46. The Authority shall establish a monitoring system to monitor and recommend appropriate supportive measures on technical, financial and managerial performances of the contractor.

47. (1) Every person who proposes to carry out any prescribed construction works shall appoint a registered contractor who is registered under the appropriate category and grade for the said construction works. Any foreign contractor may engage in any prescribed construction work with the approval of the Authority under section 52.

(2) If a person entering into a contract for "design and build", "build operate and own", "build operate and transfer", "build operate own and transfer" or any other similar contract is not a registered contractor, such person shall be responsible for the appointment of a registered contractor for such construction works.

(3) Every registered contractor appointed under subsection (1) shall, in respect of the execution of any prescribed construction work ensure that--

(a) all materials used and plant installed in the permanent works have been supplied by a registered importer, supplier or manufacturer and such materials used and plant installed in the permanent works comply with the specifications;

(b) the work sites are kept in an orderly manner in order to avoid any harm to persons;

(c) reasonable and adequate steps are taken to protect the environment on and off the site, to prevent any damage or nuisance being caused to persons or to property of the public by pollution, noise or other causes; and

(d) relevant standards prescribed by the Authority are adopted in carrying out the construction work.

48. (1) A person who has engaged a registered contractor to undertake any construction work on a contract, for which a qualified person is engaged as a consultant, shall agree to settle in full, payments certified by the consultant in accordance with the agreement within fourteen days of the issue of the same. The qualified person appointed as a consultant shall issue the required interim payment certified within
twenty eight days and the final payment shall be certified on completion of works within fifty-six days on the receipt of the statement of claim from the contractor.

(2) Mechanism of assuring a guarantee of payment to the contractor should be stated in the agreement relating to the contract within the relevant parties, in the form of a security payment bond or otherwise. This shall be issued by the Client or the funding agent to the contractor.

49. No construction work shall be carried out in such a manner as in the opinion of the Authority—

(a) causes or is likely to cause a risk or injury to any person or damage to any property; or

(b) affects adversely the stability of, or renders inadequate the margin of safety of, or causes damage to, any adjoining land, structure, road or service.

50. (1) No person other than a registered contractor shall engage in carrying out any prescribed construction works.

(2) Where the Authority finds that any prescribed construction works are being carried out by a person who is not a registered contractor, the Authority may by notice served on such person require him to abstain from commencing or proceeding with such construction works.

(3) Any person who undertakes to carry out or carries out any prescribed construction works without obtaining a certificate of registration issued by the Authority shall be guilty of an offence under this Act.

51. Every foreign contractor prior to engaging in work in Sri Lanka shall obtain a temporary registration as a contractor. Such registration shall be valid for a period specified in the Certificate of Registration issued to such contractor and may be renewed on application and payment of the prescribed renewal fee.

52. (1) No person shall engage a foreign contractor in any prescribed construction works unless such contractor is registered with the Authority. All such registrations shall be on a temporary basis to be renewed every year and also on the condition of having an approved project for contracting.

(2) Any person who wishes to engage a foreign contractor in
prescribed construction works, shall apply to the Authority for approval with details of such foreign contractor in respect of his past construction performance and financial statement certified by an international audit firm of rating in Sri Lanka.

(3) The Authority shall not grant approval for the engagement of any foreign contractor if the required expertise and capacity is available with the local contractors.

(4) A foreign contractor who is registered with the Authority shall enter into an agreement with a local contractor in the form prescribed by the Authority which shall include a description of the part of the construction works to be performed by the foreign contractor and the part of the construction works to be assigned to the domestic contractor:

Provided that the part assigned to the local contractor should not be less than fifty percentum of the total value of the contract.

53. (1) The Authority shall keep and maintain a Register of Property Developers which shall be available free of charge for inspection at the office of the Authority by any person during office hours.

(2) The registration of property developers shall be done according to financial and technical capacities, and the procedure for registration shall be as prescribed.

54. (1) The Authority shall keep and maintain a Register of importers, manufacturers and suppliers of construction materials and construction components which shall be available free of charge for inspection at the office of the Authority by any person during office hours.

(2) The Registration of importers, manufacturers and suppliers of construction materials and construction components which shall be done according to type, grade and financial capacity, and the procedure for registration shall be as prescribed.

55. (1) The Authority shall keep and maintain a register of specified heavy construction machinery and equipment available.

(2) The heavy construction plant, machinery and equipment shall be classified in accordance with the international classifications and the procedure for registration shall be as prescribed.
PART VII
MAINTENANCE AND INSPECTION

56. The owner of any construction work shall, after the completion of such work, be responsible for the proper use and maintenance thereof.

57. (1) Every owner of any prescribed construction works shall after completion of such work cause such construction works to be inspected by a qualified person at such regular intervals as may be prescribed by the Authority.

(2) The qualified person who carries out the inspection under subsection (1) shall—

(a) on completion of the inspection, prepare and submit a report of the inspection to the owner in the prescribed form indicating whether the structure is suitable for the intended use; and

(b) forward a copy of the report to the Authority within thirty days of such inspection.

(2) The owner shall effect any remedial measures recommended in the report referred to in paragraph (a) of subsection (2) in the manner stated therein.

58. The Authority may, by notice served on the owner and the registered contractor of any prescribed construction works inspect such works during or after the completion of such works. Any person who is appointed by the Authority to carry out such inspection shall be entitled at all reasonable hours of the day to access to such works or any part thereof for the purpose of successfully carrying out such inspection.

59. (1) Where any completed prescribed construction works is in such condition as is or is likely to endanger the public, physically or in terms of public health and by endangering the environment, the Authority may—

(a) make an order requiring the owner thereof—

(i) to facilitate the carrying out of such inspection of the completed works;
(ii) to execute such repairs, corrections and remedies as may be necessary to obviate the danger which has been identified by an inspection;

(iii) to demolish the completed works or part thereof, and remove any debris resulting from the demolition,

within such time as may be specified in such order; and

(b) make an order requiring the owner thereof to restrict the use of such works until the Authority upon being satisfied with the remedial work, withdraws or modifies the restriction.

(2) If any person after receiving the order fails to comply with the order within the time specified therein shall be guilty of an offence under this Act.

60. (1) The Authority shall carry out technical auditing of any prescribed construction works if requested to do so by the owner or on a complaint made by an interested person or organization in relating to any particular prescribed construction works.

(2) The procedure and rates for the levying of fees in respect of technical auditing shall be as prescribed.

(3) For the purposes of this Act, “Technical Auditing” means the inspection of construction works, which include construction process and management process as well as the final product and examination of contract documents and documents pertaining to payments requested to be made on contracts, in order to verify—

(a) the compliance of the documentation relating to construction works which are prepared in compliance with the requirements of this Act;

(b) the execution of construction works in conformity with the provisions of the contract and the provisions of this Act;

(c) the compliance by parties referred to in the contract, with their respective obligations under the contract; and