



**Chartered Institution of Civil Engineering Surveyors
UAE Region
Memorandum**

14 June 2012

To: All members of the UAE construction/surveying/engineering industry, with some experience in Abu Dhabi.

Dispute Resolution Statistics for Abu Dhabi's Construction Industry

We are conducting a survey for statistics to be included within a future Continuing Professional Development (CPD) presentation. Your feedback will enable us to make the most meaningful presentation and your contribution will count towards your own CPD.

We would be obliged if you would set aside 15 minutes to complete the attached questionnaire and forward a scanned copy to us. If you are able to convince some of your colleagues to make a return as well, that would be most appreciated.

We intend to publish a summary of the survey results for your information, together with an article on the related CPD presentation, in the Civil Engineering Surveyor as UAE regional news. Kindly note that no names, organizations or specific project details are required; to maintain confidentiality. Your return will contribute to the pool of Civil Engineering Surveying knowledge on the UAE; for the benefit of the Emirate and the profession as a whole.


Kindly submit a pdf scan of your return to: development@cices.org with a copy to: sronan@cices.org by 14th July 2012.

Thank you in advance for your kind assistance.


Chartered Institution of Civil Engineering Surveyors

Attached: pdf questionnaire


**Survey in preparation for future ICES CPD presentation
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 Please tick the most appropriate box based upon the last 5 years experience on typical construction projects in Abu Dhabi.		Strongly Agree	Agree	Sometimes Agree	Disagree	Strongly Disagree	It depends
1.0	Answered from the perspective of:						
1.1	A client organisation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2	A contractor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.3	An independent consultancy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.0	Project cost						
	The majority of our projects cost in excess of:						
2.1	10 million U.S. dollars (AED 36 million).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	50 million U.S. dollars (AED 180 million).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3	100 million U.S. dollars (AED 360 million).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.0	Contract information						
	A substantial proportion of our projects use the following as the base contract, subject to amendments.						
3.1	FIDIC 4th edition 1987/1992.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2	FIDIC 1999 red or yellow books.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.3	NEC3 (Engineering & Construction Contract).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.4	Bespoke contracts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.0	Dispute resolution procedures						
4.1	A dispute adjudication board or adjudicator is appointed at the project commencement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>


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4.2	A dispute adjudication board or adjudicator is appointed on an ad-hoc basis if required during the project.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.3	An independent expert is appointed to assist the parties in settling disputes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.4	Mediation / counselling techniques are used to encourage the parties to settle their disputes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.5	The Employer utilises his own dispute resolution procedure e.g. requiring management representatives from the parties to try and resolved the dispute, prior to Arbitration or Litigation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.0 Settlement of disputes							
5.1	An amicable settlement is reached within a reasonable time and at a fair value.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.2	The Engineer or Contract Administrator acts impartially , when making determinations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.3	The Engineer or Contract Administrator acts fairly , when making determinations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.4	Arbitration is the preferred method of binding dispute resolution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.5	Litigation (the court system) is the preferred method of binding dispute resolution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>


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5.6	Disputes are usually settled before reaching Arbitration or Litigation stage.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.0	Types of dispute A substantial proportion of disputes are related to:						
6.1	Interpretation of the contract conditions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.2	Interpretation of drawings and specifications.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.3	Valuation of variations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.4	Extension of time entitlements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.5	Quality of design.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.6	Quality of construction.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.0	Impact of disputes (approximate) For a typical project caused:						
7.1	Project delays in excess of:						
	a) 1 month.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b) 2 months.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	c) 3 months.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.2	Increased overall cost of project by more than:						
	a) 1%.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	b) 3%.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	c) 5%.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	d) 10%.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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7.3	A detrimental impact on the quality of the design.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.4	A detrimental impact on the quality of construction work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.0	Mitigation of dispute impact A quicker settlement of disputes would have significantly:						
8.1	Reduced project delays.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.2	Reduced project costs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.3	Improved the quality of design.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.4	Improved the quality of construction.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.0	Future change If a change to the dispute resolution process was acceptable to the parties to future contracts in Abu Dhabi, what would your opinion be to the following propositions:						
9.1	Mediation / counselling by an independent 3rd party, at a low cost shared between the parties on a 50/50 basis, relying on mutual trust and cooperation, would be an effective method of dispute resolution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 <p>Please tick the most appropriate box based upon the last 5 years experience on typical construction projects in Abu Dhabi.</p>	Strongly Agree	Agree	Sometimes Agree	Disagree	Strongly Disagree	It depends
<p>9.2 Fast track Adjudication or Dispute Adjudication Boards, with industry experts giving independent and impartial contractually binding determinations, within a timescale of 1 - 3 months at reasonable cost shared 50/50 between the parties, would be an effective method of dispute resolution.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>9.3 Arbitration with its independent, impartial and finally binding nature, often using industry experts, whilst taking many months or years to reach a resolution is the most appropriate method to settle disputes, particularly as costs may be awarded in favour of the winner i.e. losing party to pay costs of arbitration.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>9.4 Litigation through the courts is the best solution for settling disputes due to its final and binding nature; particularly as costs may be awarded in favour of the winner i.e. losing party to pay costs of litigation; though it may take more than one year to reach a determination, especially if appeals are permitted.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Thank you for your time and effort in completing this questionnaire. Kindly submit a scanned copy in pdf format to: development@cices.org and to: sronan@cices.org</p>						