



# Management of Contracts under FIDIC Red Book 2017

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***Contract structure,  
Roles of Employer  
Roles of Contractor***



# **FIDIC 2017 Redbook:**

- **Contract structure**
- **Roles of Employer**
- **Roles of Contractor**

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# FIDIC Redbook 2017: Structure, Roles of Parties

1. Changes  
in 2017 edition

2. Red Book 2017–  
Contract Structure

3. Governing Law

4. Organization and  
Communication

5. Roles–  
Employer

6. Roles–  
Contractor

# 1. What has changed from Red Book 1999 to 2017?

## Retained in 2017 RB

- Layout/Structure/Concept
- Golden Principles (inc. risk/reward sharing)
- Applicable definitions, wording, language
- Harmonization across suite/versions



## Changes: Enhanced clarity

- 88 defined terms sorted in alphabetic order (SC 1.1) (58 in 1999):
- DNP, EOT, IPC, FPC,
- Appendix to Tender becomes Contract Data,
- Particular Conditions split into 2 parts (A – Contract Data, B – Special Provisions),
- Date of Completion, Claim, Dispute, etc.
- More interpretation rules expressly provided (SC 1.2)

## Changes: Other Significant Changes

- Enhanced provisions for Quality & Contract Management
- Step-by-step /detailed procedures to follow: e.g. SC 3.7 Agreement or Determination
- Fairness Principle in claims procedure
- Applicability in diverse civil/common jurisdictions
- Detailed provisions for Claims and Disputes resolution

## 2. 2017 Red Book Overall structure

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Copyright, Acknowledgements, Notes

General Conditions of Contract (21 clauses)

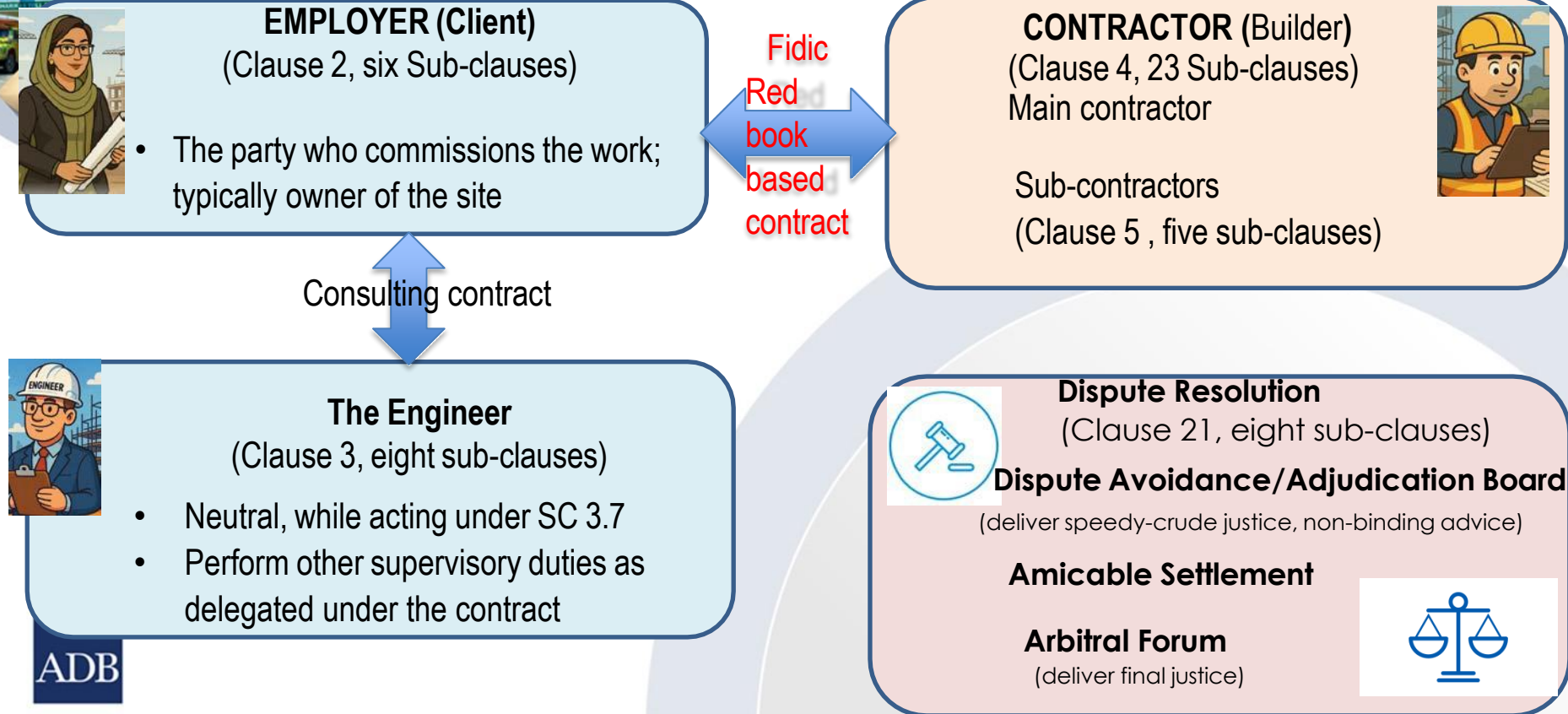
General Conditions of DAAB Agreement

DAAB Procedural Rules

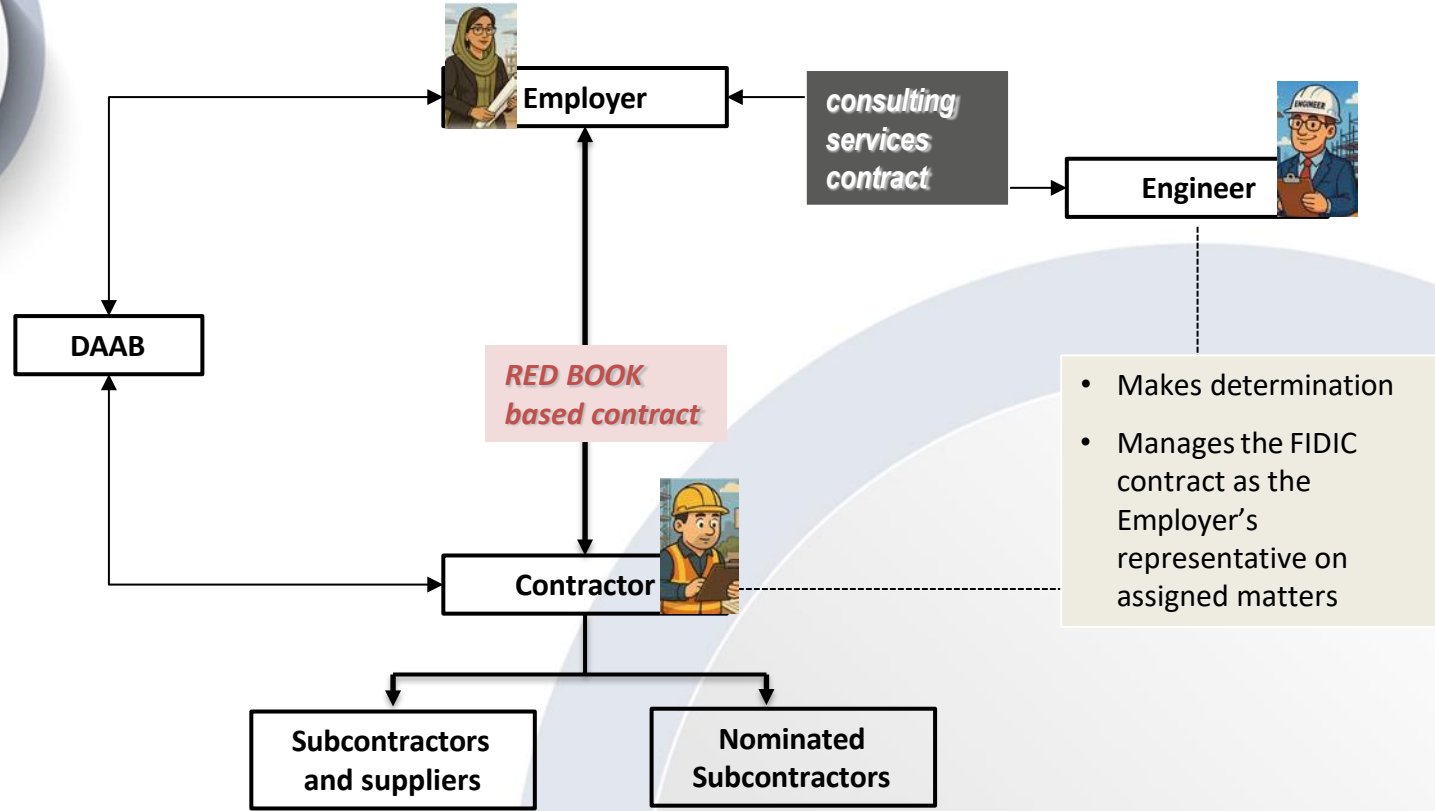
Guidance for the preparation of Particular Conditions, including Contract Data, Forms of Securities

Other Forms: Letter of Tender, Letter of Acceptance, Contract Agreement, DAAB Agreement

## 2. Parties Involved in FIDIC Red Book 2017 Contract



## 2. Project Organisation and Contractual Relation



## 2. Overall Structure of General Conditions

### Parties

Clause 2 The Employer,  
Clause 3 The Engineer  
Clause 4 The Contractor  
Clause 5 Subcontracting

### Cost \$

Clause 1 General Provisions / Definitions / Law  
Sub-Clause 1.15 Limitation of Liability  
Clause 12 Measurement and Valuation  
Clause 13 Variations and Adjustments  
Clause 14 Contract Price and Payment  
Clause 16 Suspens. & Termination by Contractor  
Clause 17 Care of the Works and Indemnities  
Clause 18 Exceptional Events  
Clause 19 Insurance

### Quality (Issues)

Clause 6 Staff and Labour  
Clause 7 Plant, Materials and Workmanship  
Clause 9 Tests on Completion  
Clause 10 Employer's Taking Over  
Clause 11 Defects after Taking Over  
Clause 15 Termination by Employer

### Claims and Disputes

Clause 20 Employer's and Contractor's Claims  
Sub-Clauses 20.1 & 20.2 => SC 3.7 Agree/Determ.  
Clause 21 Disputes and Arbitration  
Sub-Clauses 21.1 to 21.4 / 21.7 & 21.8 - DAAB  
Sub-Clause 21.6 - Arbitration

### Time (delays)

Clause 8 Commencement, Delays, Suspension  
Sub-Clause 8.3 Programme  
Sub-Clause 8.4 Advance Warning  
Clause 15 Termination by Employer



## ◆ CONTRACT: ASSEMBLING CONTRACT DOCUMENTS

### QUESTIONS

Q1: Which documents are part of the contract document?

Q2: How do we know?

We all live under the same roof:

- Each of us must be a member of the Family!
- Who has the priority, in say, elder, younger, ...?



We all are bound into a single book:

- Each of us must be a part of the Contract!
- Should front pages have priority over back page?

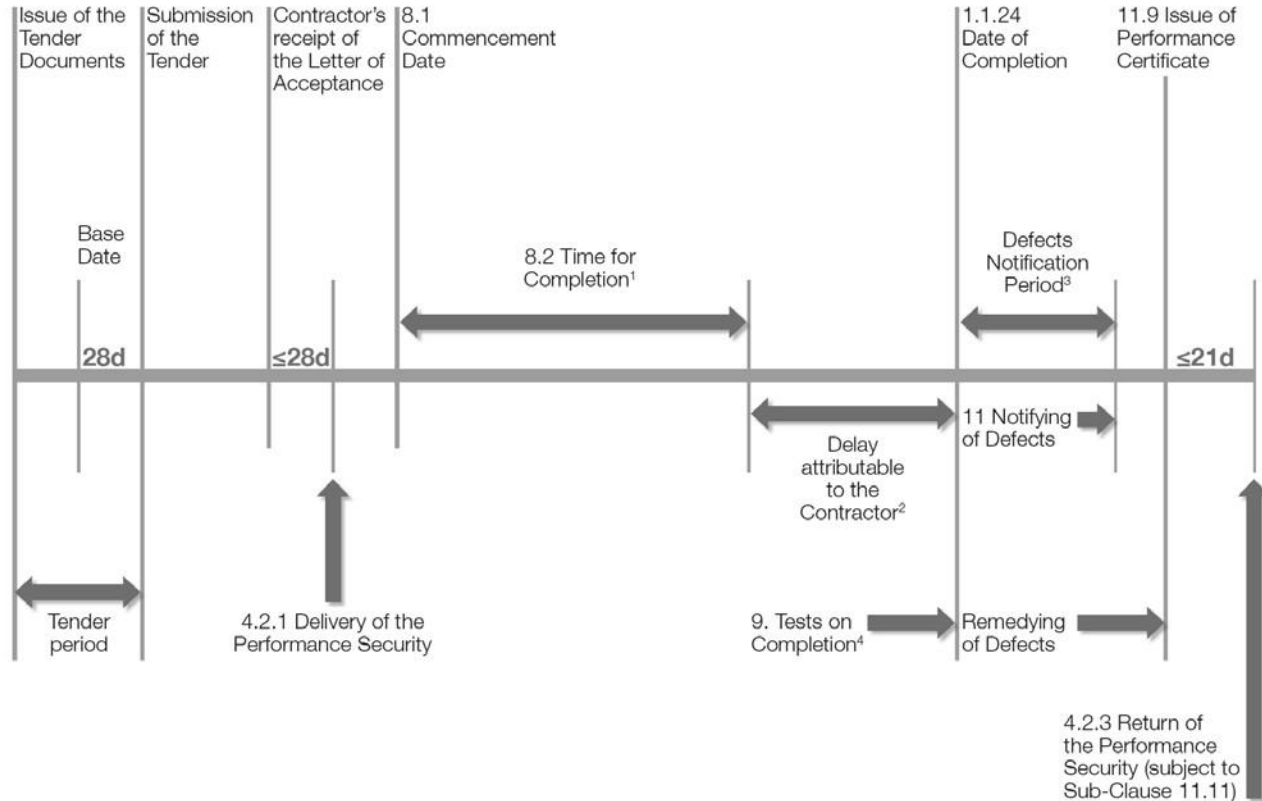


## 2. Priority of documents within the Contract

### SC 1.5 – FIDIC Red Book

1. Contract Agreement
2. Letter of Acceptance
3. Letter of Tender
4. Particular Conditions – Part A – Contract Data
5. Particular Conditions – Part B – Special Provisions
6. General Conditions
7. Specification
8. Drawings
9. Schedules
10. JV Undertaking (if any)
11. Any other documents forming part of the Contract

## 2. Principal Events During Contracts for Construction



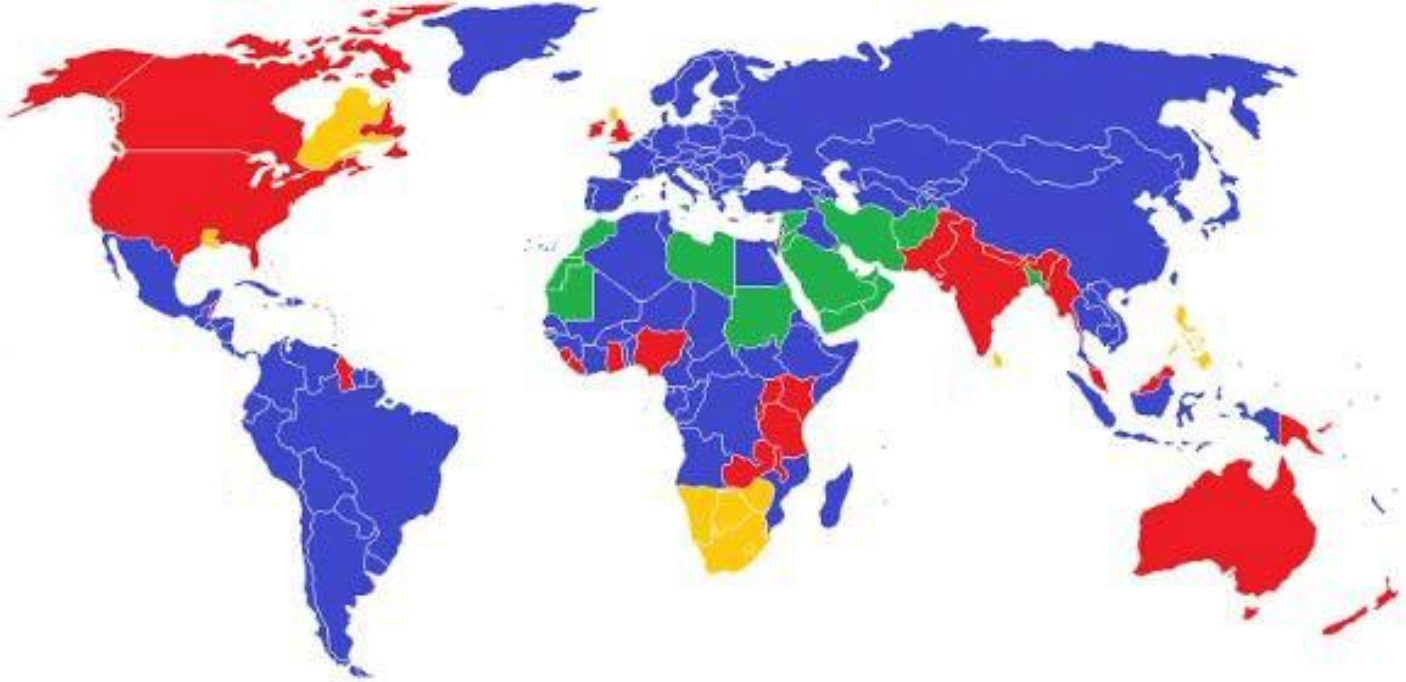


# Management of Contracts under FIDIC 2017 Red Book

## ***3. Governing Law***

### 3. Governing Law and Major legal System across the world

Civil Law, Common Law, Sharia Law, Mixed Law



#### Question

What happens if a contract does not state its "Governing Law"?

**Common Law System:** Based on judicial precedents. Courts play a vital role in shaping the law by interpreting statutes and establishing legal principles through past rulings. Originated in England, and followed in USA, Canada, Australia



**Civil Law System:** Follows codified statutes and legal codes. Judges apply written laws instead of relying on precedent. Rooted in Roman law and dominant in countries like France, Germany, and Japan.



### 3. WHICH GOVERNING LAW?

**Legal Jurisdiction:** Each country, **one or more** legal Jurisdiction.

#### **Laws & hierarchy:**

- Public laws (International treaty/convention, statutory codes, common laws);
- Private laws (contracts)

In the absence of cross-jurisdictional treaties, legal proceedings of one country, **not implementable** in other jurisdiction.

An international contract may attract laws of **multiple jurisdictions**.

For certainty, a contract typically indicates its **Governing Law**.



### 3. Why Governing Law

- **Laws overrule Contract:** Laws that are of a mandatory nature will overrule the Contract provisions (the Contract provisions cannot override mandatory laws).
- **Contract Interpretation:** The Contract is to be interpreted in accordance with the Governing Law.
- **“other jurisdiction”:** in countries with federal systems of government, a contract may be governed by the law of a state/province or another part of the country.
- **Governing law plus:** Although the Contract itself is "governed" by the law of the country or legal jurisdiction (Sub-Clause 1.4), the actions and obligations of the Parties under the Contract are typically also subject to the law of other countries or legal jurisdictions.

**SC 1.4:** *The Contract shall be governed by the law of the country (or other jurisdiction) stated in the Contract Data (if not stated, the law of the Country), excluding any conflict of law rules.*

**SC 1.1.49:** *"Laws" means all national (or state or provincial) legislation, statutes, acts, decrees, rules, ordinances, orders, treaties, international law and other laws, and regulations and by-laws of any legally constituted public authority.*





### 3. Why Governing Law

- **Ignorance of the Laws** is no excuse for failing to abide by them—so parties need to familiarize with the laws.
- In some cases, the provisions of FIDIC contracts might be **interpreted differently** according to the governing law and ruling language.
- The governing law and/or the law of the Country might impose **requirements that are different from or additional to** FIDIC requirements.

**SC 1.4:** *The Contract shall be governed by the law of the country (or other jurisdiction) stated in the Contract Data (if not stated, the law of the Country), excluding any conflict of law rules.*

**SC 1.1.49:** *"Laws" means all national (or state or provincial) legislation, statutes, acts, decrees, rules, ordinances, orders, treaties, international law and other laws, and regulations and by-laws of any legally constituted public authority.*



### 3. FIDIC's Golden Principles, General Conditions & Governing Laws

The FIDIC Golden Principles are as follows:

- GP1:** The duties, rights, obligations, roles and responsibilities of all the Contract Participants must be generally as implied in the General Conditions, and appropriate to the requirements of the project.
- GP2:** The Particular Conditions must be drafted clearly and unambiguously.
- GP3:** The Particular Conditions must not change the balance of risk/reward allocation provided for in the General Conditions.
- GP4:** All time periods specified in the Contract for Contract Participants to perform their obligations must be of reasonable duration.
- GP5:** Unless there is a conflict with the governing law of the Contract, all formal disputes must be referred to a Dispute Avoidance/Adjudication Board (or a Dispute Adjudication Board, if applicable) for a provisionally binding decision as a condition precedent to arbitration.

#### Questions:

- What happens if a Contract, which uses FIDIC General Conditions, but does not follow the Golden Principles?
- Can a Party to the Contract validly argue that the clauses that do not follow the Golden Principles are void?



# Management of Contracts under FIDIC 2017 Red Book

## *4. Communication*



## 4. Requirements for Notices and other forms of Communications

- Formal Notices required, [almost 350 references to Notice] under the General Conditions, through 70 Sub-Clauses
- 25 types of other communication modes (approval, certificate, Claim, No-objection, consent, disagreement, etc.) expressly provided (SC 1.3 para 1)

Notices and other forms of communication to be:

- Either **paper or electronic-original**
- **Identified** as a « **Notice** » or as **other form of communication** (with reference to the provisions of the Contract under which it is issued, where appropriate)
- **Delivered** by hand, mail, courier or electronic transmission, to the address stated in the Contract Data or other Notified address
- Notice/other communication **takes effect when received** (electronic transmission takes effect on the day after transmission)
- **Not unreasonably withheld or delayed**
- **Copied to the other Party or the Engineer**, as the case may be



## 4. Consequences of late “Notices” or non-compliant form

### ➤ Possible loss of entitlement – example:

- money and/or EOT Claim under SC 20.2.1 if Notice not sent within 28 days from Claim event

### ➤ A power / authority may not be exercised – example:

- SC 3.4 - assignment / delegation of authority from the Engineer to assistants not effective until the Engineer issues a Notice to the Parties,
- SC 3.5 – No Engineer’s Notice within 7 days of a Contractor’s Notice challenging an Engineer’s instruction => Engineer deemed to have revoked the instruction
- SC 13.3.1 – Variation by instruction, through a Notice

### ➤ Deemed consequences – example:

- under SC 3.7.3, if the Engineer does not give Notice of his determination on a Contractor’s Claim within the prescribed period, he is deemed to have given a determination rejecting the Claim

### ➤ Otherwise...a breach of Contract – entitlements at law for the Party suffering loss and/or damage caused by that breach – example:

- under SC 3.7.4 if the Engineer does not issue a Notice for correction of a determination within the prescribed 7 days...payment of determination accordingly delayed...interests on late payment
- Contractor not issuing his fully detailed Claim within the prescribed 84 days? See the consequences under last paragraph of SC 20.2.7

## Case study: Contract Formation



- **Letter of Acceptance** was issued on **1 April 2025** under FIDIC Red Book 2017 based contract, but related **contract agreement has not yet been signed**.
- The **Contractor's Representative** is about to initiate mobilization, but his **Director from HQ objects**, stating that the **contract has not been signed yet**. The Director considers that without such signatures, there is **no legally binding contract**, so the Contractor is not bound to do anything yet.
- What's your view.



# Management of Contracts under FIDIC 2017 Red Book

*Main responsibilities of the  
Parties*



# Management of Contracts under FIDIC 2017 Red Book

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## 5. The Employer



## 5. Main role and responsibilities: The Employer

**Design:** Responsible for the design the Works (SC 4.1)

**Site, Site Data, Items of Reference:**

- Provide right of access to and possession of the Site to the Contractor (SC 2.1)
- Provide Site data in her possession to the Contractor, as well as items of reference (SC 2.5)

**Financial Arrangement and Payment:**

- Ensure that the necessary financing is available to pay for the Contract Price (SC 2.4)
- Pay for the Works duly executed (SC 14.7)

**Other Roles**

- Appoint an Engineer to act on her behalf (SC 3.1)
- Provide permits and licences required for the Works (SC 1.13), and assist the Contractor in his similar duties (SC 2.2)

**Contract Termination/Claims/Disputes**

- Issue contract termination Notice to the Contractor (SC 15.2)
- Participate in appointing DAAB members (SC 21.1)
- Participate in Claims and Disputes (SC 3.7, Clause 20, 21)







## 5. The Employer

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The role of the Employer is covered to a large extent by six sub-clauses of Clause 2:

- 2.1 Right of Access to the Site;
- 2.2 Assistance;
- 2.3 Employer's Personnel and Other Contractors;
- 2.4 Employer's Financial Arrangements;
- 2.5 Site Data and Items of Reference; and
- 2.6 Employer-Supplied Materials and Employer's Equipment





## 5. The Employer

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However, the Employer's role and obligations are also mentioned elsewhere in the Contract and can be summarised in the order in which they appear in the General Conditions.

- Obtain building permit, etc.:

The Employer must obtain planning, zoning, building permits or similar permission for Permanent Works and any other permits described in the Specifications/Employer's Requirements as to be obtained by the Employer. (Sub-Clause 1.13)





## 5. The Employer

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- Give right of access to **and** possession of the Site:
  - The Employer is required under Sub-Clause 2.1 to give the Contractor the “right of access to” and “possession of” the Site.
  - She may **withhold** doing so until the **Performance Security** has been received.
  - The right of access and possession must be given **within the times stated** in the Contract documents. If no times are stated, they must be given so as to allow the Contractor to **proceed without disruption**.
  - If the Contractor suffers delay and/or incurs Costs as a result of late possession, he is entitled to an extension of time and/or payment of the **Cost Plus (reasonable) Profit**.





## Case study: Access to and possession of the Site

Under FIDIC Redbook 2017 based Contract, the Engineer issued a **Notice** under GC 8.1 on **2 April 2025**, setting the **Commencement Date** at **17 April 2025**.

- On **20 April 2025** the Contractor starts excavating on Site at km0 towards km0+500m but is stopped by a couple of local people who claim this is their land and that they have not been compensated for its use.
- On **25 April 2025**, the Contractor issues a **Notice of Claim** for **lack of access to and possession of the Site**.
- The Engineer contends that 1) the Contractor's **construction method statement** for the excavation, which constitutes the Contractor's Document under GC 4.4, was received on **19 April** but its Review is not over yet – Contractor has to wait for its express approval by the Engineer, and is not supposed to start any physical work on Site before this is approved, and 2) in addition, the **Notice is invalid** because it does not specify what is the contractual basis of the Claim, nor what the Contractor is claiming for.
- Do you agree with the Engineer's position? What would be your approach if you were the Contractor?



## 5. The Employer

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- Assist the Contractor for permits:

The Employer shall provide reasonable assistance to the Contractor to obtain any permits, approvals etc. the Contractor needs for the Works, for the delivery of Goods including customs clearance and for the export of his equipment. (Sub-Clause 2.2)

- Ensure the co-operation of his Personnel:

The Employer must ensure that her Personnel and her other contractors cooperate with the Contractor and take actions similar to those required of the Contractor with respect to safety and protection of the environment. (Sub-Clause 2.3)





## 5. The Employer

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- Provide evidence of financial arrangements:
  - The Employer must provide **reasonable** evidence that financial arrangements have been made and are being maintained to enable her to pay the Contractor punctually.
  - She must do so **within 28 days** after receiving any request from the Contractor.
  - The information must relate to the Contract Price as estimated at that time.
  - Before making any material change to her arrangements, she must notify the Contractor and give detailed particulars. (Clause 2.4)







## 5. The Employer

- Employer's Claims
  - The Employer (or the Engineer) must give **notice** and **particulars** to the Contractor of any claim by the Employer against the Contractor.
  - The notice must be given **no later than 28 days** (it was in 1999 **as soon as practicable**) after the Employer became aware of the event or circumstances (Sub-Clause 20.2.1).
  - Applies same procedure for Claim as that for the Contractor (Clause 20)





## 5. The Employer

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- Appoint / replace the “Engineer”:
  - The Employer is required to appoint the “Engineer” and name him in the Contract Data (SC 3.1).
  - She must vest the Engineer with all authority necessary to act as the Engineer under the Contract.
  - If she intends to replace the Engineer, the Employer must give not less than 42 days Notice, before the intended date of replacement.
  - She must not replace the Engineer with a person against whom the Contractor raises reasonable objection.







## 5. The Employer

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- Inform the Contractor of any restrictions on the Engineer's authority
  - Sub-Clause 3.1 states that whenever the Engineer exercises any authority for which he is supposed to obtain prior approval from the Employer, he is deemed to have obtained that approval before exercising the authority.
  - This means that:
    - The Employer is bound by the actions of the Engineer;
    - The Contractor does not have to worry about whether or not the Engineer exceeded his authority;
    - The Engineer may find himself sued by the Employer for the additional expense.





## 5. The Employer

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- Changes in the restrictions on the Engineer's authority
- The Employer has no provision to add or change the restrictions on the Employer's authority during the execution of the Contract.





## 5. The Employer

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- **Appoint a Dispute Adjudication/Avoidance Board (DAAB):**
  - The Employer shall participate in the appointment of a Dispute Adjudication/Avoidance Board (DAAB) (Sub-Clause 21.1)
  - She should include in the bidding documents, **Contract Data**, a list of potential DAAB members to be included in the Contract, as proposed by her and the Contractor.
  - Regardless of whether or not a list has been included in the Contract, she must appoint a member of the DAAB within the time fixed in the Contract (3 member DAAB) or if the Contract states that the DAAB shall have one member, she must attempt to agree with the Contractor on the appointment within the time fixed in the Contract.





## 5. The Employer

- Employer must return the Performance Security to Contractor **within 21 days** after receiving a copy of the **Performance Certificate**.
- She must not make any claim under the Performance Security **except for amounts to which she is entitled under the Contract** in the event of:
  - failure to extend the validity of Performance Certificate (full amount claimable);
  - failure to pay an Employer's due amount as agreed or determined under Sub-Clause 3.7, or agreed/decided under CI 21, within 42 days of Notice;
  - failure to remedy a default within 42 days of Employer's Notice requiring remedying (under SC 15.1);
  - circumstances which entitle Employer to terminate under Sub-Clause 15.2; or
  - failure to return defective Plant after repair, to the Site





# Management of Contracts under FIDIC 2017 Red Book

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## *6. The Contractor*





## 6. The Contractor

### Main role and responsibilities

- Build the Works as per the Specification (SC 4.1).
- Generally not responsible for design, but may design a part of the Works => that part must then be **fit-for-purpose** (SC 4.1 (e)). Design must comply with the **technical Specifications** and the **Laws in force** at taking-over (Clause 10).
- Complete the Works from the Commencement Date (SC 8.1) within the Time for Completion (SC 8.2), acting with due expedition and without delay (SC 8.1), and giving advance warning each and every time an event is likely to have an adverse impact on time, cost or quality (SC 8.4).
- Work in the manner (if any) specified in the Contract, and in accordance with recognized good practice and in a workmanlike manner (SC 7.1).
- Comply with quality assurance, health and safety, security and environment protection requirements (SC 4.8, 4.9, 4.18, 4.21, 6.7)
- Duly and timely report on progress (SC 4.20),
- Comply with Engineer's instructions, including for Variations (SC 3.5, Cl. 13)
- Obtain some permits and licences for the Works execution (SC 1.13)





## 6. The Contractor

- Some of the Contractor's main obligations are summarized in Clause 4 but many are in fact spread throughout the whole document. Some of the more evident obligations include:
  - The Contractor is to design, execute and complete the Works and remedy any defects such that when completed, the Works shall be **fit for the purposes intended as defined in the Contract**.
  - The Contractor must provide and do everything that is necessary to satisfy the Employer's Requirements or implied by the Contract.



## 6. The Contractor

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- He is responsible for the **adequacy and safety** of all operations.
- Whenever required by the Employer he must submit details of the arrangements and methods he intends to use.
- These will not be significantly modified without informing the Employer beforehand.







## 6. The Contractor

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- Complies with applicable Laws:
  - The Contractor shall, in performing the Contract comply with applicable Laws.
  - He shall give all notices, pay all taxes, duties and fees and obtain all permits, approvals, etc required by the Laws in relation to the execution and completion of the Works and the remedying of defects.
  - He must indemnify the Employer against the consequences of any failure to do so. (Sub-Clause 1.13)





## 6. The Contractor

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- Provides the Performance Security:
  - The Contractor shall provide a Performance Security in the required form and in the amount and currencies stated in the Appendix to Tender, **within 28 days after receiving the Letter of Acceptance** (with a copy to the Engineer) (SC 4.2.1)
  - He must ensure that the Performance Security remains valid and enforceable until **and until the issue of the Performance Certificate and the Contractor has complied with Sub-Clause 11.11 [Clearance of Site]**. (Clause 4.2.1)





## 6. The Contractor

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- Appoints his Representative:
  - The Contractor must appoint the **Contractor's Representative** and give him all the necessary authority to act on his behalf.
  - Unless the person is named in the Contract, the Contractor must submit his name and details prior to the Commencement Date.
  - The Contractor must not revoke the appointment of the Contractor's Representative or appoint a replacement without the prior consent of the Engineer.
  - The Representative must be fluent in the language of the Contract. (Sub-Clause 4.3)
  - The Representative must be based at the Site, full time.





## 6. The Contractor

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- Obtains the Engineer's consent to a subcontractor
- The Contractor must obtain the Engineer's consent before appointing a Subcontractor, unless the Subcontractor is to supply materials only or is named in the Contract.
- He must give the Engineer at least 28 days notice of the intended date of the commencement of subcontractor's work.
- The Contractor shall not subcontract beyond specified amount (or %) ceiling or work, if any. **2017 RB: In the Contract Data can add a percentage cap on subcontracting and bar subcontracting of certain work.**
- He remains responsible for the acts and defaults of subcontractors. (Sub-Clause 5.1)





## 6. The Contractor

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- Cooperates with others:
  - The Contractor must allow appropriate opportunities for work by others on or near the Site, **as specified in the Contract or as instructed by the Engineer.**
  - Any such **instruction** will be a **Variation** if and to the extent that it causes the Contractor to incur Unforeseeable Cost. (Sub-Clause 4.6)





## 6. The Contractor

- Satisfies himself regarding access routes to the Site:
  - The Contractor is **deemed to have satisfied himself** as to the suitability and availability of access routes to the Site.
  - The Contractor to bear Costs due to non-suitability or non-availability of access route.
  - He cannot claim for costs due to non-availability or non-suitability of the access routes. (Sub-Clause 4.15)
  - But the Contractor may claim if non-availability or non-suitability of the access route is due to a change to the access route by the Employer or third party.
  - He must obtain at his own risk and cost any additional facilities outside the Site, which the Employer is not obliged to provide. (Sub-Clause 4.13)





## 6. The Contractor

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- **Protects the Environment:**
  - The Contractor must take all reasonable steps to protect the environment (both on and off Site) and to limit damage and nuisance to people and property from pollution, noise, etc.
  - He must ensure that emissions, discharges and effluent stay within limits fixed in the Specification or by applicable Laws (Sub-Clause 4.18).
- **Obtains power, water & other services for construction activities & tests:**
  - Contractor is responsible for providing power, water, etc. for his construction activities (Sub-Clause 4.19).







## 6. The Contractor

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- Maintains the Site in an orderly manner
- The Contractor must confine his activities to the Site and any additional areas agreed by the Engineer as working areas.
- He must take all necessary precautions to stay off adjacent land.
- He must keep the site free of unnecessary obstructions and properly store or dispose of his Equipment or surplus materials.
- He shall clear away any rubbish, Temporary Works, etc. and shall leave the Site in a clean and safe condition (Sub-Clause 4.22).



## Case study: Performance Security



- Under FIDIC Redbook 2017 based Contract for a Transmission Line **Project in Pakistan**, Performance Security amounts to 10% of the Accepted Contract Amount. The Contractor advises that he intends to get **Performance Security issued** from his bank, which is located in **China**.
- The **Employer disagrees** and requires that the issuing bank is located in the project Country, i.e. Pakistan. The Contractor contends that the choice of the issuing bank is fully at the discretion of the Contractor.
- What's your view?

## Case study: Advance payment and Commencement of Works



**Letter of Acceptance** was issued on **1 April 2025**, under FIDIC Red Book 2017 based contract.

- Pressed by the Employer for whom a speedy delivery of the Works is a top priority, the Engineer issued on **10 April 2025** a **Notice** to the Contractor, stating that the **Commencement Date** will be **25 April 2025**, asking the Contractor to mobilize his resources accordingly.
- The Contractor disagrees, stating that he is **not required to mobilize any resources**, and to start any activity under the Contract, **until he receives the advance payment** under the Contract Data (10% of the Accepted Contract Amount).
- Is the Contractor right?



## Case study: Access to and possession of the Site

The Site (for a new hydro power plant) is in a remote area, and there is only one access road from the national highway N1 (10 km away from the Site) and the Site.

- The access road goes through a village. The Contractor commences its works, and in less than a month, **local residents block the route**, arguing they are suffering from **excessive noise and vibration** nuisances, due to truck traffic on the road, for which they seek compensation.
- The Contractor notifies the Employer and the Engineer and states he will **claim for the Costs incurred and the delay suffered**. The Engineer objects that this is a Contractor's responsibility under the Contract.
- What's your suggestion?



## Case study: Access to and possession of the Site

**Letter of Acceptance** was issued on **1 April 2025**. **Advance Payment** was subsequently made to the Contractor on **15 April 2025**.

But the Employer is facing unexpected land clearance issues, and a **large part of the Site is not available** for the work yet. She asks the Engineer **not to issue any Notice to Commence** to the Contractor for the time being.

- On **15 May 2025**, the Contractor issues a **Notice of Claim** for his mobilized resources which are on stand-by **since 16 April 2025** when he started to mobilize them. He contends that he mobilized his resources as soon as possible since the Employer had previously said that the project schedule has already suffered from delays and earliest possible completion is a top priority. He says that the resources have been on standby, but there is no place available for them to work!
- The Engineer contends that 1) there is no claim provision under the Contract for such case, hence no claim can be entertained, and 2) the Contractor is not entitled for any compensation, as he is not meant to mobilize anything until instructed to do so.
- What is your view?