Lessons learned in nation rebuilding

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Global projects come with complex risks
AMEC projects in Afghanistan & Iraq
Master planning & site assessments
Key myths & misconceptions

• Security is the main risk
• Lowest Price Technically Acceptable always works
• Open bidding is better than IDIQs
• Anyone can do the job
Example: Currency fluctuation in Syria

66% Devaluation in two years
Security is only one of the main risks

**Contractual Risks**
- One-sided risk distribution
- Host nation licenses
- Host nation legal system Corruption
- Onerous Change Orders process
- Liquidated Damages assessment
- Compliance & documentation

**Quality Risks**
- Capability & Experience of Subcontractors
- Capabilities of local construction force
- Availability of materials & equipment
- Design Risks
- Geotechnical information

**Schedule Risks**
- Reliability of resources
- Availability of materials/equipment
- Weather
- Approvals

**Cost Risks**
- Foreign currency exchange
- Taxation & Import/Export tariffs
- Insurance
- Price escalation/Inflation
- Banking availability

**Security & Safety**
- Site security
- In-Country movements
- Logistics
- Security providers
- Urgent medical care & Evacuation
So how are we doing?
We took this...
And turn it to that!
Also, in Afghanistan, more than 131 entities have failed

- Referred for Suspension
- Referred for Debarment
- Suspended
- Proposed for Debarment
- Debarred
Top 10 reasons why projects fail

1. Security deterioration
2. Unbalanced Risk Allocation
3. Inexperienced Contractor/Subs
4. Under-resourced Contractor/Subs
5. Poor Scope Of Work
6. Too complicated designs
7. Corruption
8. Disengaged Stakeholders
9. Supply Chain shortage
10. Ineffective Project Team
Proposed way forward

• Conduct joint lessons learned forums including US Government, Contractors, & Other Stakeholders

• Receive feedback from Contractors when developing improvements

• Address current issues that can not wait to address current challenges
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