

2014 GII Agenda

Wednesday, May 28

11:30-15:00 RIO INFRASTRUCTURE TOURS

As Brazil prepares to host the 2014 Football World Cup and the Rio 2016 Olympic Games, an unprecedented infrastructure transformation is underway. These tours will showcase a selection of Rio's most impressive and challenging projects.

12:30-13:30 MODERATOR'S LUNCHEON

Blue Room

16:00-16:30 OPENING SESSION: WELCOME AND FRAMING

Crystal Room

Opening remarks:

Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative
Luiz Fernando Pezão, Governor, State of Rio de Janeiro

TOP-OF-MIND ISSUES

Infrastructure leaders share some of the key issues facing the sector.

Facilitator:

Carol Browner, Senior Counselor, Albright Stonebridge Group

16:30-17:00 GLOBAL PERSPECTIVES IN INFRASTRUCTURE

Infrastructure is the physical and organizational foundation that allows our global society to operate and thrive. But we live in a dynamic era in which this very foundation is being challenged politically, economically, and environmentally. What are the roles of business, government, and civil society in demanding and delivering the infrastructure that enables countries to thrive?

Panelists:

Madeleine Albright, Chair, Albright Stonebridge Group and Albright Capital Management; Former US Secretary of State

John Rice, Vice Chairman, General Electric

Moderator: **Rik Kirkland**, Principal and Director of Publishing, McKinsey & Company

17:00-17:10 INSPIRING IDEAS: UNTAPPED ENERGY INFRASTRUCTURE OPPORTUNITIES IN GROWTH MARKETS

By 2020, emerging markets will account for over 70 percent of global GDP growth and will contribute another 1.2 billion people to the middle class. It is anticipated that this will require an increase in global energy demand of over 90 percent by 2030. This reality, coupled with historic underinvestment in energy infrastructure in these markets, creates a compelling investment opportunity. What will it take to tap into this opportunity?

Speaker: **Mustafa Abdel-Wadood**, Partner and Chair of the Management Executive Committee, The Abraaj Group

- 17:10-17:50** **BREAKING DOWN THE SILOS BETWEEN PUBLIC AND PRIVATE SECTORS**
 Infrastructure is a cross-disciplinary industry, needing the engagement of all stakeholders throughout the asset life cycle—but this rarely happens. How do we remove the silos and promote collaboration while ensuring a clear allocation of risks and roles? What is the right level of governance that aligns departments/sectors/regions; delineates technical from political decisions; ensures the continuity of budgets and plans beyond political cycles; and sets incentives for innovation?
Panelists:
Lee McIntire, Executive Chairman, CH2M Hill Companies
Fred Hochberg, Chairman and President, Export-Import Bank of the United States
Luis Alberto Moreno, President, Inter-American Development Bank
Moderator: Julian Mills, Principal, McKinsey & Company; Co-chair, Global Infrastructure Initiative
- 17:50-18:00** **INSPIRING IDEAS: ACTIVATING A \$1 TRILLION A YEAR PRODUCTIVITY OPPORTUNITY**
 Countries around the world are struggling to deliver the infrastructure needed to support economic growth. By 2030, \$57 trillion will need to be invested efficiently to solve the infrastructure challenges—more than the value of today's stock. To realize this goal, the world needs to significantly improve its infrastructure delivery system to prioritize project selection, streamline delivery, and optimize performance. A recently developed infrastructure diagnostic may be the solution to help countries, states, and cities develop a clear road map to meet their infrastructure needs and drive transformational change.
Speaker: Nicklas Garemö, Director, McKinsey & Company and **Martin Hjerpe**, Principal, McKinsey & Company
- 18:00-19:00** **RECEPTION**
Gallery Room
- 19:00-21:30** **DINNER AND KEYNOTE DISCUSSION**
Palm Room
Speaker:
Anthony Foxx, Secretary of Transportation, US Department of Transportation
Moderator: Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative
- 21:30** **NIGHTCAP**
Nobre Terrace

Thursday, May 29

08:00-09:00 BREAKFAST DISCUSSION SESSIONS

Participants select one of three concurrent sessions:

PLAN: STRUCTURING PROJECTS FOR SUCCESS

Nobre Room

Many projects fail to be completed or get stuck and need to be restructured. How do we structure quality projects that are attractive to all stakeholders and include a clear allocation of risks and roles? What are some of the tangible, replicable approaches?

Discussion Leaders:

Frank Beckers, Senior Advisor, McKinsey & Company

Samir Brikho, Chief Executive, AMEC

Alejandro Murat, Director General, INFONAVIT

Moderator: Stefan Matzinger, Director, McKinsey & Company

FINANCE: DETERMINING KEY SUCCESS FACTORS FOR INVESTING IN EMERGING MARKETS

Rio Room

Private financing of greenfield projects in emerging markets presents one of the most exciting yet difficult opportunities for infrastructure investment. How risky is it and how can investors ensure that their returns compensate them for their risks? What can emerging-market investors do to boost returns and reduce risks in these markets?

Discussion Leaders:

Nick O'Neil, Managing Director, Macquarie Infrastructure and Real Assets

Sinthya Roesly, Chief Executive Officer, Indonesia Infrastructure Guarantee Fund

Macky Tall, Senior Vice President, Infrastructure, Caisse de dépôt et placement du Québec

Moderator: Bernard Sheahan, Director Global Infrastructure and Natural Resources, IFC

BUILD: DELIVERING MEGAPROJECTS EFFICIENTLY, ON TIME AND ON BUDGET

Blue Room

Over the past 20 years, the infrastructure sector has consistently experienced low productivity improvements, with megaprojects notorious for delays and budget overruns. Why do things go wrong and what can policy makers, project owners, and contractors do to enhance productivity and achieve better outcomes? What are the best ways to enable and deliver megaprojects more efficiently, at the system and project level?

Discussion Leaders:

Luis Castilla, Chief Executive Officer, ACCIONA Infrastructure, Water and Services

Alan Krause, Chairman and CEO, MWH Global

John Peabody, Deputy Commanding General for Civil and Emergency Operations, U.S. Army Corps of Engineers

Moderator: Nicklas Garemo, Director, McKinsey & Company

09:15-09:20 WELCOME BACK REMARKS

Crystal Room

Speaker: Julian Mills, Principal, McKinsey & Company; Co-chair, Global Infrastructure Initiative

09:20-09:30 INSPIRING IDEAS: HOW TO MAKE A CITY GREAT

By 2030, 60 percent of the world's population will live in cities. That could mean great things for economic and social development—if cities handle their expansion wisely.

How do cities prepare for the impacts of massive urbanization, take advantage of the opportunities it offers, and build in resilience for the inevitable changes.

Speaker: Jonathan Woetzel, Director, McKinsey & Company

09:30-10:10 PLAN: CREATING A MASTER PLAN

To maximize the chances for success, a country/city needs to create an infrastructure master plan that is aligned with its socioeconomic development goals, environmental constraints, and overall strategy. What are the steps to create a coherent roadmap to deliver the vision? How do we overcome political pressure to pursue visible projects that are not economically viable? What processes are required to ensure that the plan gets implemented?

Panelists:

Fahd Al-Rasheed, Managing Director and CEO, King Abdullah Economic City

Paulo Sergio Passos, President, Planning and Logistics SA

Alberto Vallarino, President, Grupo Verdeazul

Moderator: Ben Cheatham, Principal, McKinsey & Company

10:10-10:20 INSPIRING IDEAS: AFFORDABLE HOUSING FOR 1 BILLION PEOPLE

By 2025, approximately 200 million more households or 1 billion people will require affordable housing in cities around the world. This is in addition to estimated 180 million households who live in sub-standard conditions or are financially over-extended. Solving this challenge will have massive social, economic and political implications. What are big ideas to envision, plan, finance, deliver and sustain affordable housing for a billion lives within the coming decade?

Speaker: Sangeeth Ram, Principal, McKinsey & Company

10:20-11:00 FINANCE: MATCHING RESOURCES WITH OPPORTUNITIES

With an estimated US \$3 trillion in annual infrastructure investment moving around the world, there is a need to match quality projects with financing. How can we better bridge the gap between untapped capital and attractive projects in need of funding? What will it take to expand the pipeline of well-prepared, bankable projects? How can investors, operators, developers, and government team up more systematically to prepare and then finance projects?

Panelists:

Mustafa Abdel-Wadood, Partner and Chair of the Management Executive Committee, The Abraaj Group

Alain Carrier, Managing Director and Head of Europe, Global Head of Infrastructure, CPPIB

Abrahão Pio dos Santos Gourgel, Minister of the Economy, Republic of Angola

John Rice, Vice Chairman, General Electric

Moderator: Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative

11:00-11:30 NETWORKING BREAK

11:30-12:10 BUILD: ATTAINING COST-EFFICIENT CONSTRUCTION

Crystal Room

To increase productivity and reduce costs throughout the industry, modularization, standardization, outsourcing, and lean construction have worked effectively in isolated instances. Yet, these practices are not consistently replicated on a broader scale, resulting in limited industry-wide gains. How can policy makers rethink building codes

and design standards, and optimize global sourcing? Where can owners, engineers, and construction companies realize cost efficiency at a greater scale?

Panelists:

Jose Ivo, SVP and Region President for the Americas, Bechtel

Patrick Natale, Executive Director, American Society of Civil Engineers

Zhang Yue, Chairman and CEO, BROAD Group

Moderator: Jonathan Woetzel, Director, McKinsey

12:10-12:20 INSPIRING IDEAS: THE DRIVERLESS CITY

The increasing deployment of sensors and hand-held electronics is rapidly turning the vision of the driverless city into reality. Successfully deployed, the driverless city will transform transport infrastructure, congestion, and many other facets of urban living.

Speaker: Carlo Ratti, Founder, Carlo Ratti Associati; Director, Senseable City Laboratory, Massachusetts Institute of Technology

12:20-13:00 OPERATE: DYNAMICALLY MANAGING USER FLOWS

An abundance of data on the status of infrastructure and its users is available but rarely used effectively. How can big data help us get more out of infrastructure, enable higher utilization at more predictable service levels, and enhance customer satisfaction? What barriers need to be overcome?

Panelists:

Lance Hockridge, Managing Director and CEO, Aurizon

Dirk John, Chief Executive Officer, Road & City Mobility, Siemens

Torbjörn Suneson, Senior Advisor, Trafikverket, Swedish Transport Administration

Moderator: Julian Mills, Principal, McKinsey & Company

13:00-14:00 LUNCH

Palm Room

14:15-15:15 DISCUSSION SESSIONS

Participants select one of three concurrent sessions:

PLAN: FIXING REGULATION

Rio Room

Infrastructure investors and owners need stable regulation and political support over a period lasting longer than a typical government term. How do we ensure regulation that provides clarity and continuity for investors? What levers can accelerate project approval and ensure that investors receive appropriate returns on their investments?

Discussion Leaders:

Anne Baldock, Former Partner, Allen & Overy

Ana Fernandes, Chairwoman, Energias do Brasil

Bruce Hogg, Vice President and Head of Americas, CPPIB

Moderator: Arlindo Eira Filho, Principal, McKinsey & Company

FINANCE: IMPROVING RISK MANAGEMENT

Nobre Room

De-risking projects for investors is a critical step to enable the flow of capital to infrastructure initiatives. How can risk be better segmented and measured? What role can capital providers play in helping sponsors prioritize and structure projects to make them more attractive? What roles can development banks, pension funds, and insurance companies play in risk management?

Discussion Leaders:

Matthew Farnum-Schneider, Director Business Development and Strategy, Prudential
Tabish Gauhar, Partner and Head of Infrastructure, The Abraaj Group
Fred Hochberg, Chairman and President, Export-Import Bank of the United States
Roberto Zurli, Managing Director, Brazilian Development Bank
Moderator: Laurie Mahon, Managing Director and Global Head Infrastructure Finance Group, Canadian Imperial Bank of Commerce

OPERATE: REVISING MAINTENANCE TACTICS TO IMPROVE PRODUCTIVITY

Blue Room

Effective maintenance approaches can dramatically boost asset productivity. What determines whether operators pursue a preventive or reactive approach? Should one bundle or unbundle assets? How do operators establish best practices and increase productivity across dispersed maintenance units?

Discussion Leaders:

Nazir Alli, Chief Executive Officer, South African National Roads Agency
Roman Starovoi, Head Federal Road Agency, Russian Federation
Torbjörn Suneson, Senior Advisor, Trafikverket, Swedish Transport Administration
Moderator: Carl-Stefan Neumann, Director, McKinsey & Company

15:25-16:25

DISCUSSION SESSIONS

Participants select one of three concurrent sessions:

PLAN: WINNING PUBLIC SUPPORT FOR BIG INFRASTRUCTURE INVESTMENTS

Nobre Room

Even when large, complex projects are delivered on time and on budget, they are often perceived as failures because public perception is not well managed. What does it take to get the key stakeholders aligned and win the public debate?

Discussion Leaders:

Malik Dechambenoit, Partner and Co-founder, Gumbi, Dechambenoit & Associates
Stan Greenberg, Chief Executive Officer, Greenberg, Quinlan Rosner Research
Marcelo Haddad, President, Rio Negócios
David Middleton, Chief Executive, Transport Scotland
Moderator: Carol Browner, Senior Counselor, Albright Stonebridge Group

BUILD: ALIGNING INCENTIVES ACROSS THE VALUE CHAIN

Rio Room

Large projects are complex, with hundreds of interfaces across different stakeholder groups. Many of these stakeholders are not incentivized to deliver on time and on budget, and some actually benefit from delays. What can be done to align stakeholders in the value chain? Can we realize the goal by rethinking contracting practices or will it require industry restructuring?

Discussion Leaders:

Paulo Cesena, Chief Executive Officer, Odebrecht Transport
Carlos António Vasconcelos Mota dos Santos, Chairman, Grupo Mota-Engil
Garry Pita, Group Chief Supply Chain Officer, Transnet
Michael Schäfer, Partner, Freshfields Bruckhaus Deringer
Moderator: Darya Borisova, Principal, McKinsey & Company

OPERATE: LEVERAGING ANCILLARY REVENUES TO IMPROVE INFRA-ECONOMICS

Blue Room

Ancillary services generate a significant portion of revenues for infrastructure companies. However, performance in this area varies widely, so what are the key

ingredients of success? What opportunities does technology provide to boost performance? How can we balance the tradeoffs between achieving excellence in core operations and fully exploiting ancillary opportunities?

Discussion Leaders:

Lance Hockridge, Managing Director and CEO, Aurizon

Elie Maalouf, Senior Advisor, McKinsey & Company; former CEO, HMSHost Corporation

Moderator: **Mike Kerlin**, Principal, McKinsey & Company

16:25-16:40 SWITCH BREAK

16:40-16:50 INSPIRING IDEAS: UPDATE FROM RIO

Crystal Room

In preparing for the FIFA World Cup and Rio 2016 Olympics, the Marvelous City is undergoing unprecedented changes that will impact the city and its residents from a socio-economic and environmental perspective. Rio's Mayor will share some of the most exciting developments and biggest challenges facing the city.

Speaker: **Eduardo Paes**, Mayor, Rio de Janeiro

16:50-17:30 FUTURE-PROOFING OUR CITIES

In today's volatile world, cities are most vulnerable to the impacts of a plethora of environmental risks. To prevent long-term harm to social and economic progress, cities must start taking steps to future-proof their development. Because each city is unique, how does one determine a strategy to adapt to its future? What cities are proactively investing in the right hard and soft infrastructure to promote long-term prosperity and growth?

Panelists:

Roland Busch, Member, Managing Board, and Global CEO, Infrastructure & Cities Sector, Siemens

Reinier de Graaf, Partner, OMA

Eduardo Paes, Mayor, Rio de Janeiro

Moderator: **Jonathan Woetzel**, Director, McKinsey & Company

17:30-18:00 KEYNOTE INTERVIEW

Speaker: **Kevin Rudd**, 26th Prime Minister of Australia

Moderator: **Rik Kirkland**, Principal and Director of Publishing, McKinsey & Company

18:00-19:30 BREAK

19:30-21:30 DINNER AND ENTERTAINMENT

Nobre Room

Friday, May 30

08:00-09:00 BREAKFAST DISCUSSION SESSIONS

Participants select one of three concurrent sessions:

FINANCE: MAKING PUBLIC-PRIVATE FINANCING MODELS ATTRACTIVE

Nobre Room

Public-private partnerships (PPPs) often provide a critical vehicle through which to get big infrastructure projects done. What does it take to build a PPP program at scale? What innovative public-private financing models have emerged in recent years? How do we set the conditions to get funding right, including suitable user charges?

Discussion Leaders:

Zia Dean, Founding Partner, Chaucer Capital

Emma Sri Martini, President Director, PT Sarana Multi Infrastruktur

Lee McIntire, Executive Chairman, CH2M Hill Companies

Roberto Claudio Rodriguez Bezerra Neto, Mayor, City of Fortaleza

Moderator: Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative

BUILD: REPLICATING TOP PROJECT-MANAGEMENT PERFORMANCE

Rio Room

Several studies indicate that the most important driver of project performance is the capability of the project manager (PM). Is this inevitable or could institutional capabilities be built to improve performance of the delivery system overall? How do you identify your peak performers and build these capabilities in your business? At an industry level, what can be done to bridge the talent gap and incentivize good PMs?

Discussion Leaders:

Ofer Kotler, Chief Executive Officer, Shikun & Binui

Danny Marian, Chairman, Israeli Association of Construction and Infrastructure Engineers

Tim McManus, Senior Vice President and Director; Global Program Management, AECOM

Patrick Natale, Executive Director, American Society of Civil Engineers

Moderator: Nicklas Garemo, Director, McKinsey & Company

OPERATE: TAKING END-USER FUNDING TO THE NEXT LEVEL

Blue Room

End-user pricing can be an effective tool to fund infrastructure assets and flatten peaks in demand. But demand management is often found to be a theoretical panacea, with significant obstacles experienced in the implementation phase. How do we increase the percentage of end-user funding of existing infrastructure? How can we bring innovation and advanced analytics to demand management? What lessons have we learned in effectively managing the transition with regulators and the public?

Discussion Leaders:

Nazir Alli, Chief Executive Officer, South African National Roads Agency

Marcelo Araujo, Executive President, Grupo Libra

Carlo Ratti, Founder, Carlo Ratti Associati; Director, Senseable City Laboratory, Massachusetts Institute of Technology

Moderator: Mauricio Janauskas, Associate Principal, McKinsey & Company

09:10-09:20 INSPIRING IDEAS: DIGITIZATION, THE NEXT HORIZON FOR INFRASTRUCTURE OPERATORS

Crystal Room

Infrastructure congestion creates a tremendous burden on economies—estimated at 1% of GDP and growing. Case studies demonstrate that digitization enables laminar flows of users, increasing reliability and throughput, and better infrastructure utilization. Scaling these successes fast in the multi-stakeholder world of infrastructure operations is challenging. Transparency, equitable sharing and responsible regulation will be the key levers, but what would the broad adoption of digitization in infrastructure look like?

Speaker: Carl-Stefan Neumann, Director, McKinsey & Company

09:20-10:00 LEVERAGING MEGA-EVENTS TO MEET ECONOMIC DEVELOPMENT AND INFRASTRUCTURE GOALS

Large sporting and other mega-events often serve as a catalyst for economic growth and infrastructure development. How do we ensure that the outcomes are well-planned and serve civil society well after the event has passed? What positive examples are out there, and are the lessons replicable?

Panelists:

Bill Hanway, Executive Vice President, Buildings + Places, AECOM

Wolfgang Maennig, Professor, Department of Economics, Hamburg University

Marcelo Odebrecht, Chief Executive Officer, Odebrecht

Moderator: Henry Ritchie, Principal, McKinsey & Company

10:00-10:30 THE BEST IDEAS 360

Recap of the best ideas and insights from the Global Infrastructure Initiative.

Facilitators:

Carol Browner, Senior Counselor, Albright Stonebridge Group

Rik Kirkland, Principal and Director of Publishing, McKinsey & Company

Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative

10:30-10:50 KEYNOTE INTERVIEW

Speaker: Luciano Coutinho, President, Brazilian Development Bank

Moderator: Nicola Calicchio, Director, McKinsey & Company

10:50-11:30 INFRASTRUCTURE INVESTMENT IN BRAZIL

Since the inception of the Growth Acceleration Programs (PAC I and II), Brazil has been making news with the size and scope of its infrastructure investments. The convergence of the World Cup and Rio Olympics deadlines, plus the booming export of commodities, has resulted in the launch of thousands of public and private infrastructure projects. What are some of the most exciting sectors for investment? How can developers and investors navigate the bottlenecks caused by the bureaucracy and tax structure?

Panelists:

Luciano Coutinho, President, Brazilian Development Bank

Vitor Hallack, Chairman, Camargo Corrêa Group

Gustavo Rocha, Chief Executive Officer, Invepar

Moderator: Roberto Fantoni, Director, McKinsey & Company

11:30-11:35 CLOSING REMARKS

Speakers:

Robert Palter, Director, McKinsey & Company; Co-chair, Global Infrastructure Initiative

12:00-13:30 NETWORKING LUNCH

Nobre Terrace

Hosted by the Brazilian Development Bank and McKinsey & Company