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Policy Area Mobility and Public Works takes action against rising prices and supply issues with government contracts: careful consideration of the contractor is called for

On 19 July 2022 the policy area Mobility and Public Works (hereafter 'paMPW') of the Flemish government approved the <u>Service Order</u> <u>MOW/MIN/2022/02</u> as a measure against the current sharp price increases and the shortage of materials and raw materials. It has been decided to temporarily adjust the price revision formula, using more recent parameters to better reflect the actual price increases. Additionally, suggestions are made for how to deal with the impact of the supply issues on the time of execution . Though this regime is likely well-intended, there are a few important observations to be made, since the result of the proposed change as a whole does not necessarily benefit only the contractor.

This article is available in Dutch and French.

Mechelsesteenweg 127A, bI - 2018 Antwerp Regentschapsstraat 58 PO box 8 - 1000 Brussels

t. +32 3 260 98 60 | +32 2 790 44 44

info@schoups.be

www.schoups.com