

Contract No. DC/2012/01

NEC Contract

Term Service Contract – Option A

HK&I



**The Way of Collaboration
Towards NEC Contract**



DSD R&D
Forum 2013



The Way of Collaboration towards NEC Contract

1. Gist of the framework of the term contract DC/2012/01
2. Contractor's preparation before the tendering
3. Contractor's preparation after contract award
4. Key NEC application in initial stages of service period
5. Monitoring of partnering development
6. Feedback from Contractor's staff so far
7. Contractor's expectation of and planning for the remaining service period



The Way of Collaboration towards NEC Contract



NEC
Term Service Contract – Option A
HK&I





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Gist of the Framework of NEC Term Service Contract – Option A

for DC/2012/01

GENERATE UNDERSTANDING



Option A – Priced Contract with Price list

X1 – Price adjustment for inflation

X19 – Task Order

Z – Additional conditions of contract



Contractor's preparation before tendering

RAISE INTEREST

NEC courses / attendances

NEC books / journals / papers

Internal management meetings

Participation in tendering
for pilot NEC contracts





Contractor's preparation after contract award

MAINTAIN ATTENTION

4 full days NEC training
jointly with DSD

- 1) Familiarize NEC application
- 2) Develop collaborative working mind-set & behaviour
- 3) Agree mutual project objectives & targets

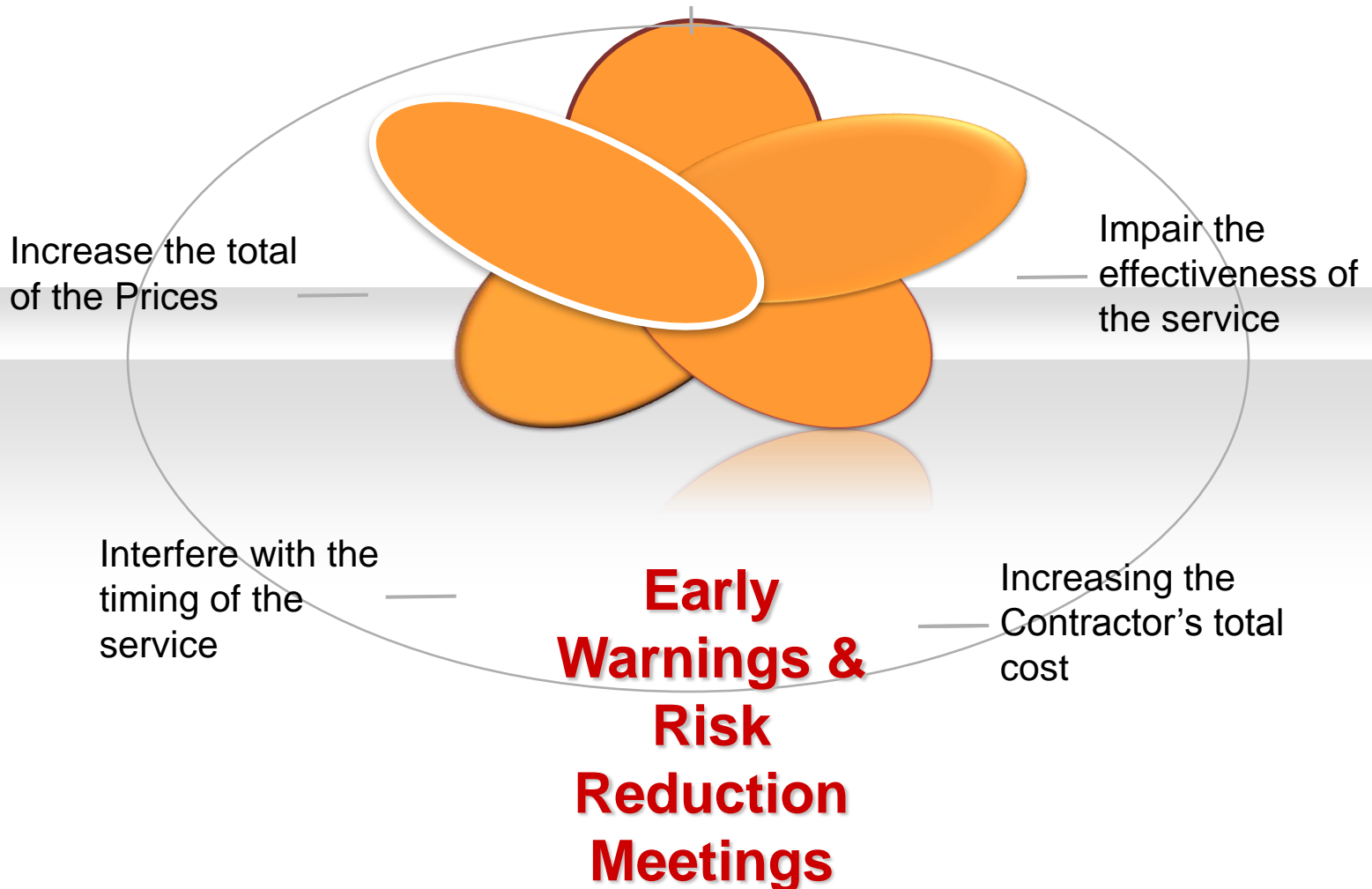


NEC
Term Service Contract – Option A
Joint Training with our Partner !



Key NEC application in initial stages of service period

TSC Core Clause 16



TSC Core Clauses 60 to 65 & X19.10 to X19.12 – Compensation Events (CEs)

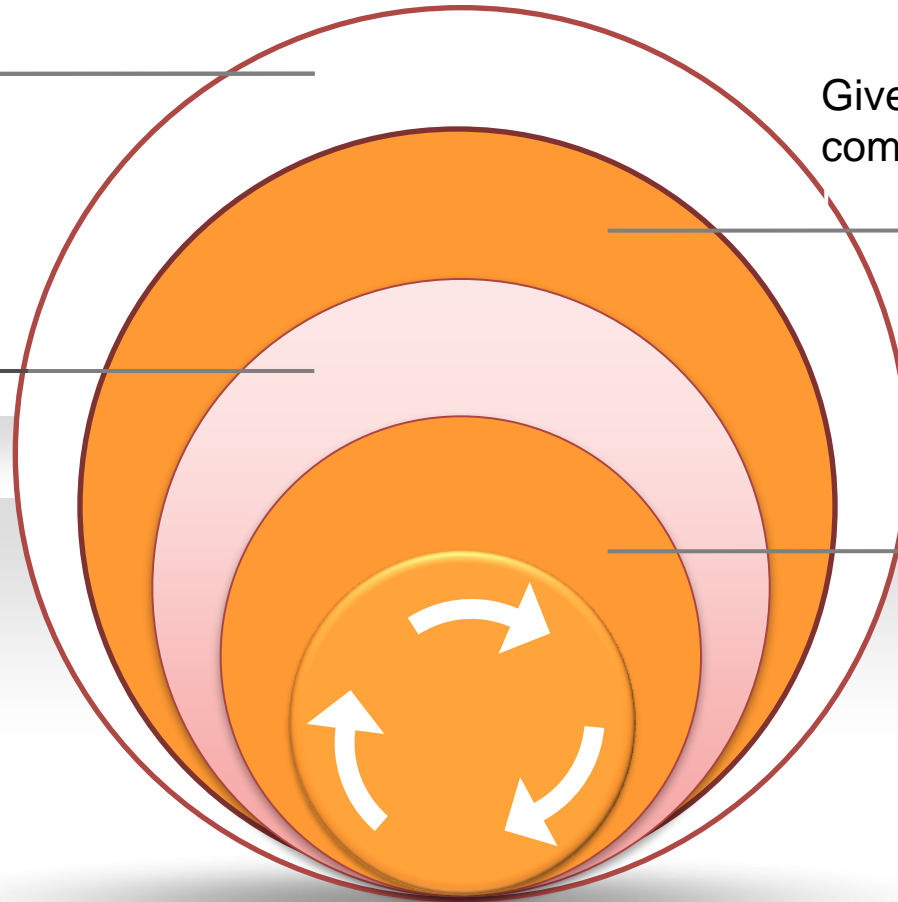
An event is a CE if :

Not arising from Contractor's fault

Give financial and/or time compensation to Contractor

Has happened or expected to happen

Stated as CE in contract
18 CEs stated in Clause 60.1 & 10 more CEs in Clause X19.10

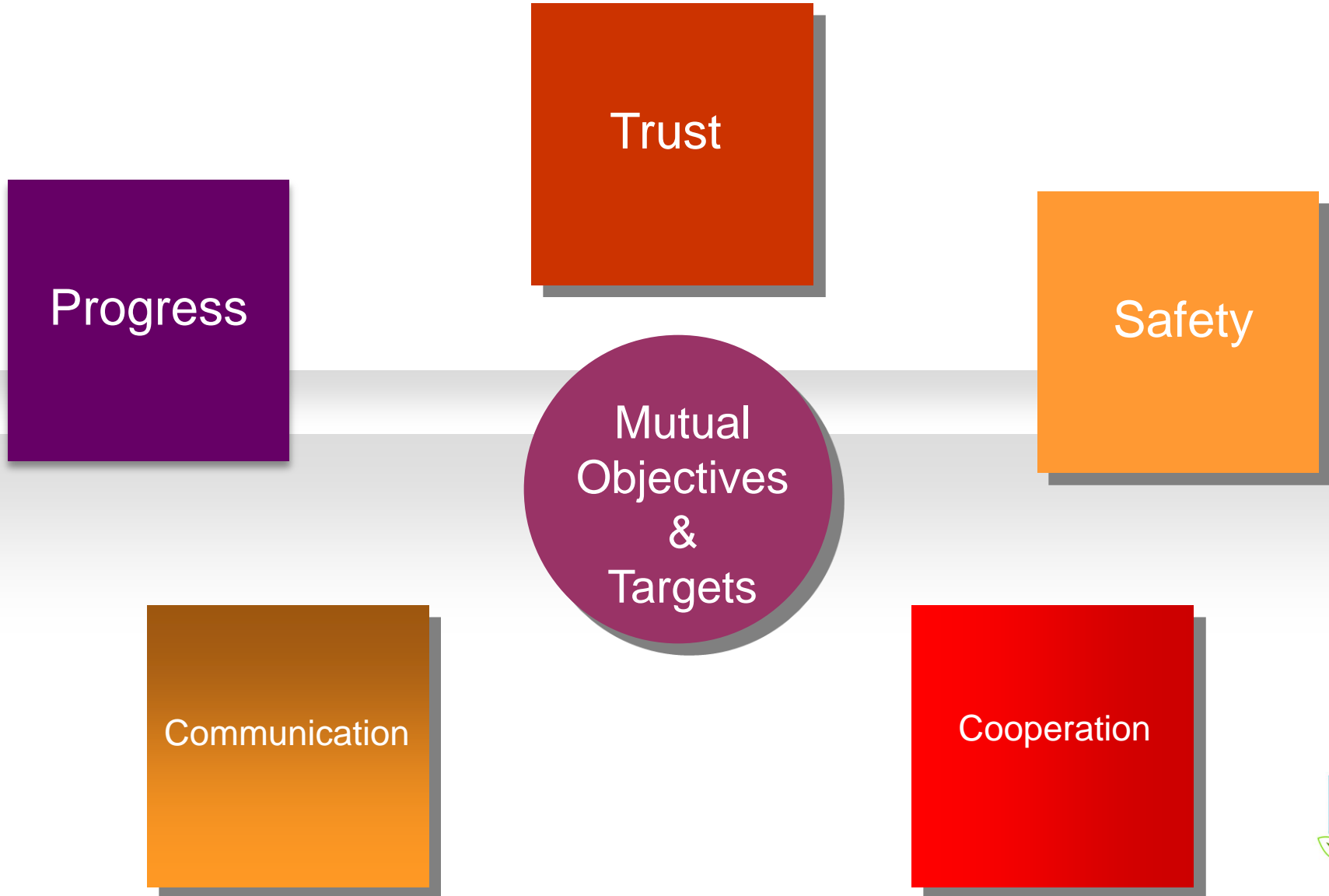


Communication within contractual timeframes – “Sort it Now”



Monitoring of Partnering Performance

Quarterly Quantitative Measurement & Senior Management Review



Staff Feedback and Our Expectations

Contractor's staff feedback

- Build up mutual trust & cooperation
- Frontline staff mindset towards collaboration
- Fairer risk sharing
- Raise any potential problem at the earliest possibility
- The earlier the problems are solved, the higher the financial performance is attained

Contractor's expectation of and planning for the remaining service period

- Joint planning of works with DSD (e.g. Clearer definition of scope of works)
- Clearer and more thorough communications at all levels
- Resolving issues more quickly and cost effectively
- Managing risks more effectively with DSD
- Training workshops/meetings for frontline staff

