



Annual Meeting 2016 Technical Workshops

Participation in the technical workshops is open to all IFSWF members and observers on a voluntary basis. At the start of each workshop, the Chairs and discussants will highlight the main features of the issue at hand, decision variables and solution options. Members will then share their own experiences, and contribute questions and insight as appropriate to a closed forum of peer sovereign wealth funds.

This page provides some key questions for consideration for each workshop. The list is not exhaustive.

Workshop 1: Sovereign Development Funds

1. How do sovereign development mandates differ from those of savings or stabilisation funds?
2. What is the range of scope of such mandates with respect to objective and execution?
3. In some instances, development funds supplement local capital markets or provide other forms of capital market “services”. More broadly, what functions do development funds fulfil in supporting a country’s development agenda?
4. As they frequently invest in domestic projects, development funds – and their stakeholders – may face specific operational and governance challenges. What are some of these challenges?
5. Benchmarking and reporting performance are well-established for investment portfolios. How do funds benchmark and report performance against development mandates?

Workshop 2: Performance Measurement and Benchmarking

1. What are suitable metrics to value assets with respect to their liquidity, horizon, and transparency? What special considerations apply to private market assets?
2. How do you select your benchmarks? What is the role of the policy portfolio? Would it make sense to develop a peer-group benchmarking process within the membership?
3. What are the characteristics of a good benchmark for the long-term investor?
4. How are staff remunerated to reward consistent long-term investment decision-making?

Workshop 3 — Infrastructure Showcase

1. What are members’ views on the ideal way to access infrastructure ? direct or indirect? Why?
2. Are asset prices too high? How do members feel about relative value of infrastructure versus other asset classes?
3. Given the level of investment needed in emerging markets infrastructure, are members developing specific strategies for development infrastructure? What risk mitigation strategies are being developed?
4. When and how will governments accept the need to use long-term capital to finance their infrastructure needs by assuming some of the risk inherent in development infrastructure?

Workshop 4: Divestment: A Spotlight on Tobacco

1. What is your institution's approach to divestment?
2. How is divestment balanced against engagement and other approaches to responsible investment?
3. What is your institution's approach to sovereign wealth fund obligations under the UN Tobacco Treaty?
4. What has been your experience with tobacco-free investment?

Workshop 5: Insourcing Investment Activity

1. Do you have a particular geographic or asset class expertise that could create easier entry into a specific investment style?
2. How suited is your current governance for the management of in-house investment teams versus work with third parties?
3. Does senior leadership have the time to adequately supervise? Is this the best use of their time?
4. Can you take the political or "headline" risk of short-term performance fluctuations due to internal decisions?
5. Do you have the runway and budget to spend years investing internally before results prove out?
6. Are your organisation's goals within reach without taking the risks associated with changing your basic business model?
7. Are there lower-cost partnerships between asset owners that could help you achieve the same allocation objectives?