

International Federation of Consulting Engineers



Italo Goyzueta, Deputy Director, FIDIC
Convention

Engineering as Engine for Growth: Opportunities and Constraints

Rome – June 5, 2014

Vision: Enabling the development of a sustainable world, as the recognized global voice for the consulting engineering industry

Mission: Work closely with stakeholders to improve the business climate in which members operate and enable them to contribute to making the world a better place to live in, now and in the future

Founded in 1913

Headquarters in Geneva





- 65,000 consulting engineering firms
- 100 countries

What FIDIC does

Represent globally the consulting engineering industry

Enhance the **image** of consulting engineers

What FIDIC offers the industry

Be the authority on issues relating to **business practice**

Promote the development of a **global** and viable consulting engineering industry

What are FIDIC's governing principles

Promote **quality**

Actively promote conformance to a code of **ethics** and to **integrity**

Promote commitment to **sustainable** development

To be the Authority on Procurement and Business Practice

Quality of Construction
 Informed Purchaser
 Consultant Selection
 Tendering Procedures
 Conflict of Interest
 Scope of Services Definitions
 Reviewing the Work of Others
 Project Delivery
 HIV-AIDS
 Consultants in Design-Build & PFI
 Provision of OMS Services
 Project Cost Estimates
 Quality Management
 Risk Management
 Project Sustainability Management
 Professional Liability Insurance
 Insurance of Large Projects
 Dispute Resolution



Quality Management System

Guide

ISO9001:2000 interpretation guide

Training kit



Business Practice guides

Quality of Construction

Quality Based Selection



Procurement of Services - Quality Based Selection

Quality is paramount in the selection of consultants, and Quality Based Selection is the recommended method for procurement.

The fees paid to a consultant are a small fraction of the total project life-cycle cost, and yet the consultant's work is key to the project success.

Best practice principles

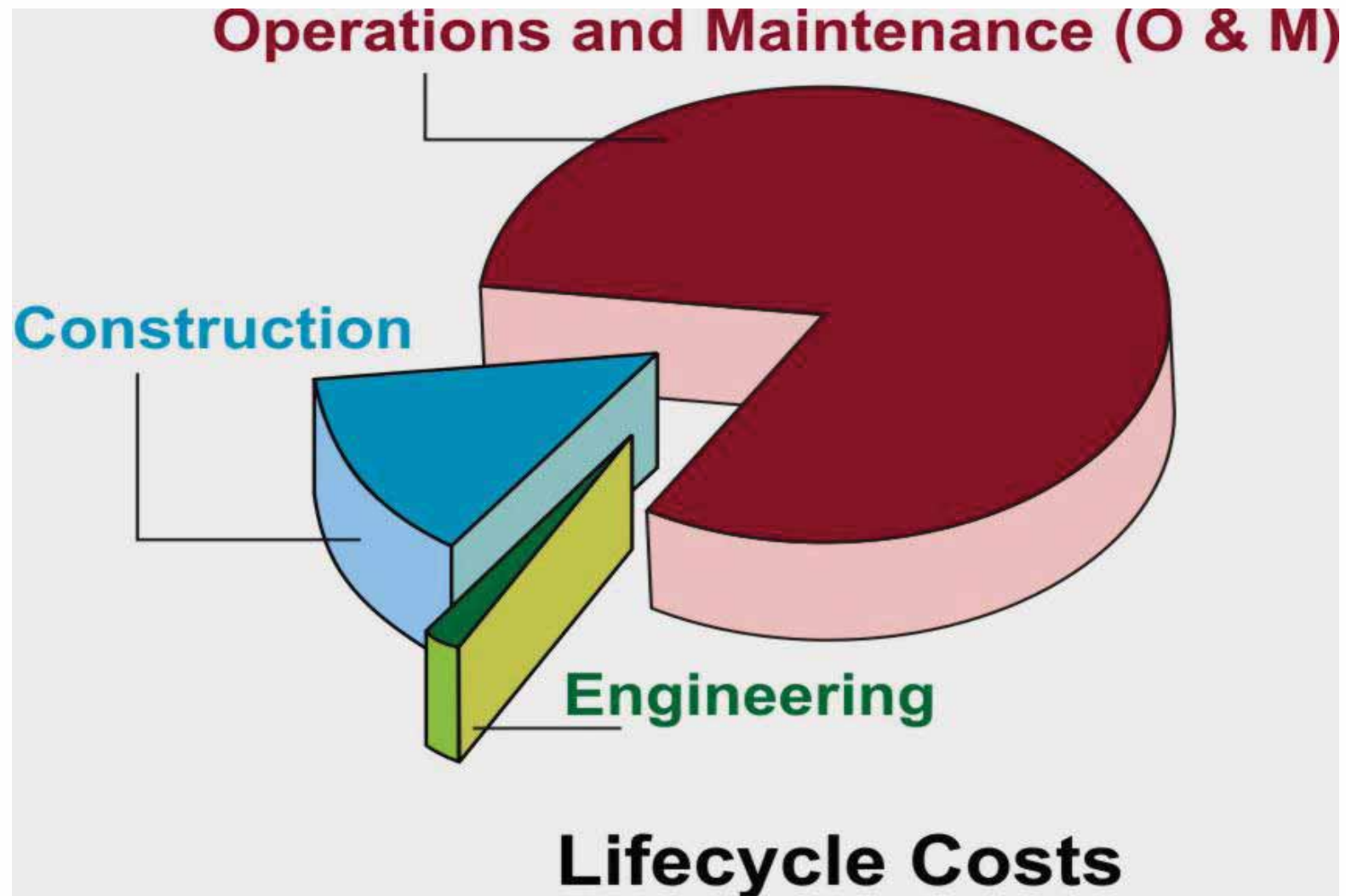
Quality is Pre-eminent	Harmonisation
Informed Purchaser	Liability to be limited
Transparency	Insurance
Capacity building	Life-cycle costs
Integrity	Monitoring outcomes
Fair competition	Design for safety



Companies should invest more in QUALITY

- By investing more in **THINKING** rather than **DOING** companies can save money.

Avoid inefficient construction materials, delays, complaints, use of unqualified professionals, etc.



Life-Cycle Cost and Impact on Project Success

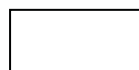
The procurement phase has the greatest impact on the life-cycle cost of the project, yet it is the least costly component.



Life-Cycle Cost



Impact on Project Success



Procurement



Construction



Operation & Maintenance





INVEST MORE IN **THINKING** THAN **DOING** TO
REDUCE COSTS AND ENSURE PROJECT
SUCCESS



Procurement of Works – Economically most advantageous option, and from a life-time perspective

Do the Basic Considerations, develop a Project Strategy and finally select a Delivery Method and Compensation method suitable for the project characteristics.

Best practice principles

- Inception
- Initial Studies
- Feasibility
- Project Strategy
- Specification
- Design
- Pre-Qualification

- Tendering
- Evaluation
- Contract(s)
- Final Design
- Manufacturing
- Implementation
- Commissioning
- Operations
- Guarantees



Best summer reading recommendation:

FIDIC Procurement Procedures Guide, 2011.



One key to successful project implementation

The choice of Delivery Method should not be decided based on current demand / supply situation in the contracting market.

Instead, a thorough and careful pre-procurement process and subsequently a project programming analyses should decide which type of contract should be used for implementation.

Build-Only

Design & Build

EPC





Works Contracts – Rainbow Collection

FIDIC publishes internationally recognised forms of contract for infrastructure and building works, suited for all delivery forms



More than 40,000 copies supplied each year





CLEAR, COHERENT

Essential clauses.
Detailed definitions.
Consistent structure.

FAIR, EQUITABLE

Risk allocated to party best placed to control it, bear it, and deal with it.

THIRD PARTY

Drafted by consulting engineers who design and manage projects.

COMPLETE, FLEXIBLE

Range covers most needs.
Readily adaptable to fit requirements.

RECOGNISED

Positive FIDIC image.
World-wide acceptance
Tested for more than 50 years.

An Authority on Procurement and Business Practice – use us!

Constantly advocating QBS selection as the most project beneficial method of consultant selection.
Currently looking into:

Issuing of the FIDIC QBS Marketing Strategy Guideline 2014;

Issue of the FIDIC Procurement Procedures Guide, 2011;

FIDIC QBS - Quality Based Consultant Selection, 2011;

Currently contributing to the update of World Bank's Procurement Guidelines;

Currently commenting on AfDB's review of their Procurement Guidelines;

Negotiating with national authorities having FIDIC Agreement and Contract forms as Public Procurement standards;



Why be a member of FIDIC?

- To share knowledge and experience.
- To save on “inventing” and not spend on what is already invented.
- To have access to books, guides, seminars and training related to our industry.
- To facilitate access to development aid agencies and other international organizations and have a say in their policies and methods for procuring engineering services.
- To share in the income from the sale of publications, courses and seminars.

Why be a member of FIDIC?

- To benefit from FIDIC's direct support to achieve concrete goals at national level.
- To have the opportunity to modify, adapt and participate in the improvement of FIDIC documents, used across the world as the recognised standard.
- To be aware of and keep up with the latest trends and changes in business practice and client demands around the world.
- To have access to other associations' management procedures and methods worldwide.

- In short:

To contribute to the improvement of the consulting engineering market and work in better and fairer conditions



At the **FIDIC 2014 International Infrastructure Conference** in Rio de Janeiro, prominent international experts and industry leaders will discuss these cross cutting issues. They will identify innovative solutions for infrastructure development with projects that demonstrate quality, integrity and sustainability, thereby ensuring that Quality of Life is enhanced.



- Dates: 28 Sept – 01 Oct 2014.
- Place: Hotel Royal Tulip, Rio de Janeiro.
- Organisation: FIDIC y ABCE (Brazilian Member Association).
- About 1,200 representatives of the engineering sector worldwide.
- Exhibition Area, B2B meetings, Awards





- The main international event for the infrastructure industry
- Networking opportunities specific to the sector
- Keynote speakers from leading companies, financial institutions, international organisations, governments, etc



Luciano Coutinho, Brasil
President of BNDES



Riccardo Barberis, Brasil
Director General, Manpower Group Brazil



Eduardo Paes, Brasil
Mayor of Rio de Janeiro



Jose Antonio de Figueiredo , Brasil
Director of Engineering, Petrobras



Jose da Costa Carvalho Neto, Brasil
President of Eletrobras



Denise Hamú, Brasil
Chairperson UNEP/ PNUMA



Jorge Luis Quijano, Panamá
Administrator,
Panama Canal Authority



Antonio J. Sosa, Venezuela
Corporate VP of Infrastructure, CAF -
Development Bank of Latin America

FIDIC Sponsors are the world's leading consulting engineering firms, global business software firms, global insurance companies, international banks, technology companies and management consulting firms



FIDIC Partners are International Financial Institutions, international organisations, international cooperation agencies, and United Nations agencies working with global sustainability issues.



- FIDIC Awards Ceremony & Gala Dinner to take place in Rio de Janeiro (30 September 2014)
- FIDIC will recognise outstanding projects which demonstrate **QUALITY, INTEGRITY, AND SUSTAINABILITY**



- FIDIC Awards help to promote the work of the consulting engineering industry
- Awarded projects help to create awareness of the role of consulting engineers to ensure quality of life



www.fidic.org

THANK YOU

International Federation of Consulting Engineers

President **Pablo Bueno, *Spain***

Vice-President **Jae-Wan Lee, *Korea***

Secretariat **World Trade Center 2
Geneva Airport
PO Box 311
CH-1215 Geneva 15
Switzerland
Tel: +41 22 799 49 00
Fax: +41 22 799 49 01
fidic@fidic.org
www.fidic.org**



Managing Director **Enrico Vink**

