



## **Construction Industry Development Authority**



### **NOTICE**

#### **CONSTRUCTION DISPUTE RESOLUTION CLINIC FOR SMALL & MEDIUM SCALE CONTRACTORS**

Sri Lankan construction industry is the main contributor for the economic development of the country. Further, its contribution to the country's GDP is nearly 6 to 7%. But the global pandemic situation from 2020, has made a huge impact to the industry, which has triggered the shrinking on the industry. The scarcity of materials and limiting of import items also has an impact. This was hugely effected on material price upsurge and directly affected on the construction project cost & time overruns. As a worst case scenario, country's economy was broken with the depreciating of foreign reserves and lead to halt the construction industry. With this, most of the major and minor projects were halted and stepping to renegotiations and terminations.

In this scenario the local small & medium scale contractors are at various disputes and are suffering because of lack of capacity & capability to address such issues. Especially, they have less bargaining power and most vulnerable to liquidation. Thus, the protection of local small & medium scale contractors will be a prime responsibility, As the regulator of construction industry of Sri Lanka, under the vested power from Construction Industry Development Act. No, 33 of 2014, Construction Industry Development Authority (CIDA) has identified this issue and taken several measures. Moreover, in accordance with Section 50 and 51 of the said Act, CIDA has powers on handling construction disputes, mediation, conciliation and Adjudication.

In the view of minimizing the industry disputes among small & medium scale contractor categories who cannot afford to go for costly dispute resolution activities. CIDA wishes to conduct the aforesaid consultation from 26<sup>th</sup> to 27<sup>th</sup> of January 2023 at CIDA Head Office with the voluntary contributions from the members of CIDA, Pool of Adjudicators who are the industry experts on construction dispute resolution.

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