

Enhancing Dispute Resolution in Construction: The Potential Contributions of Dispute Boards and the Roadblock to Vaster Adoption

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Abstract : The Egyptian construction industry has evolved significantly over the past decade, driven by enhanced economic sectors and the need for industrial development. This complexity requires diverse and flexible alternative dispute resolution (ADR) techniques. Dispute boards (DB) are globally recognized as effective ADR methods, especially since their introduction to World Bank projects in 1995. Despite their advantages, dispute boards remain underutilized in Egypt aside from the World Bank-financed projects due to several misconceptions. The study reveals the perceptions hindering the wider adoption of dispute boards in the Egyptian construction industry through detailed literature review and interviews with the experts. The perceptions encompassed the lack of awareness and understanding of dispute boards and implementation procedures, misconceptions about the costs associated with implementing dispute boards and the impact on the bid prices, the common orientation of resolving disputes internally and avoid resorting to external parties to preserve the long-term relationship, and lack of trust in the ability of the dispute boards to positively affect the project performance. In response to these identified misconceptions, a proposed alternative draft to the FIDIC 2017 clause twenty-one "Disputes and Arbitration" is provided, offering a way for a practical application of the dispute boards within the Egyptian context.

Keywords : alternative dispute resolution, claim management system, dispute boards, Egyptian construction industry, FIDIC

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