

What Are the Differences Between the ABIC Major Works and Simple Works Contracts?

The ABIC Major Works (MW) and Simple Works (SW) contracts are designed for different scales and complexities of construction projects, and they have several notable differences:

1. Project Scale and Complexity:

- **MW Contract:** Suitable for larger and more complex projects, typically with a budget over \$3 million.
- **SW Contract:** Ideal for smaller projects, such as residential renovations, extensions, or alterations, with a budget between \$500,000 and \$3 million.

2. Detail and Provisions:

- **MW Contract:** Contains more detailed clauses and specific provisions than the SW contract, covering aspects such as quality control, reporting, and project management[5].
- **SW Contract:** A more streamlined version of the MW contract with fewer provisions and clauses, making it less complex.

3. Specific Features:

- **MW Contract:** Includes provisions for urgent instructions, separable parts to the works, changes in the type of security given by the contractor, provision of security for payments for off-site plant and materials, provision by the owner of security to the contractor, handling dangerous or contaminated materials, encroachments, quality assurance systems, separate contractors, identified project-specific potential causes of delay that entitle the contractor to costs, amendments to programs and the consequences of any amendments, alternative dispute resolution, expert determination of disputes, arbitration of disputes, and contract confidentiality.
- **SW Contract:** Lacks the above detailed provisions, reflecting its suitability for less complex projects.

4. Suitability:

- **MW Contract:** More suitable for large-scale projects that require a higher level of detail and supervision .

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- **SW Contract:** More appropriate for smaller projects where the requirements are less complex.

5. Dispute Resolution:

- **MW Contract:** Provides for alternative dispute resolution, expert determination, and arbitration of disputes
- **SW Contract**:** Does not include these detailed dispute resolution mechanisms.

6. Security and Risk:

- **MW Contract:** Has provisions for various types of security and addresses a broader range of risks.
- **SW Contract:** Does not include such extensive provisions for security and risk.

7. Quality Assurance:

- **MW Contract:** Includes detailed quality assurance systems.
- **SW Contract:** Does not include provisions for quality assurance systems.

8. Separable Parts:

- **MW Contract:** Allows for separable parts to the works, which can be beneficial for staged projects.
- **SW Contract:** Does not provide for separable parts.

These differences highlight that the MW contract is designed for more significant, complex projects requiring detailed management and oversight, while the SW contract is tailored for smaller, less complex projects with a more straightforward administrative approach.

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