

Application, Administration, and Settlement of Claims According to FIDIC Conditions of Contract

Abstract

This rigorous work deals in detail with the application of FIDIC Conditions of Contract (International Federation of Consulting Engineers) in the settlement of claims, which is one of the key institutions of these terms, in the context of the law of the Czech Republic and the environment of the Czech construction industry. FIDIC Conditions of Contract are increasingly favoured for the execution of large-scale construction projects due to their comprehensive framework for project management and effective risk allocation. Misunderstanding and inappropriate interpretation of certain provisions governing claims resolution within the Czech context can lead to ineffective dispute resolution between the Employer and the Contractor, thereby hindering project progress.

This thesis delves into the analysis of the Contract Conditions for Construction for Building and Engineering Works Designed by the Employer from 1999, juxtaposing key aspects with the newer 2017 version. This comparative approach facilitates the identification of major changes and impacts on the claims resolution process, including the issue of differing approaches to Employer and Contractor claim resolution.

The thesis employs a combination of descriptive and comparative methods to provide a comprehensive assessment of the claims resolution process and proposes practical approaches for risk and dispute minimization. This encompasses a better understanding of the procedures for applying and resolving claims under the FIDIC Conditions of Contract and the identification of deficiencies and errors in practice along with proposals for rectification. Specifically, this involves addressing the issue of claim preclusion due to late claim notification and presenting a new procedure for processing interim Contractor claims.

Furthermore, this thesis underscores the necessity for adjustments to the Czech legal framework to better align with the international standards and practices outlined in the FIDIC Conditions of Contract. This would facilitate harmonization and more efficient dispute resolution in line with international standards.

The conclusions of this study hold significant implications for professionals operating in the construction sector in the Czech Republic. They offer valuable insights and recommendations for expediting and streamlining dispute resolution in accordance with the FIDIC Conditions of Contract, thereby fostering greater transparency, efficiency, and trust among the parties involved.

Key words: claim, FIDIC, Construction Contract