

## CREATING STANDARDIZED CONSTRUCTION CONTRACT LIBRARY

Shortly before Builder's Day, Moscow hosted a major conference that covered broad business issues concerning the construction industry's development in modern conditions, with VEGAS LEX actively participating in the event.

On August 5, 2015, <u>Nikolay Andrianov</u>, Project manager of dispute and conflict resolution, spoke at a panel discussion of Problems of the Public Procurement Contracts System in Construction: Standard Construction Contracts. The event took place as part of the National Builder's Day celebrations.\*\*

Mr. Andrianov spoke about plans to draft standard contracts and standardized terms and conditions for construction contracts for state and municipal needs. The expert discussed the prerequisites for the creation of, and the expected outcome of, building a library of standard contracts, complete with standard terms and conditions and standardized contract forms covering the entire cycle of construction, modernization and major repairs of capital structures for various purposes. He presented to the participants the structure of the planned library by agent, by type of facility, by phase of construction, and by type of work (engineering survey, design, and building).

The participants also discussed the specifics of procurement for construction projects in accordance with Federal Law No. 44-FZ; the problems of setting the initial minimum contract price, the consequences of active dumping when signing contracts; the most frequent violations of procurement laws in the construction industry; the role of self-regulatory organizations in the public procurement contracts system, etc.;

The participants looked at the experience of drafting standardized contracts in other industries and proposed to the professional community to organize a broad discussion of the new draft contracts. On the whole, the concept of drafting standardized contracts has been supported; the developers of such contracts are to take into account the comments and suggestions made during the discussion.\*\*

The participants included representatives of concerned ministries and agencies, industry unions, state development institutions, leading construction and industrial companies, research, academic and other concerned institutions, respected experts, mass media, etc.

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For more information on VEGAS LEX's services in the field of real estate, land and construction, please click <u>here</u>.

<sup>\*</sup> The discussion was organized by the National Association of Builders and the National Association of Surveyors and Designers.

<sup>\*\*</sup> The conference organizers included the Ministry of Construction, Housing and Utilities, assisted by the Moscow Government, the Government of the Moscow Region, Main State Expert Appraisal Department, the National Association of Builders, the National Association of Surveyors and Designers, the National Association of Residential Developers, and the National Agency for Low-Rise Construction.

<sup>\*\*\*</sup> Source: the National Association of Builders website