

MANAGEMENT OF ENGINEERING CONTRACTS

PRM015

COURSE DESCRIPTION

Most of engineering work is procured through contracts, within an array of delivery methods. This course examines the relationship between tenders and contracts and the various popular forms of delivery methods. The course covers the contractual strategy, the formation and documentation involved in engineering contracts, the bedding process, the commercial aspects of contractual agreements including payment types and conditions of contract, the contractual and administrative connections of project delivery, and dispute avoidance and resolution. Also, the course covers the Governmental Tenders and Procurement System and FIDIC contracts.

COURSE GOAL

To enhance the participants' knowledge, skills and abilities to identify the types of engineering contracts and how to study, analyze and formulate contracts and different stages required by the conclusion of the contract and methods of resolving disputes and disputes arbitration.

COURSE OBJECTIVES

By the end of this course, participant will be able to:

- Define the Engineering Contract.
- Determine EC documents.
- Be familiar with Responsibilities EC Parties.
- Select the best type and scope for the engineering contract.
- Organize the tendering process and select the best bidder.
- Design and implement the contractual provisions and their control.
- Solve the contractual issues that can arise between the partners.
- Be familiar with Governmental Tenders and Procurement System.
- Understand the FIDIC mechanism of dispute resolution.

WHO SHOULD ATTEND

- All Engineers.
- Directors, heads and staff in legal and administrative affairs.

COURSE DURATION

5 Working Days

COURSE OUTLINES

1. Introduction

- Engineering Contract (EC)
- Documents of EC
- Parties of EC and the Responsibilities of Each Party

2. Contractual Strategy

- Various EC Types
 - Advantages and Drawbacks
 - Selection of The Best Strategy.
- Main Equipment Purchase.
 - Validation of The Feed Specifications.
- Interfaces Between Contracts.
 - Relationship with Major International Contractors and Local Design Offices.
- Management of Single-Source and Monopoly Situations.
 - Open Bid Process.

3. Bidding Process

- Prequalification
 - Instructions to Tenderers.
 - Technical and Administrative Specifications.
 - Planning and Scheduling.
- Bid Evaluation Process.
 - Technical Alignment.
 - Selection of the Best Bidder.
- Management of Financial Risks
 - Inflation and Exchange Rate Variations
- Final Selection
 - Contract Award.
 - Single-Source Contract.
 - Negotiation Process.
- Preparation of the Bid Response by Contractor.
 - Regulations.
 - Risk Assessment and Reduction.

4. Engineering, Procurement and Construction (EPC) Contract Contents

- Agreement (Articles and Attachments).
 - Examples of The Main Chapters.
 - Supplier Lists.
- Insurance and Warranty Provisions.
 - Mutual No-Claim Agreements.

5. Contract Administration

- Placing Orders and Modifications.
 - Progress Measurement and Control.
- Management of Claims.
 - Project Closing
 - Acceptance
 - Activation of Warranty.
- Principles and Process of Negotiation During Contract Execution.

6. Governmental Tenders and Procurement System

- Definition of the System and its Objective
- Types of Government Tenders
- Government Tender Documents
- Tender Procedures
- Terms and Conditions
- Submission
- Financial, Administrative and Technical Committees

7. FIDIC Contracts

- Definition
- Importance
- Types
- Mechanism of Dispute Resolution

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