

THE FIDIC WHITE BOOK AND WHY THE QUALITIES OF THE CONSULTANT DETERMINE THE SUCCESS OF THE PROJECT

[Mariya Endreva, Attorney-at-law, Associate](#)

The International Federation of Consulting Engineers (FIDIC - Federation internationale des ingenieurs-conseils) publishes its books in the effort to guarantee the interests of all parties to a FIDIC Agreement (client, contractor, engineer) at all stages of its implementation. The White Book (**Client-Consultant Model Services Agreement**) sets out the rules of the good world practice in the relations between the Client and the Consultant. These relations begin at the earliest stage of the project, as early as the phase of the concept and the strategy for the project implementation options. They continue until the completion of the project, including its setting into operation provided it is envisaged in the Agreement.

It is important for the successful start and implementation of a project under the FIDIC White Book to make sure that the responsibilities of the participants are well known to each of the parties to the Agreement. Thus **the Client** (the contracting authority) is legally responsible for the overall project and the way of its implementation. The Client is not necessarily the investor; the Client may use one like a bank, a financial institution, etc. **The Consultant** is responsible before the Client; he is employed by the Client to ensure **optimal conditions for the completion of the project**. The Consultant is present throughout the project implementation process. The Project is the set of activities ensuring the successful attainment of a set objective.

It is recommendable that the Consultant be given freedom to identify the necessary actions (services) and his specific obligations under the Agreement in connection with his highly specialized expertise. The Consultant should possess much more knowledge and sufficient skills to identify the necessary services he has to perform for the optimal implementation of the project. Therefore the choice of a good Consultant is the first step towards the success of the project.

What must the services of the Consultant comprise so that to provide conditions for the successful completion of the project?

1. A project starts with the phase of **the concept and the strategy for the implementation options**. Initially, the Consultant has to determine whether the project makes financial sense and identify its main parameters, to make a market research, and to define the services under the Agreement. The correct performance of these services guarantees the appropriate choice of the way to implement the project.
2. The next phase is **the due diligence** exercise of the Consultant, which includes: study of the available financial resources, the legal and property status (for instance, inquiry as to whether the Client is the owner of the plot), and the existing legislation. The correct performance of these services guarantees the successful implementation of the subsequent phases.
3. **Feasibility studies**, which include the development of various scenarios, analysis of and costing of the scenarios, choice of the final option, planning of the implementation work, and

the structure of costs. The correct performance of these services guarantees the efficiency of investment costs.

4. The services of the Consultant cover also assistance and support to the Client also in the **design** phase. The Consultant performs the following activities: preparation of specifications for the Client (the project framework); selection of a designer (through a tendering procedure or directly, depending on the Client and the requirements of the financing institution); supervision of design work; approval of the final design; final costing (calculation of quantities, operational costs, establishment of the final price).
5. In the course of **the implementation of the project**, the role and obligations of the Consultant include: selection of a Contractor; selection of an Engineer (supervision); supervision of works. The correct performance of these services guarantees the profitability of the project implementation. The Consultant administers the agreement between the Client and the Contractor (typically a builder).
6. The Client/Consultant relationships continue until the completion of the project, including its **setting into operation** provided it is envisaged in the Agreement. The activities in which the Consultant may engage are as follows: training of the user (personnel); actual setting into operation. The correct performance of these services guarantees the return on the capital investment.

It is recommendable that all these services be covered by an agreement between the Client and the Consultant so that to ensure the successful implementation of the project. It is best to have the agreement signed at the phase of the concept and strategy but, more often than not, this is not the case. Therefore it is advisable to conclude it at least prior to the opening of the tender procedure to enable the Consultant to get involved in the design phase. Experience has borne it out that the failure in this stage typically stalls the whole project. Moreover, during the design phase it is still possible to modify the project, which is very difficult, if not utterly impossible later on.