

## Real Estate Industry News

### Amendment of Law 10/1995 regarding quality in constructions

#### Context

On June 30, 2015, a legislative project amending and supplementing Law no. 10/1995 regarding quality in constructions ("Law 10/1995") has been promulgated by the President as Law 177/2015.

#### Main amendments

- the designer of the building is expressly required to participate at the reception of the construction works.
- the costs for any additional works required to be performed due to a design error shall be borne jointly by the designers and the verifiers of the project, upon the justified request of the investor and/or the beneficiary, submitted based on a technical expertise report.
- the attested project verifier cannot check and stamp any projects that he designed or that he expertized in quality of attested technical expert.
- the verification of the quality of construction works is mandatory and must be executed by authorized site supervisors hired by the investors and by technical supervisors hired by the performers of the works.
- the fundamental quality requirements shall include the sustainable use of natural resources.
- the investor must ensure the drafting of the technical building book and hand it over to the owner of the building, as follows: (i) the design and execution documentation must be handed over at the reception at the finish of the works, whereas (ii) the documentation regarding the reception, exploitation and further interventions upon the building at the final reception of construction works.
- the owners must keep up to date the documentation regarding the exploitation and further interventions upon the building. The technical book must be handed over to the new owner at the sale of the building.
- the interventions upon existing buildings can no longer be performed based on an approved project by the initial designer of the building, but only on the basis of a technical expertise by an authorized expert, as well as, if the case, an energy audit.
- temporary constructions and works which may be performed without a building permit are not subject to the control of the State Inspectorate for Constructions ("I.S.C.").
- the designers, as well as the attested/authorized specialists, must conclude civil liability insurance for the duration of their right to practice.
- the limits of the fines for breaches of Law 10/1995 have increased.
- the statute of limitations for the fines is 3 (three) years.
- the fee owed by the investors or owners to I.S.C. decreased from 0.7% to 0.5%.
- the fee shall be established and paid to I.S.C. as follows:
  - a) 50% of the fee of 0.5% of the value of authorized works shall be paid at the date when I.S.C. is notified regarding the commencement of authorized construction works.
  - b) the difference between 0.5% of the final value of the performed works (without VAT) and the sum paid as per a) above, shall be paid at the signing date of the handover protocol at the final reception of the works.



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