



2012/2013 Annual Report

The Global Voice of Consulting Engineers



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

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FIDIC is celebrating its centenary in 2013. This is a cause for celebration in any organisation, but it is even more noteworthy when the organisation is stronger in its centenary year than at any time in its history.

FIDIC now has almost 100 member countries, more than ever before, and the need for a global organisation to address our major global issues has never been more apparent. It doesn't matter where valuable natural resources are consumed – they are being consumed at an unsustainable rate. It doesn't matter where in the world carbon dioxide is emitted – the resulting climate change affects us all.

Overall, mankind is behaving as if we have more than one Earth, and this imbalance is even more marked in the developed world. However, despite this, a great many people still lack life's basic necessities – 1.1 billion don't have access to safe drinking water; 1.2 billion suffer from hunger and 2.6 billion have only basic sanitation.

The world's population that was only one billion, two hundred years ago, has already passed 7 billion, and is expected to exceed 9 billion by 2050. As a result the issue of Sustainability becomes ever more important. FIDIC is very aware of this and will soon be releasing the second version of its Project Sustainability Manual – PSM II. We need to be identifying and undertaking the right projects. This is the challenge that PSM II has been designed to help address. It will be part of a special Sustainable Pack to be made available in Barcelona.

Since financial resources are always constrained, it is vitally important that all such resources are used for their intended purpose and that corruption is eliminated. FIDIC is producing FIMS, an upgraded and renamed FIDIC Integrity Management System to help with this critical issue.

FIDIC meets regularly with all the Multilateral Development Banks and it is pleased to be part of the current World Bank review of its procurement process. In these meetings and reviews FIDIC continues to stress the need for procedures which will ensure that the right projects are being procured, based as much as possible on quality, and with the appropriate integrity systems in place from the outset. Another very important aspect is the use of fair forms of contract and FIDIC continues to develop and improve its world leading suite of contracts.

In the two years of my Presidency, which comes to an end this September in Barcelona, I have been lucky enough to meet many consulting engineers, and others involved in all aspects of the built environment, from all parts of the world. I have met many member associations and have seen for myself the huge amount of volunteer effort that helps support the work of those member associations. It is thanks to all of those people that FIDIC has developed and grown. They have helped make it the strong global organisation that it is now.

However, FIDIC's development must not slow or stop – the challenges that we face are far more pressing than that. It is important that consulting engineers go on learning from each other, and do so faster than ever before. It is vital that our industry continues to attract future generations of consulting engineers, and FIDIC's Young Professional programme is an important element in this. It is imperative that we continue to focus even more strongly on FIDIC's core principles of Sustainability, Integrity and Quality.

I am sure that consulting engineers around the world have the necessary skills to address the issues we face – we must ensure that our voice is heard ever more strongly to ensure that our skills are being used to implement the right projects for the benefit of everyone.

Geoff French, FIDIC President

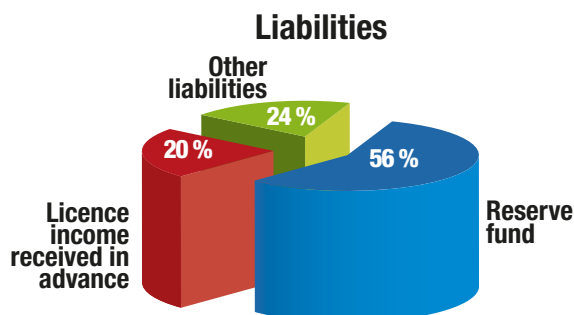
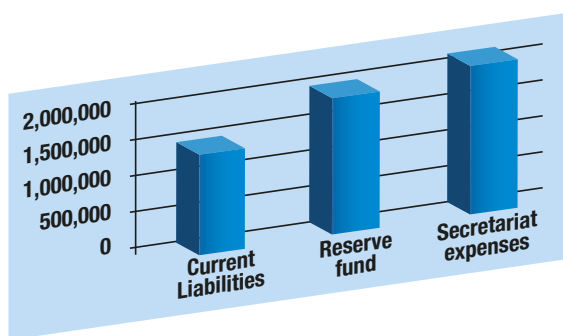


Fiscal year 2012

The FIDIC accounts for the year to December 2012 show an operating surplus of CHF 74,552 compared to a breakeven budget.

Income streams improved, particularly in the area of document sales and training events. As a result, reserve funds increased 4% to CHF 1,830, 211.

FIDIC cash assets continue to be held predominantly in conservative fiduciary deposits, in a mixture of currencies. The pegging of the Swiss franc to the Euro helped reduce exchange losses.

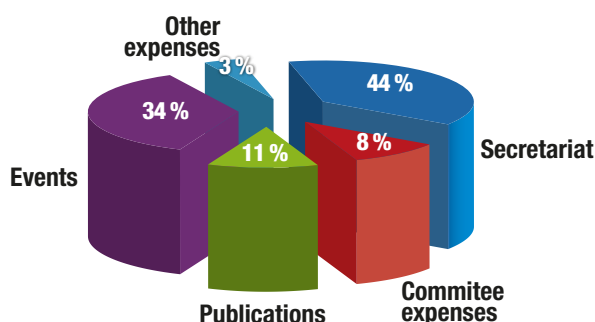


Income and Expenditure

Member Association (MA) subscriptions remained static compared to 2011, in an economic environment which is still difficult for many associations. Concerns remain that the subscription allocation is not as equitable as it might be, as MA staff numbers are not always being counted in a consistent manner.

The demand for FIDIC documents increased despite adverse market conditions. Thanks to increased global demand, training

Expenditure 2012



events proved very popular. Such demand suggests that the global investment in infrastructure continues to improve.

Overall expenditure was almost CHF 170,000 more than budgeted. This is reflected mainly in changes to staff within the Secretariat and additional professional services engaged to upgrade the FIDIC website and support systems. Additional investment was agreed in the second half year once the increased income streams seemed to consolidate.

The Statement of Financial Performance reflects a combination of continued growth in FIDIC commercial activities, and stability in the membership. Overall the result was a pleasing one considering the continued international financial uncertainties.

Balance Sheet

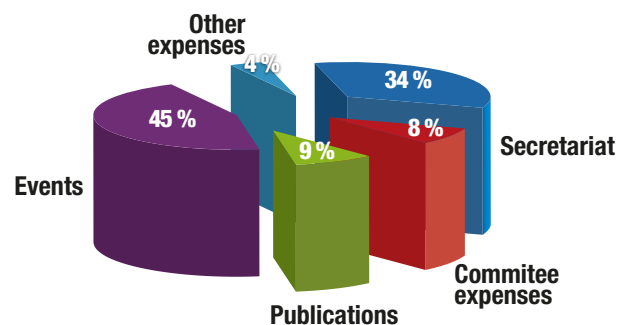
At the end of 2012 the balance sheet remained strong and reserves are within the FIDIC Executive Committee guidelines to maintain cash assets equivalent to the Federation's liabilities in the event of winding up. This is also approximately equivalent to the secretariat expenses for one year.

Remaining license income received in advance totalled CHF 641,111 at the end of 2012. This represents payments by the Development Banks for the use of the harmonised contract documents for future years, and new clients signed up during the year.

Year to date and 2014

At mid-year 2013, income was trending higher than in previous years, signalling reductions in costs and further strengthening of demand for FIDIC products as the scope of activity expands. The data also reflects a higher rate of payments to FIDIC from Member Associations compared to previous years.

Budget 2014 - Expenditure



The budget proposed for 2014 reflects a modest recovery in the market, continued investment by FIDIC in the enhancement of its products and services, and a further easing on financial commitments from member associations.

The budget proposed for 2014 has been based on previous financial performance and on the running year forecast. The Executive Committee recommends a reduction of 10% on membership fees, but notes that the budget still forecasts a (small) surplus for the 2014 year.

Alain Bentéjac, FIDIC Treasurer



Regional strategy expands

It has been an on-going challenge for FIDIC to understand and follow international market trends, given the vagaries of international politics and conservative financial policies. Participation by FIDIC executives in national events, regional conferences, regular discussions with banks and others involved in infrastructure certainly helps to provide considerable feedback on such trends and issues confronting the market.

The expanding commercial activities of FIDIC are another good indicator of global activity.

In order to improve efficiencies and reduce costs further, investment has proceeded in the decentralisation of market support, primarily through the establishment of regional centres. At the end of 2012, agreement was reached on a FIDIC Africa office, with the appointment of an African Manager in January 2013. His presence has already enhanced the coordination of training activities in Africa and led to new opportunities.

Discussions are also well advanced for regional offices in Asia and Latin America; a regional training centre in the Middle East; and closer collaboration with the European Federation EFCA.

Adding value to membership and the market

The other major area of investment that has taken place is in FIDIC's communication systems, through the launch of an upgraded website, plus enhanced facilities for online document sales and training. Work is also well advanced on new online facilities for regional groups, committees and other User Groups. These will progressively be utilised in 2013, in order to facilitate meetings and discussion groups.

As a result of positive discussions in Seoul in September 2012, it was agreed by FIDIC's DNS (the group of member association managers) to collectively build an online resource centre for associations, incorporating best practices and guidelines on key activities undertaken by associations eg lobbying, marketing, committee management, annual general meetings etc. This will also be developed and launched during 2013.

The committee reports that follow attest to the on-going commitment of dozens of volunteers, all keen to help and support the aims of the federation, to improve the business environment or member firms; to raise the profile of the industry and to develop best industry practice. FIDIC is extremely grateful for the commitment and dedication of more than 120 volunteers from within the industry, contributing to expanding the body of knowledge that is Consulting Engineering.

Additional Resources Engaged

To assist in helping to meet the growing demand for FIDIC products and services, the Treasurer has noted the addition of new staff to the FIDIC Secretariat. I am pleased that commercial activities have enabled us to finally invest in more resources, thereby boosting the strength of the publications area, training support programmes, and membership services. I also look forward to the FIDIC/MA resource centre which will add considerably to the collective sharing of expertise within the industry, for the benefit of everyone.

Special thanks also for the on-going support of FIDIC's Strategic Partner BST Global, who have accompanied FIDIC on a number of its events and programmes, including the ASPAC conference and the FIDIC World Conference.



Enrico Vink, FIDIC Managing Director

FIDIC Executive Committee

Geoff French, UK (President)
Pablo Bueno, Spain (Vice-President)
Alain Bentéjac, France (Treasurer)
Akihiko Hirotsu, Japan
Bisher Jardaneh, Jordan
Jae-Wan Lee, South Korea
Kaj Möller, Sweden
Chris Newcomb, Canada
Exaud Mushi, Tanzania

The Executive Committee (EC) meets three times a year over two days, to discuss a range of issues impacting on the consulting engineering industry. After Seoul, meetings took place in Dar es Salaam in January 2013, and in Ottawa in May 2013. These meetings coincided with local events and activities of member associations. Such activities include Government liaison, seminars and workshops, and media conferences to address issues such as global economies, finance, investment in infrastructure, procurement, corruption, sustainability, and building capacity of the local industry. In Dar es Salaam the EC participated in a press conference at the opening of the FIDIC Africa office. In Ottawa, EC members met Government and industry representatives at the Parliament.



In addition, the EC acts as a liaison to the different FIDIC Committees to ensure close coordination within the EC and the work that the committees carry out.

There was one vacancy in the Executive Committee in 2012 and, at the FIDIC World Conference in Seoul, Exaud Mushi was elected as a new member of the EC. The General Assembly confirmed Pablo Bueno as President Elect, and Alain Bentéjac as Treasurer. The next Executive Committee elections will take place during the General Assembly Meeting to be held in Barcelona 2013. Three vacancies are to be filled in 2013.

Profiles and pictures of the FIDIC Executive Committee are available on the FIDIC website under Federation.



FIDIC Membership Committee

S. Mehrotra, India (Chair)
B. Jardaneh, Jordan
G. Fujie, Japan
K.K. Kapila, India
M. Mazloun, France
R. Ünüvar, Turkey (EFCA)

5.1 Membership Committee

Membership of the Federation continued to grow globally, despite some attrition in Europe. An additional 5 member associations were welcomed into FIDIC, bringing the total to 94. The committee worked closely with the various regional groups and other member associations in order to target new prospects in Latin America, Asia and Africa. With the centenary drawing near, the target of 100 members also comes closer to reality.

New elections within regional groups ASPAC and GAMA created new impetus in the African and Asian continents, with particular focus on building capacity within the industry; strengthening relations with development banks, and enhancing significantly regional networking and annual conferences, as outlined later in this report.

5.2 FIDIC Consulted on World Bank Procurement Reforms

A fundamental review by the World Bank of its procurement policies and procedures points to a significant shift in approach for the Bank. FIDIC participated in the process through an International Advisory Group established by the Bank in June 2012. Extensive consultations by the Bank highlighted a number of key issues which could influence future procurement. Driven now by the over-arching objective of ensuring Development Effectiveness, the Bank included on the agenda, key issues such as corruption & transparency, sustainability (green procurement), project execution, life cycle costing, quality, capacity development, and innovation. A draft paper on Country Systems was being considered in the lead up to a draft framework document anticipated in 2013.

FIDIC has continued to liaise with the Confederation of International Contractors Associations (CICA) and European International Contractors (EIC) on common issues related to project preparation, contracts, and procurement.

During the year, a FIDIC delegation led by the FIDIC President and Vice President also visited multi-lateral development banks in Asia, Africa and Europe. On-going discussions explored developments with procurement, policies and procedures for dealing with corruption, and the impact of sustainability and climate change.

5.3 FIDIC/ICC – Important Collaboration

In addition to references to ICC Rules of Arbitration in FIDIC contracts, FIDIC also maintains close liaison on several fronts:

An ICC delegation visited FIDIC in Geneva in September 2012 to explore these in more detail, and FIDIC reciprocated during visits to Paris. The major joint event is the annual ICC/FIDIC conference, where legal issues impacting on the construction industry share space with engineering and contractual issues.

A new initiative developed by ICC, the Asia Development Bank and other corporate sponsors, has seen FIDIC also offer support for a National Infrastructure Information System (NIIS).

This is a web-based and secured online platform for public-sector project sponsors and technical teams to 1) capture key project data in a systematic and consistent way across multiple locations and multiple sectors; 2) identify and fill any gaps in project planning and preparation. The design objective of NIIS is to help identify and mitigate project risks in the development phase and guide projects towards PPP structuring involving private-sector institutional and commercial investments when appropriate.



Global Events and Communication



6.1 FIDIC Seoul Conference Establishes new Benchmark for Sustainability

The colour green dominated proceedings at the FIDIC World Conference in Seoul in September 2012, as some 800 delegates from 67 countries explored developments with Green Economic Development, which focus in turn on sustainable procurement and sustainable principles in the conception and provision of infrastructure. A significant new report published by FIDIC set out to clarify the latest international thinking on sustainability, and provides clear guidelines on the decision making process for sustainable infrastructure. Guidance was also offered on a number of commonly used Rating Systems.

In conjunction with this new State of the World report, FIDIC also trialled a Project Sustainability Logbook. This provides the industry with a useful tool in the setting of sustainability priorities when determining the best solution for a particular project. In addition, the work undertaken by FIDIC's Sustainability Committee on Sustainable Cities was also presented to delegates for discussion. A special Sustainable Pack of three documents will be made available to delegates at the Centenary Conference in Barcelona.

6.2 CICF Centenary & welcome to CINOV

FIDIC congratulated member association CICF in France for its contribution to the aims and objectives of the industry over 100 years. During a well-attended series of conferences which took place in Paris at the end of November 2012, CICF changed its name to CINOV for a fresh new century.

6.3 South Africa Leads the Way in Elevating Consulting Engineers

Having established ISO 9000 as a criterion for membership in 2001, FIDIC member association CESA then required members to adopt integrity management in 2011. CESA is now considering the adoption of FIDIC sustainability principles in all member firms. The underlying objective of CESA is to demonstrate clearly to clients and officials that consulting engineers are trusted advisors, offering high quality, sustainable solutions which not only benefit clients, but also end users. Further details on this ambitious programme are available from CESA.

6.4 Asia Region Shares Disaster Expertise



The ASPAC/FIDIC/TCDPAP conference took place in Bangkok 7-8 March 2013. Some 250 participants from 15 countries in the region shared their experiences and case studies on the challenges emerging from Climate Change events and other natural disasters. The increased incidence of floods, tsunamis, earthquakes and other disasters prompted many authorities to review and develop more rigorous procedures for the mitigation of risk areas and for dealing with disasters. Opportunities have been identified for consulting engineers to become more involved in risk assessment, as well as providing relevant authorities with expert advice on safety and restoration issues immediately post disaster and on

longer term recovery plans, utilising a sustainable life cycle approach.

Reports from member countries highlighted the fact that most economies in the region reported strong growth and that significant investments in infrastructure were planned. Concerns were raised that there would be a shortage of skilled professionals in the very near future, providing significant opportunities and challenges for both multinational and local consulting firms.

6.5 Sustainable Infrastructure Feature of Africa Conference



Some 300 delegates from 15 countries attended the successful GAMA/FIDIC African conference, which took place for the first time in Khartoum, Sudan, from 7-10 April 2013.

The conference provided an opportunity for delegates to discuss the important role that African firms play, and the contribution of consulting engineers to the development of infrastructure networks from the perspective of sustainability. The vastness of Sudan and the diversity of its physical and social environment, make it one of the best examples, demonstrating the challenges for sustainable infrastructure development in Africa. International collaboration is warmly welcomed, and positive support was also offered by the African Development Bank.

6.6 Infrastructure Congress in South America reveals important development trend for the industry in the region

The Cámara Colombiana de la Infraestructura (CCI), FIDIC Member in Colombia, celebrated its 9th Congress on Infrastructure in Cartagena de Indias from 21 to 23 November 2012. The President of Colombia, Mr Juan Manuel Santos attended the event along with Former President of Chile, Ricardo Lagos, Ministries and governmental authorities from Colombia and the region. MDBs (World Bank, IDB, CAF), and representatives from 160 local and international firms contributed to the success of this event. FIDIC also participated on behalf of the consulting engineering industry.

This Congress evaluated the challenges for the infrastructure industry to respond to current needs in Colombia and the region for mining and energy development, for improved transport to be competitive with developed countries in recently signed free trade agreements, and to be able to tackle the effects of climate change and natural disasters.

6.7 Libya Reconstruction supported by FIDIC

Libya is pulling out all the stops in its effort to reconstruct the country after infrastructure projects were blocked during the Libyan revolution. The private sector, led by consulting engineers, recommended FIDIC contracts as the relevant suite of products to support this effort. This strong interest prompted the development of a special FIDIC Business day in April 2013, where a FIDIC panel introduced the various best practices available, as well as information on FIDIC contracts.



7.1 Model Representative Agreement published

After a careful review and upgrade of the 2004 Test Edition, the 2013 1st Ed of the Model Representative Agreement ('The Purple Book') was published. The terms of the Agreement are intended for consultants wishing to enter into a contract with a representative or agent for the provision of special services.

Specific mention is made of FIDIC's Client/Consultant Model Services Agreement, 4th Ed 2006, Joint Venture Agreement, 1st Ed 1992, and Sub-Consultancy Agreement, 1st Ed 1992. Together with the Model Representative Agreement, these form FIDIC's collection of agreements for consulting services, the backbone of business support tools for the consulting industry. This latest addition to the FIDIC family of products has been carefully synchronised to match the requirements of multi-lateral development banks and to mitigate risks of corruption. A particular mention is made of the World Bank which provided comments on the draft version of the document.

Integrity Management Committee (IMC)

J. Díaz Padilla, Mexico (Chair)
M. E. Abdel Rahman, Sudan
M. Azizi, Iran
M. K. de Chiara, USA
L. Luobing, China
J. Ritchie, Canada
A. Haj Stifi, Germany
K. Ndwandwe, South Africa
R. Stump, USA
P. Oortwijn, Netherlands (EFCA)
A. Hirotsani, Japan (EC Liaison)

7.2 Guidelines for Integrity Management in the Consulting Industry,

Part II – Procedures finalised as a draft document

As a companion document to the FIDIC Integrity Management System (or FIMS) Guidelines Part I – Policies and Principles, 1st Ed 2011, a Part II - Procedures document has been completed as a draft manuscript, which is under review. The FIMS Guidelines are designed to assist consulting companies in the development of a framework to be used by firms, regardless of size or home country, in order to manage and mitigate the bribery and corruption risks that may be encountered in the difficult business environment many companies face today.

FIDIC considers that a scalable and risk-based approach is most appropriate for implementing FIMS at the firm level. Variations from a general FIMS concept may be needed to take into account the size, location, market, services, resources, local conditions and requirements of clients of small and medium-sized companies. FIDIC believes it is important that consultants who function in environments where corruption is rife, demonstrate to their clients, auditors, and law enforcement officials, if necessary, that they provide their services with integrity.

Recognising that consultants operate in different regulatory environments, ranging from those in countries with strict anticorruption laws (e.g. the U.S.A. and the U.K.) to those in countries that have poor oversight or regulations, FIMS provides a framework of functional criteria or requirements that go into creating an integrity management system. This system is intended to manage and control fraud and corruption within a firm. Depending on each firm's regulatory environment, existing working procedures, and internal culture, there may be alternative ways to implement the FIMS guidelines that may result in equivalent outcomes.

7.3 The Construction Sector Transparency Initiative (CoST) supported by FIDIC

Following a successful three-year UK-funded pilot involving eight countries, the CoST Initiative was launched globally in October 2012. FIDIC President Geoff French affirmed that "it's time to scale-up CoST and to extend its benefits beyond the countries currently participating. The UK is currently the only G8 country that is directly involved in CoST and it is to be hoped that, after the June 2013 G8 summit, more members will support the programme, and this should include practical commitments to improve transparency and accountability in their own construction sectors". Through the IMC, FIDIC has been supporting this initiative since its initial planning and particularly during the two meetings held in Mexico between Directors of CoST and representatives of the construction industry in that country.





8.1 Additional Adjudicators

In midyear 2012 the APA arranged a workshop for experienced adjudicators wishing to be selected to the FIDIC Presidents List. After 3 days of rigorous testing, some 18 new candidates were approved for listing. As such, these and other adjudicators on the list become available in support of international projects where FIDIC contracts are used.

Members of APA also regularly participate in international seminars and workshops to advise on DAB procedures, the value of DABs in a construction project, and case studies in the use of FIDIC contracts.

Assessment Panel for Adjudicators (APA)

P.H.J. Chapham, UK (Chair)

C. Chern, UK

T. Omoto, Japan

8.2 Emerging Risks addressed

The risk and liability committee has been going through a rebuilding phase with members being added from jurisdictions around the world.

In association with the European Federation EFCA, a review of risk and liability matters in various countries was launched, with publication expected early in 2014. Coverage of the survey was extended to a number of countries outside Europe.

In addition to gathering information on the insurance market, the committee is considering new risks that appear to be arising in the areas of innovation and sustainable design, both of which incorporate extended liability periods and changes in the profession's risk profile. A special workshop is being organised for the Barcelona conference.

FIDIC continues to monitor developments of standards relevant to the industry. Current activities include a planned update to the ISO 9000 quality standard, and possible new standards covering sustainability (ISO 26000) and environmental management (ISO 14000).

Risk & Liability Committee & Standards

S Jenkins, New Zealand (Chair)

U. Sassarsson, Denmark (deputy Chair)

J. van der Putten, Belgium (EFCA)

T. Kurasige, Japan

A. Thornton, New Zealand

M. Hohberg, Switzerland

S. Bamforth, UK

W. Mayne, South Africa

R. Furtado, Portugal

J. Robert, France

V. van Egmond, the Netherlands

F. Callarà, Italy

P. Samuelsson, Sweden

D. Bueno Tomas, Spain

S. Stone, USA

M. Marot, South Africa

W. Painsi, Austria (ISO Rep)

8.3 FIDIC Contracts & Guides

Under the guidance of this committee, some 10 different task groups have worked on a number of new documents, as well as upgrades of existing documents. In addition, two joint groups were established to upgrade the popular Dredgers Contracts, and to explore a new contract for underground work, together with the International Tunneling Association.

The main areas of work cover the following documents & guides:

- Upgrade of the 1999 suite of FIDIC contracts
- Modifications to DBO contract
- Upgrade for Model Services Agreement, Sub-consultancy Agreement, and Joint Venture Agreement
- Development of new Sub-contracts for the FIDIC construction contracts
- Development of a new ODB form of contract for brownfield projects
- Preparation of guide to common terminology in construction projects

Some of these documents are planned for release in 2013 and others in 2014.

8.4 FIDIC Publications on iPad

Those who have adopted the iPad as one of their favourite tools can now directly obtain the iPad version of all FIDIC electronic documents from the FIDIC bookshop. Protected downloads in pdf are available at the same price as a hard copy. These documents can then be carried on the iPad and browsed anywhere through an eBook app. The latest information regarding the iPad Tablet version is now available on the FIDIC website



8.5 Quality in Selection Paramount

The Business Practice Committee continued to work on a number of different business guides to support the industry and individual firms to develop and strengthen their business practices so that they can be more effective in delivering on the technical aspects of their projects. A representative overview of current projects follows:

8.6 QBS Marketing Strategy

A Task Force is developing a marketing strategy for QBS. This is a follow-up to the 2012 publication of the Quality Based Selection (QBS) Guide and other relevant publications, and is intended to give prominence to the concept of QBS. It is expected that greater awareness will increase the use of QBS and therefore the demand for document support.

The QBS marketing strategy document discusses QBS target audience priorities. Various marketing tools have been identified and evaluated for their practicality and ability to influence target audiences. This includes social media, live events, e-mail and other approaches, taking into account the costs, time consumption for preparation, effectiveness, and other advantages/disadvantages. The document is at the advanced draft stage and will be discussed and distributed at the Business Practice workshop on day three of the Barcelona Centenary Conference.

Contracts Committee

P.E. Jenkinson, UK (Chair)
C. Theune, Germany
S. Fahey, Ireland
Z. Záhonyi, Hungary
J. Amorim Faria, Portugal (EFCA)
K Möller, Sweden (EC liaison)

N. Bunni, Ireland (Special Adviser)
A.-V. Jaeger, Germany (Special Adviser)
M. Mortimer-Hawkins, Sweden (Special Adviser)
C.R. Seppala, France (Legal Adviser)
C. Wade, UK (Special Adviser)

Business Practice Committee

R. Prentice, Canada (Chair)
A. Read, New Zealand
F. Colasan, Turkey
A. Thornton, New Zealand
P. Rauch, Switzerland
M. Steiner, USA
K. Kariya, Japan

A. Gobiet, Austria
M. Kruger, South Africa
D. Delizza, USA
S. Chatterjee, India
J. van der Putten, Belgium (EFCA)
C. Newcomb, Canada (E.C. liaison)

8.7 QBS Support Materials

As part of the research for QBS and QBS case studies, numerous support materials have been gathered, reviewed and organised for the purpose of being accessible to FIDIC member associations and member firms.

The Business Practice Committee is promoting that this should be an on-going activity, and that support materials should continue to be compiled for the benefit of those using or promoting QBS. It is intended to raise this matter at the DNS meeting to seek guidance on next steps and decide how to make this support information more readily and generally available. Additional effort is planned to further organise, format, compile and publicise the website.

8.8 Disaster Management Guide

The potential extent of damage to infrastructure and to the built-environment appears to be much more prevalent due to the increasing frequency of catastrophic disasters and, along with it, the role of engineers in emergency management, assessment, retrofit and reconstruction. Increasingly, these roles are filled by private sector engineers – consultants and their employees.

The Disaster Management Guide will help member firms to be prepared for future emergencies so that their efforts following a disaster can be of optimum value. It is intended that the guide will provide best practice advice to Member Associations and their member firms, their clients and civil defense /emergency management authorities, at both local and national level.

8.9 MDB Procurement Practice Modernisation

The World Bank has been holding public consultation and special industry consultation to help them develop improved procurement practices. Potential for change is significant and will be communicated to the membership at the Barcelona business practice workshop.

FIDIC has been participating in an Advisory Group undertaking this fundamental review. BPC has been supporting this exercise to help strengthen FIDIC's position on issues related to procurement and best business practice.

There are tentative plans for further development of special FIDIC MDB guidelines, a review of World Bank publications, business practice related dialogue, and targeted QBS support documents.

8.10 Best Practice Client Awards for the Procurement of Consulting Services

With the introduction of national and international legislation on the public procurement system, authorities awarding contracts are pursuing goals of transparency, competition, and economic use of public funds.

The Business Practice Committee recognised the benefits of publishing a best practice client award for the procurement of consulting services. A template has been developed to outline client award implementation procedures, assessment criteria and judging guidelines. The guidelines would be applicable at the local Member Association level or at the FIDIC level.

8.11 Best Practice Guide to International Aid

The international consulting engineering community is in a unique position to provide guidance to governments on development aid funding, especially regarding best practice for successfully planning and implementing new and improved infrastructure.

BPC is preparing a Best Practice Guide for 'aid-providing' governments. The Guide will contain FIDIC's best collective advice on how development aid funding should be delivered for the most effective and sustainable results.

Contents will address the role and importance of reliable infrastructure in economic growth and development and provide an introduction on how to conceive, implement and monitor infrastructure projects in order to minimise the risk of inappropriate technology and dysfunctional facilities.

This guide will be of benefit to consultants as well as donor countries as a resource that clearly defines the essentials of goal setting for infrastructure projects and how to plan, finance and deliver a successful infrastructure project.

8.12 Guidelines for the Selection of Consultants

This document is an upgrade from a previous version, and was made available in draft form at the FIDIC conference in 2012 in Seoul Korea. Comments were received and taken into account and the document is planned to be published for distribution in Barcelona.

The purpose of these guidelines is to present commonly utilised methods of consultant selection to explain the respective procedures, and combine them all into one compact document as well as to emphasise and explain FIDIC'S policies on the subject of selection.

Selection of the right consultant for each project is of paramount importance. This guide helps to put the various selection methods into perspective so that those charged with the responsibility of selecting consultants will be able to understand the context, pros and cons, and benefits of each selection method, whilst noting FIDIC's recommended method of QBS.



Sustainable Development Committee (SDC)

J. Félix, France (Chair)

I. van der Putte, Netherlands

J. Boyd, Canada

S. Fryxell, Sweden

J.W. Lee, Korea (EC liaison)

R.J. Pullen, Netherlands

H. Koichiru, Japan

A. Persson, Sweden

S. Wij, India

A. Bentéjac, France (EC liaison)

N. Shokoufi, Iran

M. Bertoneri, Italy

H.J. Campos de Sousa, Portugal

N. Busquet, France

I. Chung, Korea

A. de Bie, Belgium

A. Granowski, Poland

W. Löffler, Germany

J. Scanlon, Australia

F. da Silva, France

P. Kerchoulas, Greece

9.1 Significant Move on Sustainability

The activities of this joint FIDIC/EFCA committee have focussed on a number of items, some of which were signalled at the FIDIC 2012 conference in Seoul, with further work aimed at launching new guides at the FIDIC Centenary conference in Barcelona. Three significant work areas, available as a Sustainable Pack, cover the following:

Project Sustainability Management manual - PSM II is first and foremost, a list of core issues that engineers should consider when carrying out projects in a sustainable way, backed up by a number of processes for broad inclusion of stakeholder input. Each item on the list brings with it a set of perspectives, which are the sustainability considerations that affect the way these issues should be considered on the project. A good part of this manual consists of descriptions of these perspectives and an indication of possible project responses as well as logical links between the different issues.

PSL®2013, The Project Sustainability Logbook, proposes a common language on sustainability, to be shared by all stakeholders. It can be used for selecting objectives and priority issues for specific projects/programmes and provides monitoring tables for collaborative works, and for their follow up all along the life cycle of the project. PSL, the Project Sustainability Logbook, in line with the PSM methodology, provides tools for the selection of objectives and issues for specific projects and for monitoring these all along their life cycle.

"RETHINK CITIES" - EFCA/FIDIC 2013 White Paper presents the back ground resulting from major trends of societal development, in which projects or programs will have to be developed over the coming years. It clarifies that the biggest demands on sustainability are concentrated in cities. It demonstrates with many examples from engineering consulting firms, the benefits that can be gained when considering interrelationships between urban functions. It advocates a systemic approach to urban development.





10.1 Training Programme Expands

The main area of activity for this committee centred on the various training programmes being run by FIDIC, including the successful management training for YPs, and new online courses launched for the first time. Work also commenced on upgrading the FIDIC Guide to Practice, the industry's basic guide to running a consulting firm. Mr Therkelsen retired during the year, after several years leadership, with his position temporarily filled by Mr Pirie.

During the year, a record number of more than 100 training courses and workshops were organised in 40 countries. These consisted mainly of contracts related courses, either publicly, or for private clients.

Another successful 7 month online training course was also conducted for Young Professional managers, who concluded their studies in Seoul. A record number of over 80 participants registered for the 2013 course.

New look public User Conferences were successfully held in Asia, Europe, the Middle East and North America.

Capacity Building Committee

H. Therkelsen, Denmark (Chair 2012)

G.S. Pirie, South Africa (2013 Chair)

J. Haddad, Iran

R.A. Kell, Australia

A. Rev, Hungary (EFCA)

J.C.W. Richie, Canada

M. Takeuchi, Japan

E. Mushi, Tanzania (EC liaison)

10.2 Successful Second Trainer Accreditation workshop held in Amman, Jordan

The FIDIC Assessment Panel rigorously assessed 9 candidates for general and specific knowledge about FIDIC and its major contracts, as well as their presentation skills, under real life conditions.

Accreditation was ultimately provided to successful candidates in several categories, reflecting their level of expertise. Some received provisional accreditation, with support to be provided by mentors in order to complete their assessment programme.

The FIDIC accreditation programme is designed to assist in developing the pool of available trainers available to meet the growing demand for FIDIC training. Further workshops are planned in the near future.



10.3 Expansion for Young Professionals

The Young Professionals Forum Steering Committee (YPFSC) continues to expand its FIDIC YP network by focusing on communications and outreach for the 2012/2013 year. The YPFSC has been working with regional groups in Africa (GAMA) and Asia (ASPAC) to develop regionally based Young Professional Forums (YPF) under the umbrella of the main YPF. Steering Committee members were in attendance at both annual conferences and, with the support from these regional organisations, GAMA YPF and ASPAC YPF were inaugurated and steering committees established. The committee has also been working with the European YPF (EFCA) to help bridge the gap between local European YPFs to regional and international platforms. Aligning with FIDIC's regional strategy, additional support can now be provided to the international programmes, with the inclusion of issues specific to that region. Capacity building in its various forms is, of course, a key feature of that strategy.

Young Professionals Forum

| | |
|-------------------------------------|-------------------------------------|
| S. Wilson , Canada (Chair) | T. Feng , China |
| M. Azizi , Iran (Vice-Chair) | A. Stifi , Germany |
| S. Davidson , Canada | W. Darkazanli , Saudi Arabia |
| A. Varón Tischer , Spain | S.J. Park , Korea |
| H. Cheng , China | A. Obikanye , Nigeria |
| T. Wallner , Australia | J. Bialachowski , Poland |
| T. Kitano , Japan | J. Al Btoush , Jordan |
| W. Bradley , UK | A. Emambakhsh , Iran |
| H. Ghellali , Libya | M. K Hofmeyr , South Africa |

10. 4 New Training Initiatives

The committee is preparing to launch FIDIC's first Young Professional Webinar Pilot Program, and is working with leading industry experts and the secretariat, to develop a training programme that provides training opportunities for YPMTP graduates, expanding on the skills developed in the YP management training program. The first of five webinar series will be launched in October 2013.

The FIDIC Young Professional Reference Document has been published and distributed to Young Professionals and Member Associations. The document is a guide to assist Member Associations in establishing a Young Professional Forum, and provides sources of inspiration to generate ideas, and share knowledge between YPFs across Member Associations. The guide has been developed as a living document, and currently contains 13 examples of Young Professional Forums from various Member Associations.



During the year, FIDIC's online capability was also enhanced and the first online training course launched successfully. This will gradually be expanded to cover more areas of training. The facility is particularly attractive to executives who now have direct access to a learning platform from their work environment.

The YPFSC recognises the increasing importance of social media networking and therefore, is continuing to increase its social media presence on sites such as Facebook and LinkedIn.

**Albania**

Albanian Association of Consulting Engineers

Australia

Consult Australia

Austria

Austrian Consultants Association

Azerbaijan

National Engineering Consultancy Society of Azerbaijan

Bahrain

Bahrain Society of Engineers

Bangladesh

Bangladesh Association of Consulting Engineers

Belarus

Belarusian Association of Consulting Engineers

Belgium

Organisation des Bureaux d'Ingenieurs-Conseils, d'Ingenierie et de Consultance

Bosnia

Association of Consulting Engineers of Bosnia and Herzegovina

Botswana

Association of Consulting Engineers Botswana

Brazil

Associação Brasileira de Consultores de Engenharia

Bulgaria

Bulgarian Association of Consulting Engineers and Architects

Canada

Association of Consulting Engineering Companies, Canada

Chile

Asociación de Empresas Consultoras de Ingeniería de Chile

China

China National Association of Engineering Consultants

China, Hong Kong

Association of Consulting Engineers of Hong Kong, China

China, Taipei

Chinese Association of Engineering Consultants, Taipei, China

Colombia

Cámara Colombiana de la Infraestructura

Croatia

Croatian Association of Consulting Engineers

Czech Republic

Czech Association of Consulting Engineer

Denmark

Foreningen af Rådgivende Ingeniører

Dominican Republic

BG Ingenieros Consultores

Ecuador

Asociación de Compañías Consultoras del Ecuador

Egypt

Egyptian Society of Consulting Engineers

Estonia

Estonian Association of Architectural and Consulting Engineering Companies

Finland

Finnish Association of Consulting Firms

France

CICF/SYNTEC-Ingenierie

Germany

Verband Beratender Ingenieure

Ghana

Ghana Association of Consultants

Greece

Hellenic Association of Consulting Firms

Hungary

Association of Hungarian Consulting Engineers and Architects

Iceland

Félag Ráðgjafarverkfræðinga

India

Consulting Engineers Association of India

Indonesia

National Association of Indonesian Engineering Consultants

Iran

Iranian Society of Consulting Engineers

Ireland

Association of Consulting Engineers of Ireland

Israel

Israeli Organization of Consulting Engineers and Architects

Italy

Sindacato Nazionale Ingegneri e Architetti Liberi Professionisti Italiani

Japan

Association of Japanese Consulting Engineers

Jordan

Jordan Architects and Consulting Engineers Council

Kazakhstan

Kazakhstan Association of Consulting Engineers

Kenya

Association of Consulting Engineers of Kenya

Korea

Korea Engineering and Consulting Association

Kuwait

Union of Kuwaiti Engineering Offices and Consultant Houses

Latvia

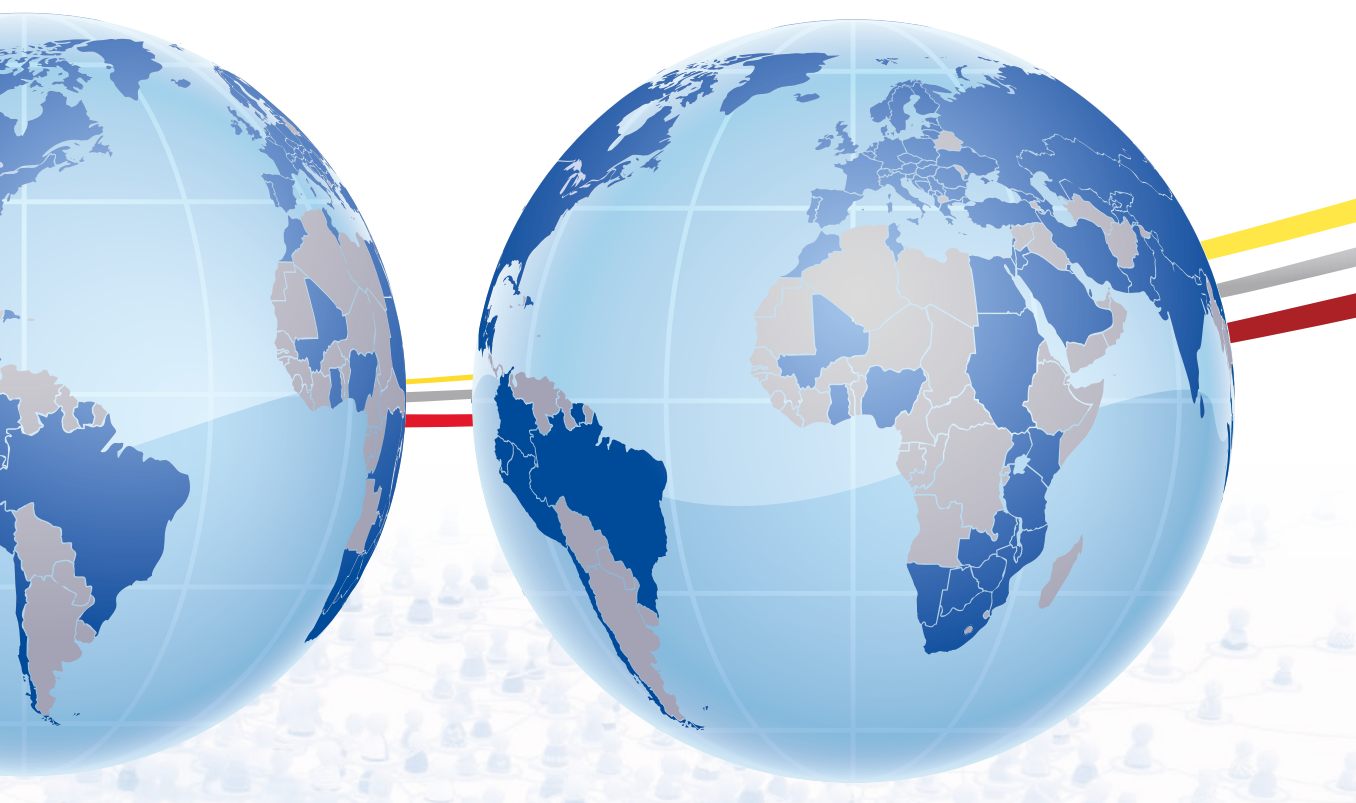
Latvian Association of Consulting Engineers

Lebanon

Lebanese Association of Consulting Engineers

Lithuania

Lithuanian Association of Consulting Companies



Luxembourg

Ordre des Architectes et des Ingénieurs-conseils, d'Ingénierie et de Consultance

Malawi

Association of Consulting Engineers of Malawi

Malaysia

Association of Consulting Engineers Malaysia

Mali

Order of Consulting Engineers of Mali

Mexico

Cámara Nacional de Empresas de Consultoría de México

Montenegro

Association of Consulting Engineers of Montenegro

Morocco

Fédération Marocaine du Conseil et de l'Ingénierie

Mozambique

Associação de Empresas Moçambicanas de Consultoria

Namibia

Association of Consulting Engineers of Namibia

Nepal

Society of Consulting Architectural and Engineering Firms, Nepal

Netherlands

Nlengineers

New Zealand

Association of Consulting Engineers New Zealand

Nigeria

Association of Consulting Engineers, Nigeria

Norway

Association of Consulting Engineers, Norway

Pakistan

Association of Consulting Engineers Pakistan

Palestine

Engineers Association

Peru

Asociación Peruana de Consultoría

Philippines

Council of Engineering Consultants of the Philippines

Poland

Stowarzyszenie Inżynierów Doradców i Rzeczoznawców

Portugal

Associação Portuguesa de Projectistas e Consultores

Romania

Romanian Association of Consulting Engineers

Russia

Russian Association of Engineering Consultants

Saudi Arabia

Saudi Council of Engineers

Serbia

Association of Consulting Engineers in Serbia

Singapore

Association of Consulting Engineers Singapore

Slovakia

Slovak Association of Consulting Engineers

Slovenia

National Association of Consulting Engineers of Slovenia

South Africa

Consulting Engineers South Africa

Spain

Asociación Española de empresas de Ingeniería, Consultoría y Servicios Tecnológicos

Sri Lanka

Association of Consulting Engineers, Sri Lanka

Sudan

Sudanese Engineering and Architecture Consultancy Association

Suriname

Orde van Raadgevende Ingenieurs in Suriname

Sweden

Swedish Federation of Consulting Engineers and Architects

Switzerland

Union Suisse des Ingénieurs-Conseils

Tanzania

Association of Consulting Engineers Tanzania

Thailand

Consulting Engineers Association of Thailand

Trinidad & Tobago

Joint Consultative Council for the Construction Industry

Tunisia

Association Nationale des Bureaux d'Etudes et des Ingénieurs Conseils

Turkey

Association of Turkish Consulting Engineers and Architects

Uganda

Uganda Association of Consulting Engineers

Ukraine

Association of Engineers-Consultants of Ukraine

United Kingdom

Association of Consultancy and Engineering

USA

American Council of Engineering Companies

Uzbekistan

Uzbek Association of Consulting Engineers

Vietnam

Vietnam Engineering Consultant Association

Zambia

Association of Consulting Engineers of Zambia

Zimbabwe

Zimbabwe Association of Consulting Engineers



“Sustainable Solutions for a Changing World”

The FIDIC Centenary Conference in Barcelona identified the many challenges facing humanity in the coming years. These include urbanisation, water shortages, more efficient and alternative energy sources, improved transport, sanitation and waste management. Millions of people still have limited or no access to basic infrastructure, and more developed nations need to find sustainable options for investment in infrastructure.

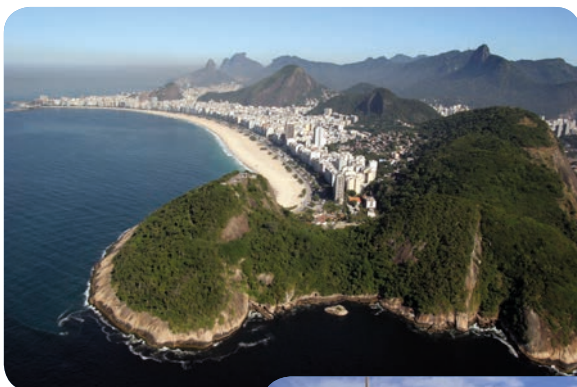
The Consulting Engineering industry, which carries considerable responsibility for identifying such solutions, requires the support of many other partners to achieve such solutions. Governments, financial institutions, industry federations and associations, professional institutions, the insurance industry, and many others all need to find better ways of collaborating to achieve these global objectives.

With the backdrop of the buoyant Brazilian market and within the context of the broader demands across Latin America, these cross cutting issues will be explored in depth utilising a range of international experts and industry leaders.

Today, more than ever before, the critical decisions being made on investment in infrastructure require suitable professional advice, as early as possible, taking into account the full cycle of the infrastructure asset.

The world continues to change rapidly, with the impact of decisions made in one country often rapidly felt by other countries, in this increasingly global connectivity. A more collaborative approach is therefore essential to sound economic growth and sustainable development.

All those interested in infrastructure development are cordially invited to Rio de Janeiro in 2014. Details will become available at www.fidic2014.org.



Secretariat

Enrico Vink, Managing Director
François Baillon, Commercial Director
Italo Goyzueta, Deputy Director
Silvia Fossati, Training Manager
Eivor Chollet, Events Coordinator
Christophe Sisto, Design and Publications Manager
Maria-Blanca Trabazos, Accountant & HR
Peter van der Togt, Bookshop Manager
Anne Kokeri, Executive Administrator
Habib Benyettou, IT Support
Samuel Mwamsamali, FIDIC Africa Manager

FIDIC Key Objectives

- Be the recognised international authority on issues relating to consulting engineering best practice
- Actively promote high standards of ethics and integrity among all stakeholders involved in the development of infrastructure worldwide
- Maintain and enhance FIDIC's representation of the consulting engineering industry worldwide
- Enhance the image of Consulting Engineering
- Promote and assist the worldwide development of a viable consulting engineering industry
- Promote and enhance the leading position of FIDIC's Forms of Contract
- Improve and develop FIDIC's training and publishing activities
- To promote and encourage the development of Young Professionals in the Consulting Engineering Industry

The Global Voice of Consulting Engineers



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The Global Voice of Consulting Engineers