

## FIDIC News December 2012



The latest FIDIC News of December 2012 outlines an active global programme bringing new services and products to members and their clients. Positive developments across several sectors confirm the buoyancy in the marketplace and opportunities for consulting engineers.



### ANNOUNCEMENTS

#### [NEW Virtual FIDIC Training Course Announced](#)

FIDIC is launching the first On-line Training Course on the Red and Yellow Books: the course will run from February to June 2013.

#### [Middle East FIDIC Users' Conference Coming Soon](#)

As part of FIDIC's plan to expand knowledge of FIDIC in the Middle East, FIDIC is pleased to announce the next Users' Conference in Dubai 26-27 February 2013.

#### [Italian Translation Ready for Use](#)

The 2012 official edition of the Italian translation of the 1999 FIDIC's "Conditions of Contract for Construction" is now available online.

#### [New Arabic FIDIC Sub-Contract Popular](#)

The Construction (1999 Red Book) Subcontract 1st Ed (2011) is gaining popularity in the market place. It is now available in Arabic.

#### [CICF Centenary : Welcome to CINOV](#)

FIDIC congratulates member association CICF in France for its contribution to the aims and objectives of the industry over 100 years.

#### [FIDIC Centenary Beckons](#)

Planning is now well advanced for this milestone event taking place in Barcelona from 16-18 September 2013. Some 2000 people from 100 countries are expected from all sectors involved in the development of infrastructure.

### FIDIC Activities

#### [London Users' Conference Celebrates](#)

Another successful (25th) Users' Conference was held in London with some 200 delegates from around the world.

#### [Successful Trainer Accreditation in Amman, Jordan](#)

The FIDIC Assessment Panel rigorously assessed candidates for general and specific knowledge about FIDIC and its major contracts, as well as their presentation skills, under real life conditions.

#### [Successful 1st FIDIC Americas Contract Users Conference / October 2012](#)

This first major FIDIC Contract Users' Conference held in North America brought comprehensive information on FIDIC's widely used forms of contract to engineers, contractors, arbitrators, mediators and construction law experts.

#### [Accreditation Training Programme Expands expertise in Korea](#)

During 2012 FIDIC and member association KENCA organised the assessment of potential candidates for trainer accreditation, through the FIDIC-KENCA Accreditation Training Programme.

#### [Successful 1st FIDIC Contracts Course in Lima, Peru](#)

FIDIC, APC (Asociación Peruana de Consultoría), Member Association in Peru, and Lámbal Formación, organised the 1st international course in Lima about FIDIC Contracts.

#### [International Risk Management Conference in Warsaw, post Euro 2012](#)

SIDIr, FIDIC Member in Poland, in cooperation with FIDIC and EFCA, organised a two-day conference about risk management in the engineering investment process.

### BUSINESS Development

#### [Sustainable Development Tools Advocate Industry Expertise](#)

The joint FIDIC/EFCA Sustainable Development Committee will release its White Paper 'Rethink Cities' at the 2013 FIDIC Conference in Barcelona. The White Paper promotes 'sustainable urban design'.

#### [Upgrade underway for FIDIC Consultant Agreement](#)

A Task Group has been established to review the 2006 standard agreement for Consulting Services. Better known as the White Book, this document sets out the core principles in the relationship between a consultant and the client.

### BUSINESS Practice

#### [Project Sustainability Logbook Feedback Sought](#)

The draft version of the Project Sustainability Logbook supported by FIDIC at the FIDIC 2012 conference is available in English for circulation throughout the Industry.

## FIDIC Principles

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"Greater transparency is essential to stable and sustainable development, according to Brazilian President Dilma Rousseff who launched the 15th international Anti-Corruption conference in Brasilia.

### [South Africa Leads the Way in Elevating Consulting Engineers](#)

Having established ISO 9000 as a criterion for membership of FIDIC member association CESA in 2001, the adoption of integrity management was introduced in 2011.

## INDUSTRY Image

### [African Region Moves Forward – Sudan Conference](#)

A recent meeting between FIDIC and the African Development Bank confirmed the rapid developments taking place on the continent. A renewed focus on building local capacity is back on the agenda, with collaborative efforts being explored.

### [FIDIC Centenary Award Nominees in the Spotlight](#)

FIDIC will recognise and applaud the best consulting engineering achievements of the last 100 years during the FIDIC Centenary Conference in Barcelona in September 2013.

### [Bangkok to host ASPAC/FIDIC Conference](#)

With the theme of Climate Change Challenge, FIDIC member ACET, Thailand will host the 2013 regional conference in Bangkok 7-8 March 2013.

## INDUSTRY Representation

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A fundamental review by the World Bank of its procurement policies and procedures points to a significant shift in approach for the Bank. FIDIC is participating in the process through an International Advisory Group established by the Bank in June 2012.

### [Seoul Conference Establishes new Benchmark for Sustainability](#)

The colour green dominated proceedings at the FIDIC World Conference in Seoul in September, as some 800 delegates from 67 countries explored developments with Green Economic Development, which focus in turn on sustainable procurement and sustainable principles in the conception and provision of infrastructure.

### [Russian Door Eases Open](#)

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### [Infrastructure Congress in South America reveals important development trend for the industry in the region](#)

The Cámara Colombiana de la Infraestructura (CCI), FIDIC Member in Colombia, celebrated its 9th Congress on Infrastructure in Cartagena de Indias.

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## ANNOUNCEMENTS

### NEW Virtual FIDIC Training Course Announced

FIDIC is launching the first On-line Training Course on the Red and Yellow Books: the course will run from February to June 2013. The programme is based on live lectures, in combination with directly related case work. Participants will work on real life cases and will practise application of the various contract conditions.

Registrations are now open for this course. By attending it, participants will become familiar with the Red and Yellow Books, which are now a condition for successful international expansion, whether as a consulting engineer, contractor or other professional involved with the implementation and management of works contracts.



Visit our website for all details on the course content and schedule: [On-line Training Course on the Red and Yellow Books](#)

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### Middle East FIDIC Users' Conference Coming Soon

As part of FIDIC's plan to expand knowledge of FIDIC in the Middle East, FIDIC is pleased to announce the next Users' Conference in Dubai 26-27 February 2013. This event will bring to the region the best examples from the industry and the most talented experts, to share their knowledge and experience.

All details on the [FIDIC Middle East Contract Users Conference Dubai 26-27 February 2013](#)

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Italian Translation Ready for Use.



FIDIC has the pleasure of announcing that the 2012 official edition of the Italian translation of the 1999 FIDIC's "[Conditions of Contract for Construction for Building and Engineering Works designed by the Employer](#)" (the so-called FIDIC Red Book) is now available from the online bookshop at [www.fidic.org](http://www.fidic.org).



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#### **New Arabic FIDIC Sub-Contract Popular**

The Construction (1999 Red Book) Subcontract 1st Ed (2011) is gaining popularity in the market place as a very useful complementary option to the main construction contract. FIDIC is pleased to announce the first translation of this document available in the Arabic language. The FIDIC-Arabic collection is expanding rapidly to support the increased use of FIDIC forms of contracts in the region. All major FIDIC documents are now available in Arabic thanks to the hard work of the FIDIC Arabic translation working group.



[The Arabic Construction Subcontract](#)

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#### **CICF Centenary : Welcome to CINOV**

FIDIC congratulates member association CICF in France for its contribution to the aims and objectives of the industry over 100 years. During a well-attended series of conferences which took place in Paris at the end of November 2012, CICF changed its name to CINOV for a fresh new century. Long life to CINOV.



Visit the CINOV website: [www.cinov.fr](http://www.cinov.fr)

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#### **FIDIC Centenary Beckons**

Planning is now well advanced for this milestone event taking place in Barcelona from 16-18 September 2013. Some 2000 people from 100 countries are expected from all sectors involved in the development of infrastructure. Two main conference days will feature a number of high profile international speakers, addressing the key challenges facing humanity, acknowledging the important role played by consulting engineers and their partners.



A third FIDIC business day will cover a range of practical business topics, including project finance, procurement, risk management and other issues of relevance to the business of consulting engineering. Another feature of the event will be activities organised for and by Young Professionals – the future leaders of the industry. Included in the programme will be the Annual Awards organised by EFCA for European YPs. (<http://www.efcanet.org>)

Further details are available online for the [FIDIC 2013 World Engineering Conference](#). An updated brochure will be available in the New Year and registration is expected to open in February 2013.

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## **FIDIC**

### **ACTIVITIES**

#### **London Users' Conference Celebrates**

Another successful (25th) Users' Conference was held in London with some 200 delegates from around the world. The latest developments to the "Rainbow Suite" of FIDIC contracts were presented by the FIDIC Updates Committee, incorporating feedback from hundreds of users. Senior FIDIC Committee Members and Task Force members working on new contracts or updating existing ones, spoke on important contract administration issues, pitfalls and dispute avoidance with inputs from real cases encountered in their professional life worldwide.



A highlight to the conference programme was a mock DAB Session, based on authentic case studies, as acted out by a group of professional adjudicators. The realistic scenarios were truly appreciated by the audience. Another colourful insertion in the conference programme invited delegates to participate in a debate based on EPC project risks, led by legal professionals, to highlight live examples from their own day-to-day work experience.

The next Users' Conferences will be held in [Dubai, UAE, 25-26 February 2013](#) followed by Malaysia 12-13 June 2013.

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### Successful Trainer Accreditation in Amman, Jordan

The FIDIC Assessment Panel rigorously assessed 9 candidates for general and specific knowledge about FIDIC and its major contracts, as well as their presentation skills, under real life conditions. Accreditation was ultimately provided to successful candidates (not all passed the rigorous course) in several categories, reflecting their level of expertise. Some received provisional accreditation, with support to be provided by mentors in order to complete their assessment programme. The FIDIC accreditation programme is designed to assist in developing the pool of trainers available to meet the growing demand for FIDIC training. Further workshops are planned in the near future.

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### Successful 1st FIDIC Americas Contract Users Conference / October 2012

This first major FIDIC Contract Users' Conference held in North America brought comprehensive information on FIDIC's widely used forms of contract to engineers, contractors, arbitrators, mediators and construction law experts. Delegates enjoyed the opportunity to meet and discuss how existing regional forms of contract could compare to FIDIC international standard. For those who were not able to attend, a second conference is planned for 2013!



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### Accreditation Training Programme Expands expertise in Korea

During 2012 FIDIC and member association KENCA organised the assessment of potential candidates for trainer accreditation, through the FIDIC-KENCA Accreditation Training Programme. The programme was a 20-day training programme for International Accredited Trainers organised in 5 sessions of 4 days each, on FIDIC contracts and business practice modules.

Accredited FIDIC Trainers can play a significant role in the use and understanding of the FIDIC contracts and business practice documents which are now widely accepted and used all around the world. FIDIC places great importance on this role, and is committed to maintaining the necessarily high standards that are required of those who are accredited to train on FIDIC modules.

FIDIC is impressed by the quality of the candidates pre-selected by KENCA and congratulates KENCA for its choice and the candidates for their performance.

After rigorous assessment, FIDIC was pleased to accredit five candidates to train on topics covering FIDIC Contracts, Project Sustainability Management, Risk Management, Environmental Management, and Integrity Management.

The strong support for such training reflects increased interest by Korea in understanding international practices in consulting engineering, in order to participate in the globalised infrastructure market.

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### Successful 1st FIDIC Contracts Course in Lima, Peru

FIDIC, APC (*Asociación Peruana de Consultoría*), Member Association in Peru, and *Lámbal Formación*, organised the 1st international course in Lima about FIDIC Contracts (25-26 October 2012). The course was attended by more than 70 people representing consulting engineering companies and professionals dealing with contracts for projects financed by international funds. FIDIC experts ensured a successful overview of FIDIC Red, Yellow and Silver books and reviewed the use of the different contract clauses and specific cases based on users experiences in Peru.

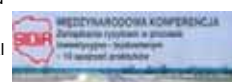


APC members and partners are requesting the local association and FIDIC to continue with the series of FIDIC training courses in Peru with regards to the use of FIDIC Contracts (Module 1 and 2) and courses on dispute resolution. Potential agreements to promote the use of FIDIC Contracts will be explored further with APC, its partners and local institutions in Peru. This inaugural event in Peru reflects the continued push by FIDIC into Latin America, and the increased opportunities in the region for the consulting engineering sector.

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### International Risk Management Conference in Warsaw, post Euro 2012

SIDiR, FIDIC Member in Poland, in cooperation with FIDIC and EFCA, organised a two-day conference (29-30 November 2012) about risk management in the engineering investment process. The purpose of this course was to provide local participants with different international and local perspectives on know how to manage risk in the sector.



After a hectic conclusion to the investment sprint before Euro 2012, Poland and the Ukraine became aware that

the lack or incorrect use of risk management tools can bring disastrous effects. Despite the strong infrastructural investment boom in Poland, numerous contractors are declaring bankruptcy and prestigious projects are not being completed in time. Foreign and domestic contractors are leaving construction sites abandoned. SIDiR acknowledges that this can be avoided by building the capacity of firms on how to prevent and deal with risk. A SIDiR task group is currently working on an updated Polish translation of FIDIC Contracts in order to enhance their use and increase the number of users of these contracts in Poland.

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## BUSINESS

### DEVELOPMENT

#### Sustainable Development Tools Advocate Industry Expertise

The joint FIDIC/EFCA Sustainable Development Committee will release its White Paper 'Rethink Cities' at the 2013 FIDIC Conference in Barcelona. Subsequent to the advance presentation of the FIDIC-EFCA White Paper 'Rethink Cities' at the UNEP-SBCI symposium in the run-up to Rio+20 in June 2012, the committee decided to review and update the document.

The White Paper promotes 'sustainable urban design'. It will place the Consulting Engineering industry at the heart of sustainable urban planning, and demonstrate the role the industry can play in creating resilient and sustainable, liveable cities.

As a result of the successful launch of FIDIC's Sustainable Infrastructure report in Seoul, the Committee is also reviewing the connection of the report's widely acclaimed decision making matrix with the broad principles of FIDIC's Project Sustainability Management guidelines. The aim is to produce a new generation tool for the consulting engineering industry. The target date for this business tool is Barcelona 2013.

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#### Upgrade underway for FIDIC Consultant Agreement

A Task Group has been established to review the 2006 standard agreement for Consulting Services. Better known as the White Book, this document sets out the core principles in the relationship between a consultant and the client. A number of FIDIC members have kindly offered the use of national documents for comparison purposes, so as to incorporate any new international best practices. Users are encouraged to submit any comments or queries toward this exercise.

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## BUSINESS

### PRACTICE

#### Project Sustainability Logbook Feedback Sought

The draft version of the Project Sustainability Logbook supported by FIDIC throughout the FIDIC 2012 conference is available in English for circulation throughout the Industry. This tool is designed to become a key element for all parties to monitor sustainability issues throughout a project lifecycle. FIDIC is happy to share this document and all feedback is most welcome.

[Download the Project Sustainability Logbook](#)



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## FIDIC

### Principles

#### Corruption Struggle Gains Supporters

"Greater transparency is essential to stable and sustainable development, according to Brazilian President Dilma Rousseff who launched the 15th international Anti-Corruption conference in Brasilia. It is up to all of us in government, business and society to embrace transparency so that it ensures full participation of all people, bringing us together to send a clear message: "We are watching those who act with impunity and we will not let them get away with it." This was the parting challenge for the 1900 participants from 140 countries who had shared experiences and ideas on how to expose corruption for what is – a disease which robs everyday people of access to better health, education, and sustainable economic development. Increasingly, it is civil society which is pressuring government and business to be more transparent and tougher in the fight against corruption. FIDIC, with its zero tolerance policy, and its integrity tools, is well placed to offer an excellent example of what is possible if a whole industry supports and adopts positive change.

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#### South Africa Leads the Way in Elevating Consulting Engineers

Having established ISO 9000 as a criterion for membership of FIDIC member association CESA in 2001, and then requiring members to adopt integrity management in 2011. CESA is now considering the adoption of FIDIC sustainability principles in all member firms. The underlying objective of CESA is to demonstrate clearly to clients and officials that consulting engineers are trusted advisors, offering high quality, sustainable solutions which not only benefit clients, but also end users. Further details on this ambitious programme are available from CESA.

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## INDUSTRY

### Image

#### African Region Moves Forward – Sudan Conference

A recent meeting between FIDIC and the African Development Bank confirmed the rapid developments taking place on the continent. A renewed focus on building local capacity is back on the agenda, with collaborative efforts being explored. The Bank is committed to participating in the GAMA/FIDIC conference taking place in Khartoum 8-9 April 2013. A number of other Development Banks and bi-lateral agencies have also been invited, reflecting the increased investment activity in infrastructure throughout Africa. Building on the success of the 2012 conference in Zambia, GAMA is again anticipating a large turnout, with increased interest from international firms looking for new opportunities, and to meet potential partners. Not surprisingly, the theme of the conference places consulting engineers as Key Partners in Developing Infrastructure.

Further details are available on the [FIDIC-GAMA 2013 conference website](#).

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#### FIDIC Centenary Award Nominees in the Spotlight

FIDIC will recognise and applaud the best consulting engineering achievements of the last 100 years during the FIDIC Centenary Conference in Barcelona in September 2013. This will help publicise the work of consulting engineers and their contribution to the quality of life of society.

Award nominations have been made by FIDIC members in Australia, Belgium, Canada, China, Denmark, France, Greece, Mexico, Netherlands, New Zealand, Peru, Japan, Spain, Switzerland, UK, and USA. The projects nominated have been designed by a member firm and they will be judged against a number of criteria, including international recognition, technical excellence, innovation, how well they have endured and their sustainability.



Thanks to the participation of FIDIC members in the nomination process, all of the nominations have now been submitted. Nominations have been made in the following categories:

- Major Building Project of the Last 100 Years
- Major Civil Engineering Project of the Last 100 Years
- Leading Consulting Engineers of the Last 100 Years

[The FIDIC Awards nominees list](#)

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#### Bangkok to host ASPAC/FIDIC Conference

With the theme of Climate Change Challenge, FIDIC member ACET, Thailand will host the 2013 regional conference in Bangkok 7-8 March 2013. Building on the FIDIC Seoul conference, ASPAC plans to focus in more detail on Climate Change issues in the region, as well as disaster management and sustainable infrastructure. This ties in closely with FIDIC's new task force which is developing a guide on Disaster Management from a consulting engineering perspective. Not surprisingly, the majority of task force members come from the Asia-Pacific region.

Further details are available on the [ASPAC FIDIC 2013 conference website](#).

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## INDUSTRY

### Representation

#### World Bank – Fundamental Procurement Review

A fundamental review by the World Bank of its procurement policies and procedures points to a significant shift in approach for the Bank. FIDIC is participating in the process through an International Advisory Group established by the Bank in June 2012. Extensive consultations by the Bank already highlight a number of key issues which could influence future procurement. Driven now by the over-arching objective of ensuring

Development Effectiveness, the Bank has included in the agenda, key issues such as corruption & transparency, sustainability (green procurement), project execution, life cycle costing, quality, capacity development, and innovation. A draft paper on Country Systems is currently being considered in the lead up to a draft framework document anticipated early in 2013. All the relevant discussion documents are proceedings are available at [www.worldbank.org/procurementconsultation](http://www.worldbank.org/procurementconsultation).

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#### **Seoul Conference Establishes new Benchmark for Sustainability**

The colour green dominated proceedings at the FIDIC World Conference in Seoul in September, as some 800 delegates from 67 countries explored developments with Green Economic Development, which focus in turn on sustainable procurement and sustainable principles in the conception and provision of infrastructure. A significant new report published by FIDIC sets out to clarify the latest international thinking on sustainability, and provides clear guidelines on the decision making process for sustainable infrastructure. Guidance was also offered on a number of commonly used Rating Systems.

In conjunction with this new State of the World report, FIDIC also trialed a Project Sustainability Logbook. This provides the industry with a useful tool in the setting of sustainability priorities when determining the best solution for a particular project. In addition, the work undertaken by FIDIC's Sustainability Committee on Sustainable Cities was also presented to delegates for discussion.

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#### **Russian Door Eases Open**

Having recently been admitted to the WTO, Russia is now moving rapidly to better understand international standards and practices, including those represented by FIDIC. During 2012, two FIDIC delegations were invited to attend high level discussions in Moscow and St Petersburg, to explore private sector involvement in the development of infrastructure, and the use of FIDIC contracts in both local and international projects. Meetings were held with the Parliamentary Committee for Construction, several Ministries, construction industry groups, and also with FIDIC local member association RAEC.

Priorities included the adoption of Russian language contracts, FIDIC training, and strengthening FIDIC presence in Russia. All international firms operating in Russia are being invited to support the new initiatives.

In parallel, FIDIC has increased its contacts in the Ukraine, Uzbekistan, Kazakhstan, Azerbaijan and other CIS states, all of which have witnessed increase investment in infrastructure, accompanied by demand for FIDIC contracts and training.

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#### **Infrastructure Congress in South America reveals important development trend for the industry in the region**

The *Cámara Colombiana de la Infraestructura* (CCI), FIDIC Member in Colombia, celebrated its 9th Congress on Infrastructure in Cartagena de Indias from 21 to 23 November 2012. President of Colombia, Mr Juan Manuel Santos attended the event along with Former President of Chile, Ricardo Lagos, Ministries and governmental authorities from Colombia and the region. MDBs (World Bank, IDB, CAF), and representatives from 160 local and international firms contributed to the success of this event.



This Congress evaluated the challenges for the infrastructure industry to respond to current needs in Colombia and the region for mining and energy development, for improved transport to be competitive with developed countries in recently signed free trade agreements, and to be able to tackle the effects of climate change and natural disasters.

In Colombia alone, it is anticipated that there will be more investment in infrastructure during the next 2 years than in the previous 20 years, with significant opportunities for consulting engineers. Italo Goyzueta, Deputy Director, attended the event on behalf of FIDIC.

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