

1629 K Street NW, Suite 300
Washington, D.C. 20006
T: +1.202.449.9600

2019 Prize Winners for New Sovereign Risk Rating Framework Contest

Washington, D.C., 5 November 2019: The Charles & Agnes Kazarian Foundation selects the 2019 prize winners for the new sovereign risk rating framework contest. The three winners submitted outlines for a new sovereign risk rating framework based on public financial management (PFM) criteria using internationally comparable financial statements.

Each winner successfully completed this fall a new Columbia Business School course titled “Understanding Sovereign Risk from Financial Statements” (B8024) co-taught by Kester and Byrnes Professor of Accounting and Auditing Shiva Rajgopal and Adjunct Professor on public financial management Paul B. Kazarian. Based on new research, B8024 provides practical instruction into a unique combination of capturing capital markets opportunities and improving public financial management.

The winning submission provided a compelling outline for a new sovereign risk rating framework that demonstrated the vast superiority of the PFM framework over the current universal framework used by the four main credit rating agencies of sovereign bonds.

Each of the winning submissions effectively;

- Focused on sovereign bond issuers that publish internationally comparable financial statements, which are referred to as financially advanced sovereigns.
- Evaluated the issuer's financial performance and position in contrast to the universal framework that boils the ocean of government and economic statistics.
- Analyzed the comparative rankings of the ten (10) PFM framework components with a special focus on five (5) financial KPIs.
- Utilized internationally comparable consolidated financial statements of the entities under the stewardship of the government.

The 2019 prize winners for the New Sovereign Risk Rating Framework Contest are:

First place winner (\$5,000 prize): Alexander Vizard

Second place winner (\$3,000 prize): Trieu Pham

Third place winner (\$1,000 prize): Ruchi Malhotra

For additional details on the contest, please contact the Contest Director at The Charles & Agnes Kazarian Foundation: ContestDirector@kazarianfoundation.org