# Quality of construction

FIDIC Briefing Note



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# Background

The international engineering federation FIDIC (the International Federation of Consulting Engineers) believes that its member associations and their members should strive to achieve the highest degree of quality and standards.

FIDIC has always had policy statements that it expects its members to follow to ensure high standards of service in the infrastructure industry. These standards are reflected in FIDICs contracts, policy work, events and committees.

# Quality of Construction

The pressure to reduce the initial costs of construction and supervision continue to have had an detrimental effect on quality and is evident in both developed and developing countries.

Within the conventional processes for the procurement of construction contract, contractors, who are keen to win tenders, can do so by submitting low prices, but at the risk of not being able to produce construction work which fulfils the specification or meets sustainable standards. Likewise, consultants may be under pressure to reduce the initial cost of construction and construction supervision so that contractors are not able to produce the required quality.

Lack of quality in construction is manifested in poor or non-sustainable workmanship, and unsafe structures, and in delays, cost overruns and disputes in construction contracts.

Consultants are often appointed by a client for a partial service only during construction. This increases the risks to the client and the consultant with respect to the quality and safety of construction, and frequently increases the overall cost of the project when account is taken of delays and disputes. Longer-term costs such as increased maintenance will also be incurred.

FIDIC wishes to take a leading role in working with other stakeholders to address this potentially serious problem.

FIDIC believes that construction should be sustainable, and to this end each party in the construction process should be committed to satisfying its obligations in respect to achieving Quality of Construction.

The Guide for Quality of Construction recommends a Best Practice approach to achieving proper Quality of Construction and Action to be taken by each party concerned:

#### As Client

Governments which when acting as a client to achieve the best outcome should be consider adopting a quality management approach towards projects and construction, which could include the following:

- Recognize that quality management is a prerequisite for sustainable construction.
- Adopt a sustainable development approach towards construction by taking cognizance of the need to internalize costs.
- Insist that, for the purposes of ongoing management, operation and maintenance, local capacity must be developed on all projects.
- Adopt a quality-based selection approach for the procurement of consulting services and include in the selection criteria the need for consultants to have the following in place:
  - o quality management system
  - o business integrity management system
  - environmental management system
  - risk management system
  - o professional indemnity insurance
  - o membership of a recognized body representative of the profession or industry.
- Adopt a quality-orientated selection process for the procurement of construction contracts.
- Make provision on all construction projects for adequate supervision independent of the Contractor.
- Promote the use of standardized documentation to be used by all government departments and organs of state for the purposes of:

- o standardized procurement methods
- standardized contracts

## Other government or non departmental bodies

Government often has a second, very important function in that it can create an enabling environment through laws and regulations. Such laws and regulations that government may need to consider may include the following:

- Creation of a specific set of construction activity targets
- Formation of a body geared towards creating a more enabling construction environment
- Registration of professionally qualified persons in their respective categories
- Recognition of equivalent foreign qualifications and registrations.

## International Funding Agencies

International Funding agencies are often have significant financing and funding influence in projects. Similar to governments these agencies try to achieve a number of sustainable or development goals and as such adopting systems such as the following will aid them to achieve these goals:

- A quality management approach towards projects and construction.
- A sustainable development approach towards construction by taking cognizance of the need to internalize costs.
- Help to develop ongoing management, operation and maintenance, and local capacity
- Adopt a quality-based selection approach for the procurement of consulting services and include in the selection criteria the need for consultants to have the following in place:
  - o quality management system
  - o business integrity management system
  - o environmental management system
  - o risk management system
  - professional indemnity insurance
  - o membership of a recognized body representative of the profession or industry.
- Adopt a quality-orientated selection process for the procurement of construction contracts.
- Make provision on all construction projects for adequate supervision independent of the Contractor;
- Promote the use of standardized documentation to be used by all for the purposes of:
  - o standardized procurement methods
  - standardized contracts
- Encourage capacity building and technology transfer
- Ensure fair payment terms and prompt payment

#### Industry

The various role-players in the industry are mainly on the supply side of the intended intervention to improve quality of construction.

- Aid clients in the production of good standard comprehensive tender and construction documents.
- Adopt quality management systems, environmental management systems, business integrity management systems and risk management systems.
- Reviewing FIDIC documentation and local equivalents
- to provide feedback to sub-consultants and contractors on their performance with respect to quality of construction

#### Actions for contractors could include:

- Ensure the importance of quality of construction is recognised as part of their bid and process
- Adopt quality management systems.
- Provide procedures for corrective action when quality control and /or acceptance criteria are not met.
- Provide feedback to consultants for improvement of quality of construction
- Maintain and develop a skilled workforce and training programme

#### FIDIC recommends:

- Member associations draw attention to the benefits of quality of construction at all times
- Member associations act as communication channels between FIDIC and the firms and between the firms and local clients
- Member associations assist with education and training of members
- Member associations assist with the implementation of improved quality and related systems such as quality-based selection, quality management systems, business integrity management systems, environmental management systems, risk management systems and professional indemnity management system
- Promote the adoption of the actions as outlined under Actions by Government as Client and as Regulator
- Encourage the use of internationally accepted Contract documents
- Assist in the development of standard specifications.
- Publicise and share examples of poor practice so lessons can be learnt



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#### **Endnotes**