

Standard Forms of Contract commonly in Use

TRADITIONAL PROCUREMENT

China

- Building and Engineering Construction Contract, issued by the Ministry of Construction and the Department of Labour and Commerce, 2007 Edition.
- Building and Engineering Construction Specialist Sub-contract, issued by the Ministry of Construction and the Department of Labour and Commerce, 2007 Edition.
- Building and Engineering Construction Labour Sub-contract, issued by the Ministry of Construction and the Department of Labour and Commerce, 2007 Edition.
- FIDIC Conditions of Contract for Construction published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

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TRADITIONAL PROCUREMENT

Hong Kong

- Agreement and Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region (Standard Form of Building Contract Private Edition – With Quantities 2005 Edition).
- Agreement and Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region (Standard Form of Building Contract Private Edition – Without Quantities 2006 Edition).
- Agreement and Schedule of Conditions of Nominated Sub-Contract for use in the Hong Kong Special Administrative Region, 2005 Edition.
- Agreement and Schedule of Conditions of Nominated Supply Contract for use in the Hong Kong Special Administrative Region, 2005 Edition.
- General Conditions of Contract for Building Works published by the Government of the Hong Kong Special Administrative Region, 1999 Edition.
- Standard Form of Contract for Minor Works (1992, 1st Edition, first amendment published January 2003, English and Chinese).
- General Conditions of Contract for Civil Engineering Works published by the Government of the Hong Kong Special Administrative Region, 1999 Edition.
- Sub-Contract for Building Works to be used in conjunction with the General Conditions of Contract for Building Works (1999 Edition) published by the Government of the Hong Kong Special Administrative Region, 2000 Edition.

Standard Forms of Contract commonly in Use

TRADITIONAL PROCUREMENT

Malaysia

- Standard Form of Contract to be used where Bill of Quantities Form Part of The Contract PWD 203A (Rev. 2007) published by Jabatan Kerja Raya (JKR).
- Standard Form of Contract to be used for Contract where Drawings and Specifications form part of the Contract PWD 203 (Rev. 2007) published by Jabatan Kerja Raya (JKR).
- Standard Form of Sub-Contract for Nominated Sub-Contractor where The Main Contract is based on Form PWD 203 or 203A, PWD 203N (Rev. 2007) published by Jabatan Kerja Raya (JKR).
- Standard Form of Sub-Contract for Nominated Suppliers where The Main Contract is based on Form PWD 203 or 203A, PWD 203P (Rev. 2007) published by Jabatan Kerja Raya (JKR).
- Agreement and Conditions of PAM Contract 2006 (with Quantities) published by Pertubuhan Akitek Malaysia (PAM).
- Agreement and Conditions of PAM Contract 2006 (without Quantities), published by Pertubuhan Akitek Malaysia (PAM).
- Agreement and Conditions of PAM Sub-Contract 2006 for use where the Sub-Contractor is nominated under the PAM Contract 2006, published by Pertubuhan Akitek Malaysia (PAM).
- CIDB Standard Form of Contract for Building Works 2000 Edition, published by the Construction Industry Development Board Malaysia (CIDB).
- CIDB Standard Form of Sub-Contract for Nominated Sub-Contractor for use in conjunction with the CIDB Standard Form of Contract for Building Works, Form CIDB.B(NSC)/2002 published by the Construction Industry Development Board Malaysia (CIDB).

Standard Forms of Contract commonly in Use

TRADITIONAL PROCUREMENT

Singapore

- Articles and Conditions of Building Contract published by the Singapore Institute of Architects, 8th Edition (Measurement Contract).
- Articles and Conditions of Building Contract published by the Singapore Institute of Architects, 8th Edition (Lump Sum Contract).
- Conditions of Sub-Contract for use in conjunction with the Singapore Institute of Architects Main Building Contract published by the Singapore Institute of Architects, 4th Edition.
- Public Sector Standard Conditions of Contract for Construction Works published by the Building and Construction Authority, 6th Edition December 2008.
- Standard Conditions of Nominated Sub-Contract for use in conjunction with the Public Sector Standard Conditions of Contract for Construction Works 2008 published by the Building and Construction Authority, 5th Edition December 2008.

Standard Forms of Contract commonly in Use

TRADITIONAL PROCUREMENT

Thailand

- FIDIC Conditions of Contract for Construction published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

United Arab Emirates (Dubai and Abu Dhabi)

- FIDIC Conditions of Contract for Construction published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.
- NEC3 Engineering and Construction Contract published by the NEC, June 2005 (with Amendments June 2006).

Vietnam

- FIDIC Conditions of Contract for Construction published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

India

- FIDIC Conditions of Contract for Construction published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.
- Conditions of Contract for Construction published by Indian Institute of Architects, Bombay.
- General Conditions of Contract published by Central Public Works Department, Revised Edition 2008.

Standard Forms of Contract commonly in Use

DESIGN & BUILD PROCUREMENT

China

- FIDIC Conditions of Contract for EPC/Turnkey Projects published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

Hong Kong

- General Conditions of Contract for Design and Build Contracts published by the Government of the Hong Kong Special Administrative Region, 1999 Edition.

Malaysia

- Standard Form of Design and Build Contract PWD Form DB (Rev. 2007) published by Jabatan Kerja Raya.

Singapore

- REDAS Design and Build Conditions of Contract published by the Real Estate Developers' Association of Singapore, 2nd Edition October 2007.
- Public Sector Standard Conditions of Contract for Construction Works published by the Building and Construction Authority, 5th Edition December 2008.

Standard Forms of Contract commonly in Use

DESIGN & BUILD PROCUREMENT

Thailand

- FIDIC Conditions of Contract for Plant and Design-Build published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

United Arab Emirates (Dubai and Abu Dhabi)

- FIDIC Conditions of Contract for Plant and Design-Build published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

Vietnam

- FIDIC Conditions of Contract for Plant and Design-Build published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

India

- FIDIC Conditions of Contract for Plant and Design-Build published by the Federation Internationale des Ingenieurs-Conseils, 1st Edition 1999.

construction procurement essentials

Procurement Arrangements in a Nutshell

Traditional Procurement

Under traditional procurement, the Client engages an Architect and other Consultants to develop and complete a detailed design for a building project, through drawings and a set of prescriptive specifications. The construction is carried out by a Contractor who is appointed after a competitive tender or through negotiation.

Traditional procurement separates the design and construction processes. The Contractor has no responsibility for design and carries out the work as shown and described in documents provided by the Employer and his professional advisers. The basis of the tender price is for a fixed design element provided by the design consultants to varying levels of detail.

Design & Build

Design-build offers an integrated supply chain from design to construction of a building project and provides a single point of contact for the Client. In design-build, the Client assembles an outline design and states his functional requirements for the Contractor to provide a design solution who also executes the construction of the building. The Contractor takes full control and responsibility contractually of the whole design and construction process from start to finish.

Design-build variants have also been developed in an attempt to bring about the best combination of achieving the 'one-stop shop' for the Client.

Procurement Arrangements in a Nutshell

Modified Traditional Approach with Contractor-Designed Portions

The modified traditional procurement method provides for defined parts of the works (for example, architectural works) to be designed by the Client-appointed Architect. The remaining portions (commonly, the structural works and mechanical and electrical services) are left to the Contractor who takes responsibility for the design and integrating them with the architectural portion for construction.

Guaranteed Maximum Price Contracts

A Guaranteed Maximum Price (or GMP) is effectively a lump sum price for a project where the amount of money that a Client is contractually obliged to pay is the maximum price. In GMP contracts, the risk of the final cost exceeding the price cap and cost overruns falls on the Contractor whose entitlement to payment is capped at the GMP level.

The characteristic price cap in GMP contracts bears the hallmark of cost certainty and can best be described as a lump sum price with very limited rights to adjustments for variations.

GMP contracts can work in a variety of procurement routes – from the traditional approach to modified traditional with contractor-designed portions, design-build or management-oriented arrangements.

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Procurement Arrangements in a Nutshell

Management-oriented Arrangements

Construction management is an interactive procurement concept involving the combined efforts of the Client, Construction Manager, design consultants and a multitude of Trade Contractors. The Client contracts directly with all Trade Contractors while the Construction Manager, on behalf of the Client, programmes and manages the entire delivery process from inception to completion.

A Construction Manager is a consultant, design team coordinator, manager of the myriad of Trade Contractors and the Client's construction adviser but is not the Main Contractor.

A variant of construction management is management contracting where the works are let out in work packages by the Management Contractor who is reimbursed the costs of such works, plus a fee which can be a percentage of the costs or a fixed sum. It is contrasted to construction management in that it is the Management Contractor, not the Client, who contracts with each of the Works Contractors.

Public-Private Partnerships

Public-Private Partnership (PPP) is a generic term which describes the various possible structures whereby the public and private sectors work together in the delivery of services and the provision and operation of an asset such as a building, facility, plant or equipment.

The procurement of services (as opposed to assets) by the public sector Client is from an asset designed, constructed, funded and maintained by the private sector. Through PPP, private sector involvement introduces innovation and a high level of financial, managerial and technical expertise.

Broadly, a typical PPP model involves the procuring authority (or public agency) contracting with the Special Purpose Vehicle (SPV) under a long-term service purchase agreement of usually 15 to 30 years for the design, construction, maintenance and operation of the facility. The SPV enters into a range of sub-contracts for the construction works, and also for the operations and maintenance of the asset.

Typical forms of project structures under PPP include Design, Build, Finance, Operate (DBFO); Design, Construct, Manage, Finance (DCMF); Build, Own, Operate (BOO); Build, Operate, Transfer (BOT); Build, Own, Operate, Transfer (BOOT); and Private Finance Initiative (PFI).