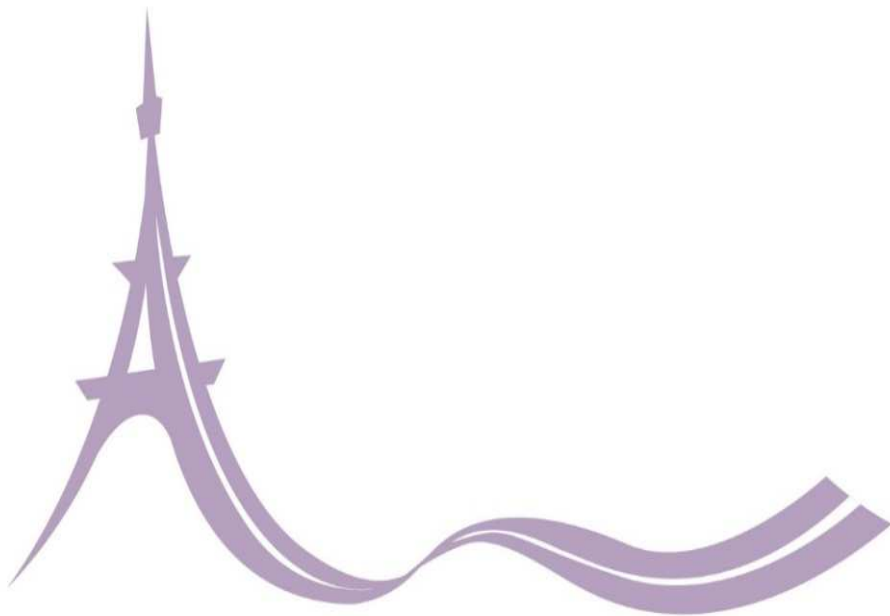


# Contracts

## General Introduction



PAVEMENT PRESERVATION & RECYCLING SUMMIT

**PPRS** PARIS 2015  
FEBRUARY 22-25

Michel DÉMARRE  
SEFI



**SEFI**

# ROAD MAINTENANCE CONTRACTS

Traditional approach

1

## Main characteristics

- › Yearly contracts
  - Budget uncertainty
  - No optimization, no life-cycle approach
  - Limited contractor responsibility
- › Input-based contracts
  - Rather than performance- or output-based contracts

# INNOVATIVE CONTRACTS

Multi-year and/or  
performance-based contracts

2

## Lessons learned from FIDIC Gold Book

FIDIC : Fédération Internationale des Ingénieurs-Conseils  
(International Federation of Consulting Engineers)

« Rainbow » of contract forms : red, yellow, pink, silver...

Gold Book = « Design-Build-Operate » contract form; not  
recommended for maintenance contracts, but :

Two main issues to be considered :

- What is the structure of the industry?
- What are the guarantee schemes associated with the contract?

## Structure of the industry

- › Level of competition
- › Developing countries
- › Managing the interfaces
- › What happens next? Retendering
- › Long-term sustainability and legal stability

## Guarantee schemes of the contract

- › Performance bonds
- › Retention schemes
- › Definition and measure of performance
  - Innovation
  - Alternative proposals

# THE FRENCH CASE | 3



- › Level of competition
- › Consultation with stakeholders
  - A good job for IDRRIM!

# CONCLUSION

- › Road authorities should consult with the industry :
  - › How can the construction industry help in promoting innovative contracts?
  - › Resp; how can innovative contracts help develop the construction industry?
  - › Carefully assess technical and legal aspects of guarantee schemes associated with innovative contracts