

FIDIC INTERNATIONAL TRAINING PROGRAMME

FIDIC EPC Contract Module: Understanding the FIDIC EPC/Turnkey Contract

Programme: two-day training course (also available as a one-day course)

This practical training course, provided by professional engineers with extensive international experience, explains and illustrates the use of the FIDIC EPC Contract (the “Engineering, Procurement and Construction/Turnkey Contract”). The course is designed to help the participants have confidence in working with this document whether representing employers, consultants or contractors. Case studies are included.

Day 1: 09.00 - 17.30

The EPC/turnkey model

Background to EPC / Turnkey Projects: why the Silver Book?

What is an EPC or turnkey project?

When is an EPC/turnkey type of project delivery used?

Overview of FIDIC and the FIDIC forms of contracts

Outline of FIDIC and the FIDIC contracts

The main current construction forms: Red, Yellow, Silver and Gold Books; the MDB harmonised edition

Main distinguishing features of the Silver Book: Unforeseeable difficulties, Design responsibility, Operations of Nature

Latest developments

The FIDIC Silver Book: principles and detail

Clauses 1-3: the General Provisions and the Employer: Governing law/ procedural law; ruling language and communication; priority of documents.

Tailoring the Contract: the Particular Conditions

Obligations of Employer; administration; Employer’s instructions; determinations ; Employer’s claims

Clauses 4 and 5: the General obligations of contractor; securing performance; Contractor’s representative; Subcontracting

Sufficiency of the contract price – deeming provisions; Contractor’s responsibility for errors in Employer’s Requirements; Contractor’s documents; other obligations of Contractor

Day 2: 09.00 - 17.30

Clauses 6 and 7 : Staff and labour; progress reports; remedial work; testing

Clauses 8: commencement, delays and suspension; the Programme; importance; Delay damages – right to levy - liquidated damages and penalties.

Clauses 9-12: Tests on and after completion; Employer’s Taking over; defects liability.

Clauses 13 and 14: Variations, Adjustments and Payment.

Clause 15: termination by Employer; Contractor default; termination for convenience.

Clause 16: Suspension and Termination by the Contractor.

Clauses 17-19: Allocation of specific risks; insurance obligations; Force Majeure - meaning and effect of force majeure events.

Clause 20: Contractor's claims; the Sub-Clause 20.1 time bar; importance of contemporary records.

Notices of claim; identifying claim events and circumstances.

Dispute resolution in the FIDIC contracts through DAB and Arbitration

The DAB process: what is a DAB and how does it work?

What happens if the dispute is not finally resolved after a DAB?

Amicable settlement

Arbitration: what is arbitration and how is an arbitration conducted?

How can the successful party enforce an arbitration award?

Practical points about managing a dispute and reducing the risk of lengthy and expensive proceedings.

Case study and concluding discussion; presentation of certificates