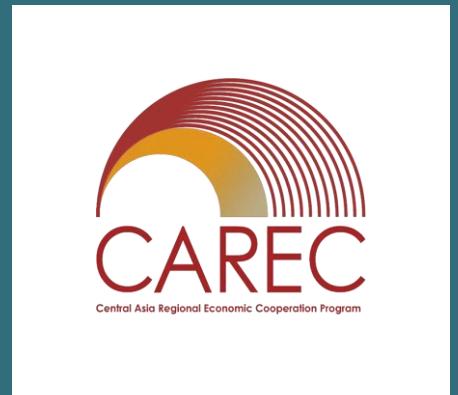
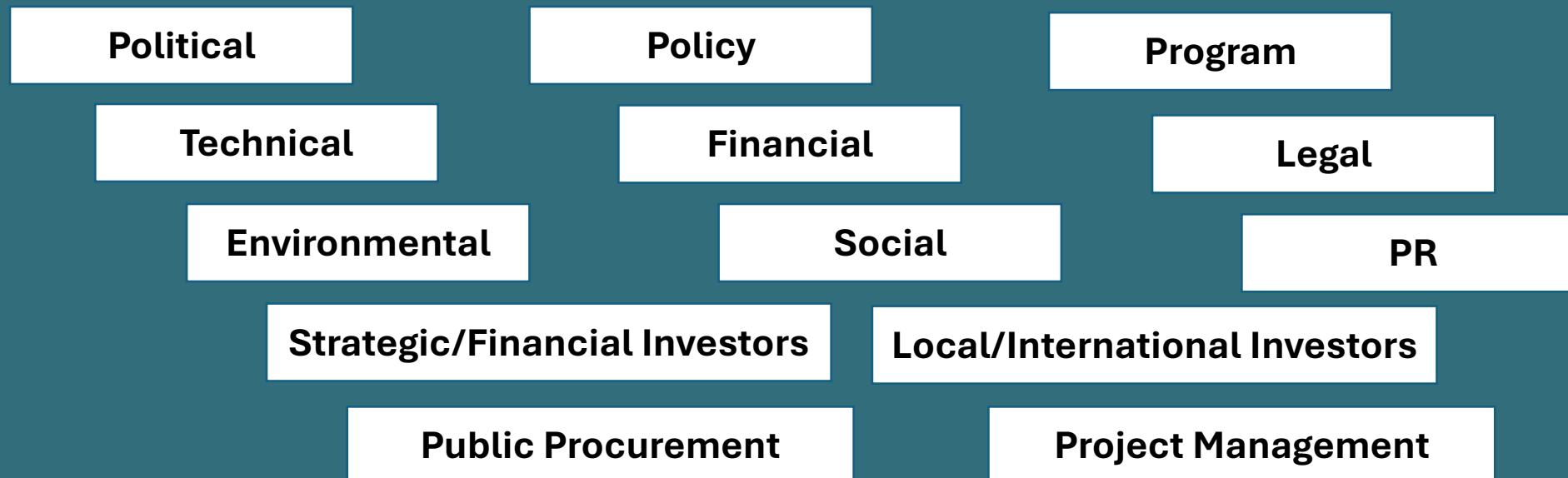


# Next Level PPP

**CAREC Business Forum**  
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Bishkek, Kyrgyz Republic



# PPPs: Complex Undertakings



# PPP as a Tool for Peace and Development



# Shift Thinking

- Shift thinking from:
  - Value for Money  Value for the Economy
  - PPP Projects  PPP Programs
  - One Sector  Integration

# Integration

- Healthcare / Education
  - Infrastructure Development
  - Clinical Service Integration
  - Medical Education Partnerships
- Energy / Water / Sanitation / Agriculture / Environment

# Regional Integration

- Regional Infrastructure Funds
- Regional Regulatory Authorities
  - Energy
  - Transport
  - Telecom
  - Digital

# European Example

Period	Institutional Model	Nature of Private Sector Role	Resulting PPP Forms
1950s–60s	ECSC (Treaty of Paris)	Advisory, co-financing modernization	Industrial modernization loans
1970s–80s	EIB-led development	Co-financing infrastructure	Proto-PPP infrastructure finance
1990s–2000s	EU Single Market	Market liberalization, private utilities	Concession-based PPPs (transport, energy)
2000s–today	EU Joint Undertakings, EIB/InvestEU	Co-governance and co-funding	Blended-finance and innovation PPPs

# European Example

- Joint Undertakings: Clean Hydrogen JU, Shift2Rail, SESAR
- Projects:
  - **Eurotunnel (France–UK, 1986–1994):** A landmark bi-national PPP financed and operated by private investors under a treaty framework.
  - **TEN-T Core Network Projects (1990s–present):** Pan-European transport corridors involving PPP consortia.
  - **Nord Pool Power Market (Nordic countries, 1996):** Public-private governance for regional energy trading.

# De-Risking: Viability Gap Funding

- Applications
  - Universal coverage
  - Support during technology maturation
  - Support affordability
- Best Practice Principles
  - Competitive bidding for minimum public support required
  - Time-limited support with clear exit mechanisms
  - Transparent calculation methodologies
  - Performance-based disbursement

# De-Risking: Blended Finance

- **Catalytic Mechanisms:**
  - First-Loss Capital
  - Guarantees and Insurance
  - Concessional Loans
  - Technical Assistance grants

# De-Risking: Financial Market Development

- Local currency financing
- Institutional investor participation
- Refinancing opportunities
- Sukuk financing
- Contract flexibility and adaptation

# De-Risking: Climate Infrastructure

- Emerging Structures
- Green bonds
- Carbon credit integration
- Climate-resilient designs

# Shift Perspective on Public Procurement

- Use Technology and Game Theory
  - Auctions
  - Reverse auctions
  - No tender
  - Other

# New Frontier: Digital Infrastructure

- Application Areas
  - Data-driven urban management
  - Telecom infrastructure
  - E-Government services
  - Smart Utility networks

# New Imperative: Small-Scale PPPs

- Adapt legislative and regulatory frameworks to SSPPPs
- Focus on scalability and multi-project programs
- Streamline project preparation and procurement
- Leverage technology and artificial intelligence
- Build dedicated SSPPP capacity
- Create market incentives for local actors
- Design appropriate financing mechanisms
- Establish effective contract management systems
- Enhance local community participation

# Our Collective Responsibility

- As leaders and decision-makers, we bear responsibility for every decision we make regarding the infrastructure that will serve our future generations.
- The path forward requires courage to embrace new approaches, discipline to maintain standards, and wisdom to balance innovation with prudent risk management.
- The question is not whether to pursue public-private partnerships, but how to pursue them with excellence.



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