



Contract Users' Newsletter

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A busy year ahead for FIDIC contracts



There are many new and exciting developments planned in the FIDIC contracts arena in 2020, reports FIDIC's international client manager, IEVA LIAUGAUDE.



A session at the recent FIDIC International Contract Users' Conference in London.

Welcome to the second year and fifth edition of the *FIDIC Contract Users' Newsletter*, which coincides with our latest users' conference in Dubai.

Our contract users' community has always been the strength and driving force to develop and apply the highest standards for international forms of contract. It's worth updating readers on our new year plans, as we have many new and exciting developments in the FIDIC contracts arena.

We have a very busy year ahead, with a number of milestones in the pipeline to be achieved. The new FIDIC contracts committee chair, Vincent Leloup, comments on page 2-3 of this issue that the long-awaited update of the

Green Book (Short form of Contract) is in the final stages of completion, which will be a groundbreaking achievement providing contract users with a balanced alternative for smaller projects while still retaining the best standards available in the industry.

The finalisation of the *Bronze Book* (ODBO form of contract) for brownfield projects is also in the hands of a FIDIC task group and is awaiting a proposed test edition towards end of 2020.

Finally, the long-awaited *FIDIC Guide for Rainbow Suite 2017* is currently being drafted and is scheduled for completion in Q3 of 2020. This will not only be a game-changer publication to enhance and clarify *Rainbow Suite*

2017 editions, but will also serve as a powerful educational tool for all FIDIC users keen to utilise fair, balanced and prescriptive contracts that achieve projects on time, within budget and with no major disputes.

Overall, FIDIC, as the global voice of consulting engineers, is engaged with different industry partners through external stakeholders and member associations to listen and understand the latest trends in the international contract field. Certainly, the spectrum of future contracts developed by FIDIC will be strongly echoing the voice of the industry to better serve and respond to our FIDIC contracts users' needs.



FIDIC Middle East Contract Users' Conference 2020

Dubai, United Arab Emirates, 24-27 February 2020

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New chair and new members boost contracts committee

A FIDIC task group is currently working on the development of conditions of contract for offshore windfarm projects

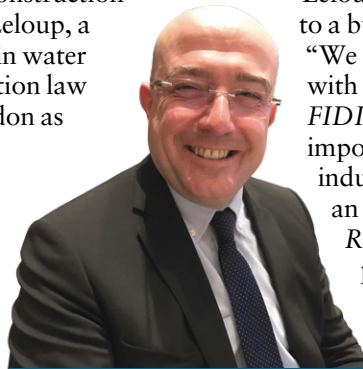
FIDIC has strengthened its contracts committee with a new chair and three new members.

FIDIC has strengthened its influential contracts committee with the arrival of a new chair and the appointment of three new members. The new chair of the committee is Vincent Leloup, founder and managing partner at French construction contract consultancy Exequatur. Leloup, a civil engineer who has specialised in water infrastructure, also has a construction law degree from Kings College in London as well as a law degree in France.

Leloup has been working for around 20 years with FIDIC contracts. "Initially, I started my career as a contractor and was posted on contracts in south eastern Asia where I was dealing with claims and disputes from a contractor's perspective," he explained. "Then I worked for ten years as an international director for a consultancy engineering firm acting as an engineer, so I was still very much involved with FIDIC contracts," he said. He became a FIDIC-accredited trainer in 2007 and joined the contracts committee in 2015. Before that he was part of a task group working on the update of the *FIDIC White Book*, so he has had a significant involvement in FIDIC contracts over the years.

Commenting on his appointment as chair, Leloup said: "Chairing the FIDIC contracts committee is a huge responsibility given the very

wide international impact of FIDIC terms of contract, which are by far the most widely used forms across the world. I look forward to taking up the challenge."



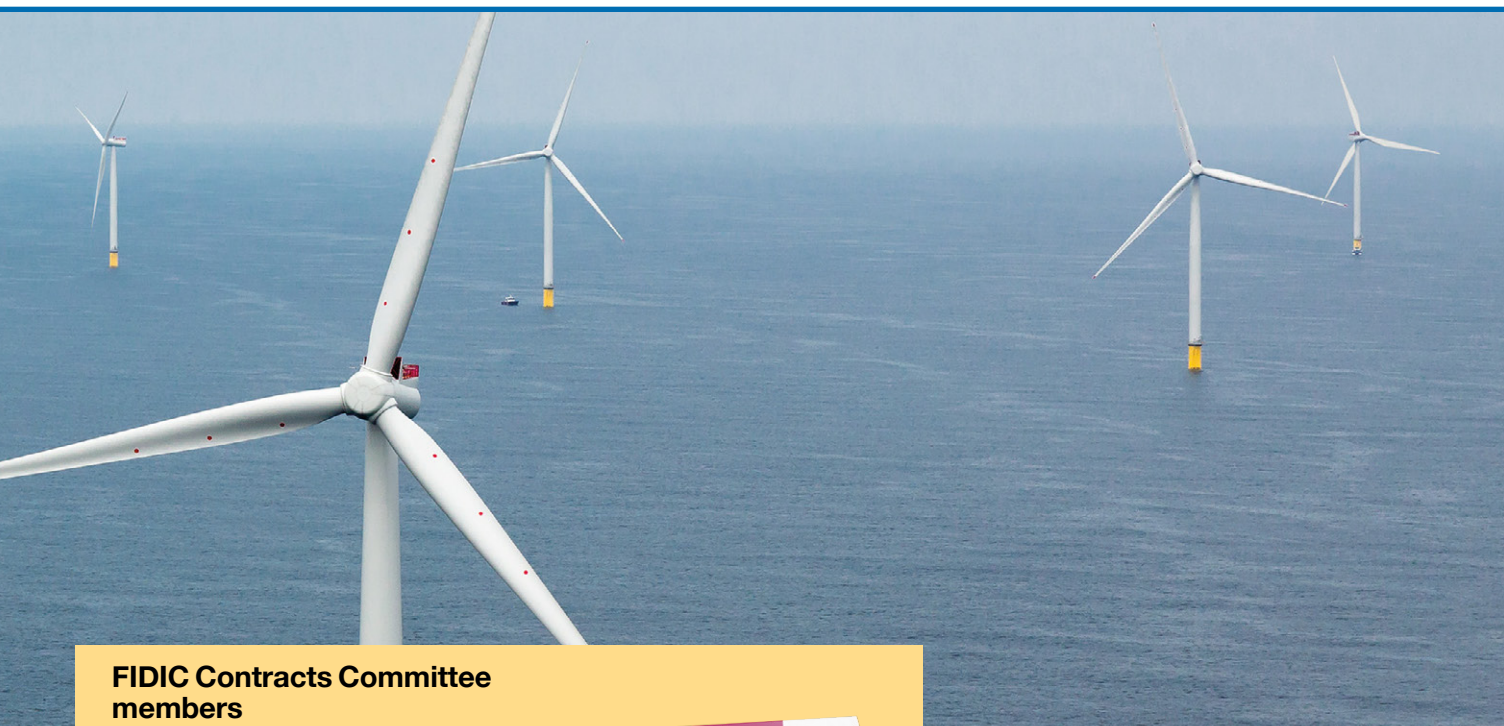
Vincent Leloup, founder and managing partner at French construction contract consultancy Exequatur

"I'm delighted that we have attracted such high-quality knowledgeable experts to sit on this crucial FIDIC committee."

Leloup said that he was looking forward to a busy year ahead on the committee. "We have a busy schedule ahead of us, with the long-awaited update of the *FIDIC Green Book*, which will be an important milestone in the construction industry because it is meant to be an alternative to the *FIDIC 2017 Red, Yellow and Silver Book* for projects which are less complex and of smaller capital value. This could fit quite a wide range of contracts around the world," he said.

"We also have the publication of the *Bronze Book* for use on brownfield projects and are planning a test edition of that first because we would like to see more feedback on this new contract. We also expect to publish a number of contract guides during the next 12 months which will take up the committee's time. It's going to be a busy year," Leloup said.

Leloup is joined on the committee by new members Husni Madi, chief executive of Shura Construction Management in Amman, Jordan, Kiri Parr, regional legal counsel at Arup in Australia and UK barrister



FIDIC Contracts Committee members

Vincent Leloup (France)
 Siobhan Fahey (Ireland)
 Des Barry (Ireland)
 Deryl Earsom (USA)
 Matthias Neuenschwander (Switzerland)
 Adam Bialachowski (Poland)
 Husni Madi (Jordan)
 Kiri Parr (Australia)
 Peter Collie (UK)



Peter Collie. Standing down from the committee is the outgoing chair Zoltán Záhonyi (Z and Partners, Hungary) and Kaj Möller, president of Sweco International in Sweden. Sarwono Hardjomuljadi (Indonesia) becomes the new secondary FIDIC board liaison for the committee replacing Liu Luobing (China), while Aisha Nadar (Sweden) remains as primary liaison from the board.

FIDIC's contracts committee recommends to the FIDIC board which conditions of contract and related documents should be prepared or updated by the federation. The nine-strong international committee also works closely with FIDIC staff to establish task groups to monitor the committee's work and review documents to ensure that they take account of the latest industry developments.

Commenting on the changes to the committee, FIDIC chief executive Dr Nelson Ogunshakin said: "I'm delighted that we have attracted three leading global legal, contractual and engineering experts to sit on the FIDIC contracts committee. The committee's work is vital for FIDIC and I know that they will bring their significant and considerable knowledge and

experience to the committee's work in drafting, producing and regulating the popular FIDIC contract suites of construction and professional agreements and I look forward to working with them over the coming months and years. I also want to thank outgoing committee chair Zoltán Záhonyi for his unstinting and dedicated work on the committee for ten years, including the last four as chair."

Aisha Nadar, FIDIC board member responsible for the contracts committee, said: "I'm delighted that we have attracted such high-quality knowledgeable experts to sit on this crucial FIDIC committee. FIDIC contracts are highly regarded documents globally because they are written by engineers and practitioners in the industry and not lawyers, so they are structured in a way that understands risk, regularly updated and the people that draft them are practitioners from different geographical areas around the world. All this helps to ensure that FIDIC contracts remain the leading international contract publications for use on building and infrastructure projects."

Leloup said that the committee would also ensure that FIDIC contracts continued to respond to new areas of infrastructure work. "We currently have one of our task groups working on the development of conditions of contract for offshore windfarm projects," he said. "This is very topical in the light of the latest report from the International Energy Agency which is predicting a 15-fold increase in installed offshore windfarm capacity worldwide. There is a booming potential for these projects and FIDIC contracts are already used extensively on such work," said Leloup.

Golden Principles provide valuable contracts benchmark



ENGY SERAG, contracts and claims director at leading global engineering and construction contractor Orascom, talks here about her experience of using FIDIC contracts in the Middle East and Egypt.

How are FIDIC contracts used in your daily job?

FIDIC has been used widely in the Middle East and in Egypt in particular. We are always looking for a balanced contract and FIDIC provides an important benchmark for us. FIDIC contracts are used extensively by employers and by ourselves and in particular for our sub-contractors. The only challenge we face is in the particular condition imposed that may change the picture or might change the FIDIC conditions used.

Why are the FIDIC Golden Principles important for your job and the industry?

We definitely welcome and are enthusiastic about the issuing of the Golden Principles by FIDIC in 2019. In particular, I remember during the recent ICC conference, FIDIC board member Aisha Nadar mentioned that if there is no dispute board (DB) it is not a FIDIC contract and in fact, most contracts have the DB clauses omitted. FIDIC Golden Principle 5 ensures that this is no longer the case. The Golden Principles are continuing to aid us in



Orascom is working with Bombardier and Arab Contractors on the Cairo Monorail project.

ensuring that our clients are now informed on the care that should be taken in particular conditions.

In your opinion, how does FIDIC provide fairness in contract management?

It's very important to be fair in dealing with these contracts. I am enthusiastic about the multilateral development bank (MDB) FIDIC contracts and how we emphasise with the MDBs a collaboration between the employer, contractor and MDB. As contractors, we don't see the banks and just receive the contract and often this is unbalanced. I appreciated the suggestion made by the World Bank at the recent FIDIC Contract Users' Conference in London on contract management procedures and look forward to having them in place in the near future.

Tell us about some of the projects you are currently working on?

We work on various projects

across the industry, including projects on power plants, commercial projects governmental projects including desalination and sewage. We currently have a huge project that Orascom was just awarded in Egypt, the Cairo Monorail. This is a joint project led by Orascom, Bombardier and Arab Contractors and will involve the designing, construction and maintenance of the first public transport connection from the new capital city to the greater Cairo area.

Will FIDIC contracts be used on the Monorail project?

We are going to be encouraged to do that and we are emphasising the FIDIC contracts with the government. FIDIC is already being used in one of the projects as a benchmark and we are hoping to increase awareness in the usage of FIDIC contracts for this project.

FIDIC Middle East Contract Users' Conference 2020

Discussions in Dubai for contracts community

FIDIC's Middle East Contracts Users' Conference in Dubai will provide essential networking and practical guidance on using the FIDIC suite of contracts, managing major projects, handling claims, dispute avoidance and resolution and much more.

The latest in FIDIC's popular series of regional global contract users' conferences will take place in Dubai, United Arab Emirates, home to some of the world's most iconic ultra-modern buildings and architecture.

Delegates will have the chance to learn from more than 30 distinguished speakers who will be sharing their real-world expertise in managing major projects and resolving disputes using FIDIC contracts, placing a key focus on the Middle East.

The conference kicks off with an opening address by FIDIC CEO Dr Nelson Ogunshakin, followed by a top line-up of speakers who will discuss a wide range of topics, including the current contracts committee pipeline, the role of the engineer, MDB procurement and FIDIC forms, new conditions of contract for underground works (*Emerald Book*), new regulations from the UAE Central Bank and much more.

Those speakers include senior procurement specialist and the World Bank Lina Tutunji, Mohammad Dardasawi, ports developments and construction director at Aqaba Development Corp, Loay Ghazeleh, infrastructure advisor with the Ministry of Works in Bahrain, legal experts from CMS Patrick McPherson and Courtney Rothery, Mahmoud Abu Hussein, Dolphin Energy's procurement and contracts manager, Pinsent Masons partner Jed Savager and many more.

"The conference kicks off with an opening address by FIDIC CEO Dr Nelson Ogunshakin, followed by a top line-up of speakers who will discuss a wide range of topics."

The conference will provide an invaluable networking experience and delegates will receive guidance from members of the FIDIC contracts committee and leading local and global construction law minds on successfully using the FIDIC suite of contracts.

A must-attend session led by FIDIC contracts committee member, Husni Madi, will discuss the particular conditions for the 2017 edition in the Middle East public context and will explore the practical application of the FIDIC suite to the Middle East construction climate.

The session will also explore the issues that can lead to either project success or project failure within the regional context and coverage includes key drivers at the procurement stage, FIDIC best practice use in the Middle East, risk allocation and how it should be tackled in the Middle East as well as regional case studies.

A key part of the conference will be the learnings and discussions around the practical side of FIDIC contracts. In Dubai, real cases will be discussed and a 'theory to practice' approach will be taken to bring FIDIC contracts to life and help bring key learnings and understanding to the practical challenges of the application of FIDIC contracts in project management.

● FIDIC is grateful to supporting partner White & Case and supporting sponsors CMS and Pinsent Masons for their support of the event.

Familiarity of FIDIC contracts makes them so respected

DWF managing partner KIRK DURRANT spoke to us about his experience working with FIDIC contracts in Qatar and the Gulf region.

Managing partner for lawyers DWF in Qatar, Kirk Durrant, is widely experienced in the FIDIC suite of contracts and public-private partnerships across a number of business sectors and has expertise in claims management, negotiation and dispute resolution. His experience includes advising on many major infrastructure developments for public and private sector entities in Qatar including airport, port and rail projects and he has represented organisations in the real estate and hospitality sectors in the Gulf region.

When asked about his experience of working with FIDIC standard forms of contract and why they are so popular in the market, he made it clear that the documents have become accepted by the industry in the region over a number of years. "I have been in Qatar for around 12 years and FIDIC has become the primary standard contract form of choice in the market," he said. "The only issue is that because of civil law jurisdiction, sharia principles within the law and the public sector driving the market, you see a pretty

"I have been in Qatar for around 12 years and FIDIC has become the primary standard contract form of choice in the market."



Qatar has a very ambitious infrastructure development programme.

significant over-modification of FIDIC documents. However, 85-95% of the contract documents used in the market are based on FIDIC," said Durrant.

Durrant said that all of the big infrastructure projects in the region are using FIDIC documents, including the large bridges, stadium construction around the forthcoming World Cup and major road infrastructure projects. Asked what it is that

is attractive about FIDIC contracts and why have they got such traction in the market, Durrant said that familiarity was key for users.

"I think it's primarily because when the country set out on what I think everyone would agree is a pretty ambitious infrastructure development programme, they wanted to attract big international contractors and

there was this belief that in order to do that they needed to get new standard forms that would be familiar to those contractors and so that started this wave of everyone moving towards using FIDIC documents and that has become the norm," he explained.

In terms of his experience of working with clients, what is that they value working about working with FIDIC documents? "Familiarity," Durrant says unhesitatingly. "Because they've become so prevalent in the market and practitioners are familiar with them, they know what clauses they want to change and they know what clauses work and don't work in the market."

"They also know what clients are familiar with and what they are comfortable with. These are contracts that are easy to navigate and easy to work with because everyone is pretty much familiar with them," he said.

AfDB signs five-year agreement to use FIDIC standard contracts



The African Development Bank has signed a five-year agreement to use FIDIC standard contracts.

FIDIC has signed a major agreement with the African Development Bank (AfDB) that will see the international funding organisation include the use of seven FIDIC standard contracts for the next five years.

FIDIC has granted the AfDB a non-exclusive licence to refer to the seven major FIDIC contracts (see list in notes below) for projects they finance and the documents may be used as part of the bank's standard bidding documents. The contracts include the latest 2017 Second Edition FIDIC contracts and 1999 editions, which cover a wide range of international construction and infrastructure work and the move by AfDB is another significant endorsement for FIDIC

contracts from a major international funding organisation.

FIDIC chief executive Dr Nelson Ogunshakin said: "We are delighted to have signed this

agreement with the AfDB, an organisation doing fantastic work fighting poverty and



The African Development Bank will use FIDIC contracts as part of their standard bidding documents.

improving living conditions for people in Africa. The signing of this agreement means that FIDIC has now entered into similar licencing agreements with almost all of the major global funding organisations. By adopting the FIDIC contracts on major projects, the AfDB is demonstrating that they endorse the fair and balanced approach our documents offer to parties on major construction contracts.

We believe that this will create more certainty in the market as banks, lenders, investors and clients adopt them.

"The AfDB's endorsement should also

provide additional comfort to the financial, institutional and private equity investors

operating in the global market to adopt the use of FIDIC standard procurement contracts as an effective tool to mitigate the risks associated with investable infrastructure asset class."

Commenting on the agreement, Frank Mvula, the bank's director of fiduciary services and inspection, said: "We are glad to have concluded an agreement with FIDIC that would enable us to

incorporate FIDIC contracts in some of our standard bidding documents. There is no doubt that the use of FIDIC contracts is a step towards enhancing equity and fairness as well as efficient and effective contract management

as emphasised under the bank's new procurement framework."

FIDIC president Bill Howard said: "I'm delighted that FIDIC has concluded this agreement with the AfDB. It's a key aim of ours to strengthen FIDIC's relationships with the multilateral development banks and other international funding institutions, as improved communication and

cooperation will bring benefits to the whole industry. Agreements like these can only be good for FIDIC, the global infrastructure sector and the banks and I look forward

to a mutually beneficial relationship with AfDB over the coming years."

"We are delighted to have signed this agreement with the AfDB, an organisation doing fantastic work fighting poverty and improving living conditions for people in Africa."

"Agreements like these can only be good for FIDIC, the global infrastructure sector and the banks and I look forward to a mutually beneficial relationship with AfDB over the coming years."

"In the end, integrity and credibility will win through"

Leading arbitrator, mediator and former UK High Court judge, Sir Vivian Ramsey, gave a keynote address at the recent FIDIC International Contract Users' Conference in London. After he spoke, he took time out to speak to ANDY WALKER about his thoughts on the global infrastructure industry.

When Sir Vivian Ramsey speaks, he does so with such a quiet authority that you can't help but listen and take in his observations and thoughts on the global construction sector. He spoke about a number of issues when he addressed delegates in London in December and chief amongst them was the issue of corruption. Tell us about some of the work you do on the FIDIC contracts committee.

"One of the big challenges for the international construction industry is corruption, which is prevalent in quite a number of parts of the world and obviously affects infrastructure and takes away the resources which otherwise would be going to it," he said. "The other big issue I think is the way in which China is now a major player in the world construction market and they adopt different ways of constructing projects and can price very competitively compared to traditional contractors. I think there are lessons to be learned by traditional contracting companies from that," said Ramsey.

I was struck by the fact that Ramsey mentioned without hesitation the

issue of corruption as a key challenge for the industry. I asked him if he thought this was a growing problem. "I think it's one that has to be tackled," he said. "It pervades certainly in places where there is a lot of development work taking place around the world and it is therefore something

which has to be faced by the consulting engineering industry and the contracting industry," he explained.

So how can those sectors best tackle the spectre of corruption? "Integrity is the major issue," said Ramsey. "What you have sometimes in the market is people who don't have the integrity and



Sir Vivian Ramsey (right) pictured with FIDIC



Sir Vivian Ramsey speaking at the recent FIDIC International Contract Users'



FIDIC president Bill Howard (centre) and chief executive Nelson Ogunshakin.

if you have a large body of people who are prepared to enter into corrupt contracts then that means that the whole market is skewed," he said. "So, the important thing is always to keep the integrity, and, in the end, I think that wins through. We have seen in a number of countries which are wiping

out corruption that they look for people who have the necessary credentials of credibility," Ramsey said.

So, in that sense, it is important for organisations like FIDIC to be seen to be active and out there putting forward its policies and processes. "One of the key watchwords of FIDIC is

integrity and I think you can't gainsay the need for that especially in the modern world," said Ramsey.

Changing tack, I asked Ramsey about climate change and the environment and the impact they will have in the future on infrastructure development and the way that construction companies go about their work. "This will have a

major change for the industry because traditionally engineers and contractors have taken a back seat and if there has been a project which might not have green credentials and may not be a desirable project, it's been seen as work and they've gone and carried out that work," he said.

"Increasingly, and it's another element of integrity, you will find that engineers and contractors will question the project and its green credentials and will suggest changes which may be slightly more expensive but will comply with the necessary green credentials in an era where climate change and the environment has become so much more important," Ramsey explained.

Does Ramsey see a more pivotal role for engineers around sustainability given the fact that they are looking at the longer term? Could

this be an issue where engineers can raise their profile on green issues, climate change and the environment and assume a leadership position, which would give them the opportunity to raise

their wider profile within society?

"Yes it is!" he said. "The only way in which we will

"So how can those sectors best tackle the spectre of corruption? Integrity is the major issue."

change the world in terms of climate change and what we are doing is through technological changes and technological changes very often start with infrastructure and it's the infrastructure that is so important. As we know with coal fired power stations, for instance, we are able to reduce the emissions from a coal fired power station by using technology and it is that sort of technology across the board that comes from contracting and engineering which is going to be so important to the future of the world."

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Conference in London.

European federation Orgalim agrees to collaborate on FIDIC contracts

Technology industries federation Orgalim signs two-year agreement to collaborate on FIDIC contracts.



European technology industry federation Orgalim has signed an two-year agreement to collaborate on FIDIC contracts, which is a further vote of confidence for these industry-leading contracts.

The agreement will see the federation, which represents Europe's technology industries, collaborate on the development of balanced contracts of mutual benefit for the wider industry and will see Orgalim as friendly reviewers of the upcoming *FIDIC Bronze* and *Green Books*.

Both organisations represent businesses whose activities create a lasting legacy in the industry and the collaboration should benefit both FIDIC and Orgalim. They had a close collaboration in the 1980s, culminating in the production of the Electrical and Mechanical Works 3rd edition (1987 *Yellow Book*) and this new agreement will see another productive collaboration over the next two years.

Orgalim's memberships and operations span over 22 European countries with various companies dealing in mechanical engineering, electrical and electronics and metal technology sectors. The industry employs some 11 million people in the EU, has an annual turnover of nearly €2bn and accounts for over a quarter of manufacturing output and a third of the manufactured exports of the European Union. The span of Orgalim's operations opens a number of potential areas of collaboration arising from Orgalim members' feedback, who are frequent users of FIDIC contracts but need a more tailored approach.

Commenting on the collaboration with Orgalim, Ulrich Kugler, head of legal affairs at VPAndritz Hydro and a key participant in the agreement, said: "FIDIC contracts cover the project management difficulties of a project very well and provide a good framework to aid in approaching a project. They are widely accepted in the industry by employers and contractors alike. We are especially supportive of the updated 2017 editions. Even when modifications are needed, FIDIC contracts provide a complete overview and captures the complexity of the project. Using FIDIC contracts provides a



"I look forward to the collaboration of expertise between mechanical and electrical engineers in bringing a holistic perspective to the drafting of certain FIDIC contracts."

Ulrich Kugler, head of legal affairs at VPAndritz Hydro.

good compromise instead of going with one-sided contracts and then trying to amend them and modify them in a way that they might work."

Kugler (pictured above) said that FIDIC contracts have always been important in many industries including the hydropower sector, an industry he knows well. "Orgalim has worked with FIDIC intensively over the years and I am happy to see this partnership reinforced," he said. "I look forward to the collaboration of expertise between mechanical and electrical engineers in bringing a holistic perspective to the drafting of certain FIDIC contracts. We are happy to be friendly reviewers on the current drafting of the *Bronze Book* and look forward to the positive perspective we can bring," said Kugler.

Facilitating contract success for the World Bank



LINA TUTUNJI, senior procurement specialist for the Middle East and North Africa region at the World Bank, spoke to us about her experience of using FIDIC contracts from a multilateral development bank standpoint.

A year ago, FIDIC secured a major agreement with the World Bank to adopt the use of six FIDIC standard contracts for the next five years. Under the terms of the agreement, FIDIC granted the World Bank a non-exclusive licence to refer to the six major FIDIC contracts for projects they finance and as a result the documents will be used as part of the bank's standard bidding documents. The contracts mainly include the 2017 second edition FIDIC contracts, which cover a wide range of international construction and infrastructure work.

The relationship between FIDIC and the World Bank is long-standing and started with the use of the *Pink Book* in 2010, whereby FIDIC harmonised the multilateral development bank conditions. More recently, the relationship has developed to be inclusive to the bank's new procurement framework which was introduced in 2016 and will focus on contract management as a whole.

The World Bank provides a vital source of financial and technical assistance to developing countries. It is comprised of five institutions and employs more than 10,000 employees in more than 120 offices worldwide. The use of FIDIC contracts by the bank is a key endorsement and an indication of the importance of these industry-leading contracts.

Commenting on why the World Bank has adopted FIDIC contracts, Lina Tutunji said: "It is important for the bank to introduce to governments standard conditions of contract that will facilitate the success of the contract implementation. For this reason, the new agreement covers a new set of FIDIC contracts in

"We believe it is beneficial to have the best outcome of the procurement and contract implementation and by ensuring the use of the FIDIC contracts we can guarantee the success of contract implementation."



Algeria's infrastructure is in need of investment.

the hope that this will bring some well-articulated provisions and aid in the handling of the project between the engineer and dispute adjudication boards. All this is expected to bring more success factors to contract implementation."

Asked about the tangible benefits of using the contracts, Tutunji said: "FIDIC contracts are known to provide a balanced relationship between the employer and the contractor, something that the bank has always promoted. We believe it is beneficial to have the best outcome of the procurement and contract implementation and by ensuring the use of the FIDIC contracts we can guarantee the success of contract implementation."

Tutunji went on to highlight areas in need of further development to improve the use of FIDIC contracts by all parties. "There should be some investment in building the capacity of the government and the contracting industry in better understanding the FIDIC conditions of contract," she said. "This is sometimes a risk that poses itself to implementation and it has to be tackled. This could possibly be addressed in the partnership between the bank and FIDIC," said Tutunji.

FIDIC strengthens contracts position in China

The signing of a major contracts publishing and translation deal and a new strategic partnership with a consultancy association have further strengthened FIDIC's position in China.

Two significant agreements signed by FIDIC in China are set to strengthen the organisation's position and industry profile in the construction contracts and infrastructure arena in the months and years ahead.

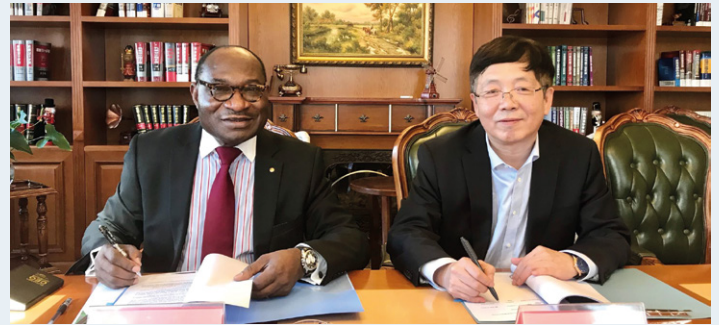
The signing of a major translation and publishing licence agreement with Beijing-based China Machine Press, will enable FIDIC construction contracts and other key documentation to be translated and published in Chinese.

The ten-year deal will help to widen the dissemination of FIDIC publications in the Chinese market and due to increased Chinese investment in international markets, the move will also provide a harmonised approach allowing Chinese consultants and contractors to better comprehend FIDIC contracts in their local language enabling them to use the market-leading documents internationally. The translation of the FIDIC

standard form of contracts will be bilingual, so helping international parties to collaborate in an increasingly globalised world.

Commenting on the signing of the agreement, FIDIC chief executive Dr Nelson Ogunshakin said: "This agreement is a major landmark in FIDIC's aspiration to have the FIDIC 2017 suites of contracts as the foremost infrastructure, engineering and construction procurement contracts adopted in the largest populated country in the world, with the potential to become global standards."

"By signing an agreement with China Machine Press, we are able to secure translation and publication of our standard contracts in one of the key five strategic languages demanded by the six largest multilateral development banks – the World Bank, Inter-American Development Bank, Caribbean Development Bank, European Bank for Reconstruction and



FIDIC chief executive Nelson Ogunshakin and Fan Xingguo, vice-president of China Machine Press, signing the translation and publishing licence agreement.

Development, Asian Infrastructure and Investment Bank and the African Development Bank, all of whom have recently adopted the FIDIC 2017 contracts for their investment in infrastructure projects across their operating countries."

Ogunshakin said that the move complemented FIDIC's recent strategic collaborations with a number of Chinese engineering consultants and contracting associations designed to ensure that FIDIC contracts are adopted on the Belt and Road Initiative, the Chinese government's global development strategy involving infrastructure development and investments in 152 countries and

international organisations in Asia, Europe, Africa, the Middle East, and the Americas.

Collaboration with Chinese engineering consultants

Meanwhile, FIDIC's signing of a memorandum of understanding (MoU) with the China Association of International Engineering Consultants (CAIEC) is set to improve collaboration between international and Chinese businesses across a number of key areas and improve the competence of Chinese consultants in planning, design and the management and application of FIDIC contracts.

FIDIC and CAIEC, a national, professional,



non-profit organisation comprising qualified consultant experts and legally registered enterprises engaged in foreign investment and international engineering consulting, have signed a three-year MoU following detailed discussions between the two organisations. CAIEC and FIDIC have agreed to collaborate in the following key areas of interest:

Information exchange -

Sharing of information on publications, exchanging weblinks, information sharing on events and exchanging knowledge and tools on engineering design issues.

Membership - CAIEC and FIDIC to explore how they can develop a membership model in China which provides a better representation of the consulting engineering industry by the Chinese FIDIC member association, the CNAEC, and to work together to support international consultants becoming members of CAIEC.

Events and visits - FIDIC and CAIEC will conduct

exchange visits to explore collaborative issues, invite each other to participate in their respective organisation's events and CAIEC will invite FIDIC to send speakers to its conferences and workshops.

Training and certification programmes -

FIDIC and CAIEC will discuss establishing a consulting engineer training and certification programme to meet the needs of the various modes of international engineering and consulting services.

One Belt One Road construction -

To provide opportunities for discussion and collaboration between Chinese, international and local consultants on the Belt and Road initiative (BRI) and to jointly explore the application of FIDIC contracts and FIDIC Golden Principles for BRI projects and develop standard templates for documents to support their use. FIDIC and CAIEC will also actively support the principle that the planning, design and supervision of BRI projects are undertaken by collaborative integrated teams of Chinese, international and



FIDIC board members pictured with officials from the China Association of International Engineering Consultants, including its chair, Wang Shumin, following the signing of the memorandum of understanding.

local consultants to optimise outcomes in line with FIDIC's values of quality, integrity and sustainability and the legacy created for society.

Commenting on the signing of the MoU, FIDIC chief executive Dr Nelson Ogunshakin said: "I am delighted that FIDIC will be working closely with CAIEC on areas of mutual interest. Our MoU will be a big boost for FIDIC members, international consulting and engineering firms and also the construction sector in China and we are looking forward to working with CAIEC over the next three years."

FIDIC president Bill Howard said: "This agreement is another significant step in FIDIC's

efforts to work in global partnership with the Chinese construction industry. I am delighted to see such collaboration between industry associations in China and I am sure that by working together in a spirit of partnership we will be able to promote mutual understanding and achieve increased cooperation across the construction sector in China, thereby improving the quality, sustainability and delivery of services."

Nelson Ogunshakin commented: "Both agreements represent good news for FIDIC and are totally in line with our future planned operations in China."



With its Belt and Road initiative, China is stepping forward as a leader in global expansion and infrastructure investment.

FIDIC endorses global infrastructure transparency initiative



Spreading the CoST transparency message at an industry event.

FIDIC adds its backing to key initiative aimed at improving transparency in public infrastructure.

FIDIC has announced that it has decided to endorse CoST, the Infrastructure Transparency Initiative, the leading global initiative improving transparency and accountability in public infrastructure.

Due to the synergies and aligned values between FIDIC and CoST, FIDIC has taken the decision to formally endorse CoST and the initiative's work and to encourage FIDIC's 102 member associations around the world to consider how the CoST approach could potentially help to improve practices in their countries.

CoST sets the standard for infrastructure transparency and related enhanced accountability.

It works with government, the private sector and civil society to promote the disclosure, validation and interpretation of data from infrastructure projects. This helps to inform and empower citizens and enables them to hold decision-makers to account. CoST's experience shows that informed citizens and responsive public institutions help drive reforms that reduce mismanagement, inefficiency, corruption and the risks posed to the public from poor quality infrastructure.

In addition to working with its members at the national level, CoST works with key international organisations to facilitate the global exchange of experience and knowledge on transparency and accountability in public infrastructure.

Commenting on the decision to endorse CoST in December 2019, FIDIC chief executive Dr Nelson Ogunshakin said: "FIDIC and CoST have developed internationally recognised standards and guidelines that contribute variously to improved transparency and integrity in the planning, design, tender management, implementation, contract administration and related supervision of infrastructure project delivery.

"CoST's work curbing the 'supply side' of corruption complements FIDIC's activities to increase transparency through tools such as the FIDIC Integrity

Management System and the Government Procurement Integrity Management System. We therefore see significant complementary benefits in collaboration and endorsement of the CoST initiative in the global fight against corruption.

CoST executive director, Petter Matthews said: "FIDIC has a truly global reach and it is a legitimate voice for the international consulting industry. Having its support sends a positive signal to all those concerned about improving the governance of infrastructure investments. Our values and priorities are closely aligned and we share a commitment to improving the systems and procedures used to deliver infrastructure and services. We want to tap into the knowledge and experience of FIDIC members and are certain that our efforts will be strengthened through our association."

FIDIC president Bill Howard said: "I'm delighted that FIDIC has decided to endorse CoST and work

"Having its support sends a positive signal to all those concerned about improving the governance of infrastructure investments."

together in the global fight against corruption. FIDIC will encourage its regional groups and 102 global member associations to examine how the CoST

approach could potentially serve as a catalyst for improved practices in their national markets by raising awareness and providing best practice information. Corruption has no place in the infrastructure sector or anywhere else and FIDIC is proud to be playing its part in rooting it out."

The man with a passion for training

Shura Construction Management and its CEO Husni Madi won the Trainer of the Year Award at the recent FIDIC Contracts Awards. We spoke to Husni about his unique training approach and his new role on the FIDIC contracts committee.

Husni Madi is passionate about training. That much is clear when you speak to him about his work as a FIDIC trainer and his unique and successful approach. CEO of Shura Consulting Management in Amman Jordan, Madi has delivered both public and in-house training through FIDIC, in Africa and the Middle East.

He impressed the judges at the recent FIDIC Contracts Awards with “the breadth of his experience and training style”, a style developed over the years by providing public, in-house and online training, in addition to speaking and delivering workshops at FIDIC Contract Users’ Conferences.

Madi is a true training icon and his passion for his subject is infectious. His unconventional training style is efficient and effective in delivering training with meaning. He is known

for his energetic teaching methods and using interesting techniques such as graphics and animations, real-life examples and case studies, as well as playing with the tone of his voice to highlight areas of importance to the audience.

Asked about his reaction to winning the Trainer of the Year Award, Madi said: “I put in a lot of effort into my training, whether in material or in the style of delivering the courses. I try to be as energetic as possible, as funny as possible, because when dealing with the subject of contract management, which can be perceived as dry and boring, you can lose the audience very quickly. I always look for new ways and methods of keeping participants engaged.”

Madi went on to further discuss his engagement techniques, “I ask questions and engage the audience. There is nothing like throwing in a good joke and getting a good laugh out of participants to keep them awake and engaged. Being as energetic as possible is key,” he said.

Speaking about his newly appointed role on the FIDIC contracts committee and what he hopes to bring to the table, Madi said: “As someone with experience in all perspectives of contract

management, I hope to bring a new perspective to the committee. I worked for 12 years for contractors on site, then I moved to a role on the other side, as a consultant, and I have been a consultant to both contractors and engineers and employers.”

Madi thinks his training experience will help in his new role. “By delivering courses and conferences all over the world, I am able to accumulate a lot of global experience and case studies and this will allow me to bring a wide range of possibilities and scenarios to be tackled and addressed in the contracts

area,” he said.

Reflecting on his involvement with FIDIC and his drive for giving back to the industry, Madi said that he was the type of person who thrives in a challenging environment. “Although it can be exhausting, you need that passion. It’s like climbing a ladder, one step at a time,” said Madi.



Husni Madi with his Trainer of the Year Award at the FIDIC Contracts Awards in London in December 2019.

“I try to be as energetic as possible, as funny as possible, because when dealing with the subject of contract management, which can be perceived as dry and boring, you can lose the audience very quickly.”



Contract Users' Newsletter

CONTACT US

● Please send news, views and articles on FIDIC contracts to the newsletter editor Andy Walker at awalker@fidic.org

● For contract order queries email FIDIC at fidic.pub@fidic.org

● Send general FIDIC enquiries to fidic@fidic.org

Upcoming FIDIC conferences and events

Details of future FIDIC conferences and events of interest, so make sure you save the dates today.

**FIDIC GAMA
Conference 2020,
19-21 April 2020**
Location: Gaborone,
Botswana.

**ACEC Annual
Convention 2020,
26-29 April 2020**
Location: Washington
D.C., USA.

**3rd FIDIC Latin America
Contract Users' Conference,
4-7 May 2020**
Location: Mexico, venue to
be confirmed.



**FIDIC EFCA
Conference 2020,
4-5 June 2020**
Location: Istanbul,
Turkey.

**FIDIC ASPAC
Conference 2020,
14-16 June 2020**
Location: Bangkok,
Thailand.

**FIDIC International
Infrastructure
Conference 2020,
13-15 September 2020**
Location: Geneva,
Switzerland.



Find out more at <http://fidic.org/events>

All dates/locations may be subject to change.



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