

STATE REGULATION OF THE CONSTRUCTION SECTOR OF THE REPUBLIC OF ARTSAKH

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Key words: construction, state regulation of construction, legal regulation, state control, pricing, construction industry

Introduction. Under current conditions, the main goal of socio-economic development in the Republic of Artsakh is to ensure the safety, well-being and living standards of the population. Within the framework of the construction complex, the problems faced by the entire production potential of the country are solved. Therefore, the state of the construction sector affects the workability of all sectors of the economy and the vital activity of population reproduction. Currently, construction management in the Republic of Artsakh is considered as a self-regulating system of management of this type of activity, with mandatory direct influence on this sphere of activity by state bodies. State intervention in the regulation of construction activities is necessary to combine state (public) and individual interests in order to develop large proportions (correlations) between consumption, accumulation and investment in the economy. Based on forecasts, strategic planning, budget financing and taxation, the state uses various means of influence on investment, contract work, and real estate markets¹.

Methodology. The article discusses the role and importance of state regulatory bodies in the construction industry, as well as their main functions of management and control. The most important role of exercising state influence on the construction sector is assigned to the federal executive authorities, at the regional level, to the sectoral management bodies, and state regulation of the construction and housing and communal services sector is defined at the municipal level. In addition, the functions of administrative territorial units in this area are described. The article also identifies the main federal agencies that have the greatest impact on the construction industry.

Literature review. It is well known that due to the new realities and consequences of the 44-day aggression by Azerbaijan in Artsakh after the war, huge material, technical, technological, financial and infrastructural damages, the country's economy is facing serious challenges. Alternative mechanisms of organizing, managing and implementing works in the construction sector require new theoretical methods. However, no scientific research has been conducted and no scientific articles have been published

¹ National Statistical Service of the Republic of Artsakh <http://www.stat-nkr.am/>

on this topic. Therefore, the only source of literary and analytical data is a number of sources of the government of the Republic of Artsakh, including the data of the National Statistical Service of the Republic of Artsakh and the Ministry of Construction of the Republic of Artsakh.

Scientific novelty. As a result of our study we suggest that the following main directions should be the basis of the measures ensuring the regulation and implementation of the activities of the field of urban development:

- development of urban development program documents arising from the strategic plans of the country;
- regulation and simplification of construction permit systems;
- modernization of the regulatory and technical system, taking into account the universal design principles of urban infrastructures;
- development and implementation of measures aimed at increasing seismic resistance of structures and safe operation;
- development and implementation of state programs aimed at promoting housing construction and improving the technical condition of the existing housing stock;
- systematic regulation and improvement of public and private construction implementation;
- regulation of processes aimed at sustainable urban development and construction and development of relevant programs;
- preservation of historical and architectural heritage;
- ensuring accessibility of the urban environment for people with disabilities.

Analysis. The Artsakh construction market is a dynamically developing sector of the economy, especially in recent times, in the context of the transformation of the economic structure and the opportunity to realize the economic interests of all market entities. The condition of the construction complex has its influence on the workability of all sectors of the economy and the life activity of the population. Currently, the construction management of the Republic is considered as a system of management of these types of activities with mandatory regulatory influence on this field of activity by state bodies.

An important and primary role in the implementation of state influence on the construction sector is assigned to the executive authorities.

- relevant ministries,
- city services,
- private agencies [Khasheva, 2006,18-23].

The second link, after the ministry, is community services, which are characterized as follows.

- Part of the services is part of the ministry, and the other part is under the management of the administrative unit;
- Services: an object of jurisdiction, which is considered a certain sector of the economy;
- Activities carried out on a functional basis.

Each of the services participates to a greater or lesser extent in the activities of economic entities operating in the field of construction and housing and communal economy, as they participate in different legal relations (horizontal and vertical).

The state service of environmental and technological control has a special influence in the construction sector, which monitors compliance with mandatory requirements (certificates, standards, construction rules and regulations) by economic entities in the production of construction products, as well as operation and maintenance of residential buildings¹. Equally important is the municipal service of control of financial flows, which carries out the activity of regulating the relations of joint construction, as well as other real estate objects.

The third element of the executive branch is the agencies that engage in law enforcement, provide government services, and manage public property. The Ministry of Territorial Administration and Infrastructure, which deals with the practical implementation of state policy in the field of building materials industry, construction, urban development, architecture, housing and communal services, has transferred these functions to the NKR Ministry of Urban Development.

In the manufacturing sector and housing construction, a whole system of state control has been formed, with the following control methods and forms highlighted (Figure 1).

1. Technical regulation (TC) takes on one of the key issues in the field of construction.

State IT is implemented in the form of state control, accreditation, acceptance of objects for operation, etc. It also maintains a register of completed works and various objects of the housing or industrial sector. At the same time, the task of the state is to encourage society to strictly observe the existing technical regulations. Such sociology contributes to the improvement of the quality of the objects under construction and the increase of the life safety of the people who use the construction objects.

2. State supervision of construction is the main function performed by the executive authorities. If the objects belong to the field of military construction, then the Ministry of Defense of the country undertakes these issues.

¹ NKR Civil Code

It turns out that the significance of the object for the general state is of key importance when organizing control. In this case, the object of the inspection is the control of the legality of construction (reconstruction) of the building, that is, the control of the actions of the developer. At the same time, the legal and technical field is subject to inspection, that is, compliance with laws and technical standards is checked, violations are identified, and appropriate penalties are set for violations.

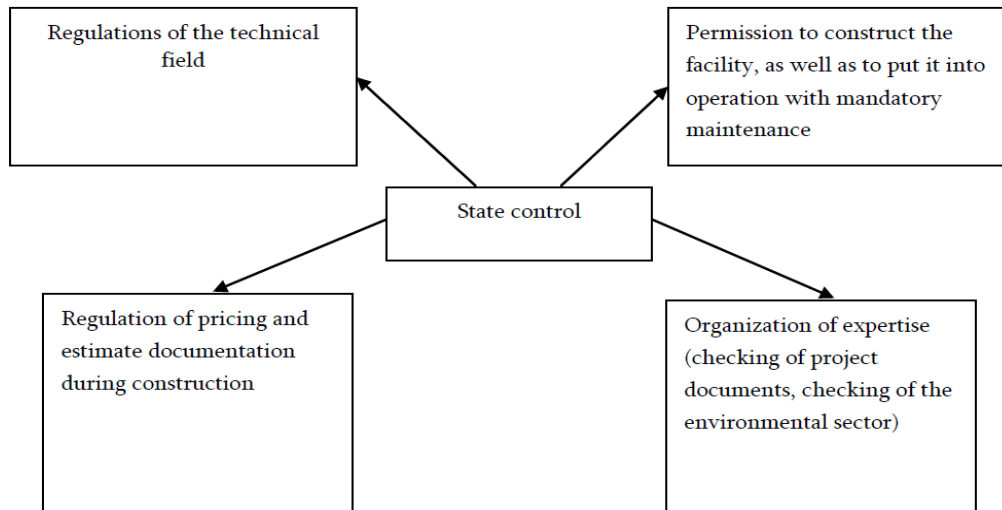


Figure 1. State regulation methods and forms

The main goals of control are the achievement of common practice, positive sociology of activity, transparency of all procedures performed, etc. In the control process, attention is also paid to the construction work organization system, the compliance with the rules for the implementation of fastening and installation measures, the accuracy of the application of anti-corrosion coatings and other issues in the given field.

3. The legal justification for granting building permits is established by the NKR Civil and Land Code, as well as legal and other acts. Provision of such documents is carried out by executive or local authorities (depending on which objects are subject to inspection). After the work is completed, the structure must be entered into the register.

It should be noted at once that there are objects that do not require permission. In particular, Article 53 of the Land Code does not apply to cultural heritage monuments, as well as plots of land occupied by linear structures or within the boundaries of common use areas.

The objects of the housing sector are accepted by the state by a special commission, which includes permits for various structures, and this is issued by the same body that issues the construction permit.

4. The system of control over the formation of price and estimate documents implies the regulation of prices and estimates, which also applies to self-regulating organizations. Sociology here is such that in the field of housing construction and other construction, certain errors are allowed in the calculation of building materials and labor. Legal regulation in this area is aimed at solving a number of problems, for example, reducing the level of deviations of calculated data, demarcating management between regional and other structures. Also noteworthy is the maintenance of the register of violations, the creation of a system of standards at the state level, as well as other standards that apply to self-regulatory organizations.

Conclusion. The State TC should include in its work: observation of violations, collection of information, taking of measures and identification of reasons.

In order to improve the quality of events, the current regulation defines the dates of inspections, the subject of control, the criteria for registration in the register, the grounds for the implementation of control measures, the nuances of issuing notifications, etc. Many questions also apply to self-regulatory structures, which also follow existing regulations.

It should be noted that the legal regulation of this issue should be implemented very strictly, that is, a special register should be maintained, and responsibility should be established for the violation of existing norms.

It is assumed that the planned measures will allow the designer to clearly define the funding limit and make a decision based on the amount received.

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