

1. Record Nr.	UNINA9910958703303321
Autore	Bubnova Nina <1974->
Titolo	Governance impact on private investment : evidence from the international patterns of infrastructure bond risk pricing / / Nina B. Bubnova
Pubbl/distr/stampa	Washington, DC, : World Bank, 2000
ISBN	1-280-08707-2 9786610087075 0-585-41508-0
Edizione	[1st ed.]
Descrizione fisica	xiv, 79 pages : illustrations ; ; 27 cm
Collana	World Bank technical paper ; ; no. 488
Disciplina	332.67/253
Soggetti	Infrastructure (Economics) - Finance Corporate governance Investments Country risk
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Bibliographic Level Mode of Issuance: Monograph
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Intro -- Contents -- Foreword -- Acknowledgements -- Abstract -- Executive Summary -- Introduction -- Previous Research -- Analytical Framework -- Data -- What Drives Governance Risk Perception: Cluster Analysis of Political and Regulatory Risk Data -- Impact of Governance Risks on Investment Cost at Entry: Analysis of Cross- Sectional At-Issuance Spread Data -- True Market Perceptions of Governance Influence on Infrastructure Finance: Evidence from the Time- Series Bond Data -- Conclusions -- Annex A -- Annex B -- Annex C -- Annex D -- Annex E -- Annex F -- Annex G -- Notes -- References.
Sommario/riassunto	During the last decade, capital markets increasingly became the main funding source for infrastructure finance and provision worldwide, including investments in developing and transition countries where infrastructure penetration still falls considerably short of needs. Infrastructure bonds served as the most popular method of oil, gas, electricity, telecommunications, and transport project financing in these countries throughout 1990-99, thereby substituting government funding. Thriving markets require not only an appropriate designed

economic system, but also a secure political foundation that limits the ability of the state to confiscate wealth. This requires a presence of political institutions that credibly commit the state to honor economic and political rights. Investments in infrastructure are particularly susceptible to the risks of government interference. These and other risks impinge on investor confidence. This paper uses international cross-sectional and time-series infrastructure bond risk premium and credit rating history data from the past decade to examine the factors that influence investor risk perceptions and that inflate the cost of borrowing for essential infrastructure. The information thus generated about key governance risks is then analyzed for its policy implications.
