

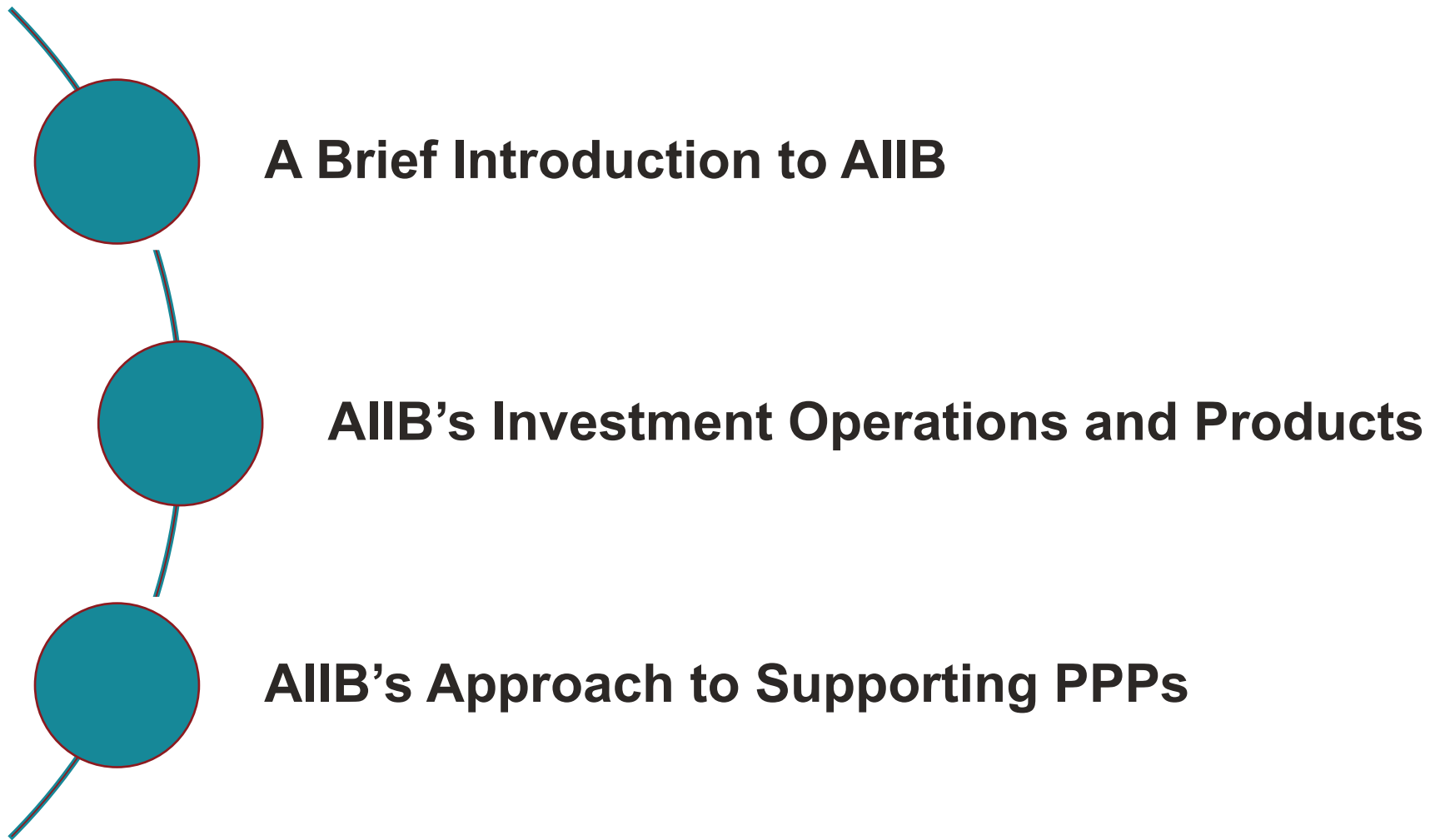
# AIIB's Approach to supporting Public-Private Partnerships

Mongolia Public-Private Partnership Forum - 2026

24 April 2026



# Agenda



**A Brief Introduction to AIIB**

**AIIB's Investment Operations and Products**

**AIIB's Approach to Supporting PPPs**



# A Brief Introduction to AIIB



# AIIB was established in 2016 with a vision to support sustainable development and regional cooperation within Asia and beyond

## WHO WE ARE

A **Multilateral Development Bank (MDB)** established by international treaty in 2016, headquartered in Beijing.

AIIB brings countries together to address **the infrastructure funding gap**.

**Core principles:** financial sustainability and sound banking, strong multilateral governance and oversight, high project standards.

## VISION & MISSION

**Vision:** a prosperous Asia based on sustainable economic development and regional cooperation.

**Mission:** Financing Infrastructure for Tomorrow. By investing in sustainable infrastructure, AIIB unlocks new capital, technologies and ways to address climate change, and to connect Asia and the world.

## CREDIT STRENGTH

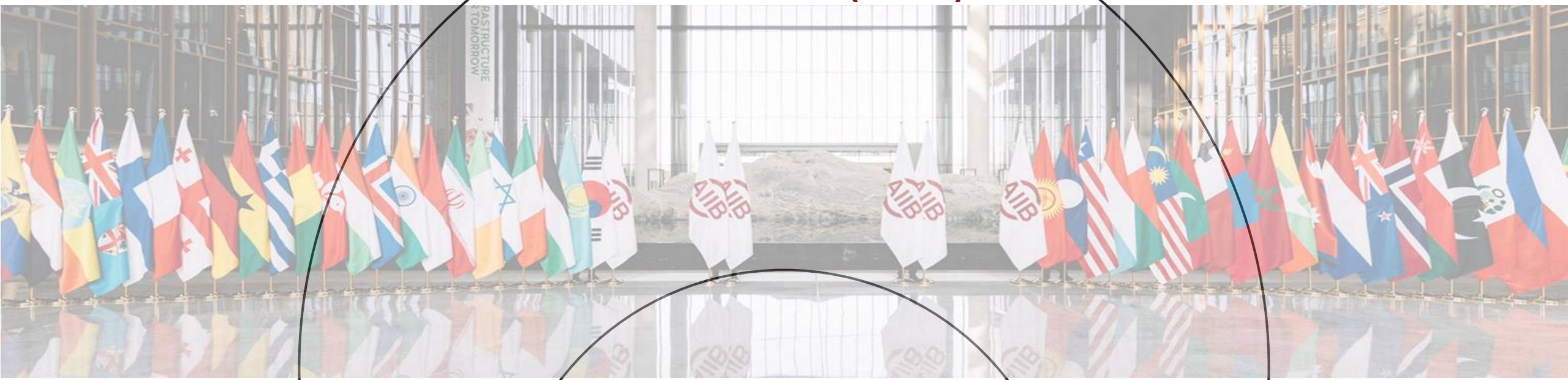
Strong support from a diversified global shareholder base. **USD 100 billion capital stock**, with 20% assigned to paid-in capital. Conservative risk management and financial policies. Experienced management team.

**AAA/Aaa/AAA credit rating** with a stable outlook.

**0% risk weight and HQLA1.**

# Today we are the second largest MDB by membership

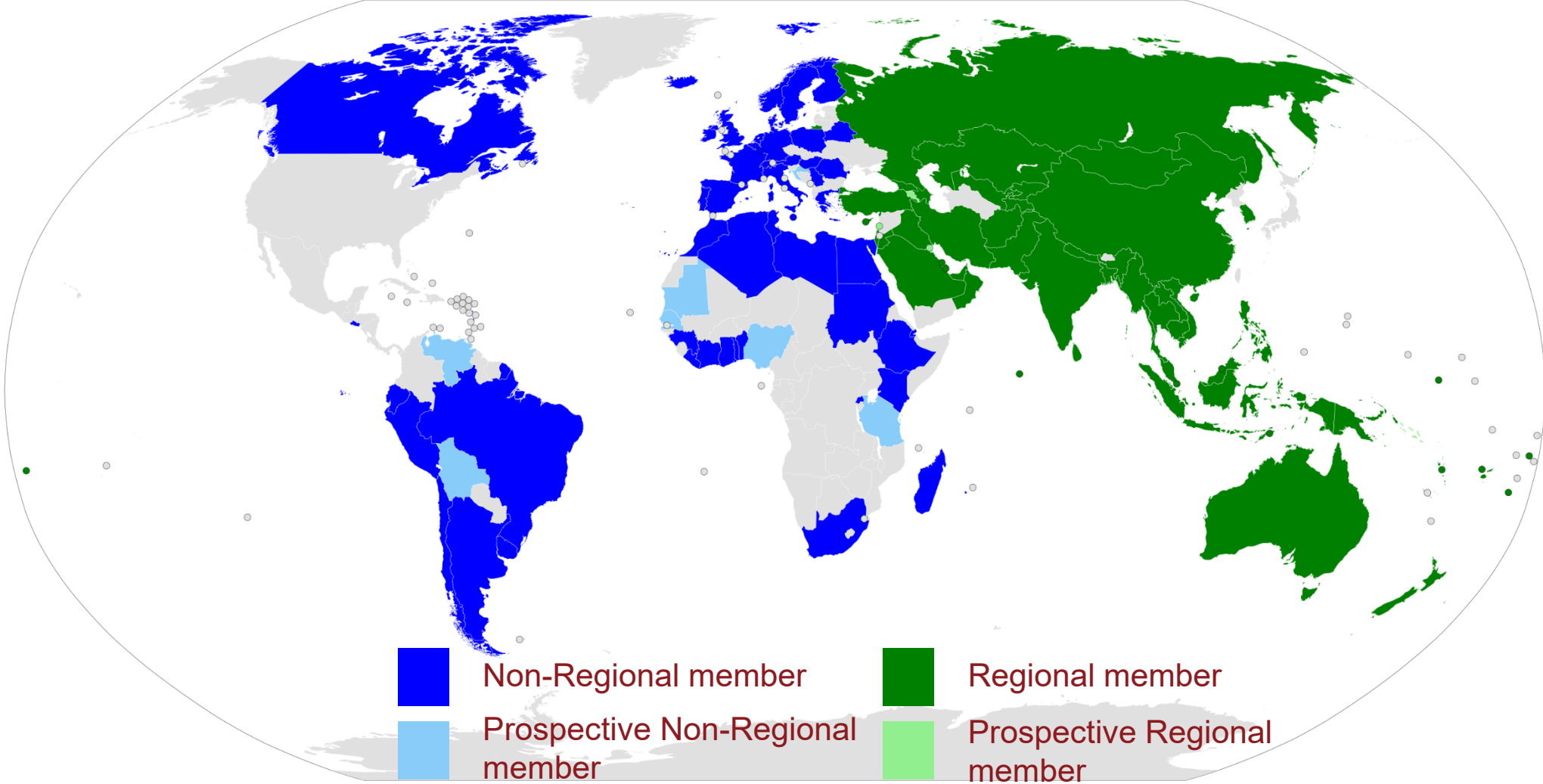
**111 members (2025)**



**57 members (2016)**



# AIIB's Approved Membership covers c.80% of global population



# Our Results

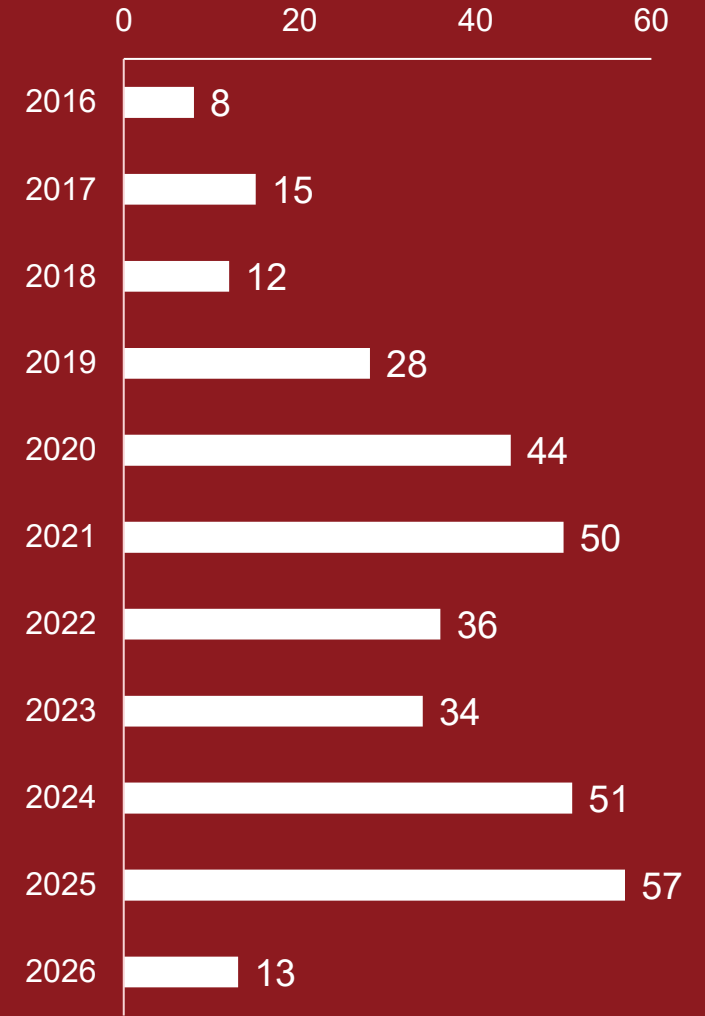
**373** approved projects in **40** member economies

**\$72 billion** in approved financing

**56 / 44 %** sovereign to private lending

**4** approved Projects in Mongolia **\$350 mn** In approved financing in Mongolia

Approved Projects By Year



# AIB's Investment Operations and Products



# AIIB investments seek to add value by supporting one or more of four cross cutting themes; our Four Thematic Priorities



## GREEN INFRASTRUCTURE

Promoting green infrastructure and supporting members to meet their local and national environmental and development goals, especially their commitments under the **Paris Agreement** and the United Nations' **Sustainable Development Goals**



## CONNECTIVITY & REGIONAL COOPERATION

Facilitating better **transport, digital, energy and water** connectivity within Asia, as well as between Asia and the rest of the world. AIIB also supports projects that facilitate trade, cross-border investment, tourism, financial and digital integration across Asian economies and beyond.



## TECHNOLOGY-ENABLED INFRASTRUCTURE

Based on the enhanced recognition of the important role technology plays, AIIB will support projects where the application of technology delivers better value, quality, productivity, efficiency, resilience, **sustainability** inclusion, transparency and better governance along the project cycle.



## PRIVATE CAPITAL MOBILIZATION

AIIB supports projects that directly or indirectly **mobilize private financing** into sectors within AIIB's mandate. This includes developing infrastructure as an asset class in Asia.

2030 Strategic Goals

### Private Sector Projects

50% of actual financing approvals by 2030

### Climate Financing

50% of actual financing approvals by 2025

### Cross-Border Connectivity

25% - 30% of actual financing approvals by 2030

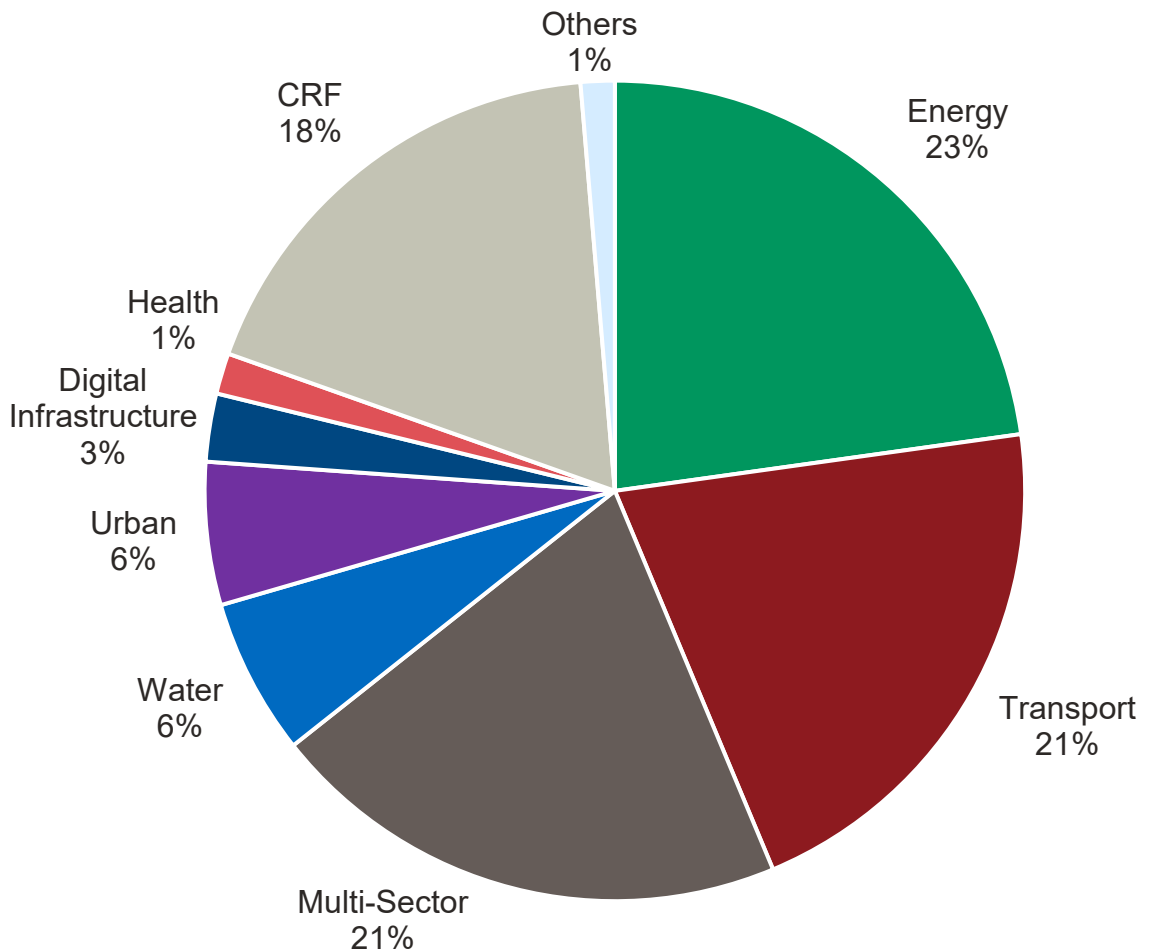


# AIIB is mandated to create impact through investment in infrastructure and other productive sectors

To support investment operations, **AIIB has developed strategies across six infrastructure sectors:**

- i. **Energy,**
- ii. **Transport,**
- iii. **Water,**
- iv. **Urban,**
- v. **Digital Infrastructure,** and
- vi. **Health**

Where potential investments shows strong alignment with AIIB's mandate and there is strong client need, AIIB can also consider investments into other sectors



# AIIB brings a wide range of both Sovereign and Non-Sovereign Financial Products



## Sovereign-backed financing

- Average maturity of **up to 20 years** and *final* maturity limit of **up to 35 years**.
- Appraisal will consider full assessment of the **project's benefits, risks and borrower implementation capacity**.
- Includes climate-focused Policy Based Financing and Results-Based Financing



## Non-sovereign-backed financing

- Borrowers range from **sub-sovereign public entities to private enterprises**.
- The terms and conditions will be set on a **commercial basis** and reflect the **expected risk** to the bank and **market conditions**.
- Loan amounts can be **up to 35%** of the project's value or the long-term capitalization of an obligor.



## Equity Investments

- The Bank will only consider **equity investments** under fair terms, where clear **exit strategies** exist and an **acceptable IRR** is projected.
- Equity investments limited **up to 10% of available capital**.
- The Bank plays the role of a **minority investor** and **shall not seek a controlling interest**.



## Guarantees

- Partial Debt Guarantees are available to clients for **sovereign and non-sovereign** operations.
- It incorporates **partial debt guarantees** and **unfunded risk participation**.
- Projects involving **guarantees will be appraised, processed, and monitored as if they were loans**.

All four products may include onlending facilities, investments in funds and co-finance with other Fis. Growing involvement with PPPs, including **hybrid PPPs** (financing to the public and private partners).

# We also recognize that delivering high quality infrastructure requires significant preparation, which can require support

AIIB has access to different funds to support project preparation activities :



AIIB's Internal Project Preparation Special Fund (PPSF)

- Technical assistance grants for project preparatory activities; can support due diligence for PPP/ hybrid PPP; transaction advisory support
- Prioritized for IDA-eligible AIIB members, and Members with substantial development needs and capacity constraints



MULTILATERAL COOPERATION CENTER FOR DEVELOPMENT FINANCE

- Grant resources for project preparation, capacity building and knowledge sharing activities
- Eligible to AIIB members
- Generally covers sovereign operations, and in certain cases, non-sovereign operations
- Exclusive for projects with strategic alignment with **Regional Connectivity**



- Technical assistance grants or advisory support to attract private capital
- Eligible to AIIB members
- Requires letter of support from Gov't, covers projects implemented by private entities or public entities operating on a commercial basis
- Exclusive for projects with potential for **PPP structuring**

**And there may be possibilities with other funds (i.e. GCF, GEF, bilateral donors, etc.)**

AIIB will support the client throughout the grant application process, including refining the project narrative and development objectives to ensure its alignment with the relevant funds' mandate and core priority areas.



# AIB's Approach To Supporting PPPs

Integrated offering that blends advisory with financing  
to unlock sustainable infrastructure solutions



# Infrastructure is critical to unlock development in emerging markets, but structuring can be needed to overcome challenges

## High-impact infrastructure projects

Generating short-term income, long-term growth and environmental sustainability.

## Challenges in Emerging Markets


- Limited fiscal space
- Gap between infrastructure needs and bankable projects
- Capacity for robust project preparation, including bankability and financial viability

**Enabling cost-effective multisector resilience planning.**



**Closing the infrastructure gap in developing economies.**

**Mobilizing private investment through innovative and flexible financing models such as PPP/hybrid PPP**



**Integrating technology and connectivity to avoid being left behind.**

# AIIB integrates PPP Advisory with financing to find the right approaches to maximize the potential of infrastructure projects

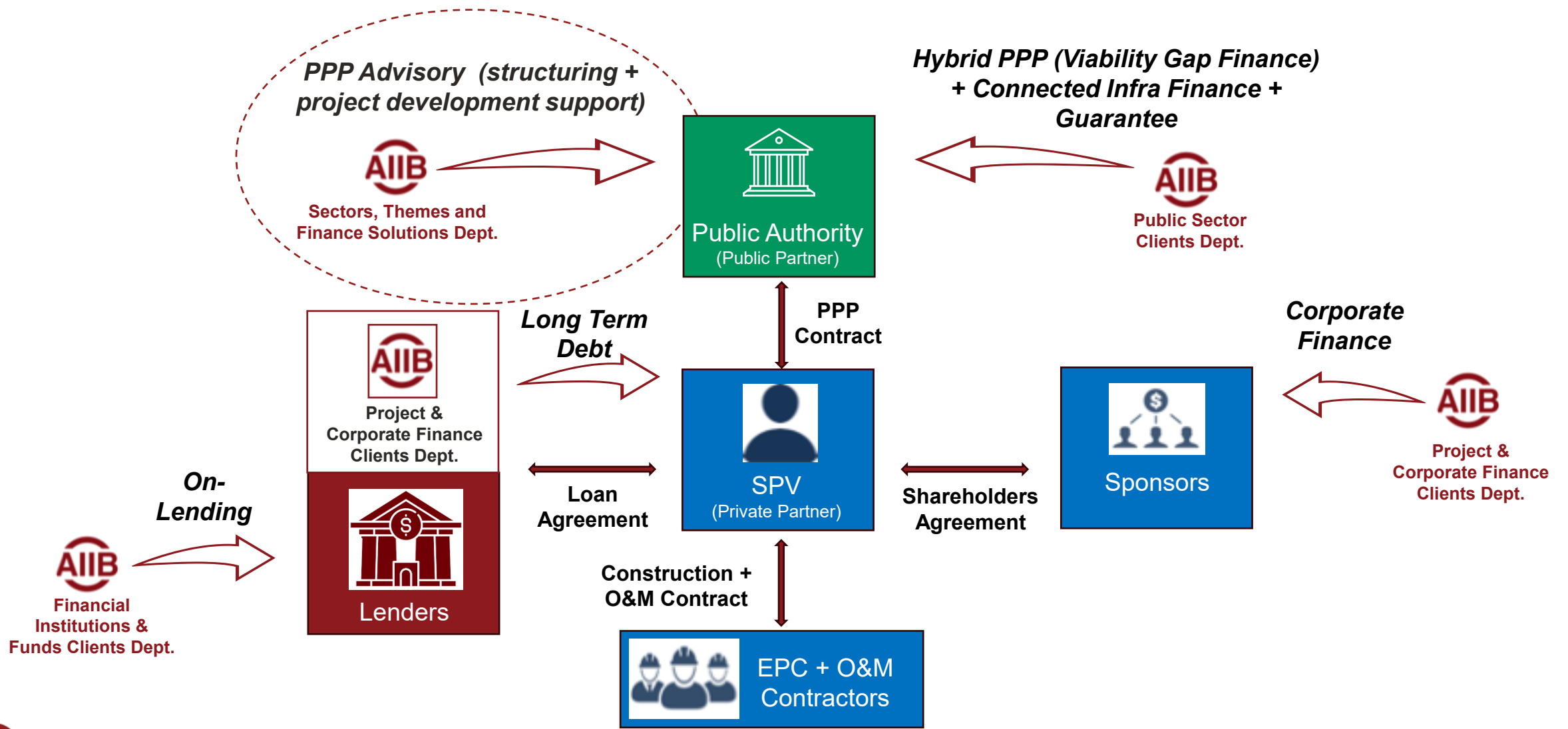
- The **AIIB PPP advisory team engages with government authorities spearheading PPP initiatives** to assist in project conceptualization, preparation, structuring and procurement.
- These activities are **conducted in close coordination with AIIB's Public Sector Client department** to integrate credit enhancement and enhance bankability through sovereign products such as:
  - Sovereign backed guarantees, and
  - SBF to fund government contributions (viability gap financing).
- The **winning Private Partner may also approach AIIB's Project and Corporate Finance Department for NSBF support.**
- This **whole-bank approach** enables **greater flexibility** in project preparation and structuring, **aiming at maximizing value** and supporting government in achieving its development goals.

## AIIB product offerings

| <u>Guarantees</u>  | <u>Equity</u>  |
|--|--|
| <ul style="list-style-type: none"><li>- Partial debt guarantees</li><li>- Unfunded Risk Sharing</li><li>- Risk Transfer Agreements</li></ul> | <ul style="list-style-type: none"><li>- Fund Investments</li><li>- Direct Equity Investments</li></ul>                               |
| <u>Loans</u>   | <u>Fixed-income Securities</u>   |
| <ul style="list-style-type: none"><li>- Sovereign backed loans (SBF)</li><li>- Non-Sovereign backed loans (NSBF)</li></ul>                   | <ul style="list-style-type: none"><li>- Bonds</li><li>- Direct Bond Investment</li><li>- Externally Managed Bond Portfolio</li></ul> |



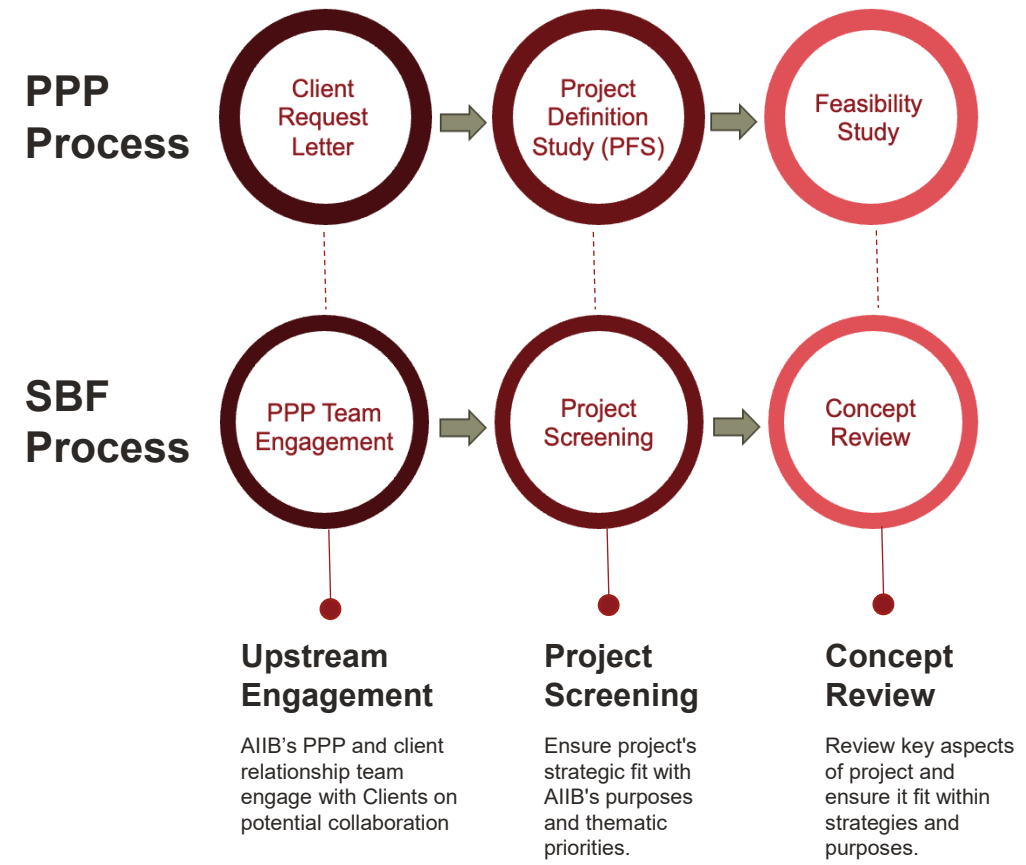
# AIB's integrated support for PPPs/Hybrid PPPs



# AIB's PPP Advisory support advances in line with the project processing cycle

- On receipt of Government's request, the **PPP team engages to support project identification, definition and Pre-FS** (as required)
- **The project is then screened** for formal inclusion in AIB's project pipeline.
- Following screening, the **PPP team supports the client to tap into project preparation grants** from internal and/or external special funds resources.
- Thereafter, **consultants are procured to conduct required feasibility studies** to address technical, legal, financial/commercial, environmental and social aspects
- As project development progresses **AIB conducts a concept review** to ensure continued alignment to strategic purposes.

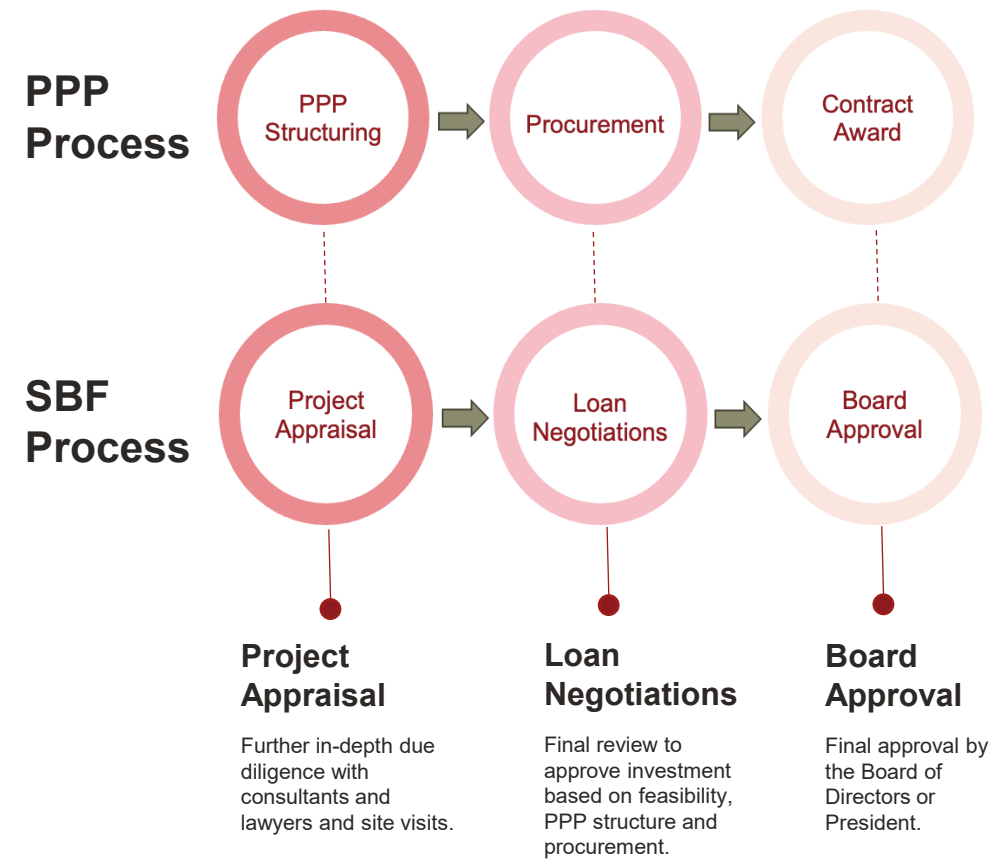
## AIB process for PPP advisory and SBF product support



# AIB's PPP Advisory support advances in line with the project processing cycle

- The **PPP team works closely with the client to oversee and guide consultant deliverables** and integrate findings into final project structuring (e.g., risk allocation, PPP model, output specification etc.) and bidding documents (e.g., RFQ, RFP, bid evaluation).
- **AIB's project appraisal considers the feasibility and PPP structuring** to ensure the project is technically sound, financially viable, environmentally responsible, and institutionally executable.
- **Loan negotiations between AIB and the client occur in parallel** with the procurement of the PPP Partner, to ensure that the support committed by government in the PPP agreement is secured.
- On selection and award of the contract to the PPP Partner, the **Board Approval** process shall be completed.

## AIB process for PPP advisory and SBF product support



# Hybrid PPPs in AIIB Operations

Loans to National Treasuries or other entities with sovereign guarantees



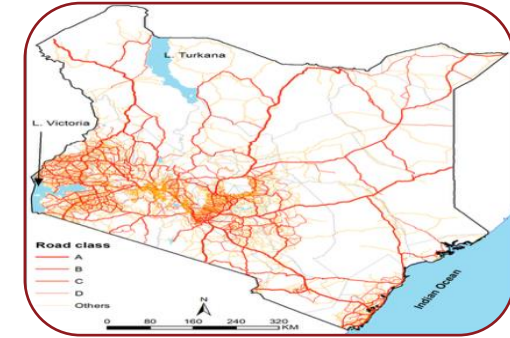
**Thailand: The Construction of the U-Tapao International Airport Second Runway and Taxiway (\$423.05M)**  
Loan Approval: 2022

The Project is the government's contribution to the airport expansion and operation which will be carried out under a PPP.



**Uzbekistan: Samarkand Gas Distribution Network Upgradation and Methane Abatement Project (\$100M)**  
Screening Approval: 2025

Upgrading the gas distribution network in Samarkand to reduce methane leakage and improve operational efficiency. AIIB is providing feasibility and PPP structuring support combined with a sovereign loan to cover Government's potential VGF contribution.



**Kenya: Expanding the Mau Summit – Malaba Road on a PPP Basis (\$1.7Bn)**  
Screening Approval: 2025

Upgrading the 243-kilometer Mau Summit to Malaba stretch, connecting Uganda to the port of Mombasa (Kenya). AIIB is providing feasibility and PPP structuring support combined with a sovereign loan to cover Government's potential VGF contribution.

# Thank you!



**Asian Infrastructure Investment Bank (AIIB)**  
Tower A, Asia Financial Center, No.1 Tianchen East Road,  
Chaoyang District, Beijing 100101

