FEPAC – APC SYMPOSIUM 2018

WORLD CHALLENGES FOR THE DEVELOPMENT OF INFRASTRUCTURE

Alain Bentéjac, FIDIC President



9 May 2018 – Lima

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International Federation of Consulting Engineers The Global Voice of Consulting Engineers

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FEPAC – APC SYMPOSIUM 2018

THE ROLE OF FIDIC TO ACHIEVE INFRASTRUCTURE DEVELOPMENT WITH INTEGRITY, QUALITY & SUSTAINABILITY

Alain Bentéjac, FIDIC President



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International Federation of Consulting Engineers The Global Voice of Consulting Engineers

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The consulting engineering sector

- Global construction characteristics,
- Continuing challenges,
- Emerging challenges.









Global construction characteristics

- <u>Annual investment</u> in the construction sector : \$7 trillion,
- <u>Demand growing</u> anticipate up to \$9 trillion by 2020,
- Consulting Services \$400 500 billion,
- Consulting <u>market reforming</u> more global,
- Economies still fragile variable growth rates,
- More private and public funding,





Continuing challenges for the consulting engineering industry

- <u>Creating a substantial brand</u> for our industry globally,
- <u>Increasing demand</u> in terms of infrastructure development with larger and more complex projects,
- <u>Reducing the risks</u> for the industry, the clients and society in cost based procurement,
- <u>Fighting corruption</u> to increase the effective benefit from infrastructure spending,
- <u>Ongoing market pressure</u> from clients to do more with less and growing expectation of perfection.



Emerging challenges for the consulting engineering industry

In a fast changing world, our industry is confronted with some new challenges:

- <u>Geopolitical & economic risks</u>: maintaining our industry in a world troubled by geopolitical & economic re-balancing,
- <u>Sustainability & climate change</u>: equipping our industry to reduce and mitigate climate change impact,
- <u>New technologies</u>: what is their impact (BIM, collaborative work, big data, block chain technology, IoT...) ?
- <u>Smart cities</u> urgent needs of urban environments.



Emerging challenges for the consulting engineering industry

In a fast changing world, our industry is confronted with some new challenges:

- <u>New business models</u>: is our industry on the verge of major disruption like other industries (banks, hospitality industry...) ?
- <u>Consolidation</u>: consequences of the trend towards mega firms,
- <u>New delivery methods</u>, such as PPPs, PFIs, Alliancing...
- Competitive threats and increasing protectionism,
- <u>Global shortage of skills future leaders</u>...



Place & role of consulting engineers

Yesterday:

- Trusted advisor respected,
- Highly professional,
- Independent,
- Integrity.

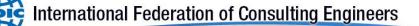








Participants in the 1914 Congress in Berne. Eighteen of the gentlemen mentioned in this History of FIDIC are identified on the photograph as follows: 1 Nagtglas-Versteg, 2 Blochmann, 3 Forssell, 4 Neeser, 5 Flesch, 6 de Grobert, 7 Fono, 8 Lebeau, 9 Roux, 10 Robert, 11 Gnoinski, 12 Leneveau, 13 Prangey, 14 Mathot, 15 Leroux, 16 Couturaud, 17 Masson, and 18 Frandsen.



Place & role of consulting engineers – New Opportunities

Today and tomorrow:

- Trusted advisor to clients,
- Procurement & investment strategist,
- Multi-disciplinary expert,
- Innovator,
- LCC considerations.





FIDIC's global role

- FIDIC's organization,
- FIDIC's vision & mission,
- FIDIC's role on procurement,
- FIDIC's priorities.





FIDIC: the organization

- FIDIC: Federation of International Consulting Engineers,
 ✓ Fédération Internationale des Ingénieurs-Conseils.
- Founded in 1913.

Objectives:

- Promote common professional interests,
- Disseminate information to the members of the constituent National Associations.





FIDIC: the organization

- 104 member associations (USA largest),
- Executive Committee (FIDIC board)
 - ✓ 9 members,
 - ✓ President: Alain Bentéjac (2017 2019)
- Secretariat in Geneva, Switzerland
 - ✓ Managing Director: Enrico Vink
- Standing Committees,
- DNS Advisory Council.





What FIDIC does:

Represent globally the consulting engineering industry Enhance the **image** of consulting engineers

Global Voice of Consulting Engineers



International Federation of Consulting Engineers The Global Voice of Consulting Engineers

www.fidic.org

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

Business Best Practice Tools & Guidelines





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Best practice guidelines & tools

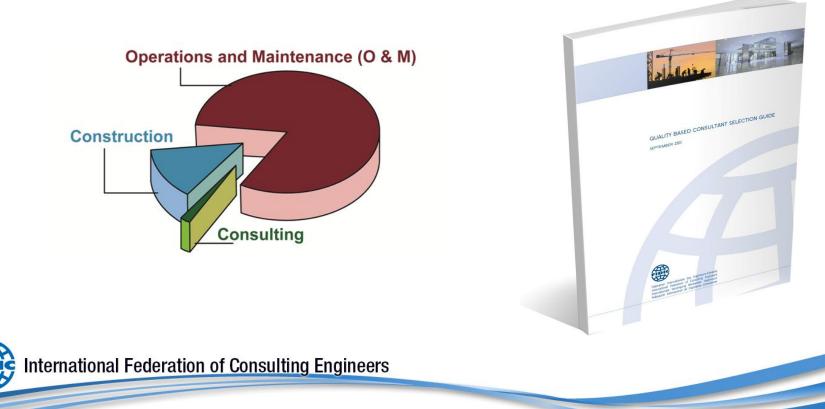
- How to choose a consulting engineer:
 - ✓ <u>Quality</u> based selection (QBS)
 - ✓ Define services (DOS)
- How to ensure ethics & <u>integrity</u> in the Industry:
 ✓ FIDIC's integrity management system (FIMS)
- How to choose the right project delivery method:
 ✓ Project <u>sustainability</u> management (PSM),
 ✓ Project sustainability workbook,
 - \checkmark FIDIC procurement procedures guide





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 lifecycle cost, and yet the consultant's work is key to the project success.



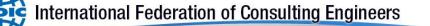
FIDIC on procurement

 Irrespective of the size of the project, the employer will look for a procurement strategy that results in contractual arrangements that will provide a defect-free solution, that is fit for purpose and completed in a timely fashion and within budget.

The strategy should take into account the need for economic whole-life operating and maintenance costs

- This requires a procurement package that is properly and fully prepared by experienced staff, <u>and includes the correct standard form</u> <u>of (FIDIC) contract</u>.
- QBS versus QCBS





Works Contracts – Rainbow Collection



More than 40,000 copies supplied each year



FIDIC rainbow suite, well known & used in parts of Latin America

- Public & private sector projects, and internationally funded projects,
- Balanced and fair –risk management tool, integrity management
- Available in Spanish and Portuguese,
- FIDIC contracts used in some 200 countries.
- FIDIC training in collaboration with associations in Peru, Chile, Argentina, Brazil, Mexico, and others
- FIDIC Dispute resolution solutions throughout Latin America

THE international standard for 60 years.





FIDIC Priorities:

- Lead the consulting engineering industry visibly & effectively,
- Strengthen FIDIC's position in the overall construction sector,
- Connect & support our membership more effectively,
- Adapt & improve the governance of the Federation,
- Innovate the way the Secretariat operates to be more effective & efficient.



Key Activities:

- Closer collaboration with members and improve communications social media, IT, expand online services
- Strengthen resources to enhance volunteer support outsourcing options and larger secretariat,
- Develop new and improved capacity building programmes FIDIC Accredited trainers and adjudicators; online training,
- Improve commercial strategies to leverage FIDIC products and services expand sales and licences, as well as training courses
- Enhance governance structure internal and external representation
- Strengthen strategic partnerships to raise industry profile link international partners to local strategies with Members



"Mobility & Smart Infrastructure"



save the Dates!