



INFORMATIVE EVENT

on the PPP Project for the Development
of Military Infrastructure in
Sēlija and Nīkrāce

AGENDA

15.00 – 15.10 **Registration of participants**

15.11 – 15.15 **Opening speech**
SRE, Chairman of the Board **R. Griškevičs**

15.16 – 15.30 **The importance of the PPP project in the field of defence**
MoD, Deputy Secretary of State for Security Affairs, Major General **A. Dilāns**

15.31 – 15.45 **The role of the EIB EPEC in supporting the implementation of PPP project**
EIB EPEC, Lead Consultant **E. Farquharson**

15.46 – 16.00 **Aizsardzības PPP projekta statuss un ar īstenošanu saistītie aspekti**
Providus, Deputy Chair of PPP Defence Project Supervisory Board **S. Liepiņa**

16.01 – 16.30 **Q&A, comments. Networking and coffee**



Ministry of Defence
Republic of Latvia

The importance of the PPP project in the field of defence

Major general Andis Dilāns
Undersecretary of State for Logistics

18 February 2026



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Republic of Latvia

Rationale for Choosing PPP

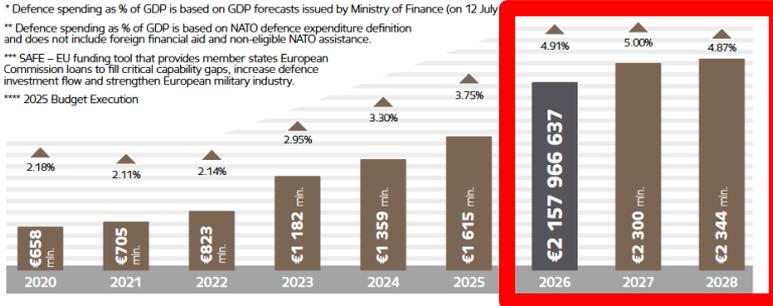
1. Needs VS Financial Capacity

LONG-TERM DEVELOPMENT OF THE NATIONAL ARMED FORCES 2025-2036

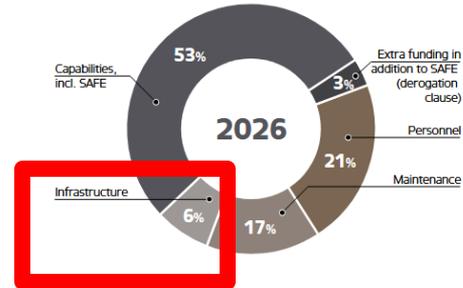
DEFENCE BUDGET: 2020 - 2028

(DEFENCE SECTOR EXPENDITURE: SAFE AND OTHER FUNDING SOURCES)

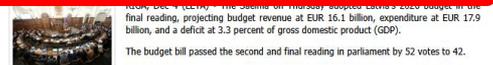
* Defence spending as % of GDP is based on GDP forecasts issued by Ministry of Finance (on 12 July 2020)
 ** Defence spending as % of GDP is based on NATO defence expenditure definition and does not include foreign financial aid and non-eligible NATO assistance.
 *** SAFE – EU funding tool that provides member states European Commission loans to fill critical capability gaps, increase defence investment flow and strengthen European military industry.
 **** 2025 Budget Execution



BREAKDOWN OF 2026 DEFENCE SECTOR BUDGET BY EXPENDITURE POSITIONS



Saeima adopts Latvia's 2026 budget, with deficit planned at 3.3% of GDP



Prime Minister Evika Siliņa: With 5% of GDP for defence, the Baltic States are making NATO stronger

12.12.2025. Prime Minister



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Rationale for Choosing PPP

2. Best Practices: International and Local Examples

GENDARMERIE

Inauguration of a “new generation” gendarmerie barracks in Sathonay-Camp

BY LAURENT LAGNEAU - 19 SEPTEMBER 2012



The largest military infrastructure projects in Lithuanian history: two new military towns to be developed through PPP

December 11, 2024



Kekava bypass opens to traffic

Take note - story published 2 years and 4 months ago

Share



Kekava apriņķis

Maris Miķelis / Lurpils Interneta

October 13, 2015, 13:20 | [Transcript](#) | [Authors](#) (154 English / Latvian Public Media)

October 13 was far from unlucky for the residents of Kekava, near Rīga, as it marked the opening of a much-anticipated bypass that should reduce traffic levels in the center of the small town.

The 250-million-euro bypass is the first road in Latvia designated as a “high speed road” – which means that pedestrians and cyclists will not be allowed to travel on it. Construction started in 2021 and, unusually,

3. Geopolitical and Security Treats and Challenges



Defence expenditures and NATO's 5% commitment

Updated: 18 December 2025

The Telegraph News Sport Business Money Travel Calculators Opinion Ukraine Health Recommended LI

UK news Politics World Donald Trump Health news Defence Science Education Environment Invest

Ukraine-Russia war Nato will strike if Putin hits Baltics Ukraine's counter-offensive Zelensky's election plans

Nato will strike 'deep inside Russia' if Putin hits Baltics

'We'll bring the war to them,' Estonian foreign minister tells The Telegraph

James Rothwell
@ Marick

James Rothwell is The Telegraph's Berlin correspondent. See more
16 February 2026 8:00am GMT

Related Topics
Nato (North Atlantic Treaty Organization), Russia, Russia-Ukraine war, Baltic Region, Europe, Estonia

616





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From Idea to Implementation

- ✓ **From 2023 to 2025: Strategic, high-level approvals by Saeima and the Cabinet of Ministers to implement the PPP**
- ✓ **2025: six month of intensive work – from 11 ideas to 1 PPP project**



- ✓ **23 September 2025: Start of the First PPP Defence Project**

Latvia to strengthen defence infrastructure with EIB advisory support

Information prepared by Press division

The European Investment Bank (EIB), the Latvian government and the State Real Estate Agency (VNI) have joined forces to develop a military base and training area in the southeastern region of Selonia, along with a storage facility in Kuldīga Municipality. The initiative aims to enhance both national and regional defence capabilities.

The agreement was formalised today in Riga through the signature of key documents between the EIB, the Latvian government and State Real Estate, marking the official launch of the advisory assignment to assess a potential PPP structure for the defence base project. This support will help ensure the base and associated facilities is developed in line with international best practices and is attractive for financing.

"In response to the geopolitical challenges and threats posed by Russia's war in Ukraine, we are actively and thoughtfully implementing the National Armed Forces Development Plan for 2025–2036, which was approved in 2023," said Latvian Minister of Defence Andris Sprūds. "Public-private partnerships have been identified as one of the effective and forward-looking models we can apply in the future for the development of defence infrastructure".

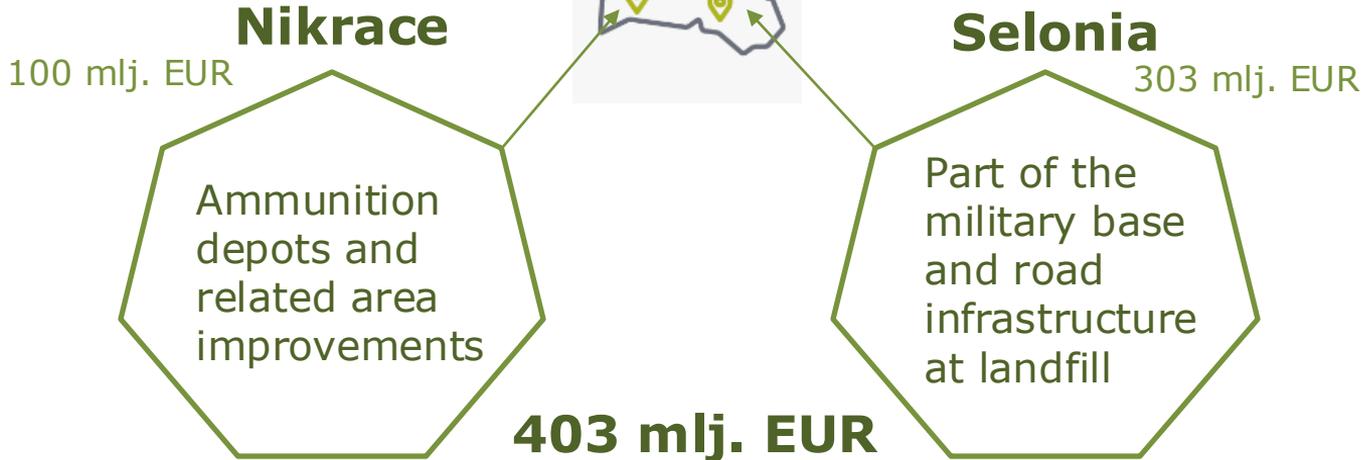
Gallery





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PPP Project



2029



2030



DBFM – max 30 years



Industrial Security Certificate



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PPP Project



Nikrace

629 ha



- ECM;
- Hangars;
- Administrative building;
- Parking space.

Selonia

163 ha



- Part of the military base infrastructure:
- Administrative;
 - Residential (barracks);
 - Sport complex;
 - For vehicles;
 - Supportive;
 - Technical;
 - For maintenance.

≈140 km



- Length of two - lane roads: 23.5 km (70 t);
- Length of single - lane roads: 116.5 km (70 t);
- 9 bridges.
- 102 culverts;
- 40 units: engagement area access ramps.



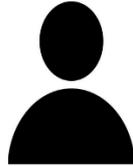
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PPP Project Implementation

Public Partner



Buyer



User



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Public Partner Support



Implementation
Partner



Consultative
Support



Deloitte.



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Thank you!
Questions?



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Public & Infrastructure Finance Advisory

EIB Advisory clients

Public sector

Member States

Local governments

Cities, Managing authorities



Corporates

Large corporates

SME & Mid-caps

R&D-focused businesses



Fin. intermediaries

Private Banks

VC, PE & Infra Funds

National Promotional Institutions



European
Investment Bank

ADVISORY

EPEC - European PPP Expertise Centre

- An initiative of the EIB, European Commission, EU member and certain other countries, launched in 2008
- A membership-based network of public PPP authorities/agencies
- Core international team of dedicated PPP experts
- Based in the Advisory - Public & Infrastructure Division (A-PIF) of EIB's Operations - Public Sector Directorate
- Relevant activities can qualify for support under the Invest EU Advisory Hub



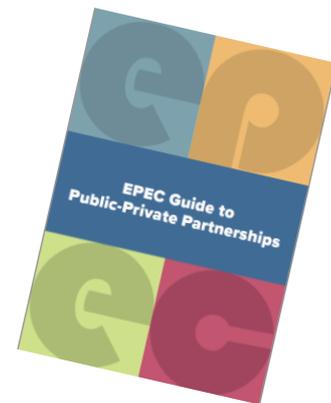
“Supporting the public sector to deliver sound Public Private Partnerships”



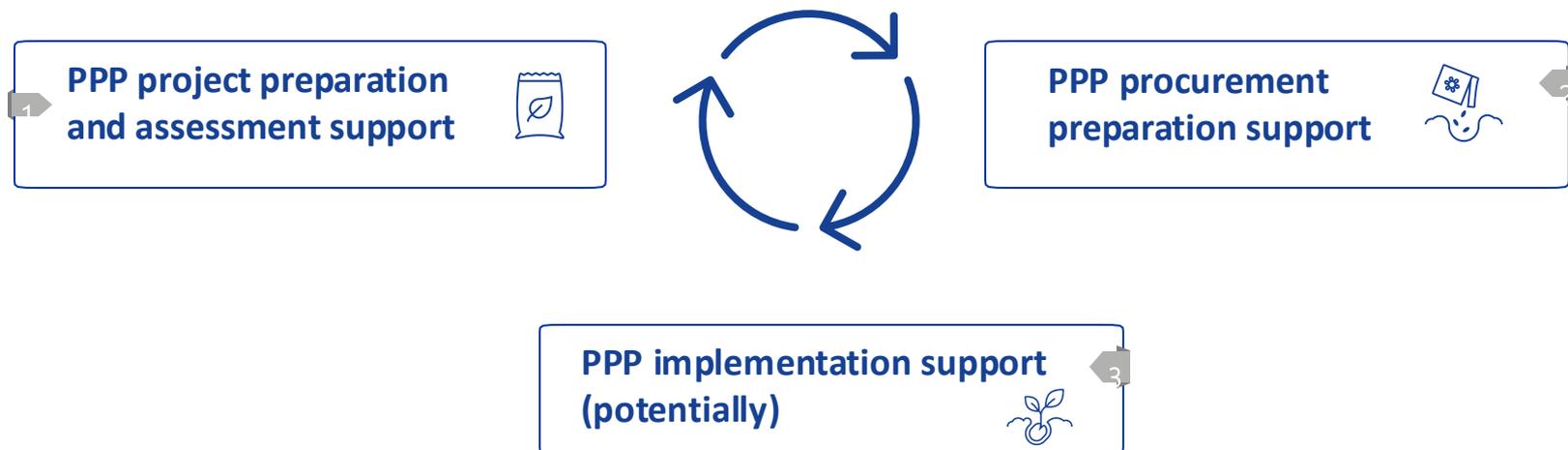
What EPEC does

EPEC provides **public authorities** with

- good PPP practice guidance and market data
- support on PPP policy development
- support on PPP project preparation and implementation

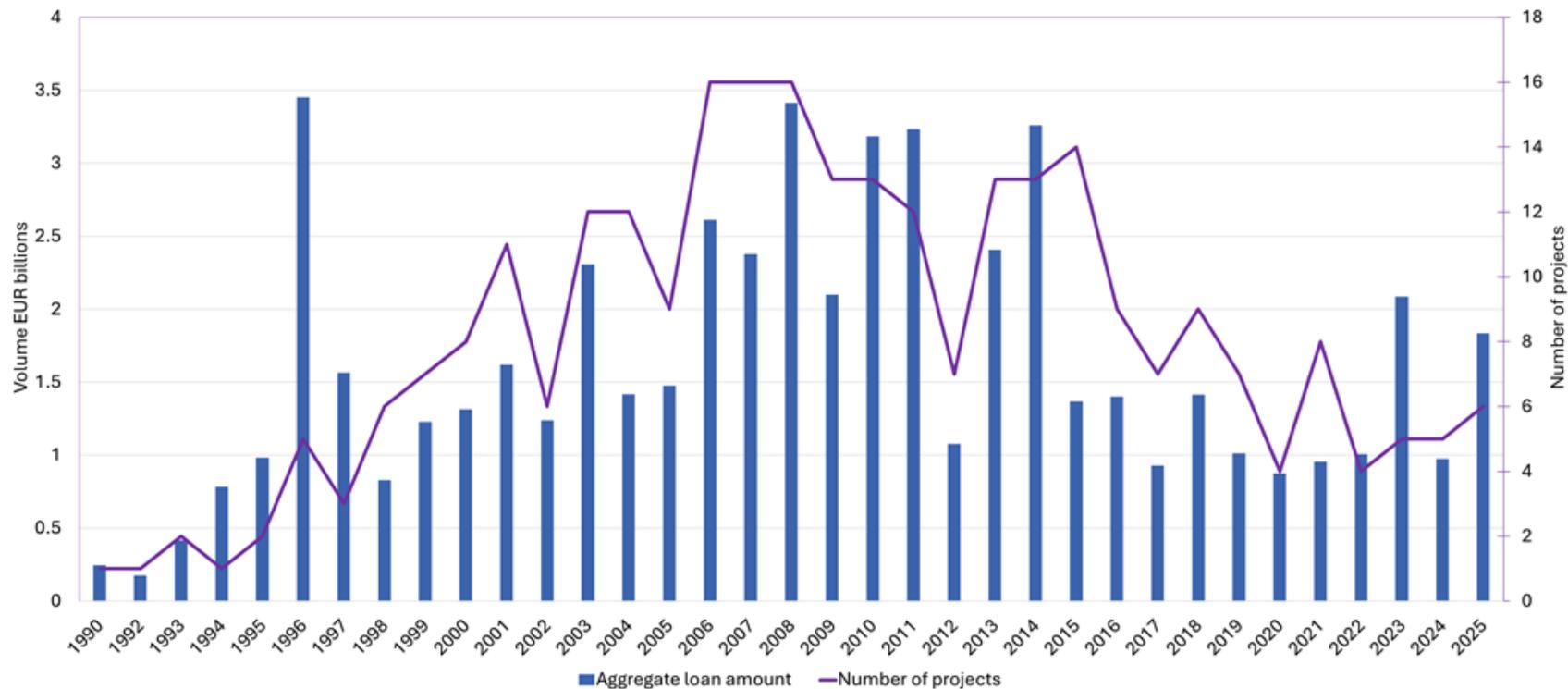


EIB/EPEC support over the PPP project cycle: Sēlija / Nīkrāce project



EIB is a major lender to PPPs

PPPs financed by the European Investment Bank from 1990 to 2025



THANK YOU



European
Investment Bank

ADVISORY



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STATUS OF THE DEFENCE PPP PROJECT AND ASPECTS RELATED TO IMPLEMENTATION

Sanda Liepiņa

Providus, Deputy Chair of PPP Defence Project Supervisory Board

18.02.2026.



Finanšu ministrija



Aizsardzības ministrija



Centrālā finanšu un
līgumu aģentūra

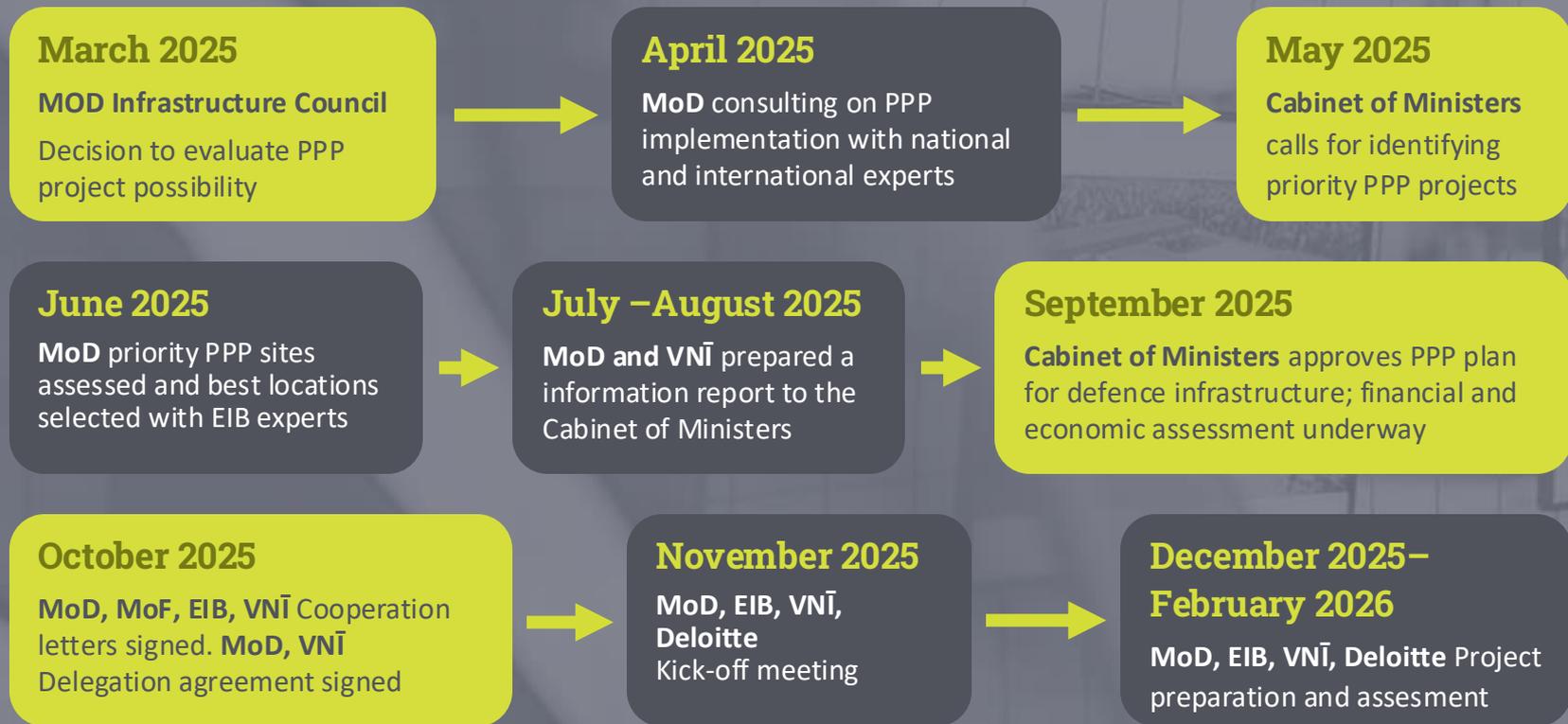


European
Investment Bank



European PPP Expertise Centre

PROGRESS SO FAR



KEY MILESTONES OF THE MOD PPP PROJECT

2025



- **March/July** – Development of the PPP idea
- **August/September** – Cabinet report on the need for FEA to justify PPP idea. Cooperation with the EIB.
- **November** – FEA launches

2026



- **May** – FEA alignment with MoD, MoF and CFCA
- **June** – Cabinet of Ministers report on FEA results and starts preparing procurement procedure documentation
- **July** – PPP Awareness Day
- **August/September** – PPP procurement documentation agreed and procurement launched
- **September/November** – Tenders for the submission of bidders in the 1st round
- **December** – Evaluation of applications for round 1

2027



- **January/March** – Bidding for the 2nd round
- **September** – Evaluation of results, negotiations with applicants, BAFO
- **October** – Confirmation of results

KEY MILESTONES OF THE MOD PPP PROJECT

2028



- **April** – Negotiations with private partner and financier
- **June** – EUROSTAT coordinates draft PPPs (if off-balance-sheet)
- **July** – Cabinet report on the procurement result, status of the PPP project and signing of the contract with the private partner
- **August** – PPP project launched

2029-2030



- Project construction works completed (Nīkrāce 2029, Sēlija 2030), start of availability period

2060



- Project implementation completed (up to 30 years. The term will be specified in the FEA)

INFORMATION ABOUT THE PROJECT



PPP Model

Design, Build,
Finance, Maintain



Payment Method

Availability payments



Public Partner

SRE



Procurement Method

In preparation



Procurement Process

In preparation



Market Consultation

Q1 2026



Qualification Stage

Q4 2026 (indicative)



Availability Period

Up to 30 years (more precise calculations are being prepared)

TRANSPARENCY – COMMUNICATION PRINCIPLES AND CHANNELS

Content

Published in accordance with the SRE wesite



Channels and Platforms

- Partnershipsbulletin; Infralogic; InfraPPP
- Latvian Security and Defence Industries Federation, Real Estate Developers Alliance, major Latvian construction companies, Finance Industry Association, etc.

Trade and Industry Chambers, Embassies

- Network of EU and NATO member state embassies with which Latvia has concluded bilateral agreements on information classification
- Priority: 1) Construction capacity in neighbouring regions: Lithuania, Estonia, Poland, Finland, Sweden; 2) Allies (represented in Latvia)

Why?



To apply transparency standards



To follow good governance principles



To create a potential stakeholder list and standardise the expression-of-interest process (incl. survey)

WHAT KIND OF PRIVATE PARTNER ARE WE INTERESTED IN?



Construction & Engineering Companies

(design & construction)

- Engineering firms
- General contractors
- Infrastructure developers



Financial Institutions (project financing)

- Development banks
- Commercial banks
- Investment funds
- Infrastructure funds
- Pension funds



Facility Management & Maintenance Companies

(for long-term maintenance
and asset performance (20–30
years))

NB! THE FOUNDATION OF SUCCESS IS STRONG COOPERATION!

Security Requirements



- **An Industrial Security Certificate or an equivalent recognised certificate will be required** (in accordance with the bilateral agreement on the protection of classified information);
- **Not accepted** will be any private partner's officials, shareholders, or beneficial owners who have ties to **Russia or Belarus**, incl. for example, if these persons have travelled to these countries or plan to visit them in the future.



Questions and Answers