



BUILDER'S LIABILITY INSURANCE

WHAT is the function of builder's liability insurance?

Builder's liability insurance applies uniformly throughout Spain and offers insurance cover against legal liability claims arising from construction activities. The task of this insurance therefore to either defend against unjustified claims in the event of damage or to settle any damage incurred accordingly.

Anyone who builds automatically creates any number of sources of danger for which they are responsible. In case of doubt, the builder is liable with all his assets. He has the so-called duty to ensure public safety. This means that the building owner must ensure that, despite all construction measures, neither people are injured nor property damage occurs as a result of the work. As every construction site full of dangers, every building owner should have this protection in place. The suggestion that construction companies or the architect are insured does not apply. They are only liable if they can be proven to be at fault.

WHAT does builder's liability insurance cover?

- Personal injury that third parties may suffer as a result of a construction project.
- Material damage by the construction work.

WHICH sums insured are usual in Spain?

In Spain, very low sums insured are common in all areas.

- EUR 600,000 is considered standard.

Deductible

- EUR 600 is usual
- Damage caused by welding= 10% (min. EUR 1,500)
- Damage to underground pipes= 20% (min. EUR 1,500 to 15,000)

HOW LONG is the builder's liability insurance valid?

The builder's liability insurance begins with the construction work and ends with the completion of the construction work - at the latest 12 months after the start of the insurance.

WHAT does the client have to pay attention to?

The building owner must always ensure that his construction site is well secured. It is not enough to simply put up a construction site sign. Fences surrounding the construction site must be intact, pits must be adequately covered and the construction site should sufficiently cordoned off. This is where builder's liability insurance comes in.

WHICH documents are to conclude the contract?

- Property description with address (Descripción de la construcción)
- Contents of the construction project (Proyecto Ejecución de la Obra)
- Construction (Memoria de Obra)
- Copy of the cost estimate (Presupuesto)
- Estimated duration of the construction phase (Duración de Obra)
- Indication of the construction value (Valor de Obra)