



STATEMENT ON SUBURBAN ROADS UPGRADE PPP TENDER TERMINATION

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Today's decision to terminate the tender process for the Northern and South Eastern Public Private Partnership packages is disappointing and leaves a long road ahead to rebuild trust, according to Infrastructure Partnerships Australia.

"COVID-19 has radically changed the world in which we operate and forced governments around Australia to reassess their procurement approaches and re-prioritise their forward infrastructure pipelines," Infrastructure Partnerships Australia, Chief Executive Adrian Dwyer said.

"The Victorian Government has worked hard to respond to mounting cost and risk pressures, boost the construction pipeline, and streamline project delivery to support the sector through this crisis.

Infrastructure Partnerships Australia understands the decision to change procurement direction on the Suburban Roads Upgrade would not have come lightly, but it will not be without its costs.

"While we understand governments need to take an agile approach to managing risk in response to COVID-19, the disappointing decision today to terminate a formal and active tender process will inevitably damage confidence and undermine certainty.

"The Victorian Government engaged the market in good faith when it commenced the procurement for the Northern and South Eastern packages almost two years ago.

"Bidders have invested substantial time and resources preparing binding tenders for these packages of work to only have the rug pulled out from under them.

"Significant work will need to be done over the coming months and years to rebuild trust and restore confidence in the forward PPP pipeline," said Mr Dwyer.

Infrastructure Partnerships Australia is the nation's infrastructure think tank, providing independent policy research focused on excellence in social and economic infrastructure.

MEDIA CONTACT: Michael Player 0424 698 189

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