

Value and number of construction public tenders declining

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The total value of construction public tenders in the Czech Republic has decreased year-on-year by 34 % to CZK 84,5 bill. in the three quarters of 2010. The biggest fall was recorded in the transport infrastructure construction tenders, namely by 68 % to CZK 18,4 bill. The latest analysis by engineering and consulting company ÚRS Praha, which carries out monthly monitoring of the construction market, indicates this. The number of public works contracts declined year-on-year by 12 % in the first nine months, the authorities announced 2.742 public tenders. Their number fell the most in the civic infrastructure construction sector with 26 % fewer commissions. By contrast, in flat construction, the number of public tenders increased by 7%. The share of towns and municipalities on the total value of new contracts was 59 % in the period from January to September. Therefore they exceeded twofold the share of the government sector which had always been prevalent in the past year, according to ÚRS Praha. Information on development in procurement for the first three quarters of 2010 is bad news unfavourable for the expected development of the entire construction sector in the coming years,“ said Zdeněk Kunc, director at ÚRS to the Czech News Agency. According to him, the current situation still remains favourable as the constructors still have a stock of work negotiated in the previous years. He expects a decline in the construction output in the Czech Republic for this year by eight to ten per cent.

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