EUROPEAN PPP EXPERTISE CENTRE

MARKET UPDATE

REVIEW OF THE EUROPEAN PUBLIC-PRIVATE PARTNERSHIP MARKET IN 2024

March 2025

European Investment Bank

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Data collection and methodology

The data used in this publication are EPEC's own aggregation of information collected from a variety of sources, in particular Inframation, Partnerships Bulletin, IJ Global and Inspiratia. Where appropriate, the data have been cross-checked against the EIB's own project files. The list of public-private partnership projects forming the dataset has been reviewed, where possible, by EPEC members. Project data contained in this publication may be subject to future revisions due to the late availability of information or corrections to previously reported values. Please note that the public-private partnership pipeline section of this publication is under development. The data and the findings of this publication should therefore be treated with appropriate caution.

This publication covers:

- transactions that have reached financial close in the EU-27 countries, the United Kingdom, Israel, Türkiye and countries of the Western Balkans (Albania, Bosnia and Herzegovina, North Macedonia, Kosovo,* Montenegro and Serbia);
- transactions structured as design-build-finance-operate (DBFO) transactions, design-build-finance-maintain (DBFM) transactions or concession arrangements that feature a construction element, the provision of a public service and genuine risk sharing between the public and the private sector and can include regulated assets;
- transactions financed through project financing;
- transactions of a value (see definition below) of at least €10 million.

The project values quoted in this publication refer to the external financing requirements for projects at the time of financial close (the sum of debt and equity) and exclude public capital contributions. Readers should note that the external financing requirements of a project can be very different to its capital investment cost (with the latter being difficult to obtain on a consistent basis).

* This designation is without prejudice to positions on status and it is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.



Clockwise from top left: (1) Milan Statale University Campus Development PPP (© UniMi), (2) Espoo Schools PPP (© Espoo), (3) Lisbon Oriental Hospital PPP (© EIB) and (4) Irish Community Nursing PPP (© Sisk.ie).

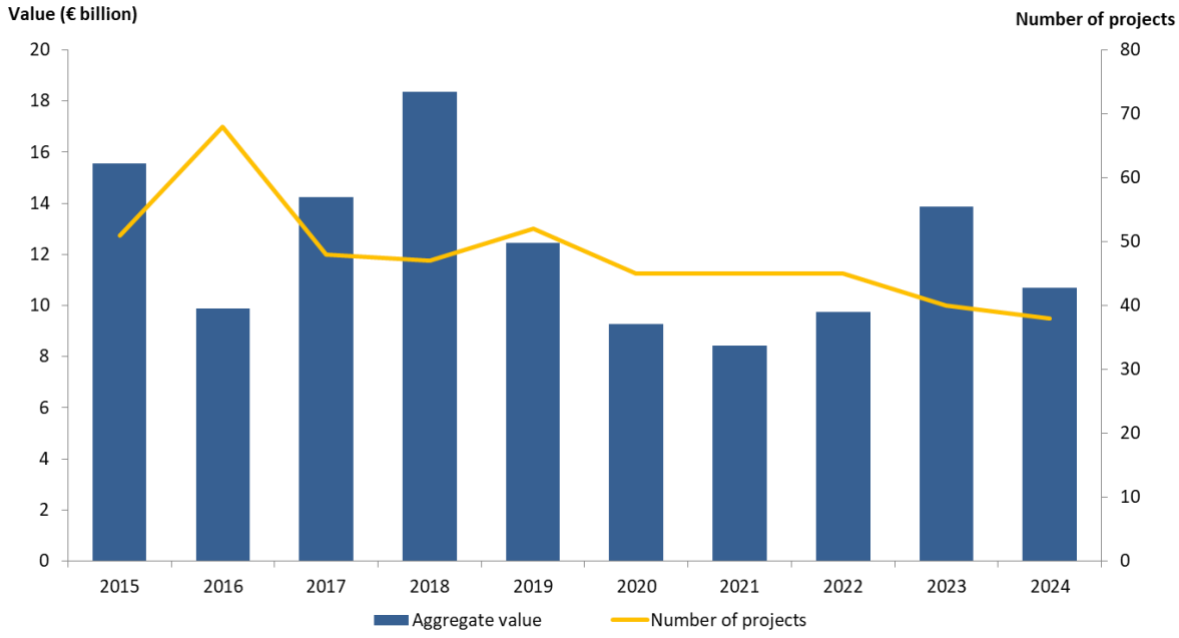
EXECUTIVE SUMMARY

- In 2024, 39 public-private partnership transactions reached financial close for an aggregate value of €11.47 billion.
- The value of the market decreased by 17%, compared to 2023.
- The number of projects reaching financial close increased by 2.6%, with 39 projects in 2024 vs. 38 in 2023.
- Greece was the largest market by value, while Belgium led in the number of projects.
- 11 countries closed at least one public-private partnership project, compared to 13 in 2023.
- Transport was the largest sector by value.
- Education was the largest sector by number of projects.
- Over 61% of the transactions closed were government-pay public-private partnerships.

1 OVERVIEW

In 2024, the **aggregate value** of public-private partnership (PPP) transactions[1] that reached financial close in the **European market**[2] totalled **€11.47 billion**, a **17% decrease** from 2023 (€13.9 billion).

Figure 1: Ten-year view of the European public-private partnership market by value and number of projects (2015-2024)



- **39 transactions reached financial close**, compared to 38 in 2023.
- The **average transaction size decreased** to €294 million (€367.7 million in 2023).
- **Six large transactions**[3] **were closed** in 2024 (eight in 2023). Their aggregate value amounted to €7.3 billion, representing 64% of the total market value (69% in 2023). The large transactions reaching financial close in 2024 were[4]:
    - Ghent R4 highway West and East (Belgium) – €1.023 billion
    - Aragon Extraordinary Road Plan (Spain) – €630 million
    - Athens Ring Road Retender (Greece) – €3.3 billion
    - Rolling Stock Nouvelle Aquitaine Occitanie (France) – €950 million
    - Moray East Offshore Wind Farm Transmission Project (United Kingdom) – €784 million
    - Worthing Heat Network (United Kingdom) – €605 million
- **20** of the total of 39 transactions in 2024 have a value **under €100 million**.
- **61.5%** of the transactions closed were **government-pay public-private partnerships** (mostly based on availability payments), compared to 53% in 2023.

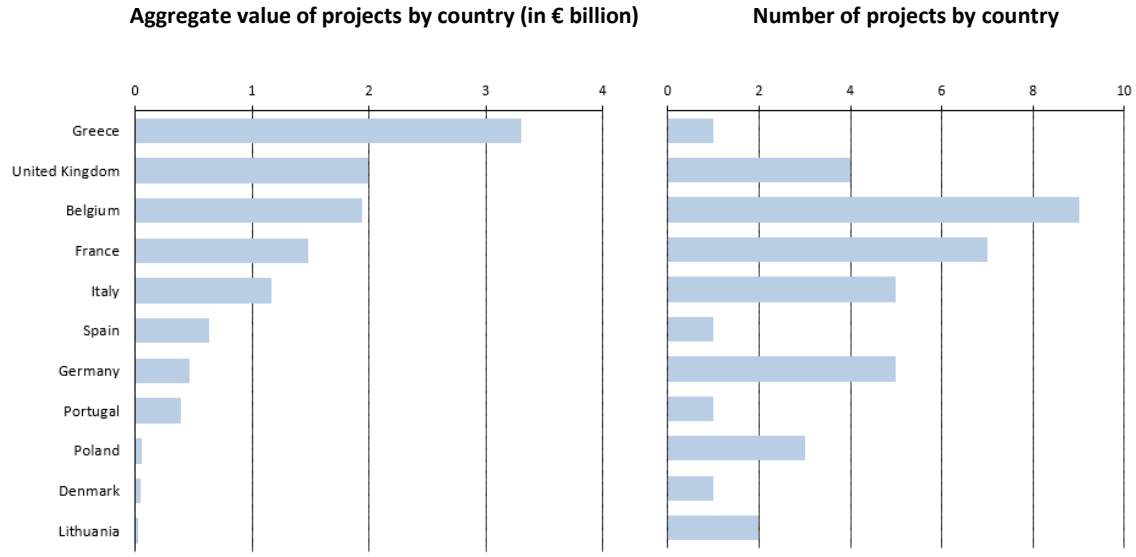
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1 See the previous page for details of the qualifying project characteristics.
2 Defined as the EU-27 plus the United Kingdom, countries of the Western Balkans, Israel and Türkiye.
3 Defined as deals of €500 million or more.
4 See Annex 1 for more details.

2 COUNTRY BREAKDOWN

- As Figure 2 shows, **Greece was the largest public-private partnership market in Europe** in terms of value, with a total of €3.3 billion (€1.19 billion in 2023), and Belgium was the largest in terms of **the number of projects**, with nine deals closed (two in 2023).

Figure 2: Country breakdown by value and number of public-private partnership projects in 2024



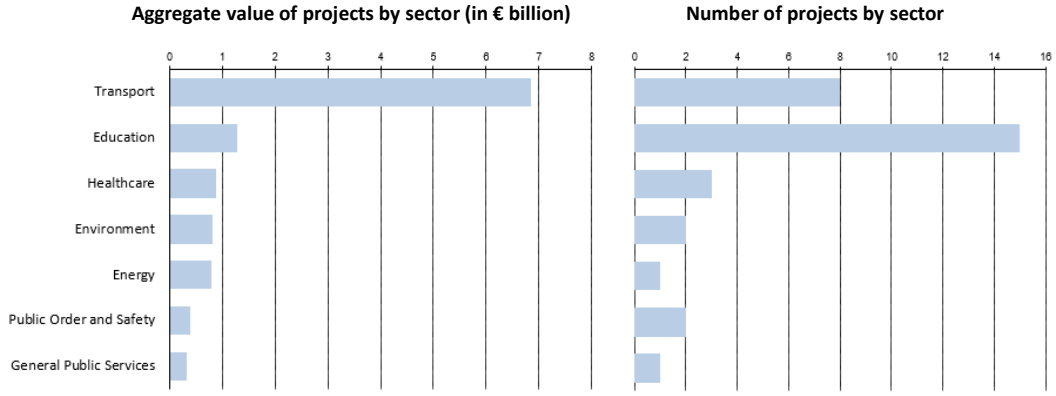
- **The United Kingdom was the second largest public-private partnership market in terms of value**, with a total of €2 billion. **France was the second largest public-private partnership market in terms of the number of projects,** with seven deals closed (six in 2023).
- **Seven countries closed at least two deals** (seven in 2023) and **11 countries closed at least one** public-private partnership transaction (12 in 2023).
- As shown in Annex 2, over the past five years, **France, Germany, the United Kingdom** and **Italy** have led the European public-private partnership market in terms of **both the total number of projects and value of deals closed**.

3 SECTOR BREAKDOWN

- As shown in Figure 3, the **transport sector had the highest transaction value in 2024**, exceeding €6.8 billion (€9.1 billion in 2022). Notable transactions included the €1.02 billion Ghent R4 Highway West and East PPP, the €3.33 billion Athens Ring Road Retender in Greece and the €630 million Aragon Extraordinary Road Plan. There were also two railway projects in France and one urban light rail project in Florence, Italy.
- The **largest sector by number of projects** (15 deals in 2024 vs. eight in 2023) and the second **largest by transaction volume** (€1.3 billion in 2024 vs. €552 million in 2023) was the **education sector**. This consisted of university campus developments (two in Italy), student accommodation (two in France and one in the United Kingdom) and school facilities (seven in Belgium).

- The **recreation and culture sector** came in third place by number of projects, with four projects in 2024 (two in 2023). However, it had a relatively low transaction volume of only €65 million (one project in Lithuania and three in Poland).
- The **healthcare sector** came in third place by transaction volume, with €873 million. This consisted of two hospital projects (one in Portugal and one in Denmark), as well as the Welsh Velindere Cancer Centre PPP in the United Kingdom. In contrast, there were no public-private partnership transactions in this sector in 2023.

Figure 3: Sector breakdown by value and number of public-private partnership projects in 2024



- In 2024, the remaining transaction volume in the European public-private partnership market totalled **€1.1 billion, distributed across several sectors**. **General public services** accounted for €331 million, down from €413 million in 2023. **Defence** experienced a sharp decline, reaching just €50 million – only 13% of its 2023 value (€397 million). **Environment** saw an increase to €805 million, up from €150 million in 2023. **Recreation and culture** recorded €65 million in transactions (€150 million in 2023), while **housing and community services** accounted for €30 million (there were no projects in 2023) Finally, the **energy** sector accounted for €785 million (no projects in 2023). The transactions included:
    - a large-scale data centre project in Italy;
    - the redevelopment of an energy-from-waste plant in France;
    - energy efficiency improvements for the French Ministry of Defence;
    - four sports and leisure facility projects – one in Lithuania and three in Poland;
    - two street lighting projects – one in Italy and one in Greece;
    - an offshore wind farm energy transmission project in the United Kingdom.

4 FINANCING[5]

- **At least seven of the 39** transactions that reached financial close in 2024 (nine of 38 in 2023) involved the provision of debt by **institutional investors** (such as insurance companies and pension funds) through a variety of financing models.
- While six countries closed transactions involving institutional investor debt in 2023, five countries (Belgium, Greece, France, Spain and the United Kingdom) benefited from institutional investor involvement in 2024.

[5] As the availability and quality of data on financing terms is limited in places, the information provided in this section should be treated with caution.

- **Five public-private partnership projects** that reached financial close during the year **were financed by the EIB**, for **an aggregate lending volume of €975 million**.[6] The projects in question were the Italian National Strategic Hub, the Lisbon Oriental Hospital, the Milan Statale University Campus PPP, Rolling Stock Nouvelle Aquitaine – Occitanie, and the Nancy – Contrexeville Rail Concession.

5 NOTEWORTHY TRANSACTIONS AND DEVELOPMENTS

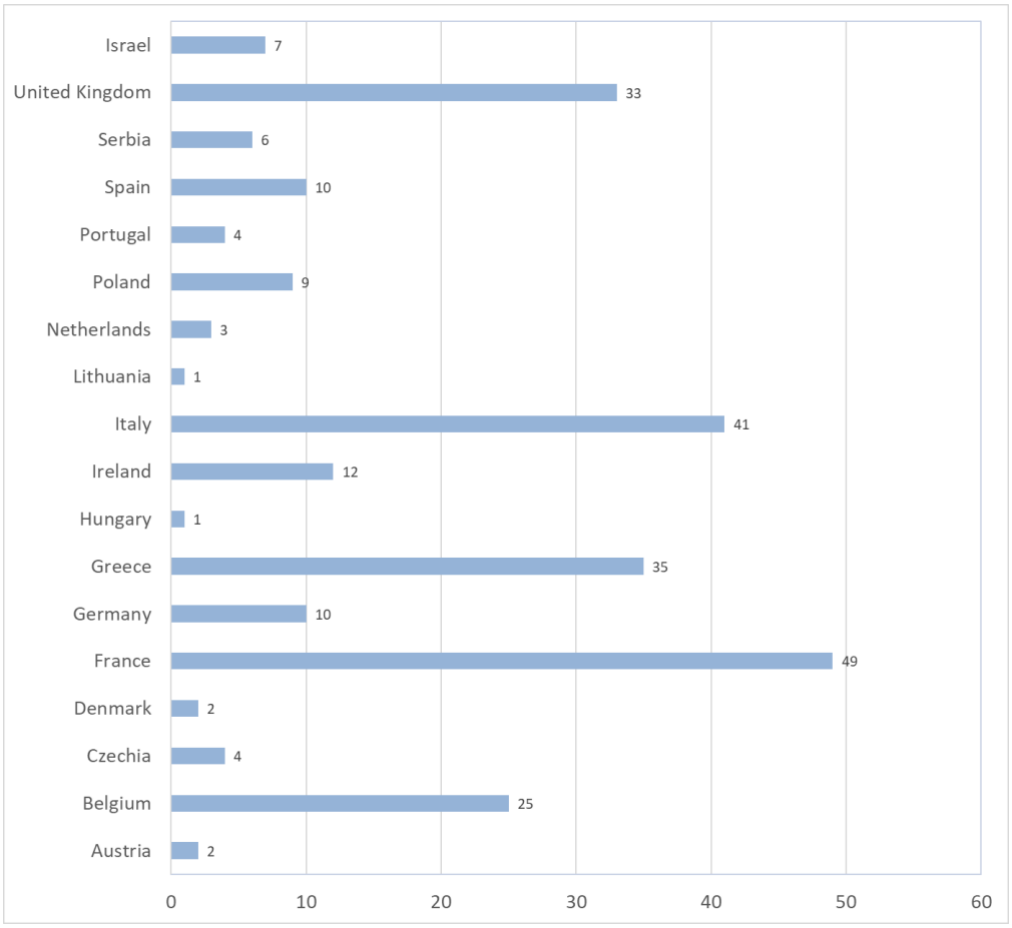
- Adoption of the public-private partnership model appears to be **expanding beyond traditionally dominant markets**, typically comprising large-scale infrastructure projects in countries like France and Germany, particularly in the transportation and environment sectors. As shown in Annex 3, although the transportation sector continues to dominate in terms of value, it has been decreasing since 2021 in terms of number of projects. Environment and transportation accounted for only 23% of the total number of projects reaching financial close in 2024, while this figure was 50% in 2023 and 58% in 2022. Meanwhile, sectors like education and recreation and the culture sector have been seeing significantly more projects since 2021, with both recording almost twice as many projects in 2024 as in 2023.
- **The proportion of smaller-scale projects** also rose in 2024, possibly suggesting that project size was less of a constraint on adoption of the public-private partnership model. **20 of the 39** public-private partnership projects that reached financial close in 2024 **had a value below €100 million**. Most of these smaller projects were concentrated in the **recreation and culture, housing and community services, and education sectors** (86% of projects in these three sectors had a value bellow €100 million).
- The education, housing and community services, and recreation and culture sectors – characterised by smaller-scale projects – have seen **an increased participation of new and historically less active countries**. For example, in 2024 Poland and Lithuania closed projects in the sub-€100 million range in the recreation and culture, and housing and community services sectors. Similarly, Belgium, which had only two public-private partnership projects in 2022 and 2023, saw a surge in activity with seven of its nine transactions being schooling facilities in the sub-€100 million range.
- **Germany**, which has been among the leading public-private partnership markets in transaction volume in the last five years, saw a significant decline in 2024. After closing 11 projects worth €4 billion in 2023, the market shrank to just €460 million across five projects in 2024.
- **Greece** has developed a strong pipeline in recent years, with some projects now reaching financial close and many more still in development. Although it closed only one transaction in 2024, it led the market in transaction value, due to the **€3.3 billion Athens Ring Road Retender**.
- **Belgium** continues to actively use the public-private partnership model for developing **schooling facilities**, which account for seven of its nine transactions reaching financial close in 2024. However, public-private partnership activity remains limited to the **Flemish region**, with no projects in the Walloon or Brussels-Capital regions.
- **Italy** is setting an example with a first-of-its-kind government data centre public-private partnership – the **Italian National Strategic Hub PPP** – with a value of **€331 million.**

[6] Annual updates of the list of public-private partnerships financed by the European Investment Bank are available on its publications website, currently under the title Public-private partnerships financed by the European Investment Bank from 1990 to 2023.

6 PROJECT PIPELINE

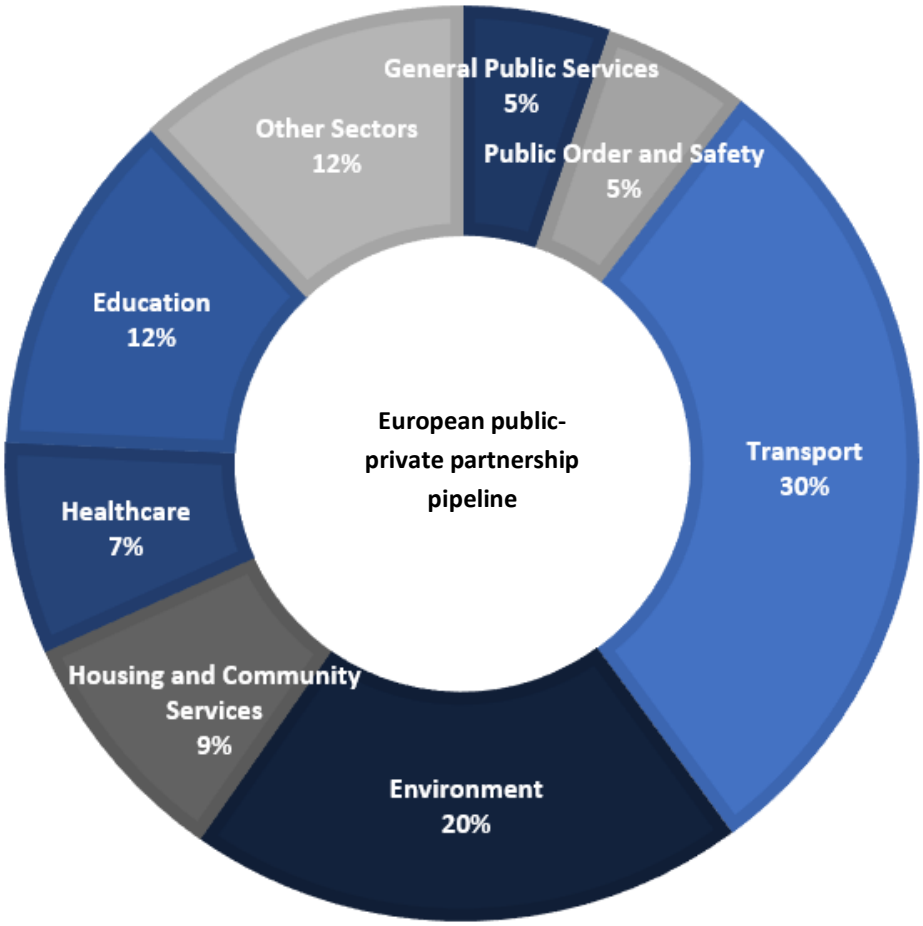
- As Figure 4 shows**,** the three countries with the **highest number of projects in the pipeline**[7] are **France** (49 projects), **Italy** (41 projects), **Greece** (35 projects) and the **United Kingdom** (33 projects).
- In terms of the **number of projects, the transportation sector continues to dominate the European public-private partnership pipeline**, with 77 projects, followed by the environmental sector (51 projects) and the education sector (34 projects) (see Figure 5).
- **France** has continued to develop a strong pipeline with a total of 49 active projects. **26 of these projects are in the environment sector**, followed by 13 in the **transport sector**. Of the 26 environment projects, 16 are district heating projects and ten are waste-related. Of the 13 transport projects, five are roads and urban transport-related, two are in air transport and six are water transport projects.
- The main sector in **Italy**'s pipeline is **healthcare**, with ten projects including seven hospitals and two elderly care facilities. Other prominent sectors were transport, housing and community services, and recreation and culture, with six projects each.
- **Greece's** project pipeline includes ten projects in the **environment** sector, all of which focus on waste management. It also features nine **education** projects, comprising schooling facilities and student accommodation.

Figure 4: Number of public-private partnership projects in the pipeline for each country



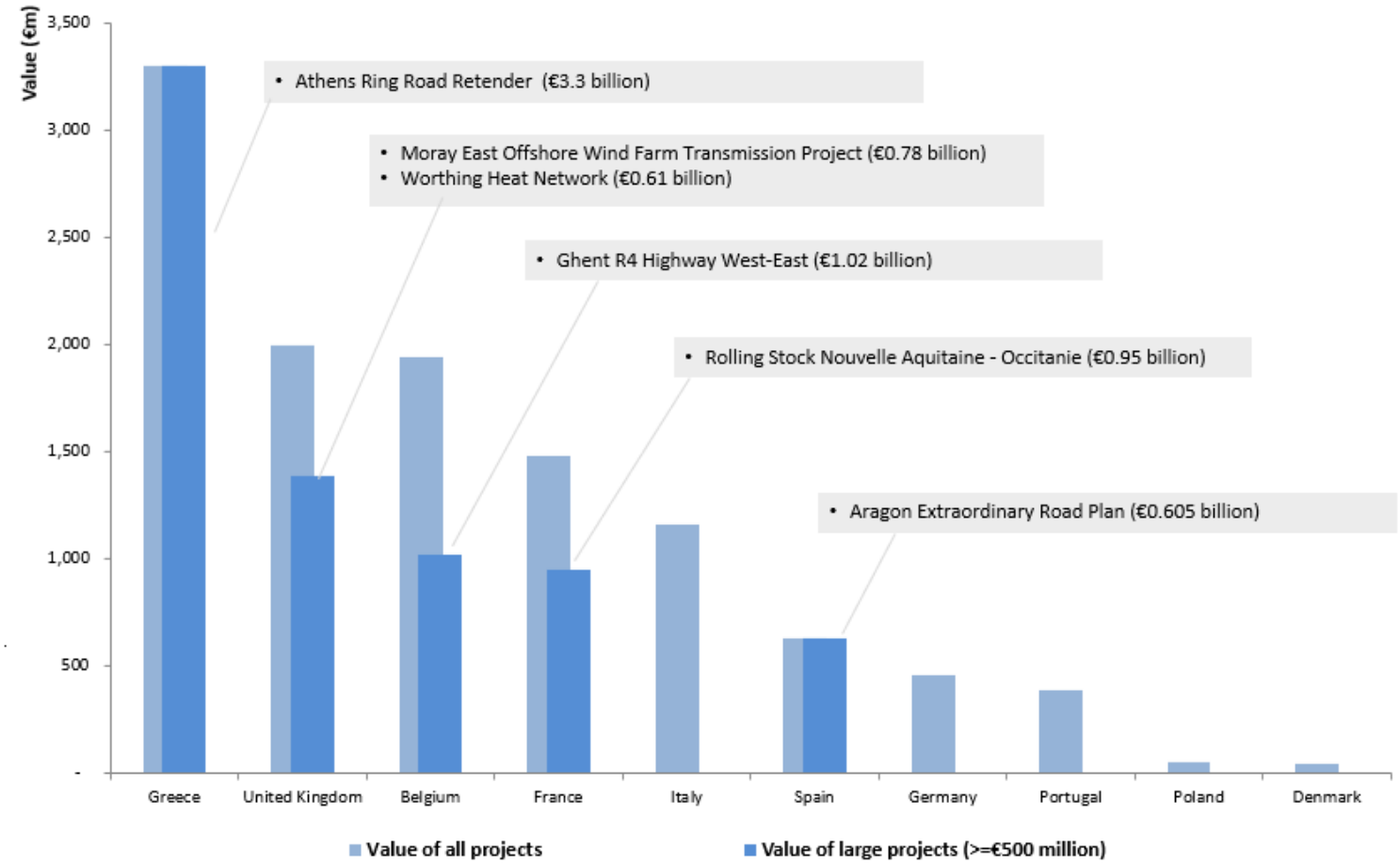
[7] A pipeline project is defined as one that has published a contract notice in the Official Journal of the European Union but has not yet reached financial close. Projects that have not shown any activity or signs of progress in the past three years (between 2022 and 2024) have been excluded.

Figure 5: Number of projects by sector in the pipeline



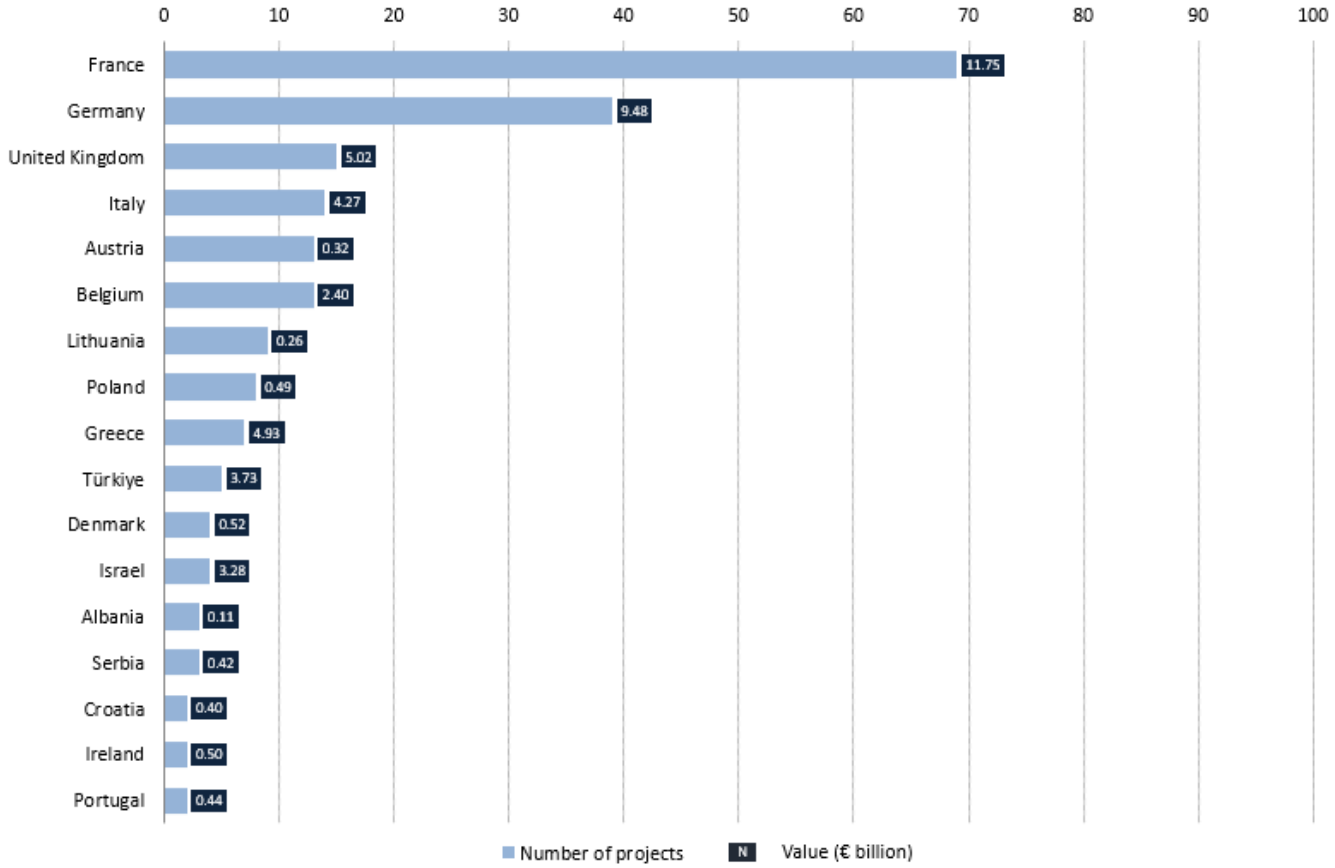
ANNEX 1

Large public-private partnership projects (€500 million or more) as a proportion of overall activity in 2024



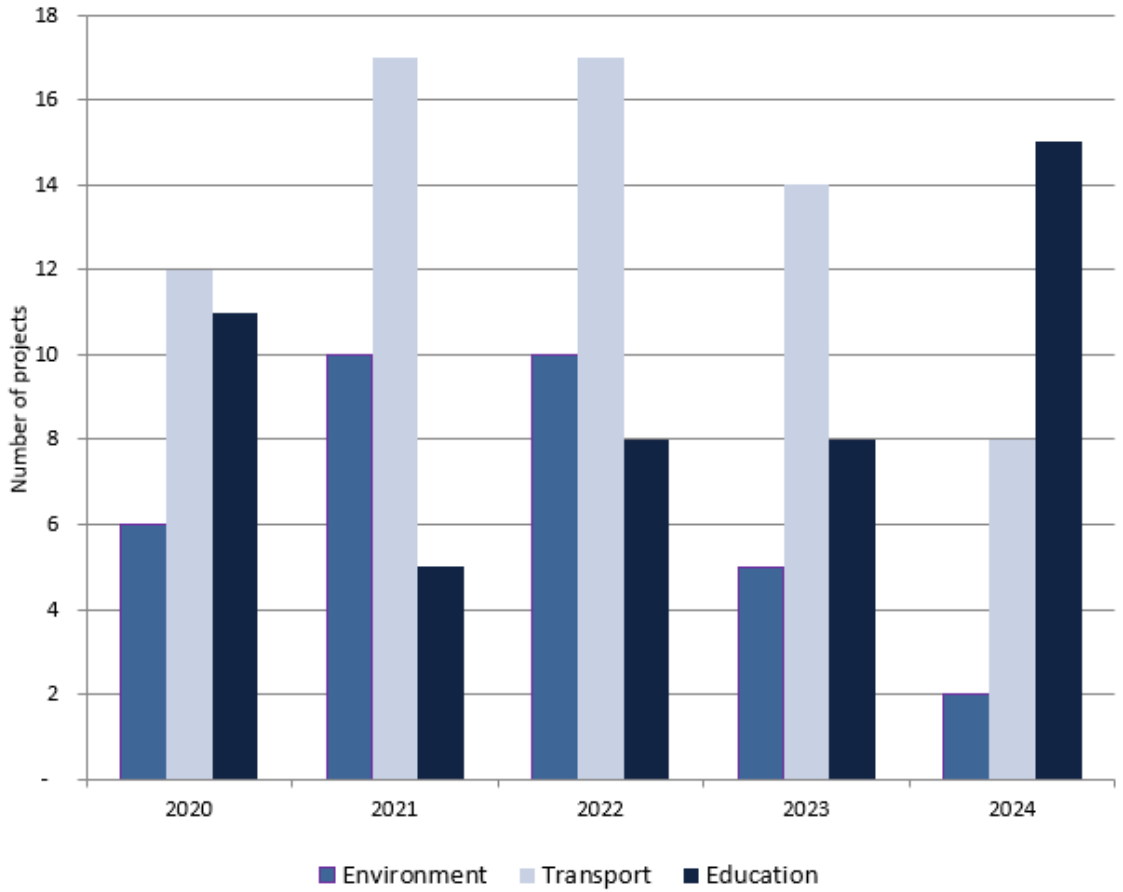
ANNEX 2

Evolution of the European public-private partnership market by country (2020-2024)

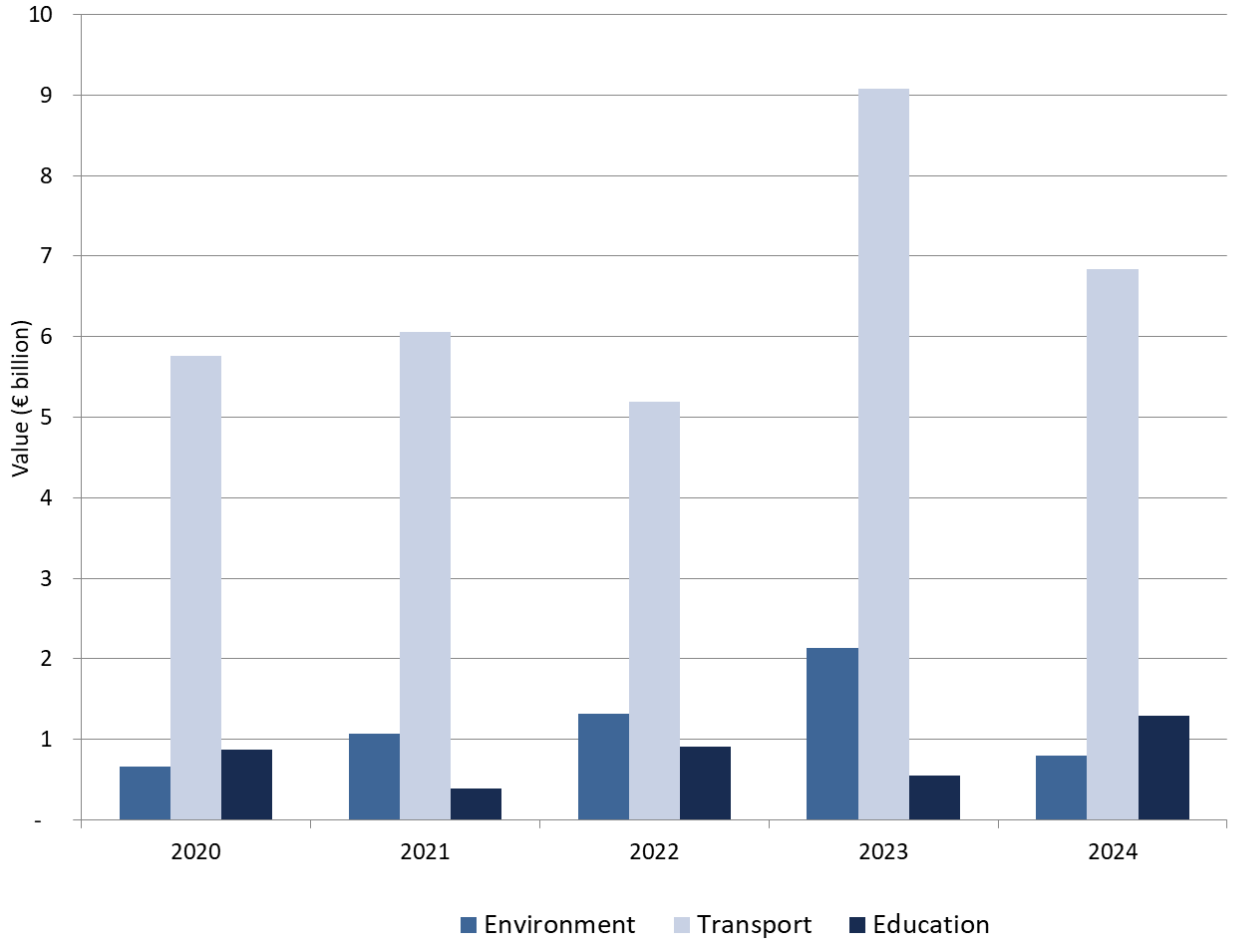


ANNEX 3

Evolution of the main public-private partnership sectors by project number (2020-2024)



Evolution of the main public-private partnership sectors by project value (2020-2024)



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