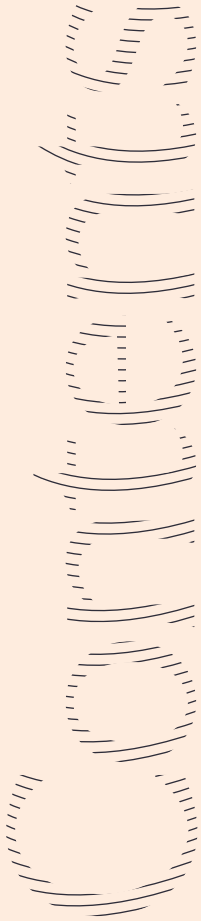
Investing in infrastructure

Private capital's opportunity

MACFARLANES



Introduction

In 2025, infrastructure fundraising hit a record of nearly $200bn[1], and the sector established itself as one of the fastest-growing asset classes in private markets.[2]

Fundraising during the first half of 2026 has been markedly more muted at $40.8bn[3], but the numbers for 2026 understate that capital is still entering the market through separately managed accounts, joint ventures, and co-investment, and the structural drivers of the asset class remain robust. The strength of the sector is also evidenced by the fact that more than half of institutional investors plan to increase their infrastructure allocations and capital is still being deployed.[4]

The drivers are well understood: the energy transition, the AI-fuelled expansion of digital infrastructure, ageing public assets, and governments that have committed to programmes they cannot fund from the public balance sheet alone. What is less talked about is the set of challenges that sit between committed capital and deployment.

The market is larger and more complex than it has ever been, and the assets attracting the most capital sit at the intersection of infrastructure, private equity, real estate and technology, demanding a broader set of transaction skills than traditional sectors such as regulated utilities ever required. The investor base is broader, now spanning institutional investors, sovereign wealth funds, GPs, private wealth, and family offices. The capital mix is more sophisticated, with private debt taking a rapidly growing share alongside equity. And the regulatory environment presents transactional challenges that must be managed as part of deal execution, not treated as a separate compliance exercise.

We have written this report for investment professionals and advisers navigating that complexity. Drawing on global data and Macfarlanes' own analysis, we set out what these trends mean for investors deploying into the UK and wider European market. Across the four sections of this report, we examine where the capital is going, how it is being structured, and what determines whether it can actually be put to work.

Key themes from the four sections of this report

01

The scale of the opportunity

Nearly $1.8tn of private capital deployed across close to 10,000 deals in five years, but the strongest returns are in a handful of segments where medium to long term revenue is contracted and demand is structural. The UK is Europe's largest market for private capital in infrastructure, and mid-market and upper mid-market deal flow is proving more resilient than the headline fundraising numbers suggest.[5]

02

The capital stack

GP consolidation is reshaping the equity market, while private debt is emerging as the clearest signal of which segments have become bankable. Fund finance (including subscription lines and NAV facilities) has moved from the margins to the centre of infrastructure structuring, and minority stake acquisitions and co-investments are creating a growing stream of investment-level transactions.

03

Navigating complexity and dependencies

The balance of difficulty has shifted. Raising capital for infrastructure remains competitive, but it is the development and execution process that now determines which deals are successful. Grid position, contract structure, and interface management impact which assets reach financial close, and the sponsors who can navigate that complexity on their transactions are the ones doing the best.

04

When public policy meets private capital

Governments are broadly shifting from subsidy to regulatory reform with a bias towards projects that are the most viable and which carry lower execution risk. A single transaction can now trigger merger control, national security, subsidy control, and planning regimes at the same time. The advisory challenge has moved from securing public money to navigating the interaction of concurrent regulatory workstreams (often across multiple jurisdictions).

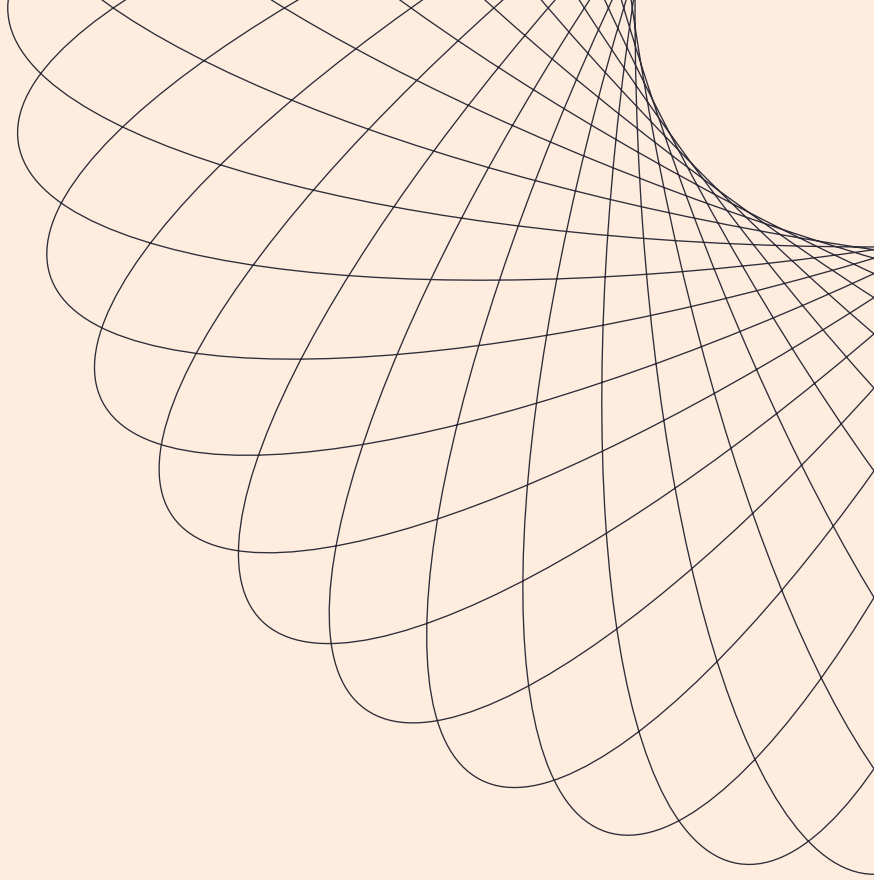
> The infrastructure investment landscape is a fast-changing one. The pressing need to renew and modernise infrastructure, combined with the weakening fiscal position of governments, means that private sector investment will be essential. We are entering a period of genuine innovation and opportunity.

Rt Hon Sir David Gauke

Senior Adviser at Macfarlanes, former Chief Secretary to the Treasury

01

The scale of the opportunity



Infrastructure is one of the fastest-growing asset classes in private markets.[6]

Nearly $1.8tn of private capital has been deployed across close to 10,000 infrastructure transactions in the past five years.[7] Deal count rose almost 40% in 2025 alone, and this activity extended into H1 2026, with UK deal count increasing 2% ahead of the same period in 2025. More than half of institutional investors now plan to increase their infrastructure allocations over the next three years.[8]

The capital is also being put to work. Dry powder has almost halved to 23% of assets under management, a sign that deployment is outpacing fundraising for the first time in the cycle.[9]

A broadening investor base

The composition of that capital is shifting. Alongside investors and GPs, private wealth and family offices are now a distinct and growing force. Approximately 30% of family offices intend to increase their infrastructure allocations, drawn by the same characteristics that suit longer-horizon mandates: contracted cashflows, inflation linkage, and resilience through volatile markets.[10] Private debt is following the same trajectory. Its share of infrastructure deal count rose from 14% to 24% between 2021 and 2025, as lenders found the contracted returns they were looking for.[11]

This broadening of the investor base has introduced a wider range of investment mandates, holding periods, and risk appetites, and, with them, a more complex set of structuring and advisory requirements. We have seen transactions increasingly bring a family office, a GP and/or a credit fund into the same deal, with different return expectations, governance requirements and tax positions to reconcile. For the private wealth investor, the holding structure and tax position add a distinct layer of structuring complexity. This broader range of capital is becoming particularly important in early stage investing where projects are more speculative and the risk-return profile is higher.

The UK: a leading market

The geography of deal flow also deserves attention, with the UK representing the largest market for private infrastructure capital in Europe.[12] Renewables have largely driven the growth, with data centres and wider digital infrastructure contributing a smaller share of activity in the country compared to global trends.[13] However, the UK is not operating in isolation. Jurisdictions across Europe are actively competing for infrastructure capital, with countries such as Germany, France, and the Nordics advancing their own pipeline of energy transition, digital, and transport projects to attract institutional and cross-border investment.[14]

Where capital is concentrating

The segments attracting private capital sit at very different points on the maturity curve, and each demands a different investment approach. We have organised the market around five categories:

Category	Segments	What defines it
Mature	**Data centres**	Proven cashflows, deep capital markets, and scale. The challenge is no longer attracting investment but coordinating the energy, planning, and security workstreams needed to deliver it.
Established	**Solar** **Onshore wind**	Competitive pricing has lowered unit costs. Capital availability is no longer the constraint, grid access is.
Growth	**Battery storage (BESS)** **EV charging**	Contracted revenue through tolling and long-term offtake is drawing infrastructure debt into assets that were previously equity-only.
Early stage	**Hydrogen** **Carbon capture, use and storage (CCUS)**	Policy is advancing ahead of bankable contract structures. Significant government support is needed before private capital can follow at scale.
Established, uncertain costs	**Offshore wind**	Sound financing architecture, but cost inflation and supply-chain pressure are testing margins.

Source: Macfarlanes analysis of Preqin Infrastructure Deals Database, Jan 2021 – July 2026.

A few segments merit closer attention

Data centres lead all segments by deal value - $63.8bn in 2025 alone, 2.5 times the 2021 figure. The segment has retained that lead into 2026, with transaction numbers up 63% in H1 2026 compared to the same period in 2025, with deal value largely unchanged.[15] McKinsey estimates the sector will need roughly $19tn of investment to meet global demand by 2040.[16] Beyond the technology, each project is fundamentally a real estate and construction undertaking, requiring site assembly, planning consent, long-term leases, and power supply agreements before a single server is installed.

BESS is the largest clean-tech segment by volume, with deal count nearly doubling between 2024 and 2025.[17] Tolling agreements and long-term offtake have given lenders the predictable cashflow that merchant-only projects could not, and the International Energy Agency (IEA) reports BESS investment growing over 30% year-on-year in 2025.[18] **EV charging**, meanwhile, recorded the highest private debt penetration of any segment at 35%.[19]

Solar and wind are consolidating. In solar, falling technology costs mean fewer but larger transactions, concentrated around assets that already hold a grid connection.[20] In wind, onshore remains Europe's largest source of new renewable capacity, buoyed by the end of England's decade-long restrictive regime in late 2024, while offshore faces cost pressures that are testing established financing models.[21]

Hydrogen and CCUS remain early stage. Neither segment yet has the contract structures that institutional lenders typically require. The IEA expects global hydrogen spending to rise 50% in 2026 as earlier investment decisions move into construction, but falling deal counts reflect a slowdown in new commitments rather than in delivery. CCUS sits further back still.[22]

Mid-market and upper mid-market resilience

One structural feature of the market deserves particular emphasis. While headline fundraising has been dominated by blue-chip GPs where the top ten managers accounted for 44% of total 2025 commitments, mid-market and upper mid-market deal flow has proved more resilient.[23] This section of the market can offer a broader range of exit options and more flexible strategies. From a deal perspective, these transactions also tend to involve more bespoke structuring. The equity, management incentive plans, tax arrangements are rarely off-the-shelf.

Looking ahead

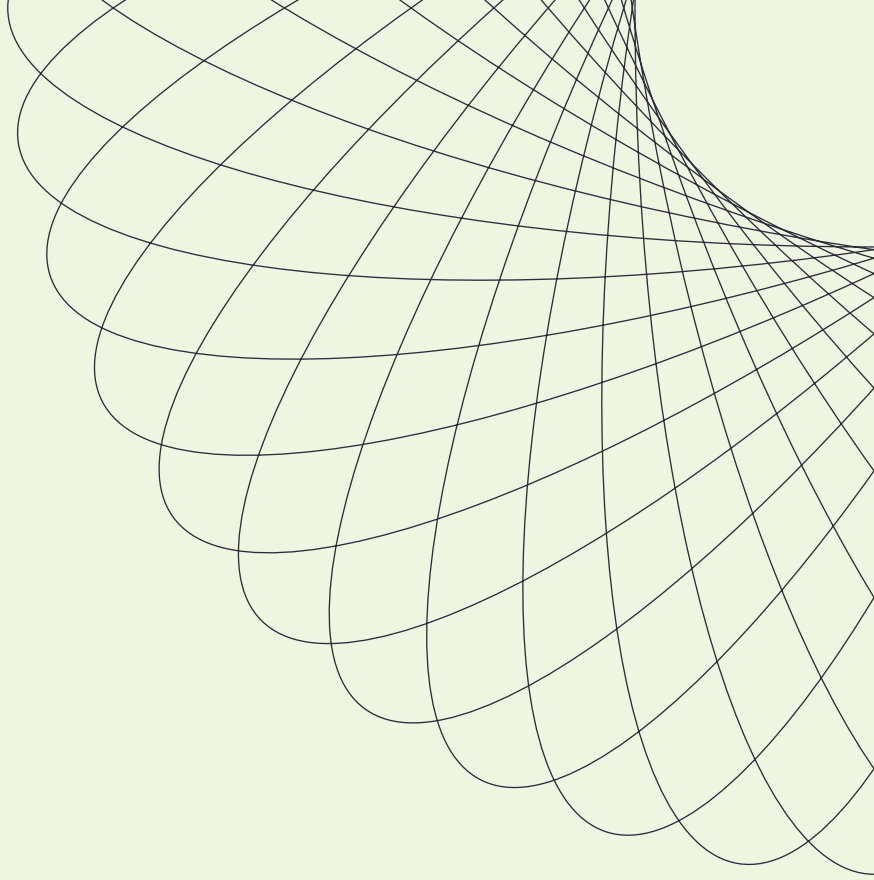
Capital flowed into infrastructure faster in 2025 than at any point in the preceding five years, from a broader investor base, and through an increasingly complex mix of equity and debt. The effect is to widen the range of assets that can be financed, and, with it, the range of advisory challenges. The takeaway from this market overview is threefold:

- **Watch the mid-market.** As the investor base broadens and allocations increase, this is where we expect much of the most actionable deal flow to emerge.
- **Expect complexity.** Sovereign programmes, cross-border capital flows, and the convergence of real estate, technology, energy, and security regulation mean that infrastructure transactions increasingly require coordinated advice across multiple disciplines.
- **Follow the contract.** The strongest capital deployment is in segments where revenue is contracted or demand is structural, like data centres and BESS. Solar and wind are consolidating around grid-connected assets. Hydrogen and CCUS will depend on public support for some time yet.

The next section of this report considers how that capital is best structured.

02

The capital stack



The infrastructure capital stack is evolving rapidly across equity, debt and fund finance.

Equity: Concentration at the top, varied opportunity in the middle

On the equity side, the market is split. Deals above $500m accounted for 98% of deal value in H1 2026, up from 93% in 2025 and 87% the year before.[24] That concentration is being reinforced by GP consolidation, headlined by BlackRock's c.$12.5bn acquisition of Global Infrastructure Partners in 2024, which created a $170bn platform spanning 100 countries.[25]

Alongside outright acquisitions, GP stake transactions are emerging as a second route into manager economics. Passive interests in management companies give investors exposure to long-dated fee streams and carried interest. Infrastructure managers are particularly attractive targets, because their fee bases are more durable and their fundraising has held up better than most private markets strategies. These are some of the most bespoke transactions. How you value the interest, what governance the incoming investor gets, and how they realise value on exit all need to be negotiated from scratch, particularly where the manager wants to keep operational control.

As deal sizes grow and platforms consolidate, we have seen a parallel market in minority and non-controlling equity stakes develop. Not every investor needs (or wants) to be the controlling sponsor. For those seeking exposure to infrastructure assets without the operational responsibilities of a controlling position, acquiring a minority interest in a platform or project offers a route into the asset class at the investment level, this then requires careful structuring of the acquisition, negotiating governance and information rights, designing the holding and tax structure, and securing exit protections.

Infrastructure secondaries have also emerged as a fast-growing segment of the broader market. Fundraising for dedicated infrastructure secondaries vehicles reached a record $11.5bn in 2025, more than double the previous year. Investor appetite has broadened in step, with 21% of investors surveyed considering an allocation to secondaries in 2025, against 9% a year earlier.[26] Both LP-led portfolio sales and GP-led continuation vehicles have increased in volume, driven by investors' need for liquidity in a higher-rate environment and by managers' desire to hold their best-performing assets for longer. Infrastructure is particularly well suited to these structures due to the long duration and contracted cashflows of the underlying assets. These deals require the alignment of incoming and rolling investors on valuation methodology, the negotiation of governance rights within continuation vehicles, and the management of potential conflicts of interest where the GP sits on both sides of the deal.

More broadly, consolidation has two further consequences that matter for investment professionals. First, it is changing how assets are exited - secondary buyouts overtook trade sales for the first time in several years in 2025, rising from 33% of exits in 2021 to 53%, and reaching 58% in H1 2026.[27] Second, it is creating counter-cyclical opportunity in the mid-market. We are seeing the same consolidation that concentrates capital at the top of the market also producing spin-outs and team moves at the bottom, rebuilding the deal flow that consolidation removes.

Debt: The bankability signal

The growth of private debt in infrastructure is more than a lending story. When debt capital enters a segment of the market, it signals that lenders see cashflows they can underwrite - contracted revenue, predictable demand, or both. Debt arrival is, in effect, a bankability indicator.

The numbers are striking. Private debt deployed nearly $300bn into infrastructure between 2021 and 2025, rising from $49bn to $75bn annually. Its share of total deal count nearly doubled, from 14% to 24% and reached 27% in the first half of 2026.[28] We expect that share to continue growing. That growth is also driving demand for new fund formation, with private debt managers establishing dedicated infrastructure debt units and a growing number of infrastructure debt vehicles reaching close.[29]

From 2021 to July 2026, roughly 88% of private debt deals financed greenfield construction, not operational assets.[30] The pattern is visible across segments. EV charging now has the highest private debt penetration of any identified subsegment at roughly 35%, whilst battery storage is close behind, with tolling agreements providing the predictable revenue that merchant-only projects could not.[31] Tracking the source of debt and where it sits is a helpful tool to assess where a sector is on its maturity curve.

Fund finance

As the capital mix has become more sophisticated, so have the structures around it. Fund finance has moved from the margins of infrastructure into a central role, and this is where much of the structuring complexity now sits.

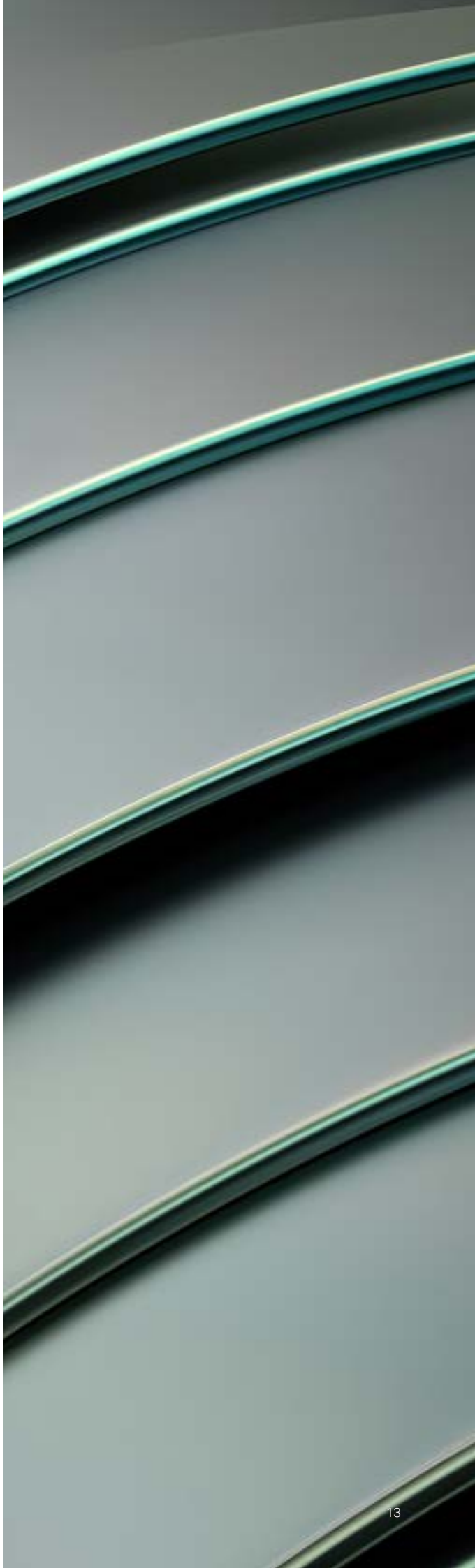
Subscription lines can accelerate deployment, and NAV facilities unlock liquidity from operational portfolios by lending against asset values, giving infrastructure sponsors a route to distributions or reinvestment without an exit. Co-investment arrangements bring in additional capital alongside the main fund. Layered on top of project-level debt, these arrangements allow sponsors to calibrate leverage at both fund and asset level, and they help explain why sponsor-to-sponsor transactions and continuation vehicles have become so popular, as compared to trade sales.

For investors and their advisers, this layering also introduces a set of questions that sit at the intersection of fund structuring, tax, and transaction execution, for example: how leverage at fund level interacts with project-level debt covenants; how continuation vehicles are priced and governed; how co-investment economics are allocated; and how cross-border holding structures are designed for tax efficiency. As the sector moves from core into core-plus and value-add strategies, we are seeing management incentive plans, governance frameworks, and carried interest structures which are all familiar from a private equity context, move into the mainstream in infrastructure transactions. Much of this work sits squarely at the investment level, upstream of the operational management of the underlying asset.

Tax structuring remains important. Holding structures often need to accommodate investors from multiple jurisdictions, each with different tax profiles and reporting preferences. This cannot always be done within a single vehicle, and the balancing act between flexibility and complexity can be a difficult one.

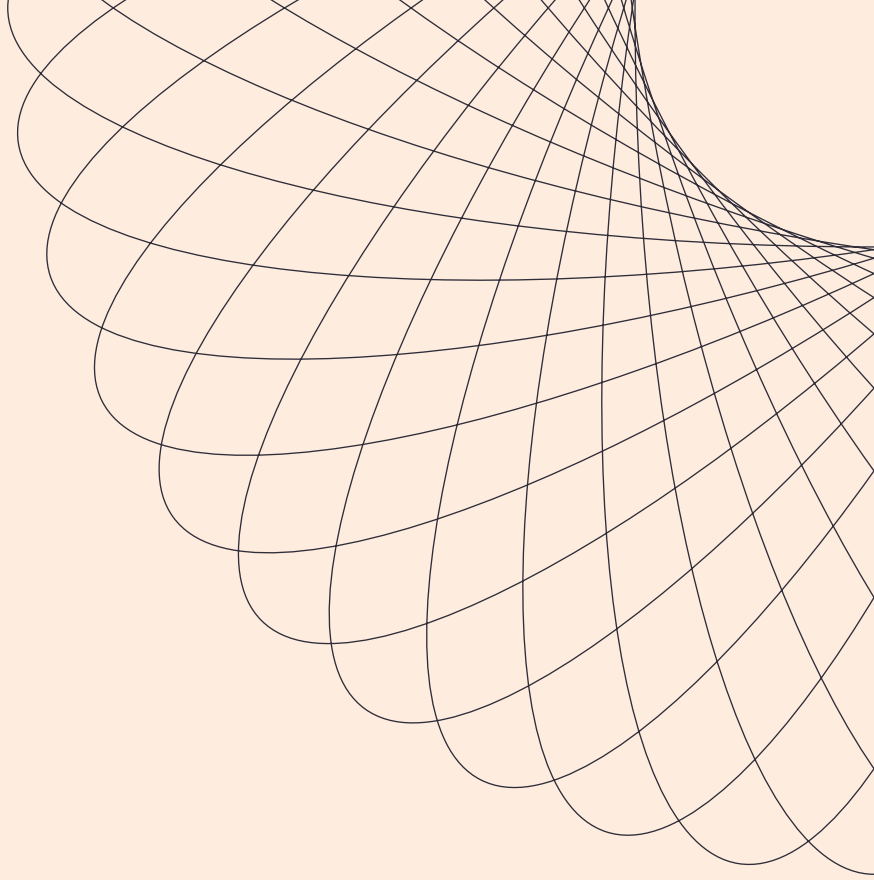
Cross-border deployment adds a further dimension. Pillar Two's global minimum tax rules are reshaping how infrastructure holding structures are designed. There can also be a divergence between approaches to, for example, interest deductibility, and the regime in the jurisdiction where the capital is sourced can often be quite different from the requirements of the investee jurisdiction.

While such jurisdictions welcome investment, tax authorities, particularly in an infrastructure context, are alive to the cross-border element of such investment and as a matter of policy will apply withholding tax to dividends and interest paid to certain jurisdictions.



03

Navigating complexity and dependencies



Getting assets investment-ready is now where the real value in infrastructure lies.

The previous sections examined where capital is flowing and how it is structured. This section looks at what determines whether an asset actually reaches the point where that capital can be deployed, and why the work required to get there is where much of the value in infrastructure now sits.

The development phase

Infrastructure assets do not arrive on the market ready to buy. Before an institutional investor sees a contracted, consented, grid-connected asset with 20 years of predictable cashflow, a team has typically spent years navigating the development process that produced it:

- assembling the site through land acquisitions, options, and long-term leases;
- securing a grid connection;
- obtaining planning consent;
- negotiating offtake;
- managing interface risk across multiple counterparties; and
- assembling the holding and contractual structure that makes the asset financeable.

That development work is, increasingly, the binding constraint on the market. The capital is there, as section 1 showed. What is scarce is the supply of assets that have cleared the development hurdles.

Grid position: the constraint that sits upstream of everything else

Across most infrastructure segments, grid access has replaced capital availability as the primary bottleneck. A data centre can be built in 12 to 18 months; securing the power to run it takes eight to ten years in the UK for a new 50MW facility.[32] More than 2,500 GW of renewable, large-load, and storage projects sit in global connection queues.[33]

The UK's connection reform, which replaced the first-come, first-served queue with a first-ready, first-connected system in June 2025, is a direct response.[34] Projects now hold their queue position only if they meet tougher gate criteria, and the Government is introducing commitment fees ranging between 2.5% and 7.5% of average project connection costs to weed out speculative projects. The system operator can terminate where milestones are missed. That is a significant shift and will reward sponsors who are genuinely progressing development.

The result is that grid position now sits ahead of technology choice, planning consent, and construction readiness. An asset with a secured connection commands a premium; one without faces a multi-year queue and an uncertain timetable. In practice, we are seeing grid connection status drive valuations more than any other single factor in renewable and storage M&A.

The contract is the product

What ultimately converts a development-stage asset into something institutional capital will buy is the contract. A 20-year power purchase agreement (PPA) turns a merchant generator into a contracted asset by transferring price and volume risk to the offtaker. The offtaker accepts that risk because power availability constrains how much capacity it can bring online, and a fixed long-term price hedges the scarcity its own demand is creating.

This dynamic is most visible in data centres, where hyperscaler demand has extended typical PPA durations from 10 or 12 years out to 20. The strength of the counterparty credit is what makes the contract bankable, which is why energy assets tied to data centre load now underwrite more readily than comparable merchant capacity. BESS follows a similar pattern: tolling agreements and long-term offtake have given lenders the predictable cashflow that merchant-only projects could not, opening the segment to infrastructure debt for the first time.

Fibre tells the opposite story. Speculative build, limited contractual certainty, and continuous pricing pressure have made long-term contracted revenue difficult to substantiate. Investor appetite has cooled accordingly, a useful reminder that it is the contract structure, not the technology, that determines financeability.

The common thread is that the buyer of an operational infrastructure asset is paying for the development work it took to produce it - the queue position, the consent, the interface negotiation, the offtake.

Looking ahead

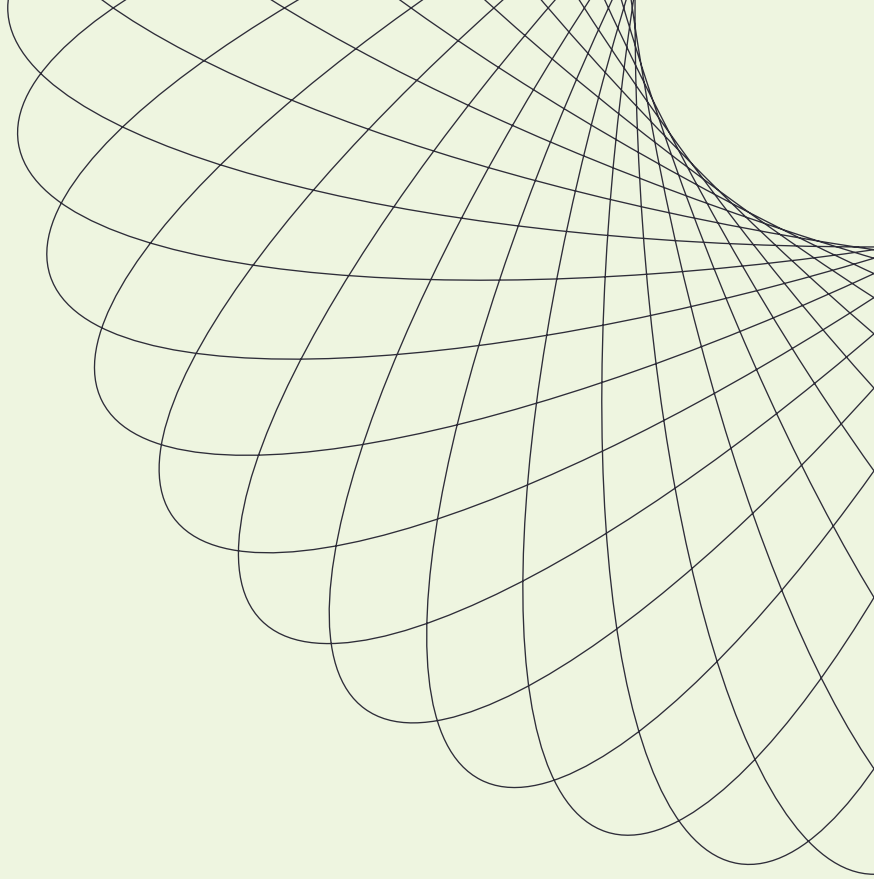
For investment professionals, the takeaway is that execution risk (not capital availability) can be a key limiting factor in infrastructure deployment. Three points follow:

- **Assess the connection risk, not just the asset.** Grid position is the clearest leading indicator of whether a project will reach financial close. Assets with secured connections will continue to attract premium valuations.
- **The contract determines the capital.** The type of offtake, its duration, counterparty credit, and risk allocation, dictates whether an asset attracts equity only or can also access debt. Sponsors who can negotiate and structure the right contract will unlock a broader and cheaper capital base.
- **The real barrier to entry is execution.** The barriers to entry in infrastructure are no longer primarily about capital. They are about the ability to navigate planning, connection, and interface risk across multiple counterparties and regulatory regimes, and to produce, at the end of that process, an asset packaged enough for institutional capital to buy.

The next section of this report examines how the policy and regulatory environment shapes that process.

04

When public policy meets private capital



Public ambition is outpacing public budgets. Investors must ask whether the policy framework is investable.

Governments across the UK and Europe have announced infrastructure programmes they cannot fund alone. The UK's £725bn ten-year pipeline, the EU's €800bn NextGenerationEU programme, and a succession of national energy and digital strategies all point in the same direction: public ambition, private delivery.[35] For investors, the question is not whether these commitments exist, it is whether the policy framework behind them is investable.

What investors need from the policy environment

Private capital deploys over long horizons, which means it needs three things from government:

- a reliable consenting timetable;
- clear routes to grid or network access; and
- public risk-sharing that absorbs early-stage development exposure without crowding out private returns at maturity.

The UK has moved further than most European markets on all three. The Planning and Infrastructure Act 2025 streamlined consultation and legal challenge for nationally significant projects. New regulations bring large grid-connected assets into the national consenting process, removing them from local authority determination where they often stalled. A connections accelerator is clearing speculative applications out of the grid queue[36], and Great British Energy is designed to take planning and grid connection risk on the 15 GW of generation targeted by 2030, bringing projects to market ready for private capital to finance and build, rather than asking sponsors to carry that pre-development exposure themselves.[37]

The £43.7bn of private clean energy investment announced since July 2024 suggests this transparency is having an effect.[38]

> The direction of travel is clear: the emphasis is shifting from subsidy towards regulatory reform. That is broadly what private capital has been asking for.

The regulatory overlay: the transactional challenge

For all this progress, a single infrastructure transaction can still trigger multiple concurrent regulatory workstreams, each with its own thresholds, timelines, and clearing authorities. The challenge for sponsors and their advisers is less any one regime in isolation than how they interact.

Regime	What it catches	Impact on the transaction
Merger control	Transactions giving rise to a change of control which meet certain turnover or share of supply thresholds	UK and EU regimes may apply simultaneously on cross-border deals, each with separate notification and review timetables and requirements.
National Security and Investment (NSI) Act screening	Energy, transport, comms, data infrastructure, defence-related assets	Adds 30 working days from notification. Complex cases extend well beyond. Mandatory notification - cannot close without clearance. Similar regimes apply across the EU.
Critical National Infrastructure (CNI) designation	Data centres, digital and communications assets	Ongoing security obligations post-completion. Restricts certain foreign ownership structures and exit routes. Adds cost and due diligence at acquisition.
Subsidy control	Any transaction benefiting from state support	UK and EU regimes may apply simultaneously on cross-border deals, each with separate notification and review requirements.

The practical consequence is that these regimes must be managed as part of the deal, not after it. A data centre acquisition, for example, can require NSI clearance, CNI compliance planning, and subsidy control analysis if any public co-investment is involved, all running in parallel with the commercial negotiation. In our experience, integrating these workstreams into the transaction timetable from the outset reduces overall deal risk and avoids the need to renegotiate positions late in the process. For M&A investment professionals, this is not a new discipline, it is an extension of the coordinated, multi-workstream execution that any complex acquisition demands.

Data protection and data regulation

Data and cyber regulation add a further layer to digital infrastructure transactions, particularly data centres, fibre networks, smart metering and connected transport. UK GDPR and EU GDPR remain closely related but are diverging on international transfers and adequacy, creating structuring and compliance issues around data processing agreements and transfer mechanisms. The EU Data Act introduces data access and portability obligations for certain IoT-enabled assets, as well as switching and interoperability requirements for data processing services (which may affect data centre operators offering managed or cloud services). The NIS2 Directive (and its expected UK equivalent under the Cyber Security and Resilience Bill) significantly expands cyber security obligations for energy, transport and digital infrastructure operators. Where assets serve financial services clients, DORA may impose further ICT risk management requirements. For data-intensive infrastructure, these regimes are no longer back-office compliance matters. They can affect valuation, contract terms, supply chain, and post-completion integration risk. Geopolitical volatility makes certainty more valuable.

Lifecycle complexity: PFI and the handback horizon

PFI handback is another issue relating to infrastructure's lifecycle complexity. Much of the UK's existing operational infrastructure - hospitals, schools, roads and custodial facilities - was delivered under PFI and PPP contracts. The bulk of PFI contract expiries will occur over the next 15 years, with half of existing contracts due to expire within the next decade. The earliest PFI contracts are starting to expire, making end-of-life execution an increasingly live issue across the sector.

The same skills required at the development stage - planning, interface management and multi-party negotiation - apply at handback. The focus is principally on the condition in which assets must be returned and the contractual and concession terms governing that process. These obligations operate through the special purpose vehicles or project companies that sit between public authorities and the equity investors, lenders and service providers involved in a project. The project company is the central contracting entity through which handback obligations must be delivered, but its status as a shell company with limited assets can itself create enforcement and execution risk as the project approaches expiry.

The contract therefore remains the product: its handback provisions determine what must be delivered, in what condition, and how responsibility and risk are allocated as the asset changes hands. Those provisions are not uniform and can sometimes be poorly drafted, with insufficient detail on how assets should be inspected, the condition they must meet, the works required to achieve that condition, and how compliance is to be demonstrated. This can create uncertainty and disputes at precisely the point when the parties have the least time and contractual flexibility in which to resolve them.

Public authorities, equity holders, lenders and purchasers of distressed or near-expiry positions may therefore need to address questions around asset condition, deferred maintenance, lifecycle obligations, concession terms and the allocation of risk between the parties. Where a project is being restructured or extended, there may also be procurement considerations, including whether proposed changes can be accommodated within the existing contractual and procurement framework or could require an entirely new process or contract.

Handback is also only one part of the end-of-concession challenge. Alongside the physical return of the asset, public authorities must plan for service transition: how maintenance and other operational services will be provided after expiry, and how responsibility, personnel, contracts, systems and operational knowledge will transfer. Asset handback and service transition are therefore linked challenges rather than discrete end-of-term events.

Disputes over asset condition and lifecycle obligations form part of this broader advisory challenge, often requiring transactional, restructuring, procurement and disputes input across the parties involved. As the PFI portfolio moves into its expiry phase, handback is therefore becoming a further test of the structuring, risk allocation and execution skills that determine value throughout the infrastructure lifecycle.

Looking ahead

The direction of policy, in the UK and increasingly across Europe, is favourable for private capital, but favourable policy does not eliminate complexity. In many cases, it simply relocates it. The shift from subsidy to regulatory reform means that the advisory challenge has moved from "can we get government money?" to "can we navigate a number of concurrent regulatory regimes, keep to timetable, and structure across jurisdictions without the deal falling?"

For investment professionals, three points stand out:

- The sponsors who move fastest will be those who can model and manage the full regulatory overlay from day one, rather than discovering it in stages.
- UK and EU regimes increasingly diverge, while holding jurisdiction and treaty access can materially affect the tax efficiency of cashflows. For investors deploying across both, that divergence is a structuring issue, not just a compliance one.
- Merger control, NSI Act screening, planning, security, and subsidy control interact, and the interaction is where risk and delay can accumulate.

Infrastructure has moved from a niche allocation to a core portfolio position, and the advisory challenges have evolved with it. The sponsors and investors who deploy most effectively will be those who integrate structuring, regulatory navigation, and execution from the outset.

Tim Redman, Partner

Endnotes

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