



United Nations

Nations Unies

Financial and Corporate Incentives for Long-term Investment

The Inter-Agency Task Force on Financing for Development (IATF)

Department of Economic and Social Affairs, Financing for Development Office

United Nations, New York

15 December 2017 (9 am to 6 pm)

Conference Room 6

Agenda

9.00 am to 10.00 am: Welcome, Overview of Issues

In the Addis Ababa Action Agenda, Member States of the United Nations commit to “endeavour to design policies, including capital market regulations where appropriate, that promote incentives along the investment chain that are aligned with long-term performance and sustainability indicators, and that reduce excess volatility.”

- Shari Spiegel, Chief of Policy Analysis and Development Branch, Financing for Development Office, United Nations
- Steve Waygood, Chief Responsible Investment Officer, Aviva
- Krishnan Sharma, Senior Economist, Financing for Development Office, United Nations

10 am to 11.30 am: Incentives of institutional investors

This session will examine how the incentive structures of institutional investors impact longer-term investments as well as investments in sustainable development. Issues covered will include fiduciary responsibilities, regulation and accounting standards, risk sharing and compensation structures.

Moderator: Shari Spiegel, Chief of Policy Analysis and Development Branch, Financing for Development Office, United Nations

Speakers:

- Renosi Mokate, Chairperson of the Board of Trustees, Government Employees Pension Fund (South Africa) (Video)
- Pradeep Ramamurthy, Managing Director, Abraaj Group
- Sarah Williamson, Chief Executive Officer, FCLTGlobal
- Richard Bookstaber, Chief Risk Officer, Regents of the University of California
- John Pollock, Managing Director, AIG Investments
- Raffaele Della Croce, Lead Manager, Long-term Investment Project, OECD (Video)

11.30 am to 11.45 am: Coffee break

11.45 am to 1.15 pm: Broader financial system incentives (banks, rating agencies and other actors)

This session will discuss the incentives underpinning key players along the investment chain, including investment banks, rating agencies, regulators and stock exchanges. The discussions will also address broader issues pertaining to a sustainable financial system, including mainstreaming long-term and sustainability considerations into the regulatory framework and the decision-making process of key players such as rating agencies.

Moderator: Steve Waygood, Chief Responsible Investment Officer, Aviva

Speakers:

- Duncan Caird, Managing Director, Head of Infrastructure Group, HSBC
- Dan Champeau, Managing Director, Global Group Head of U.S. and International Public Finance, Global Infrastructure & Project Finance, Fitch Ratings
- Samuel Munzele Maimbo, Senior Adviser, Office of the Managing Director and Chief Financial Officer, World Bank Group
- Thomas Missong, President, European Association of Credit Rating Agencies
- Toby Heaps, CEO, Toronto Knights

1.15 pm to 3 pm: Lunch

3 pm to 4.30 pm: The interface of financial and corporate incentives and the implications for long-term sustainable investment

This session will discuss how the incentives of financial investors can feed-through and affect real invest decisions by non-financial corporations. The relationship between profits and investment has been weakening since the 1980s, most notably in several developed economies where record profits registered at the aggregate level have been coexisting with weak investment rates. This trend has coincided with an expansion in the role of financial actors in corporate decision-making and ownership, as well as to an increase in the financial activities of non-financial corporations. Hence, the incentives of financial and non-financial investors have been increasingly interfacing with possible implications for the level of real long-term investment in economies, as well as for employment and incomes.

Moderator: Albena Melin, Head of Multilateral Engagement, International Finance Corporation

Speakers:

- Rana Faroohar, Global Business Columnist, Financial Times
- Tim Koller, Partner, Corporate Finance Practice, McKinsey
- Thomas Philippon, Professor of Finance, NYU Stern
- Karin Svensson, Senior Adviser on Private Sector Cooperation, Swedish International Development Cooperation Agency
- Aniket Shah, Head of Sustainable Investing, Oppenheimer Funds

4.30 pm 6 pm: Tying the threads – Policy Implications

Moderators: Krishnan Sharma and Shari Spiegel, Financing for Development Office, United Nations
