



British Embassy
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Infrastructure
Transparency
Initiative



Transparent infrastructure investment in Thailand



Table of Contents

Glossary, Acronyms and Initialisms	3
Acknowledgements	4
Disclaimer	4
1. Executive Summary	5
2. Introduction	6
3. Purpose and methodology	6
4. Thailand's infrastructure procurement framework	7
5. International frameworks and good practice	7
6. Thailand infrastructure sector market analysis	8
How market arrangements shape behaviour	8
The role of the government in shaping the market	9
Enabling environment – capability and oversight	9
Reform dynamics	9
7. Key findings	10
7.1. Current pricing, cost adjustment and payment arrangements may affect confidence in the commercial sustainability of public infrastructure delivery	10
7.2. Procurement data is substantial with opportunities for greater integration to support full-cycle oversight, learning and accountability	10
7.3. Selection and performance monitoring systems do not yet generate consistently strong or timely signals on delivery capability	10
7.4. Greater consistency in process and information access could increase competition across suppliers	11
7.5. The wider enabling environment, including contract administration, oversight and government capability, plays a central role in market behaviour and delivery outcomes	11
8. Reform roadmap of recommendations	13
Foundations	13
A. Modernise pricing, cost adjustment, and payment practices	13
B. Build integrated procurement and performance data systems	13
C. Improve market access through better access to procurement information	14
Subsequent reform phases	15
8.1. Strengthening contractor selection and related performance monitoring systems	15
8.2. Strengthening the enabling environment	15
Sequencing and implementation of roadmap	16
9. Conclusion	19
Annex A: Draft Recommendations	20
Annex B: List of participant organisations who attended the roundtable	23
Annex C: Summary table of OECD standards and international standards	24
Annex D: Global good practice case studies	26
Bibliography	29

Glossary, Acronyms and Initialisms

ACT – Anti-Corruption Organization of Thailand

AI – Artificial Intelligence

B.E. – Buddhist Era

BMA – Bangkok Metropolitan Authority

CGD – Comptroller General's Department

CoST – Infrastructure Transparency Initiative

e-GP – Electronic Government Procurement

FAQ – Frequently Asked Questions

FIDIC – International Federation of Consulting Engineers

FY – Fiscal Year

GBP – British Pound Sterling

G20 – Group of Twenty – international economic forum

IACT – Infrastructure Anti-Corruption Toolbox

IDS – Infrastructure Data Standard

ISO – International Organization for Standardization

K-Factor – Price adjustment coefficient used in Thai public works contracts to reflect changes in input costs over time (also known as “Escalation Factor”)

KONEPS – Korean On-line E-Procurement System

KPI – Key Performance Indicator

NEC4 – New Engineering Contract (4th Edition)

OC4IDS – Open Contracting for Infrastructure Data Standard

OECD – Organisation for Economic Co-operation and Development

OGP – Open Government Partnership

PPP – Public Private Partnership

Reference pricing - The procuring entity's estimated cost used as a benchmark

SME – Small and Medium-sized Enterprise

SOE – State-Owned Enterprise

THB – Thai Baht

Tier (Contractor Tier) – A classification level used to group contractors

Lower-tier contractors – Contractors in the lower classification levels (e.g. Tier 5–6), typically with more limited financial capacity, experience, and technical capability, and therefore only eligible for smaller or less complex projects

TOR – Terms of Reference

UNCITRAL – United Nations Commission on International Trade Law

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Disclaimer

Please note that the content of this report is based on evidence gathered from a variety of sources throughout the research process. The findings and views expressed herein are those of CoST (the Infrastructure Transparency Initiative) International Secretariat alone and do not necessarily reflect the policies or positions of any other organisation involved, including the UK Government, the Royal Thai Government, or the OECD.

1. Executive Summary

The Royal Thai Government's commitment to transparency, exemplified through its accession to the Open Government Partnership (OGP) in 2026 and the ongoing OECD accession process presents a timely opportunity to further strengthen the governance of infrastructure investment and align procurement systems with international good practice. While significant progress has been made - particularly through transparency reforms under CoST Thailand - the analysis indicates that numerous underlying market-governance challenges remain.

Thailand's OECD accession roadmap identifies infrastructure governance as a priority policy area. This report supports that objective by identifying opportunities to further strengthen the procurement system, drawing on OECD frameworks and international good practice to illustrate how other countries have addressed similar issues.

Building on this context, the analysis highlights opportunities to further support effective competition and high performance, namely:

- **Pricing, cost adjustment and payment arrangements:** Current reference pricing and cost adjustment mechanisms may not yet fully reflect prevailing market conditions. Further reform in this area would strengthen confidence in the commercial sustainability of public infrastructure delivery.
- **Procurement data integration:** Thailand holds substantial procurement and project-related data through the e-GP platform and the CoST Thailand data portal. With greater co-ordination across ministries and systems, there are opportunities to use this information more effectively to support oversight, accountability, and institutional learning across the full project lifecycle.
- **Market access and participation:** Stakeholder feedback points to variation in documentation standards, process, and the accessibility of information across procuring entities. Greater consistency and predictability would reduce transaction costs for suppliers and support broader, more competitive participation.
- **Contractor selection and performance monitoring:** The current selection processes continue to emphasise price and documentary compliance over genuine delivery capability and performance track record.
- **The enabling environment:** Opportunities exist to strengthen contract management, improve the balance of risk allocation, and ensure more consistent enforcement of regulatory and professional standards which may improve market participation and long-term capacity investment.

Taken together, these issues indicate the potential to improve performance in the sector. The report proposes a sequenced reform roadmap to address this. The initial priority is to:

- i) strengthen the foundations of core market signals – in particular pricing, data integration, and market access (A-C in section 8);

before introducing more advanced tools such as strengthening:

- ii) contractor selection and performance monitoring systems (8.1); and
- iii) the enabling environment including through better contract management (8.2).

This roadmap reflects OECD guidance that effective procurement reform is supported by reliable data, strong institutional capability, and whole-of-lifecycle oversight.

These reforms are an opportunity to build on the strong foundations laid by the Royal Thai Government and CoST Thailand. Many of the challenges identified are common to countries at a similar stage of procurement reform and have proven tractable with the right sequencing and political commitment.

Overall, these reforms would support Thailand's OECD accession objectives by further enhancing transparency, strengthening competition, and improving value for money in infrastructure investment. More fundamentally, they would help support a gradual shift from a system driven primarily by administrative control towards one that enable a more competitive and high-performing infrastructure market, aligned with the standards that Thailand has committed to meeting as part of its OECD accession.

2. Introduction

Thailand's aspiration to join the Organisation for Economic Co-operation and Development (OECD) provides an opportunity to further strengthen the governance of public investment and align infrastructure procurement with international good practice that supports open, competitive and transparent markets. Infrastructure governance has been identified as a priority within Thailand's OECD accession roadmap¹ and aligns with broader open government commitments, including Thailand's accession to the Open Government Partnership (OGP) in 2026.

Infrastructure is central to Thailand's economic growth and competitiveness. The Royal Thai Government has invested approximately 4 trillion THB (over 91.4 billion GBP) in public infrastructure over the past decade², while estimates suggest that the country face an infrastructure investment gap of up to 3.3 trillion THB (74.7 billion GBP) by 2040³. International evidence indicates that, on average, emerging market economies experience efficiency losses around 34% of infrastructure spending to inefficiencies linked to mismanagement, weak oversight or corruption⁴. As fiscal pressures increase reliance on foreign investment and public-private partnerships, continued efforts to strengthen governance, transparency and efficiency in infrastructure procurement become increasingly important.

International evidence shows that infrastructure transparency can improve market performance and reduce inefficiencies when data is turned into trusted information that is actively used by stakeholders. The CoST – Infrastructure Transparency Initiative⁵ - provides one approach, with the Thai Ministry of Finance estimating that the Comptroller General's Department (CGD) implementation of the CoST approach contributed approximately 2.4 billion THB (54.5 million GBP) in financial savings in 2024 alone⁶. This work has received national recognition, including multiple awards for open data and anti-corruption⁷, reflecting the strength of the recent reforms.

Building on this progress, a key consideration for Thailand, as part of its OECD accession, is how transparency initiatives can be further leveraged to support stronger accountability, more competitive procurement outcomes and improved value from infrastructure investment.

3. Purpose and methodology

The purpose of this project is to support Thailand's efforts to strengthen transparency in infrastructure investment by building on the progress of CoST Thailand which launched in 2015, and to support Thailand's OECD accession objectives.

The analysis draws on a review of relevant legislation, policies and guidance, OECD and international frameworks, CoST Thailand materials and Assurance Reports, learning from other CoST members globally, and stakeholder input. Stakeholder input was gathered from government agencies and private sector representatives through interviews, roundtables and a findings report commissioned from the Anti-Corruption Organization of Thailand (ACT)⁸ which drew on inputs from 52 industry firms across two ACT consultative seminars conducted in 2024 and 2025, an ACT opinion survey of 80 participants from 47 firms, an analysis of

¹ Roadmap for the OECD accession process of Thailand (Adopted by the Council at its 1482nd session on 10 July 2024) [https://one.oecd.org/document/C\(2024\)118/FINAL/en/pdf](https://one.oecd.org/document/C(2024)118/FINAL/en/pdf)

² PwC's Thailand's Infrastructure Market Update and Outlook report, 2021

³ Global Infrastructure Outlook (a G20 initiative)

⁴ Estimate by the International Monetary Fund (IMF)'s Infrastructure Governance Facility, <https://infrastructuregovern.imf.org/>

⁵ [CoST – Infrastructure Transparency Initiative](#) – is a leading global initiative increasing transparency, accountability and participation in infrastructure investment and delivery.

⁶ CoST – Infrastructure Transparency Initiative, *Annual Report 2024* (CoST 2025)

<https://infrastructuretransparency.org/wp-content/uploads/2025/11/ARA-published-131124-1.pdf>

⁷ CoST Thailand won "Outstanding organisation and individual award for anti-corruption 2025" by Anti-Corruption Foundation in 2025, "Best Practice Open Data Project" from Digital Government Development Agency (DGA) in 2025, "Further development and improvement category" at 14th CGD Innovation Awards in 2025, and won "Transparency" category of CoST Thailand awards by CoST International Secretariat in 2025.

⁸ Anticorruption Organization of Thailand (ACT) (2026), *Findings Report on Private Sector Views on Transparency Infrastructure Investment in Thailand 2026*, unpublished (referred to "ACT Report" hereafter)

CoST Assurance Reports (FY 2024–2025) and study reports by the Thai Contractors Association Under H.M. The King's Patronage.

The Comptroller General's Department supported the consultation process and co-organised a roundtable in February 2026 to discuss draft findings and recommendations across government ministries and private sector representatives.

Annex A sets out the draft recommendations. **Annex B** sets out a list of participant organisations which attended this roundtable. While stakeholder feedback was a critical part of shaping the analysis, the final findings and recommendations remain those of the CoST International Secretariat.

4. Thailand's infrastructure procurement framework

Thailand's infrastructure procurement system is principally governed by the *Public Procurement and Supplies Administration Act B.E. 2560 (2017)* and its implementing regulations issued by the Ministry of Finance. CGD oversees the procurement system including management of the national electronic government procurement platform (e-GP) and provides public access to infrastructure project information using CoST's international data standard OC4IDS on the CoST Thailand data platform.

In practice, the operation of the system is shaped not only by the Act but also by rules governing areas such as contractor registration, bidder qualification and reference pricing methodologies. Available evidence suggests that these rules influence market access, pricing behaviour and the degree of effective competition in practice.

Recent reforms to the system suggest a move towards more systematic monitoring of contractor delivery performance, such as the introduction of a contractor performance scorecard or "logbook" system⁹. The effectiveness of these reforms will depend critically on the quality, relevance and ease of use of performance data, the consistency with which assessments are applied across procuring entities, and the extent to which performance information are integrated into future procurement and contract award decisions.

5. International frameworks and good practice

The OECD framework is treated in this report as an organising principle rather than background context given Thailand's OECD ambitions and the recognition of "how to invest in quality infrastructure in a transparent, accountable and inclusive way" as a priority policy area identified by the Council¹⁰. **Annex C** sets out the range of OECD instruments and international standards used in developing the report's findings and recommendations.

The implication of international frameworks is clear: procurement reform should not be piecemeal but take a whole-of-lifecycle and whole-of-government approach, grounded in coherent systems, risk-based management, accountability, and an integrity culture. This reinforces the report's core proposition that effective reform in Thailand will require structural changes, not only technical or procedural improvements.

As part of this analysis, relevant international practices were reviewed, with a set of illustrative case studies presented in **Annex D**. These are referenced throughout the report where they provide useful practical insights.

⁹ Ministerial Regulation Prescribing Criteria for the Registration of Entrepreneurs (No. 2), B.E. 2569 (2026), effective January 8, 2026 establishes the logbook system for use to downgrade contractors.

¹⁰ OECD Council's Roadmap for the OECD Accession Process of Thailand, 10 July 2024.

6. Thailand infrastructure sector market analysis

Thailand's infrastructure procurement system reflects a number of market-governance challenges. In some areas, outcomes appear to be influenced more by administrative processes than by the conditions typically associated with a consistently competitive and well-functioning market.

This particularly matters where we see the construction sector materially shaped by public investment, as is the case in Thailand. In this context, the state acts not only as a purchaser but as a market-maker, with its rules, pricing methods, information systems, and contract management practices influencing market structure and participant behaviour.

Explainer: Elements of a healthy market

- A whole-cycle system in which competition is driving improved quality, innovation, higher productivity and broader value for money, rather than merely the lowest apparent initial cost.¹¹
- Suppliers are more likely to participate and compete when they are treated fairly and transparently, where contract and payment terms are clear, and where public bodies have the capability to manage contracts effectively after award.¹²
- Procurement choices and predictable frameworks improve competition, capability, and market concentration.
- Capable firms have confidence to invest in the market, as a result of a combination of timely payment in full for work well done, and negative consequences in cases of poor performance or misconduct; and
- Infrastructure should be delivered in a way that is cost effective, affordable and trusted by investors, citizens and wider stakeholders¹³.

How market arrangements shape behaviour

In practice, infrastructure markets are shaped by a set of interrelated signals generated by procurement systems. These include pricing mechanisms, the quality and accessibility of information, the consistency of market access conditions, and the credibility of contract management and performance oversight.

Where these signals are misaligned with policy objectives, companies may rationally adjust their behaviour in ways that weaken competition, reduce participation, or limit investment in capability or innovation. Outcomes are therefore shaped not by individual rules in isolation, but by how these elements interact across the procurement lifecycle.

A level playing field depends not only on the visibility of tenders, but also on whether all suppliers have meaningful access to opportunities, clear requirements and sufficient information to participate effectively.¹⁴

¹¹OECD (2025), *Implementing the OECD Recommendation on Public Procurement in OECD and Partner Countries: 2020-2024 Report*, https://www.oecd.org/en/publications/implementing-the-oecd-recommendation-on-public-procurement-in-oecd-and-partner-countries_02a46a58-en/full-report.html. Competition in public procurement can produce lower prices, improved quality, increased innovation, higher productivity and broader value for money.

¹² *Ibid.*

¹³ OECD (2020), *Recommendation on the Governance of Infrastructure (OECD-LEGAL-0460)*, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0460>

¹⁴ OECD (2015), *Recommendation of the Council on Public Procurement (OECD-LEGAL-0411)*, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0411>.

The role of the government in shaping the market

These dynamics highlight the central role of government in shaping the infrastructure market. Public procurement in this context is not only a mechanism for purchasing works efficiently, but also a tool for shaping the conditions of the delivery market, including incentives for investment, capability, integrity, quality, and fair competition.

This suggests benefit in shifting away from identifying a single administrative “correct price” toward strengthening the overall system of pricing, information, and contracting signals that shape market behaviour. Upstream procurement decisions such as contract packaging, delivery models, and risk allocation are central to this, as they influence competition, risk distribution, and delivery outcomes.¹⁵

This is consistent with OECD guidance, which emphasise that healthy infrastructure outcomes depend not only on formal rules at tender stage, but also on stronger upstream strategy, better risk management, clearer incentives, and sufficient public sector capability to structure the market intelligently.

Even within a rules-based system, procuring entities require sufficient capability to act as informed and strategic buyers - in effect, capable of shaping the market and delivery environment.

Enabling environment – capability and oversight

A well-functioning infrastructure market depends not only on procurement rules, but on the wider enabling environment. Regulation, professional standards, and oversight frameworks shape whether firms understand what is expected and trust that performance will be assessed consistently. Institutional capability within government is equally important, particularly in procurement design, contract management, and site supervision.

International practice¹⁶ similarly highlights that inappropriate or disproportionate risk allocation is a common cause of underperformance in public contracts. Governments therefore shape the construction market not only through procurement rules, but through how they supervise works, enforces standards, allocates risk, and applies consequences for non-performance.

Reform dynamics

These dynamics have important implications for reform in Thailand. Where core signals such as pricing reliability, data quality, and site supervision are sub-optimal, more advanced procurement tools are less likely to function effectively. International practice therefore suggests a sequenced approach, in which foundational elements are strengthened first to improve the reliability of market signals and support more advanced reforms over time.

¹⁵ OECD (2021), *Procurement Strategy in Major Infrastructure Projects: Piloting a New Approach in Norway* (OECD Public Governance Policy Papers No 6, OECD Publishing 2021), https://www.oecd.org/en/publications/procurement-strategy-in-major-infrastructure-projects_38996343-en.html and OECD (2023), *Managing Risks in the Public Procurement of Goods, Services and Infrastructure* (OECD Public Governance Policy Papers No 33, OECD Publishing 2023) https://www.oecd.org/en/publications/managing-risks-in-the-public-procurement-of-goods-services-and-infrastructure_45667d2f-en.html.

¹⁶ UK Cabinet Office (2026), ‘Risk Allocation and Pricing Approaches Guidance Note’ (GOV.UK, 6 March 2026) <https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks/risk-allocation-and-pricing-approaches-guidance-note-html>

7. Key findings

Findings are interrelated and should be understood as mutually reinforcing elements of a wider infrastructure transparency ecosystem, rather than as stand-alone technical or procedural issues. Taken together, they suggest that there is scope to strengthen how Thailand's public infrastructure market generates the conditions for competition and high performance. Specifically, it was found that:

7.1. Current pricing, cost adjustment and payment arrangements may affect confidence in the commercial sustainability of public infrastructure delivery

Across government and industry, the operation of Reference Prices, K-factor and F-factor adjustments, and related payment practices is often perceived as insufficiently responsive to market conditions and not always well aligned with how projects are priced and delivered in practice. Delayed payments and slow or ineffective cost adjustment are also linked to disputes and delivery stress during implementation.

Importantly, the conceptual approach behind the K-factor cost escalation system and the Reference Price system date from 1989 and 1993 respectively. While Thailand made progress in reviewing these rules in 2022, concerns expressed by the private sector suggest that further reforms may be needed to ensure that pricing and adjustment mechanisms fully reflect current delivery conditions and market dynamics. As a result, procurement outcomes may be unfavourably influenced before tendering begins.

These issues extend beyond technical pricing accuracy. Where pricing and payment mechanisms may be unaligned with real delivery conditions, they may weaken confidence in the fairness and sustainability of competition, potentially affecting participation and reducing incentives for firms to invest in capability. In this sense, pricing and payment arrangements function not only as administrative tools, but as key market signals¹⁷ shaping behaviour and long-term performance.

7.2. Procurement data is substantial with opportunities for greater integration to support full-cycle oversight, learning and accountability

Thailand has a significant volume of procurement and project-related data, including information disclosed through e-GP and the CoST Thailand data platform.

However, the evidence suggests that these data sources can be further integrated to function as a comprehensive system across the full project lifecycle, from budgeting and tender management through to contract management, sanctions, and beneficial ownership¹⁸. This is consistent with the wider 2025 OECD analysis of Thailand¹⁹ which emphasised the importance of stronger data integration, enhanced technical capacity to manage heterogeneous datasets, and more effective use of data for evidence-informed decision making.

As a result, both government and external stakeholders may face constraints in identifying patterns of underperformance across projects and agencies, and in distinguishing between isolated delivery issues and more systemic issues. The issue is therefore not so much the absence of reliable data, but its fragmentation, which limits its value to build accountability, market oversight, and institutional learning.

7.3. Selection and performance monitoring systems do not yet generate consistently strong or timely signals on delivery capability

The research and consultation process suggests that the current system does not consistently distinguish between documentary compliance and genuine delivery capability. Price remains a dominant factor in contract selection, while performance-related information, managerial capacity, and delivery track record are not yet used consistently or credibly to inform decisions²⁰. In practice, bid evaluation relies largely on basic

¹⁷ ACT Report

¹⁸ Corporate registry information relevant to identifying ownership and control of bidding entities (including shareholders and, where available, other beneficial ownership-related information) is not systematically accessible for free to other government departments or the public.

¹⁹ OECD (2025), Governing Cross-cutting Challenges from the Centre in Thailand, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/cdd76f47-en>.

²⁰ Although Section 65 of the Public Procurement Supplies Administration Act, B.E. 2560 (2017) allows for bids to be evaluated using objective weighted non-price criteria, such as the lifecycle cost and performance delivery,

qualification thresholds - such as experience, debarment status, and administrative, financial, and technical compliance - rather than structured evidence of past performance.

At the same time, stakeholders expressed caution about moving too quickly toward more discretionary evaluation approaches before underlying data and oversight systems are systematically strengthened.

Evidence also points to uneven project management capability among (often newly registered and lower tier) contractors²¹ and to debarment processes that are slow to provide timely performance signals. As a result, the issue is not only how bids are evaluated, but how the wider system can provide reliable and trusted information on contractor capability and conduct.

7.4. Greater consistency in process and information access could increase competition across suppliers

The evidence suggests that market access challenges arise not only at award stage, but also earlier in the procurement process. Stakeholder feedback raises inconsistent access to documentation, variation in processes across entities, uncertainty around how opportunities are published, and administrative burdens that fall disproportionately on smaller or less established firms. Apparent uneven use of e-bidding and differences in practice across procuring entities, which include state-owned enterprises, further reduce predictability.²² Stakeholder experiences with unclear specifications, inconsistencies between TORs and reference pricing, and reliance on paper-based tender documentation suggest that access to the procurement market is not yet as open, predictable, or easy to navigate as it could be.

This highlights the importance of complementing digitisation with more consistent, accessible, and user-friendly procurement processes and information to support broader and more effective market participation.

7.5. The wider enabling environment, including contract administration, oversight and government capability, plays a central role in market behaviour and delivery outcomes

As considered in Section 6, procurement outcomes are shaped not only by tender rules, but by the wider enabling environment. Thailand has already made important progress in strengthening transparency and disclosure through reforms such as CoST Thailand, demonstrating the value of improved information and scrutiny.

However, evidence from the research and consultation process suggests further opportunities persist to manage and performance monitor contracts in ways that provide consistent and credible signals to the market. Stakeholders raised concerns about risk allocation, payment timing, contract administration, technical supervision, and the consistency with which regulatory safeguards relating to safety, environment, integrity, and professional standards are enforced²³. Specifically, stakeholders highlighted the need for a more balanced allocation of risk within some standard forms of contract currently in use and pointed to the value of well-established provisions in recognised international models such as FIDIC and NEC4.

These factors influence whether firms have confidence that good performance will be recognised and poor performance will carry consequences. Public procurement research²⁴ further shows that weak confidence in

those criteria and their weights must be expressly specified by the state agency in the solicitation. In the absence of such an express announcement, price defaults to the sole evaluation criterion and, in practice, continues to dominate award decisions.

²¹ CoST Thailand Assurance Team, *Assurance Report 2025*, <https://costthailand.gprocurement.go.th/egp-cost-public-web/#!/main-web/webi/webi0008>.

²² While Thailand's procurement framework is anchored in the Public Procurement and Supplies Administration Act B.E. 2560, state-owned enterprises (SOEs) are exempted from Act and apply their own internal procurement regulations. In practice, this creates a dual system that reduces market predictability for contractors.

²³ See ACT Report.

²⁴ UK Cabinet Office (2026), *Risk Allocation and Pricing Approaches Guidance Note (updated 6 March 2026)*, <https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks/risk-allocation-and-pricing-approaches-guidance-note-html> and The World Bank (2024), *Contract Management Practice Procurement Guidance*, <https://thedocs.worldbank.org/en/doc/a5487590ccec42b5709816f40ae8b068->

evaluation and contract conditions can deter firms from bidding, while disproportionate risk transfer and poor payment discipline can contribute to underperformance and market exit. In such conditions, capable suppliers may be less willing to compete against contractors prepared to underbid and rely on weak supervision or limited enforcement, while the incentive to invest in quality, safety, and professional capability is weakened. Over time, that risks inadvertently rewarding the wrong behaviours and undermining the development of a healthier and more competitive market.

8. Reform roadmap of recommendations

The recommendations that follow translate these findings into a sequenced reform roadmap. They are designed to strengthen the overall functioning of the procurement system, rather than addressing issues in isolation.

Reform should be deliberate and phased. The priority is to strengthen *market signal foundations* - particularly pricing, data integration, and information flows for better market access - before moving to more advanced tools such as bid evaluations that take account of past performance and strengthening the enabling environment through better contract management.

This sequencing is consistent with OECD guidance on procurement risk and performance²⁵, both of which stress that better decisions depend on better data, stronger institutional capability, and whole-cycle monitoring rather than one-off procedural fixes. Without these foundations (A-C), more complex reforms (8.1 & 8.2) are unlikely to command confidence or work optimally.

Therefore, this roadmap follows a clear sequence of foundation recommendations (A: pricing, B: data integration and C: market access) followed by strengthening selection and performance monitoring systems (8.1) and reinforcing the enabling environment (8.2).

Foundations

This set of recommendations predominantly relate to findings 7.1, 7.2 and 7.4, which highlight weaknesses in pricing, data integration, and market access. Together, these factors shape the core market signals that influence market behaviour across the procurement lifecycle.

A. Modernise pricing, cost adjustment, and payment practices

Improving pricing and payment arrangements is the most immediate priority. This is consistent with OECD²⁶ and UK practice²⁷, which emphasises realistic costing, lifecycle value, and appropriate risk allocation as foundations for effective infrastructure delivery.

Reform should focus on restoring credible pricing signals rather than simply updating formulas. This includes:

- periodic technical review of reference-price methodologies;
- improved treatment of cost volatility and regional variation;
- clearer publication of assumptions and calculation methods;
- more predictable, timely application of cost-adjustment mechanisms and payments; and
- structured engagement with the private sector and relevant professional bodies before major reforms are introduced, so that changes reflect how projects are designed, priced, and delivered in practice.

These changes would strengthen confidence in pricing, support fairer competition, and reduce the risk of disputes and delivery stress during implementation.

B. Build integrated procurement and performance data systems

Integrated data is a critical enabling reform. While Thailand has substantial procurement data, fragmentation across systems and agencies limits its value for oversight, learning, and accountability. Addressing this will require strong cross-government coordination, as no single entity can deliver full lifecycle integration alone.

Reform should focus on:

²⁵ OECD (2015), *Recommendation of the Council on Public Procurement (OECD-LEGAL-0411)*, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0411>.

²⁶ OECD (2017), *Recommendation of the Council on Open Government*, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438>

²⁷ UK Cabinet Office (2022), *The Construction Playbook (Version 1.1)*, <https://www.gov.uk/government/publications/the-construction-playbook>. See Annex D Case Study D (the United Kingdom) for details on the UK construction guidance.

- establishing common identifiers across projects, contracts, and suppliers;
- improving interoperability between tender management, contract management, and oversight systems across government;
- strengthening data governance, ownership, and quality; and
- enabling structured, lifecycle-based analysis of procurement and related performance data, including priority areas such as beneficial ownership.

Stronger data integration will support more effective contractor evaluation, performance monitoring, and market oversight, and provide a more robust evidence base for decision making. Without integration, transparency cannot fully translate into accountability.

Chile (case study A), South Korea (case study B), and the United Kingdom (case study C) in Annex D, demonstrate different approaches to deliver joined-up procurement data which all deliver meaningful value in competition and delivery. Chile's example is particularly interesting for their Ministry of Finance's approach to companies self-disclosing beneficial ownership information during contractor registration.²⁸

C. Improve market access through better access to procurement information

Reducing barriers to participation is essential to strengthening competition. Reform should focus on making procurement information and processes more consistent, accessible, and easier for a wider range of suppliers to navigate and use. This aligns with OECD procurement principles²⁹, which treat access and participation as core system features, and with open contracting and CoST standards, which emphasise that disclosure is only effective when data and documents are usable by market participants and oversight actors.

Priority actions include:

- adopting digital-by-default publication of procurement documents and data across the full lifecycle;
- improving consistency and standardisation of documentation, including alignment between specifications, TORs, and pricing information;
- enhancing the searchability and usability of procurement platforms to allow suppliers to identify and track opportunities more easily (see case study C on the United Kingdom in **Annex D**)³⁰; and
- providing clearer, more accessible information for suppliers, including where appropriate to support wider international participation.

Improving market access is not only about increasing transparency, but about enabling broader and more effective participation, reducing transaction costs for firms, and strengthening the depth and credibility of competition. These align with OECD's accession roadmap priorities for Thailand around open investment and levelling the playing field through increased competition.

For further illustration, see **case study B in Annex D** for South Korea's KONEPS, recognised by the OECD as a comprehensive integrated e-procurement open data system including bid publication and tender documentation.³¹

²⁸ Open Ownership (2025). *Beneficial ownership in Chile's public procurement reform*, <https://www.openownership.org/en/publications/beneficial-ownership-in-chiles-public-procurement-reform/> Chile's public procurement system, ChileCompra, incorporated beneficial ownership transparency (BOT) measures into its procurement system and processes by requiring disclosure from existing suppliers whenever they transact on the platform (i.e., submit bids, send quotes, or receive purchase orders).

²⁹ Anti-Corruption Cooperation Committee (Thailand). *Announcement on the Anti-Corruption Cooperation Project on Transparency in Government Construction (Infrastructure Transparency Initiative: CoST)*. Government Gazette, Vol. 136, Special Section 199 D, 11 October 2019, issued pursuant to Section 17 of the Public Procurement and Supplies Administration Act B.E. 2560 (2017).

³⁰ Under the UK Procurement Act 2023, the central digital platform and enhanced "Find a Tender" service are designed to make it easier for suppliers to identify opportunities, reuse core business information, and access notices across the procurement lifecycle.

³¹ OECD (2016), *The Korean Public Procurement Service* (OECD Public Governance Reviews), https://www.oecd.org/content/dam/oecd/en/publications/reports/2016/01/the-korean-public-procurement-service_g1g620af/9789264249431-en.pdf. See Annex D, case study B on South Korea.

Subsequent reform phases

8.1. Strengthening contractor selection and related performance monitoring systems

This recommendation responds predominantly to findings 7.3 and 7.4 and should be implemented progressively once core pricing and data systems are more reliable. The objective is to strengthen contractor selection so that it more accurately reflects past performance and current delivery capability, rather than relying predominantly on price or documentary compliance.

In practical terms, this category should be framed around strengthening the government's ability to act as an intelligent and credible client. In addition to improving the realism of cost assumptions (already considered in recommendation A) that means improving the quality and usability of procurement information, the basis on which the performance of contractors is assessed, and the discipline of contract administration after award (see case studies on the United Kingdom and Japan in **Annex D**).³²

In practice, this involves:

- progressively strengthening the use of information related to past performance in evaluation;
- improving the quality, consistency, and timeliness of contractor performance data;
- ensuring that procurement decisions are supported by better evidence and clearer operational guidance rather than relying excessively on documentary compliance and lowest price logic;
- developing more credible and transparent contractor assessment tools including drawing on the experience of piloting of the newly adopted contractor scorecards; and
- ensuring that performance signals, including sanctions, are applied in a timely and consistent manner.

Over time, these reforms should support a shift toward more evidence-based and performance-oriented procurement decisions, reducing reliance on lowest-price selection and strengthening the link between contractor capability and contract award.

Reforms in this area should be introduced gradually, supported by improved data systems and tested through pilots or phased implementation. This will help ensure that more advanced evaluation approaches are credible, consistent, and capable of commanding confidence across both government and industry.

8.2. Strengthening the enabling environment

This set of recommendations responds predominantly to Finding 7.5 and reflects the broader role of government in shaping market conditions.

Procurement outcomes depend not only on tender processes, but on how contracts are managed and how consistently performance expectations are enforced in practice. Reform should therefore focus on:

- strengthening contract management and technical supervision;
- improving the balance and clarity of risk allocation;
- ensuring more consistent enforcement of regulatory and professional standards; and
- building institutional capability across procurement, commercial management, and project delivery functions.

International experience shows that stronger contract environments, clearer incentives, and more consistent oversight are critical to creating a market in which capable firms are willing to invest, compete, and improve (see case studies of South Korea and Japan in **Annex D**).

To address these issues, one area for consideration is to commission a focused study on construction contract forms and delivery models, including the FIDIC suite, the NEC4 suite, and comparable international approaches. The objective would not be to prescribe immediate adoption, but to examine how these models

³² UK Infrastructure and Projects Authority (2022), *Project Routemap* (2022). https://assets.publishing.service.gov.uk/media/621ca72c8fa8f549142bf3ad/2641_IPA_Modules_Delivery_Planning_FINAL.pdf and The Ministry of Land, Infrastructure, Transport and Tourism (Japan), *Construction Management Practical Use Guidelines*, https://www.mlit.go.jp/sogoseisaku/1_6_hf_000077.html

have been applied or drawn on in different jurisdictions to improve risk allocation, clarify responsibilities, strengthen contract management, reduce disputes, and support better lifecycle value for money. Such a study would help Thailand assess which contractual approaches are most appropriate to its specific market conditions, and how contract reform could support both sector development and improved delivery outcomes.

Sequencing and implementation of roadmap

These reforms are interdependent and should be implemented in sequence as a roadmap (figure 1 below). Over time, progress in pricing, data integration, and market access will reinforce improvements in contractor evaluation and contract management, supporting a more transparent, competitive, and well-functioning infrastructure market.

Figure 1. Roadmap



PHASE 2

2

Contractor Selection & Performance Monitoring

Build on Data Foundations

8.1 Strengthen Contractor Selection & Related Performance Monitoring Systems

- › Progressive use of past performance in bid evaluation
- › Evidence-based procurement decisions over documentary compliance
- › Timely, consistent application of performance signals & sanctions
- › Improved quality, consistency & timeliness of performance data
- › Credible & transparent contractor assessment tools (Logbook)



ONCE SELECTION & MONITORING SYSTEMS ARE STRENGTHENED

PHASE 3

3

Enabling Environment

Reinforce Whole-of-Lifecycle Governance

8.2 Strengthen the Enabling Environment

- › Stronger contract management & technical supervision
- › Consistent enforcement of regulatory & professional standards
- › Consideration of FIDIC / NEC4 contract models
- › Improved balance & clarity of risk allocation
- › Institutional capability building across procurement & delivery

KEY DEPENDENCIES

A → 8.1 Reliable pricing underpins credible contractor evaluation

B → 8.1 Integrated data enables performance-based selection

B → 8.2 Data systems support oversight & enforcement

C → 8.1 Open information strengthens market signals & competition

Reforms are interdependent and should be implemented in sequence · CoST International Secretariat, 2026

9. Conclusion

Transparency alone is not sufficient to change market behaviour; it must be supported by stronger government capability, more effective contract management, and more consistent oversight across the procurement lifecycle.

Thailand's transparency reforms through CoST Thailand have laid a promising foundation. As Thailand advances its OECD accession, the next phase of reform should focus on how the system functions as a whole.

Strengthening pricing, market access, data integration, contractor selection and performance monitoring, and the wider enabling environment will help ensure that procurement not only improves transparency, but also supports a more competitive, capable, and well-functioning infrastructure market.

Annex A: Draft Recommendations

Recommendation 1: Reform bid evaluation and contractor selection from a price-dominant award model towards a more value for money approach that explicitly weighs price alongside contractor past performance and management capability including relevant policies and procedures. Evaluation criteria should include past delivery performance (time, cost predictability, quality and, where relevant, safety outcomes) and the presence of credible internal policies, procedures and systems that support reliable delivery, including quality management, health and safety, and integrity measures. This would incentivise lower-tiered contractor capability building and integrity upgrading – while providing procuring entities with assurance of previous delivery.

Critical to this is a process for **assessing and publishing contractor performance in an objective manner and utilising this to inform objective bid evaluation**. The Ministerial Regulation Prescribing Criteria for Business Registration (No. 2), B.E. 2569 (2026), effective 8 January 2026, is a positive step because it establishes the Performance Score system (the "Logbook")³³ that strengthens the Royal Thai Government's ability to monitor registered contracts and apply punitive measures such as downgrading contractor classifications or de-registration (debarment) for misconduct or gross negligence. It will be important that it is implemented in an effective and timely manner with transparent indicators that enjoy the confidence of all stakeholders.

To maximise its value-for-money impact, the Logbook should also be integrated into the upstream bid evaluation process to assess contractor qualification. Subsequent expansion of the Logbook could usefully take account of environmental management; business conduct; investment in capability building, such as adoption of recognised anti-corruption policies, procedures and practices. The latter would be particularly useful for contracts below THB 300 million which do not require mandatory integrity requirements.

Recommendation 2: Review contract administration to align with international standards, including better allocating risk between the parties, and mitigating project delays. This can be achieved through standard public contract administration adopted consistently across all procuring entities which contain clear, balanced mechanisms for site handover, contract administration decisions, method of measurement, variations and claims handling, payment timeframes, termination and relief. There are several international models to which reference could be made such as FIDIC (admeasurement³⁴) or NEC4 (collaborative) forms of contract. Improved contract administration can reduce uncertainty, delays and disputes.

Recommendation 3: Modernise reference pricing and payment practices to protect value for money and delivery resilience. While there are circulars relating to reference pricing and procedures to deal with discrepancies³⁵, stakeholders have raised several issues on the outdated processes. Regular reviews of practices, calculations, guidance and methodology should be completed to ensure Reference Price methodologies, escalation/price adjustment rules, and payment processing timelines reflect current circumstances and are clearly understood. They should also be published online and made available to all parties. This will reduce the likelihood of compliant contractors resulting in financially distressed delivery.

Practically, this can be advanced through:

- a reference pricing calculation which is periodically completed based from first principles (not just past contracts), and draws on feedback across government and the private sector;
- clearer, digitally available and publicly accessible guidance and publication of Reference Price calculation methodology and evidence;
- enforceable service standards for payment processing and price-adjustment decisions (reviewed in a timely manner); and
- design of K-Factor price escalation provisions that apply in a manner that achieves the intended purpose of reducing financial risk to the contractor.

Recommendation 4: All procurement and tender documentation — including TORs, construction drawings, reference pricing — should be digital by default and freely accessible to all interested

³³ Ministerial Regulation Prescribing Criteria for the Registration of Entrepreneurs (No. 2), B.E. 2569 (2026), effective January 8, 2026 establishes the logbook system for use to downgrade contractors.

³⁴ "admeasurement" is a priced bill of quantities method of pricing.

³⁵ MOF Circular Note No. C149

parties. To supplement this, digital support for SMEs could provide practical resources (such as a toolkit, resource hub, and practical templates) to support entry into a new market through upskilling on internal controls and anti-corruption measures.

Procuring entities can strengthen transparency by making all procurement correspondence public, such as a clearly stipulated window for bidders to submit queries, Frequency Ask Questions (FAQs) and all official clarifications. In addition, information on bids received that is of public interest should be published. This will enable procuring entities and companies to utilise the published data to inform future bidding.

Recommendation 5: An automatic process to flag restrictive bidding patterns should be developed. A digital “red flag” surveillance system should be implemented to automatically flag concerning bidding patterns, such as where the number of participants is at the legal minimum (3 firms) with abnormally synchronized pricing (Bid Rigging Detection). Automated risk detection would enable earlier intervention and increase deterrence against collusive practices.

Recommendation 6: Fragmentation of the procurement system can be reduced by requiring SOEs, where appropriate, to comply with the Public Procurement and Supplies Administration Act and its implementing regulations or adopt procurement rules and disclosure requirements that mirror the Act’s core principles and controls. This should be operationalised through clear, enforceable guidance and oversight.

In addition, there should be **consistent implementation of anti-corruption compliance requirements under Section 19**, including ISO 37001 certification or equivalent and widening across all contractor tiers - not only for contracts above THB 300 million (just under 7 million GBP). To support contractor upskilling in this area, fiscal incentives or training support, particularly for priority cohorts such as SMEs or lower tier contractors, could be considered.

Recommendation 7: The Trade Competition Commission of Thailand in coordination with the Ministry of Commerce should conduct a regular competition review within its powers set out in Section 17 of the Trade Competition Act, B.E. 2560³⁶. Reviewing high-risk procurement categories, such as repeated tenders with few bidders, and persistent bid-price clustering. The procurement data from the e-GP system can be used to detect collusive tendering risks and structural barriers to entry to better structure projects to promote genuine competition and performance delivery with bid-rigging safeguards aligned to OECD guidance³⁷.

The Ministry of Commerce, in coordination with the Trade Competition Commission, should analyse infrastructure data published on the e-GP system to track market structure over time. The trends can inform evidence-based policy recommendations to strengthen genuine competition (for example, tender size packaging, qualification proportionality, and evaluation design) and, critically, enable the Ministry to design targeted SME development interventions, such as identifying sectors or contract sizes where SMEs are systematically excluded, and diagnosing whether the barrier is capability, finance, or administrative burden.

Recommendation 8: A formal procurement trust and market confidence audit should be completed by the Royal Thai Government which would seek views of procuring entities, private sector and the public to better understand the reasons for uneven market development and how to improve confidence in the market. The audit should publish baseline trust indicators (for example, bidder participation rates, complaint patterns and disclosure quality) and track them over time to demonstrate whether reforms are improving market confidence and integrity. This audit would send a strong signal of desire for the government and private sector to work in tandem to better understand and address trust deficits.

Recommendation 9: Enable data-driven oversight through linked, interoperable tender management and contract implementation data. Thailand should link tender management, contractor classification, performance records, shareholder/beneficial ownership information (where legally permissible), sanctions status, and project delivery data to enable risk-based oversight.

A practical first step is to publish and link a minimum critical dataset for smaller projects, while enabling deeper integration for higher-value and higher-risk projects.

³⁶ Trade Competition Act, B.E.2560 (Unofficial translation), available on the website of the Trade Competition Commission of Thailand. [https://www.tcct.or.th/assets/portals/1/files/TRADE-COMPETITION-ACT-B_E_-2560-EN-article_20190221100346\(1\).pdf](https://www.tcct.or.th/assets/portals/1/files/TRADE-COMPETITION-ACT-B_E_-2560-EN-article_20190221100346(1).pdf)

³⁷ OECD (2023), *Recommendation on Fighting Bid Rigging in Public Procurement* (OECD-LEGAL-0396) (official PDF), <https://legalinstruments.oecd.org/public/doc/284/284.en.pdf>

This is not about collecting more data but using the data already collected more effectively between departments and systems to strengthen accountability and allow early identification of systemic risks such as related-party bidding, repeat underperformance, and collusive patterns.

Recommendation 10: Strengthen cross-agency coordination across the procurement lifecycle

Thailand should strengthen whole-of-government coordination to reduce fragmentation across procuring entities (including SOEs), ensure consistent minimum standards, and improve comparability of procurement and delivery outcomes. This should be framed as a functional mandate for coordinated oversight and interoperable data governance rather than the creation of a new institution.

Thailand can draw on guidance from the OECD on governing cross-cutting reforms to clarify roles, align policy development, and strengthen performance management across finance authorities, line ministries and SOE oversight bodies.

Recommendation 11: A gradual and capacity-aligned expansion of the CoST approach should be adopted to ensure quality and sustainability.

To enable this expansion, ownership of CoST Thailand should be more evenly shared across relevant ministries. Broader institutional ownership would support joint working and strengthen cross-government implementation of data publication across more projects.

CoST Thailand's annual Assurance Reports already contain strong, practical recommendations. These should be systematically tracked and implemented. In the next CoST Announcement³⁸, consideration should be given to expanding the remit of the Assurance Team to include follow-up on implementation of recommendations.

Finally, Thailand should identify a high-level political "CoST Champion." Experience from other CoST members shows that visible senior leadership can galvanise cross-government ambition and reinforce the strategic importance of transparent infrastructure investment.

³⁸ By virtue of the Public Procurement Act

Annex B: List of participant organisations who attended the roundtable

Royal Thai Government:

- Comptroller General Department (CGD), Ministry of Finance,
- Budget Bureau, Office of the Prime Minister
- Office of the Public Sector Development Commission (OPDC), Office of the Prime Minister
- Office of the National Economic and Social Development Council (NESDC), Office of the Prime Minister
- Department of Rural Roads, Ministry of Transport
- Department of Public Works and Town & Country Planning, Ministry of Interior
- Department of Highways, Ministry of Transport
- Royal Irrigation Department, Ministry of Agriculture and Cooperatives
- Department of International Economic Affairs, Ministry of Foreign Affairs
- Bangkok Metropolitan Authority (BMA)

Private sector:

- Thai Contractors Association under the Patronage of His Majesty the King
- The Consulting Engineers Association of Thailand (CEAT)
- Engineering Institute of Thailand Under His Majesty The King's Patronage (EIT)
- Federation of Thai Industries

Civil society:

- Anti-Corruption Organisation of Thailand (ACT)

Facilitation:

- CoST International Secretariat
- Hands Social Enterprise

Observer:

- British Embassy Bangkok

Annex C: Summary table of OECD standards and international standards

OECD instrument	Relevance to report findings
OECD (2015), <i>Recommendation of the Council on Public Procurement</i> (OECD-LEGAL-0411), https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0411 .	Provides guidance on how to design procurement as an integrated governance system and identifies twelve mutually reinforcing principles, including transparency, integrity, access, balance, stakeholder participation, efficiency, e-procurement, capacity, evaluation, risk management, accountability, and integration.
OECD (2017), <i>Recommendation of the Council on Public Integrity</i> (OECD-LEGAL-0435), https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0435	Emphasises that integrity depends not only on formal legal controls, but on coherent systems, risk-based management, accountability, and an integrity culture.
OECD (2017), <i>Recommendation of the Council on Open Government</i> , https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438	Sets out a framework for governments to embed transparency, integrity, accountability, and stakeholder participation into public governance to strengthen democracy, trust, and inclusive growth.
OECD (2020), <i>Recommendation on the Governance of Infrastructure</i> (OECD-LEGAL-0460), https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0460	Sets out a whole-of-government and whole-of-life-cycle approach to infrastructure planning, prioritisation, budgeting, delivery, operation, and maintenance to ensure value for money and quality infrastructure.
OECD (2021), <i>Procurement Strategy in Major Infrastructure Projects: Piloting a New Approach in Norway</i> (OECD Public Governance Policy Papers No 6, OECD Publishing 2021), https://www.oecd.org/en/publications/procurement-strategy-in-major-infrastructure-projects_38996343-en.html	Provides guidance on how public buyers should structure upstream procurement choices, including make-or-buy decisions, contract packaging, and delivery model selection, so that major infrastructure projects are better aligned with competition, capability, and risk allocation.
OECD (2023), <i>Recommendation on Fighting Bid Rigging in Public Procurement</i> (OECD-LEGAL-0396) (official PDF), https://legalinstruments.oecd.org/public/doc/284/284.en.pdf	Provides guidance to design procurement laws, procedures and oversight arrangement to detect and prevent collusion in procurement and prevent competition risks and market concentration
OECD (2023), <i>Managing Risks in the Public Procurement of Goods, Services and Infrastructure</i> (OECD Public Governance Policy Papers No 33, OECD Publishing 2023) https://www.oecd.org/en/publications/managing-risks-in-the-public-procurement-of-goods-services-and-infrastructure_45667d2f-en.html	Provides guidance for managing procurement risk as a continuous management discipline across the full procurement cycle, with special attention to complex projects where poor market analysis, weak packaging, poor risk allocation, and weak contract management can undermine competition and delivery.
OECD (2025), <i>Implementing the OECD Recommendation on Public Procurement in OECD and Partner Countries: 2020-2024 Report</i> , https://www.oecd.org/en/publications/implementing-the-oecd-recommendation-on-public-procurement-in-oecd-and-partner-countries_02a46a58-en/full-report.html	Emphasises that procurement governance should support efficiency, high-quality public services, and wider public policy objectives throughout the procurement cycle.
The (2025) <i>OECD Infrastructure Anti-</i>	Translates above principles into practical measures and provides a bridge between

<i>Corruption Toolbox Handbook (IACT Handbook)</i> https://www.oecd.org/content/dam/oecd/en/networks/galvanizing-the-private-sector/Infrastructure-Anti-Corruption-Toolbox-Handbook.pdf	OECD's high-level guidance and the operational issues identified in this report.
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Other international standards	Relevance to report findings
CoST Infrastructure Data Standard (IDS), https://infrastructuretransparency.org/resource/cost-infrastructure-data-standard/	Sets out project and contract data that should be disclosed across the lifecycle.
Open Contracting for Infrastructure Data Standards (OC4IDS), https://standard.open-contracting.org/infrastructure/	Sets out the standards for machine-readable publication and interoperability of infrastructure data.
ISO 37001	Sets out anti-bribery management systems for organisations.
ISO 37002:2001	Sets out guidance on whistleblowing management systems based on trust, impartiality, and protection
ISO 10845 suite of standards on construction procurement (especially ISO 10845-1:2020, ISO 10845-3:2021 and ISO 10845-4:2022), https://www.iso.org/ics/91.010.20.html	Provides useful guidance on fair, transparent and cost-effective procurement processes, including the disclosure of evaluation criteria and the structuring of tender and expression-of-interest procedures.
G20 Principles for Quality Infrastructure Investment (2019), https://www.mofa.go.jp/mofaj/gaiko/g20/osa-ka19/pdf/documents/en/annex_01.pdf	Sets out G20 guidance for planning, procuring, delivering, and operating infrastructure in a way that promotes lifecycle value for money, resilience, sustainability, transparency, and broader economic and social benefits.
UNCITRAL Model Law on Public Procurement (2011), https://uncitral.un.org/en/texts/procurement/modellaw/public_procurement	Promotes value for money, objectivity, fairness, participation, competition, integrity, and transparency.

Annex D: Global good practice case studies

This annex presents four short case studies illustrating how OECD countries have designed and implemented procurement systems to improve value for money, competition, and delivery performance. While these systems vary in legal frameworks, institutional arrangements, and levels of digital maturity, they demonstrate common approaches to operationalising OECD principles - particularly transparency, integrity, accountability, competition, and value for money - adapted to national contexts.

Across these cases, recurring features include integrated supplier registries, interoperable procurement data, more systematic use of performance information, and, in some instances, a stronger focus on life-cycle cost and operations and maintenance rather than initial capital price alone.

Case Study A: Chile

The 2023 reform to Chile's public procurement law was undertaken by the Ministry of Finance to strengthen transparency, efficiency, participation, and trust in public purchasing by connecting supplier registration, beneficial ownership transparency, open data, and active monitoring³⁹. *ChileCompra*, Chile's public procurement system, operationalised the reform through the supplier registry by requiring legal persons to submit a new sworn declaration identifying their beneficial owners to remain eligible to offer and contract with the state⁴⁰. This is notable because ownership transparency is not treated as a separate company registration issue and instead is integrated into the supplier registration process.

ChileCompra's internal monitoring unit, the Observatorio de Compras Públicas, monitors the entirety of procurement procedures using automated rules and structured open data, raises alerts, and refers serious cases to the relevant authorities where necessary⁴¹. This creates a meaningful feedback loop that provides real-time data for risk and quality assessment of supplier delivery.

Case Study B: South Korea

Launched in 2002, the Korean ON-line E-Procurement System (KONEPS) is the integrated digital public procurement system developed by South Korea's Public Procurement Services.⁴² It is a centralised system that publishes bids, serves as a shared repository of supplier data across the public sector, manages contracts, inspections and payments. While it is centralised, procuring entities still have the flexibility to define project-specific requirements and evaluation criteria.

As of January 2025, KONEPS is interconnected with 227 external systems from both the public and private sectors⁴³ that allows the automatic retrieval and sharing of essential documents and certifications required during the bidding and contracting process, such as business registration certificates, tax payment records, letters of guarantee, qualification screening documents, and certified copies of corporate registers. This reliable and efficient linkage significantly reduces the administrative burden on both procuring entities and suppliers. KONEPS has also seen upgrades with new features such as data-driven planning tools and AI-supported operational insights that optimises the procurement process.⁴⁴

³⁹ Open Ownership (2025). *Beneficial ownership in Chile's public procurement reform*, <https://www.openownership.org/en/publications/beneficial-ownership-in-chiles-public-procurement-reform/>

⁴⁰ ChileCompra (2024), *Personas jurídicas deberán declarar sus beneficiarios finales completando nueva Declaración Jurada del Registro de Proveedores (in Spanish)*, <https://www.chilecompra.cl/2024/11/personas-juridicas-deberan-declarar-sus-beneficiarios-finales-completando-nueva-declaracion-jurada-del-registro-de-proveedores/>

⁴¹ ChileCompra (2024), *Observatorio de Compras Públicas (in Spanish)* <https://www.chilecompra.cl/observatorio-de-compras-publicas/>

⁴² Republic of Korea Public Procurement Services, KONEPS Background, <https://pps.go.kr/eng/content.do?key=00774>

⁴³

OECD (2025), *Digital Transformation of Public Procurement Good Practice Report*, https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/06/digital-transformation-of-public-procurement_90ace30d/79651651-en.pdf

⁴⁴ *Ibid.*

South Korea's Public Procurement Services also sets out specific guidelines on Pre-Qualification of contractors.⁴⁵ It states that bidders can be granted qualification on the basis of a combined review of similar project experience, technical capability, and management status, especially for design and construction management services above prescribed thresholds. Clear guidance is also provided on the evaluation criteria⁴⁶ and post-award contract management processes,⁴⁷ such as the review of unit price adjustments and management of contract changes and variations within a formal administrative process.

Case Study C: The United Kingdom

This case study highlights a broad set of reforms across different parts of the procurement lifecycle which work together as a coherent whole.

The UK Procurement Act 2023 and associated guidance⁴⁸ establish a procurement system that goes beyond tender and award publication. Through the central digital platform, Find a Tender⁴⁹, procuring entities publish information across the full lifecycle, including pipeline, planning, tender, contract, performance, change, and termination data.

Suppliers must disclose financial information and details of “connected persons”—individuals or entities with influence or control over the supplier⁵⁰. This extends beyond beneficial ownership to include parent and subsidiary undertakings and, in some cases, predecessor companies, providing a broader view of ownership, control, and procurement risk.

Procuring entities are also required to publish Contract Performance Notices, assessing supplier performance against key performance indicators (KPIs) and identifying poor performance or breaches⁵¹. This strengthens ongoing performance monitoring and accountability.

The UK system links transparency with whole-life value, supplier performance, and project design. The Construction Playbook⁵² requires the use of Should Cost Models (SCMs)⁵³ to inform cost, value, carbon, and risk considerations, supporting better procurement design, evaluation, and payment mechanisms.

In 2021, the UK government supported an independent review, *Constructing the Gold Standard*⁵⁴, which set out 24 recommendations to improve public sector construction frameworks. This led to an industry-led verification scheme⁵⁵ launched in 2023 to ensure frameworks deliver improved value and stronger project outcomes.

Case Study D: Japan

⁴⁵ Republic of Korea Public Procurement Services, *PQ+Eligibility Assessment (in Korean)*, <https://www.pps.go.kr/kor/content.do?key=00729>

⁴⁶ Republic of Korea Public Procurement Services, *Successful Bidder Determination System (in Korean)*, <https://www.pps.go.kr/kor/content.do?key=00007>

⁴⁷ Republic of Korea Public Procurement Services, *Total project cost management (in Korean)*, <https://www.pps.go.kr/kor/content.do?key=00009>

⁴⁸ UK Cabinet, *Procurement Act 2023 - Guidance documents*, <https://www.gov.uk/government/collections/procurement-act-2023-guidance-documents>. Guidance Documents include the Construction Playbook, the Sourcing Playbook, and the Risk Allocation and Pricing Approaches Guidance Notes.

⁴⁹ UK Government Commercial Function, *Central Digital Platform Factsheet*, <https://www.gov.uk/government/publications/procurement-act-2023-short-guides/central-digital-platform-factsheet-html>

⁵⁰ Ibid

⁵¹ Section 71 of the Procurement Act 2023, <https://www.legislation.gov.uk/ukpga/2023/54/contents>

⁵² UK Cabinet Office (2022), *The Construction Playbook (Version 1.1)*, <https://www.gov.uk/government/publications/the-construction-playbook>

⁵³ Government Commercial Function (2021), *Should Cost Modelling Guidance Note*. https://assets.publishing.service.gov.uk/media/60a3879f8fa8f56a32f91cfd/Should_Cost_Modelling_guidance_note_May_2021.pdf

⁵⁴ Mosey, D. (2021), *Constructing the Gold Standard*, https://assets.publishing.service.gov.uk/media/61b9cb41e90e07043e8ff5cc/Constructing_The_Gold_Standard_Final.pdf

⁵⁵ Constructing Excellence, *Constructing the Gold Standard Verification Scheme*. <https://constructingexcellence.org.uk/constructing-the-gold-standard-verification-scheme/>

The infrastructure procurement system in Japan utilises a comprehensive evaluation method with a focus on infrastructure delivery performance, asset quality, lifecycle cost, and maintenance cost. The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) sets out the guidance that procuring entities should select suppliers based on factors such as the track records of similar works, in addition to the technical and price proposals.⁵⁶ MLIT has also set out explicit guidance on lifecycle costs, including maintenance and renewal costs.

Japan also shows a useful regulatory balance. Unlike the UK's guidance model for procuring entities, MLIT has set out structured technical guidance for the tendering and contracting system for public works⁵⁷, including quality assurance in public works⁵⁸ but these are still applied in relation to project characteristics, technical proposals, and sector-specific needs. The system is more structured, but it still preserves project-specific technical assessment rather than just relying on the cost proposal.

Finally, Japan demonstrates a strong commitment of linking procurement and infrastructure governance to operations and maintenance over the asset lifecycle. MLIT's road maintenance materials explain how preventive maintenance is carried out to reduce life-cycle costs and minimise the overall cost of repairs and renovation, while more recent Roads in Japan materials continue to emphasise efficient asset management and medium- to long-term cost reduction through preventive maintenance.

⁵⁶ The Ministry of Land, Infrastructure, Transport and Tourism (Japan), *Construction Management Practical Use Guidelines*, https://www.mlit.go.jp/sogoseisaku/1_6_hf_000077.html

⁵⁷ The Ministry of Land, Infrastructure, Transport and Tourism (Japan), *Tendering and Contracting System for Public Works*, https://www.mlit.go.jp/sogoseisaku/1_6_hf_000078.html

⁵⁸ The Ministry of Land, Infrastructure, Transport and Tourism (Japan), *Concrete Guidelines for Comprehensive Promotion of Measures for Advancement of Quality Assurance in Public Works*, https://www.mlit.go.jp/sogoseisaku/1_6_hf_000124.html

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