

# € TRAINING

Administrative Contracts



# Administrative Contracts

## Introduction:

Administrative Contracts relations are based on contracts of one type or another. These are becoming increasingly complex, need to understand what a contract does require them and the other party to the contract to do, and the consequences for both parties of any failure. This course is intended to provide an understanding of contracting in the English language but in an international context.

## Course Objectives:

At the end of this course the participants will be able to:

- Develop an understanding of the role of contracts administrative in the business world Explain how contracts are structured
- Examine current thinking on contracting structures in an international context
- Improve understanding of the main terms and conditions of contracts
- Understand the importance of change management and control
- Develop an appreciation of the collateral documents that work alongside contracts; including bonds, guarantees, letters of intent etc.
- Review the latest international thinking in alternative methods of dispute resolution

## Targeted Audience:

Representatives of all functional disciplines would benefit from this course. The course is particularly recommended for actual or potential purchasing, contracts, or project professionals, and for anyone who contributes to projects or is involved in the management of a business unit.

## Course Outlines:

### Unit 1: What Are Administrative Contracts and How Are They Created?

- Offer and acceptance.
- Intention to create a legal relationship.
- Written or oral?.
- Other legal formalities in different countries.
- Signing and sealing.
- Witnesses.
- Authority to sign.
- How to prove authority.
- The tender process.
- Involvement of agents.
- What happens if there is no contract, but work is carried out anyway?
- Making contracts enforceable - with particular emphasis on international context.

### Unit 2: Structure of Contracts:

- Form of Agreement.

- General Terms and Conditions.
- Special Terms and Conditions.
- Schedules or Appendices.
- Title ownership and risk of damage.
- When does it transfer?
- Use of ICC INCOTERMS.
- Notices and other formalities.
- Which law and which courts?
- Different contractual structures.
- Traditional.
- New structures used in the Middle East.
- New structures not widely used in the Middle East.

### Unit 3: Collateral Documents:

- Bonds and guarantees.
- Tender Bonds.
- Advance Payment Bonds.
- Performance Bonds.
- Warranty Bonds.
- Parent Company Guarantees.
- Retention/Withholding.
- Retention Bonds.
- Letters of intent.
- Letters of the award.
- Letters of comfort or awareness.
- Types.
- Who should carry the cover?
- How should you manage claims?
- Are banks or insurance companies good enough security?
- Insurance policies.
- Assessing the need for financial security in the current economic climate.
- Changes to the Contract documents.
- Need for consent.
- Assignment/Novation explained and distinguished.
- Waiver.
- Changes to the scope.
- Variation clauses.
- Notice provisions.
- Valuation of variations and changes.
- Claims - what they are, and how they arise.
- Delay caused by the client.
- Delay caused by contractor/supplier.
- Force majeure.
- Delay and disruption.

### Unit 4: Resolving Disputes:

- Negotiation.
- Staged dispute resolution clauses.
- Litigation.
- Arbitration.

- New best practices in dispute resolution.
- Mediation.
- Conciliation.
- Early neutral evaluation.
- Expert determination.
- Mini-arbitration.
- Pendulum arbitration.
- Final questions and review of course.

#### Unit 5: Assessment leading to ILM Endorsed Certification:

- Ability to understand administrative issues relating to the contract
- Choice of potential contracting strategies
- Appropriate engagement of and communication with the legal department
- Understanding where appropriate of using bonds and guarantees as part of contracting strategy
- Control of change
- Use of modern dispute resolution techniques
- The chosen method of improving relationships with suppliers and contractors as a result of reducing conflict