

Construction delays are common problems in Real Estate projects in Egypt. These problems occur frequently during project life-cycle leading to disputes and litigation. Therefore, it is essential to study and analyze causes of delivery delays and how to overcome these delays.

List of Delay Causes in Construction Projects

	Delay group	Causes
Most Significant (MS)	 Owner related	<ul style="list-style-type: none"> ▪ Launching more than one project at the same time ▪ Ineffective delay penalties ▪ Delay in finance and payments ▪ Slow decision making and interference ▪ Variation orders / changes in scope
	 Client related	<ul style="list-style-type: none"> ▪ Buyers' delay in payment of installments & developers rely on these installments to proceed
	 Contractor related	<ul style="list-style-type: none"> ▪ Difficulties in financing the project ▪ Poor experience ▪ Delays in sub-contractors work
	 External related	<ul style="list-style-type: none"> ▪ Slow permit by government/municipality ▪ Changes in government regulations and laws related to Real Estate ▪ Delay in performing final inspection and certification by a third party ▪ Lack of communication between the parties ▪ Fluctuations in cost / currency ▪ Force Majeure
	 Consultant related	<ul style="list-style-type: none"> ▪ Poor experience ▪ Delay in approving shop drawings and sample materials ▪ Quality assurance / control
	 Labor & Equipment related	<ul style="list-style-type: none"> ▪ Shortage of labors, with Low productivity levels ▪ Unqualified workforce ▪ Equipment availability and failure
	Least Significant (LS)	 Project related
 Material Related		<ul style="list-style-type: none"> ▪ Delay in material delivery ▪ Changes in material types and specifications during construction ▪ Shortage of construction materials in market

How to Overcome Delay

Groups	Ways				
 <p>For Owners</p>	 <p>Carefully prepare the feasibility study & ensure the availability of the necessary funding</p>	 <p>Obtain required approvals from concerned authorities as early as possible</p>	 <p>Choose the experienced consultant & contractor with good reputation</p>	 <p>Specify realistic duration in the contract for the contractor to execute the project</p>	
	 <p>For Consultants</p>	 <p>Avoid delaying the response to contractor's queries</p>	 <p>Avoid delaying approvals on the submitted drawings</p>	 <p>Establish a control system to handle, control, and evaluate Variation Orders, initiated by the owner</p>	
		 <p>For Contractors</p>	 <p>Develop a comprehensive financial plan and cash flow</p>	 <p>Develop a periodical reporting explaining any experienced delay</p>	 <p>Choose experienced subcontractors with good reputation</p>

Coldwell Banker Commercial Advantage (CBC Advantage)

CBC Advantage is a full service commercial real estate company located in New Cairo, Egypt. The company specializes in commercial, industrial, retail, residential, land development, and real estate investment covering the following services:

-  **Acquisition & Disposition Services**
-  **Corporate Services**
-  **Tenant Representation**
-  **Capital Services**
-  **Distressed Assets**
-  **Start-up and Small Businesses**
-  **Investment Analysis**
-  **Landlord Representation**
-  **Property Management**
-  **Real Estate Development**
-  **Market Research and Valuation**

Our professional agents specialize in various property types and are able to provide a deep knowledge of our market that allows us to formulate the best possible business strategy at all times.

www.coldwellbanker-eg.com

For more details, please contact | **Sherif Hassan, Development Director**