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DRBF THE HAGUE REGIONAL CONFERENCE



A brief look at how Dispute Boards are both necessary and beneficial for the successful completion of an Airport





It could be restoring CERTAINTY...

- At the outset price, time, scope and risks are allocated and understood
- Consider that the **agreement** of entitlements as revising the original price, time, scope and risks
- The Dispute Board can facilitate agreement
- Understand the revision(s)
- Press the reset button and move on
- Certainty is re-established





Why is certainty so important

Consider that the construction element of a new airport, an extension to existing or refurbishment to existing is just part of a very large jigsaw





Consider the numerous Stakeholders or interested parties in the timely completion of the project

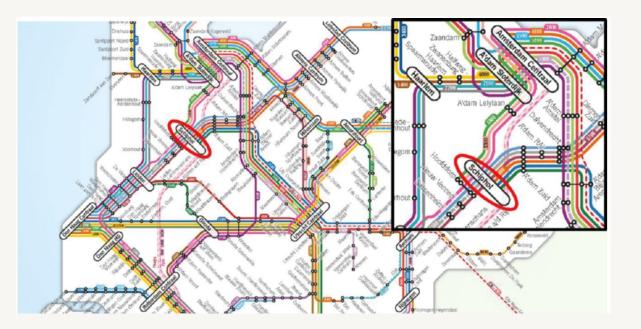
- The contracting Parties (including sub-contractors and sub-suppliers) for sure but a wider view
- Airlines and their suppliers
- Passengers •





Consider the numerous Stakeholders or interested parties in the timely completion of the project - the list goes on and on...

- Interface transport
 - Trains,
 - Buses
 - Taxis
- Customs
- Immigration and Security Authorities
- Travel agents
- Holiday firms





All stakeholders need certainty of a completion date to plan

- To recruit
- To train
- To buy equipment
- To sell seats
- To sell holidays
- To book holidays
- And much more...





The completion date is a "Christmas Tree Contract"

Certainty of a construction completion date (and operation date) even if revised is needed a long time before construction is completed





Disputes will occur that's why there is dispute resolution clause

At the outset there was certainty

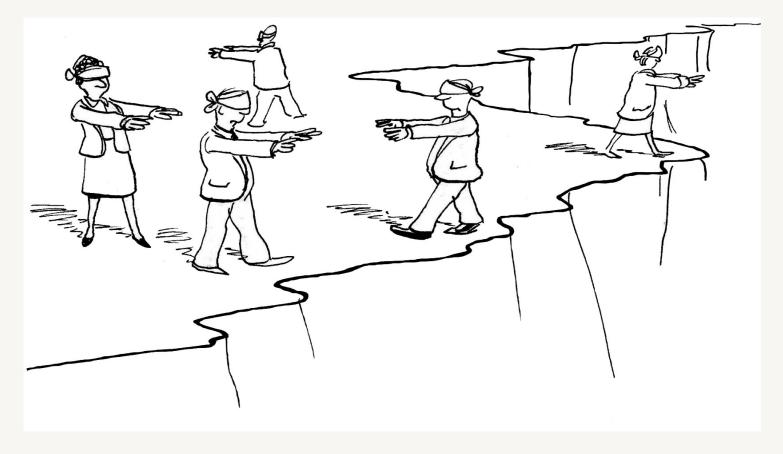
Use the DB wisely to restore certainty in real time

FIDIC has added the second A = Avoidance within the 2017 suite embrace the concept whatever the form of Contract

Prepare to use a Dispute Board from the outset of a project – it is not a negative but a positive to maintain certainty



What we should understand





What we should understand

- The Dispute Board is not a panacea for
 - Problems caused by poor design (Engineer and/or Contractor)
 - An inadequate budget (Employer)
 - An inadequate price (Contractor)
 - Poor performance and unfulfilled obligations (All)
- The DB will/should recognise only entitlements

but it can assist to resolve issues in real time





What we should understand

- Know your DB
 - Propose a member who is appropriate for the project
 - Propose a member who will understand your scope of work
- Know the rules and the likely method of operation of the DAAB [example FIDIC 2017 Annex DAAB Procedural Rules]



What we should understand - if discussions fail and there is a need for the Dispute Board to make a Decision

- Preparation is key
- Put others in a position where they cannot afford to say NO!
- Have the confidence to say NO to a claim
- Do not make unjustified demands



What we should understand - take aways...

- So embrace the DAAB help them to help you!
- A failure to use the avoidance function of a DB
 - Leads to "adjudication" and possibly arbitration
 - The decision making process is in the hands of others
 - Clarity/certainty is lost



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Thank you for listening and

good luck in achieving certainty...

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