



THE INTERNATIONAL HUMANITARIAN INFRASTRUCTURE PLATFORM

Implementing a platform based network of qualified actors and resources to derisk infrastructure project development in fragile context



CORE CHALLENGES

“A new working environment between NGOs and Engineering Firms has to be setup to address the change in the size of infrastructure to be designed and the need to develop in-country capacities”

“The main issue to be addressed is the lack of existing working reference for NGOs and Private Sector to work together.”

“This shift in procurement mechanism would transform a humanitarian cost into a development investment, turning off track project into successful asset.”

“One of the most important issues is construction contract management”

THE CONTACT POINT FOR DELIVERING SUCCESSFUL INFRASTRUCTURE PROJECT DURING THE HUMANITARIAN RESPONSE

In addition to the Ukrainian conflict, 2023 post emergency situations keep expanding because of regional resources and climate instability, creating displaced population in many countries. More often there is no “back to normal” solution available. New mechanism to address long term demand in local infrastructure drives the collaboration between international humanitarian and development actors.

The traditional humanitarian sector is not equipped to manage complex infrastructure projects and should benefit from the knowledge and experience of the private sector.

The IHIP initiative implements a platform based network of qualified actors and resources for successful infrastructure project development in fragile context and reduces the gap between humanitarian and development approach in managing infrastructure projects.

IHIP is addressing the need of humanitarian driven organizations to engage with the private sector in larger and complex infrastructure project designed to help those displaced population and the hosting communities . The primary focus is to harmonize private sector approaches to be applied in those countries subject to fragility, conflict and violence, mainly through forms of contract for construction.



Derisking construction projects with the right contract

Why the situation is changing:

1: Size and complexity: The size of the population which infrastructure projects have to be designed for keeps increasing and can sometime include urbanization planning: the level of complexity during the humanitarian response is higher than ever and will keep growing

2: Donors are expecting new infrastructure to be climate smart and there is an urgent request for innovative solution to be implemented in order to be SDG compatible.

Impact on managing construction project:

=> New actors have to be included in the life cycle of such projects mainly with the local private sector, specifically engineering and local contractors.

New risks:

There are very little track records of successful practices for humanitarian actors to engage with the private sector on complex infrastructure. There is a knowledge gap in this situation which creates space for new risks.

Derisking with the harmonized construction contract:

1. Harmonized contracts clearly delineate the roles and duties of the project owner, the consulting engineer firm, and the contractor. They secure the various construction stages by allocating the risks in a fair and balanced mechanism to the party to the contract, which is more able to manage each risk. They also ensure that the local or regional private sector, and specifically engineering firms, have the opportunity to engage with owners of the projects (e.g. NGOs, UN agencies, etc) and advise them through the entire project, from financing to design, construction, and operation.

2. Harmonized contracts also normally include mediation mechanisms to handle potential claims and disputes. Such mechanisms are important to keep projects on track when disputes tend to be a major issue.

=> The harmonized contract proposes an approach to follow milestones and interim payment in coordination with the Engineer and the contractor. This allows the owner of the project, an NGO, or a public body, to stay in control of the project and build on the contract mechanism to have the engineer and the contractor partnering together to keep the project successfully on track.

