

CONSTRUCTION INVESTMENT PROJECT MANAGEMENT UNDER NEW REGULATIONS

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On March 3, 2021, the Government issued Decree No. 15/2021/ND-CP providing in detail a number of contents on management of construction investment projects (**Decree 15**) to replace Decree No. 59/2015/ND-CP; Decree No. 42/2017/ND-CP; Article 1, Article 4, and Appendix I to Appendix IX of Decree No. 100/2018/ND-CP. Decree 15 takes effect from the date of promulgation and has several significant improvements as follows:

Firstly, construction investment projects are allowed to apply foreign standards, basic standards, new materials and technologies. Accordingly, when foreign technical standards are applied, if a project requires a construction design explanation or technical guide, such materials must assess the compatibility, synchronization, and compliance with relevant national standards. The use of foreign standards widely applied will be prioritized. If basic standards are applied, there must be explanation about the compliance with national technical standards and the synchronization with relevant standards. For the use of new materials and technologies applied for the first time, it must comply with national technical standards, be compatible with relevant standards and ensure feasibility, sustainability, safety and efficiency. It is noted that the selection and application of foreign standards and basic standards must comply with the provisions of the Law on Construction and relevant laws.

Secondly, application of the building information model (**BIM**) and digital technology solutions in construction and work operation management is encouraged. The competence to decide the application of BIM and digital technology solutions when deciding construction investment projects belongs to the person who makes the investment decision. In case of BIM application, the BIM file will be a part of the construction design documents and construction work completion documents.

Thirdly, expanding project management forms for construction investment projects. Specifically, PPP projects are permitted to choose various project management forms to conform to the management requirements and specific conditions of projects and agreements in the project contract instead of only applying one of the two forms under the former provisions, namely the Single-project Investment Management Board or hires consultants to manage construction investment projects.

COMMENTS AND RECOMMENDATIONS

Firstly, Decree 15 has been more open by enabling the application of foreign standards, technologies and new materials, technologies. It can be seen that the Government expects the application of foreign standards and materials to improve the quality of construction works in the future. In addition, encouraging the use of BIM models and digital technology solutions will also help investment projects save implementation costs, reduce construction time and design, enhance transparency and facilitate the quality management and control of construction activities and management of construction operation, etc.

Secondly, Decree 15 also offers more choices in project management forms for PPP investment projects. However, to choose the appropriate form of project management, investors should carefully consider factors related to the size, nature, source of capital used and conditions for implementing construction investment projects. It can be seen that the expansion of project management forms will contribute to improve the quality and efficiency of construction investment project implementation in PPP projects.

