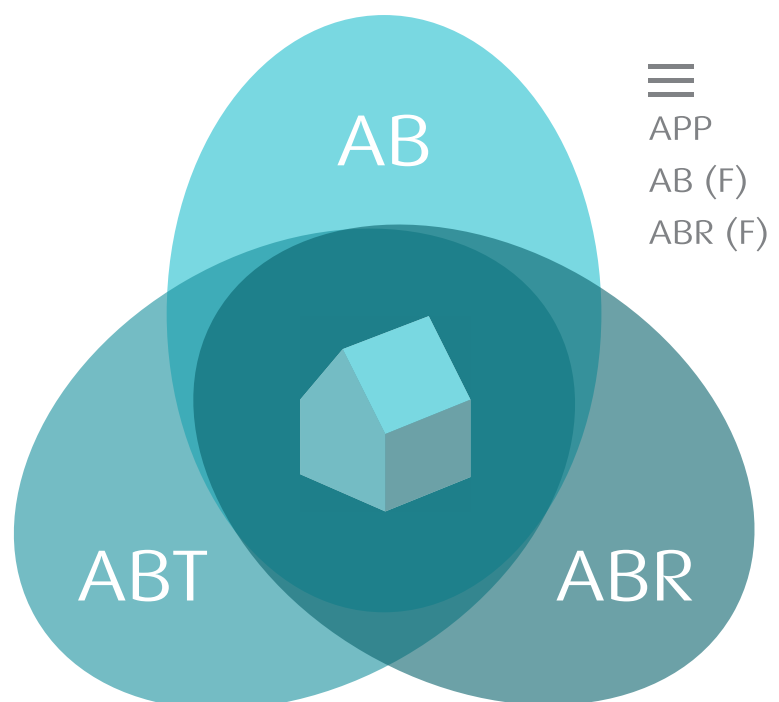


Supplementary conditions

for design development
in building and construction
(APP Design Development)



These 'Supplementary conditions for design development in building and construction (APP Design Development)' relating to the General conditions for building and construction works and supplies (AB18) and the General conditions for design and build contracts (ABT 18) have been prepared by the Minister for Climate, Energy and Building in accordance with Report 1570 issued on 21 June 2018, comprising representatives of the following organisations:

- **BL, Danmarks Almene Boliger**
BL – Danish Social Housing
- **Bygherreforeningen**
Danish Association of Construction Clients
- **Bygningsstyrelsen**
Danish Building and Property Agency
- **Danske Arkitektvirksomheder**
Danish Association of Architectural Firms
- **Dansk Byggeri**
Danish Construction Association
- **Danske Regioner**
Danish Regions
- **Dansk Industri**
Confederation of Danish Industry
- **Foreningen af Rådgivende Ingeniører**
Danish Association of Consulting Engineers
- **Kommunernes Landsforening**
Local Government Denmark
- **Kooperationen**
Danish Cooperative Employers' Association
- **SMVdanmark (tidligere Håndværksrådet)**
SMEdenmark (formerly the Danish Federation of Small and Mediumsized Enterprises)
- **TEKNIQ**
TEKNIQ - Danish Mechanical and Electrical Contractors' Association
- **Vejdirektoratet**
Danish Road Directorate
- **Voldgiftsnævnet for bygge og anlægsvirksomhed**
Danish Building and Construction Arbitration Board

Prevailing Language

The Danish language version of these general conditions shall be controlling in all respects and shall prevail in case of any inconsistencies with translated versions.

English version published 17 December 2018

Supplementary conditions relating to AB 18

Clause 1 Application

Subclause (1) The provisions of this appendix have been prepared for use in relation to contracts for building and construction works involving design development so that the provisions either supplement or deviate from AB 18.

Clause 2 Definitions

Subclause (1) Design development means the contractor's participation in the development of building or construction design or parts of it through the involvement of the contractor's skills in the fields of execution and planning in connection with the consultant's design before the preparation of the building regulations approval design, including with a view to assessing the time- and price-related consequences of the solutions chosen.

Clause 3 The client's call for tenders

Subclause (1) The tender documents must contain information about the scope of and ascertainable targets for the contractor's participation in design development and must lay down the individual interim stages of the design development work and possibly guidelines for the work.

Subclause (2) The tender documents must contain information about the budget applying to design development (target price).

Subclause (3) The tender documents must contain information about the conditions for and extent of compensation to which the contractor is entitled under clause 10, subclause (2), if the client cancels the remaining part of the contract under clause 10, subclause (1), after completion of the design development stage. This does not apply if the contractor is to compete on the magnitude of the compensation.

Subclause (4) The master programme must state the start and end dates of the design development stage and of its individual interim stages.

Subclause (5) The tender documents must contain information about the basis for design development, including the design brief and any outline design and draft proposals that exist, stating the scope and quality of the design.

Subclause (6) The tender documents must contain information about the type of contract, the type of consultancy and the type of consultancy organisation and must state the consultants that are to be involved in the project.

Clause 4 The contractor's tender

Subclause (1) The contractor's tender for design development (first tender) must include information about the hourly rate charged by the contractor for participation in the design development stage (see clause 9) and about the percentage of the construction costs which the contractor will add for management, administration and mark-up when the contractor submits a tender for execution of the building or construction work after completion of the design development stage; see clause 4, subclause (4).

Subclause (2) The contractor's first tender must also include information about the compensation mentioned in clause 3, subclause (3), if the contractor is to compete on the magnitude of the compensation.

Subclause (3) During the design development stage the contractor must price the construction costs related to the design on an ongoing basis in such a way that full insight for the client is provided (open-book principle).

Subclause (4) After completion of the design development stage the contractor must within two weeks submit a tender for execution of the work, based on the mark-up percentage set out in clause 4, subclause (1), and the pricing stated in clause 4, subclause (3).

Clause 5 Stages

Subclause (1) A contract involving design development has the two following main stages:

- a) Design development stage
- b) Design completion and execution stage

Clause 6 Services to be provided by the contractor

Subclause (1) In collaboration with the client, consultants and any other contractors and suppliers, the contractor must contribute during the design development stage to design development on the basis of the ascertainable targets laid down by the client in the tender documents and in accordance with the client's instructions in general.

Clause 7 Design management

Subclause (1) The client must appoint a design manager to plan, organise, convene and manage design development work in order to ensure structured and interdisciplinary discussion of development proposals. The design manager must also carry out all necessary coordination of proposals presented.

Clause 8 Contractor design

Subclause (3) The contractor's participation in design development does not in itself imply that an agreement concerning contractor design exists.

Clause 9 Remuneration for design development

Subclause (1) The client must remunerate the contractor for participation in the design development stage on the basis of time spent, using the hourly rate agreed.

Clause 10 Cancellation

Subclause (1) During the design development stage and after receipt of the contractor's final tender, the client may cancel the remaining part of the contract.

Subclause (2) If the ascertainable targets defined for design development have been met by the contractor's participation in the design development stage, the client must in addition to the remuneration pay for the participation in the design development the compensation agreed. If cancellation is made in the design development stage, the contractor is entitled to pro rata compensation.

Subclause (3) If the remaining part of the contract is cancelled, the client may use all or parts of the developed design when concluding a contract with another contractor concerning the execution of the design.

Supplementary conditions relating to ABT 18

Clause 1 Application

Subclause (1) The provisions of this appendix have been prepared for use in relation to design and build contracts involving design development so that the provisions either supplement or deviate from ABT 18.

Clause 2 Definitions

Subclause (1) Design development means the contractor's participation in the development of building or construction design or parts of it through the involvement of the contractor's skills in the fields of execution and planning in connection with the consultant's preliminary design, including with a view to assessing the time- and price-related consequences of the solutions chosen.

Clause 3 The client's call for tenders

Subclause (1) The tender documents must contain information about the scope of and ascertainable targets for the contractor's participation in design development and must lay down the individual interim stages of the design development work and possibly guidelines for the work.

Subclause (2) The tender documents must also contain information about the budget applying to design development (target price).

Subclause (3) The tender documents must contain information about the criterion for and extent of compensation to which the contractor is entitled under clause 9, subclause (2) if the client cancels the remaining part of the contract under clause 9, subclause (1), after completion of the design development stage. This does not apply if the contractor is to compete on the magnitude of the compensation.

Subclause (4) The master programme must state the start and end dates of the design development stage and of its individual interim stages.

Subclause (5) The tender documents must contain information about the basis for design development, including the design brief and any outline design and draft proposals that exist, stating the scope and quality of the design.

Subclause (6) The tender documents must also contain information about the alternative time schedule for completion of the design in accordance with clause 9, subclause (5).

Clause 4 The contractor's tender

Subclause (1) The contractor's tender submitted before the design development stage must include information about the hourly rate charged by the contractor for participation in the design development stage (see clause 9) and about the percentage of the construction costs which the contractor will add for management, administration, design completion, risks and mark-up when the contractor submits a tender after completion of the design development stage; see clause 4, subclause (4).

Subclause (2) The contractor's tender must also include information about the compensation mentioned in clause 3, subclause (3), if the contractor is to compete on the magnitude of the compensation.

Subclause (3) During the design development stage the contractor must price the construction

costs related to the design on an ongoing basis in such a way that full insight for the client is provided (open-book principle).

Subclause (4) After completion of the design development stage the contractor must within two weeks submit a final tender for execution of the work, based on the mark-up percentage set out in clause 4, subclause (1), and the pricing stated in clause 4, subclause (3).

Clause 5 Stages

Subclause (1) A contract involving design development has the two following main stages:

- a) Design development stage
- b) Design completion and execution stage

Clause 6 Services to be provided by the contractor

Subclause (1) In collaboration with the client, the contractor must contribute during the design development stage to design development on the basis of the ascertainable targets laid down by the client in the tender documents and in accordance with the client's instructions in general.

Clause 7 Design management

Subclause (1) The contractor must appoint a design manager to plan, organise, convene and manage design development work in order to ensure structured and interdisciplinary discussion of development proposals. The design manager must also carry out all necessary coordination of proposals presented.

Clause 8 Remuneration for design development

Subclause (1) The client must remunerate the contractor for participation in the design development stage on the basis of time spent, using the hourly rate agreed.

Clause 9 Cancellation

Subclause (1) During the design development stage and after receipt of the contractor's final tender, the client may cancel the remaining part of the contract.

Subclause (2) If the ascertainable targets defined for design development have been met by the contractor's participation in the design development stage, the client must in addition to the remuneration pay for the participation in the design development the compensation agreed. If cancellation is made in the design development stage, the contractor is entitled to pro rata compensation.

Subclause (3) If the remaining part of the contract is cancelled, the client may use all or parts of the developed design when concluding a contract with another contractor concerning the execution of the design.

Subclause (4) In the event of cancellation the client is entitled to become party to the contractor's agreements with subconsultants, if any, in order to ensure completion of the design.

Subclause (5) Notwithstanding the client's cancellation of the remaining part of the contract, the client may demand that the contractor designs and executes the building and construction project at the target price plus the agreed mark-up percentage; see clause 4, subclause (1).