player.

  See: [https://www.linkedin.com/company/ofi-infravia/posts/?feedView=all](https://www.linkedin.com/company/ofi-infravia/posts/?feedView=all)
Meridiam

As part of its mission commitment to people and the planet, for today’s world, tomorrow’s progress and the good of future generations, Meridiam released a new signature ‘for people and the planet’, to be the image of their new identity and new digital ecosystem (website and social networks).


EDHEC Infra

launched a new series of monthly-updated indices (of unlisted infrastructure equity) and valuation analytics.
Simultaneously, EDHEC Infra extended its data platform to increase access to their data: infraMetrics®, will eventually bundle a series of data applications for market benchmarks, asset valuation, risk analyses, fund benchmarking, asset rating and peer group benchmarking has been launched in beta format this summer and will eventually include all data products See: https://edhec.infrastructure.institute/

NB: other members wishing to see some of their recent developments reflected here, or on our website, should contact LTIIA: please select key announcements, with 1 short presentation sentence + a link)