

האוניברסיטה העברית בירושלים

סילבוס

חידושים פיננסים לפיתוח כלכלי - 55721

תאריך עדכון אחרון 10-10-2021

נקודות זכות באוניברסיטה העברית: 3

תואר: מוסמך

היחידה האקדמית שאחראית על הקורס: מנהל עסקים

השנה הראשונה בתואר בה ניתן ללמוד את הקורס: 0

סמסטר: סמסטר א'

שפת ההוראה: אנגלית

קמפוס: הר הצופים

מורה אחראי על הקורס (רכז): פרופ' גלן יאגו

דוא"ל של המורה האחראי על הקורס: glenn@jerusalem.institute.org.il

שעות קבלה של רכז הקורס:

מורי הקורס:

תאור כללי של הקורס:

This course will focus on the means and methods of finance applied to social, economic, and environmental challenges facing developing economies. Financial innovations give rise to new intermediaries (e.g., community venture capital, permanent capital facilities, revolving loan funds, social investment banks, business development companies, venture investment trusts, etc.), new types of instruments (e.g., blended finance structured finance, microfinance, social, environmental and development impact bonds, green bonds, diaspora bonds, catastrophic risk bonds, royalty trusts, community investment notes, and risk pooling finance mechanisms and facilities), and new services, platforms or techniques (e.g., ETFs, impact investing, public-private partnerships, financial intermediary facilities, international finance facility for immunization, product development partnerships, value-chain financing) to create jobs, build communities, and enable capital formation and economic growth.

מטרות הקורס:

These sessions will survey the application of innovative financing emerging through new products and services, new processes and operations and organizational forms in addressing problems as diverse as entrepreneurial finance, renewable energy, environmental finance, global health, accelerating medical solutions, regional development, affordable housing, urban revitalization and infrastructure. Through case studies and reviews of financial policies, programs and product innovation, students will discover why capital structure matters in aligning diverse interests into new business models for sustainable social and economic change. Students will work through problem sets for innovative financing structures for development projects and enterprises. Students will acquire and apply data gathering, economic, and financial analytical skills to identify specific market failures in developing economies enabling them to apply appropriate financial tools to bridge capital gaps for project and enterprise finance. This would include the ability to identify innovation-led growth targets (e.g., increased crop yields, reduction of disease incidence, lower credit access costs), choose a coherent, time and risk-balanced portfolio of development initiatives required to meet a measurable and tangible development target (e.g., prevention, diagnostics, treatment for global health; job creation and sustainable income and wealth formation); differentiate business, market and technological opportunities for a development target (e.g., on-grid, off-grid, and/or undergrid renewable energy); evolve, accelerate, extend and scale sustainable development business models; and identify criteria for replication (capitalizing external networks, motivate and reward repeating, positive-sum economic development strategies). We will discover why capital structure matters in aligning diverse interests into new business models for social and economic change to address Sustainable Development Goals for 2030. Students will research practical applications to financing challenges for

economic development.

תוצרי למידה

בסיומו של קורס זה, סטודנטים יהיו מסוגלים:

Together with attendance at the lectures and participation in structured discussions they will provide students with a tool kit to develop a concise proposal focused on financing a targeted development impact (the course's final project). This end of semester project will be a proposal for the application of an innovative finance product(s) to a project or program that would target a specific sector (agriculture/food, health, energy, or environmental), geography (developing/frontier economy); and/or technology transfer or development application related to the UN's sustainable development goals. This will require a description of the proposed project (or program or policy) implementation plan (PIP) program including:

- milestones,
- project targets,
- outputs/inputs (including financial, technology and intellectual property inputs), i
 - outcomes (identification and quantification of social, economic and/or environmental outcomes),
 - proposed capital structure, sources and uses of funds and,
- a targeted range of return on investment and social/environmental impact (including identification of potential avoided costs).

דרישות נוכחות (%) :

100

שיטת ההוראה בקורס: Lectures by professor and student presentations and discussions.

רשימת נושאים / תכנית הלימודים בקורס:

*Instructor Lecture and Overview (either synchronous or asynchronous) will precede each Guest Lecture or case study presentations as noted below. .

- I. Introduction to Finance Toolkit and Innovative Finance (October 13)
Structural Changes in Capital Markets and Development Finance
 - a. Global Trends
 - b. What is Financial Innovation? From Structured to Blended Finance

II. Why and How does Capital Structure Matter? (October 20)

III. Entrepreneurial Finance (October 27)

**Practitioner Guest Lecture:*

Sam Hicks and Janet McKinley, Advance Global Capital, Global Impact Investment Management

- a. Lifecycle of Finance*
- b. Business Finance and Capital Structure*
- c. Equity, Debt finance, and Hybrid Debt Instruments*
- d. SME Finance*

IV. IV. Impact Investment and Social Finance: Social Impact Bonds and Beyond (November 3)

**Practitioner Guest Lecture:*

Gila Norich, Director, Advisory Services, Social Finance-Israel, Impact Metrics and Development Impact

- a. Pay for performance contracting*
- b. Full-spectrum Asset Class Product and Program Development Finance*
- c. Risk-Return-Impact: Metrics*

V. Financing Ideas: Disruptive Science and Tech Finance (November 10)

- a. From Venture Capital Models to Research Bond Obligations*
- b. Disruptive Technologies and the Sustainable Development Goals*

VI. Project Finance Mechanics 1 (November 17)

Practitioner Guest Lecture:

Dan Carol, Center for Financial Markets, Milken Institute, "Resilient Finance Infrastructure Initiative"

Reading:

Dan Carol, "The Case for an Infrastructure Pre-Development Fund," Milken Institute

- a. Infrastructure Projects*
- b. Urban Revitalization*

VIII. Project Finance Mechanics 2 (November 24/December 1)

Practitioner Guest Lecture:

*Paul Burtenshaw, Sustainable Preservation Initiative and University College-London,
“Cultural Heritage and Economic Development*

- a. Cultural Tourism and Heritage Sites*
- b. Housing*

IX. Environmental Finance (December 8)
Practitioner Guest Lecture:

*Frederic Samama, Climate Change and Financial Innovation, CIO, Amundi-CPR
Asset Management*

*XI. Development Finance—Blended Finance (Case Study Applications) (December
15)*

Practitioner Guest Lecture:

Dr. Christine Negra, VisantVision, “Blended Finance in Sustainable Agriculture”

XII. Development Finance-Energy (Case Study Applications) (December 22)

Practitioner Guest Lecture:

TBD

Special Readings:

*"FERC Order 2222 Levels the Playing Field for Distributed Energy Resources," Claire
Gotham, Power and Utilities, February 18, 2021*

*Cara Carmichael, et.al., The Carbon Emissions Impact of Demand Flexibility, New
York/Boulder: RMI, February 2021.*

*Whitney Mann, et.al., Zeroing In: The US Financial Sector Perspective on Net-Zero
Lending and Investing, RMI, 2021.*

*XIII. Development Finance—Food-Water Nexus (Case Study Applications)
(December 29)*

Practitioner Guest Lecturers:

*Naty Barak, Chief Sustainability Officer, Netafim/Obia, Community Irrigation Model:
Case of Karanataka*

Special Readings:

“How to Mobilize Private Investment at Scale in Blended Finance”, Convergence

and DFID Impact Programme, April 8, 2020

XIV. Development Finance –Global Health (January 5)

TBD

XIV. Project Implementation Plan Presentations by Student Teams (January 12)

חומר חובה לקריאה:
See English

חומר לקריאה נוספת:

הערכת הקורס - הרכב הציון הסופי :
מבחן מסכם בכתב/בחינה בעל פה 0 %
הרצאה 35 %
השתתפות 0 %
הגשת עבודה 65 %
הגשת תרגילים 0 %
הגשת דו"חות 0 %
פרויקט מחקר 0 %
בחנים 0 %
אחר 0 %

מידע נוסף / הערות:
REQUIREMENTS:

All readings are required. Together with attendance at the lectures and participation in structured discussions they will provide students with a tool kit to develop a concise proposal focused on financing a targeted development impact (the course's final project). This end of semester project will be a proposal for the application of an innovative finance product(s) to a project or program that would target a specific sector (agriculture/food, health, energy, or environmental), geography (developing/frontier economy); and/or technology transfer or development application related to the UN's sustainable development goals. This will require a description of the proposed project or program, milestones, project targets, outputs, inputs (including financial, technology and intellectual property inputs), identification and quantification of social, economic and/or environmental

outcomes, proposed capital structure, sources and uses of funds and a targeted range of return on investment and social/environmental impact (including identification of potential avoided costs). This would include the identification of specific financial tools (bonds, notes, guarantees and credit enhancement, grants, performance based contracts, revolving loan funds or structured finance product, etc.) and how they might be applied to serve the development target.

Themes for these project proposals would include increasing food and agriculture (agricultural productivity, improve food quality and sustainability), global health (including diagnostics, primary care and community projects, treatment modalities and preventive medicine; bio based and sustainable solutions), energy (low carbon projects and climate change adaptation), and environmental finance (sustainable water, land and forest management, conservation and ecosystem services, biodiversity, drought prevention, carbon projects, etc.). Projects could include:

- SME finance for enterprise development (compare and contrast specific private equity, revolving loan fund models, structured finance solution etc.);
- Environmental or energy infrastructure (use modern finance mechanisms such as risk pooling and risk transfer to create climate response systems to protect food security, technology transfer for water technology, water quality/recycling, distributed water treatment and production or on-grid, off-grid, or under-grid renewable energy project);
- • Agricultural or food innovation (plant or soil science technology innovations, post harvest, or supply chain finance models utilizing agricultural pull-mechanisms);
 - Global health innovation (development impact bond, product development partnership, advanced market commitment applied to a vaccine, treatment modality, or preventive measure).

These project proposals would address a prospective practical development project and explicate the deployment of a development finance innovation.

The project proposal would address how innovative finance could design a capital structure for a project or development target that mobilizes:

- 1) new pools of private and public revenue streams;
- 2) new revenues options (e.g., tax, charges, fees, bond sales);
- 3) new incentives (frontloading and debt-based instruments, philanthropic/government guarantees, public-private partnerships, insurance, and other market-based mechanisms).

These projects can be completed as individual (or teams of two reflecting the team members' increased level of effort to meet this assignment's objective).

Guidelines and an example of such a project implementation proposal will be

discussed in the first class on October 21.

Through the projects, students will demonstrate their ability to:

- Design and construct an innovative finance application (for either a proof of concept or beta site project) in a developing economy;*
- Measure, analyze and report development impacts of an innovative finance project;*
- Identify and develop how a development impact investment would benefit and expand capital access through the creative use of innovative financing tools;*
- Assist a high-impact project to access flexible market and below-market financial tools;*
 - Identify how to structure the transaction and identify potential interested partners with aligned interests in the proposed project.*