



## ICCP Public Webinar Series

### Webinar 1: Selecting the Best Form of Contract | 22<sup>nd</sup> October 2019

**The following includes all questions that we did not have time to respond to during the live webinar. We have collated all question answers below for the benefit of all attendees.**

#### Question 1

**From:** Cresencio Manolito

**Question:** What can you advise on the risks faced with a lump sum project where a multi-billion housing project separate site preparation and road network construction to the housing construction both EPC contract?

**Answer:**

There are several risks in a situation where two or more contractors will share the same site and careful thought and organisation pre-contract will avoid many pitfalls and reduce risks, including the risk of claims. Here are a few to consider:

I assume that the road contractor will be responsible for all the infrastructure as well as the roads. The Employer's requirements should state specifically the extent of each contractor's scope of works, particularly with regard to services.

Where does the infrastructure contractor terminate cables, mains and drainage and how? Which contractor is responsible for local and statutory authority inspections and the sign off of services and who pays the fees?

Will the building contractor have service connections in a timely manner for testing and commissioning and handover of the houses?

Access will always need to be coordinated if you are to avoid claims for lack of access from the housing contractor. A clause in the contract should ensure cooperation, but this will also require careful programming and coordination.

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## Question 2

**From:** Hari Krishna D.

**Question:** What are the entitlements of the Contractor in a Force Majeure condition under Red Book?

**Answer:**

Clause 19 of the Red Book provides that "*Force Majeure*" means an exceptional event or circumstance:

- (a) *which is beyond a Party's control,*
- (b) *which such Party could not reasonably have provided against before entering into the Contract,*
- (c) *which, having arisen, such Party could not reasonably have avoided overcome, and*
- (d) *which is not substantially attributable to the other Party*

If these conditions are satisfied, the Contractor will be entitled to an extension of time to the extent that any delay affects the completion date and, in some circumstances, the payment of cost incurred as a result of the event.

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## Question 3

**From:** Ramesh Kuntamalla

**Question:** Does ICCP membership recognised within Australian construction market?

**Answer:** The ICCP is an international organisation with members in over 30 countries including Australia. I'm not sure what you mean by 'recognised' but any organisation checking the ICCP's credentials from the website can see that our



members have to attain a certain professional standard to be accepted at the appropriate grade.

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**Question 4**

**From:** Danilo Martinez

**Question:** Under which form of FIDIC template, would CM@risk be considered?

**Answer:** Sorry Danilo, I do not understand your question.