Activities

FIDIC discusses new initiatives with contractors' representatives

FIDIC and the Confederation of International Contractors' Associations plan a joint private sector approach to the World Bank.

Partnerships are the key to global quality

Member firms are urged to reflect upon the main outcomes of the FIDIC 2006 conference that will be taken up at the 2007 Singapore conference.

Events

Users conference provided a vital opportunity to discuss recent trends

The first contracts users conference confirmed the need for a new platform. Forthcoming visits and meetings

Regional events in Asia and Africa feature.

Contracts

FIDIC awarded contract to supply ADB training

FIDIC to train Asian Development Bank Resident Missions in five countries. Training agreement for Jordan signed

FIDIC contracts training courses to be launched in Jordan in early-2007.

Representation

Gulf Engineering Forum addressed industry organization

Many countries in and around the Arabian Gulf are establishing associations to promote capacity utilisation and development.

Central European Initiative forum focussed on services trade

A FIDIC delegation addressed procurement issues in Romania at a Central European Initiative summit and with FIDIC's Member Association.

UAE membership discussed and training consolidated

A visit to the United Arab Emirates allowed FIDIC to follow up on discussions of membership and ongoing joint training activities.

Business practice

Scope definitions task group envisages nine project phases

A FIDIC task group that is working closely with a European Union project is to propose scope definitions based on nine phases to a project.

Business development

Sustainable buildings initiative soon to release first products

A UNEP initiative to develop policies for sustainable construction takes stock of its first few months of operation.

ESCONE-Egypt to help raise the profile of consulting engineers

A FIDIC delegation met with representatives from Egypt and nearby countries to plan a regional event to promote consulting engineering.

Ethics

OECD reviews integrity best practice in national procurement

A FIDIC presentation confirmed the consulting engineering industry's role in establishing procurement best practice, notably business integrity.

FIDIC participates in first UN anticorruption session

FIDIC joined industry representatives in promoting and monitoring implementation of the 2005 UN anticorruption convention.

Malaysian business integrity seminar attracted over 200 participants

A FIDIC Business Integrity Management Seminar organized by ACEM-Malaysia attracted over 200 participants, including government representatives.

Antibribery principles reviewed in the light of major anticorruption initiatives Steering committee aimed to harmonise compliance for business principles.

Image

ASPAC looks ahead to 2007

Regional conference to be the focus for Asia-Pacific activities in 2007.

Young Professionals Forum newsletter launched

Young professionals newsletter to promote and coordinate networking.

Notices to Member Associations

MA Notices: December 2006













Activities

FIDIC discusses new initiatives with contractors' representatives [full item: 88Ac]

FIDIC took part in late-November 2006 in the annual discussions in Dubai on procurement between the World Bank and CICA, the Confederation of International Contractors' Associations www.cica.net, that represents international contractors. CICA reiterated its appreciation of FIDIC's efforts to ensure the availability of internationally accepted standard contracts for infrastructure works, while continuing to discuss possible modifications. Corruption was high on the agenda, with the contracting industry acknowledging the work undertaken by FIDIC in developing efficient anticorruption business tools. Quality as the key for successful procurement was also a major concern, with the contracting industry becoming more aware of the positive features of quality based selection. A joint initiative to the World Bank is now planned that recognizes the value of a consolidated approach from the private sector. It will be based upon industry's response to the Bank's fight against corruption and the ongoing push for improved procurement procedures.

Partnerships are the key to global quality [full item: 89Ac]

Comprehensive summaries of key points raised during each of the 2006 International Consulting Engineering Conference workshops included recommended actions for the conference's main organizers (FIDIC and the European federation EFCA), for Member Associations and for firms. The summaries are available online as a plenary presentation (PDF) and as a condensed list (PDF). The 2006 conference highlighted the consulting engineering industry's capacity to offer quality services at the crossroads between acting as a trusted advisor and commodity supplier. Under the theme "Global services, enhanced partnerships", FIDIC 2007 Singapore (9-13 September; www.fidic2007.org) will carry forward the 2006 outcomes by exploring the essentials for developing successful partnerships to deliver quality globally.

cornersione seminars Contracts Copenhagen 8-9 Feb07 ORDER NOW







Events

Users conference provided a vital opportunity to discuss recent trends [full item: 52Ev]

Nearly 100 participated at the first-ever annual FIDIC International Users Conference (London, 11-12 December 2006). The conference was developed by FIDIC and its training partners Cornerstone, ECV and SF-Consult in association with the global event organizer Informa as the premier conference for users of FIDIC contracts needing to learn about the latest developments worldwide. As pointed out by Jorge Diaz Padilla, FIDIC President, who opened the conference and summarized the main results, present were the "who's who" of FIDIC contracts: most of those involved in managing, drafting, promoting and training related to the FIDIC contracts were able to attend, along with participants from 21 countries. With Geoff French, FIDIC Executive Member, as the first-day chair, speakers from the consulting engineering industry, contractor organizations and the multilateral development banks (MDB) confirmed the positive experience with FIDIC MDB Harmonised Construction Contract given that it is intended for MDBfinanced works projects under international competitive bidding. There were also other leading-edge presentations on a draft version of FIDIC's Design-Build-Operate contract, on ways to handle issues that arise with FIDIC's existing works contracts (Construction; Plant and Design-Build; EPC/Turnkey), and on the latest developments in dispute boards. A feature of the conference were several interactive "hot topic" workshops led by Hans Ammendrup (Denmark), Ellis Baker (France), Gwyn Owen, (UK) and Nick Henchie (UK). FIDIC's programme of contracts courses, workshops, seminars and international conferences will continue to act as the build up to the next users conference, planned for December 2007.

Regional Conference



Forthcoming visits and meetings [full item: 32Ev]

FIDIC Executive Meeting, New Dehli, 29-30 Jan 07

FIDIC-CEAI Capacity and PSM Seminars, New Dehli, 31 Jan and 1 Feb 07 Cornerstone Dispute Resolution Workshop, Copenhagen, 8-9 Feb 07

FIDIC-IFC ADR Roundtable, Sarajevo, 14 Feb 07

FIDIC-UAESoE-ECV Contracts Course, Abu Dhabi, 26-27 Feb 07

FIDIC-VBI-VUBIC Contracts Seminars, Berlin, starting Mar 07

FIDIC-OICM Seminar, Bamako, 11 Mar 07

FIDIC-ECV Dispute Resolution Course, Brussels, 12-13 Mar 07

FIDIC ASPAC-TCDPAP Regional Conference, Lahore, 20-22 Mar 07

Contracts

FIDIC awarded contract to supply ADB training [full item: 64Co]

FIDIC in association with its training partner ECV has been awarded a project to supply training on FIDIC contracts for construction works and dispute resolution mechanisms in project administration to the staff of Asian Development Bank (ADB) Resident Missions in five countries (Viet Nam, India, Bangladesh, Indonesia, Pakistan) from mid-January to mid-March 2007. The programme aims to "to help staff understand FIDIC contracts for construction works and dispute resolution mechanisms, and therefore, facilitate contract administration in ADBfinanced projects". It developed from a FIDIC-supplied pilot course in Beijing in 2006, and a series of courses that had been organized at the Bank's headquarters in Manila staring in 2001. While the training materials and programme of the twoto three-day courses are based on Modules 1 and 2 of the FIDIC Contracts Manual, the ADB's need to focus on staff core competencies in the contractsrelated aspects of project procurement and project management called for an enlarged scope. FIDIC is discussing similar programmes for other regions, as well as their extension to other aspects of project management and procurement, notably integrity management and sustainability management.

Contracts Copenhagen 8-9 Feb07 ORDER NOW









Training agreement for Jordan signed [full item: 65Co]

The Jordan Engineers Association (JEA; www.jea.org.jo), the organization that registers engineers and firms in Jordan, and Jordan's A/E Business Council (Architecture/Engineering; A/EBC; www.aeb-council.org), a newly established forum that represents business interests, have agreed to establish a FIDIC-JEA-A/EBC training programme in Jordan. The photo shows, on the left, Bisher Jardenah, A/EBC

Chairman, and Wael Saqqa, JEA President, signing the agreement in the presence of Enrico Vink, FIDIC Managing Director, in Amman on 14 December 2006. It calls for training courses based on the FIDIC Contracts and Guide to Practice training manuals to be held at the well-equipped JEA Engineers Training Centre in Amman starting in early-2007. Meanwhile, JEA and A/EBC are discussing membership based on an umbrella organization that groups the A/EBC and the JEA's Engineering Offices Committee. Another goal is to establish certification similar to that being developed on a pilot basis with CNAEC-China (see News item).

Representation

Gulf Engineering Forum addressed industry organization [full item: 50Re]

The 10th Gulf Engineering Forum "Professional authorities and their role in developing and protecting the engineering profession" (Khobar; 10-13 November 2006) organised by the Saudi Council of Engineers, a FIDIC Member Association, was devoted entirely to different approaches for organizing engineering activities. The conference was opened by Prince Mohammed Bin Fahd Bin Adbul Aziz, Governor of Saudi Arabia's Eastern Province, on behalf of Crown Prince Sultan Bin Adbul Aziz, Deputy Premier, and Peter Boswell, FIDIC General Manager, gave the international perspective in a keynote talk emphasizing the need to differentiate between society's regulation of the quality of individual engineers to meet international standards and the consulting engineering industry's role as the reservoir of capacity to service clients' requirements. A professional entity for Gulf Cooperation Council States was discussed, and several countries, notably Saudi Arabia, Jordan, Bahrain, and Oman, described how professional and industry interests were being regulated and represented.



Government officials and some 1000 participants gathered in Tirana on 22-23 November 2007 at the ninth Central European Initiative Summit Economic Forum sponsored by the European Bank for Reconstruction and Development to explore initiatives to enhance trade between Europe's emerging economies. Given the importance of infrastructure needs, trade in services was a special focus (see report at www.ceinet.org/SEF). Jorge Diaz Padilla, FIDIC President, made a strong plea for quality in procurement, emphasising the need to eliminate price from the initial assessment of qualified consultants. With corruption also on the agenda, FIDIC was able to explain the benefits of Business Integrity Management (BIMS), with FIDIC's Consultant Selection Guidelines and the BIMS publication attracting much attention. FIDIC also took the opportunity to support the FIDIC member, the Albanian Association of Consulting Engineers, in its efforts to be heard by the agency responsible for Albania's public sector procurement.



UAE membership discussed and training consolidated [full item: 52Re]

Massive infrastructure developments and the accompanying influx of many consulting engineers will probably lead to greater harmonization on procurement between the seven Gulf states, and increased recognition by governments of the benefits of international contracts and codes of business practice. A visit in November 2006 by Jorge Diaz Padilla, FIDIC President, and Enrico Vink, FIDIC Managing Director, confirmed the growing use of, and interest in, FIDIC documents, and a strong desire to establish closer links to FIDIC. A meeting with the United Arab Emirates Society of Engineers (UAESOE) that has some 12000 individual engineers as members, mainly from outside the UAE, focused on a suitable model to represent the business interests of the consulting engineering industry, as well as further discussion on training. The first two-day FIDIC-ECV-UAESOE contracts course on the practical use of FIDIC contracts (Module 1 in the FIDIC Contracts Manual) takes place in Abu Dhabi on 26-27 February 2007), and an equivalent two-day FIDIC-Cornerstone Workshop on understanding the FIDIC contracts on 16-17 May 2007 in Dubai.

cornersione seminars Contracts Copenhagen 8-9 Feb07 ORDER NOW







Business practice

Scope definitions task group envisages nine project phases [full item: 71Pr]

For greater transparency in procurement, to reduce or even remove technical barriers to open competition, and to eliminate price-dominated selection procedures, the FIDIC Definitions of Scope Task Group is developing standard definitions for the scope of services offered by consulting engineers at the various phases of a project. These definitions will help clients understand the types of quality services that are provided. In a complimentary European Union funded project, the task group is collaborating with the European federation EFCA on the standardization of consulting services (see News item). Firms will shortly be contacted through Member Associations for their views on proposed definitions for a project's nine phases.

Business development

Sustainable buildings initiative soon to release first products [full item: 50De]

Staying abreast and assisting the development of policies to promote sustainable infrastructure is a key FIDIC objective. UNEP's Sustainable Buildings and Construction Initiative (SBCI) launched in mid-2006 has the potential to make major contributions. FIDIC is represented on the SBCI Board by Iksan van der Putte, a member of FIDIC's Sustainable Development Committee. Ike is also an expert on a SBCI think tank "Public finance mechanisms to increase investment in energy efficiency in buildings". A report (PDF available online) of the UNEP/SBCI 2006 Annual Meeting summarises the results to date, including the main think tank output, a SBCI report *Buildings and Climate Change*. FIDIC is positioning Project Sustainability Management (PSM) as the way to link the various certification systems for buildings with sustainability (there will be a presentation of PSM at the UNEP/SBCI 2007 Annual Meeting, Rabat, Morocco; 2-4 April 2007) at which the SBCI will take stock of its impact on policies. FIDIC has recently been invited to provide experts for a think tank on "Policies and economic incentives supporting a life-cycle approach for the design and construction of buildings".





ESCONE-Egypt to help raise the profile of consulting engineers [full item: 51De]

Thanks to the support of ESCONE-Egypt, Jorge Diaz Padilla, FIDIC President, and Enrico Vink, FIDIC Managing Director, were able to hold discussions in Cairo in late-November 2006 with representatives from Saudi Arabia, Jordan, Sudan and Egypt on ways to raise the profile of consulting engineers in Egypt and nearby countries. A newly appointed ESCONE Executive Committee has taken the lead by proposing to organize



by mid-2007 a conference in Cairo that will focus on consultant selection (the photo shows, on the right, Jorge Diaz Padilla, FIDIC President, with Gamal Nassar, ESCONE Secretary-General). Meanwhile, discussions are continuing with ESCONE and representatives from other Arabic-speaking FIDIC Member Associations and partners on the licensing of ESCONE's translations in Arabic of FIDIC documents as the first step in preparing standard Arabic versions, notably of the FIDIC works contracts and services agreements. There is an unfortunate trend towards the publication of unauthorised versions that confuses users and complicates the establishment of training programmes.

Ethics

OECD reviews integrity best practice in national procurement [full item: 28Et]

A lack of transparency and accountability was identified by OECD member countries in 2004 as a major threat to fair and equal treatment in procurement. The results of a subsequent survey of national procurement systems reported at a recent OECD Symposium "Mapping out good practices for integrity and corruption resistance in procurement" (Paris; 29-30 November 2006) that was attended by Peter Boswell, FIDIC General Manager, gave a remarkably comprehensive summary of both top-down good governance and bottom-up best practices. The survey focussed on how to handle so-called "grey areas" at all stages of procurement, from needs assessment to project completion, that are less subject to transparency requirements. The main findings are summarised in a draft report that is online at FIDIC.org.

Following a presentation of FIDIC's initiatives in the areas of Business Integrity Management Systems (BIMS), Project Sustainablity Management, contract harmonisation and scope of services definitions, participants concluded that the private sector was taking the lead in many areas. BIMS in particular helps resolve many problems because of its low overhead and standarised classification of procurement activities. FIDIC Member Associations are being asked to comment on the draft report of the survey by 15 January 2006 for feedback to OECD in time for the release of a definitive final report in March 2007. Meanwhile, the OECD has invited FIDIC to help it establish ways to engage more comprehensively the private sector in ongoing discussions on national procurement policies and procedures.

FIDIC participates in first UN anticorruption session [full item: 29Et]

As a member of the main international anticorruption initiatives, FIDIC was invited to participate in the first session of the Conference of States Parties to the United Nations Convention against Corruption (UNCAC; Jordan, 10-14 December 2006; UNODC website), the first legally binding international agreement to fight corruption. With monitoring, technical assistance and asset recovery as the main topics, Antonio Maria Costa, Executive Director, UN Office on Drugs and Crime (UNODC), in a final declaration "commended NGO's and business leaders for their commitment to fighting corruption", adding that "their pressure will be important to nudge governments which have been less than whole-hearted so far in their enthusiasm for tackling corruption". This message should encourage the business community to continue seeking a level playing field by promoting and monitoring the convention's implementation. Industry representatives (comprising mainly the International Chamber of Commerce, the World Economic Forum and FIDIC) participated in discussions on public-private initiatives and prepared a declaration (available online) calling on governments to show greater leadership in the fight against corruption, and to verify compliance with the various agreements. The declaration was distributed to all government delegations and became part of the outcome of the conference. Second and Third Sessions take place in 2007 and 2008, respectively.

Malaysian business integrity seminar attracted over 200 participants [full item: 30Et]

Malaysia's *National Integrity Plan* was the starting point for a FIDIC Business Integrity Management <u>Seminar</u> in Kuala Lumpur on 11-12 November 2006, with the opening speech given by the Deputy Minister of Works, Dato Ir. Mohammed Zin B. Mohammed, stressing the importance of the plan and a representative of the Malaysian Institute of Integrity participating



in the discussions. With over 200 participants and a low registration fee through government support, the seminar was extremely well organised by ACEM-Malayisa and attracted media and government attention. The main presentations were given by John Ritchie, Hatch Energy, Canada, and a member of the FIDIC Integrity Management Committee (shown on the left in the photo with the ACEM-Malaysia organizers) based on a *FIDIC Guide to Practice Training Manual* module supplemented by extensive resources, notably cases studies and descriptions of integrity procedures. John emphasised the capacity building environment and the link between FIDIC's Business Integrity Management System (BIMS) and other anti-corruption measures, stressing that BIMS alone is not enough to combat corruption. FIDIC aims to continue the initiative in the region with a workshop held in conjunction with the FIDIC 2007 Conference (Singapore; 9-13 September).

cornersione seminars Contracts Copenhagen 8-9 Feb07 ORDER NOW











Antibribery principles reviewed in the light of major anticorruption initiatives [full item: 31Et]

A Transparency International (TI) steering committee coordinates activities related to the TI, World Economic Forum and International Chamber of Commerce business principles for countering bribery. Enrico Vink, FIDIC Managing Director, and Tonny Jensen, formerly convenor of FIDIC's Quality Management Forum, both attended the last meeting (Washington D.C.; 6-7 December 2006). Featured were: the use of TI's self-evaluation tool for ensuring compliance with each of the principles (see News item); a World Bank briefing on its Voluntary Disclosure Program; the results of the 2006 Ethics and Compliance Officer Association - Conference Board Survey "Resisting Corruption" of US 1361 firms, including 165 multinationals, that reported an increase in recorded incidents of corrupt behaviour; the presentation of corruption indicators for the new Global Reporting Initiative G3 version of the Sustainability Reporting Framework.

cornersione seminars Contracts Copenhagen 8-9 Feb07 ORDER NOW











Image

ASPAC looks ahead to 2007 [full item: 33Im]

With a new Steering Committee chaired by Aki Hirotani now in place following the FIDIC 2006 General Assembly Meeting in Budapest, the Asia-Pacific (ASPAC) group of FIDIC Member Associations have reviewed current activities and looked ahead to 2007. The ASPAC newsletter available, online at FIDIC.org/ASPAC prepares for the run up to the ASPAC-TCDPAP Asia Regional Conference (Lahore; 20-24 March 2007) that has disaster management as the theme (see programme).

Young Professionals Forum newsletter launched [full item: 34Im]

With the successful conclusion of the 2006 Young Professionals Management Training Programme (YPMTP) and the series of events at the FIDIC 2006 Budapest conference that featured young professionals (YP), eyes now turn to 2007. The 2007 YPMTP will start as scheduled in mid-January, with FIDIC now providing the training platform at www.efidic.org and Steen Frederiksen of SF-Consult, Denmark, continuing to provide the training, assisted by the team of international mentors comprising Eigil Pedersen, Ben Novak, Fatma Colasan and Kunji Akinaga. In order to provide clearer links between the YPMTP, the FIDIC YP Forum and Member Association YP activities, the YP Forum Steering Committee has reviewed its objectives and action plan. Priorities are to organize a workshop at the FIDIC 2007 Singapore Conference (9-13 September), to monitor and encourage the use of the online net forum at FIDIC.org/ypf and to distribute a FIDIC YPF newsletter, available in PDF at FIDIC.org/ypf to Member Association YP groups. YPs in Member Associations are invited to share information on their activities with the FIDIC YPF.

Notices to Member Associations

Meetings: see Meetings

Contracts Committee, London, 23-25 Jan 06 Executive Committee, New Dehli, 29-30 Jan 06

MA Letters

14/06: White Book license PDF

15/06: Young Professionals training PDF 16/06: PSM Directors Seminar PDF

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 each page) costs Euro 800 for 5 consecutive appearances. See FIDIC.org/news/advert for details.