

FIDIC News

January 2005

Consolidated news items sent monthly to members. Online at FIDIC.org/news [print friend	y PDF]
Activities	ECV
The tsunami tragedy FIDIC President assures the support of the entire consulting engineering industry in the aftermath of South Asia tsunami tragedy. <u>Input sought in planning the BIMILACI'05 programme</u> The 2005 biennial BIMILACI meeting with international financial institutions will focus on ways to deliver project quality in its broadest sense. <u>FIDIC to visit ADB in March 2005</u> Input from members is sought to prepare for FIDIC's annual visit to the Asian Development Bank.	Contracts course Trinidad Info ORDER NOW Contracts course Brussels Info ORDER NOW
FIDIC 2005 Beijing to demystify sustainable engineering Richard Kell, FIDIC President, in sending his New Year wishes, gave advance notice of the exciting business, social and events programmes that are planned for the FIDIC 2005 Beijing conference.	Disputes course Brussels Info ORDER NOW
Events	cornerstone
Forthcoming visits and meetings High-level meetings at the UN, UNEP and UNCTAD-WTO feature.	seminars Contracts workshop Info
Contracts	ORDER NOW
Draft harmonised Construction Contract under review A final draft second edition of the widely used FIDIC Construction Contract that is being considered by the multilateral development banks for use in harmonised bidding documents has been circulated to reviewers.	Cornersione s e m in a r s Commercial arbitration
Representation	workshop
FRI-Denmark celebrates its 100th anniversary in style FIDIC was represented at events celebrating the 100th anniversary of the founding of FRI-Denmark by Flemming Bligaard Pedersen, FIDIC Executive Committee member, and Eigil Steen Pedersen, immediate FIDIC Past President.	
Business practice	YP 2005 Management
Young professionals forum goes centre stage for Beijing 2005 FIDIC's Net Forums will allow young professionals to benefit from and contribute to the development of practical approaches for sustainable engineering to be showcased at the FIDIC 2005 Beijing conference.	Training Young Professionals Training
Business development	Programme ORDER NOW
FIDIC offers tailor-made capacity building training courses There has been an encouraging response to FIDIC's call for expressions of interest in capacity building training courses. ISO environmental management systems survey underway FIDIC is urging member firms to complete an online survey that aims to identify the needs of smaller firms in the area of environmental management systems.	FIDIC 2005 Beijing
Ethics and integrity	BST
DHV, one of Europe's 20 largest firms, implements integrity system Renko Campen, President of DHV, one of Europe's 20 largest consulting engineering firms, reports that the firm has implemented a Business Integrity Management System. Importance of an effective global voice demonstrated FIDIC demonstrated practical ways to improve governance and procurement procedures at an OECD Forum on integrity in procurement.	Course sponsor
Image	
Canada recognizes the importance of the FIDIC annual conference ACEC-Canada bulletin reviews Canada's contributions to the FIDIC annual conference to highlight its importance for the consulting industry.	
Notices to Member Associations	
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Activities

The tsunami tragedy [full item: 64Ac]

In the aftermath of the tsunami tragedy, Richard Kell, FIDIC President, sent the following message to members:

"All of us at FIDIC are appalled at the terrible tragedy of the tsunami which struck across Southern Asia on December 26th. The photo shows a destroyed village

in northern Indonesia. The scale of the loss of human life and the havoc wrought by nature upon unsuspecting communities in so many countries has stunned and sickened us, as we watch and learn in horror from reports which come through from devastated areas in Indonesia, Sri Lanka, India, Thailand, Malaysia, Burma, Bangladesh, the Maldives and East Africa. Visitors from other parts of the world have also not been spared. Loved ones have been lost and lives and property destroyed in such a violent fashion and on such a scale, that it is scarcely believable.

The President, Executive Committee and management of FIDIC join with the whole world in expressing their dismay and deepest sympathy for those who have been caught up and suffered losses in this terrible event.:

In the aftermath, as the world rallies to support the devastated communities in their hour of need, it will be engineers who can provide the expertise and knowledge necessary to re-establish the essential infrastructure and shelter. Our colleagues in the affected countries can be assured of support from the wider FIDIC family at this terrible time."

Input sought in planning the BIMILACI'05 programme [full item: 63Ac]

The 2005 biennial meeting of international financial institutions (IFIs) with the consulting industry takes place in Washington DC on 7-8 April 2005, with FIDIC responsible for establishing the

agenda and inviting industry participants. Such meetings are extremely important for the consulting engineering industry, as they provide a unique opportunity to interact with leading multilateral development banks and similar agencies. The key issues of procurement and quality, infrastructure, integrity and document harmonisation have been identified well in advance so that positive outcomes to the discussions are enhanced.

The harmonisation of bidding documents is clearly a major issue, with practical implications and strategies for maximising the use of FIDIC contracts to be clarified, including training programmes and capacity building in general. However, several major issues involving procurement arise prior to the contract stage, notably selection procedures, where price still plays a major role with many authorities and in bank policies. Quality in its broadest sense will feature highly in presentations by FIDIC and the regional federations EFCA and FEPAC. The aim will be to share the latest thinking and experience on various selection options, and their impact on project quality and sustainability. Corruption is also a major issue, and one that FIDIC tackles vigorously through Business Integrity Management and publications such as the new *Model Representative Agreement*. Once again, agreement on ways to address the main problems will be a positive outcome.

Members are invited to raise issues they believe warrant discussion by contacting the FIDIC Secretariat (see FIDIC.org/bimilaci). For instance, late payment has been raised by Member Associations and acknowledged by the IFIs as needing attention. With the renewed drive to develop essential infrastructure, IFIs and the consulting industry seek optimum solutions for the investments made. So there is a willingness to share best practice and to seek improvements in the quality of outcomes.

FIDIC to visit ADB in March 2005 [full item: 65Ac]

The annual visit by FIDIC representatives to meet with Asian Development Bank senior executives responsible for procurement, contracts and anti-corruption initiatives will take place in March 2005. Quality in procurement will be high on FIDIC's agenda. Input, via the FIDIC Secretariat, from Member Associations and their member firms is most welcome.





FIDIC 2005 Beijing to demystify sustainable engineering [full item: 62Ac]

Richard Kell, in wishing the season's greeting and a prosperous New Year to members and those who keep contact with FIDIC through various activities, took the opportunity to highlight the exciting programme that is being developed for the FIDIC 2005 Annual Conference in Beijing (4-8 September).



Contracts

Contracts course Brussels Info

Disputes

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The business programme on sustainable engineering aims to demystify the incorporation of sustainable development into projects. Using Project Sustainability Management as the basis, participants will be invited to brainstorm problems and solutions related to topics such as financing and procurement, client needs and project delivery in order to identify tools and approaches, and an agenda for action, that can be implemented in their firms. The backdrop to the conference will be the showcasing of extensive business opportunities in China involving water distribution, urban infrastructure and regional industrial development. Details are available on the conference website, www.fidic2005.org, together with a summary of an exciting social programme that includes tours of world heritage sites such as the Great Wall and the 6000 terracotta soldiers, see photo, that guard the emperor Qin Shi Huang's tomb near Xi'an.

Events

Forthcoming visits and meetings [full item: 32Ev]

UNCTAD Experts Meeting, Professional Services, Geneva, 17-19 Jan 2005 World Conference on Disaster Reduction, Kobe, 18-22 Jan 2005 Executive Committee meeting, Geneva, 20-21 Jan 2005 FIDIC-Cornerstone contracts workshop, Copenhagen, 7-8 Feb 2004 FIDIC-JCC-ECV contracts course, Trinidad, 21-22 Feb 2005 EFCA Forum, Brussels, 24 Feb 2005 Project Sustainability Management course, Toronto, 1-2 Mar 2005 FIDIC-ECV dispute resolution course, Brussels, 14-15 Mar 2005 UN Commission on Sustainable Development 13, New York, 11-22 April 2005 FIDIC-ICC dispute resolution conference, Cairo, 17-18 May 2005 FIDIC-ECV contracts course, Brussels, 6-7 June 2005

Contracts

Draft harmonised Construction Contract under review [full item: 45Co]

The multilateral development banks led by the World Bank are preparing harmonized bidding documents for bank-financed construction projects designed by the Employer, an initiative that has major potential benefits for all users of contracts. As FIDIC conditions of contract are universally recognised and in worldwide use the banks are collaborating with FIDIC on the incorporation of the *Construction Contract*, published by FIDIC in its First Edition in 1999. The success of FIDIC conditions owes much to a fair balance of risks between the parties, so discussion has taken place for several months to reach agreement on several issues. FIDIC has also taken the opportunity to consider improvements in the light of six-years' experience with the 1999 edition. A final draft of the proposed second edition has recently been sent to reviewers for comment.

Representation

FRI -Denmark celebrates its 100th anniversary in style [full item: 36Re]

FRI, Denmark's Member Association which is one of the world's oldest associations of consulting engineers, celebrated its 100th anniversary in Copenhagen in November 2004 at a banquet hosted by FRI President Carsten Toft Boesen and John Cederberg, FRI Managing Director and a former FRI President. FIDIC salutes the association for its outstanding record of service to some 350 member firms employing nearly 9000 staff. FRI firms have a high reputation for their level of service, integrity and quality, with many working extensively throughout Europe and some internationally recognized for their global scope. FRI, which organized the highly successful FIDIC 2004 Annual Conference, has provided two FIDIC Presidents and a host of contributors to FIDIC activities over its long history.

Business practice Young professionals forum goes centre stage for Beijing 2005 Contracts [full item: 59Pr] course Trinidad Info FIDIC's Young Professionals Net Forum has moved into centre stage with ORDER NOW the launch of FIDIC.org/forums. For the young professionals, AJCE-Japan YP 2005 is providing management support for a website that includes a bulletin Contracts board and other communications tools. Young professionals are invited course and challenged to participate and share their experience on selected Brussels Info topics, so as to add to the collective thinking on issues impacting on the world of ORDER NOW consulting engineering. Disputes course Participants in FIDIC's 2004 Young Professional Management Training Brussels Info Programme, FIDIC.org/ypmtp, have already contributed much of the insight they ORDER NOW developed for four case studies. It is anticipated that the forum will benefit greatly from contributions made by participants in the 2005 programme. A new topic will cornerstone be sustainable engineering, with the aim to develop tools and strategies that seminars allow the somewhat esoteric concepts of sustainable development to be Contracts incorporated into business practice. The input from forum participants will be built workshop into the programme for FIDIC's 2005 Annual Conference in Beijing which takes a Info ORDER NOW global view of practical approaches. So participation in the forum definitely represents a way to learn about the latest and most viable approaches for sustainable engineering. cornerstone seminars Commercial arbitration **Business development** workshop Info FIDIC offers tailor-made capacity building training courses [full item: 36De] Member Associations continue to respond to FIDIC's October 2004 call for expressions of interest in training courses based on the FIDIC Guide to Practice training manual. In a few areas, especially contracts and dispute resolution, where FIDIC meets training needs through its international network of commercial YP 2005 suppliers, associations are referred to course suppliers (these currently includes Management ECV, Cornerstone, IBC and the International Chamber of Commerce). In most Training areas, however, FIDIC organizes courses that are tailor-made for an association. Young They generally take place over one to two days and involve two trainers. Once Professionals again, associations are asked to contact the FIDIC Secretariat for further Training Programme information, or consult FIDIC.org/training. ORDER NOW ISO environmental management systems survey underway [full item: 37De] ISO is surveying users of Environmental Management Systems (EMS) and the ISO FIDIC 200 14001 standard to better identify the needs of small firms. FIDIC vigorously **FIDIC 2005** promotes EMS and organizes training courses using EMS training kits for industrial Beijing facilities and for local authorities that were developed in collaboration with the UN Environmental Programme. Member Associations are being urged to ask their member firms to complete the survey form at www.sinf-mk.se/isosme. Course

Ethics and integrity

DHV, one of Europe's 20 largest firms, implements integrity system [full item: 15Et]

Renko Campen the President of the Executive Board of DHV, Netherlands, in an article entitled "Integrity Pays" in the November 2004 issue of *DHV Times* says that: "Integrity is anchored in our corporate culture and determines the way in which we interact with each other, within the business setting and with society at large." DHV, ranked by Sweden's STD *Sector Review 2004* as the 19th largest European consulting engineering firm in terms of staff number, has implemented a Business Integrity Management



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System to safeguard the firm's integrity. Further information about FIDIC BIMS, which has recently been registered by FIDIC as a trademark, is available at www.fidic.org/bims. The annual *Sector Review*, which provides invaluable insight into the consulting engineering industry, can be downloaded from www.std.se, while the printed edition, available from the FIDIC Bookshop, now costs Euro 30.

Importance of an effective global voice demonstrated [full item: 16Et] The importance of a recognised global voice was demonstrated in November 2005 Contracts at the OECD Global Forum on public procurement and governance attended by course some 250 participants from 60 countries. The acknowledged adverse impact of Trinidad Info corruption on economic growth and development echoed FIDIC policies and ORDER NOW guidelines. As one of the few practitioner organisations represented, FIDIC was Contracts able to demonstrate practical tools to improve both transparency and quality in course the procurement process. FIDIC President Richard Kell in his plenary opening talk, Brussels Info available online at FIDIC.org/integrity, referred to the FIDIC Business Integrity ORDER NOW Management System, guidelines for consultant selection, the Informed Purchaser Disputes policy and the new Model Representative Agreement. He was supported by FIDIC course Managing Director Enrico Vink. With greater attention being focussed on improved Brussels Info governance and procurement, it is important that the implications of new ORDER NOW initiatives in transparency are fully understood. FIDIC will therefore continue to contribute in a practical way to international forums. Meanwhile, many cornerstone international organisations seek to share experience and to develop best practice. seminar FIDIC members are therefore encouraged to become familiar with FIDIC's Contracts workshop publications so that they can support local and regional initiatives aimed at Info improving procurement procedures. One is dealing with people coming from ORDER NOW different business cultures, so education is very important, especially in becoming a trusted advisor. cornerstone seminars Commercial Image arbitration workshop Canada recognizes the importance of the FIDIC annual conference Info [full item: 19Im] Most FIDIC Member Associations contribute extensively to raising the federation's image. As an example, ACEC, FIDIC's Member Association for Canada, distributes each month an electronic newsletter to member firms. To highlight the YP 2005 importance of the FIDIC Annual Conference, the October issue reported Management extensively on the FIDIC 2004 Annual Conference in Copenhagen, highlighting Training contributions by a strong Canadian delegation that included a plenary talk (Tony Young Franceschini, Stantec), the chairing of two workshops (John Boyd, Golder Professionals Associates, and John Ritchie, Acres), the Young Professional Forums (Ben Novak)

Training

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Programme

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FIDIC 2005

and the Directors and Secretaries meeting (Claude Paul Boivin, ACEC), and overseeing the FIDIC Executive Committee election (Alistair Black, Associated Engineering). A similar strong involvement in the 2005 Beijing conference is anticipated, and ACEC-Canada will host the 1998 conference in Quebec.

Notices to Member Associations

Meetings: see Events Surveys - ISO environment systems - ADB quality - cost MA Letters 01/05: Young Professional Management Training 02/05: Tsunami tragedy

02/05: Tsunami tragedy This email edition of FIDIC News is sent to FIDIC Member Associations, contacts and members of working committees, groups, task forces and forums as a multipart formatted email message with an attached print friendly PDF file. If difficulties arise, please download the newsletter from FIDIC.org/news. Member Associations are urged to forward the newsletter to member firms. Advertising (logo with caption and web link appearing on

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