TRAFIKVERKET

OSLO CONCEPT SYMPOSIUM · SEPTEMBER 2026

Transforming supplier relationships in megaprojects

The Ostlänken / East Link story, becoming the supplier's first choice on a €10 bn railway.

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SETTING THE SCENE

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How do you become the contractor's first call, on a €10 billion railway?

Three years ago, the answer wasn't obvious. Suppliers were turning away from Trafikverket. Conflict levels were high. Tender lists were short.

This is what we did about it, and what changed on Sweden's largest railway project.

AGENDA

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Five movements, 20 minutes.

01 **Where we left off: Oslo 2024**

The cost-overrun problem we promised to fix.

02 **The supplier market, why the old model stopped working**

70% of turnover, dwindling competition, rising conflict.

03 **The Supplier's First Choice, a strategy in four areas**

Relationships, business models, conflict, decisions.

04 **Putting it to work on Ostlänken**

Market dialogue, fit-for-purpose contracts, sound competition.

05 **What we carry into National Transport Plan 2026–2037**

Scaling the playbook portfolio-wide.

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Cost overruns are a governance problem.

Jonas Eliasson, Director of Transport Accessibility at Trafikverket and professor of transport systems, set out the diagnosis here two years ago. This is our answer.

HIS DIAGNOSIS, 2024	OUR ANSWER, 2026
The early cost estimate freezes the plan, "lagt kort ligger."	A new estimating regime (RCF) and transparent reporting (SEBar).
We optimise too late, govern too softly, and decide too slowly.	"7/95" governance and portfolio packaging on the largest programmes.
The relationship with the supplier market is part of the problem.	A different deal with the supplier market, the subject of this talk.

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The supplier market is the project.

More than 70% of Trafikverket's turnover flows through the supplier market. By the early 2020s, fewer bidders were showing up, and fewer of those bids were any good.

70%

OF TURNOVER

flows through external suppliers: they don't just help us deliver; they are the delivery.

↓

TENDERS PER PROCUREMENT

A handful of major contractors carried the largest packages; international names had largely exited.

↑

CONFLICT LEVEL

Claims and disputes were rising sharply on the largest contracts. Lead times were sliding.

IN THEIR OWN WORDS

“ We can't reach adequate profitability on your contracts. The conflict level is too high. We are turning away from Trafikverket as a client.

PARAPHRASED: TIER-1 CONTRACTORS, 2022 MARKET DIALOGUES

A new strategic goal: become the Supplier's First Choice.

Not "a good client." Not "fair." First choice. The contractor whose tender goes onto the desk first when capacity is tight.

Earning that takes a behavioural change, not a procedure manual.

The action plan is structured around four focus areas

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Four focus areas. One change in behaviour.

01

Build strong relationships

02

Develop business models

03

Reduce conflict levels

04

Strengthen decision-making

The Supplier's First Choice

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People build markets. Not procurement portals.

Named relationship owners at director and project-director level

One face per contractor; a phone call beats an escalation letter.

Market dialogues 18–24 months before a major package goes out

We ask what's investable, what's bankable, what's a deal-breaker.

Annual supplier days and sector forums, as a working session, not PR

The next ten years of pipeline, on one page, in plain language.

Predictability as a deliverable

Stable schedules, stable scopes, stable contacts, boring for us, valuable for them.

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Fit-for-purpose contracts, chosen per package, not per habit.

MODEL	WHERE IT FITS	WHY WE USE IT
Design–Build / DBB	Well-defined civils, mature scope.	Lowest friction when the unknowns are small.
Early Contractor Involvement (ECI)	Complex tunnels, urban interfaces, geotechnical risk.	Buy the contractor's brain before you buy their hands. Examples: Olskroken, Lilla Edet, Ostlänken.
Alliance contract	High-uncertainty, pilot-grade work.	Shared pain/gain when no one can price the risk on day one. Piloted on E22 past Söderköping.
PPP / project company	Bundled programmes with long operating tail.	Brings the operating cost of decisions back into the design room. Subject of a parallel decision in NTP 2026–2037.

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Escalate fast. Protect the project.

A defined escalation ladder for unresolved contract issues, with a clock on every rung.

LEVEL 1 · PROJECT MANAGER	Project manager resolves with the supplier in direct dialogue.	Days · weeks
LEVEL 2 · REPRESENTATIVE	Representative ("ombud") takes over if not resolved.	~3 months max
LEVEL 3 · REGIONAL / DEPT HEAD	Escalate above > 100 MSEK in dispute; legal counsel briefed.	~6 months max
LEVEL 4 · BUSINESS AREA DIRECTOR	Director-to-director meeting; chief counsel engaged. > 500 MSEK.	No drift
LEVEL 5 · DIRECTOR-GENERAL	DG informed; external mediator if needed. Decision, not delay.	Same week

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Decide early. Hold the line. Change deliberately.

WAS	NOW
Decisions drifted; scope grew softly.	Identified scope. Decision log. One owner.
Many decision owners; unclear authority.	Single accountable owner for content & cost.
Scope change absorbed silently in design.	Decision log governs every change to scope.
Cost forecasts adjusted to reality after the fact.	"7/95" governance, make the call at 7%, hold it through 95%.
Suppliers carried the residual risk, and priced it back hard.	Portfolios over megaprojects: fewer big bangs, more steady drum.

Ostlänken / The East Link.

Sweden's largest railway project. €10 billion. 160 km of new high-speed line between Järna and Linköping. The first big test of the new playbook.

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160 km of new railway, and a chance to do procurement differently.

LENGTH
160 km
new double-track railway

BRIDGES
150
across two regions

TUNNEL
23 km
in tunnel structure

BUDGET
€10 bn
~91 bn SEK · 2022 prices

WHERE

Between Järna in Södermanland and Linköping in Östergötland, connecting Stockholm to the southern main lines.

WHY

More trains and shorter travel times. Sustainable transport. Regional enlargement: cities pulled into one labour market.

THE PLAYBOOK, APPLIED

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Four areas → one procurement.

Relationships: a named senior owner for each Tier-1 we wanted in the room

One Trafikverket interlocutor for the lifetime of the package. No re-introducing yourself every quarter.

Business models: packages sized to a contractor's appetite; ECI on the hardest stretches

Bid lots designed around what the market could swallow, not the org chart.

Conflict: escalation ladder in the contract, with a clock on every rung

The first claim sets the tone for the next ten years. We respond inside the month.

Decisions: single scope owner per package, decision log governs every change

The contractor knows whose call it is, and that the call won't drift.

MARKET DIALOGUE · TIMELINE

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Ask early. Listen often. Adjust before the RFP.

The market told us what was bankable. We didn't pretend to know better.

2023 · Q2

Open market dialogue

Pipeline shared with sector. 18+ months ahead of tender.

2023 · Q4

Package-level workshops

Technical, commercial, risk, separately, with named teams.

2024 · H1

One-on-one bidder talks

Six contractors, separately. NDA-covered. We asked what they couldn't price.

2024 · H2

Adjustments to the RFP

Risk allocation, milestones, payment cadence rewritten in response.

2025

Tender · award

Including ECI award announced for the first major package.

THE HARDER YES

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Wider market, tighter conditions.

Becoming attractive can't mean becoming soft. We tightened where the supplier market wanted us to.

Sub-tier limits: fewer leveraged layers between us and the boots on site

Visibility into who is actually being paid, and who is actually paying tax.

Abnormally low tenders rejected, not rationalised

Reduces the race-to-the-bottom that the responsible contractors hate the most.

"Sound competition": labour-market compliance baked into the contract

A new dedicated department; coordinated audits with tax authority and partners.

Sharper exit clauses for non-performance, exercised early

Better for the project, and, counter-intuitively, better for supplier appetite.

THE HEADLINE RESULT

5 of 10 of Europe's largest contractors bid on Ostlänken packages

Including one entirely new entrant to the Swedish market, never previously qualified for a Trafikverket package.

Skanska	Vinci	Hochtief
Eiffage	**+ Bouygues** NEW ENTRANT	

BEYOND OSTLÄNKEN

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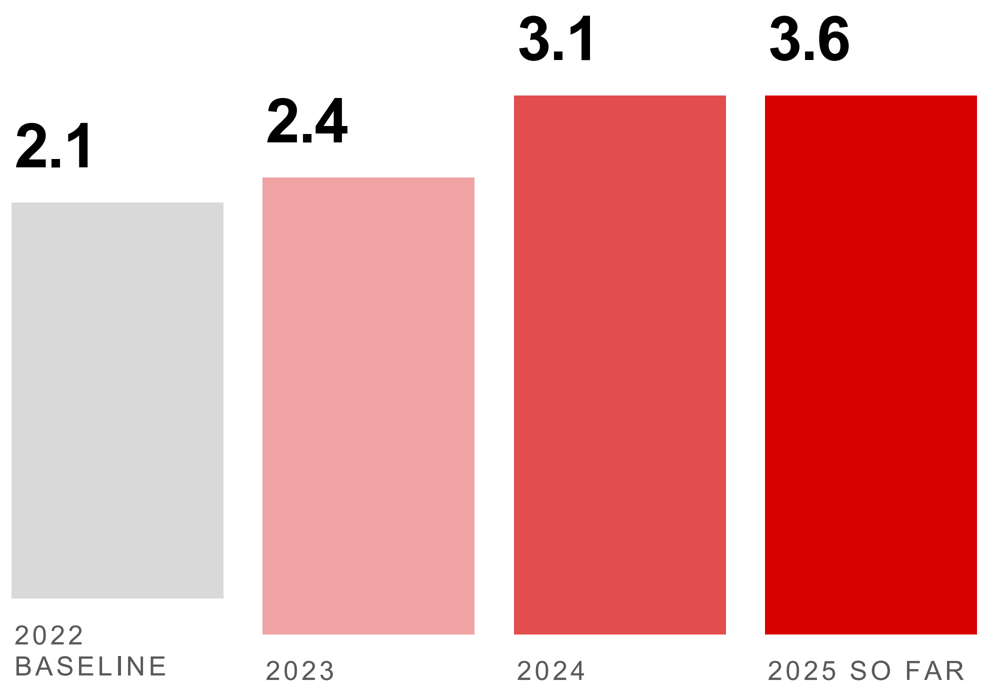
Tenders per procurement, the curve has turned.

A positive trend in both construction contracts and services. All regions show stable or rising bid counts. Attractive contractors are submitting more tenders; international names, Bouygues, Hochtief, are participating again.

Indicative averages across major investment procurements, Trafikverket-wide.



WHAT WE'D TAKE TO YOUR PROJECT

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Five lessons, plainly.

01 **People, not procedures, change supplier relationships.**
Named owners; sustained contact; predictable behaviour.

02 **Choose the commercial model per package; never per habit.**
ECI where complex, DBB where mature, alliance where unpriceable.

03 **Talk to the market 18+ months before you write the RFP.**
Then actually change the RFP.

04 **Escalate conflicts faster than feels comfortable.**
The clock is the discipline. Drift is the disease.

05 **Decide once. Hold the line. Change deliberately.**
"7/95" governance, and a decision log nobody fears.

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National Transport Plan 2026–2037, the Ostlänken playbook, at portfolio scale.

Total: SEK 1,171 billion over 12 years, the largest investment programme in Sweden's modern history.

WHAT WE SCALE

Market dialogue as a default. Fit-for-purpose commercial models per package.

The escalation clock. Decision logs as everyday governance.

Portfolio packaging on the largest programmes.

WHAT WE ADD

PPP candidates ~9 objects suggested, both rail and road.

Institutional competition -> Project company for bundled delivery.

~20% resource reduction target on the largest programmes via the "7/95" approach.

607

DEVELOPMENT · SEK BN

564

MAINTENANCE · SEK BN

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Thank you.

Questions?

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