

ANSARADA

PROCURE



Transport



Infrastructure



Outlook 2027



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01 Methodology

In May 2026, Ansarada in partnership with Infralogic, surveyed 150 senior executives across Asia-Pacific (50) EMEA (50) and the Americas (50). Respondents included 51 government agencies, 54 privately-owned transport infrastructure developers and 45 transaction advisories. All responses are anonymous and results are presented in aggregate. All references to Asia-Pacific as a region include Australia, New Zealand and wider Australasia, except where explicitly stated.

02 Introduction

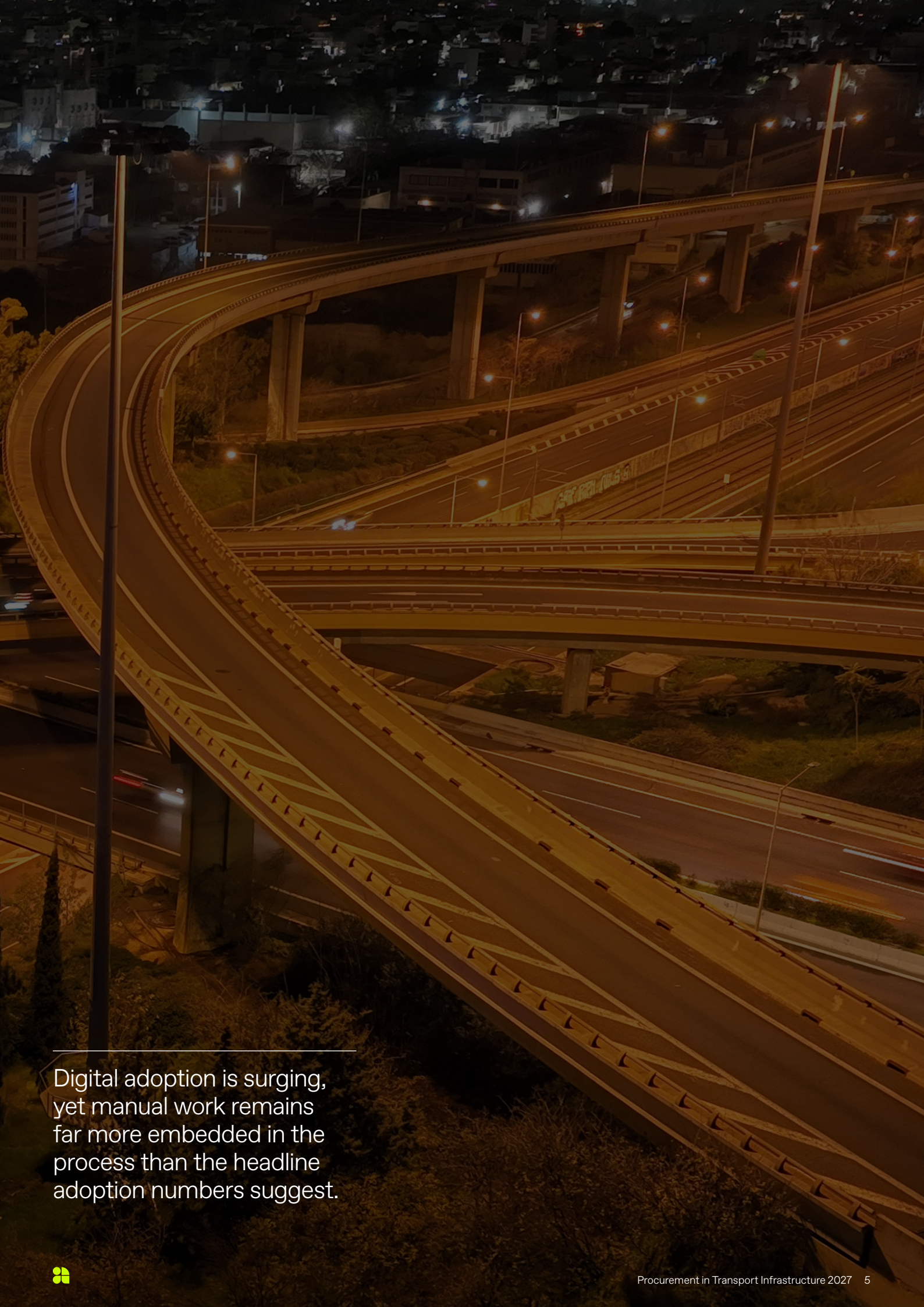
Transport infrastructure procurement sits at the intersection of some of the most consequential forces moving the global economy: rapid urbanisation; geopolitical and trade realignment; the renewal of aging networks; and the growing pressure on governments and private capital to deploy resources faster, more transparently and with greater accountability than ever before. The decisions made in procurement rooms today – about risk allocation, technology, community engagement and delivery – will determine the mobility of cities and movement of goods for decades to come.

The scale of global infrastructure need is difficult to overstate. According to PwC's [Global Infrastructure Outlook](#), published in April 2026, transport alone will account for a third of all global infrastructure investment through 2050, with annual transport spending forecast to rise from US\$1.4 trillion today to US\$2.4 trillion – a cumulative commitment that dwarfs anything the sector has previously attempted. Airport infrastructure is projected to grow fastest, rising 93% by 2050, while roads and bridges will absorb US\$30.6 trillion over the period. In Asia-Pacific, the region which our research identifies as the clear engine of future activity, transport spending is expected to grow by 86% over the same period.

It is against that backdrop that Ansarada, in partnership with Infralogic, conducted this survey of 150 senior executives across Asia-Pacific, EMEA and the Americas in May 2026. Respondents span government agencies, privately-owned transport infrastructure developers and transaction advisories, offering a genuinely cross-sector perspective on the state of transport infrastructure procurement today.

The survey reveals that this is a sector in transition on multiple fronts simultaneously. Procurement efficiency has improved dramatically year-on-year – yet the areas most in need of improvement, from progress monitoring to community engagement, point to a function still catching up with the complexity of the projects it is being asked to deliver. Digital adoption is surging, yet manual work remains far more embedded in the process than the headline adoption numbers suggest. And ESG, which topped the risk allocation agenda just 12 months ago, has fallen sharply as a standalone priority, raising important questions about whether it is being genuinely embedded or quietly deprioritised.

This report examines these tensions, drawing on exclusive survey data, Infralogic transaction intelligence, and the perspectives of senior practitioners working at the sharp end of transport infrastructure procurement.



Digital adoption is surging, yet manual work remains far more embedded in the process than the headline adoption numbers suggest.

03 Key findings

Transport infrastructure deal value hit

US\$317bn

↑ **in 2025**, up 29% year-on-year, with roads leading the charge and ports and airports seeing the biggest gains.

Skills gaps

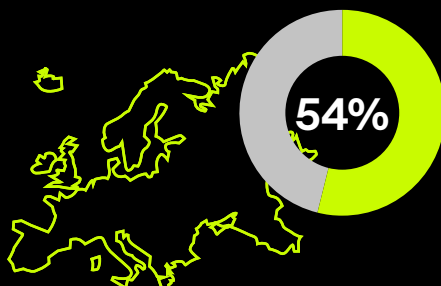
Skills gaps have nearly doubled as a top concern, rising from 17% of respondents a year ago to 31%, as the sector competes for a shrinking pool of experienced talent.



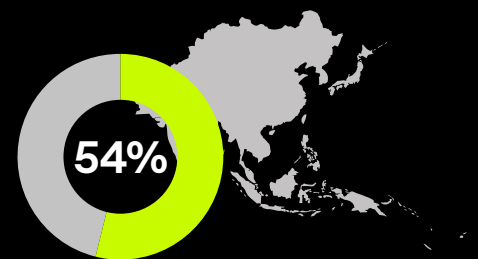
85%

of respondents now rate their transport infrastructure **procurement process as efficient**, up from 65% in our previous research.

The share of EMEA respondents rating **risk allocation in their most recent project as 'very effective'** has more than doubled year-on-year, from 26% to 54%.



Asia-Pacific (excluding Australia and New Zealand) **is seen as the clear engine of near-term growth**, cited by

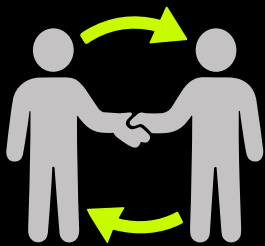


of respondents as the region set for the biggest increase in transport infrastructure investment activity over the next two years.

However, **Australia has played host to the largest infrastructure transaction in 2026 to date**,



as Macquarie Asset Management acquired Qube, Australia's largest integrated logistics and infrastructure provider, for US\$8.3bn.



Community engagement has more than doubled as an area needing improvement, from 23% to 48%, as projects increasingly face local pushback.

Adoption of purpose-built procurement software has nearly doubled, from

39% to 68%

yet 21% still describe their process as largely manual, a figure that climbs to 35% in the Americas.

ESG has fallen

5%

as a standalone risk allocation priority, dropping from the top-ranked method a year ago to just 5% today – a shift that reflects integration rather than abandonment.



Confidence in data security has surged, with those reporting 'no confidence at all' falling to just 9% from 35% 12 months ago.

70%



Roads are now expected by 70% of respondents to be in the top two sectors in terms of value invested globally over the next two years, up from 51% a year ago.

04 Infrastructure market outlook

Transport is at the heart of a surge in global infrastructure investment. And to meet the needs of a rapidly changing world, strong procurement teams have never been more vital. Before exploring how transport infrastructure is being procured, we examine the scale of demand those teams are now managing.

Transport infrastructure has rarely commanded more attention from investors, governments and the private sector than it does today. Rapid urbanisation, particularly across Asia and Africa, is generating new and urgent mobility needs; while decades of deferred maintenance across North American and European networks are creating a renewal imperative that can no longer be postponed. Together, these dynamics have placed transport at the centre of what PwC has described as an “unprecedented surge in global infrastructure investment” - with annual transport spending forecast to nearly double to US\$2.4 trillion by 2050.

Private capital has taken notice. According to [McKinsey](#), global infrastructure fundraising reached a record of nearly US\$200 billion in 2025, a near 60% increase over the previous year and surpassing the former high set in 2022, with infrastructure growing faster than any other private markets asset class over the past five years. Transport sits at the heart of this, though the composition of where capital is flowing is in constant flux.

Market in motion

After several years in which energy and digital infrastructure attracted the bulk of deal activity, at the expense of traditional transport assets, 2025 saw a meaningful rebound in transport transactions. There were 661 transport infrastructure deals globally, with a combined value of US\$317 billion – up 10% in volume and 29% in value on the prior year.

Roads dominated, accounting for 194 transactions worth US\$96.4 billion, up 11% in volume and 28% in value year-on-year. Airports recorded 101 deals at US\$68.9 billion, up 42% by volume and 66% in value. Investment in ports surged to US\$55.4 billion, nearly triple the value of the previous year – due in great part to the announcement of the US\$14.2 billion Nam Do Son port and logistics mega-project in northern Vietnam – while volume held firm at 97 transactions. Combined, these three subsectors accounted for the majority of global transport investment activity in 2025.

Not every sector moved in the same direction. In the urban rail transit subsector, aggregate value more than doubled to US\$27.9 billion, despite volume declining by more than a quarter year-on-year to 16 transactions. Likewise, EV infrastructure declined in volume terms to 62 (down 7%) but recorded an increase in total value to US\$9.5 billion (up 14%). Meanwhile, high-speed rail saw both volume (just seven transactions) and value (US\$7.3 billion) fall year-on-year, by 36% and 65% respectively, though the comparison should be placed in context, given that 2024 was skewed by a small number of very large deals.

There were 661 transport infrastructure deals globally, with a combined value of US\$317 billion – up 10% in volume and 29% in value on the prior year.

Asia-Pacific's rising star

Survey respondents are broadly aligned with the transactional picture. When asked which regions would see the greatest increase in transport infrastructure activity over the next two years, Asia-Pacific (excluding Australia and New Zealand) is the clear front runner, cited by 54% of respondents, Europe follows at 37%, Africa at 33% and North America at 26%.

The strength of Asia-Pacific (excluding Australia and New Zealand) in both aggregate transaction data and forward sentiment reflects a confluence of pressures that shows no sign of abating. The region's demographic trajectory is the most fundamental. Emerging economies including India, Indonesia, the Philippines and Vietnam are urbanising rapidly, generating constant new demand for transport networks that existing infrastructure cannot absorb. Government commitment has followed. India alone allocated US\$134 billion to infrastructure in its 2025-26 federal budget, while China, which already operates more than 70% of the world's high-speed rail mileage, added 2,862 kilometres of new high-speed track in 2025 alone and is targeting a network of 60,000 kilometres by 2030.

The Middle East, at 16%, sits notably below its weight in survey sentiment, potentially reflecting the current geopolitical volatility in the region dampening respondent confidence rather than any absence of project ambition. The Gulf Railway,

a 2,177-kilometre network linking all six GCC states from Kuwait City to Muscat, is a case in point. Long delayed, it has been given fresh urgency by the Iran conflict, with GCC leaders formally directing its acceleration at their April 2026 summit in Jeddah, reframing what was once an economic integration project as a strategic infrastructure priority.

Only 9% of respondents expect Australia and New Zealand to see the largest growth in infrastructure projects. This figure reflects the completion of a major infrastructure build cycle in Victoria and New South Wales rather than any absence of activity. The Australian market is entering a period of consolidation after a decade defined by signature programmes including the Sydney Metro, North East Link and Cross River Rail, many of which are now in delivery or nearing completion. The next wave is already forming, however, anchored by the Brisbane 2032 Olympics, which is catalysing transport investment across Queensland in road upgrades, bus fleet expansion and rail integration.



Sub sector shifts

Our latest survey shows a notable change in sectoral sentiment. Roads are now expected by 70% of respondents to be in the top two sectors in terms of growth in value invested globally over the next two years, up from 51% a year ago. Airports are close behind at 62%.

The reasons behind the roads and airports strength are distinct but both well-grounded in real market conditions. Road investment in emerging markets is much needed to support economic connectivity and freight growth. India's National Highway Authority is building or upgrading over 34,800 kilometres of highways as part of its Bharatmala Pariyojana programme, one of the world's largest road infrastructure programmes, specifically targeting freight corridor efficiency and rural connectivity.

This is paired with a mounting renewal imperative in mature markets. In the US, the Bipartisan Infrastructure Law injected significant new federal capital into highway rehabilitation from 2022, targeting decades of deferred maintenance on aging networks. The programme is now approaching its September 2026 reauthorisation deadline. Smart transportation systems and autonomous vehicle-ready infrastructure are adding further investment rationale, as governments retrofit existing road networks with Internet of Things (IoT) sensors, AI traffic management and vehicle-to-everything communication systems.

Airport investment is being pulled by demand that has outpaced capacity. Global passenger traffic reached 9.8 billion in 2025 and is forecast to exceed 10.2 billion in 2026, according to Airports Council International (ACI), with 215 airports worldwide now operating at or near full slot capacity, up 9% year-on-year, per the International Air Transport Association (IATA). Terminal expansions, runway rehabilitation and operational modernisation have become pressing rather than discretionary expenditure and that urgency is translating directly into transaction volume.

Rail remains significant, cited by 55% of respondents, and the projects driving that pipeline span every region. India's Mumbai-Ahmedabad high-speed corridor is due for commissioning in 2028, representing the country's first high-speed line and the anchor of a broader US\$192 billion, seven-corridor national programme. In Europe, completing the EU's planned high-speed rail network by 2040 is estimated to require €345 billion (US\$395 billion), according to the European Commission's High-Speed Rail Action Plan published in November 2025, with the Connecting Europe Facility launching a dedicated rail funding call in 2026 to accelerate delivery.

Bullishness around rail and seaports has tempered over the past 12 months. While a sizeable 55% and 43%, respectively, believe these two asset classes will be in the top

two sectors for gains in investment value, this is a step down from the 63% and 66% of respondents who shared this sentiment a year ago, when seaports were the sector favourite for near-term investment.

Port infrastructure is built to last 30 to 50 years, but the trade policy environment underpinning it has rarely been less predictable. Tariff escalation, shifting geopolitical alignments and trade diversions – where disputes make established routes less competitive and cargo volumes migrate to alternative

hubs almost overnight – make it extremely difficult for port operators and investors to forecast revenue or justify major capital expenditure. With global goods trade growth forecast at just 0.5% in 2026 according to the World Trade Organisation (WTO), the near-term calculus for new port capacity is challenging, even where the long-term structural case remains intact.

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70%

of respondents to be in the top two sectors in terms of growth in value invested globally over the next two years, up from 51% a year ago. Airports are close behind at 62%.

Economies of scale

Across the various drivers spurring transport infrastructure investment, it is economic development that the market sees as being one of the most influential. More than half of respondents overall (54%) and 64% in the Americas believe this is why governments and investors are directing capital to the sector.

There is a causal relationship at play. Recent research has found that improving transport infrastructure quality reduces bilateral trade costs by between 0.25% and 0.71% per unit of improvement, depending on whether the trading partners are developed or emerging economies, with the largest gains accruing to cross-border trade between the two. At a country level, a 10% increase in transport infrastructure is associated with a 0.26% rise in trade volumes and a 2.2% increase in employment – a multiplier effect that explains why economic development is the most widely cited driver of transport investment globally.

The Africa case illustrates what happens when that investment fails to keep pace with demographic reality. Africa's road density averages just 2.8 kilometres per 100 square kilometres, compared with 138 kilometres per 100 square kilometres in India, an economy with a comparable population but one tenth of Africa's landmass. That deficit is both a constraint on development and a driver of investment. The African Continental Free Trade Area's viability depends directly on bridging it, and the African Development Bank estimates that closing the transport infrastructure gap accounts for over half of recent improvements in African economic growth.

In Asia-Pacific, the investment logic is different. Population growth is the standout driver for 50% of respondents in the region, nearly double that for EMEA and Americas, and the numbers behind this weighting are stark. Asia is home to more than half of the world's urban population, over 2.2 billion city dwellers, and that number is projected to grow by a further 50%, adding 1.2 billion more urban residents by 2050. The cities driving that growth such as Jakarta, Dhaka and Delhi are among the fastest expanding on the planet. The demand for motorised transport that this creates is structural and the primary reason Asia-Pacific's infrastructure pipeline commands the attention it does.

Within Australia specifically, where the pipeline has been reorienting after a decade of major programme completions, the Brisbane 2032 Olympics provides a fixed, politically committed anchor for near-term investment. The AUS\$7.1 billion (US\$4.9 billion) Games infrastructure programme, split between the Australian federal government and Queensland, is underpinned by a commitment to have 90% of trips to Olympic venues made by public transport, requiring substantial transport investment across South East Queensland.

Mounting pressures

The pressures coming to bear on major transport infrastructure project development have shifted since last year. Macroeconomic uncertainty has moved from third to first, rising to 47% of respondents this year from 31% – overtaking high interest rates, which had topped the prior survey at 46% but have dropped marginally to 41% as central banks in the world's largest economies moved toward easing through 2025. Access to funding has similarly moderated to 39% from 45%.

These movements underscore a market that had, until recently, been growing less concerned about the availability and cost of capital, but considerably more anxious about the environment in which that capital is being deployed.

The nature of that anxiety differs by region. Tariff escalation through 2025 pushed the effective tariff rate on construction goods in the US to a 40-year high of between 25% and 30%, according to [Deloitte](#), with steel and aluminium tariffs reaching up to 50%

at their peak. The direct consequence was a rise in materials costs and a less visible but equally damaging effect on project financing timelines, as developers struggled to lock in reliable cost projections amid policymaking that shifted repeatedly and unpredictably. Renewed inflationary pressure triggered by the Middle East conflict, which has prompted the European Central Bank (ECB) to raise rates and left the Federal Reserve and Bank of England on hold with markets now pricing potential further hikes, suggests that recent interest rate relief may be short-lived.

In China, the challenge runs in the opposite direction. Where Western markets are grappling with a potential return of inflation and rising input costs, China faces deflation. Persistently falling prices driven by weak domestic demand, a property sector crisis that has suppressed construction activity and excess industrial capacity, are putting downward pressure on the economy.

Macroeconomic uncertainty is the top-cited challenge to major transport infrastructure projects, (up from the third-most cited challenge one year ago).

For infrastructure project sponsors, deflationary conditions create their own financing paralysis: when asset values and revenues are expected to fall, the investment case weakens even as borrowing becomes nominally cheaper. "Market volatility and macroeconomic pressures have significantly reduced bidding activity in our market," says the project director of a Chinese government agency. "Unfortunately, there isn't much that can be done to make any positive changes in this regard. We can only handle any procedural challenges at our end."

Some of the sharpest survey movements belong to skills gaps, which has increased as a concern, rising to 31% of respondents this year from just 17%, and notably from 22% to 36% in the Americas. The data behind this shift is stark. The US construction industry alone needs approximately 349,000 net new workers in 2026 simply to maintain equilibrium between labour supply and project demand and 41% of the sector's current workforce is projected to retire by 2031.

The implications of that deficit extend beyond the construction site. Procurement itself depends on experienced practitioners who can structure risk allocation, manage complex bidder processes, evaluate submissions and keep programmes moving against fixed deadlines. As the pool of senior talent thins in some markets, the pressure on procurement teams to do more with less will only intensify, requiring the adoption of purpose-built software to achieve greater efficiency.

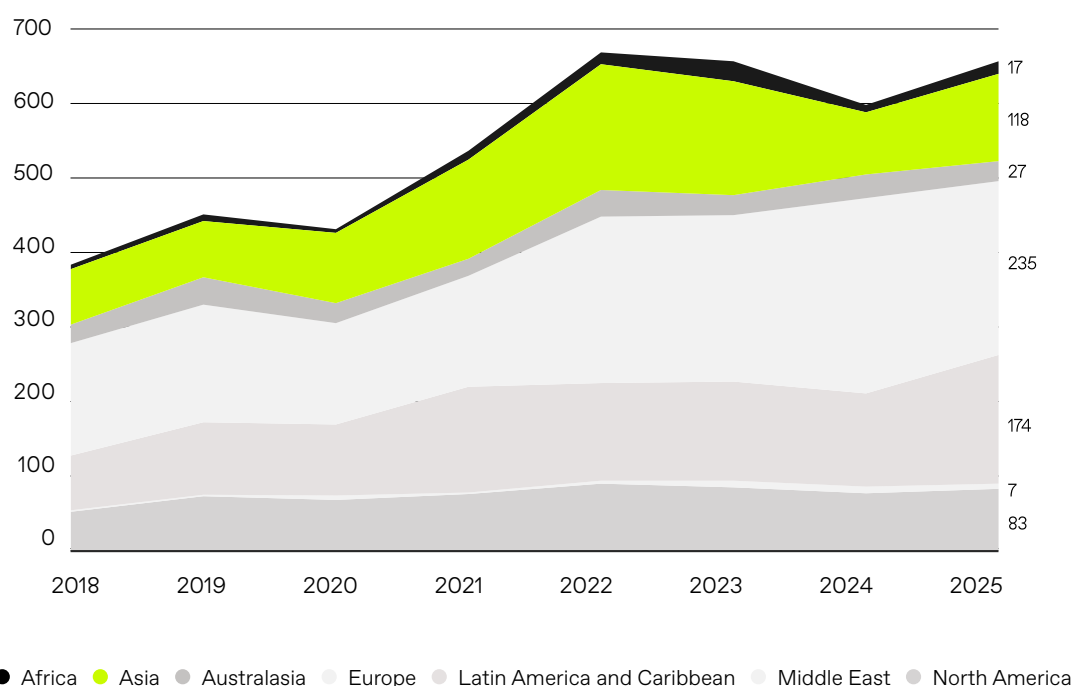
One executive director of a transaction advisory in India captured this operational reality bluntly, saying: "We lack the right skill to manage these processes effectively. We face major inefficiencies in managing cycle times and resource utilisation. The technologies are available but... we still face a lot of bottlenecks."

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Data up to 2025

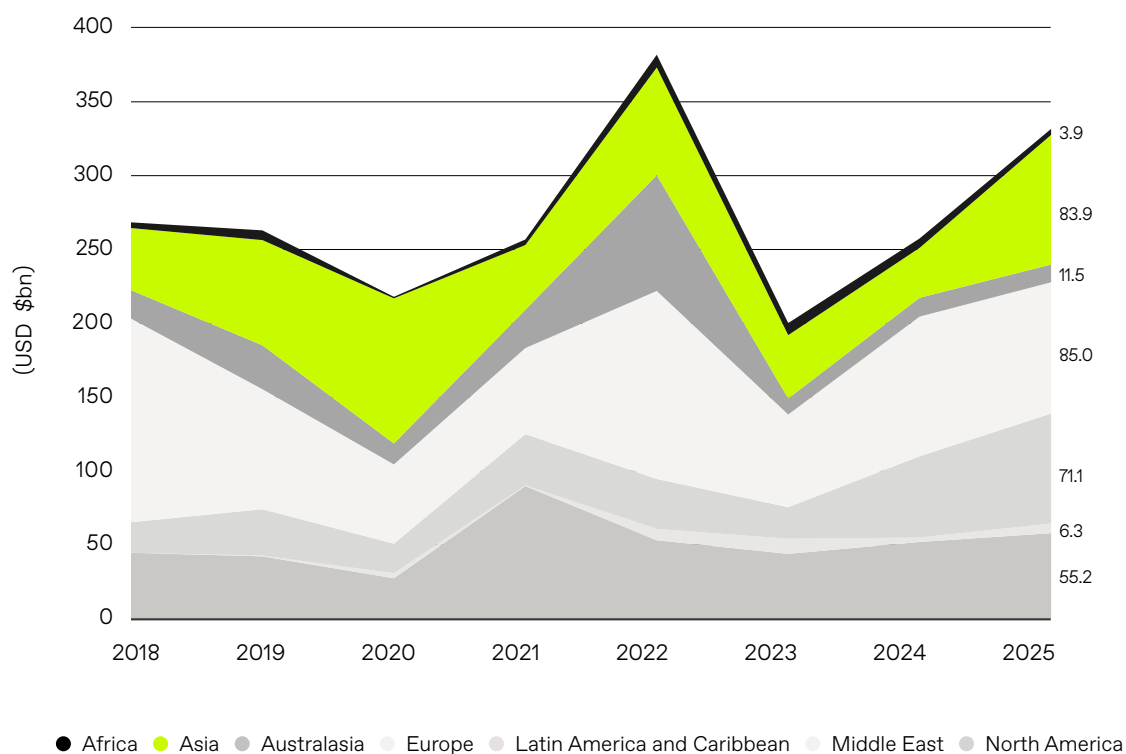


Number of transport infrastructure transactions by region



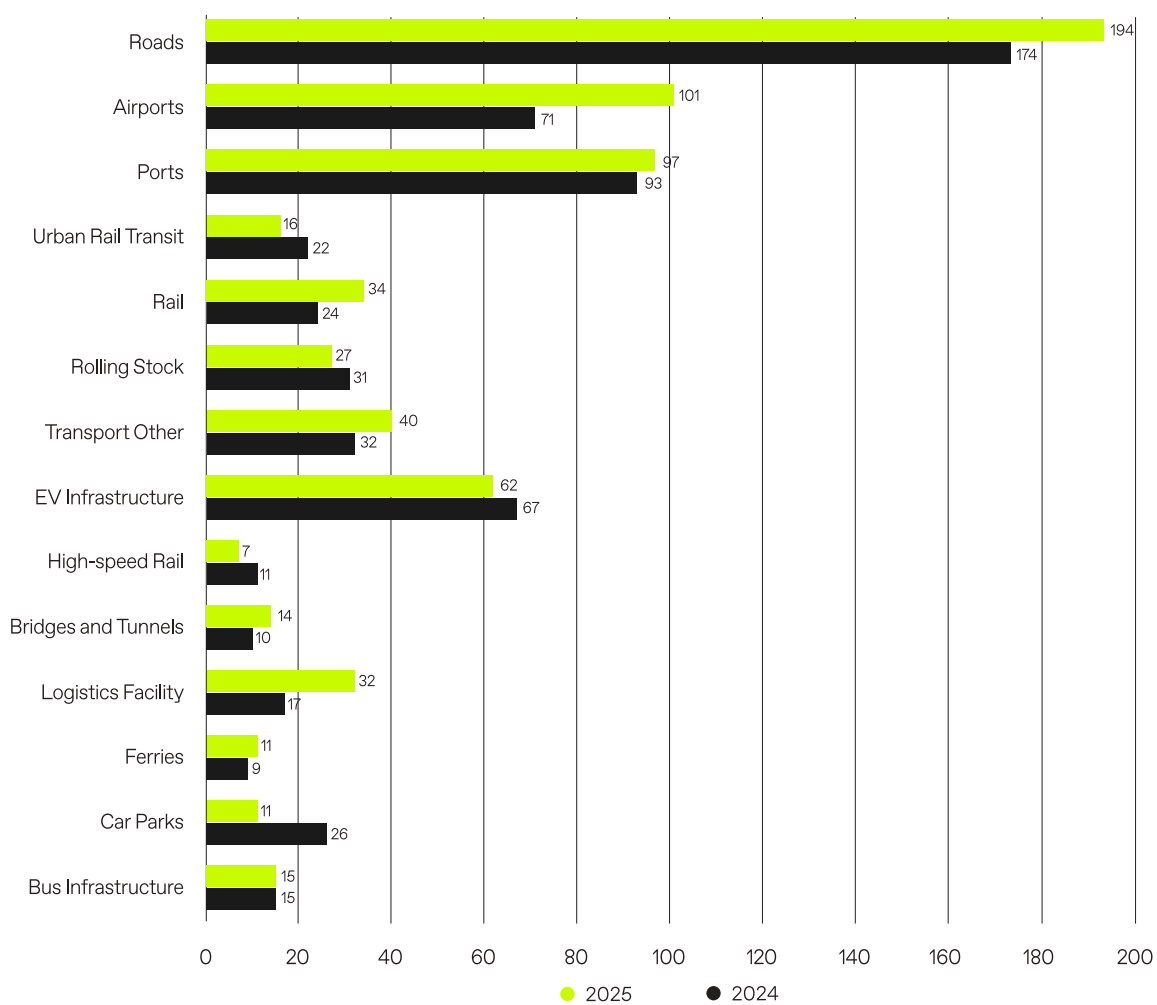
Source: Infralogic

Total value of transport infrastructure transactions by region



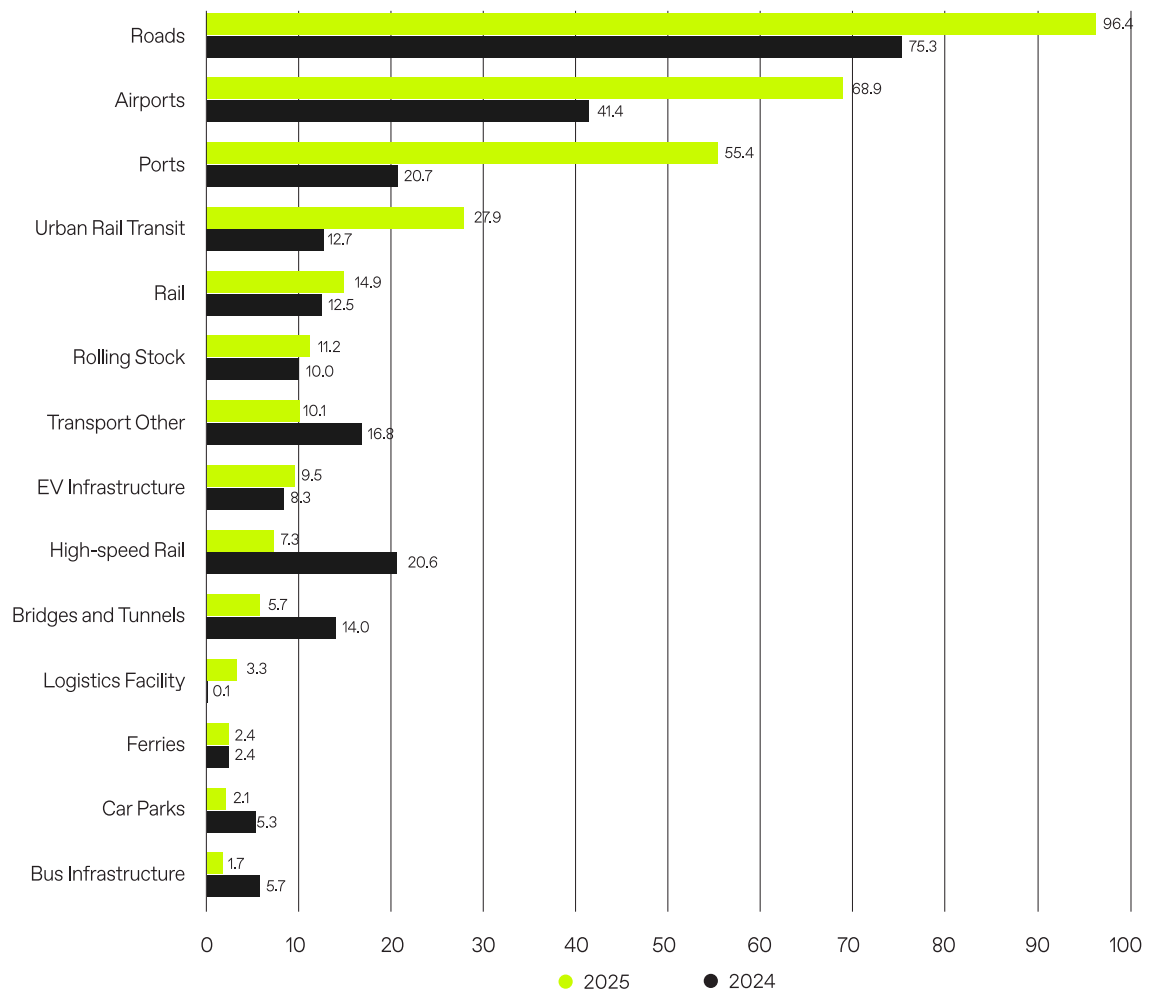
Source: Infralogic

Number of transport transactions by sub sector, 2024 vs 2025



Source: Infralogic

Total value of transport infrastructure transactions by sub sector, 2024 vs 2025 (USD \$bn)



Source: Infralogic

Top 10 transport infrastructure transactions in 2025

Transaction Name	Region	Geography	Type	PPP	Sub-Sector	Current status	Current status date	Transaction size USD(b)
Nam Do Son Port Area and Logistics Center Project	Asia	VIETNAM	Greenfield	No	Ports	Preferred Proponent	5/8/25	14.2
Red River Boulevard & Landscape Project PPP	Asia	VIETNAM	Greenfield	Yes	Urban Rail Transit	Preferred Proponent	17/9/25	11.4
SR 400 Express Lanes P3 Retender	North America	USA	Greenfield	Yes	Roads	Financial Close	6/8/25	11.0
Copenhagen Airports (59.4% Stake) Nationalisation (2025)	Europe	DENMARK	Nationalisation	No	Airports	Financial Close	11/8/25	6.5
Safe Harbor Marinas Sale (2025)	North America	USA	M&A	No	Ports	Financial Close	30/4/25	5.7
Can Gio International Transshipment Port	Asia	VIETNAM	Greenfield	No	Ports	Preferred Proponent	4/6/25	4.9
Dighi Port Expansion	Asia	INDIA	Greenfield		Ports	Preferred Proponent	28/10/25	4.8
Air Transport Services Group (ATSG) Sale (2025)	North America	USA	Take Private	No	Airports	Financial Close	3/2/25	4.2
Damascus International Airport	Middle East	SYRIA	Greenfield	No	Airports	Preferred Proponent	24/11/25	4.0
London Overground 3 Concession	Europe	UNITED KINGDOM	Greenfield	No	Urban Rail Transit	Preferred Proponent	10/12/25	4.0

NOTE: All data shown above was extracted from Infralogic on 12/06/2026 and displays infrastructure transactions that have reached either the preferred proponent or financial close stages. Infrastructure transaction types include greenfield, M&A, privatisation, nationalisation, public offering, take private, refinancing and additional financing.

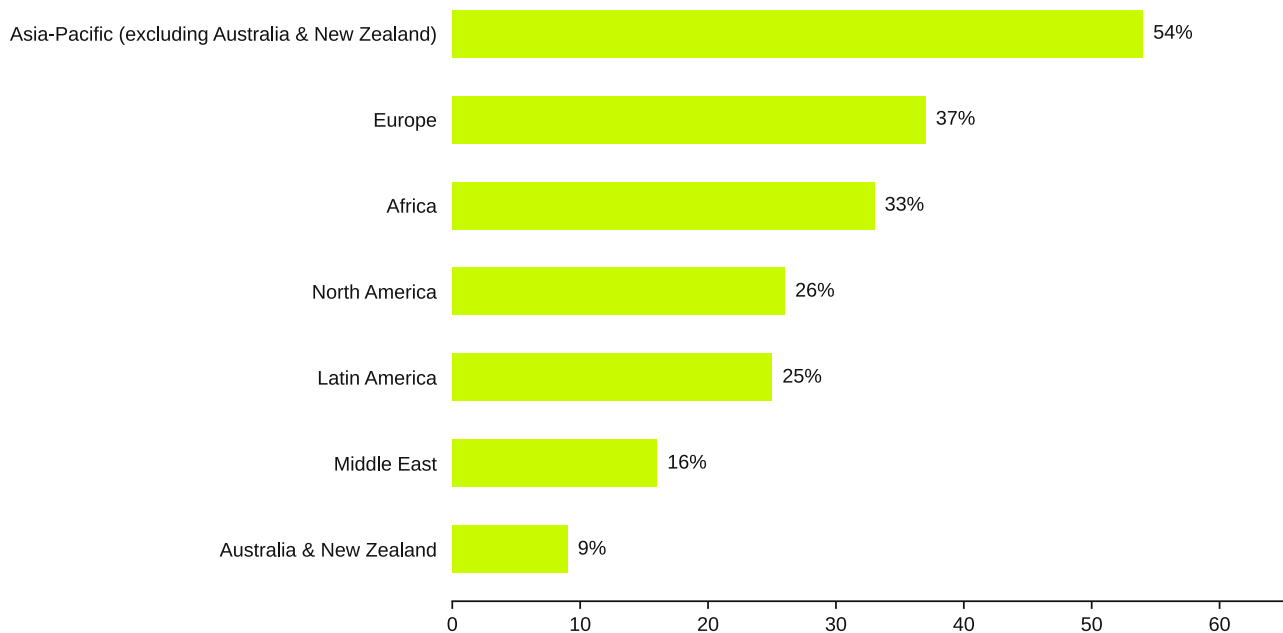
Top 10 transport infrastructure transactions in 2026 to date

Transaction Name	Region	Geography	Type	PPP	Sub-Sector	Current status	Current status date	Transaction size USD(b)
Qube Holdings Sale (2026)	Australasia	AUSTRALIA	M&A	No	Transport Other	Preferred Proponent	16/2/26	8.3
Macquarie AirFinance (MAF) Sale (2026)	Europe	IRELAND	M&A	No	Airports	Preferred Proponent	26/2/26	8.3
Hampshire EV Charging Network Tender	Europe	UNITED KINGDOM	Greenfield	Yes	EV Infrastructure	Preferred Proponent	29/1/26	6.6
1A National Road Expansion Project PPP	Asia	VIETNAM	Greenfield	Yes	Roads	Preferred Proponent	20/5/26	6.4
Vientiane-Vung Ang Railway PPP	Asia	VIETNAM	Greenfield	Yes	Rail	Preferred Proponent	1/4/26	6.3
Penn Station Revitalization P3	North America	USA	Greenfield	Yes	Rail	Preferred Proponent	20/5/26	6.0
Wells Fargo Railcar Portfolio Sale (2026)	North America	USA	M&A		Rail	Financial Close	1/1/26	4.4
Ramudden Global Sale (2026)	Europe	SWEDEN	M&A	No	Transport Other	Financial Close	8/6/26	2.9
Misurata Port Redevelopment	Africa	LIBYA	Greenfield	Yes	Ports	Preferred Proponent	20/1/26	2.7
ADIA Australian Infrastructure Assets Additional Financing (2026)	Australasia	AUSTRALIA	Additional Financing	No	Ports	Financial Close	9/3/26	2.6

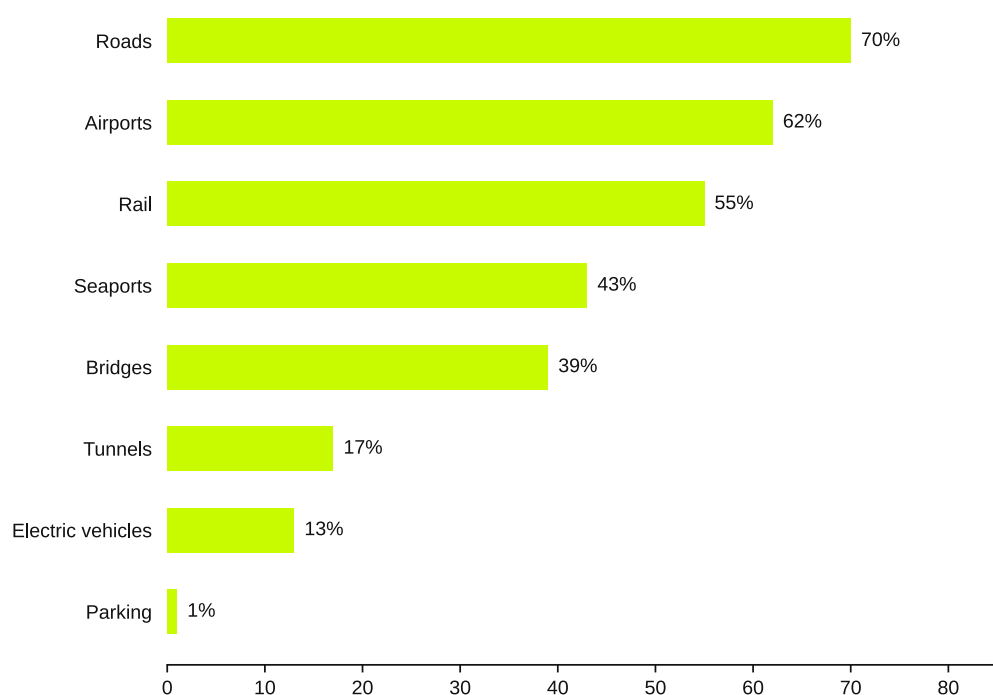
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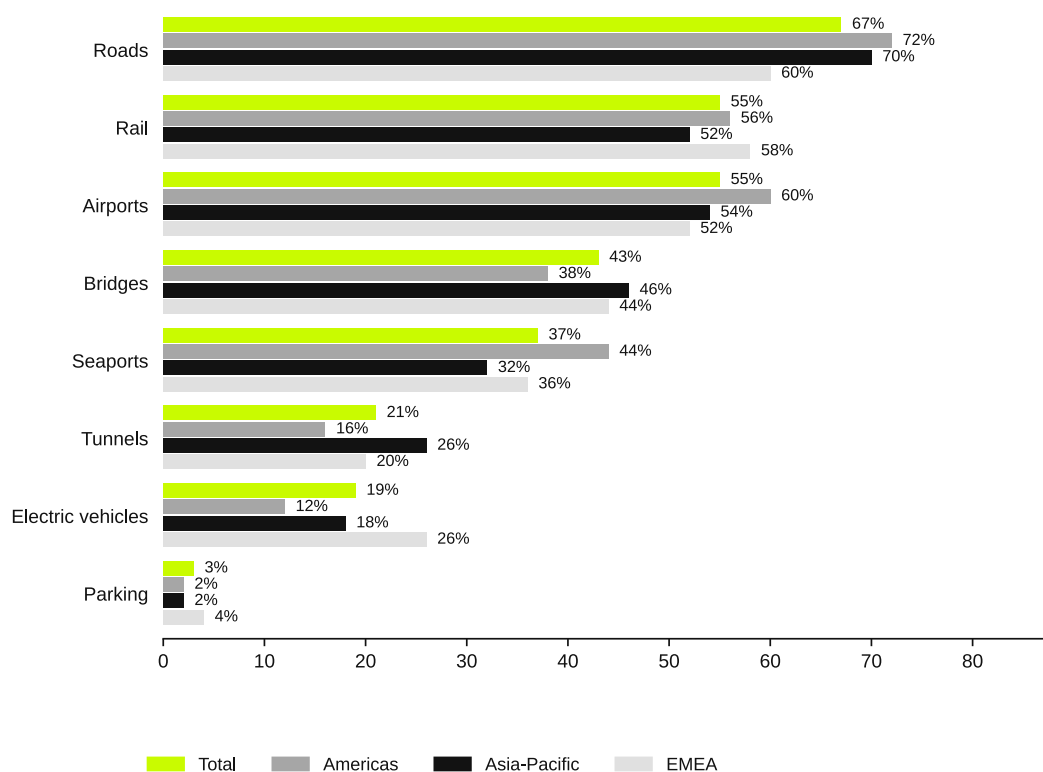
Which regions will see the greatest increase in transport infrastructure projects activity in the next two years? (Select top two)



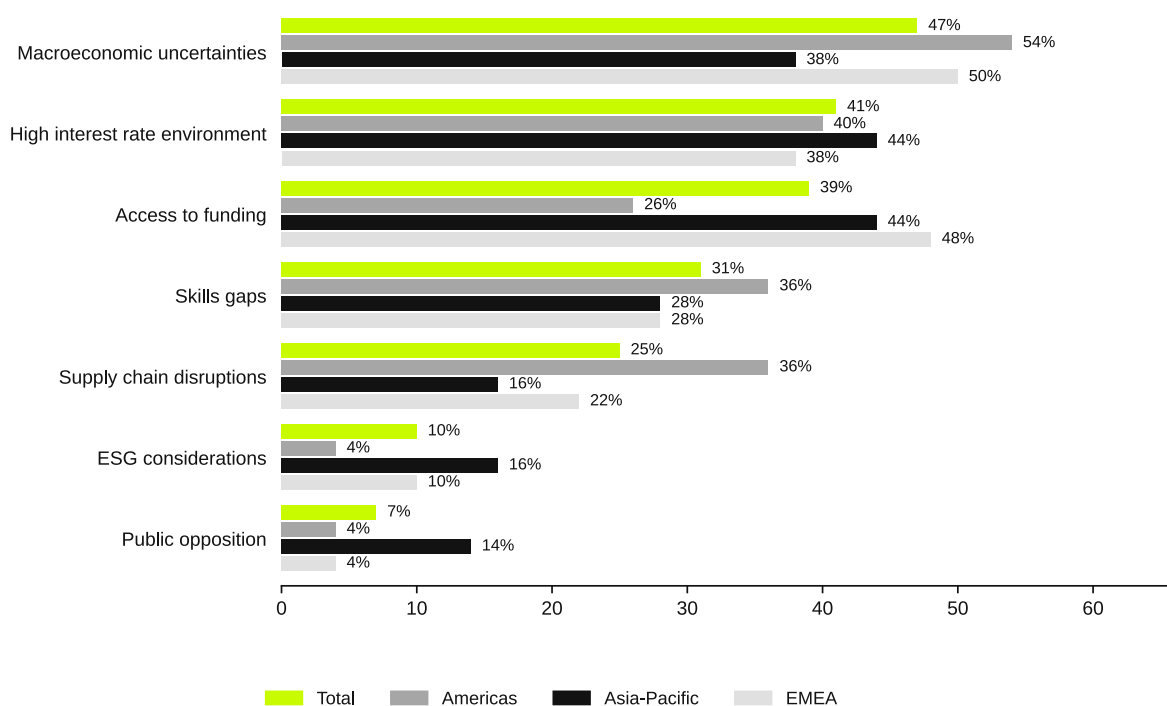
Which of the following types of transport infrastructure will see the greatest increase in value invested over the next two years globally? (Select top three)



Within the region in which you are based, which of the following types of transport infrastructure will see the greatest increase in value invested over the next two years? (Select top three)



What are the biggest challenges to major transport infrastructure projects in your region? (Select two)



Luke Whistler

Executive Director of Delta Infrastructure Advisory and
Deputy Chair of Infrastructure Association of Queensland



“

The pipeline exists but lacks a vision of abundance for Australians. People want a story with it where they can imagine how best they can get involved.

”

Luke Whistler, Executive Director of Delta Infrastructure Advisory and Deputy Chair of Infrastructure Association of Queensland, gives his take on Australia's transport infrastructure pipeline, how deeper investigations into risk positively impacts outcomes and what separates procurement processes that build genuine market confidence from those that don't.

How would you characterise the current state of Australia's transport infrastructure pipeline and where is the momentum?

The broader picture shows that the growth era of Victoria and New South Wales is slowing and a lot of people are looking to Queensland for progress. There is a significant pipeline of projects anticipated, but right now there's a lot of uncertainty across the economy, and people are questioning what will arrive and whether it can be afforded. The pipeline exists but lacks a vision of

abundance for Australians. People want a story to go with it where they can imagine how best they can get involved.

Queensland has the 2032 Games commitment, which is real and provides a clear anchor for projects like the rail line connecting the Sunshine Coast to Brisbane, the Gold Coast Faster Rail upgrades, bus fleet and route upgrades and the Victoria Park Games precinct. Beyond the Games, there's a broader programme of large investment - the Bruce Highway safety improvement project being one example.

Globally, sentiment has shifted toward roads and airports over rail and seaports. Do you expect Australia's investment priorities to follow that trend?

Roads will continue to have a focus, but in a different character to the greenfield mega-road projects we've seen. The sentiment is more focused on upgrading and adapting existing infrastructure rather than building new assets from scratch. Traffic congestion is a problem that they famously say 'nobody has ever built their way out of it', and that keeps the case for mass transit investment alive. Airports have a job to do too. Brisbane Airport is forecasting a 40% passenger uplift by 2032 – a trajectory that has driven approval of a A\$5 billion masterplan including a new third terminal. That's a significant capital programme in its own right, independent of the Games. Rail is more nuanced. There are significant rail jobs underway in Queensland, and integrating systems like Cross River Rail and a new rail fleet into an existing, aging network takes new skills compared to the typical physical infrastructure delivery.

Risk allocation outcomes vary significantly by region. What's the single biggest difference you've seen between a project where risk allocation worked and one where it didn't?

The rigour of site investigations has increased. There's a trend now to actively manage risks that are real, rather than bundling up unknowns and handing them to whoever seems best placed to carry them, often the party least equipped to do so. There's a recent project where the client spent considerable time and money investigating along the alignment under

the ground before going to market and they built a contractual mechanism into the contract for any genuine unknowns that were identified during construction. That mechanism was not triggered, which I'd call a success. What we're now seeing is early identification of high-risk items, engaging utility companies to produce designs early so contractors can price with certainty and genuinely involve the appropriate parties and asset owners from the outset. Lessons are being learnt, slowly, but the bigger challenge is confidence in decisions: the ability to make clear decisions on the limited information available at a point in time and then having the executive backing behind those challenging decision points.

Macroeconomic uncertainty, funding constraints and high interest rates all rank among the sector's biggest challenges. How are these shaping investment decisions and business cases?

The business case challenge in Australia is real and multifaceted. We're still on a journey to adequately measure social benefit, it's no longer just about adding a lane and calculating travel time savings. Getting an exact dollar figure for broader social benefits is an area for the industry to develop. We've also seen a number of projects interrupted by changes of government in Australia, and cancellation isn't cheap: pulling a project after significant commitments or contract commencement can cost significant amounts of money.

Transaction advisories report far higher confidence in procurement efficiency than government agencies, despite often working on the same transactions. What do you think explains that gap?

Depth and breadth of exposure. A transaction professional has typically seen the same process run on a basic file sharing system and then on a proper data room like Ansarada. Once you've experienced that full spectrum, you can feel and see where the efficiency gains come from. There's also something about accountability, as an advisor, you know exactly how upstream procurement decisions play out downstream in delivery. If a risk isn't properly allocated in the procurement phase, the consequence arrives months or years later, often with a different team who inherit the problem. As an engineer and a business owner, I want to know how every project we've advised on turns, because that feedback loop is how we continuously improve as a business and as an industry.

Nearly half of respondents now regard transparency and auditability as essential in infrastructure procurement. What's driving that recognition?

What's sharpened the focus in Australia is public awareness – there have been high-profile instances in professional services where governance failures have attracted significant scrutiny, raising the question of what should be expected of any firm handling millions of dollars of public spending. The short answer is: it must be transparent and it must be secure. That isn't a new standard, it's just more visible. There's also a practical dimension: when things go wrong in project delivery, everything traces back to procurement. During an

audit, if you can't reconstruct who said what, who saw what, when decisions were made and on what basis, you may find a troublesome scenario unfolding.

Looking across the projects you've advised on, what distinguishes those that consistently meet their objectives from those that run into delays, cost overruns or stakeholder challenges?

First, are the right questions about project success being asked from the start? Projects that succeed spend time getting clarity on what their objectives are, whether that's safety, cost, customer experience, quality or time. You genuinely can't optimise for all of them simultaneously, and being clear about the hierarchy allows the team, the consultants and the contractors to align their efforts.

The second thing is professional relationships. Trust between parties is still critical to resolving issues early and proportionately. I'm seeing a lot of good models emerging, particularly gain/pain share mechanisms that split savings between client and contractor, so the contractor is genuinely motivated to bring forward innovations rather than being unsure of developing them. The model still requires people willing to have honest conversations and trust each other enough to reach for a resolution before an issue escalates into a dispute. Building that trust is still on a project-by-project basis and involves team members at all levels of the project.

05 Procurement process: The state of play

A well-functioning procurement process relies on factors such as efficiency, transparency and competition. We explore how the market is balancing these aspects and the improvements that they need to make.

The global transport infrastructure pipeline has never been larger and the pressure that places on procurement has never been greater. Hundreds of billions of dollars of projects need to be planned, tendered, awarded and mobilised if investment ambitions are to translate into infrastructure that gets built. The past year has brought a marked improvement in how that process performs, though gaps in transparency and a changing set of operational pain points persist.

The efficiency gap

All told, 85% of respondents rated their most recent procurement process as either ‘very efficient’ or ‘somewhat efficient’, ranging from a high of 90% in EMEA to 84% in Asia-Pacific and 82% in the Americas, up from 70%, 56% and 68% respectively a year ago. The scale of improvement, particularly Asia-Pacific’s 28-percentage-point jump, suggests either a genuine step change in how major projects are being run – or a shift in perceived efficiency.

The improvement is not evenly distributed by organisation type. Transaction advisories are considerably more confident than government agencies, with 56% describing their process as ‘very efficient’, against just 33% of government agencies. The gap is indicative of something more fundamental than access to tools. [McKinsey’s research](#) into state and local government procurement identifies a consistent pattern of public agencies benchmarking performance only against their own past results rather than against external comparators, limiting their ability to identify how far they actually are behind best practice. Private sector advisors, by contrast, have typically run the same process across dozens of different clients and tools,

giving them both a broader reference point and a sharper sense of where efficiency gains are genuinely available.

Despite the overall gains, avoidable bottlenecks are all too common. Even among organisations rating their process as efficient, the underlying experience is often one of fragmented systems and manual coordination that wastes time and resources that could be directed more productively. As one transaction advisory founder based in the UK says: “The process gets the job done but there are quite a few manual steps involved which can slow things down. We often spend time chasing information across different systems or waiting for updates from multiple stakeholders. While projects eventually move forward, the amount of coordination required can make the process less efficient than it should be.”

A shift in how procurement is approached is a key factor differentiating organisations that are making genuine progress – away from a compliance-driven administrative function and towards a discipline that is actively managed for performance. Audrey Bailly, Business Development Director at Ansarada has observed that shift.

“Procurement maturity is the primary driver of efficiency, and we can see that progress is being made. A few years ago, many teams were still relying on manual processes, spreadsheets, email chains and disconnected systems,” she says. “Today, procurement is increasingly recognised as a strategic function that directly impacts project delivery, risk management and stakeholder confidence.”



Allocating risks

Effective risk allocation shows some of the widest regional variation in the survey. More than half of EMEA respondents (54%) describe risk as having been allocated ‘very effectively’ on their most recent project – more than double the 26% who said the same a year ago. Asia-Pacific and the Americas trail at 36% and 30%, respectively.

Europe’s lead is, at least in part, explained by the relative maturity of project financing models across the region. European transport infrastructure has been delivered through availability-based public-private partnerships (PPP) and regulated concession structures for longer and at greater scale than most markets elsewhere – the European Investment Bank (EIB) alone has financed hundreds of transport concessions across member states, building deep institutional familiarity with how risk should be priced and distributed between public and private parties.

In the Americas, P3 activity remains state-by-state in the US with no federal framework, limiting the accumulation of consistent risk allocation practice at scale. In Asia-Pacific, PPP frameworks across the region’s largest markets – China, India and Southeast Asia – are newer and less consistently implemented, even where Australia and a handful of others have developed genuinely sophisticated programmes. When contracting parties and their funders have deep collective experience of comparable projects, there is a solid existing precedent for how risk can be allocated most effectively.

Full transparency

Transparency and auditability are increasingly regarded as core requirements. Close to half of respondents (48%) now consider them essential to their procurement process, up from 37% a year ago. The shift tracks with the direction of policy at the highest level. The European Parliament’s September 2025 resolution on procurement reform explicitly identified transparency as a priority for the overhaul of EU procurement rules, a signal that even in the region where transparency confidence is among the strongest, the gap between aspiration and reality is widely recognised.

Improvement in practice is real: 29% of respondents describe their process as ‘entirely transparent’ to internal stakeholders, up from just 17% a year ago, and a further 48% view it as ‘very transparent’, for a combined 77%. Transaction advisories report the strongest internal transparency of any organisation type, with 89% considering their process as ‘very’ or ‘entirely transparent’.

Craig McMahon, Business Development Director at Ansarada, explains that the accountability that comes with handling public funds and the increasing adoption of purpose-built procurement platforms is opening up visibility.

"It used to be that your key internal stakeholders might be your transaction managers and project directors, with others standing off in the background and only really getting involved when their role came up. What we’re doing is giving everyone more visibility, because they’re becoming more aware of the broader transaction and the broader process, not just their own piece of it."

Transparency with external stakeholders including the market, bidders and the wider public is considerably lower. Just over half of respondents (55%) frame their transport infrastructure procurement process as 'very' or 'entirely transparent'. One finding here is particularly notable. Despite their public accountability obligations, only 53% of government agencies rate their procurement process as either entirely or very transparent. The public accountability that drives stronger internal transparency among government respondents has not translated into meaningfully greater openness to the outside world.

However, Bailly sees this dynamic as a general feature of how internal and external transparency operate under different constraints. "Internal transparency is easier to control because it sits within a single organisation, whereas external transparency requires balancing openness with commercial confidentiality and competitive fairness – a challenge that remains significant despite progress," she says.

Competitive tension

Competition during the bidding stage is notably stronger in Asia-Pacific than elsewhere, our research shows. Nearly two-thirds of APAC respondents (62%) describe it as 'high' or 'very high', compared with 52% in EMEA. That finding is consistent with the scale of what is being procured across the region. According to PwC, Asia-Pacific will account for more than half of all global infrastructure investment through 2050 – a pipeline large enough to attract an increasingly deep and internationally competitive pool of contractors, advisors and capital.

The trend in European data tells a cautionary tale about where insufficient attention to competition can lead. The European Court of Auditors found that the average number of bidders per EU procurement project fell from 5.7 to 3.2 between 2011 and 2021, while the proportion of tenders receiving only a single bid rose from 23.5% to 41.8% over the same period. On average, 60% of EU procurement decisions still rely solely on price – a figure that varies enormously by member state, from 1% in Croatia and France to over 90% in Cyprus and Slovakia. The European Commission's response is a full Public Procurement Act, due for proposal in Q2 2026, the most significant overhaul of EU procurement law in over a decade and aimed at reversing the competitive erosion and mainstreaming non-price criteria across member states.

Whether Asia-Pacific's current intensity is unambiguously positive is a separate question. Strong competition tends to drive better pricing and innovation, but

in a market where contractor margins are already under pressure after post-COVID fixed-price contracts left many firms nursing losses when inflation hit, intense bidding can accelerate a race to the bottom that carries greater delivery risk. The answer is not less competition but better-designed tendering, where price is one criterion among several, contractors have priced appropriately before award and the process rewards collaborative behaviour rather than adversarial cost recovery once a project is underway.

The Asian Development Bank's (ADB) adoption of a Merit Point Criteria system from January 2026 signals that the region's institutions are already taking steps to prevent that dynamic from taking hold. Mandatory for all internationally advertised works contracts financed by the ADB including transport, energy and water infrastructure, the system introduces non-price factors such as technical quality and sustainability into bid evaluation alongside price, replacing a lowest-cost model that had increasingly been seen as rewarding underbidding rather than capability. It is a recognition that competition is only as valuable as the quality it delivers.

Room for improvement

Aspects of the procurement process that are most in need of improvement are almost equally weighted across three areas: progress monitoring and reporting (49%), community engagement (48%) and documentation (47%). The community engagement reading has more than doubled from 23% a year ago, moving from a background consideration to a more widely recognised delivery risk.

This is well documented in adjacent sectors. An estimated US\$64 billion in US data centre projects has been blocked or delayed by a growing wave of local, bipartisan opposition, according to [Data Center Watch](#). However, this is by no means isolated to the AI build out.

Matt Palmer, Executive Director of the UK's Lower Thames Crossing, has said: "The rise of populist politics is making it all much more about local, local, local. You have to keep the focus on your local environment." Projects that fail to build genuine community understanding early pay for it later in delayed approvals, construction disruptions and the withdrawal of political support.

"When we don't properly engage with the community it can lead to mistrust and wrong information spreading about the project," says the deputy director of a privately-owned transport infrastructure developer in Australia. "Small concerns can quickly grow into bigger issues, making it harder to get approvals and keep the work moving smoothly during construction."

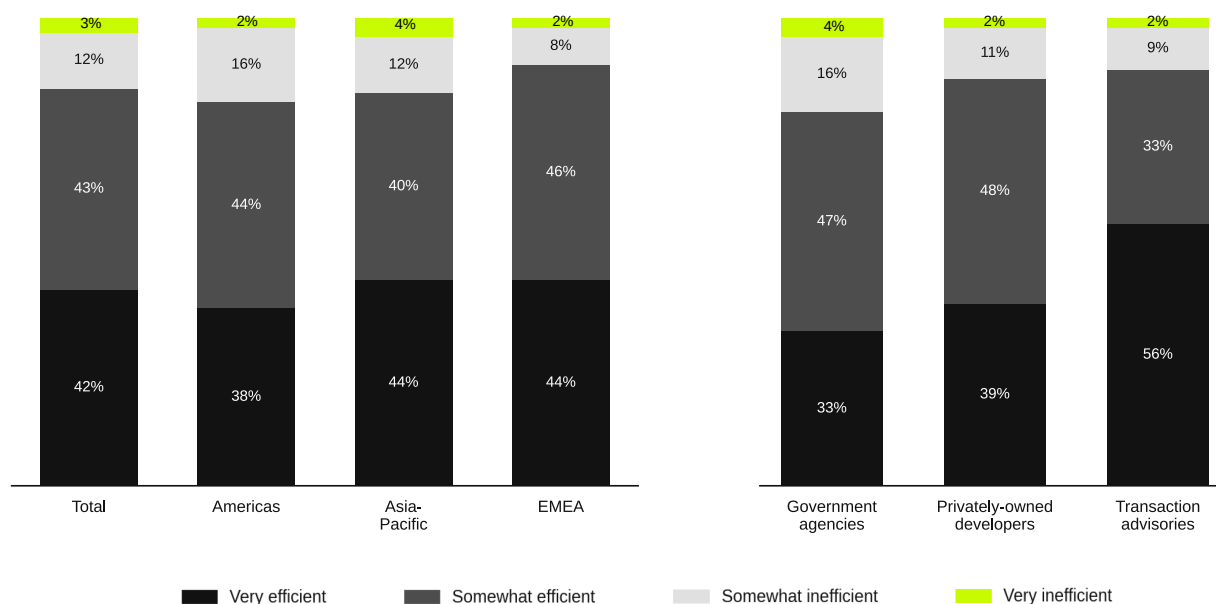
Progress monitoring and reporting is a parallel concern. Procurement processes generate substantial documentation and activity, but converting that into a clear, timely picture of project status that allows decision makers to intervene before drift becomes delay, remains a gap for many organisations.

"Regular reporting helps keep all stakeholders aligned, so contractors, clients and internal teams all know the real status of the project," says the procurement director of a privately-owned transport infrastructure developer in the US. "It is hard to compare planned progress with actual progress if this is not managed effectively."

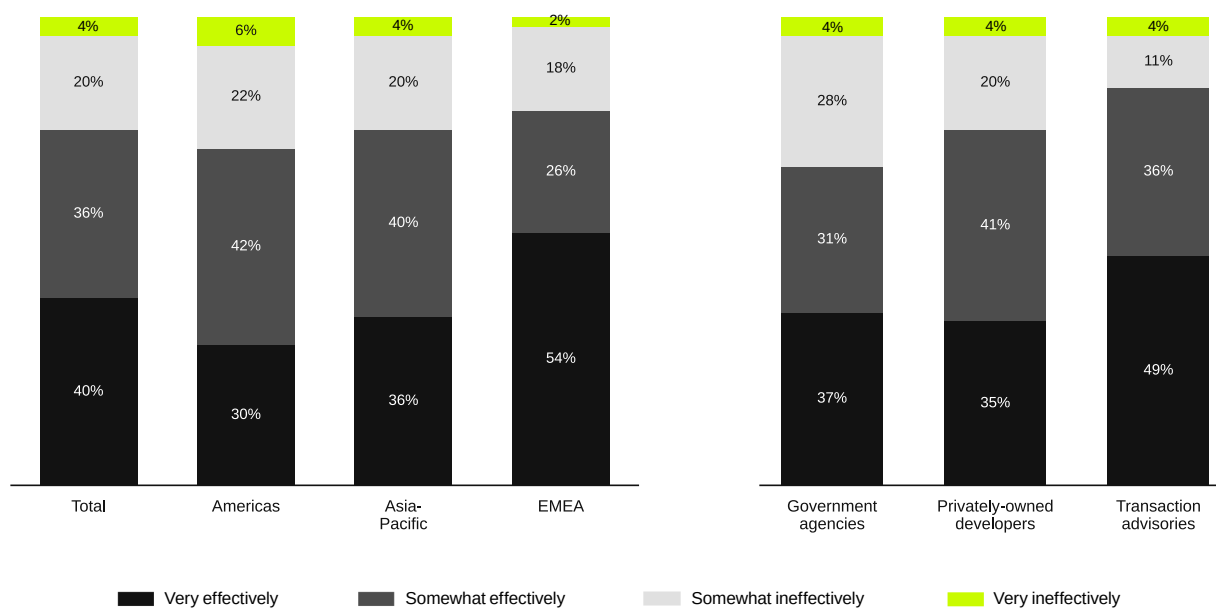
As for documentation, any gaps can carry costs that are easy to underestimate until a dispute forces the issue. Delays and cost overruns tied to material and equipment price volatility and supply chain issues remain a primary driver of disputes, but incomplete or inaccurate records are a recurring aggravating factor, creating confusion when validating completed work or assessing changes.

Procurement-stage documentation is where much of this risk originates. Delay claims typically hinge on identifying the cause, whether that is late site handover, adverse conditions or additional and varied work, all of which depend on records created well before construction begins. If those records are fragmented across systems or incomplete, the effect compounds. Disputes take longer to resolve and the underlying facts become harder to reconstruct with confidence. For organisations already stretched by manual coordination, documentation is the evidentiary backbone of the entire process and the difference, when disputes arise, between a swift resolution and a prolonged one.

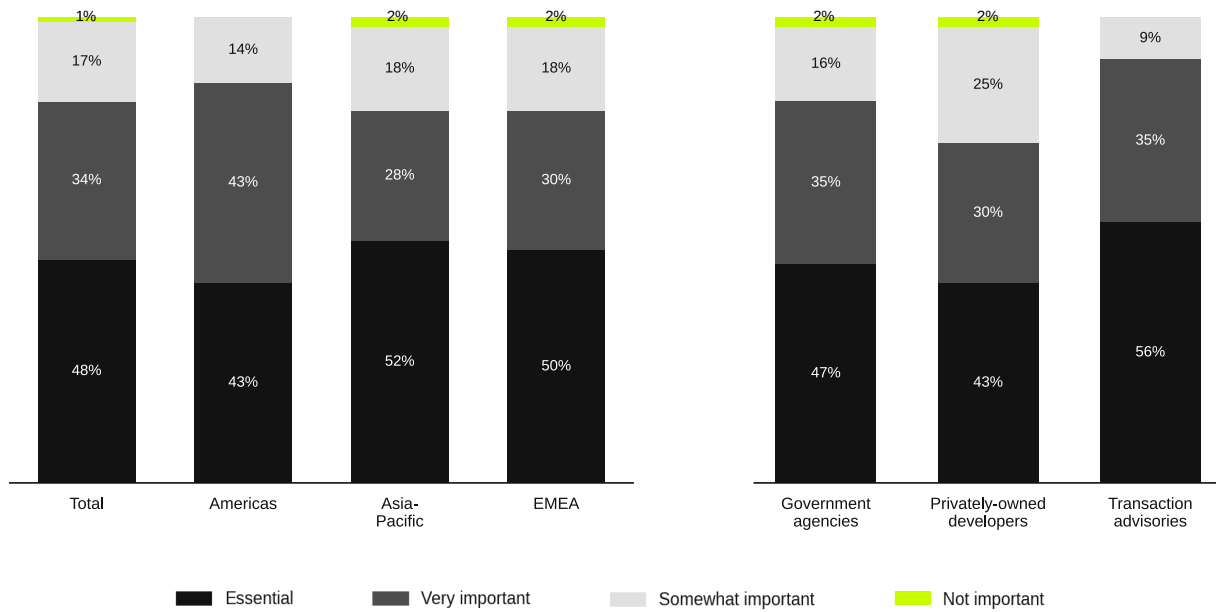
How would you assess the efficiency of the process?



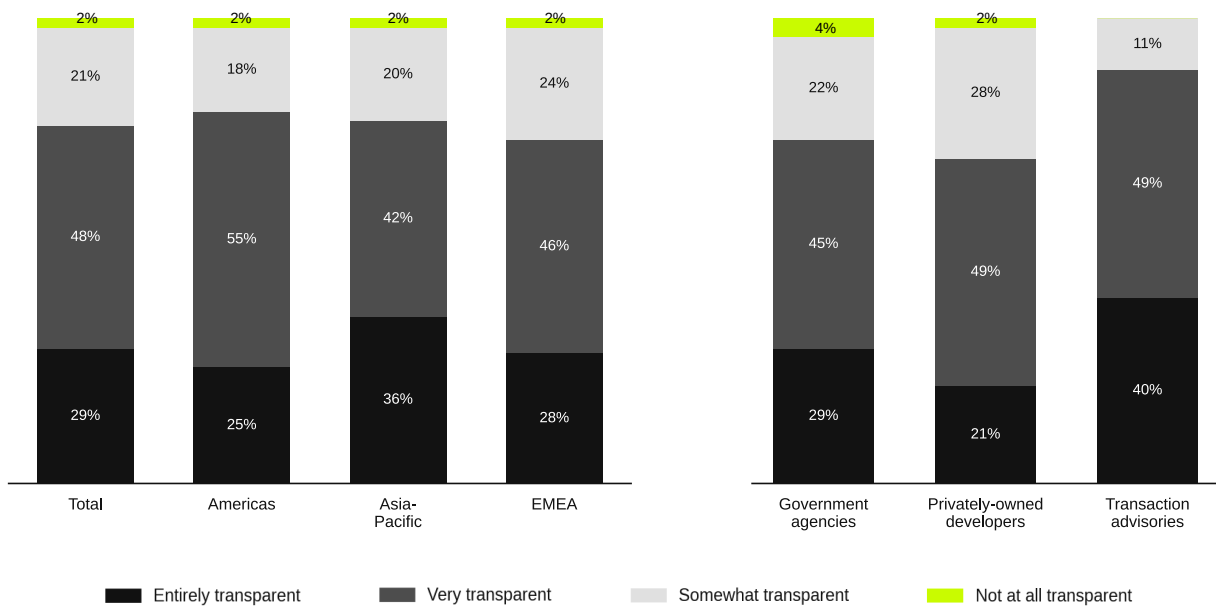
How effectively were risks allocated between stakeholders?



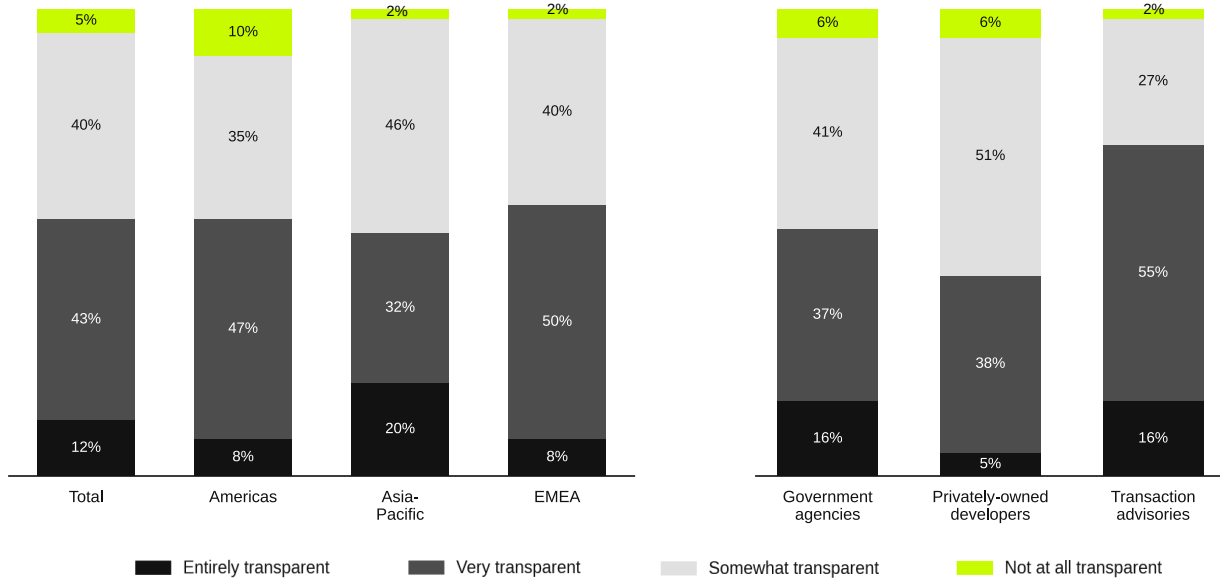
How important are transparency and auditability in your procurement process?



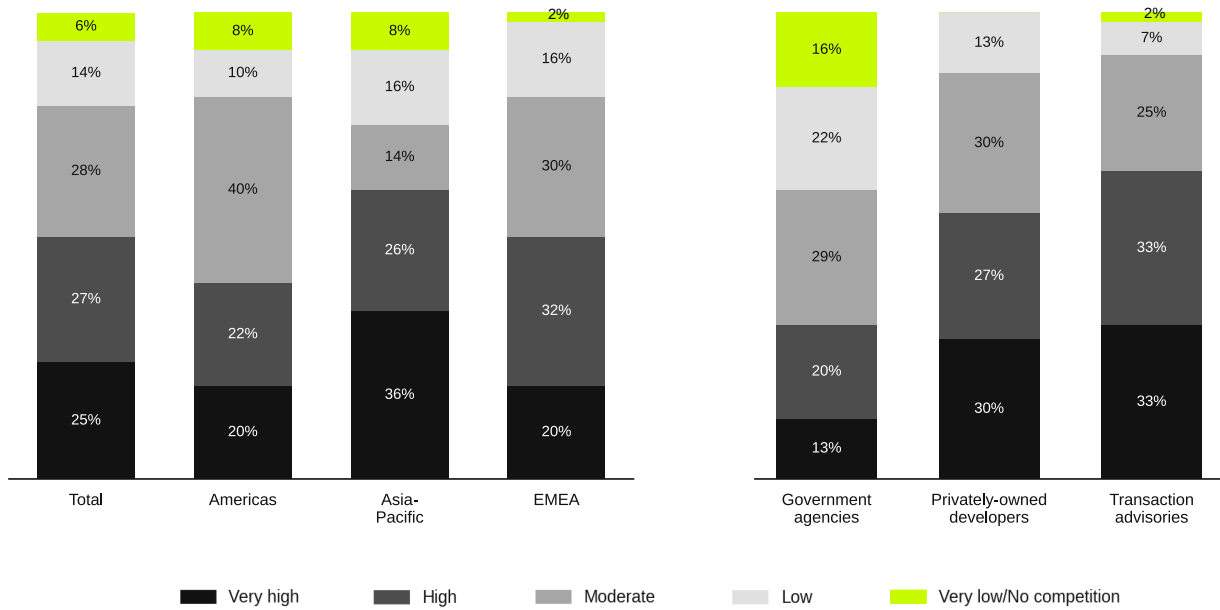
How transparent is your procurement process to internal stakeholders?



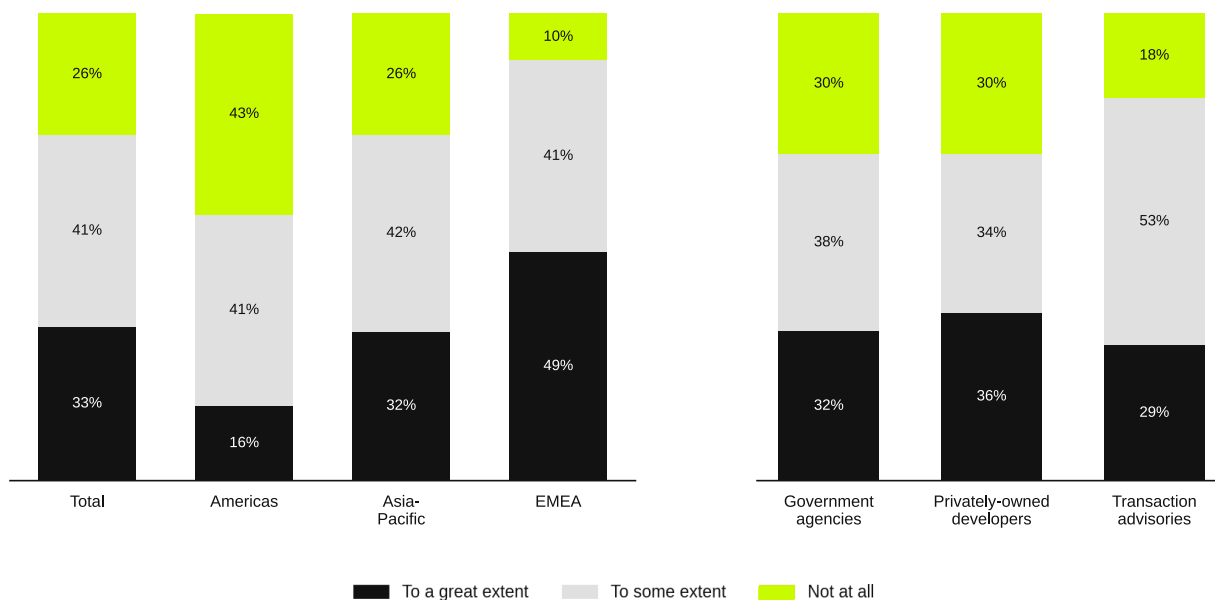
How transparent is your procurement process to external stakeholders?



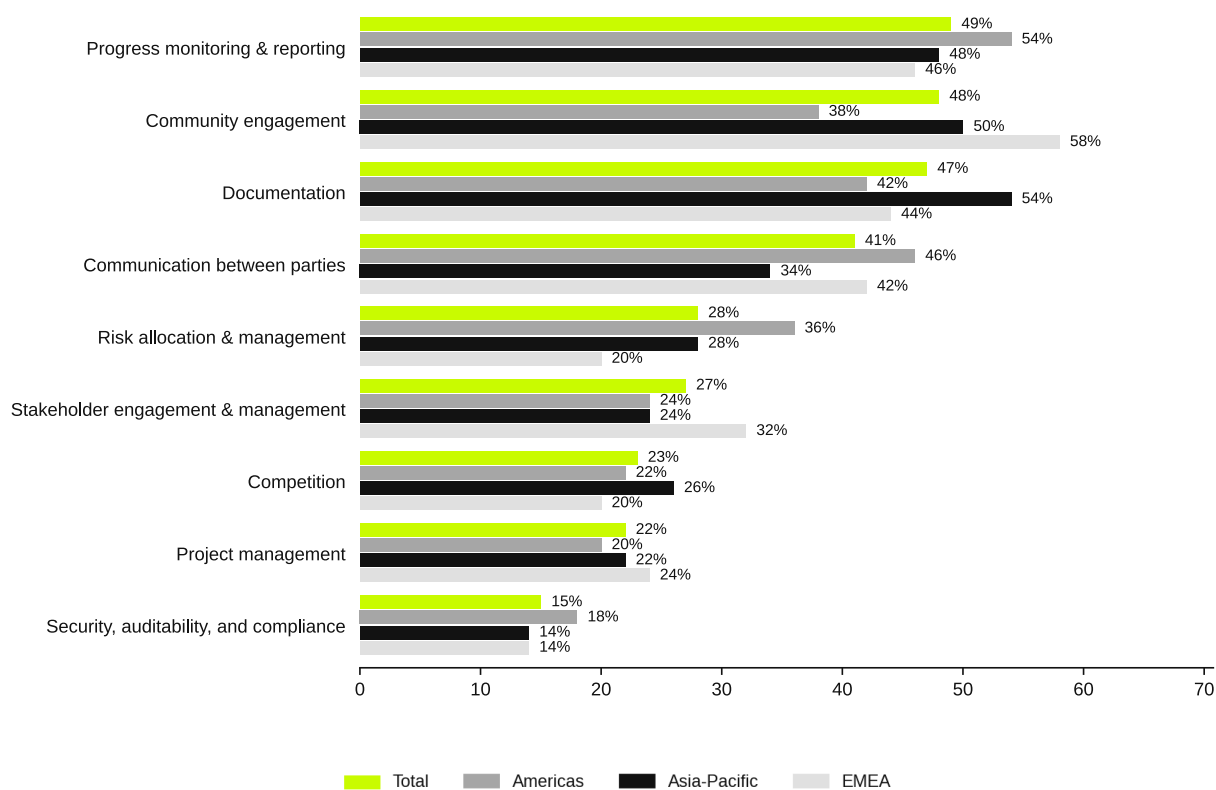
How would you assess the level of competition in the bidding stage?



Did the procurement process integrate ESG considerations?



Which aspects of the procurement process were the most in need of improvement? (Select top three)



Peter Jones

Managing Director, MBB Group



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There is a moral obligation to treat communities with honesty and transparency

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Peter Jones, Managing Director, MBB Group, discusses why Australia's road investment is unlikely to return to the scale of past mega projects, the moral obligation that infrastructure procurement teams have to communities affected by major works and the shift towards delivery partner and ECI models.

Global sentiment appears to be shifting towards roads and airports over rail and seaports. Does that track with what you're seeing?

Broadly yes, on roads, but the character of road investment is changing. I don't think we'll see projects at the scale of WestConnex or North East Link in Australia over the next decade. Melbourne Airport is in constant redevelopment, Brisbane Airport I'd expect to see significant upgrades particularly around the 2032 Olympics, and Perth is going through expansion too. Rail activity around the Olympics is real, but it's more precinct development and local connectivity than the grand suburban rail-loop style projects. The honest read is that

it's less about one mode dominating another and more about investment becoming more directly linked to a specific need case – the Olympics, high-speed connectivity – rather than just infrastructure catch-up, which really characterised the past decade.

Progress monitoring and reporting is the infrastructure procurement area most in need of improvement, according to our survey respondents. Why do you think that's a pain point?

It's less about the tactical mechanics of monitoring and more about drift. The question is whether decision-makers are getting early insight into the project's direction of travel, where a project's trajectory is heading on time

and cost, and being able to act on it. The cancellation of the Queensland leg of Inland Rail in May 2026 is a useful example. When you look at the delays associated with landholder access and consultation arrangements, what you see is a project that drifted without correction. Things are taking too long to move from business case to contract execution to delivery and that middle phase needs to be tightened.

The underlying issue isn't that people don't know how to report, it's that reporting isn't being used decisively enough to pull projects back into line.

The market's perception of infrastructure procurement efficiency has improved significantly. What do you think is behind that shift?

Practice makes perfect, but it's more than just repetition. Australia has undertaken some extraordinary procurements over the last decade, and the people running major projects today are drawing on genuine hard-won experience of what can go wrong. There's also a cohort dimension worth noting. When we came out of the global financial crisis, a lot of very senior and experienced capacity left the industry, creating a generational chasm where projects that should have been run by people with over 30 years' experience were being run by people with 15 or 20 years' experience. Not only was experience lost but the next generation lost access to their mentors. We're now a decade on from that, and the people at the helm today have learned enormously from that period. One practical marker: the level of field investigation we do now is 10 times what we did 10 years ago, and that goes directly to efficiency, it reduces unknown risks and gives the market something it can actually price with confidence.

Community engagement has emerged as a top area of infrastructure procurement needing improvement. What does getting it right actually look like?

An infrastructure project is immensely disruptive, the construction is big, noisy, often 24/7. For communities experiencing that, there is a fundamental need for a clear, honest understanding of what the project entails, what it means for them in real terms, what the mitigations are and when it's going to end. There's a subset of this conversation which is particularly challenging – land acquisition. The social licence needed around this is something else entirely. It demands you recognise this is something deeply personal, it's somebody's home, their land, their lived experience, and something you must absolutely engage respectfully around. Energy transition projects have encountered this acutely, and high-speed rail will face the same thing. There is a moral obligation to treat communities with honesty and transparency about what's happening and when it will stop.

ESG considerations have fallen sharply over the past year, both as a standalone factor in risk allocation and in how far they're integrated into the infrastructure procurement process overall. Does that align with what you're seeing?

At the risk of two contradictory statements, both of which I think are true, ESG is far more embedded as part of the standard procurement process than it was. The consideration of environment, sustainability and governance is less a standalone initiative now and more just what projects do, to greater or lesser degrees. It's less prominent because you're not shining a spotlight on it in the same way.

At the same time, there is a rising tide that gives me some pause. There is rhetoric emerging about whether we're overpaying for projects because of ESG, the language of red tape and cost blowout. I'm not seeing it translate into execution yet, but it's in the ether, and if we don't keep pushing forward on sustainability, there's a real risk of some quite negative outcomes. The question is how you value cost and what you include in the cost matrix. Some of the current rhetoric is trying to squeeze that cost bucket, and some of it may be a necessary correction – greenwashing has been a thing but there is a risk of overcorrection leading to poor outcomes. That said, it's a classic case of the Overton window moving. If you stand still for long enough, it swings back.

What infrastructure procurement innovation or emerging practice do you think has the greatest potential to improve project outcomes over the coming years?

Two themes that are somewhat linked. First, we're seeing major procuring agencies move toward delivery partner and capability partner models, engaging with industry much earlier in the development cycle, with a stronger focus on constructability, programme, and early and enabling works logistics. The allied version of that is early contractor involvement (ECI) and we're seeing a lot more of it. Both represent a fundamental shift in the conversation.

The traditional model was simple. Here are my requirements, go away and bid against them. We then went through a period of requirements-based bidding with more interaction. This presents a different experience, but it's still fundamentally the same structure.

What delivery partner and ECI models do is challenge the requirement itself. It's less about responding to a client's stated brief and more about asking whether that brief is actually right. That requires a level of maturity in procuring agencies that is a step up from where things have been. It's about applying a deep understanding of the commercial, technical, environmental and community stakeholder dimensions that shape whether a requirement holds up in reality. That's where I see the genuine shift in behaviour that can drive better outcomes.

06 Procurement process: Risk and reward

Success in the procurement process relies on a multiplicity of factors. Respondents reveal the key aspects and risk allocation measures that contribute to successful procurement.

Procurement frameworks continue to evolve, but respondents remain remarkably consistent about what ultimately determines success. Comprehensive project management is once again the clear front runner, selected by 69% of respondents as one of the biggest determinants of a successful transport infrastructure process. This is comfortably ahead of every other factor and ranks first across every region and organisation type. Comprehensive risk allocation and management follows at 59%, while stakeholder engagement (43%) and security, auditability and compliance (39%) complete the leading group.

Procurement has become increasingly difficult to coordinate. Major transport procurements involve thousands of documents, multiple evaluation stages and large numbers of internal and external stakeholders, all operating under tight governance requirements and fixed delivery timetables. Keeping every workstream moving, ensuring decisions are made on schedule and maintaining a single source of truth throughout the process has become just as important as the commercial structure of the procurement itself.

Delays at any stage, whether caused by document versioning, slow approvals, fragmented communications or incomplete audit trails, can quickly cascade into missed milestones, increased bid costs and delayed project delivery. That helps explain why project management continues to outrank every other success factor.

"We are always looking for technologies that can either enhance our sourcing methods or increase the overall efficiency of the projects, giving us better visibility in managing our projects," says the deputy director of a privately-owned transport infrastructure developer in Australia.

Comprehensive project management is once again the clear frontrunner, selected by 69% of respondents as one of the biggest determinants of a successful transport infrastructure process.

Risk sharing is caring

The methods that organisations consider key to effective risk allocation have reshuffled from a year ago.

Financial risk-sharing incentives and advanced risk analysis tools have risen to the top of the rankings, cited by 78% and 77% of respondents respectively, up from 49% and 53% last year, when comprehensive insurance led the field. Every other method has also risen. The sole exception is ESG. Cited by 52% of respondents last year as key to effective risk allocation, it has now fallen to just 27% – the only method to have declined, and by a wide margin.

That collapse is even more pronounced when respondents were asked to single out just one risk allocation method they view as most critical. A year ago, integrating ESG matters topped that list, selected by 22% of respondents. This year, just 5% say the same, placing it last. Advanced risk analysis tools have taken the top spot at 25%, with financial risk-sharing incentives close behind at 21%.

Financial risk-sharing incentives, in the context of major transport infrastructure procurement, typically take the form of alliance arrangements and early contractor involvement models, where contractor margin is tied to project performance outcomes rather than fixed upfront. Pain-share/gain-share provisions are the most common expression of this – mechanisms that incentivise both client and contractor to identify efficiencies and resolve problems collaboratively, because both parties absorb the financial consequences of getting it wrong and share the benefit of getting it right. The effect is to align incentives in a way that fixed-price contracting historically has not, reducing the adversarial

dynamic that tends to emerge when one party carries all the downside of cost overruns or programme delay.

Advanced risk analysis tools encompass quantitative risk modelling, simulations for cost and schedule uncertainty and increasingly AI analytics that can process large volumes of project data to identify risk concentrations, model scenario outcomes and generate defensible, auditable documentation of how risk decisions were reached.

Government agencies show the strongest preference for risk analysis tools, 33% citing it as their single most important risk allocation lever, which is consistent with the governance pressures unique to public procurement. Where every significant decision may be subject to audit, parliamentary scrutiny or a Freedom of Information request, a method that produces a clear, documented, quantified basis for risk allocation is essential. The ability to reconstruct how a risk decision was made, and why, months or years after financial close, is precisely what these tools are designed to support.

ESG still matters

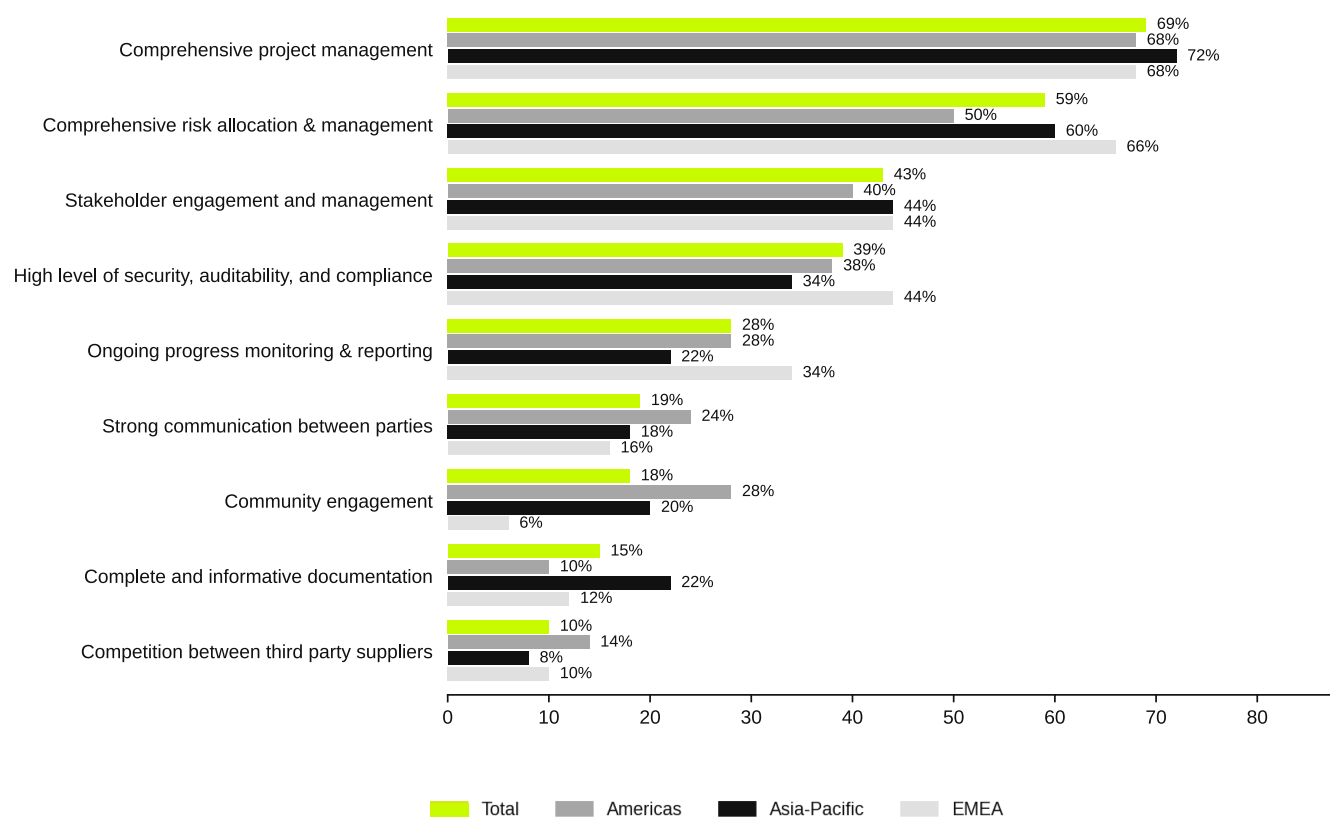
The ESG reversal deserves careful interpretation. The finding does not sit in isolation. KPMG's *Global Construction Survey 2025/2026*, for example, found that sustainability expectations from stakeholders now feature so strongly across the industry that ESG should be understood as a mainstream risk rather than a niche concern. It is no longer a distinct category requiring its own treatment, but a baseline expectation running through every other risk consideration.

"I don't believe sustainability is becoming less important," says Bailly. "A few years ago, it was often discussed as a standalone objective. Today, many ESG requirements have become embedded in the procurement framework itself, in supplier assessment, in governance processes. Instead of being deprioritised, ESG is simply becoming part of standard procurement practice."

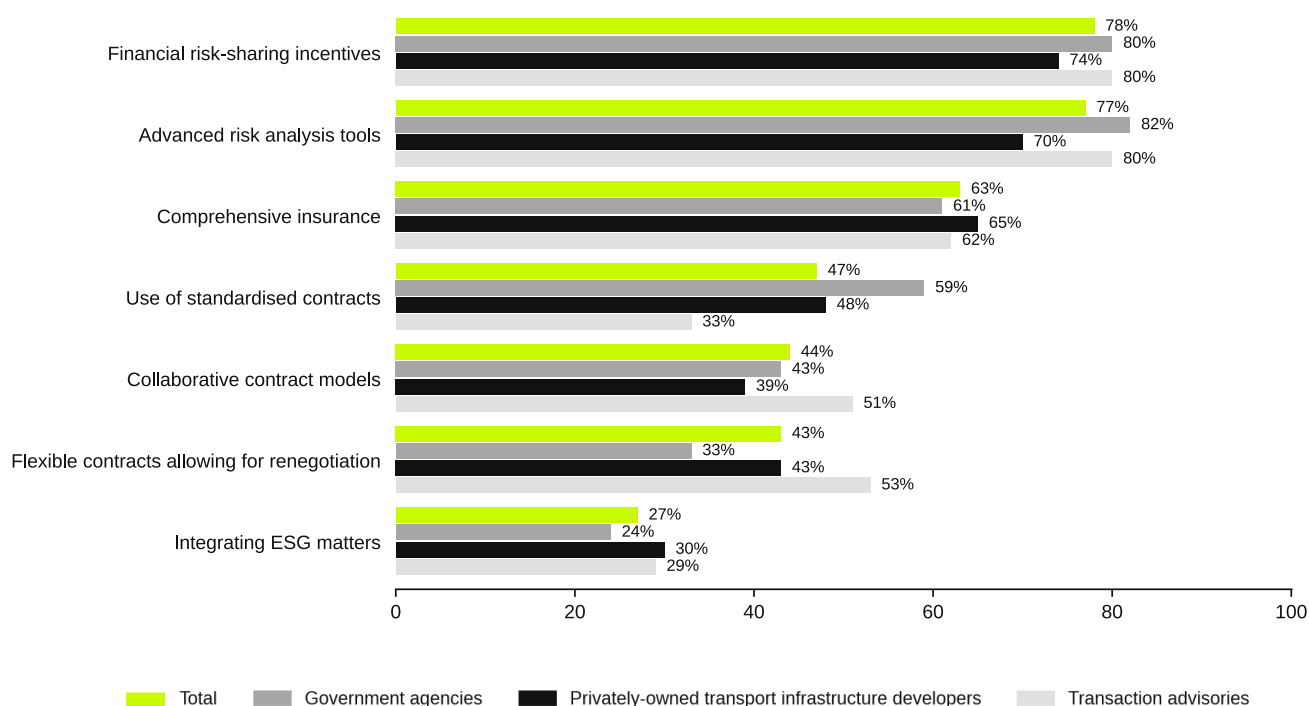
McMahon concurs, drawing on a specific example shared by a head of major projects in Victoria, Australia, whose organisation had a key project significantly affected by a climate-related disruption. "Because of that, for all subsequent projects, they bake the climate focus into their planning early on, rather than it being a reactive piece. It's been embedded in their procurement processes rather than treated as a bolt-on and that's not just from a climate perspective but from a social one too."

The reality is that ESG is still very much a risk factor and one that has major commercial implications. Considerations are increasingly integrated into the planning and risk-allocation processes from the outset. ESG is ceasing to be something procurement teams treat as a separate discipline and instead is becoming part of how risk is assessed and managed as a matter of course.

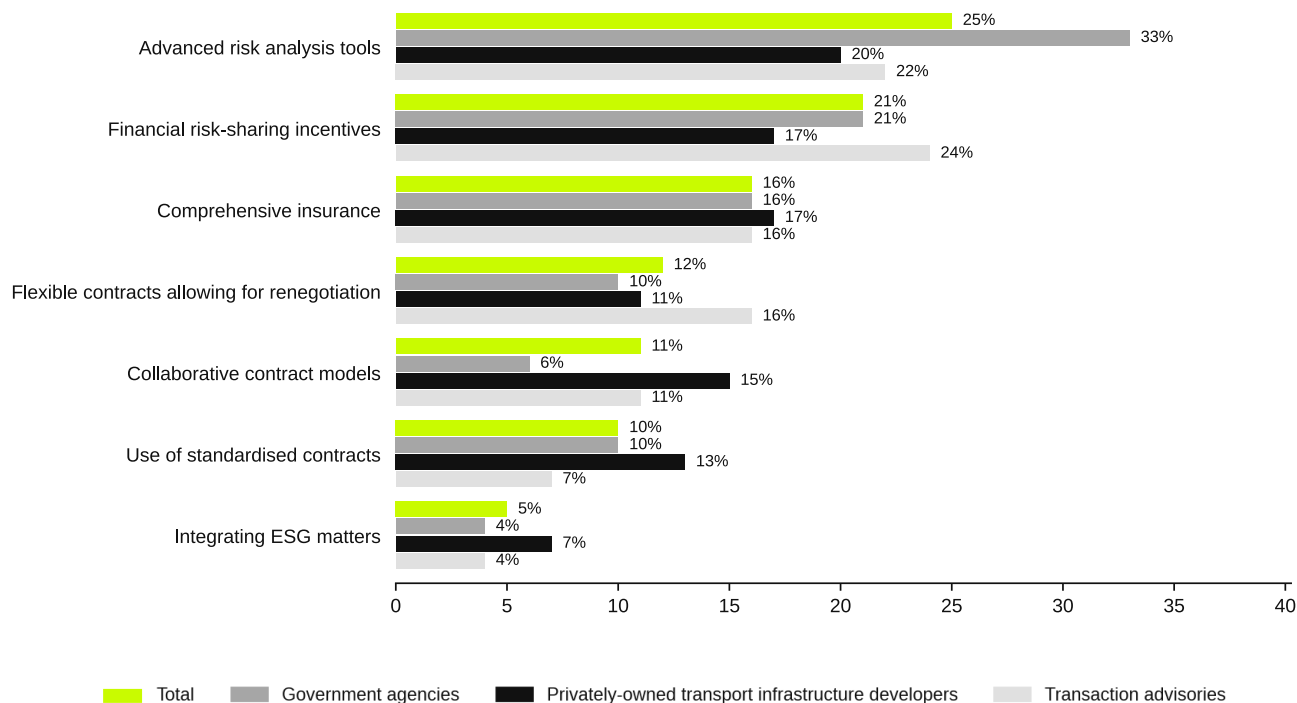
What are the most important factors contributing to the success of a procurement process? (Select top three)



Which of the following are key to effective risk allocation in transport infrastructure projects? (Select all that apply)



**Which of the following are key to effective risk allocation in transport infrastructure projects?
(Select the most important)**



Amanda Branley

CEO and founder of The Procurement Coach



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Conflicts of interest are consistently underestimated

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Amanda Branley, CEO and founder of The Procurement Coach, on over-specified tenders, the hidden competition risks of incumbent relationships, and why conflicts of interest are procurement's most underestimated governance challenge.

You previously served as the chief procurement officer of the Public Transport Authority of Western Australia. Moving from a government agency to advising across multiple clients, what's the single biggest difference between how procurement looks from the inside versus from the outside?

When you're the buyer, there's a tendency to over-specify – to define not just what outcome you need but exactly how it should be delivered. What I've found on the outside is that the market often knows how to solve the problem better than the buyer does. Tightly written specifications stop suppliers from bringing in more advanced or efficient solutions. You end up getting the black widget when perhaps a grey one with spikes would

do the job better. The other thing that struck me is how organised and knowledgeable the market is. People working inside buying agencies, particularly in government, often don't have category specialists. They apply a one-size-fits-all approach to a very broad range of procurements, and that gap in market knowledge shows.

Competition during the bidding stage is rated highly by Asia-Pacific respondents, but you've spoken about how legislative carve-outs and incumbent relationships can quietly erode competitive tension. What did that look like in practice?

Carve-outs are a good example of how competitive tension quietly erodes, even when the intent behind them is sound. Some exemptions exist for

good reasons, such as supporting Aboriginal and Torres Strait Islander businesses, or recognising a genuinely limited market where only one or two suppliers can meet the requirement. The risk shows up when an exemption becomes a habit rather than a decision. If you consistently go direct to the same supplier, you build a strong relationship, and with it, significant incumbency risk. You stop testing the market, stop understanding what else is out there, and lose the comparative pricing and performance data that come from regular competition.

The real exposure comes if something happens to that supplier, whether that's a capacity issue, a commercial dispute, or they simply exit the market. By then you've let other supplier relationships lapse, so you have no fallback and limited leverage to negotiate a fair outcome. The practical safeguard is treating every carve-out as a decision with an expiry date, not a permanent arrangement. Revisit the justification periodically, keep a watching brief on the broader market even when you're not buying from it, and be honest about whether the original conditions for the exemption still apply.

Skills gaps have risen sharply as a concern across our survey. Is the shortage more about headcount or about a deficit of senior experience?

It varies by market. In Western Australia, it's less about headcount and more about mobility. There are experienced procurement people in New South Wales scratching for work, while we can't get them to come to Perth. Part of it is housing – Perth now has property and rental costs comparable to Sydney, which is extraordinary for a smaller city. People can't get accommodation, so they don't come, and then we don't have the workforce to build the housing either. It becomes circular. The skills are out there across Australia – they're just not where the projects are.

Progress monitoring and reporting came out as the area most in need of improvement in transport infrastructure procurement. What's behind that?

In Australia, there's a lot of investment in creating the deal – sourcing strategy, market engagement, contract structure – and not nearly enough in what happens after. The contract goes out into the business and that's where the monitoring and reporting fails. We also don't use technology well enough. Legacy systems are deeply entrenched, the data is often disparate, and people don't always know what they have access to. I saw this clearly with indigenous and social procurement reporting – we were asking suppliers to self-report outcomes, but we couldn't trust the data or verify it properly. When you've got big projects with large workforces, you're often not sure whether you're counting the same person twice. We need the systems and the discipline to actually close that loop.

Research by the Chartered Institute of Procurement & Supply shows procurement is now directly owning ESG responsibility in far more organisations than a year ago. Our survey shows ESG has dropped sharply as a standalone risk factor. Do those two things contradict each other?

I don't think so. Regulatory reporting requirements through the Australian Securities & Investments Commission (ASIC) mean organisations now have to produce sustainability reports as a standard part of corporate governance – it's no longer a separate initiative. Procurement is seen as the lever that can actually deliver on those commitments, not just set them. The challenge is that Scope 1, 2 and 3 reporting is still quite checkbox-driven in Australia. People are filling it in to the best of their ability and hoping it goes away. The drop-off is also partly a response to competing pressures – tariffs, energy costs, global economic volatility. In some regional parts of Western Australia, diesel prices went up nearly three times following the conflict in the Middle East and haven't fully recovered. If you're managing logistics in the Kimberley, that's not an abstract ESG challenge, it's an operational one. The focus shifts accordingly.

You've run procurement for major public transport projects over many years. What does an organisation actually need in place to execute a major procurement well and defend it if it's ever challenged?

Conflicts of interest. That's the area I'd focus on first and it's consistently underestimated. Perth is a small market – people know each other, people are related to each other, people are invested in companies that bid for government work. When a senior executive's family member is in a firm that wins contracts, people ask questions and you need to be able to answer them. That means being able to show exactly who had access to what information, at what stage, and what influence they had over the specification or the selection process. We built internal tools to cross-reference employee data with company directorates to identify potential conflicts before they became problems. We also tracked contract awards to spot patterns – three very similar contracts to the same supplier for very similar amounts on consecutive days is the kind of thing that needs to be investigated and explained. The organisations that defend their procurements well are the ones that have done that groundwork before the auditors arrive, not after. Having the data in a system that makes that reconstruction straightforward has become absolutely essential.



07 Procurement and digitalisation

The digitalisation of procurement has been one of the most consistent storylines in transport infrastructure over the past several years. The pace of change recently, however, has been unusually sharp.

Three converging pressures have accelerated the digitalisation of procurement over the past two years: margins across major contractors have tightened significantly since the post-COVID repricing of fixed-price contracts; delivery timetables on complex programmes have become less forgiving as political and funding cycles shorten; and regulatory requirements around probity, auditability and data governance are intensifying across the EU, Australia and a growing number of other markets.

In the EU, the Digital Operational Resilience Act now places procurement at the centre of operational resilience, requiring ICT and third-party contracts to support resilience testing and risk management, with its impact expected to grow through 2026 – a shift reinforced by parallel government mandates for e-submission, e-invoicing and standardised procurement documentation.

In Australia, updated Commonwealth Procurement Rules took effect in November 2025, and the Australian National Audit Office's (ANAO) own recent audit work has been explicit that weaknesses in governance and documentation can limit transparency over how key procurement decisions are made. Combined, these pressures have pushed procurement from a function where digital tools were useful to one where they are close to non-negotiable.

Every respondent surveyed now uses at least one software programme or platform to run their procurement process, compared with just 83% a year ago, when 17% said they used no software at all. The average organisation now runs 3.2 separate platforms, up from 2.6 the prior year.

Fit for purpose

Every respondent surveyed now uses at least one software programme or platform to run their procurement process, compared with just 83% a year ago, when 17% said they used no software at all. The average organisation now runs 3.2 separate platforms, up from 2.6 the prior year, the biggest increase being in Asia-Pacific, where the average has jumped from 2.1 to 3.3.

Running three or more separate tools across a single procurement process – each managing a different stage, a different stakeholder group or a different document type – creates exactly the kind of fragmentation that purpose-built procurement software like Ansarada Procure is designed to eliminate. Where a general-purpose file sharing system, a project management tool and an email platform are each doing part of the job, no single controlled environment holds a complete, auditable picture of the process. Encouragingly, purpose-built software specifically was used on 68% of respondents' most recent major transport infrastructure projects, almost double the 39% recorded a year earlier.

That surge in adoption has been accompanied by a marked shift in what respondents expect from the tools they use: 73% now consider it essential that procurement software be of good quality, up from just 40% a year ago. The change in attitude is most pronounced in Asia-Pacific, where the figure has more than doubled from 30% to 74%, and among transaction advisories, where it has risen from 31% to 80%. Organisations no longer think about these platforms as basic repositories for documents and approvals, but as the primary source of truth for major procurement decisions.

Manual labour

Despite this, a substantial proportion of organisations' procurement processes remain only partially digitalised. Just over a fifth of respondents (21%) describe their current process as 'fully' or 'mostly manual', rising to 35% in the Americas, against 22% in Asia-Pacific and just 8% in EMEA. Legacy infrastructure is the most commonly cited barrier, identified by half of all respondents as a top challenge to further digitalisation, ahead of a lack of in-house expertise (most acute in Asia-Pacific, at 40%) and siloed data, a particular concern in the Americas, where 43% identify it as a significant hurdle.

Bailly offers an alternative diagnosis. In her experience, legacy systems are rarely the real obstacle. The more common friction is organisational resistance rather than anything technical. "It's more about change management pace rather than system integration," she says. "Most organisations have established systems, processes and ways of working that have evolved over many years. Those are often deeply embedded even if they are substandard."

Sometimes that resistance stems from concern that increased automation could replace roles or reduce the need for human involvement. "Digitalisation of procurement means reducing mundane tasks. It's about enabling people to focus on the higher value activities, which does not include copying spreadsheets," she adds.

This digitalisation imperative and its benefits are echoed by a project leader of a privately-owned transportation infrastructure developer in Austria, who says: "There is a need to focus on more value-added activities as compared to doing filings and document uploads manually, and we do know of tools out there that can handle these jobs by AI, reducing the stress on our staff and providing more operational effectiveness."

21%

describe their current process as 'fully' or 'mostly manual', down from 30% one year prior.

Data security

Project management tools are now used by 94% of respondents to manage communication and documents with bidders and internal stakeholders, up from 65% a year ago, while document management systems are used by 91%, up from 71%. Email, by contrast, has fallen from the most commonly used channel to one used by 62% of respondents, down from 83%.

A major transport infrastructure procurement involves thousands of documents being shared simultaneously across government departments, transaction advisors, legal and financial teams, and competing bidders. When that happens across email, shared drives and disconnected systems, data leakage risk rises exponentially. Structured, purpose-built systems are displacing the informal, fragmented channels that long defined how procurement teams communicated.

"There's definitely a shift underway from more manual processes and more disconnected systems, where procurement was effectively run across so many disparate channels – email, shared drives, physical documents, spreadsheets. The surface area for security failure was significant, but not really manageable or tracked," says McMahon.

The security implications of this progress are considerable. Confidence in data security has jumped over the same period. A year ago, 35% of respondents said they had 'no confidence at all' in the data security of their transport infrastructure procurement process. That figure has fallen to just 9%, while 82% now describe themselves as 'very' or 'completely confident'.

"Clients are now much more attuned to data requirements and sovereignty, and they've moved to purpose-built platforms with defined role-based access and audit trails," McMahon adds. "People are asking for security certificates now, whereas it was rarely a consideration two or three years ago."

Track record

Digitalisation is reshaping not just how transport infrastructure is procured but how it is operated, maintained and extended over its lifetime. While procurement software is transforming the front-end of the project lifecycle, a parallel digital transformation is underway in asset management.

Among the various technologies respondents see as having significant potential to transform the provision and maintenance of transport infrastructure, the IoT remains the clear leader, cited by 68%, consistent with last year.

The case for IoT in transport infrastructure maintenance is increasingly borne out by real-world deployment. Japan's Shinkansen, long the global benchmark for reliability, now runs continuous IoT monitoring across thousands of sensors in tracks and carriages, analysing real-time data to detect wheel wear and electrical anomalies before they worsen, achieving 90% accuracy in failure prediction. The network began retiring its famous Doctor Yellow dedicated inspection trains from 2025, precisely because continuous sensor-based monitoring has made scheduled inspection vehicles redundant.

Deutsche Bahn has similarly embedded IoT across its fleet, with vehicles transmitting condition data continuously while in operation or when passing through fixed checkpoints, enabling AI-driven fault prediction and depot capacity optimisation in real time. Meanwhile, Indian Railways, the world's fourth-largest railway system, operating over 15,000 locomotives and 91,000 passenger coaches, is in the midst of one of the largest IoT retrofit programmes anywhere, transitioning from time-based to predictive maintenance across a network of 135,000 kilometres, with the Ministry of Railways allocating ₹2.8 trillion (US\$33 billion) for infrastructure, safety and digitalisation in 2024-25 alone.

"IoT, VR and AI are some of the new technologies we are leveraging to make our maintenance processes more effective and efficient. VR for training our maintenance staff, IoT to ensure we get signals that communicate with our teams effectively and AI to predict and schedule maintenance procedures," says the procurement manager of a privately-owned transport infrastructure developer in the UK. "Everything is being linked so that we can better understand the operational scenarios and perform our duties accordingly."

Although not scored as having the highest potential, augmented reality (AR) shows the steepest year-on-year gain of any technology on the list, nearly doubling from 31% to 58%, overtaking AI (48%) for second place. There are genuine operational applications beginning to emerge. London St Pancras Highspeed, the infrastructure owner for the UK's only high-speed rail line connecting London to continental Europe, has been trialling AR as part of its digital transformation programme, with engineers using headsets to access real-time data from asset management systems on-site rather than relying on paper-based nightly inspections. By combining AR with remote condition monitoring and 3D asset mapping, maintenance can also be carried out remotely from an office or depot during cold weather, heavy rain or extreme heat, when it would be unsafe to have teams working trackside.

However, the gap between recognised potential and large-scale deployment is still wide. A 2025 systematic review of 80 peer-reviewed studies on AR in industrial maintenance, for example, concluded that while its use cases are real and growing, large-scale deployment remains limited due to hurdles such as poor data quality and outdated asset information in legacy systems making AR overlays unreliable, the need for high-precision geometric and geographic context that most rail operators don't yet have, inconsistent connectivity in tunnels and trackside environments, and the cultural resistance of experienced maintenance teams to changing established workflows.

"Currently, it's a bit more speculative than genuine," says McMahon, drawing the same distinction. "The concept of AR, or AI, is often conflated with real operational readiness. There's a fine line between what's technically achievable and what's practically achievable today. People tend to get excited about new technology before the underlying data, integration, skills and foundations are fully in place to support it. But it's definitely emerging."

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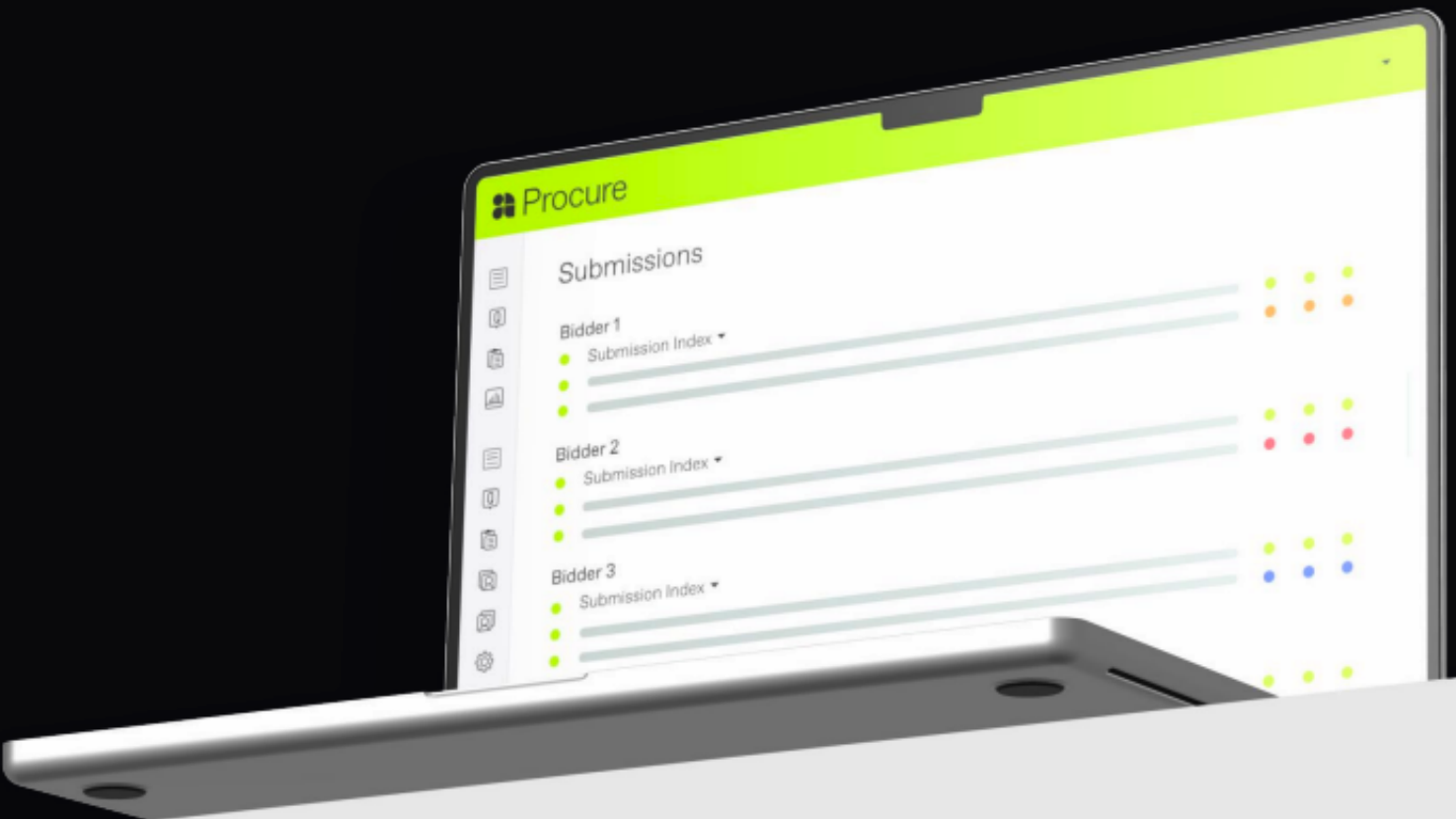
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Access all areas

On the benefits side, improved security is the most commonly cited advantage of digitalising the procurement process, highlighted by 48% of respondents overall and rising to 66% in Asia-Pacific. Time savings (34%), instant auditability (34%) and better user experience (32%) are more evenly distributed as benefits across EMEA and the Americas.

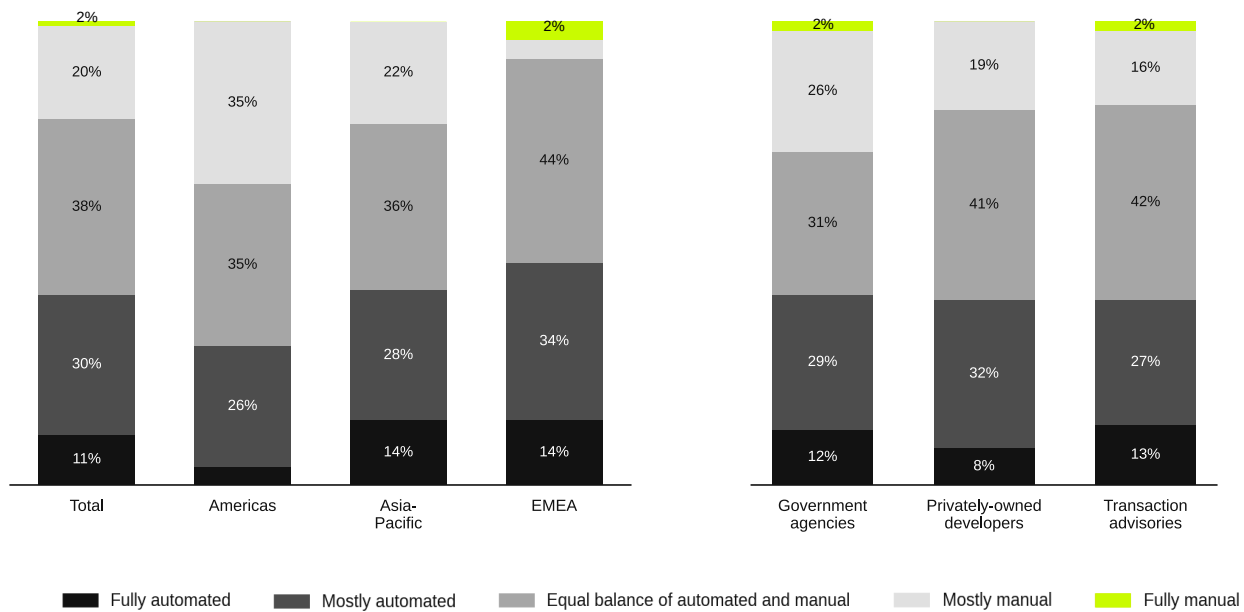
In a process where thousands of documents move across dozens of internal and external stakeholders under strict probity requirements, controlling who can access what, and being able to demonstrate that control after the fact, is a central concern. Getting it wrong risks commercially sensitive evaluation documents reaching the wrong bidder; a competitor gaining access to a rival's confidential submission; or internal deliberations becoming visible to parties who should not see them. In a process where probity is a legal requirement and procurement decisions may need to be reconstructed and defended months or years later, access control and auditability are fundamental to the integrity of the process itself.

With the right platform, organisations can control access at every stage, manage permissions, monitor activity and maintain a complete audit trail. That level of visibility helps reduce risk and gives teams confidence that sensitive information is being managed appropriately.

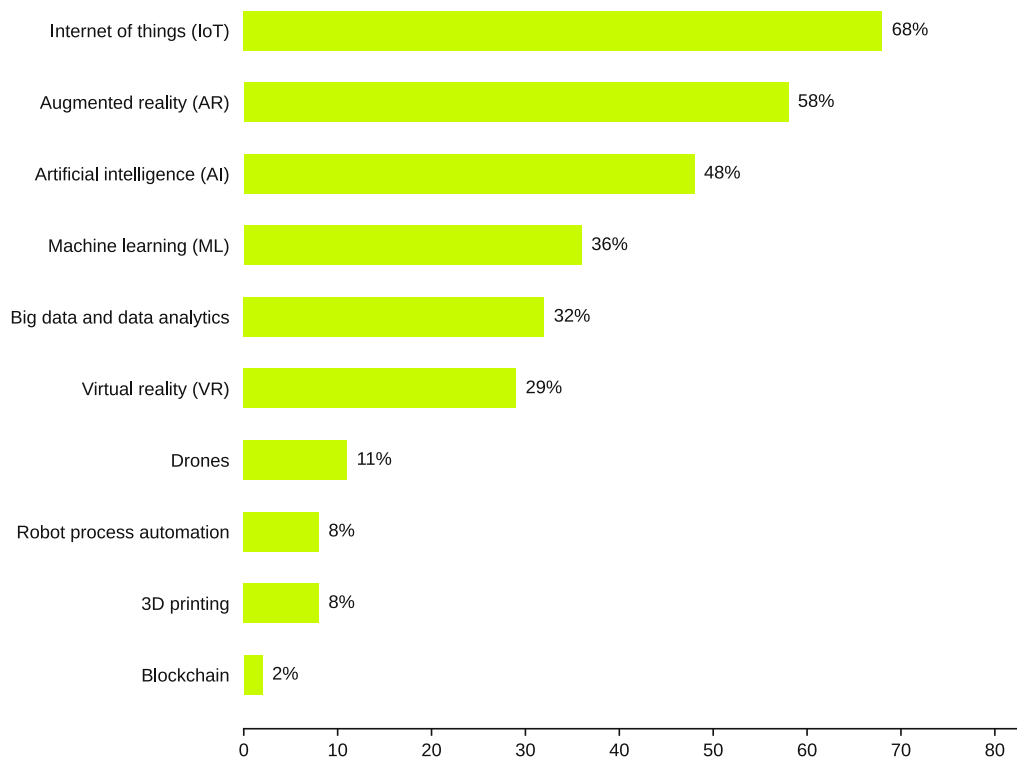
Openness to further digital transformation remains high and largely unchanged since last year: 75% of respondents agree their organisation is open to adopting new technologies to improve procurement processes versus 73% in the survey 12 months ago. That stability, against a backdrop of significant progress in actual adoption, suggests appetite is not the constraint. The more binding limits of siloed data and organisational inertia determine how quickly that appetite translates into real-world digital adoption. The evidence from organisations that have made the transition most successfully points consistently to the same approach. Solve one or more well-defined procurement problems first. Prove it works. Then scale it.

"It's not just about storing documents securely. Sensitive information is constantly being shared between internal teams, suppliers, advisors and external stakeholders," says Bailly. "When that communication happens across email, shared drives or disconnected systems, it becomes very difficult to know who has access to what."

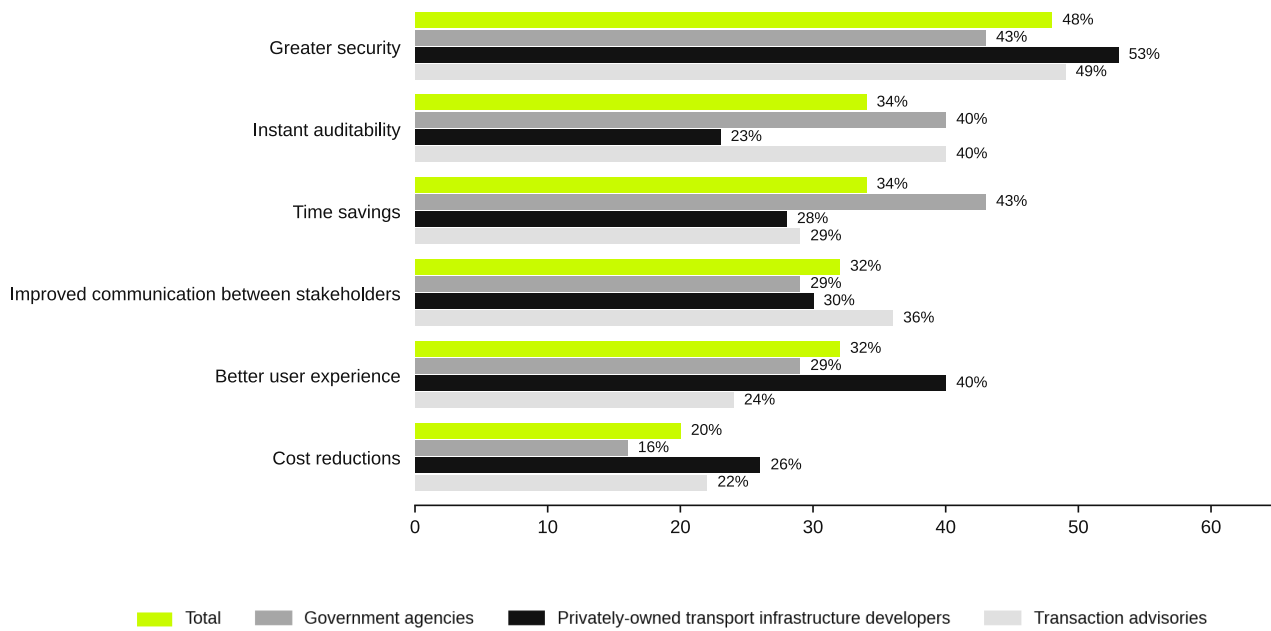
How automated is your current procurement process for major transport infrastructure projects?



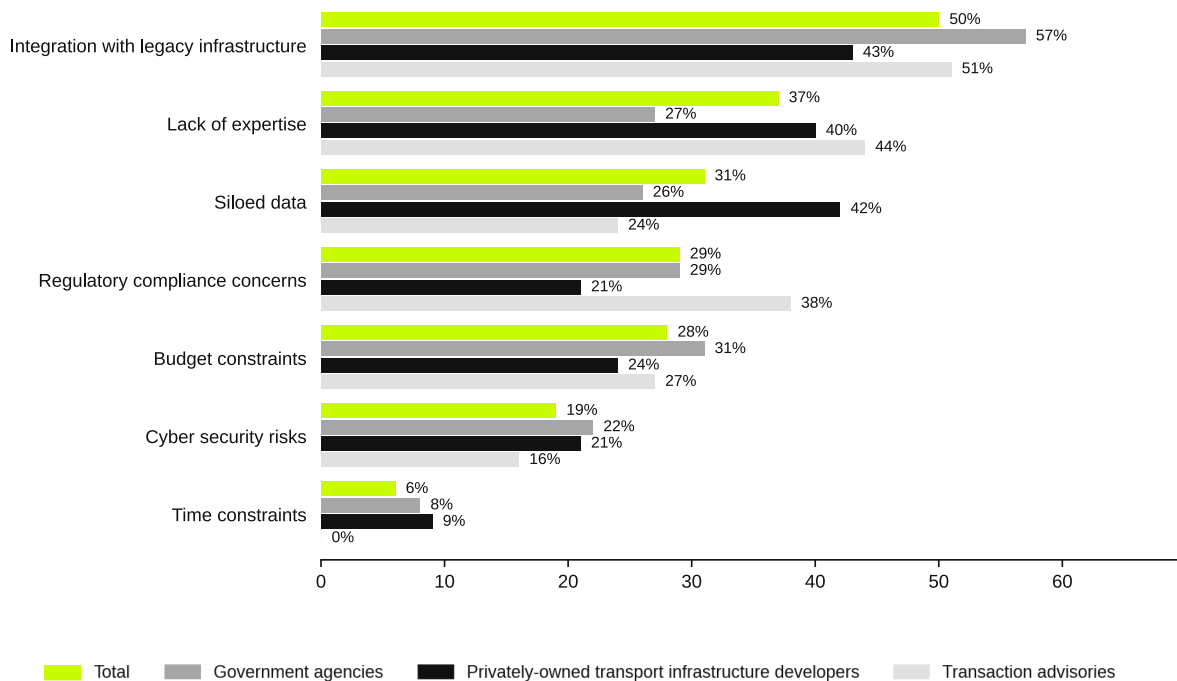
Which types of technology have the greatest potential to transform the provision and maintenance of transport infrastructure? (Select top three)



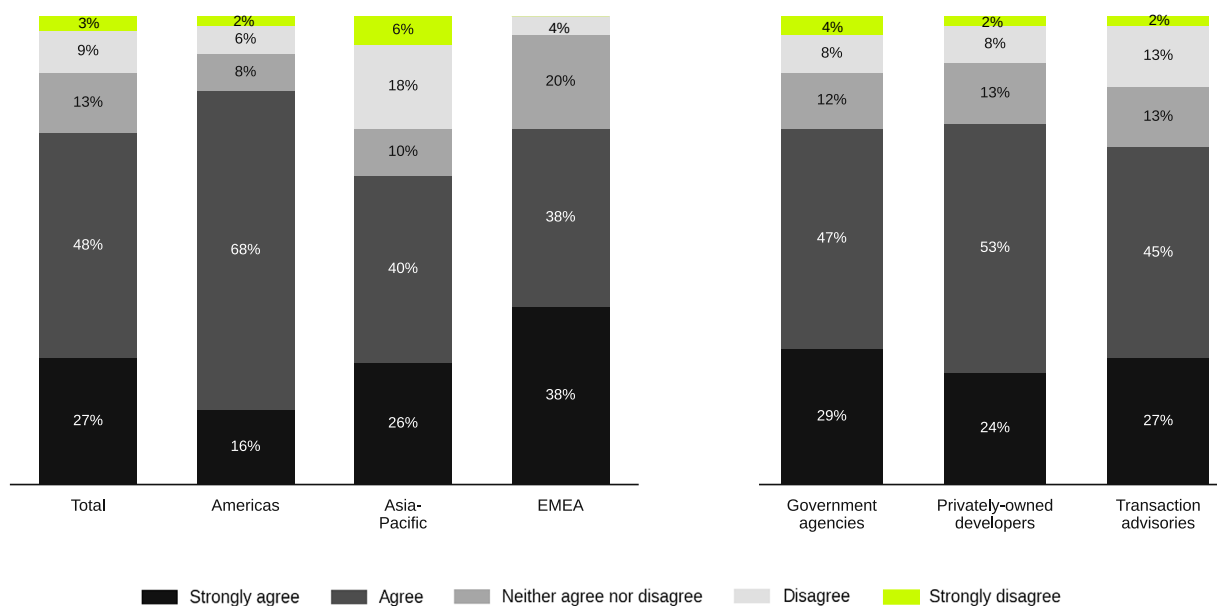
What are the major benefits of digitalising the procurement process for transport infrastructure projects? (Select top two) 2026



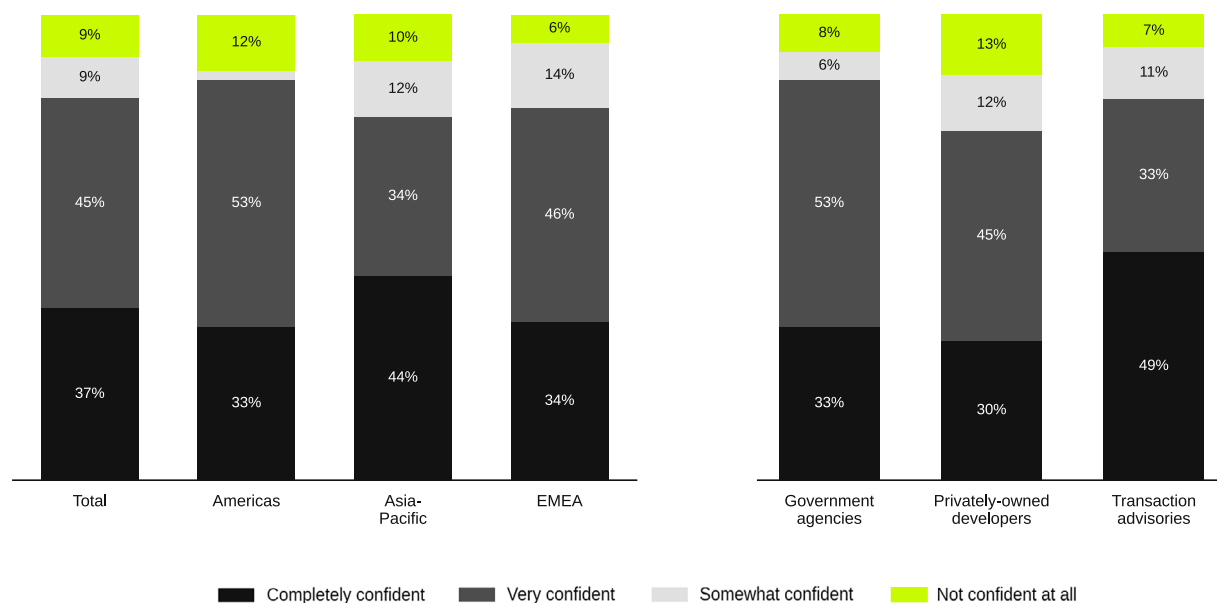
What are the key challenges to digitalising the procurement process of transport infrastructure projects? (Select top two) 2025



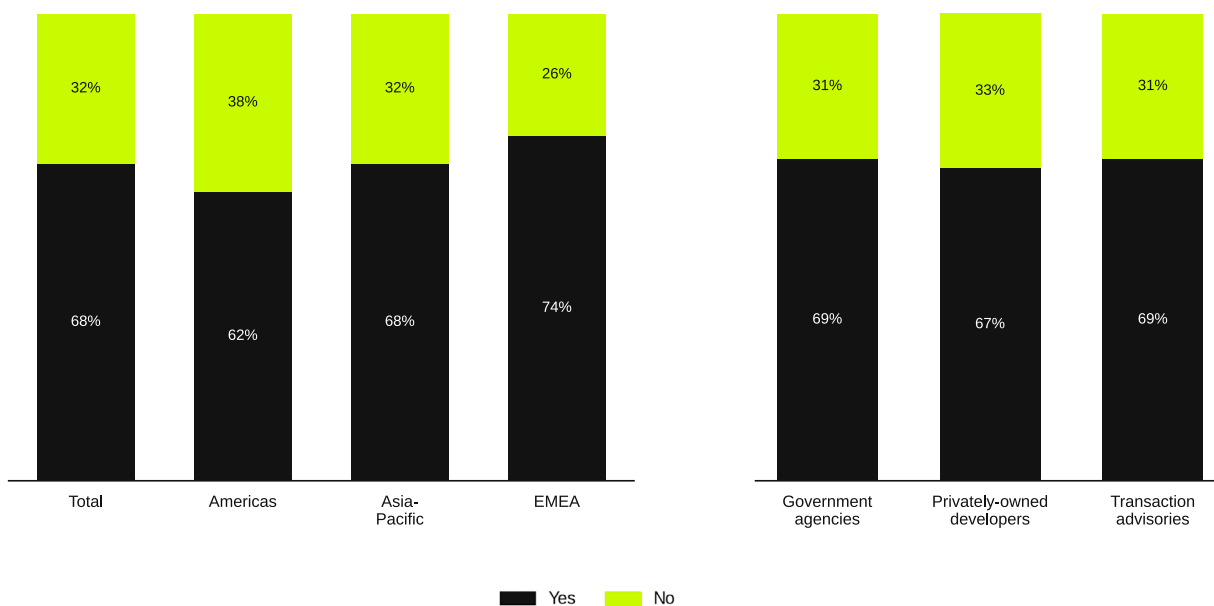
To what extent do you agree or disagree with the following statement:
 "My organisation is open to adopting new technologies to improve procurement processes"?



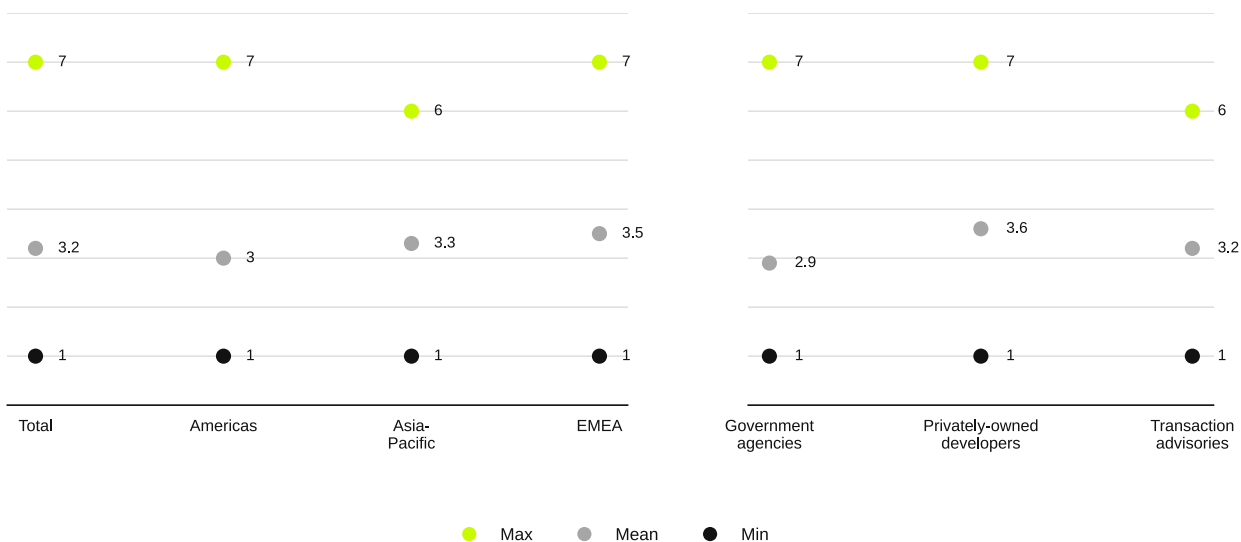
How confident are you about the data security of your procurement process?



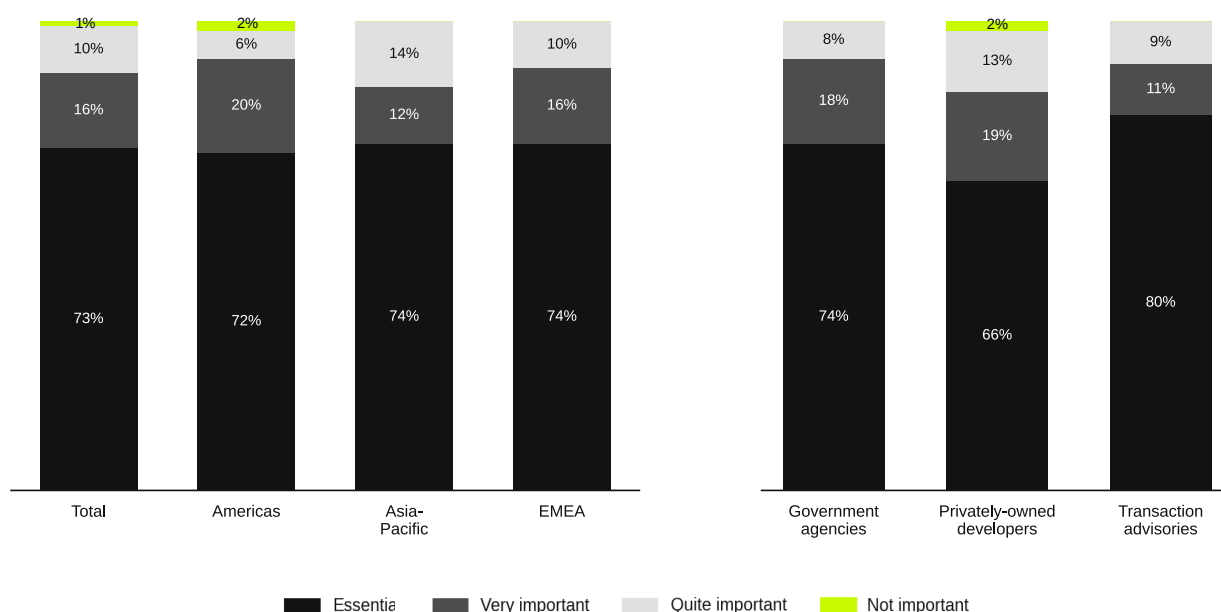
Was purpose-built procurement software used?



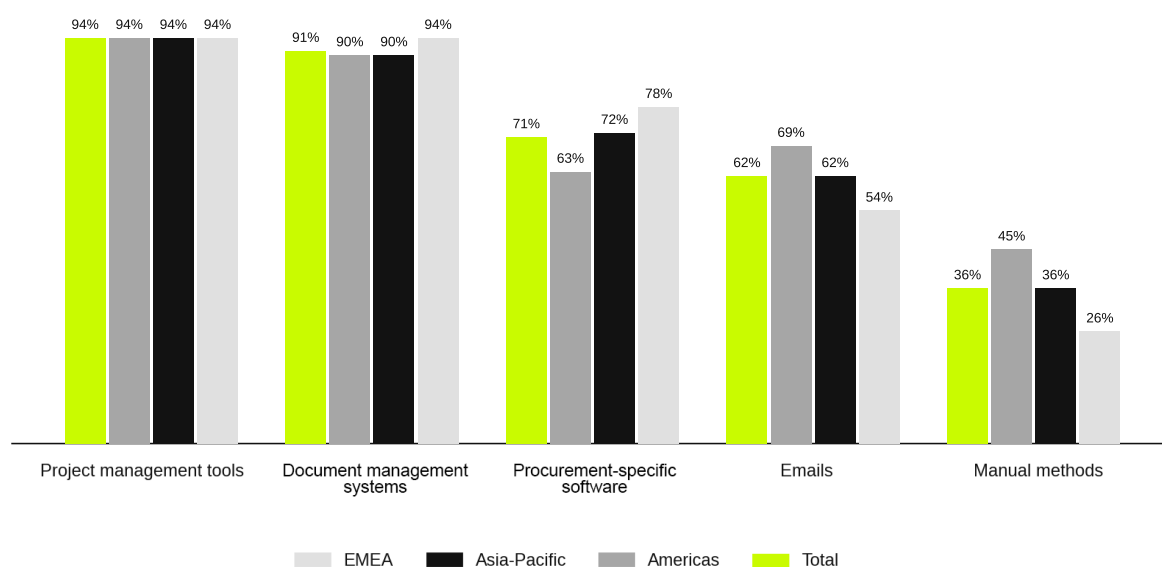
How many software programs or platforms are you currently using to run your procurement process? (State the number)



In your experience, how important is the quality of the software platform(s) used in transport infrastructure procurement?



How do you currently manage the correspondence and document management with bidders and internal stakeholders throughout the procurement process? (Select all that apply)



Marc Allen

Executive Advisor at RP Infrastructure



“

Creating the right culture for cross-state coordination and collaboration

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Marc Allen, Executive Advisor at RP Infrastructure, on why Australia’s contracting market lacks sufficient depth to support the pipeline ahead, why collaborative contracts don’t guarantee collaborative behaviour and the case for a coordinated, cross-state transport infrastructure strategy.

How would you describe the overall health of Australia’s transport infrastructure market right now?

Australia’s transport infrastructure market remains active, but the outlook varies considerably across the states.

Queensland is entering a significant period of investment as it prepares for the Brisbane 2032 Olympic and Paralympic Games, with projects including The Wave and Logan to Gold Coast Faster Rail contributing to a strong pipeline. New South Wales continues to progress major programs such as Sydney Metro, while Victoria is transitioning from an intensive period of transport investment to a more measured pipeline.

The challenge is balancing these different investment cycles across a national market with a relatively concentrated contracting and specialist workforce base. Contractors, engineers and skilled workers move to where demand is strongest, which can create capacity pressures when several major programs peak at the same time.

For clients planning major transport programs, understanding these market dynamics early is critical. Greater visibility of upcoming investment across jurisdictions can help clients plan procurement timeframes, test market capacity and develop delivery strategies that attract the right capability. It can also give government and industry greater certainty to invest in the people and resources needed to deliver the pipeline.

Competition during the bidding stage was rated high or very high by 62% of Asia-Pacific respondents in our latest survey. Does Australia have the right balance between competitive tension and a sustainable contractor market?

Competitive tension remains an important part of achieving value for money, but it needs to be considered alongside the long-term health and capacity of the market.

Following the pandemic, inflation and supply chain disruption placed considerable pressure on contractors delivering fixed-price contracts. This has contributed to a shift towards more collaborative models, including alliances, Incentivised Target Cost contracts and other approaches that allow risk to be allocated to the parties best placed to manage it.

For clients, the procurement and award phases are critical opportunities to establish realistic pricing, allocate risk appropriately and align participants around shared project outcomes.

A strong procurement process looks beyond the lowest price. It considers capability, capacity, commercial sustainability and the behaviours needed to deliver the project successfully. This helps clients attract credible bidders, maintain competitive tension and establish a stronger foundation for delivery.

Infrastructure procurement efficiency has improved significantly over the past year, according to our survey respondents. Is that consistent with what you're seeing on the ground?

There is a clear and welcome focus across the industry on making procurement more efficient.

We are seeing clients streamline requirements, avoid unnecessarily

lengthy processes and focus submissions more closely on the information that will genuinely inform their evaluation. This is important because every requirement carries a cost for both the client and bidders. Asking only for relevant information can reduce effort, improve the quality of responses and support continued market participation.

Earlier shortlisting and paid Early Contractor Involvement phases are also becoming more common. These approaches allow clients and bidders to develop solutions together, test assumptions and gain a clearer understanding of risk before moving into delivery.

At RP Infrastructure, we work alongside clients to develop procurement strategies suited to the project, market conditions and desired outcomes. Considering these factors early can reduce unnecessary effort, improve the quality of submissions and give clients greater confidence in their procurement decisions.

Financial risk-sharing incentives are now the most commonly cited ingredient of effective risk allocation. Is the shift towards collaborative, alliance-style contracting actually changing how risk gets shared in practice?

Collaborative models can support better risk sharing, but their success depends on how they are established and governed but importantly, for them to work, they need to be supported by collaborative behaviours and an embedded culture to collaborate.

In an alliance, for example, costs are generally reimbursed, while margin and performance incentives are linked to agreed outcomes. When the commercial model, governance arrangements and key performance indicators are carefully designed, this can create strong alignment between participants.

For clients considering a collaborative model, the priority should be creating alignment from the outset. Clear culture, expectations, transparent governance, balanced commercial arrangements and meaningful performance measures all help encourage the behaviours the contract is intended to support.

No contracting model removes the potential for disagreement. A well-designed model gives clients and delivery partners a stronger framework for resolving issues early, maintaining momentum and protecting the project's overall objectives.

ESG has become far less important in discussions around risk allocation over the past 12 months. What do you make of that?

The role and visibility of environmental, social and governance considerations vary across clients, sectors and projects. In many cases, these considerations have become more integrated into broader procurement, governance and delivery requirements rather than being treated as a separate workstream.

Sustainability, environmental performance and social value remain important considerations in infrastructure delivery. The opportunity for clients is to translate these priorities into clear, measurable requirements that are relevant to the project.

Embedding them in evaluation criteria, governance arrangements and delivery measures gives bidders greater clarity and enables performance to be assessed throughout the project lifecycle. When expectations are established early, environmental sustainability and social value can support better decision-making, more resilient infrastructure and stronger outcomes for communities.

What would you identify as the defining challenge for transport infrastructure procurement over the next three to five years?

One of Australia's greatest opportunities is to improve coordination across jurisdictions.

Each state has its own legislative, regulatory and investment environment, including different approaches to security of payment and compulsory acquisition. For major programs delivered across state boundaries and over multiple political cycles, navigating these differences can add considerable complexity.

At the same time, the market itself does not operate neatly within state borders. Contractors, consultants and specialist workers move across Australia in response to demand. When major programs peak concurrently, this can place pressure on market capacity and make it more difficult for clients to secure the right resources at the right time.

Greater coordination does not require every jurisdiction to take the same approach. It means creating better visibility of the national pipeline, understanding where major programs may overlap and giving clients and industry greater certainty to plan and invest ahead.

With greater visibility and earlier coordination, clients can plan procurement more confidently, while contractors and consultancies can invest in their people and build the capacity needed to deliver Australia's future pipeline. This will help address the geographic peaks, market constraints and workforce challenges the industry has faced for decades, creating a more sustainable infrastructure market and stronger, lasting outcomes for communities.

08 Conclusion

Our latest survey shows that real progress is being made in transport infrastructure procurement but this is no time for complacency.

Transport infrastructure procurement is heading the right direction. Efficiency has improved substantially, digital adoption is accelerating and confidence in data security has risen dramatically.

However, that progress is uneven and, in some areas, confidence may be running higher than the underlying evidence fully supports. Benchmarking studies have long shown that infrastructure procurement is prone to optimism bias, with perceptions of performance often outpacing measurable outcomes. That dynamic may be at play here.

While the industry is clearly moving in the right direction, our findings also reveal persistent structural weaknesses that suggest the journey is far from complete. The workforce capable of delivering on an increasingly ambitious global pipeline is becoming harder to find and manual processes remain far too prevalent. The latter is entirely solvable with the right purpose-built tools like Ansarada Procure.

Here are five key factors that decision makers need to take into account if they are to get ahead of the competition.

1. Confidence isn't the same as competence

Organisations benchmarking only against their own past results, rather than external comparators or independently verified outcomes, risk mistaking how a process felt for how well it actually performed. The real test of procurement efficiency is whether it produced outcomes that can be demonstrated and defended after the fact: on time, on budget, with a complete and auditable record of how decisions were made.

2. Visibility is not the same as action

Purpose-built tools have made it easier than ever to see where a project stands. The harder question is what organisations do with that visibility: whether early warning signs are acted on before drift becomes delay, and whether communities are treated as genuine participants in decisions rather than a risk to be managed after the fact.

3. ESG has disappeared, it's been absorbed

ESG's fall from top-ranked risk priority to bottom in a single year reflects integration, not abandonment: it is being built into supplier due diligence, governance and evaluation criteria rather than run as a standalone workstream. Organisations that have genuinely embedded it will be more resilient when climate disruption, supplier failure or community opposition hits. Those that have simply stopped talking about it may only discover the difference once those risks materialise.

4. The real security risk is internal, not external

Confidence in data security has improved, but the nature of the risk is often misread. The primary threat in a major procurement isn't external breach: it's internal information governance, the wrong document reaching the wrong bidder, a confidential submission visible to a competitor, evaluation deliberations exposed to the wrong parties. Treating security as an IT question rather than a procurement design question means misdiagnosing where the real exposure sits.

5. Software adoption has outpaced process change

Purpose-built procurement software adoption has nearly doubled in a year, yet a substantial share of organisations' workflows are still manual. That gap, and the persistence of fragmented, multi-platform environments, creates exactly the information governance and efficiency problems that purpose-built procurement tools are designed to eliminate. The organisations closing this gap fastest are those that have redesigned their processes, treating digitalisation as a change-management challenge.

Bring order to complex procurement processes

Whether you're a government agency, advisory firm, PPP specialist or private sector entity looking to run your next project, when it comes to building critical infrastructure and running a complex RFP process, everyone wants to reduce risk and increase efficiency. But increasing complexity means that's only going to get harder. With Procure, our world-class security and functionality give you oversight throughout the project. Track your bidders' status, run a probity-proven process, conduct Q&As and secure documents from afar, with ease.