



Israeli Infrastructure Opportunities ▶



Israeli PPP framework

PPP Method and Characteristics



Performance
Related Payments



Optimal Risk
Allocation
Between the
Private Sector and
the Public Sector



Significant Capital
Investment by the
Private Sector



Long Term
Contract



Shift from
Government
Ownership to
Service: Transition of
Service
Responsibility from
the Public Sector to
the Private sector



Risk Allocation



Sponsor

- Expropriation
- Statutory approval
- Site availability
- Ground condition
- Antiques
- Unknown Utilities
- Discriminatory Law
- Third Party Arrangement



Joint risk

- Base Interest Rates Hedging
- Tax Ruling
- Currency Exchange
- Inflation
- Demand



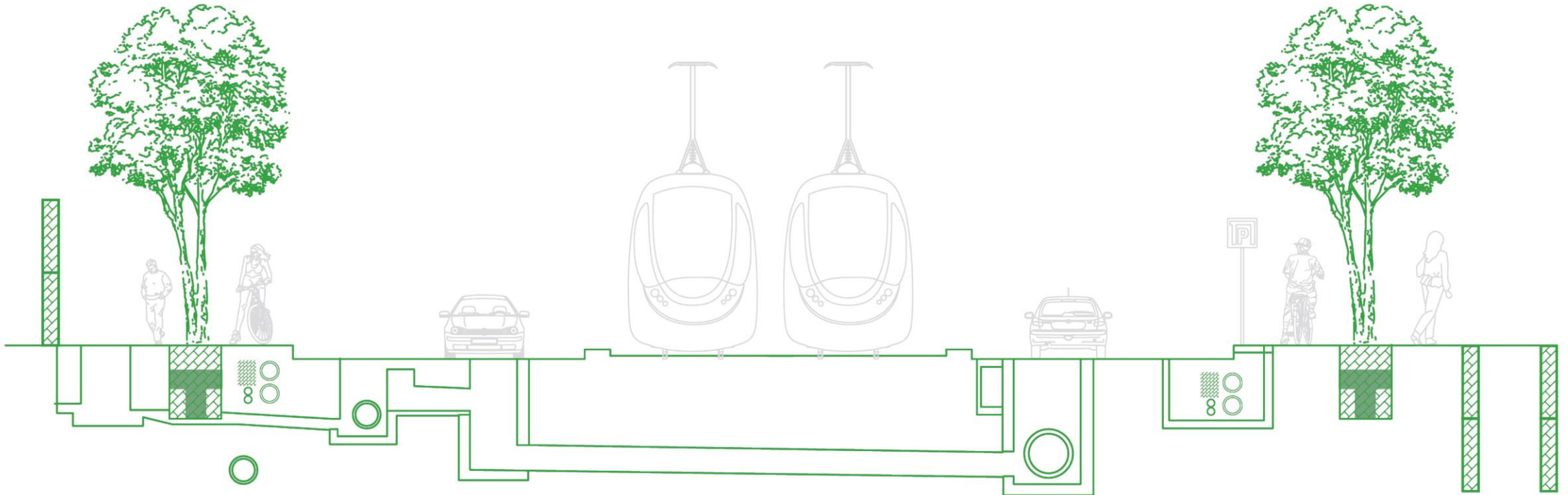
Franchisee

- Planning
- Construction Cost
- Construction Schedule
- Construction Quality
- Operation Cost
- Operational Performance
- Safety

Example of Risk Allocation to LRT Projects

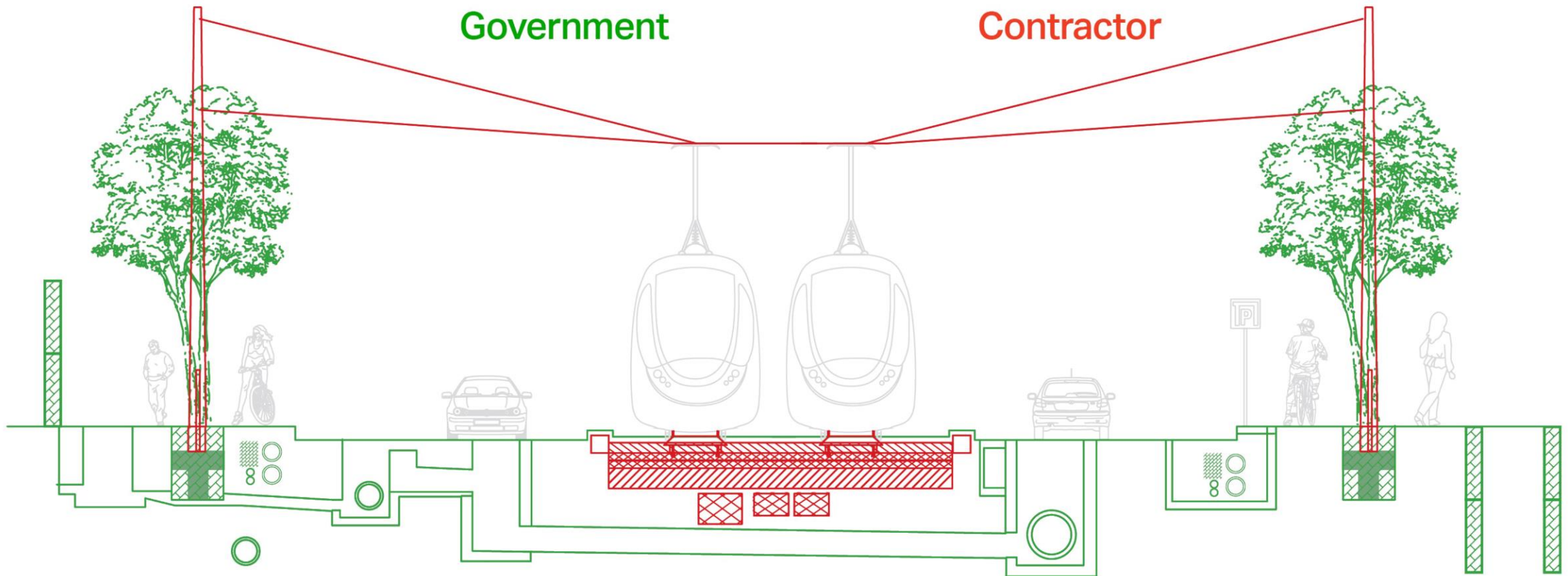
Working Method | Infra 1

Government



Example of Risk Allocation to LRT Projects

Working Method | Infra 2



Typical PPP Tender Process





PPP Infrastructure Projects To-Date

קצת עלינו

2002

Israel's first PPP project
launched

6

projects under construction

Dozens

of local and international
partners

14

staff members in the PPP Unit at
the Ministry of Finance

15

projects in tendering or
under review

5 areas of expertise:

water, energy, waste,
transportation, and construction

18

projects in operation

ILS 55 billion

total value of projects in
operation and construction

25-year

average agreement duration

Pre-Tender and Tender Phase



International Airport



Extension of Highway 6 (Sections 8–9)



Fast Lanes (East–West)



Congestion Tax



Yavor LPG Storage Facility



PV Projects



BESS Facilities



Megido Prison Facility



Anaerobic Digestion Plant – Ashdod



Tamar Region Waste-to-Energy Facility



Emek Hefer Desalination Facility



Ashkelon Desalination Extension



Shafdan Effluent Enhanced Treatment Facility

Financial Close and Construction

 Tel Aviv Purple Line LRT Haifa–Nazareth Tram-Train Jerusalem Blue Line LRT Tel Aviv Green Line LRT JNet – Jerusalem LRT Fast Lanes (North–South) PV3 – 100 MW PV Facility Dimona – 300 MW PV Facility Natural Gas Power Station – CCGT Sorek Waste Treatment Facility – Shafdan Desalination Sorek B Water Treatment – Ramat Ha'Sharon Desalination – Western Galilee

Under Operation



Highway 16



Jerusalem LRT – Red Line



Highway 6 (Sections 3+7)



Carmel Tunnels



Highway 431



Desalination Plants:

Ashkelon, Palmachim, Hadera, Sorek, Ashdod



PV – Ashalim 1



PV2 – Photovoltaic Station



Megalim – Thermo Solar Power



Negev – Thermo Solar Power



Ashdod Hospital



National Police Academy



Main Opportunities



Complementary Airport to Ben Gurion Airport

The complementary airport is expected to serve approximately 20 million passengers annually and will provide a solution to the continuous growth in passenger traffic in Israel. Currently, a planning process is underway for the leading locations: Negev and Ramat David. Once the final decision is made regarding the location, the pre-tender phase will begin, leading to the establishment of a modern aviation infrastructure that will significantly enhance the country's air travel capacity.





Desalination

From Water Crisis to a Total Independent



More than **50%** of Israel land is a Desert



1990s Israel faced a water crisis

Today Israel is a world leader in water technology



5 Desalination Plants provide **585** MCM



More than **65%** of the potable water are desalinated water



2 additional plants are under construction.
By the end of 2026: **More than 90% of the potable water will be provided by desalination plants.**





An Israeli Success Story

Opportunities in desalination

Ashkelon Desalination plant 2027

- The first concession period to end
- Renovation and expansion of the existing facility
- Includes On-site IPP
- Increasing Production Capacity up to 220 MCM

Additional desalination plants

will be constructed according to the population growth and demand

“Emek Hefer” Desalination Plant

- Up to 400 MCM
- A water purchase agreement between Israel and Jordan
- The biggest plant in Israel
- Includes On-site IPP

Shafdan Effluent Enhanced Treatment Facility

50 MCM per annum (to be increased)





Waste

Israel plans to
reverse the trend:

80%
treatment

20%
landfilling



Israel produces **30%** more than
the European union average



Landfilling **82%** approximately
double in comparison to the EU
average



Only **24.3%** of the waste is
recycled



The rate of waste growth in
Israel stands at approximately
1.8% on average per year, and it
is influenced by demographics
and consumption changes.



Waste to Energy (WtE) Facilities

The Government's strategy



Reduce landfilling



Increase recycling rate



Recover energy and support circular economy

Solution



Development of new and existing Sorting Facilities



Development of WtE Facilities across the state



Development of Biological Waste Treatment Facilities (Composting, Anaerobic Digestion)

By 2033:

9

Waste to Energy plants

7

Waste Sorting plants



Energy Transition

Energy Sector Trends



A shift from energy based fossil fuels to clean energy

- Government goals by 2030: 30% of the total energy – renewable energy
- By 2050: Decreasing 85% of 2015 greenhouse gas emissions



Solar energy stands as the primary source of renewable energies

- Leads to a need in BESS systems



Government Decision 1231:

Termination of the Petrochemical Industry in Haifa Bay, and development of "Yavor" LPG storage facility



Projects Pipeline

Projects under Evaluation

Project	PQ Date	Description
Supplementary Airport	2026	 20M travellers per annum
LPG Storage Facility in Yavor	2025	 20,000 ton capacity
“Emek Hefer” Desalination Plant	2025	 400 MCM per annum
Anaerobic Digestion Plant in Ashdod	2025	 400K tons per annum in sorting  150K tons per annum in AD
Tamar region Waste-to-Energy Facility	2025	 650K tons per annum
Jerusalem Region Waste-to-Energy Facility	2026	 650K tons per annum
“Megido” Imprisonment Facility	2025	 4,000 prisoner facility

Projects in Market

Project	Tender Date	Description
Congestion Tax – Dan Metropolitan Area	2025	 Planning and operation of Congestion Taxing System
Highway 6, Sections 8+9	2025	 Northern and Southern Expansion of Highway 6
Fast Lanes on Highway 5	2025	 Fast Lanes System Expansion
“Ashkelon” Desalination Plant	2025	 220 MCM per annum
“Shafdan” Secondary Wastewater Treatment Facility	2025	 50 MCM per annum (to be increased)
“Neot Hovav” Waste-to-Energy Treatment Facility	2025	 300K tons per annum in sorting  300K tons per annum in WtE

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THANK YOU!

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Ministry of Finance

 **Accountant
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