

Construction Adjudication and Lessons of Baha Mar

MODERATOR: H.E. TONY JOUDI AMBASSADOR TO UAE AND QATAR AND DR. PETER D. MAYNARD, HEAD OF LAW DEPARTMENT, THE UNIVERSITY OF THE BAHAMAS

PANELISTS:

PETER WHITEHEAD, VICE PRESIDENT, OSPREY CONSTRUCTION COMPANY LTD

MICHAEL DIGGISS, PARTNER, MICHAEL DIGGISS & ASSOCIATES
JOHN MICHAEL CLARKE PRESIDENT & MANAGING DIRECTOR AT
VERITAS CONSULTANTS LIMITED
MARK PENN, LAW STUDENT, UNIVERSITY OF THE BAHAMAS

5TH ANNUAL ARBITRATION AND INVESTMENT SUMMIT – CARIBBEAN, LATIN AMERICA AND OTHER EMERGING MARKETS

ADR Adjudication

Construction alternative dispute resolution ('ADR') includes:

Mediation: parties agree to have a third party attempt to facilitate a settlement;

Conciliation: often used interchangeably with mediation, but the facilitator may end up issuing a recommendation if there is no settlement;

Mini-Trial: both parties present their cases in a summary form to senior management of both organizations with an independent 3rd party acting as referee;

Med-Arb: first mediation and if a settlement is not achieved, then arbitration (preferable to have different persons in each role);

Early Neutral Evaluation: the parties submit their respective cases to a neutral 3rd party who then provides his opinion on the matter;

Expert Determination: the parties agree to submit their (technical or valuation) dispute to a 3rd party who then issues a binding determination; and

Adjudication:

- contractual, statutory or both.
- Parties agree or are obliged to submit their claims to a 3rd party (including a Dispute Adjudication Board or Dispute Review Board), which then makes a decision which is binding until overturned by a successful challenge.

Benefits of ADR

Avoid cash flow problems. "Pay now, argue later."

Avoid the cost, time and inflexibility of litigation or arbitration.

Confidential

Common Contract Features

- Performance bond
- Retention
- Lien
- Payment bond is little used

A New Adjudication Bill?

Statutory and contractual

Adjudicator/Arbitrator/Mediator appointments and standards set by IWHAM

Compulsory for contracts of >\$1 million, and encouraged for smaller contracts

Thank you!

By – Dr. Peter Maynard Head of Law Department of The University of The Bahamas

