

## “Turning the Challenge of Global Climate Change into a Business Opportunity”

- Keith has over thirty years experience advising on contracts, dispute avoidance, and is highly experienced in FIDIC contracts.
- Key focus areas:
  - Offshore wind
  - Renewable Energy
  - Nuclear Power



**Keith Daly**  
**Managing Director**

**“Early engagement of environmental obligations reduces conflict”**

**Case Study:** Offshore Wind Project    **Location:** North West Scotland  
**Period:** 2016-2021                      **Contract:** FIDIC

## Clauses

### 6. Staff and Labour

6.1 Engagement of Staff and Labour

### 7. Plan Materials and Workmanship

7.1 Manner of Execution

7.4 Testing

7.6 Remedial Work

13, 20.1 Variations and Claims

### 8. Commencement Delays and Suspension

8.1 Commencement of Work

8.2 Time of Completion

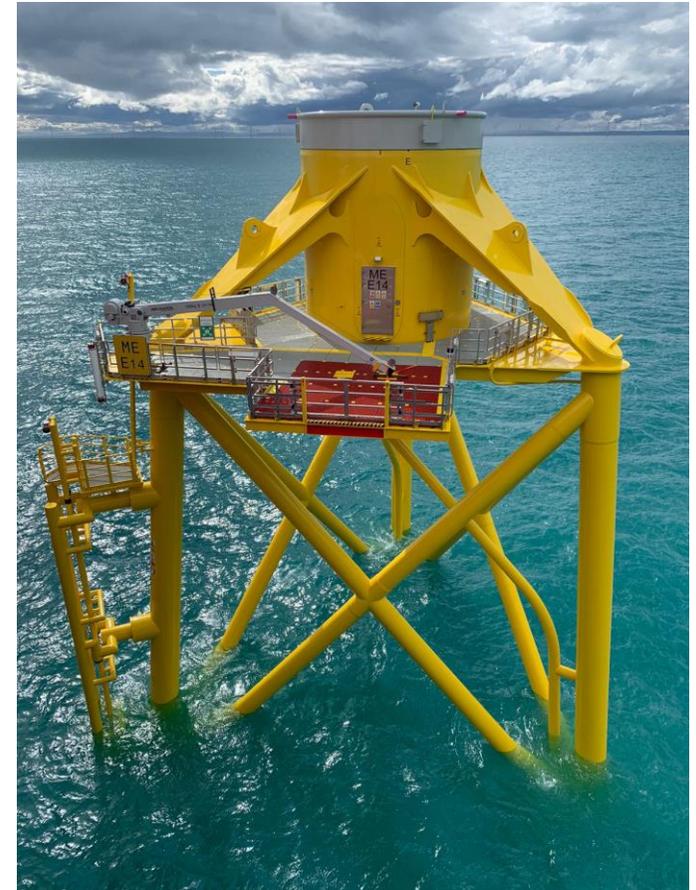
8.4 Extension of Time Completion

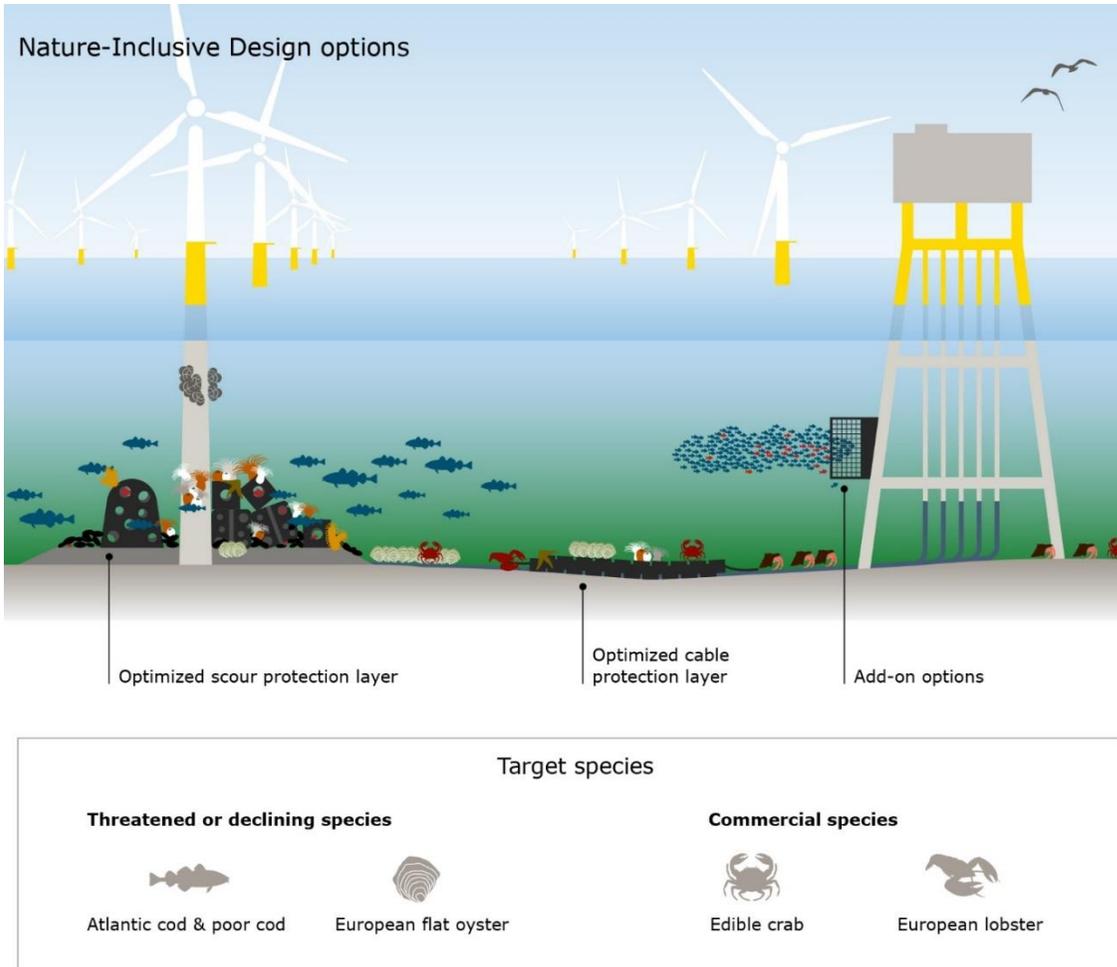
8.5 Delays caused by Authorities

### 9. Commencement Delays and Suspension

9.1 Contractors Obligation

9.2 Delays and Testing





Hermans et al. (2020). Nature-Inclusive Design: a catalogue for offshore wind infrastructure (<https://edepot.wur.nl/518699>) | Design: Wageningen University & Research 2020

## Clause 6

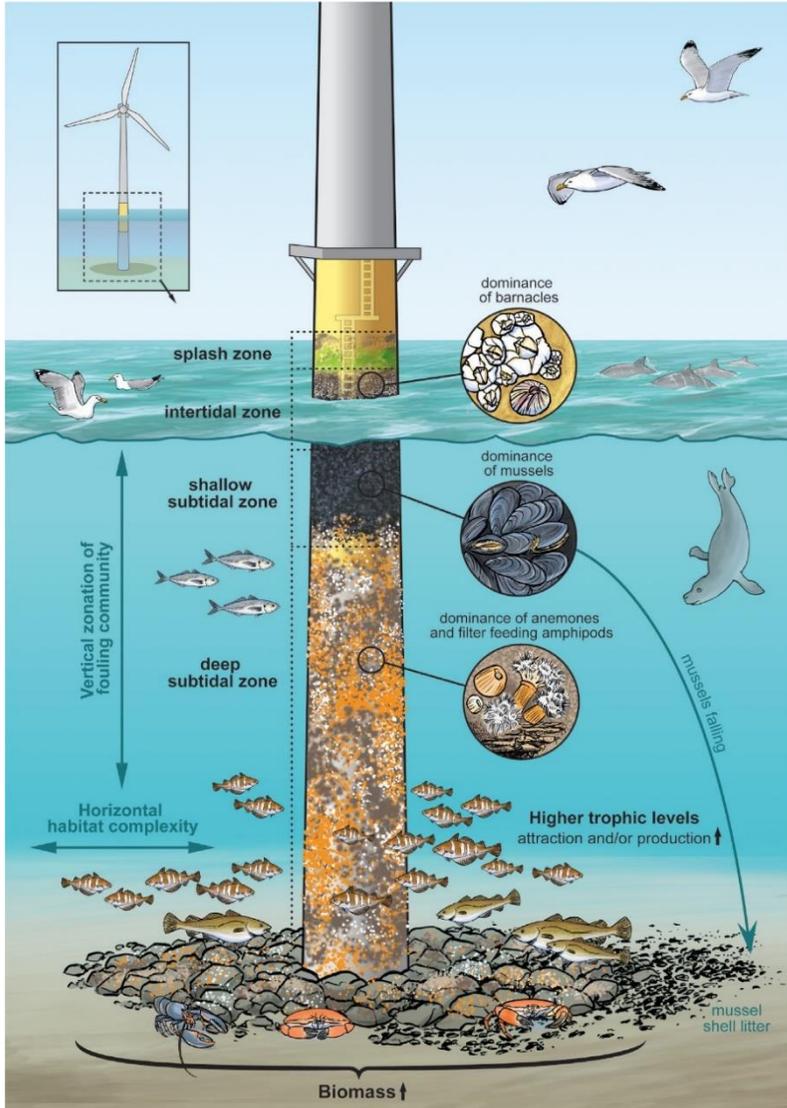
6.1 As a result of developing legislation greater emphasis was placed on construction selection criteria.

## Clause 7

7.1 After contractor selection it became evident that no allowance had been made for developing climate change impact requirements.

7.4 A contract taking 6 years from development to commencement having agreed testing mechanisms and processes took little or no cognisance of changing criteria.

7.6 In a similar vain to the testing process the failure to recognise the different requirements resulted in increased remedial works.



## Clause 8

8.1 As a result of failing to recognise the changing climate requirements delayed both authorities' and employer approval.

8.2 The impact and serious effect to the items listed above resulted in an immediate programme impact requiring claims for extension of time (EOT) before any campaign had started.

8.4 EOT claims at such an early stage created a tense environment which further eradicated relationships between the contracting parties.

8.5 Notwithstanding the areas already discussed, at authority level the lack of understanding for change procedures had a negative programme impact.

## Clause 9

9.1 The changing impact of testing procedures during the project resulted in adhoc testing procedures.

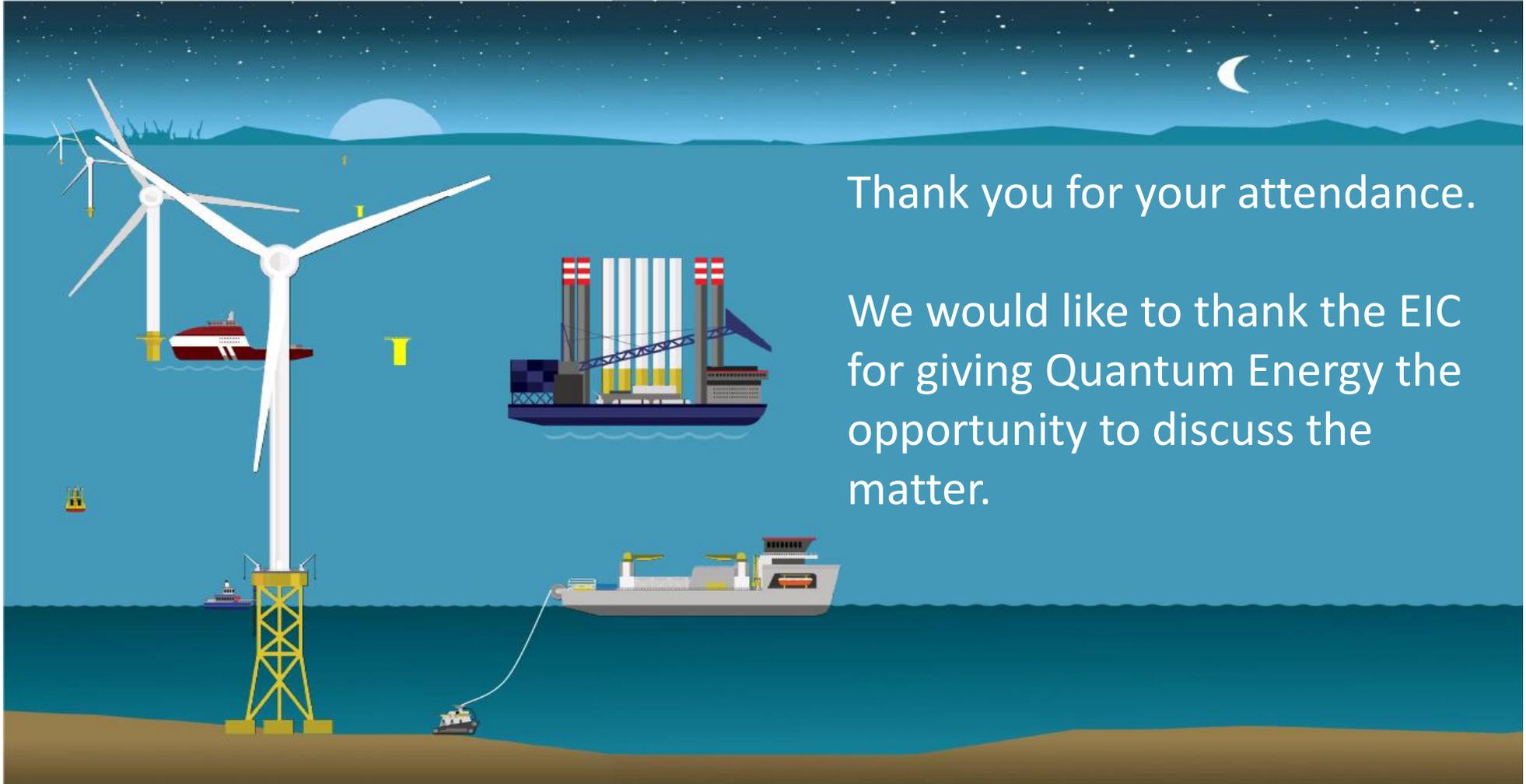
9.2, 9.3 As a result of a combination of changing testing procedures - further EOT claims were submitted.

## Clauses 13, 20.1

From commencement, the negative impact to the programme related to climate requirements irradiated any sensible approach to the operation of the contract.

1. Early engagement pre contract drafting specifically around nature inclusive options would reduce adversarial contract management.
2. Early engagement of tenderers specifically around developing employer requirements and legislation obligations would reduce impact of problematic contract negotiations.
3. Extending tender periods to ensure sufficient design development would minimise understanding of requirements associated with climatic best practice.
4. Collaborative approach to standardising of contract forms to take cognisance of environmental needs.





Thank you for your attendance.

We would like to thank the EIC for giving Quantum Energy the opportunity to discuss the matter.

<https://qgs.global/quantum-energy/>