VLADISLAV ŘEHÁČEK
ČVUT, Czech Republic

IMBALANCE OF CONTRACTUAL RELATIONS IN CONSTRUCTION FOR SMALL-SCALE PUBLIC CONTRACTS IN CZECHIA

Abstract:

Small-scale public contracts in Czechia have imbalanced contractual relations, especially when we compare big and small enterprises. Small enterprises often face “take it or leave it” situations, because they either can not compete with the big enterprises, they can not fulfill the expectations of the investor, or they simply are not ready for the higher risks. This paper
is split into several parts – in the first part we define what public contracts even are and how they work in Czechia specifically. The second part is about the risks and difficulties small enterprises face when competing with the big ones for contracts. In the final part of this paper we will learn about the current situation in Czechia, how the market changed in recent years, and what should be done in order to make the contract more fair and worthwhile for both sides.

Keywords:

public contract, contractual relation, construction, Czechia, risks, difficulties, LCC

JEL Classification: L74, D24