

CAPACITY Utilization in Less-DEVELOPED COUNTRIES

current views

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■ **AGENDA**

- **Definition of Capacity Building**
- **Challenges of Capacity Building in LDCs**
- **Capacity Building Measures by IRSCE**
- **Capacity Building Recommendations**
- **Recommended FIDIC Literature**



■ Definition of Capacity Building:

Capacity Building Is ... about Empowerment, Creating Power or at Least Setting It Free, Where It Previously Did Not Exist or Was Not Free to Come to the Force – Allowing Those Who Previously Could Not Do Something, Do So ... On Their Own Terms ...

Geraldine J Fraser-Moleketi, South African Minister for Public Service & Administration



- **Challenges of Capacity Building in LDCs**
 - **Country Problems in IRAN influencing CE Industry**
 - **Slow Growth – Limited Construction Activities**
 - **Inflation – Unstable Financial Conditions**
 - **Corruption – Leading to Misconduct**
 - **Unstable Political Situations**
 - **Poor Procurement Processes**
 - *Cost-based Selection / Low Emphasis on Quality*
 - *Unclear / Expensive Processes*
 - **Poor Contract Terms**
 - *One-sided – all power with the Owner*
 - *Unbalanced Liability Provisions*
 - **Unstable Demand for Services**



■ Challenges of Capacity Building in LDCs(Cont.)

■ Main Sources of Problems in LDCs, e.g. IRAN

Government Policy

- * *Lack of Review in Other Countries' Practices*
- * *Poor Identification for Specific Measures required*

Professional Ethics / Qualification

Business Environment

- * *Specific Items requiring Changes (e.g. Standard Contracts, Tax and Insurance Rules, etc.)*

Involvement with International Organizations

- * *Limited International Interactions*



- **Capacity Building Measures by IRSCE**
 - **Scheduled Training Programmes** (Individual & Firm Level)
 - **Lobbying Governmental Bodies** (Government Level)
 - **Raising the Idea of Benchmarking** (MA and Firm Level)
 - **Raising the Idea of Engineer Exchange Programme** (MA and Firm Level)
 - **Initial Negotiations with IFIs** (IFI Level)
 - **More Involvement with FIDIC and other International Organizations within Capacity Building Activities** (International Organization Level)



■ CB Recommendations for CE Firms

Problems in:	Capacity Building Recommendations
1. CE Firm Management	<ul style="list-style-type: none">- Basic Management Courses for Potential Future Managers (e.g. FIDIC-CE Business Practice Management, Integrity Management, etc.)
2. Project Delivery	<ul style="list-style-type: none">- PM Courses for the Staff of Consultancy Firms (e.g.PMP)
3. Quality Management	<ul style="list-style-type: none">- CE Firms shall be active in QM- Actual Quality instead of Concern Developing- Maximise the Role for FIDIC
4. Risk Management	<ul style="list-style-type: none">- Important Topics must reflect Realities of LDCs, e.g. IRAN- Include Integrity Management (BIMS)- Focus on Financial / Project Risk Management, including Formal RM Processes- Focus on RM for EPC Projects- Teach in context of Local Insurance Availability- Include a Role for FIDIC, but integrate with Expertise in all LDCs

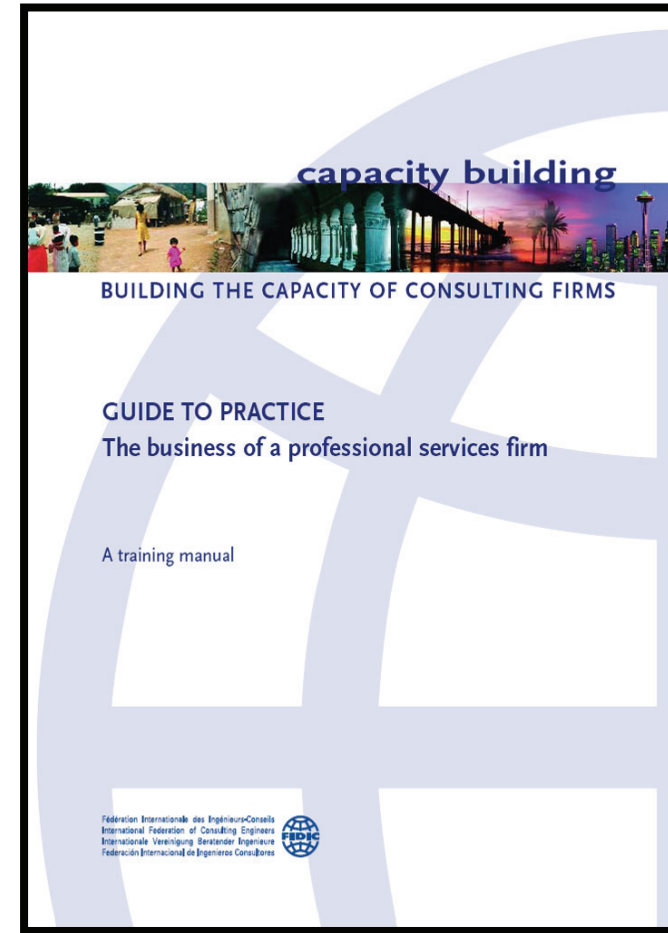


■ FIDIC-CBC Recommendations for LDCs

Problems in:	Capacity Building Recommendations
1. Government Policy	* Activate Lobbying with Governmental Bodies on CB Measures
2. Business Environment	* Initiate Benchmarking Practice * Activate Professional Business Practice
3. Involvement with International Organizations	* Activate Involvement with FIDIC and other International Organizations for Capacity Building Activities



■ Recommended FIDIC Literature



Thanks for your Attention.
از توجه شما سپاسگزارم.

