



ӘЛЕУМЕТТІК-ЭКОНОМИКАЛЫҚ ЖӘНЕ ҚҰҚЫҚ ҒЫЛЫМДАРЫ
СОЦИАЛЬНО-ЭКОНОМИЧЕСКИЕ И ЮРИДИЧЕСКИЕ НАУКИ
SOCIO-ECONOMIC AND LEGAL SCIENCES

CENTRAL ASIAN SCIENTIFIC JOURNAL
ISSN 3135-3061
2026. No. 4 (32), Vol. 2, pp. 12–22
DOI: <https://doi.org/10.5281/zenodo.23770168>
Journal website: <https://cajournal.kz>

UDC 336

SYNDICATED AND BLENDED FINANCING FOR GREEN
INFRASTRUCTURE IN KAZAKHSTAN: RISK ALLOCATION AND
BANKABILITY

Chen Jun

Al-Farabi Kazakh National University, Kazakhstan

Chen Jun — DBA candidate.

© Chen Jun, 2026

Abstract: Large green infrastructure projects in Kazakhstan may exceed the tenor or exposure capacity of a single lender class. This paper examines how syndicated lending and blended finance can support project bankability through lender specialisation, maturity extension, currency matching and structured risk allocation. The study combines institutional analysis, peer-reviewed research, comparative public case evidence and a fully specified illustrative project-finance model. Four Kazakhstan cases are considered: Zhanatas Wind Farm, the KEGOC grid reinforcement programme, the Big Almaty Ring Road concession as a non-green financing comparator, and the Mirny wind and battery project. The cases illustrate how multilateral development banks can provide long-tenor anchor debt, mobilise commercial lenders through A/B or club structures, and introduce common environmental, social and governance disciplines. Under stated assumptions for a USD 700 million project, a 15-year commercial structure produces annual debt service of USD 62.78 million and a debt service coverage ratio of 1.19. A syndicated A/B structure produces a ratio of 1.37, while a blended structure with a concessional tranche produces 1.46. The improvements reflect both specified funding costs and differentiated tenors; syndication alone does not guarantee cheaper funding. The paper proposes a bankability framework supported by common due diligence, intercreditor rules, transparent monitoring and a documented test of concessional additionality.

Keywords: Kazakhstan; green infrastructure; syndicated lending; blended finance; project finance; A/B loan; risk allocation; bankability

JEL classification: G21; G32; F34; Q42; Q48

1. Introduction

Kazakhstan is entering a capital-intensive stage of its energy transition. Renewable energy sources accounted for 7.0 percent of electricity generation in 2025, while installed renewable capacity reached 3,236.7081 MW, including 1,833.6 MW of wind and 1,234.7361 MW of solar capacity [1-2]. Investment in electricity, gas, steam, hot water and air-conditioning supply reached KZT 2.2261 trillion in 2025, equivalent to 9.5 percent of national fixed capital investment [3]. Grid expansion, storage, flexible generation and low-carbon municipal infrastructure must develop alongside new generation if additional renewable capacity is to remain reliable and economically usable.

The financing structure has not yet expanded at the same rate as the physical investment programme. In 2025, national fixed capital investment was KZT 23.4925 trillion and bank loans financed 4.6 percent, of which loans from foreign banks accounted for 0.3 percent of total investment [3]. AIFC and Green Finance Centre publications document continued development of Kazakhstan's sustainable-finance instruments [4-5], while the 2024 to 2029 National Infrastructure



Plan covers approximately USD 80 billion of overall energy, transport, water and digital infrastructure, only part of which is directly related to green transition [6].

This gap is partly a problem of risk capacity. A large green infrastructure project concentrates construction, market, currency, regulatory, technology and environmental risks within one special purpose vehicle. A single commercial bank may face limits on tenor, country exposure, sector concentration, single-borrower exposure and foreign currency liquidity. Sponsors may also resist an equity contribution large enough to compensate for all of those constraints. Syndication distributes credit exposure, while blended finance combines commercial and development capital with different risk and return objectives.

This paper asks three questions. First, which financing instruments are suitable for the main risks of Kazakhstan's green infrastructure? Second, what lessons emerge from public Kazakhstan transactions? Third, under a consistent illustrative model, how do traditional, syndicated and blended structures affect debt service and coverage?

2. Institutional Context and Analytical Concepts

2.1 Project finance and green finance architecture

Kazakhstan's Law on Project Financing and Securitization provides a legal basis for financing against project cash flows and permits the use of a special finance company in qualifying structures [7]. The Law on Public-Private Partnership connects PPP financing with the project finance framework [8]. Lenders still require enforceable security, predictable revenues, construction discipline, controlled accounts and credible default remedies.

Green finance has acquired a parallel institutional framework. Kazakhstan adopted a national Green Taxonomy in 2021, followed by mechanisms for coupon and interest subsidies and green bond guarantees in 2022 [9]. The Astana International Exchange provides securities issuance and listing infrastructure, while the AIFC Green Finance Centre supports sustainable-finance standards, external review and market development; the broader AIFC legal environment draws on English-law principles [10, 5]. These arrangements broaden sources of capital, although green classification does not substitute for credit analysis. A project can satisfy a taxonomy and still be unbankable because of weak cash-flow coverage, incomplete permits or unsuitable construction-risk allocation.

2.2 Syndicated and blended finance

A syndicated loan is provided by multiple lenders under coordinated documentation and administration. It may be arranged as a club deal, where lenders participate directly, or as an A/B loan. In the latter, a multilateral development bank retains an A loan for its own account and mobilizes B lenders under its umbrella. The structure can reduce duplication, provide consistent monitoring and give commercial lenders access to a transaction that may otherwise exceed their tenor or country limits.

Blended finance combines market-based capital with development finance, concessional funding, guarantees, grants or technical assistance. Public resources should address a specific market failure, such as unavailable long tenor, early-stage technology risk or a tariff affordability constraint, while preserving commercial discipline [6, 11]. Effective blending is limited, transparent and targeted to the risk preventing financial close.

For this paper, **bankability** means that a project can attract debt on terms consistent with its construction and operating cash flows while maintaining acceptable risk-adjusted returns for lenders. The principal indicators are the debt service coverage ratio, or DSCR, the loan life coverage ratio, or LLCR, construction contingency, reserve accounts, currency mismatch, covenant headroom and the reliability of contractual risk transfer.

2.3 Literature foundation and research gap

Project-finance scholarship explains how a ring-fenced special-purpose vehicle, contractual allocation and concentrated monitoring can support long-term infrastructure lending [12-13]. Research on syndicated lending indicates that development-bank participation can respond to political risk and coordination constraints, while project-finance structures often differ from general syndicated credits in maturity, security and monitoring intensity [13-14]. Renewable-energy



research further shows that financing structure can be material to investment deployment [15]. These studies establish general mechanisms, yet they provide limited integrated evidence on how currency matching, multilateral anchoring, concessional additionality and intercreditor control operate together in Kazakhstan. This article addresses that gap through a structured comparison of public Kazakhstan cases and a transparent illustrative model.

3. Research Design and Method

The study uses a structured comparative case method supported by an illustrative quantitative model. The evidence base consists of official publications from Kazakhstan's Bureau of National Statistics, the National Bank of Kazakhstan, AIFC, the Financial Settlement Center, OECD, peer-reviewed studies and public transaction disclosures by the EBRD, all available through 10 August 2026. Public sources avoid reliance on confidential term sheets. Each case is coded across financing scale, lender composition, currency, maturity rationale, concessional element, contractual interface and disclosed risk-mitigation features.

The cases were selected for theoretical variation. Zhanatas demonstrates blended local-currency renewable financing. KEGOC shows sovereign-linked grid investment combining ordinary and concessional resources. The Big Almaty Ring Road, or BAKAD, demonstrates a long-term PPP, an international sponsor group, an A/B loan and interest-rate hedging. Mirny shows large-scale commercial mobilization for wind generation with battery storage. The cases are not treated as a statistically representative sample. They are used to identify recurring structuring mechanisms across different infrastructure types.

The quantitative comparison holds project cost, equity share and operating cash flow constant. Total project cost is USD 700 million, equity is 30 percent, total debt is 70 percent, and annual cash flow available for debt service, or CFADS, is exactly USD 75 million in the illustrative operating year. Three stylised US-dollar capital structures are compared. Interest rates, tenors and repayment profiles are specified illustrative assumptions, not disclosed terms of any public case. Currency risk, taxes, fees, reserve funding and hedging costs are excluded and should be tested separately in an actual credit assessment.

Weighted average cost of debt is calculated as:

$$\bar{k} = \sum_{i=1}^n w_i k_i$$

where w_i is the share of debt instrument i in total debt and k_i is its specified fixed annual interest rate. Each tranche uses level annual debt service after completion:

$$ADS_i = D_i \times r_i / [1 - (1 + r_i)^{-n_i}]$$

Total annual debt service is the sum across tranches. The central coverage measure is:

$$DSCR_t = CFADS_t / (\text{Principal}_t + \text{Interest}_t)$$

The comparison excludes taxes, arrangement and commitment fees, political-risk insurance premiums, reserve funding costs and hedging costs. The outputs are therefore comparative model results, not an investment quotation.

4. Financing Instruments and Their Risk Functions

Table 1 compares the main instruments available for large green infrastructure projects. Their value depends on matching the instrument to the underlying constraint.

Table 1. Financing instruments for Kazakhstan green infrastructure

Instrument	Primary providers	Main bankability contribution	Risks retained by project or lenders	Appropriate use
Sponsor equity	Strategic sponsors, infrastructure funds, state holding companies	First-loss capacity, completion support, alignment of incentives	Full residual risk and delayed distributions	Development expenditure, contingencies and risks that cannot be transferred



Instrument	Primary providers	Main bankability contribution	Risks retained by project or lenders	Appropriate use
Commercial senior loan	Domestic and international banks	Payment discipline, local relationships, working-capital and hedging access	Tenor, refinancing, concentration and currency risk	Mature technology with predictable contracted revenue
Club or syndicated loan	Several banks under common documents	Larger ticket, exposure distribution and unified monitoring	Coordination and intercreditor risk	Projects too large for one bank but acceptable on market terms
MDB A/B loan	MDB as lender of record, commercial B lenders	Anchor due diligence, commercial mobilization and potentially longer maturity	B lenders retain funded credit risk; MDB retains A loan risk	Cross-border projects with strong fundamentals but limited commercial tenor or country appetite
Concessional tranche	Climate funds, donor facilities, public development institutions	Reduces debt service or absorbs a narrowly defined risk	Additionality, subsidy and eligibility risk	First-of-kind technology, affordability gap or measurable transition externality
Green bond or loan	Institutional investors, banks and capital markets	Diversifies funding and links proceeds to eligible assets	Refinancing, disclosure and external-review obligations	Construction takeout or portfolios of operating assets
Guarantee or standby facility	State, DFI, bank or insurer	Transfers specified political, payment, completion or liquidity risk	Counterparty, exclusions and claim-process risk	When one identifiable risk prevents otherwise viable financing

Source: Author's synthesis based on [6-7, 9, 11, 16].

Commercial debt supplies market pricing and screening. Its constraints were especially visible when the National Bank's base rate reached 18.0 percent in early 2026 and stood at 16.75 percent following the decision of 27 July 2026 [17]. Tenge financing can remove currency mismatch but create affordability pressure unless matched by suitable maturity, tariff escalation or development capital.

An A/B loan addresses a different problem. The MDB performs project appraisal and acts as lender of record, while B lenders provide mobilized commercial capital. Common documentation can reduce negotiation costs, yet it requires clear voting thresholds, sharing provisions, transfer rules and enforcement procedures. A syndicated structure is strongest when all lenders rely on the same base-case model, technical adviser, environmental and social action plan and information package.

Concessional capital should be placed where it produces the greatest marginal improvement. A small long-tenor tranche can improve minimum DSCR more efficiently than a broad interest subsidy if it is amortized during the project's weakest years. A guarantee can be superior when the obstacle is a specific payment or policy risk rather than general credit quality. Kazakhstan's renewable auction framework illustrates the importance of contingent instruments. Bid security is set at KZT 2,000 per kW and may be provided through a bank guarantee or standby letter of credit with a minimum 150-day validity [18]. Performance security under a power purchase agreement is KZT 10,000 per kW, with minimum validity periods that vary by technology [19]. These instruments support delivery discipline but consume bank limits and liquidity, which should be included in the total financing plan.

Figure 1 presents the common financing and control architecture used in the subsequent case comparison.

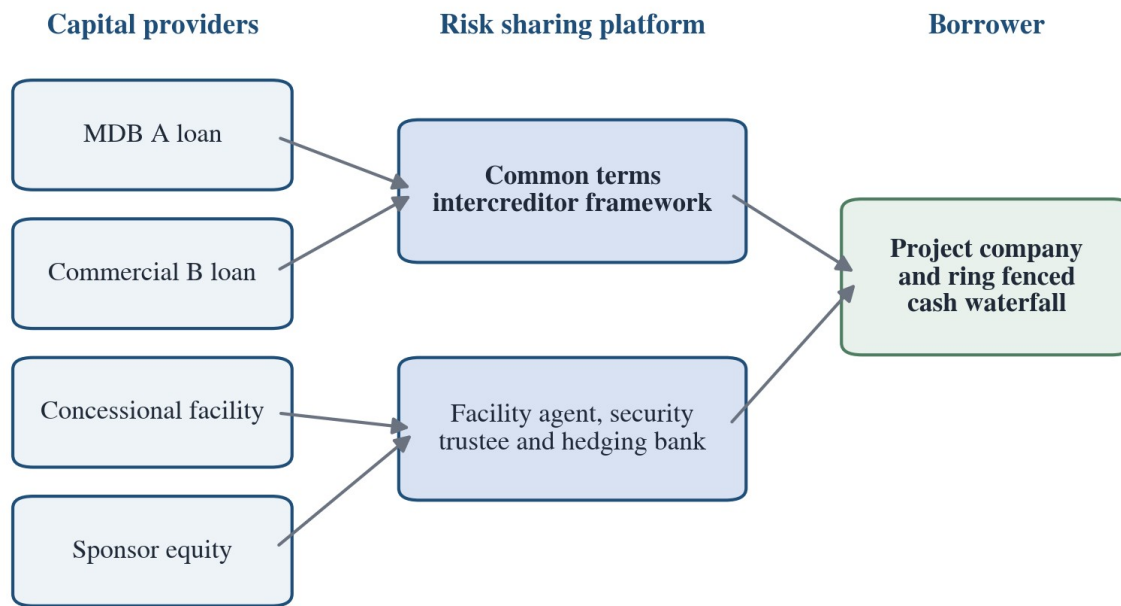


Figure 1. Illustrative syndicated and blended financing architecture

Source: Developed by the author.

5. Comparative Evidence from Kazakhstan

5.1 Zhanatas Wind Farm

The Zhanatas transaction demonstrates how several institutions can supply complementary risk capacity. The disclosed financing included an EBRD loan of KZT 10.847 billion, equivalent at disclosure to approximately USD 25.28 million, a Green Climate Fund tranche of up to USD 22.86 million, AIIB financing of up to USD 34.29 million, and an ICBC Almaty loan of KZT 5.841 billion, equivalent to approximately USD 13.61 million. Total project cost was disclosed at USD 140.1484 million [20].

The structure combined local-currency bank lending with multilateral and climate capital. Local-currency debt reduced the mismatch between tenge-denominated project revenue and debt service. Development institutions extended the available maturity and distributed exposure among lenders. The case also shows why the lowest nominal rate is an incomplete decision criterion. A foreign-currency loan may appear cheaper before hedging, yet depreciation can impair DSCR if the PPA does not provide an equivalent currency adjustment.

5.2 KEGOC grid reinforcement

Renewable generation is only bankable if transmission capacity and system balancing develop in parallel. In 2024, the EBRD announced financing of up to EUR 252 million in tenge equivalent for KEGOC, together with a EUR 15 million concessional loan from Canada. The programme covers approximately 600 km of 500 kV transmission infrastructure and is intended to support the integration of up to 12 GW of renewable capacity by 2030 [21].

The KEGOC case demonstrates two principles. First, local-currency lending can protect a regulated infrastructure borrower from currency mismatch. Second, concessional resources can be attached to a measurable system-level transition benefit. The concessional element should still be governed by procurement, reporting and impact conditions so that the price benefit is linked to delivery rather than absorbed as general balance-sheet support.

5.3 Big Almaty Ring Road

BAKAD provides a useful non-green financing comparator because it combines project finance, PPP risk allocation and international syndication. The financing package totalled USD 585 million for the project company to design, build, operate and maintain a 66 km road under a 20-year

concession. The sponsor consortium included Turkish and Korean construction and road-operation companies. The EBRD arranged a USD 350 million A/B loan and an interest-rate hedging programme involving an interest-rate cap and forward-starting swap [22-23].

The case illustrates that risk allocation extends beyond the loan agreement. The concession contract allocates availability, operating and public-sector obligations. The EPC and operation arrangements allocate delivery and performance risks. The hedging documents allocate interest-rate volatility, while intercreditor arrangements coordinate enforcement. Bankability therefore results from a linked contract system. A weak interface between two contracts can recreate a risk that each document appears to transfer separately.

5.4 Mirny wind and battery project

In April 2026, the EBRD announced an A/B financing package of up to USD 548 million for Aktas Energy within a project disclosed at approximately USD 1.260 billion. The EBRD A loan is up to USD 250 million and the B loan is up to USD 298 million. Publicly disclosed B-lender participants include China Construction Bank, Qatar National Bank, Société Générale and Standard Chartered, while other co-financing institutions include Proparco, DEG and the Development Bank of Kazakhstan [24-25]. The project combines 1 GW of wind capacity with a 300 MW and 600 MWh battery energy storage system [24-25].

Mirny is significant for three reasons. Its scale requires lender mobilisation beyond a conventional bilateral exposure. Battery storage adds system value but also introduces technology, degradation, dispatch and interface risks that must be reflected in technical due diligence and performance testing. Finally, the A/B format illustrates how an MDB can anchor a transaction while commercial and development lenders supply complementary debt. Public disclosure does not provide all commercial terms, so no inference should be made about pricing or internal lender decisions.

Table 2. Public Kazakhstan cases and structuring lessons

Case	Infrastructure and disclosed scale	Financing structure	Principal risk-allocation lesson
Zhanatas Wind Farm	Wind project; total cost USD 140.1484m	EBRD and ICBC Almaty KZT loans, GCF and AIIB financing	Combine local-currency revenue matching with development and commercial risk capacity
KEGOC grid programme	About 600 km of 500 kV transmission	Up to EUR 252m in KZT equivalent plus EUR 15m concessional funding	Use local currency for regulated cash flows and target concessionality to system transition benefits
BAKAD, non-green comparator	66 km toll-road PPP; USD 585m debt	EBRD-led club, USD 350m A/B loan and interest-rate hedge	Coordinate concession, construction, operation, financing and hedging contracts
Mirny	1 GW wind plus 300 MW/600 MWh battery; project cost about USD 1.260bn	Up to USD 250m EBRD A loan and USD 298m B loan, with additional disclosed co-financing	Mobilise commercial and development capital under an MDB anchor and apply integrated technology and interface due diligence

Sources: EBRD public disclosures [20-25]. Amounts are announced or disclosed commitments, not necessarily amounts disbursed.

6. Illustrative Capital Structure Comparison

The illustrative model compares financing architecture while holding project cost, leverage and CFADS constant. Each structure uses USD 210 million of equity and USD 490 million of US-dollar debt, with exact illustrative annual CFADS of USD 75 million. Fixed rates, level annual payments, no operating-period grace and no balloon repayment are assumed. The differences are the debt composition, specified interest rate and amortisation tenor.

**Table 3. Fully specified financing assumptions for a USD 700 million project**

Model item	Traditional commercial debt	Syndicated A/B structure	Blended structure
Sponsor equity	30%, USD 210m	30%, USD 210m	30%, USD 210m
Commercial debt	70%, USD 490m	35%, USD 245m	35%, USD 245m
MDB A loan	0	35%, USD 245m	20%, USD 140m
Concessional tranche	0	0	15%, USD 105m
Total debt	70%, USD 490m	70%, USD 490m	70%, USD 490m
Commercial rate and tenor	9.55%, 15 years	9.55%, 15 years	9.55%, 15 years
MDB rate and tenor	Not applicable	7.11%, 20 years	7.11%, 20 years
Concessional rate and tenor	Not applicable	Not applicable	4.03%, 25 years
Weighted average cost of debt	9.55%	8.33%	7.67%
Annual debt service by tranche	Commercial: USD 62.78m	Commercial: USD 31.39m; MDB: USD 23.32m	Commercial: USD 31.39m; MDB: USD 13.33m; concessional: USD 6.74m
Total annual debt service	USD 62.78m	USD 54.71m	USD 51.46m
Annual CFADS	USD 75.00m	USD 75.00m	USD 75.00m
DSCR under full structure	1.19	1.37	1.46
DSCR with price change only and common 15-year tenor	1.19	1.28	1.34

Source: Author's fully synthetic calculations using the equations in Section 3. Taxes, fees, reserve funding, hedging and currency movements are excluded. The assumptions do not reproduce any transaction in Section 5.

The traditional structure has the simplest lender group. A USD 490 million loan at 9.55 percent over 15 years produces annual debt service of USD 62.78 million and DSCR of 1.19. This gives limited capacity to absorb output shortfalls, delayed tariff indexation or higher operating cost.

The A/B structure keeps leverage unchanged while dividing debt equally between a 15-year commercial tranche and a 20-year MDB tranche. Annual debt service is USD 54.71 million and DSCR is 1.37. If only the weighted interest rate changed and the whole debt retained a common 15-year tenor, DSCR would be 1.28. The difference between 1.28 and 1.37 therefore represents the modelled tenor effect, while the difference between 1.19 and 1.28 represents the price effect. B lenders continue to fund and retain their credit exposure; the A/B structure primarily supports mobilisation, common due diligence and coordinated administration.

The blended structure adds a 25-year concessional tranche and reduces the MDB A loan to 20 percent of project cost. Annual debt service is USD 51.46 million and DSCR is 1.46. A price-only comparison at a common 15-year tenor would produce DSCR of 1.34. The remaining increase reflects longer amortisation. This structure produces the strongest buffer under the stated assumptions, while requiring the clearest additionality test. Concessional resources should be limited to the amount necessary to address a demonstrated financing gap and should carry measurable eligibility and impact obligations.

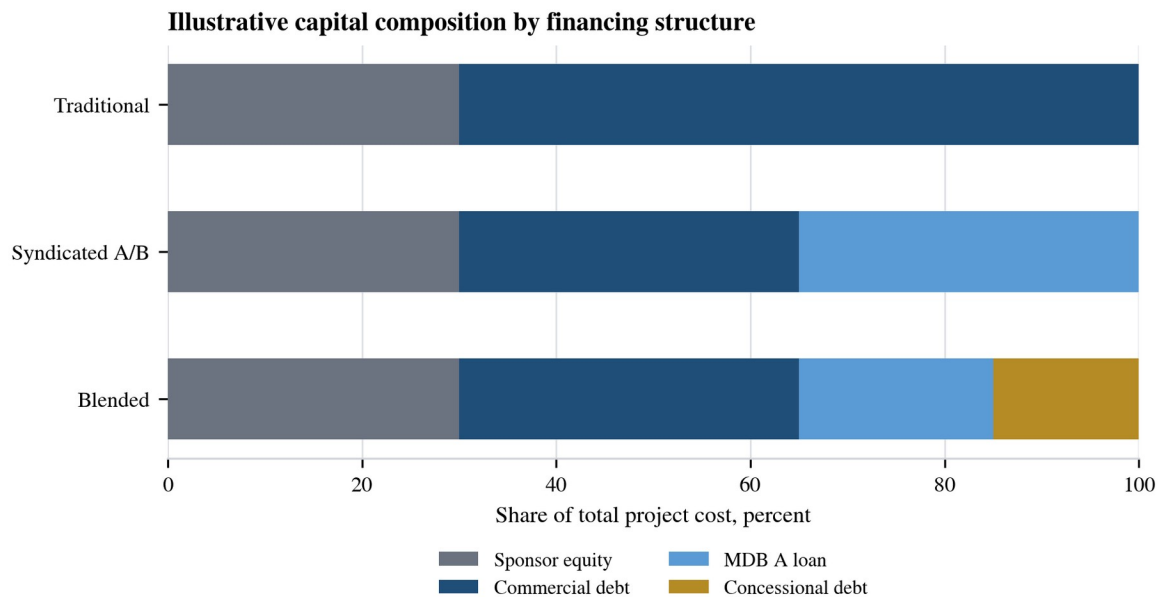


Figure 2. Illustrative capital composition by financing structure
Source: Developed by the author from the model assumptions.

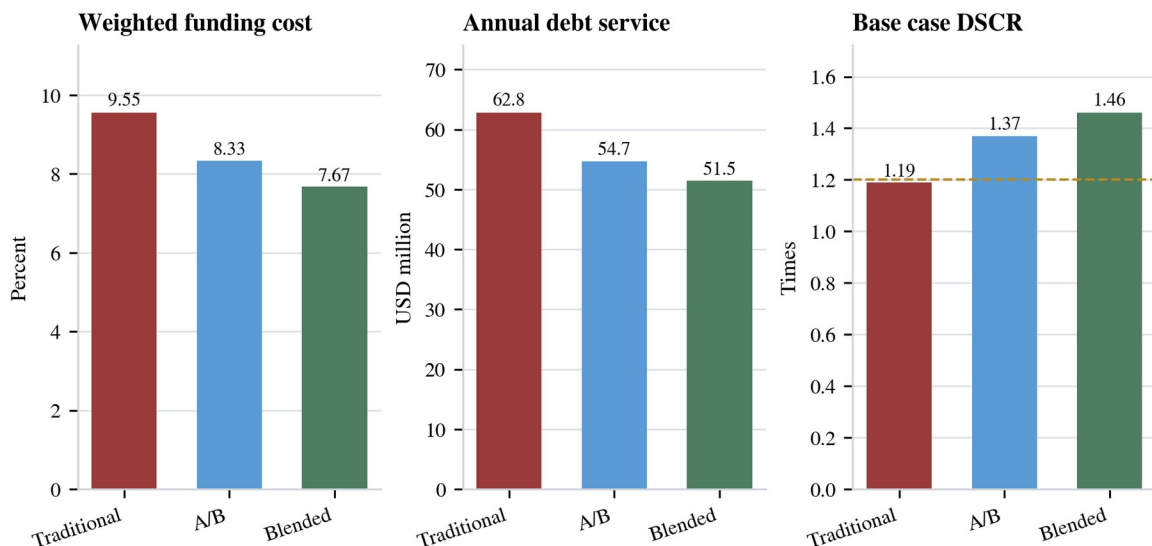


Figure 3. Illustrative comparison of funding cost, debt service and DSCR

Source: Author's calculation. Values exclude taxes, fees and hedging costs to preserve comparability.

The results should be interpreted as a financing-capacity comparison under stated assumptions. They do not establish that syndication or blended finance is inherently cheaper. Actual pricing may include floating-rate benchmarks, fees, political-risk insurance, reserve requirements and hedging, while local-currency alternatives require a separate exchange-rate and inflation analysis. Credit committees should determine whether concessionality is intended to reduce tariffs, improve coverage, finance additional environmental features or reduce sponsor equity before optimisation.

7. Risk Allocation and Policy Recommendations

The comparative evidence supports a control-based rule: each risk should be assigned to the party best able to control it, then to the party best able to absorb or price the residual exposure. Transfer to a party without operational control or adequate capital produces contractual form without economic substance.

Table 4. Recommended risk allocation and lender controls

Risk	Preferred primary allocation	Core contractual or financial controls	Syndication implication
Development and permits	Sponsor and project company	Conditions precedent, permit register, land-right verification and long-stop date	One shared legal due-diligence report and common waiver standard
Construction cost and delay	Fixed-price, date-certain EPC contractor, backed by sponsor completion support	Performance security, liquidated damages, contingency, independent engineer and equity cure	Uniform draw conditions and lender voting for budget changes
Technology and interface	Technology provider, integrator and project company	Performance tests, warranties, degradation assumptions and interface matrix	Common technical adviser and agreed acceptance tests
Revenue and offtake	Offtaker and project company according to controllability	Bankable PPA or availability payment, indexation and curtailment rules	Direct agreement and coordinated enforcement rights
Currency and interest rate	Project company, lenders and hedge providers	Currency matching, indexed revenue, swaps, caps and reserve accounts	Hedge counterparties integrated into intercreditor waterfall
Political and regulatory	Public authority, DFI, insurer and sponsors	Change-in-law clause, termination compensation and political-risk cover	Clear sharing of recoveries and standstill rights
Environmental and social	Project company and contractors under lender standards	ESIA, action plan, grievance mechanism, monitoring and reporting	One harmonized standard where possible to avoid conflicting obligations
Operations and maintenance	Qualified operator	Long-term O&M agreement, availability guarantees, spare-parts plan and insurance	Common reporting definitions and cash-sweep triggers

Source: Author's synthesis from the case evidence and Kazakhstan legal framework [7-8, 20-25].

Five recommendations follow. First, banks should use a common bankability data room before syndication. The financial model, EPC schedule, permits, environmental documents, insurance matrix and material contracts should share consistent definitions and dates. This reduces both due-diligence duplication and model risk.

Second, arrangers should design the intercreditor framework at the same time as the term sheet. Voting thresholds for drawstops, waivers, enforcement, hedge termination and amendments must reflect the different mandates of MDBs, commercial banks and concessional providers. Postponing these questions can convert an apparently complete financing plan into a delayed closing.

Third, local-currency solutions should be assessed on an all-in risk basis. Where project revenue is in tenge, local-currency debt can materially improve resilience. However, high local rates may require longer maturity, refinancing options, tariff indexation, interest-rate caps or a development tranche. Comparing only nominal coupons can misstate economic risk.

Fourth, concessionality should be allocated through a documented financing-gap test. The arranger should identify the minimum tranche or guarantee needed to meet a defined DSCR, affordability or technology threshold. The benefit and expected development result should be disclosed, and a sunset or refinancing mechanism should be considered once the relevant market failure declines.

Fifth, Kazakhstan can deepen refinancing channels for completed green assets. Construction banks are suited to monitoring completion risk, while institutional investors can hold long-duration operating assets. Standardised green reporting, reliable production data and bond takeout mechanisms would recycle bank balance sheets toward new projects. The documented expansion of sustainable-finance instruments provides an institutional base for this transition [4-5].

8. Limitations and Further Research

The public case disclosures do not provide complete interest rates, repayment schedules, covenant packages or hedging costs. The quantitative model is therefore illustrative and cannot establish that one structure is universally cheaper. It also holds CFADS and leverage constant, while actual financing structure can affect construction timing, operating requirements and tariff affordability.

The case sample is small and selected for variation rather than statistical representativeness. Future research could build a transaction-level database of Kazakhstan green bonds, loans and project financings, then test whether MDB participation is associated with longer maturity, greater local-currency use or lower refinancing risk. Further work should also model correlated tenge depreciation, inflation, base-rate shocks, construction delay and renewable output risk. Confidential bank data could strengthen calibration, subject to anonymization and governance requirements.

9. Conclusion

Kazakhstan's green infrastructure programme may exceed the tenor and exposure capacity of individual lenders. Syndicated and blended structures can provide a practical response when designed around project risks. Zhanatas illustrates the combination of local-currency, commercial and development finance. KEGOC illustrates targeted concessional support for system infrastructure. BAKAD, used as a non-green comparator, demonstrates that financing, concession, construction and hedging contracts should operate as one risk-allocation system. Mirny illustrates the mobilisation capacity of a large A/B loan for wind generation and battery storage.

Under the stated illustrative assumptions, the USD 700 million comparison produces DSCRs of 1.19, 1.37 and 1.46 for traditional, syndicated A/B and blended structures, respectively. These figures are not forecasts and reflect both pricing and tenor assumptions. They demonstrate how specified tranche composition can alter debt-service resilience without changing project cost or leverage. The central policy and credit conclusion is that bankability is supported by consistent due diligence, transparent intercreditor rules and concessionality limited to a verified financing gap. Under those conditions, development capital can mobilise commercial lending while preserving credit discipline.

Declarations

Data availability: All external information is publicly available from the sources listed in the references. All model assumptions and calculations are fully synthetic.

Conflict of interest and funding: The author is employed by China Construction Bank Corporation, Astana Branch. One public case discussed in this article identifies China Construction Bank as a lender. The analysis uses only public information and does not represent the bank's views. The author received no specific funding for this study; any required employer and publication approvals should be obtained before submission.

References:

- [1] Bureau of National Statistics of the Republic of Kazakhstan. "Energy Statistics." Renewable electricity indicators, including the 2025 share. <https://stat.gov.kz/en/industries/business-statistics/stat-energy/>
- [2] Financial Settlement Center of Renewable Energy LLP. "Renewable Energy in Kazakhstan." Installed capacity by technology, 2025. <https://rfc.kz/en/res-sector/res-in-kazakhstan/about-the-res/>
- [3] Bureau of National Statistics of the Republic of Kazakhstan. "On Investment in Fixed Assets in the Republic of Kazakhstan, 2025." <https://stat.gov.kz/en/industries/business-statistics/stat-invest/publications/506311/>
- [4] Astana International Financial Centre. "\$6bn Raised through the Astana International Financial Centre in 2025 and over 1,400 New Companies Were Registered." 26 December 2025.



<https://aifc.kz/news/6bn-raised-through-the-astana-international-financial-centre-in-2025-and-over-1400-new-companies-were-registered/>

[5] AIFC Green Finance Centre. “Sustainable Finance Analytics.” <https://gfc.aifc.kz/en/sustainable-finance-analytics>

[6] OECD. “Kazakhstan.” In *Accelerating Sustainable Infrastructure Investments*. 2026. https://www.oecd.org/en/publications/accelerating-sustainable-infrastructure-investments_031d486e-en/full-report/kazakhstan_fff79dd5.html

[7] Republic of Kazakhstan. Law No. 126-III “On Project Financing and Securitization.” Adilet Legal Information System. https://adilet.zan.kz/eng/docs/Z060000126_

[8] Republic of Kazakhstan. Law No. 379-V “On Public-Private Partnership.” Adilet Legal Information System. <https://adilet.zan.kz/eng/docs/Z1500000379>

[9] AIFC Green Finance Centre. *Green Finance Market of Kazakhstan*. 2023 edition. <https://aifc.kz/wp-content/uploads/2024/07/3.3-green-finance-market-of-kazakhstan.pdf>

[10] Astana International Financial Centre. “Legal Framework.” <https://aifc.kz/legal-framework/>

[11] OECD. “OECD DAC Blended Finance Principles for Unlocking Commercial Finance for the Sustainable Development Goals.” <https://www.oecd.org/dac/financing-sustainable-development/blended-finance-principles/>

[12] Esty, B. C. (2004). Why study large projects? An introduction to research on project finance. *European Financial Management*, 10(2), 213-224. <https://doi.org/10.1111/j.1354-7798.2004.00247.x>

[13] Kleimeier, S., & Megginson, W. L. (2000). Are project finance loans different from other syndicated credits? *Journal of Applied Corporate Finance*, 13(1), 75-87. <https://doi.org/10.1111/j.1745-6622.2000.tb00043.x>

[14] Hainz, C., & Kleimeier, S. (2012). Political risk, project finance, and the participation of development banks in syndicated lending. *Journal of Financial Intermediation*, 21(2), 287-314. <https://doi.org/10.1016/j.jfi.2011.10.002>

[15] Steffen, B. (2018). The importance of project finance for renewable energy projects. *Energy Economics*, 69, 280-294. <https://doi.org/10.1016/j.eneco.2017.11.006>

[16] European Bank for Reconstruction and Development. “Supporting the Renewable Energy Transition in Kazakhstan.” 31 March 2026. <https://www.ebrd.com/home/what-we-do/impact-management/impact-case-studies/supporting-the-renewable-energy-transition-in-kazakhstan.html>

[17] National Bank of Kazakhstan. “Schedule of Base Rate Decisions for 2026.” <https://nationalbank.kz/en/news/grafik-prinyatiya-resheniy-po-bazovoy-stavke/rubrics/2365>

[18] Financial Settlement Center of Renewable Energy LLP. “Financial Support of the Application.” <https://rfc.kz/en/res-sector/auctions/financial-support-of-the-application/>

[19] Financial Settlement Center of Renewable Energy LLP. “Financial Support of the Agreement.” <https://rfc.kz/en/res-sector/auctions/financial-support-of-the-agreement/>

[20] European Bank for Reconstruction and Development. “Zhanatas Wind Farm.” Project Summary Document, Project 50569. <https://www.ebrd.com/home/work-with-us/projects/psd/50569.html>

[21] European Bank for Reconstruction and Development. “EBRD Helps to Consolidate Kazakhstan's Power System.” 25 November 2024. <https://www.ebrd.com/home/news-and-events/news/2024/ebd-helps-to-consolidate-kazakhstan-s-power-system.html>

[22] European Bank for Reconstruction and Development. “BAKAD: European Transport Deal of the Year.” 2020. <https://www.ebrd.com/home/work-with-us/treasury-capital-markets/bakad.html>

[23] European Bank for Reconstruction and Development. “BAKAD Road Concession.” Project Summary Document, Project 47085. <https://www.ebrd.com/home/work-with-us/projects/psd/47085.html>

[24] European Bank for Reconstruction and Development. “EBRD Organises Financing of US\$ 548 Million in Kazakhstan's Wind Farm with Storage Capability.” 24 April 2026. <https://www.ebrd.com/home/news-and-events/news/2026/ebd-invests-us--250-million-in-kazakhstan-s-wind-farm-with-stor.html>

[25] European Bank for Reconstruction and Development. “Mirny WPP and BESS.” Project Summary Document, Project 55877. <https://www.ebrd.com/home/work-with-us/projects/psd/55877.html>