

Public Building Construction and Procurement in Germany

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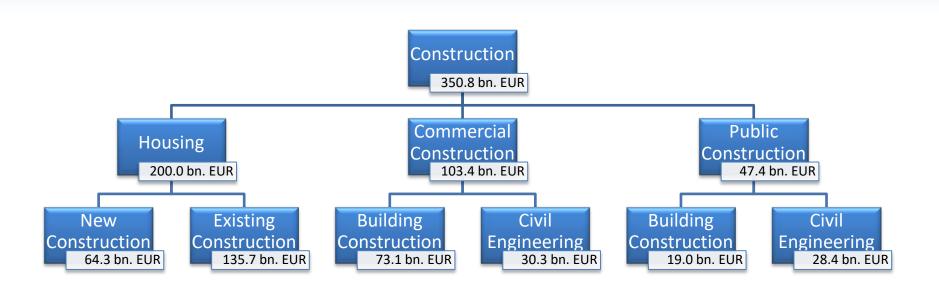
at the Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) within the Federal Office for Building and Regional Planning (BBR)

German construction industry



- 1.939.000 employees
- 329.000 enterprises (around 90% SME)
 - Mainly companies with less than 10 employees (in some trades over 90%)
- over 80% of sales revenue of construction industry by SME

Nominal German construction volume



Structure of public construction



- Federal construction
 - Buildings
 - Civil Engineering & Infrastructure
 - Army
- State construction
 - Buildings
 - Civil Engineering & Infrastructure
- Municipal construction
 - Buildings
 - Civil Engineering & Infrastructure

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Diversity of legal conditions



Due to German federalism there are different legal conditions on federal, state or municipal level, e.g. awarding manual (VHB).

Concerning federal construction there are even different legal conditions for

- Building
- Civil Engineering & Infrastructure
- Army

Separation of planning & construction



- 1. Awarding of planning services
- Execution & completion of planning services (no participation of contractors)
- 3. Awarding of construction works separately for each trade

There are different contract regulations, awarding conditions and EU thresholds for planning services and construction works.

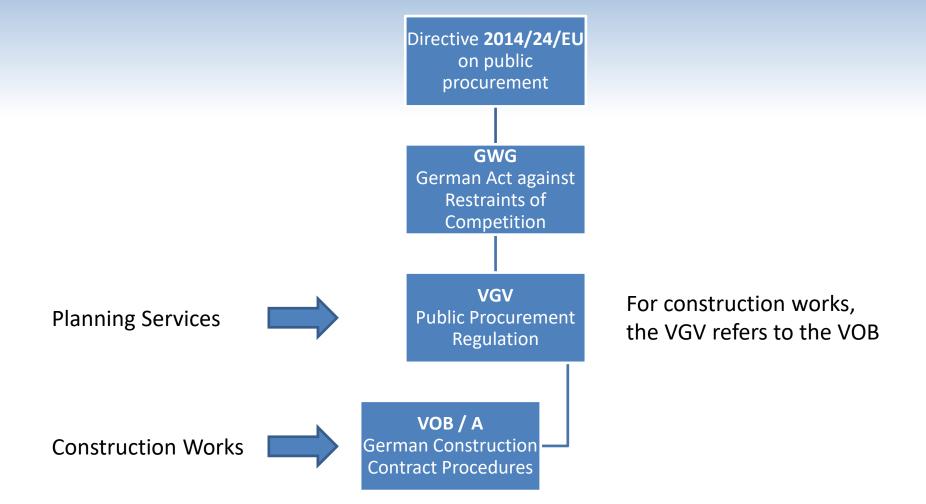
Thresholds for EU wide tendering



- Planning services
 - 221.000€
 - For federal ministries & upper federal authorities
 144.000 €
 - For army 443.000
- Construction works
 5.548.000

Rules to be applied above thresholds





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Rules to be applied below thresholds



Federal & State laws

UVgO – Rules of procedure for the award of public supply and service contracts below the EU thresholds

VOB / A German Construction Contract Procedures





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Awarding of planning service



- Regularly competitions with subsequent negotiations
- Contract based on VGV/UVgO and the HOAI (Official Scale of Fees for Services by Architects and Engineers)

Awarding of Construction Works



- Tendering with bill of quantities
- Bidding & submission
- Awarding to the most economical bid
- Contract based on the VOB (German Construction Contract Procedures)



Thank you for your attention