Research on project execution systems through public-private partnerships

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1. Introduction

The "Act for Promoting Quality Assurance in Public Works" (Law No. 56, 2014) went into force and became effective in June 2014. Article 14 newly stipulated that "The government can select a proper system among those defined in this section and other various ones, or combine them, according to the nature of the public works and actual situations of the region related to that order, when selecting a bid and contract system."

In this document, we introduce various bid and contract systems, as well as research activities concerning project execution systems through public-private partnerships.

2. Various bid and contract systems

Concerning the bid and contract systems for public works directly ordered by the Ministry of Land, Infrastructure, Transport and Tourism, the "design-bid-build system" is commonly used to separate orders for design and construction work. The other systems are as follows:

• "Design-build system including design and construction work" and "Construction work with detailed design system"

• "Early Contractor Involvement (ECI) system" where the quantity and specifications of the construction work are fixed through technical advice of contractors in the design phase, before contracting construction work

• "Construction work with maintenance and management operation system," where the construction work and initial maintenance and management operations are integrally contracted

In addition, there are ordering systems corresponding to ordering units of construction work as follows:

• "Comprehensive ordering system" to order multiple types of operations and construction work in a single contract

• "Multiple-year contract system" to order work spread over multiple fiscal years

Governments can use the systems supporting them (CM

and Project promotion PPP system) to manage order-related work when necessary.

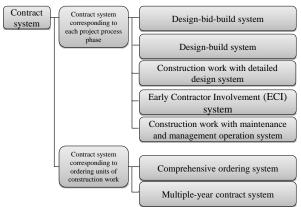


Figure Major contract systems

3. Research on project execution through public-private partnerships

To utilize the various above-mentioned bid and contract systems, we are following ongoing trial cases to determine the effects and problems of the new bid and contract systems. In addition, in the case of the systems that are no longer utilized, we are considering an introduction method based on project characteristics, such as through a round-table conference for a future ideal construction production and management system, allowing government responsibility (Chairman: Kazumasa Ozawa, professor of School of Engineering, The University of Tokyo).

We will continue to research ways to allow government to select appropriate bid and contract systems, and incorporate the results into the revised guideline as needed.

Tetailed information:

Web site of Construction Management Division http://www.nilim.go.jp/lab/peg/index.htm