



Fédération International des Ingénieurs-Conseils
International Federation of Consulting Engineers
Internationale Vereinigung Beratender Ingenieure
Federación Internacional de Ingenieros Consultores

Conditions of Contract for **Plant and Design Build**

FOR ELECTRICAL AND MECHANICAL PLANT, AND
FOR BUILDING AND ENGINEERING WORKS, DESIGNED BY THE CONTRACTOR

GENERAL CONDITIONS

GUIDANCE FOR THE PREPARATION OF PARTICULAR CONDITIONS
FORMS OF LETTER OF TENDER, CONTRACT AGREEMENT AND
DISPUTE ADJUDICATION AGREEMENT

GENERAL CONDITIONS

GUIDANCE FOR THE
PREPARATION OF
PARTICULAR CONDITIONS

FIDIC® Conditions of Contract
for **PLANT and Design-Build**

FOR ELECTRICAL AND MECHANICAL PLANT,
AND FOR BUILDING AND ENGINEERING
WORKS, DESIGNED BY THE CONTRACTOR

FORMS OF LETTER OF
TENDER, CONTRACT
AGREEMENT AND
DISPUTE ADJUDICATION
AGREEMENT

First Edition 1999
ISBN 2-88432-023-7

FEDERATION INTERNATIONALE DES INGENIEURS-CONSEILS
INTERNATIONAL FEDERATION OF CONSULTING ENGINEERS
INTERNATIONALE VEREINIGUNG BERATENDER INGENIEURE
FEDERACION INTERNACIONAL DE INGENIEROS CONSULTORES



General Conditions

CONTENTS

1	GENERAL PROVISIONS	1
1.1	Definitions	
1.2	Interpretation	
1.3	Communications	
1.4	Law and Language	
1.5	Priority of Documents	
1.6	Contract Agreement	
1.7	Assignment	
1.8	Care and Supply of Documents	
1.9	Errors in the Employer's Requirements	
1.10	Employer's Use of Contractor's Documents	
1.11	Contractor's Use of Employer's Documents	
1.12	Confidential Details	
1.13	Compliance with Laws	
1.14	Joint and Several Liability	
2	THE EMPLOYER	8
2.1	Right of Access to the Site	
2.2	Permits, Licences or Approvals	
2.3	Employer's Personnel	
2.4	Employer's Financial Arrangements	
2.5	Employer's Claims	
3	THE ENGINEER	10
3.1	Engineer's Duties and Authority	
3.2	Delegation by the Engineer	
3.3	Instructions of the Engineer	
3.4	Replacement of the Engineer	
3.5	Determinations	
4	THE CONTRACTOR	11
4.1	Contractor's General Obligations	
4.2	Performance Security	
4.3	Contractor's Representative	
4.4	Subcontractors	

4.5	Nominated Subcontractors	
4.6	Co-operation	
4.7	Setting Out	
4.8	Safety Procedures	
4.9	Quality Assurance	
4.10	Site Data	
4.11	Sufficiency of the Accepted Contract Amount	
4.12	Unforeseeable Physical Conditions	
4.13	Rights of Way and Facilities	
4.14	Avoidance of Interference	
4.15	Access Route	
4.16	Transport of Goods	
4.17	Contractor's Equipment	
4.18	Protection of the Environment	
4.19	Electricity, Water and Gas	
4.20	Employer's Equipment and Free-Issue Material	
4.21	Progress Reports	
4.22	Security of the Site	
4.23	Contractor's Operations on Site	
4.24	Fossils	
5	DESIGN	20
5.1	General Design Obligations	
5.2	Contractor's Documents	
5.3	Contractor's Undertaking	
5.4	Technical Standards and Regulations	
5.5	Training	
5.6	As-Built Documents	
5.7	Operation and Maintenance Manuals	
5.8	Design Error	
6	STAFF AND LABOUR	23
6.1	Engagement of Staff and Labour	
6.2	Rates of Wages and Conditions of Labour	
6.3	Persons in the Service of Employer	
6.4	Labour Laws	
6.5	Working Hours	
6.6	Facilities for Staff and Labour	
6.7	Health and Safety	
6.8	Contractor's Superintendence	
6.9	Contractor's Personnel	
6.10	Records of Contractor's Personnel and Equipment	
6.11	Disorderly Conduct	
7	PLANT, MATERIALS AND WORKMANSHIP	25
7.1	Manner of Execution	
7.2	Samples	
7.3	Inspection	
7.4	Testing	
7.5	Rejection	
7.6	Remedial Work	
7.7	Ownership of Plant and Materials	
7.8	Royalties	

8	COMMENCEMENT, DELAYS AND SUSPENSION	27
8.1	Commencement of Works	
8.2	Time for Completion	
8.3	Programme	
8.4	Extension of Time for Completion	
8.5	Delays Caused by Authorities	
8.6	Rate of Progress	
8.7	Delay Damages	
8.8	Suspension of Work	
8.9	Consequences of Suspension	
8.10	Payment for Plant and Materials in Event of Suspension	
8.11	Prolonged Suspension	
8.12	Resumption of Work	
9	TESTS ON COMPLETION	31
9.1	Contractor's Obligations	
9.2	Delayed Tests	
9.3	Retesting	
9.4	Failure to Pass Tests on Completion	
10	EMPLOYER'S TAKING OVER	32
10.1	Taking-Over of the Works and Sections	
10.2	Taking Over of Parts of the Works	
10.3	Interference with Tests on Completion	
10.4	Surfaces Requiring Reinstatement	
11	DEFECTS LIABILITY	34
11.1	Completion of Outstanding Work and Remedying Defects	
11.2	Cost of Remedying Defects	
11.3	Extension of Defects Notification Period	
11.4	Failure to Remedy Defects	
11.5	Removal of Defective Work	
11.6	Further Tests	
11.7	Right of Access	
11.8	Contractor to Search	
11.9	Performance Certificate	
11.10	Unfulfilled Obligations	
11.11	Clearance of Site	
12	TESTS AFTER COMPLETION	37
12.1	Procedure for Tests after Completion	
12.2	Delayed Tests	
12.3	Retesting	
12.4	Failure to Pass Tests after Completion	
13	VARIATIONS AND ADJUSTMENTS	38
13.1	Right to Vary	
13.2	Value Engineering	
13.3	Variation Procedure	

13.4	Payment in Applicable Currencies	
13.5	Provisional Sums	
13.6	Daywork	
13.7	Adjustments for Changes in Legislation	
13.8	Adjustments for Changes in Cost	
14	CONTRACT PRICE AND PAYMENT	42
14.1	The Contract Price	
14.2	Advance Payment	
14.3	Application for Interim Payment Certificates	
14.4	Schedule of Payments	
14.5	Plant and Materials intended for the Works	
14.6	Issue of Interim Payment Certificates	
14.7	Payment	
14.8	Delayed Payment	
14.9	Payment of Retention Money	
14.10	Statement at Completion	
14.11	Application for Final Payment Certificate	
14.12	Discharge	
14.13	Issue of Final Payment Certificate	
14.14	Cessation of Employer's Liability	
14.15	Currencies of Payment	
15	TERMINATION BY EMPLOYER	48
15.1	Notice to Correct	
15.2	Termination by Employer	
15.3	Valuation at Date of Termination	
15.4	Payment after Termination	
15.5	Employer's Entitlement to Termination	
16	SUSPENSION AND TERMINATION BY CONTRACTOR	50
16.1	Contractor's Entitlement to Suspend Work	
16.2	Termination by Contractor	
16.3	Cessation of Work and Removal of Contractor's Equipment	
16.4	Payment on Termination	
17	RISK AND RESPONSIBILITY	52
17.1	Indemnities	
17.2	Contractor's Care of the Works	
17.3	Employer's Risks	
17.4	Consequences of Employer's Risks	
17.5	Intellectual and Industrial Property Rights	
17.6	Limitation of Liability	
18	INSURANCE	54
18.1	General Requirements for Insurances	
18.2	Insurance for Works and Contractor's Equipment	
18.3	Insurance against Injury to Persons and Damage to Property	
18.4	Insurance for Contractor's Personnel	

19	FORCE MAJEURE	57
19.1	Definition of Force Majeure	
19.2	Notice of Force Majeure	
19.3	Duty to Minimise Delay	
19.4	Consequences of Force Majeure	
19.5	Force Majeure Affecting Subcontractor	
19.6	Optional Termination, Payment and Release	
19.7	Release from Performance under the Law	
20	CLAIMS, DISPUTES AND ARBITRATION	59
20.1	Contractor's Claims	
20.2	Appointment of the Dispute Adjudication Board	
20.3	Failure to Agree Dispute Adjudication Board	
20.4	Obtaining Dispute Adjudication Board's Decision	
20.5	Amicable Settlement	
20.6	Arbitration	
20.7	Failure to Comply with Dispute Adjudication Board's Decision	
20.8	Expiry of Dispute Adjudication Board's Appointment	

APPENDIX

	GENERAL CONDITIONS OF DISPUTE ADJUDICATION AGREEMENT	64
	INDEX OF SUB-CLAUSES	70

Guidance for the Preparation of Particular Conditions

CONTENTS

INTRODUCTION	2
NOTES ON THE PREPARATION OF TENDER DOCUMENTS	3
1 General Provisions	5
2 The Employer	6
3 The Engineer	6
4 The Contractor	7
5 Design	9
6 Staff and Labour	10
7 Plant, Materials and Workmanship	10
8 Commencement, Delays and Suspension	11
9 Tests on Completion	11
10 Employer's Taking Over	12
11 Defects Liability	12
12 Tests after Completion	12
12 Variations and Adjustments	12
14 Contract Price and Payment	13
15 Termination by Employer	19
16 Suspension and Termination by Contractor	19
17 Risk and Responsibility	19
18 Insurance	20
19 Force Majeure	20
20 Claims, Disputes and Arbitration	20
ANNEXES FORMS OF SECURITY	23