



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

# Introduction to FIDIC Guide Books for construction

Mrs. Milica Dugić, civ.eng.b.sc.,  
Procurement Expert/Civil Engineer - MISP



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

- **FIDIC** (*Federation Internationale des Ingenieurs-Conseils*) stands for International Federation of Consulting Engineers.
- Gathering members from 74 states
- FIDIC is dealing, amongst other issues with publishing of standard forms of contract.
- FIDIC contract conditions are established as standard forms of contract for use in the international construction industry



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

FIDIC: International Federation of Consulting Engineers - Microsoft Internet Explorer

File Edit View Go Favorites Help

Back Forward Stop Refresh Home Search Favorites History Channels Fullscreen Mail Print Edit

Address <http://www.fidic.org/>

FIDIC - International Federation of Consulting Engineers

Site map About FIDIC Contact FIDIC  
New News Diary Directories Experts Account Products

BOOKSHOP RESOURCES CONFERENCE FEDERATION REGIONS INTERNAL

New publications

Capacity building  
Business integrity  
Quality kit  
Dredgers contract

[More publications](#)

Special offers

Capacity building  
Business integrity

[More offers](#)

Selected resources

BIMILACI 2001 report  
FIDIC Report  
Annual Survey  
Annual Review  
2001 conference  
Contracts  
Contracts courses  
Adjudicators  
Sustainability  
Business integrity

Sustainable procurement forum

FIDIC's World Water Conference 2003 virtual forum explores new approaches for procuring sustainable water supply and irrigation systems, with a special emphasis on security and poverty alleviation. A unique feature will be a step-by-step analysis of how to apply the new approaches to a model project. Contributors need only [sign on](#) to participate.

[Meeting globalisation](#)

Online registration for the FIDIC 2002 Conference in Acapulco (29 September - 2 October) is [now open](#). The conference features business capacity and industry governance to meet the challenge of globalisation.

News

**Sustainable development forum**  
The Shanghai Municipal Government is to organize with FIDIC a high-level forum on sustainable development in order to establish partnerships for the city's redevelopment. Training courses for urban administrators will also be held. Meanwhile, FIDIC has released a [review](#) of the consulting engineering industry that forms part of its input to the World Summit on Sustainable Development 2002.

[More events news](#)

**Enterprise collections**  
Following a major redesign of its shopping website, FIDIC now supplies extremely user-friendly enterprise editions of its document collections. These editions allow a single Authorization String to install every encrypted whole-document PDF file in the collection on a user's computer, notably inexpensive versions that can be browsed for one year.

Search [Advanced](#)

Order code

[Submit](#) [Account](#)

National associations

Countries ...

INTERNAL

Forums Search Faxmail

FIDIC, BP 86, CH-1000  
Lausanne 12  
Switzerland  
13C Avenue du Temple  
Chailly, CH-1012  
Lausanne  
Tel +41-21-654 44 11  
Fax +41-21-653 54 32  
Cell +41-79-298 96 66  
W@P: [www.FIDIC.org](http://www.FIDIC.org)  
[fidic@fidic.org](mailto:fidic@fidic.org)

<http://www.fidic.org/resources/default.asp>

Internet zone

Start Microsoft Word - Docum... Microsoft PowerPoint - [...] FIDIC: International ... 11:20



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## ➤ WHY FIDIC?

- Because FIDIC is most rife organization that prepares standards for contracting and managing of investment projects.
- Rising number of investment projects in Serbia, arrival of foreign companies to Serbian construction market, as well as arrival of organizations which finance construction (EAR, EBRD), are good enough reasons for us to get introduced to world recognized and accepted contracting standards.



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

# Question: Which FIDIC contract should be used?





Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## For contracting in civil engineering 4 basic forms of contract exist:

- **Green book** – Short Form of Contract
- **Red book** – Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer
- **Yellow book** – Conditions of Contract for Plant and Design-Build for Electrical and Mechanical Plant and for Building and Engineering Works Designed by the Contractor
- **Grey book** – Conditions of Contract for EPC/Turnkey Projects





Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## ➤ **The Green book** (*Short Form of Contract*).

- Relatively small value, short construction time or involving simple or repetitive work, then consider using the ***Short Form of Contract***.
- In that case it does not matter whether the design is provided by the Employer (or his Engineer/Architect if he has one) or by the Contractor
- It does not matter whether the project involves construction, electrical, mechanical, or other engineering work.



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## ➤ **The Red book** (*Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer -The Construction Contract*)

- As in traditional projects, e.g., infrastructure, buildings, hydropower, etc., the Employer did nearly all the design,
- when the Engineer administered the Contract, monitored the construction work and certified payment,
- and with payment according to bills of quantities or lump sums for approved work done.





Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## ➤ **The Yellow book** (*Plant and Design-Build Contract*)

- As in traditional projects, e.g., electrical and mechanical works, including erection on site (*The Yellow Book*), and
- When the Contractor (or Supplier) has done majority of design and the project was required to fulfill the “Employer’s Requirements”.



Municipal Infrastructure Support Programme  
An EU-funded project

MUNICIPAL INFRASTRUCTURE SUPPORT PROGRAMME

●●● Building together for the future

PROGRAM PODRŠKE RAZVOJU INFRASTRUKTURE LOKALNE SAMOUPRAVE

●●● Gradimo zajedno za budućnost

## The Grey book (*EPC/Turnkey Contract*)

- When the Concessionaire takes total responsibility for the financing, construction and operation of the Project, and Contractor takes total responsibility for the design and construction,
- when there is a higher degree of certainty that the agreed contract price and time will not be exceeded,
- when the Employer does not wish to be involved in the day-to-day progress of the work,
- when parties concerned are willing to see the Contractor paid more for the construction of the Project in return for the Contractor bearing the extra risks associated with enhanced certainty of final price and time.