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# Is Kazakhstan finally a rising star for public-private partnerships?

The 66 km Big Almaty Ring Motor Road concession project (a toll road around the city of Almaty), also known as BAKAD, finally reached a financial close on the 7th August 2020, making it the largest public-private partnership (PPP) project in Central Asia. The project is supported by the European Bank for Reconstruction and Development, the Bank of China, PGGM, Eurasian Development Bank and the IsDB.

BAKAD is a groundbreaking PPP project for Kazakhstan because it is the first large-scale PPP project in the Central Asian region structured with the involvement of international advisors through an open, international competitive process and in accordance with international best practices.

BAKAD, therefore, is expected to pave the way for more PPPs in Kazakhstan with the involvement of foreign investors.

The Ministry of Industry and Infrastructure Development of Kazakhstan, with the assistance of the International Finance Corporation as its advisor, put the BAKAD project out to tender under the Concession Law framework at the beginning of 2015, although this long-delayed project was first conceived as early as 2008.

After several failed attempts, BAKAD's 20-year, build-transfer-operate concession agreement was finally signed in February 2018 by a consortium (comprising South Korea's SK E&C, Korea Expressway Corp and Turkey's Alarko and Makyol) acting through a setup project company as a concessionaire.

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## Practice areas

[PROJECT FINANCE & PUBLIC-PRIVATE PARTNERSHIP \(PPP\)](#)

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