SUMMARY

Design and Build (D&B) contracting has grown significantly during recent years. It seems set to continue to enjoy a healthy share of the construction market for the foreseeable future largely because it offers single point responsibility and is price competitive with rival forms of construction procurement. The increasing complexity of buildings, the need for greater financial management, the need to reduce design and construction periods and the increasing burden of contract administration have also put pressure on clients to review the traditional design-bid-build approach and give way to alternative procurement method.

Singapore is proud of its determination to be modern and in the forefront in the construction industry. This means that the construction industry must be modernized, not just in construction and engineering techniques but also in contractual relationship. Outmoded forms of contract were not conducive to promote this need. A modern industry needs modern contract suited to the current needs of a particular nature of the project.

With D&B now a well established procurement method, most professional institutions and similarly interested bodies overseas have developed standard form of contracts specially tailored for D&B system. These forms of contract have been developed largely in response of demand. However, there is currently no local contract form specially develop for D&B. Foreign forms are thus used with amendments made to
them to suit the local environment. Alternatively standard forms used for traditional procurement arrangement have been modified greatly to cater to the design responsibility of the contractor. The absence of a standard form of contract for D&B may lead to a proliferation of different forms put forward by client. This will cause confusion and sense of insecurity among contractors.

A standard form of contract which clearly defines the rights and obligations of the parties in a D&B arrangement is thus essential if this alternative way of procurement is to be fully accepted and understood in Singapore. Equity in allocation of risk through the use of conditions of contract is essential to determine the success of a D&B project.