# **Activities**

FIDIC 2005 Beijing set to break all records

Record attendance and an action packed programme foreseen for FIDIC Beijing. FIDIC 2005 workshops to address practical tools for sustainability

Workshops on project delivery to provide sustainability tools; others cover a new DBO contract, design-build, procurement, and risk and integrity management. Young professionals forum to be reviewed

FIDIC 2005 Beijing will feature an open meeting to develop an even more attractive Young Professionals Forum.

FIDIC's new Event Manager responsible for some 40 events each year

Silvia Fossati joins the FIDIC Secretariat as an Event Manager to handle the rapidly growing number of events in which FIDIC is involved.

#### Events

#### Iran capacity building seminar identifies industry initiatives

A seminar in Iran co-organized by FIDIC led to a comprehensive industry capacity building action plan that is serving as a model for other countries.

#### FIDIC best-practice training courses available

FIDIC is able to offer best-practice training courses in subjects ranging from contracts through to project sustainability management.

Forthcoming visits and meetings

Many contracts training events scheduled worldwide.

#### Contracts

# MDB Harmonised Construction Contract now available

The Multilateral Development Bank Harmonised Construction Contract will be complemented by a FIDIC Contracts Guide supplement.

#### Representation

#### Incoming EFCA President aims to reinforce FIDIC links

Yann Leblais, elected EFCA's President at the European association's annual meeting, aims to enhance collaboration with FIDIC in key areas.

# **Business practice**

#### Great news: an end to slow payment in sight

Great news for member firms working on World Bank projects: FIDIC has been advised that the Bank will adopt a policy on slow payment.

# **Business development**

Asian Development Bank acknowledges FIDIC input on consultant procurement Comprehensive feedback on Asian Development Bank proposals for consultant procurement were gratefully acknowledged by the bank.

BIMILACI stresses the private sector's key role

Lending agencies meeting highlighted the importance of Quality Based Selection and harmonised procurement procedures.

### Ethics and integrity

# FIDIC makes mark at June 2005 OECD experts meeting

Understanding the true value of professional services will help improve poor procurement practices.

Integrity Management survey to report at FIDIC 2005

The FIDIC task force responsible for Business Integrity Management is surveying uptake by firms for a report at a FIDIC 2005 Beijing workshop.

#### Image

# Quality Based Selection gets attention in Morocco

Morocco's authorities will consider revisions to procurement policies.

FIDIC President participates in a review of Turkey's procurement policies

Regional opportunities have called for a procurement review in Turkey.

Comments on the use of country procurement systems

FIDIC has responded to a World Bank discussion document.

#### **Notices to Member Associations**

MA Notices: July 2005



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Young Professionals Training



Beijing





#### **Activities**

#### FIDIC 2005 Beijing set to break all records [full item: 67Ac]

With two months to go, the FIDIC 2005 Annual Conference in Beijing promises to be one of the biggest and brightest annual conferences ever. FIDIC volunteers and staff, supported by CNAEC, FIDIC's Member Association in China, have gone all out to attract well over 500 participants. Record numbers have signed on to attend the action packed business sessions, as well as the post-conference attractions that most people will



only have dreamt of. There is plenty to keep both partners and participants entertained during the busy conference as well.

Key speakers include Ma Kai, Chairman, China National Development and Reform Commission, Richard Burnett, Director, ABN Amro, Hamid Mamdouh, Director, Trade in Services, WTO Geneva, and senior officials from the multilateral development banks. They will set the scene, focussing on key issues impacting on the sustainability of infrastructure.

# FIDIC 2005 workshops to address practical tools for sustainability [full item: 68Ac]

De-mystifying sustainability and making the concept meaningful for clients and consulting engineers is the focus of the FIDIC 2005 Annual Conference workshops. With the scene set by plenary reports on the status of sustainable development, the workshops will allow practitioners to highlight their experiences and describe case studies of how they implemented sustainable technologies, processes and systems in both the developed and developing countries. Workshop reports will be distilled by representatives of the some 60 young professionals already registered for the conference.



For the workshops, major international firms and the multilateral development banks will describe their needs and how sustainable projects are financed and procured; specialists will explain how FIDIC's Project Sustainability Management (see photo of Guidelines cover) tells stakeholders that a truly sustainable project is being delivered; cases studies on disaster mitigation, sustainable remediation, municipal infrastructure and water supply will demonstrate the types of approaches that work in implementing sustainability at the project level. Finally, the industry's capacity to deliver sustainability in an increasingly global marketplace will be analysed, along with the essential business practices such as business integrity, risk management and contract management based on modern forms of contract (FIDIC's new Design-Build-Operate contract will feature). Altogether, a veritable feast of up-to-date knowledge which is directly applicable to our businesses as consulting engineers in the world of today.

# Young professionals forum to be reviewed [full item: 70Ac]

Young professionals, the consulting engineering industry's future leaders, will feature strongly at the FIDIC 2005 Annual Conference in Beijing, with a number of groups coming together. The 23 young professional management trainees will complete their training course immediately prior to the conference. An overview of their experiences will be shared with participants and they, and members of the CNAEC Young Professionals, will support each of the workshops and report back during the Wednesday morning plenary session.

The FIDIC Young Professionals Forum is inviting all young professionals to participate in an open meeting to review the forum's structure and terms of reference in order to develop a more sustainable programme that will be both attractive and a helpful guide to Member Associations. Conference items of special interest for young professionals are featured on the conference website, <a href="https://www.fidic2005.org">www.fidic2005.org</a>.

Young professionals can now sign up for the FIDIC 2006 Young Professionals Management Training Programme. This Internet-based course starts in January 2006 and ends with pre-conference and conference sessions at the FIDIC-EFCA 2006 Annual Conference (Budapest; 24-27 September). Availability is limited and the price, including conference participation, is Euro 2600. See <a href="FIDIC.org/ypmtp">FIDIC.org/ypmtp</a> for details and registration.



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Training





# FIDIC's new Event Manager responsible for some 40 events each year

[full item: 69Ac]

Silvia Fossati has joined the FIDIC Secretariat staff as an Event Manager responsible for organizing FIDIC conferences, seminars and training events in partnership with Member Associations, commercial providers and international organizations. Silvia, who is Italian by origin, has a PhD in business process modelling from the Swiss Ecole Polytechnique. She then worked as a consultant for PriceWaterhouseCoopers and for a start-up firm specialising in Internet-based applications. She comes to FIDIC with the personal skills and the solid grounding in the back-office techniques needed to help organize some 40 events each year, not counting the FIDIC Annual Conference which this year has so far attracted nearly 800 participants, including accompanying persons.

# Disputes Trinidad

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#### **Events**

#### Iran capacity building seminar identifies industry initiatives [full item: 42Ev]

Over 200 senior members of consulting engineering firms along with senior government representatives attended a FIDIC Capacity Building Seminar in Tehran on 25 - 26 June 2005 organized by FIDIC and the national Member Association, IRSCE-Iran. The scene was set by presentations by representatives of Iran's industry and by John Ritchie who chairs FIDIC's Capacity Building Committee. Breakout workshops then allowed participants to develop an IRSCE capacity building action plan. Organized as part of the seminar were sessions on contracts terms, focussing on design-build and led by Robert Cochrane, a senior consultant. The combination proved to be a powerful drawcard, along with the excellent facilities and organization. IRSCE was able to identify several capacity building and procurement initiatives that it plans to pursue.

The seminar is being promoted as a model (see outline at FIDIC.org/events) for other countries, and will be presented at the FIDIC 2005 Annual Conference (Beijing; 4-8 September 2005) Capacity Building Workshop. Through such seminars, FIDIC can help Member Associations develop capacity building programmes, drawing on resources available from FIDIC. Associations interested in exploring opportunities should contact John Ritchie, <u>jritchie@acres.com</u>.

# FIDIC best-practice training courses available [full item: 43Ev]

FIDIC is now able to offer best practice training courses in a range of subjects including contracts, business development, financial management, human resources, risk management, integrity management and project sustainability management. Full details of courses offered, course content and course structure are available at FIDIC.org/events. Member Associations interested in organizing a course, either in partnership with FIDIC or by making use of course materials, should contact Silvia Fossati at fidic@fidic.org.

# Forthcoming visits and meetings [full item: 32Ev]

Visit Egypt, African Development Bank, Tunisia, Abu Dhabi, Aug 2005

FIDIC-CECOPHIL Contracts Seminar, Manila 15 Aug 2005

FIDIC ADB Internal Contracts Training, Manila 16-17 Aug 2005

FIDIC 2005 Conference, Beijing 4-8 Sep 2005

FIDIC Committees, Task Forces, Regional Groups, Beijing 2-8 Sep 2005

World Sustainable Building Conference, Tokyo 17-19 Sep 2005

ECV Contracts Course, Zagreb, 22-23 Sep 2005

FIDIC-ACES Contracts <u>Seminar</u>, Singapore 26-27 Sep 2005

FIDIC-ACEM Contracts Seminar, Kuala Lumpur 28 Sep 2005

FIDIC-Cornerstone contracts Workshop, Amsterdam 6-7 Oct 2005

FIDIC-ECV Dispute Resolution Course, Brussels, 17-18 Oct 2005

FIDIC-ICC Arbitration Conference, Paris 17-18 Oct 2005

FIDIC-JCC-ECV Dispute Resolution Course, Trinidad 8-9 Nov 2005

FIDIC-CEAI-CDC-ITC Contracts Course, New Dehli 10-11 Nov 2005

FIDIC-ESCONE-CRCICA Contracts Seminar, Cairo 12-13 Nov 2005

Arbitration & ADR in Construction Conference, Dubai, 13-14 Nov 2005

FIDIC-Cornerstone Contracts Workshop, Dubai 15-16 Nov 2005

FIDIC-ECV Contracts Course, Brussels, 28-29 Nov 2005

FIDIC-Informa Contracts Seminar, London 8-9 Dec 2005

#### **Contracts**

#### MDB Harmonised Construction Contract now available [full item: 48Co]

The Multilateral Development Bank (MDB) Harmonised Edition of FIDIC's Construction Contract, the General Conditions of which were agreed with the MDBs' Heads of Procurement for inclusion, under licence, in the Banks' standard bidding documents can now be downloaded from FIDIC.org. The contact is for use on projects financed by the MDBs, and represents an important step in the harmonisation of procurement procedures. In using the FIDIC conditions up to now, MDBs introduced Particular Conditions which in many cases had standard wording. This has been transferred to the harmonised General Conditions. Furthermore, some Particular Conditions varied between the MDBs, creating inefficiencies and uncertainties, and increasing the possibilities for disputes.

FIDIC will shortly publish the MDB Harmonised Edition as a bound volume and as a contract pack for ease of incorporation into bidding documents. Guidance will be consolidated into a supplement to The FIDIC Contracts Guide, available shortly in both printed and electronic versions. Meanwhile, FIDIC training courses and seminars are comparing the Harmonised Edition with the standard 1999 1st Edition. Reviewers' comments not taken up in the MDB Harmonised Edition will be reviewed again when in due course FIDIC produces a 2nd Edition of the Construction Contract.

# Disputes Trinidad

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Young Professionals Training



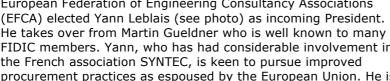




#### Representation

#### Incoming EFCA President aims to reinforce FIDIC links [full item: 38Re]

At its Annual General Meeting in Cracow in May 2005, the European Federation of Engineering Consultancy Associations (EFCA) elected Yann Leblais (see photo) as incoming President. He takes over from Martin Gueldner who is well known to many FIDIC members. Yann, who has had considerable involvement in



procurement practices as espoused by the European Union. He is also keen to work closely with FIDIC on insurance and liability issues, the adverse affect of which is being felt around the world. Far too often, clients are trying to push too much risk onto consultants. He also aims to ensure that FIDIC and EFCA continue to reinforce collaboration in a number of areas so as to lend strength to common causes such as PPP/PFI, procurement and business integrity.

# **Business practice**

### Great news: an end to slow payment in sight [full item: 63Pr]

Consulting firms from both developed and developing economies have long been plagued by executing agencies which pay very slowly, and in some cases not at all. FIDIC has campaigned strenuously with the multilateral development banks to address this problem, pointing out that it places enormous strains, even on large consulting firms, and keeps smaller consulting firms in less-developed countries out of the market. Slow payment can also lead to corrupt practice.

Well, it appears that the FIDIC message has been heard and this scourge is on the way out, at least with the World Bank. The Bank has developed a policy which will address the performance of individual agencies and in the ultimate, can lead to the direct payment of consultants. FIDIC is advised that the relevant paper is due to go the Bank's Board very soon. FIDIC applauds the World Bank for this initiative.

#### **Business development**

# Asian Development Bank acknowledges FIDIC input on consultant procurement [full item: 40De]

The Asian Development Bank offered its thanks to FIDIC for its thoughtful input on proposed changes (available on FIDIC.org/resources) to consultant procurement. A number of Member Associations contributed to this exercise that was led by FIDIC's Capacity Building Committee chaired by John Ritchie from Canada.

# BIMILACI stresses the private sector's key role [full item: 39De]

The April 2005 biennial meeting between FIDIC and the major International Finance Institutions (IFI) marked a major step forward in FIDIC's relationship with the IFIs through closer alignment on procurement practices and the publication of the newly agreed Multilateral Development Bank (MDB) Harmonised Edition of FIDIC's Construction Contract (available on FIDIC.org. see photo of cover). Increasingly, the MDBs now regularly discuss improvements to their practices and policies, and invite FIDIC to participate.



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Young Professionals Training







Presentations were made on Quality Based Selection (especially for procurement), sustainability of investment in projects, capacity building, the need to support local consulting industries, and integrity management as a means to combat corruption. With an increased focus on infrastructure, the Banks are looking for greater support from the private sector. They acknowledge the need to modernise procedures so that quality suppliers will be attracted. This provided FIDIC with the opportunity to stress the need for quality, not only in procurement but also in the skills of procurement officers, and the availability of private sector resources. For further details and presentations, see <a href="FIDIC.org/BIMILACI">FIDIC.org/BIMILACI</a>.

# **Ethics and integrity**

#### FIDIC makes mark at June 2005 OECD experts meeting [full item: 18Et]

As the only business representative present at the June 2005 OECD Experts Meeting on Integrity in Public Procurement, FIDIC was, through Enrico Vink, FIDIC Managing Director, able to make several clear points on the positive contribution being made by the consulting industry to combat corruption in public procurement. Although Business Integrity Management was a highlight of Enrico's presentation, he also clarified in practical terms what in fact clients were seeking to procure, namely high quality, value-added, sustainable services. He suggested that a lack of understanding over the value of professional advice from consulting engineers is often a root cause for poor procurement practices, dominated by price, and vulnerable to corrupt practices.

Later the same month, FIDIC was able to participate as the only observer at the annual meeting in London of the World Economic Forum's Partnering Against Corruption Initiative (PACI at <a href="weeforum.com">weeforum.com</a>) that now has 64 major firms in the engineering, energy and equipment sectors as signatories (their combined annual turnover exceeds USD 500 billion). PACI plans to consolidate the International Chamber of Commerce and Transparency International anticorruption principles, and then use FIDIC's Business Integrity Management for implementation.

# Integrity Management survey to report at FIDIC 2005 [full item: 19Et]

Most firms are doing their best to define and implement anticorruption policies. However, many programmes lack consistency in day-to-day business transactions, and fail to obtain systematic feedback. Business Integrity Management (BIM) provides a framework to connect and transform isolated acts of integrity assurance into a complete management system. FIDIC published BIM Guidelines in 2001 and has actively promoted the approach. It is now surveying firms to identify the response to BIM. The survey form, available at the survey site <a href="FIDIC.org/bim05">FIDIC.org/bim05</a>, has been sent to national Member Associations for forwarding to firms. Results will be reported at the FIDIC 2005 Annual Conference (Beijing; 4-8 September) Business Integrity Management Workshop.

# Image

# Quality Based Selection gets attention in Morocco [full item: 21Im]

Maxime Mazloum, FIDIC Treasurer, urged Moroccan authorities to consider the benefits of Quality Based Selection during a recent visit. He was guest of FMCI, FIDIC's national Member Association, which had organised a seminar for member firms, officials and the media. Concern at a decreasing quality in infrastructure has led to a re-examination of procurement policies. This gave FIDIC an opportunity to outline its best practice procedures on selection, sustainability and business integrity. The audience of 160, including several ministers, was clearly interested, and the authorities have invited FIDIC to help revise procurement policies.

# FIDIC President participates in a review of Turkey's procurement policies

Richard Kell, FIDIC President, was a keynote presenter, together with Gian Casartelli of the World Bank, Dilek Macit of the European Bank for Reconstruction and Development and Fatma Colasan, a former FIDIC Executive Committee member, at a major workshop on technical consultancy held in Ankara, Turkey, on 26 May 2005. The country's vibrant construction and consulting industries are accessing work opportunities in the region. This has given rise to the need to review quality in procurement. The roles and responsibilities which consultants are able to undertake in the best interests of their clients and the end users were emphasised.

# Comments on the use of country procurement systems [full item: 23Im]

In applauding the World Bank's goals to strengthen the procurement policies of its borrowers and thereby promote capacity building, FIDIC noted that it has concerns about the increasing use of country systems procurement as currently planned. For while the overall objectives of increasing the use of country systems procurement are aligned with FIDIC's objectives of strengthening capacity building and increasing the use of local consulting engineering firm, there are important details in the implementation of the Bank's proposals that need consideration.

Links to the World Bank discussion document on Expanding the use of country systems in procurement are available via a FIDIC.org/news item.

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Contracts Amsterdam 6-7 Oct ORDER NOW



Young Professionals Training

# **Notices to Member Associations**

Meetings: see Events

#### Surveys

FIDIC Business Integrity Management

FIDIC Annual Survey

#### **MA Letters**

09/05: ADB comments PDF 10/05: D & S Meeting Agenda PDF

11/05: BIM Survey PDF 12/05: WB comments PDF

# Coming soon

MA Letter 13/05: GAM 2005 Beijing agenda

MA Letter 14/05: Presidents Meeting Beijing agenda



Beijing





Contracts London 8-9 Dec

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