



Keeping you informed

# INSIDE TRACK

DECEMBER 2002

## Dempsey takes on SAACE Presidency

Dempsey Naidoo of PD Naidoo & Associates was elected President of SAACE at the AGM in Cape Town on 7 November 2002.

**D**empsey brings to the table considerable experience, expertise and strategic thinking across a broad spectrum of disciplines and he will lead SAACE into a new era. Dempsey also chaired a number of SAACE committees over the past couple of years and was most recently Chairman of the Communications Committee, the Finance & Staff committee as well as being Vice President and a member of EXCO and Council.

The son of a school principal and shop assistant, Dempsey attended Chatsworth High School and upon matriculation attended the University of Durban Westville on the first year civil engineering course.

Dempsey worked for a year in South Africa in order to fund his way to the United Kingdom where he graduated BSc Honours Civil Engineering at Kingston University in Surrey on a UNESCO scholarship in 1981. During this time, Dempsey spent a year in

industrial training at WS Atkins.

Dempsey was subsequently recruited by Anglo American Corporation as a graduate for their civil engineering department in South Africa. He completed various design/project management and supervision of multiple mining infrastructure projects including headgears, offices and residential schemes, pipelines, slimes and pollution dams, plants and pipelines among others things at most of the Anglo American and De Beers mines.

His hard work and dedication paid off when in 1986 Dempsey was invited to be an executive trainee within the Anglo American De Beers directorate and served as Executive Manager on large mining feasibility, development and infrastructure projects, including gold, coal, base metals and diamond plants.

During this time Dempsey and his wife, Jackie set up PD Naidoo & Associates as a community technical advisory and training mechanism promoting

built environment professions among the youth. This remains a passion of Dempsey's and attracting new people to the built environment profession will be a key focus area during his presidency of SAACE.

In 1996, Dempsey resigned from his executive position at Anglo American to chair PD Naidoo & Associates full time. Today, the company is a multi-disciplinary and multi-national consultancy engaged in some of the largest private and public sector developments in South Africa and SADC.

With 22 years experience as a civil engineer, business manager, business analyst, business consultant, development specialist, business and trade developer and project manager behind him, Dempsey is fully equipped to tackle the challenges ahead of him in the SAACE hot seat.

Dempsey's theme for 2003 is 'Engineers – Take Back Your Pride'. Issues on which he will focus include transformation in the industry, fees, engineering



SAACE President, Dempsey Naidoo.

for engineers, attracting new people. He will also devote time and energy to the five strategic thrusts of the SAACE – partnering with government, sustainable profit margins (tied to fees), transformation into a 'new era association' (coupled with the need to attract newcomers), excellence and globalisation.

Dempsey also serves as a director on six company boards as well as a state company. Dempsey and Jackie have two children, Prinita and Mervyn.



## Message from Graham's desk

**Corruption – which undermines development, reverses economic growth, rewards the incompetent and the dishonest and works against poverty alleviation – must be stamped out and consulting engineers have an important role to play in addressing this crucial issue.**

This was a key message at the recent International Federation of Consulting Engineers (FIDIC) Conference in Acapulco, Mexico.

This is a problem experienced in both developed and developing nations. FIDIC is developing tools and policies for consulting

engineers to fight corruption.

The Asia Development Bank (ADB) has already been largely successful in introducing measures for the combating of corruption in the Asia Pacific region. Utilising FIDIC documentation, the ADB has formulated an

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# Clients demand better quality management

One of the Strategic Thrusts in the Strategic Plan of the Association is 'Improve Quality and Business Integrity'. This emphasis on quality is in direct response to:

- Feedback from clients demanding better quality management on their projects
- Escalating claims (in number and in quantum) experienced by the professional indemnity insurers.

The Association sees quality management as fundamental to the work of its members, as is reflected in the Code of Conduct and in the Mission Statement "... improving the quality of life for all by the promotion of engineering excellence". The Association has for several years supported quality management, e.g. the manual on Quality Management and the support for the Peer Review process. A closer review of our Code of Conduct earlier this year by the Disciplinary Committee has revealed that the Association had no real teeth in dealing with unacceptable quality management practices or 'non excellence', and in response the recent AGM has supported the following proposed amendment to the Code of Conduct:

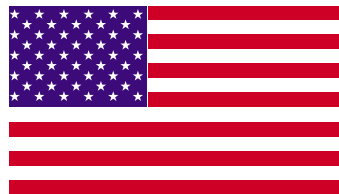
## 2.8 Quality Management

- Implement and maintain a system of quality management in their practices
- Provide work or services of a quality and scope, and to a level, which are commensurate with accepted standards and practices.

In addition, the Council of the SAACE has agreed that a new committee, the Quality Committee, should be formed to assist members in improving quality management within their firms. The interim Quality Committee under the leadership of Dr Coert du Toit arranged a seminar on quality management, which took place on 18 September 2002.

Given the long-term effects of the work of consulting engineers, attention to the correct quality standards should be of paramount importance as it is in the interests of the whole nation (everybody is affected by the work of our members). The achievement of this objective is of course dependent not only on proper quality management practices, but also on adequate remuneration to the consulting engineer.

# Tackling the



## World Bank

In September SAACE Past President, Peter Silberagl and Executive Director Graham Pirie visited the World Bank and International Finance Corporation, in Washington, on the way to the FIDIC Convention in Acapulco, Mexico.

Peter Silberagl said, "Thanks to the good efforts by André du Plessis from the SA Department of Foreign Affairs in Washington, we had a very full and productive day of meetings, with just the right people.

"Considering that the World Bank and its affiliates employ some 12 000 people, you cannot really go there without help from someone like André, otherwise you'll spend a lot of school money".

One of the important outcomes of the discussion was the investigation to establish a World Bank Trust Fund for Consulting Engineers in South Africa. The Trust Fund would be funded by the South African government and would see the World Bank acting as custodian for projects at the high risk end with the proviso that all the work is carried out by South African firms.

The World Bank has offered to assist the SAACE by sending a representative to attend the meeting with the Department of Finance.

Furthermore, SAACE Executive Director, Graham Pirie says a NEPAD pooled trust fund for African consulting engineers might also be an option and SAACE will broach the matter with NEPAD.



## FIDIC Conference

This year's conference, the theme of which was 'Integrity and Capacity Building for Development', was set in the extreme humidity of Acapulco, Mexico.

One of the more significant issues to be covered in recent years was the establishment of the FIDIC Governance Task Force. This group, put together last year to undertake a fundamental review of the FIDIC organisation, reviewed the Governance Structure (Executive Committee) the Strategic Plan and sought to

# World Bank and FIDIC



Meeting at the World Bank: Wourly Diallo, Graham Pirie, Bongi Kunene (Senior Advisor to the Executive Director of Africa Group 1, Peter Silbernagl and André du Plessis.



SAACE Executive Director, Graham Pirie helps set the agenda for next year's Paris Convention with Lise Langseth of Sweden and Enrico Vink of New Zealand.

introduce for the first time, a Business Plan.

There are a number of important initiatives underway, such as:

- Best Practice Guidelines on Selection Procedures for Consulting Engineers
- Risk Management
- Quality of Construction
- Private Finance Initiatives
- Government as an Informed Purchaser.

The Risk Management Forum has produced a practical, easy to use guide on liability and risk management. It appears to incorporate many of the issues highlighted by SAACE as impacting on effective client/consultant relations. SAACE is discussing with local insurers the need to produce a similar guide to assist member firms in their management of risk.

The Quality of Construction Task team, on which SAACE Past

President, Peter Silbernagl serves as a member, tabled its completed document for comment. Of particular interest are the actions recommended for clients to improve the quality of construction.

In looking at the future of the industry (and profession), FIDIC recognises the importance of Young Professionals. A core group, has

been established within FIDIC, to set up an international forum, to develop meaningful input into FIDIC activities. SAACE will give serious attention to setting up a similar forum in South Africa as part of its drive to grow the profession and the industry.

The FIDIC Conference provides invaluable perspectives on the broader issues confronting the industry. All members are

seriously urged to attend the Paris conference from 7-10 September 2003. The theme will be 'Partners for Responsible Development' with attendance by all the major International Finance Institutions, public and private clients as well as consulting firms.

All papers presented at the conference are available on the FIDIC website, [www.fidic.org](http://www.fidic.org).

# Engineers run wild

**O**n Saturday morning 16 November, 112 teams from various consulting engineering companies and some clients arrived bright and early at the LC De Villiers Sports Stadium, Tukkies, for the 17th Gauteng North annual relay.

This year the race was given a facelift with the move to the new High Performance Centre of Tukkies. The start/finish was on the new B & C rugby fields and the social area moved to the 'Uitspan'. The new setting, which allowed spectators to watch the start and finish in comfort from the restaurant

patio, proved very successful.

One of the big advantages of the social area move was that the route passed through it, allowing teams to cheer each other on from the comfort of their marquees, while enjoying some refreshments. The new social area positioning had the approval of all companies – with some even booking 'the same spot' for next year!

At eight o'clock the excitement grew as the first leg runners – the veterans – made their way to the starting post to start the race. The big question always is whether Neil Fourie of BKS will be the winning male veteran, or if he has to give up this position to a faster man. Once

again, for the eighth time in 10 years, Neil was the winning male veteran!

The event has become one of the premier events on the Gauteng North calendar and this year attracted over a thousand people. One of the best aspects of this relay is that apart from a few serious competitors, the majority of runners consider this a fun social event that involves clients and families.

Evidence of the fun aspect of the relay can be seen in the team names with 'Ama Traffic Jam', 'Drowned Rats' and 'Slow Punctures' being some of the funnier ones this year. The fancy dress entrants also add to the fun of the day and this year BKS Road Runners won this category.



**Simon Gear, captain of the WSP and WSP Walmsley Joint team accepted the prize for winning the 'Fastest Medium Size Firm'.**

An event such as this is not possible without sponsorship and the organisers wish to thank Siemens, Aquatan, Prokon, Amiantit Pipes, Kaytech and CBI for their support this year.

Last, but certainly not least, the organisation of such an event takes a tremendous amount of effort. Neil Fourie of BKS needs a special vote of thanks for the excellent technical support on the race route, setting up the field and the start/finish area. Currin't Events once again were the overall organisers and responsible for the smooth running of the day.

We certainly recommend this type of event to other branches.



**SAACE President Dempsey Naidoo congratulates BKS Road Runners, winners of the fancy dress prize.**

## Some other highlights of the race were:

Overall winning team:	AMA BKS BKS (BKS)
Winning Male:	Alwyn Le Roux (Kwezi V3)
Winning Female:	Michelle Basson (WSP)
First Male Veteran:	Neil Fourie (BKS)
First Female Veteran:	E Spoomaker (Spoomaker & Partners)
First Male Master:	Piet Russouw (Wedge Projects)
First Female Master:	E Brits (VKE)

## Message from Graham's desk

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anti-corruption policy administered by their anti-corruption unit.

ADB has a zero tolerance policy centred on three pillars – supporting good governance practice, providing an efficient and accountable public sector and adherence to the highest ethical standards.

Peter Egens Pederson of the ADB said that while the definition of corruption was problematic, the guidelines to Business Integrity Management (BIM) in the consulting industry as prepared by FIDIC, is an excellent tool for fighting corruption, with bribery, fraud and collusion all covered.

The BIM System (BIMS) can be used as a stand alone or as a

supplement to an existing Quality Management System.

Javier Prieto de La Fuente of the Confederation of Industrial Chambers, Mexico said that corruption in his country had impeded advancement and led to the growth of control and bureaucracy. It has limited the quality of construction projects with inferior processes and materials, which leads to early failures.

There are however antidotes. Democracy gives us the tools to fight corruption. Legislation also has the power to bring about reforms to re-establish trust. In Mexico, the Presidential Council for Competition has been set up to increase competition in the market. These actions are key to

balancing development and uplifting the conditions of the poor. Consulting engineers can no longer just be spectators.

Adherence to the FIDIC BIMS has started to pay off in Europe. Scandals in the Netherlands involving cartels among contractors and material suppliers had forced the issue and resulted in a national approach to the problem.

It was also interesting to note that the World Bank has added 'threats' as another form of corruption. There was some discussion on the use of agents, which in principle is frowned upon but is necessary in some countries. However, agents that operate on the basis of a success fee, is not

considered to be good practice.

South Africa has already gone a long way in the fight against corruption by introducing initiatives such as a dedicated anti-corruption helpline set up with the Scorpions; and tools including the Guideline on Consultant Selection, which sets out the most common practices in many countries commenting on how they work and comparing them with FIDIC's preferred option of Quality Based Selection where competence and experience are some of the criteria used in the selection process. Should price be one of the criteria, comment is offered on how this might be achieved in a transparent manner.

# The Vineyard

An extremely well attended SAACE AGM took place on 7 November 2002 at the Vineyard Conference Centre in Cape Town. Past President Peter Silbernagl gave his Valedictory address and reminded us just how much the Association had achieved during this past year. Many of the outcomes set out in February's Strategic Plan have been achieved – all this in a year that included the first Built



**SAACE Past President and Executive Director Colin Spence gives a run-down of the history of the SAACE.**

Environment Professions Convention, the Golden Jubilee & Awards Banquet and the World Summit on Sustainable Development.

The AGM was followed by a lunch to celebrate the Association's Golden Jubilee, to which 20 Past Presidents from all over the country attended. Attending Presidents went back as far as 1967-8 (Gerald Stoch). Past President and Executive Director, Colin Spence gave an overview of the Association and its



**SAACE Past Presidents.**

achievements over the past 50 years.

The occasion also marked the launch of the Association's History Book that was very well received, (don't forget to order your copy) and the inauguration of our new President, Dempsey Naidoo.

The following day saw our

new President presiding over his first Council meeting. He also announced his theme of the next year, which is 'Engineers – Take back your Pride!'

Dempsey and Executive Director, Graham Pirie will be visiting the branches to elaborate on this and other objectives during the year.

## 50 Years of Consulting Engineering in South Africa



The 50th Anniversary History Book in Celebration of the SAACE's Golden Jubilee was launched at a special lunch in Cape Town after the AGM on 7 November 2002.

The book is available for order as follows:

- Hard cover – R250
- Soft cover – R200

Apart from being a history of the association over the past 50 years it is also a reflection of the achievements of consulting engineers in South Africa. It includes articles on some of the major aspects of engineering as well as more recent environmental and sustainable development engineering.

It is an excellent addition to your library and would make an

ideal gift for clients. The book is a great marketing tool for companies expanding offshore as it is a good reflection of what the industry in South Africa is capable of.

There will be a 10% discount for orders of 20 and more.

To order please complete the enclosed order form and fax it to Lynn McSweeney on (011) 463 7383.

## Feedback from the World Summit

The most high-profile event on the calendar this year was undoubtedly the World Summit on Sustainable Development (WSSD). Through FIDIC, Executive Director Graham Pirie, Past President Peter Silbernagl and Jeremy Boswell, in his capacity as Chairman of the FIDIC Committee on Sustainable Development, obtained accreditation to attend the high-level discussions during Business Action for Sustainable Development.

Peter Silbernagl said, "My two overriding impressions of the WSSD, apart from taking pride in how well we as South Africans had

organised it, are that:

- the role of business in development is considered crucial (unlike Rio '92, which was really an engagement between government, its institutions and NGOs). In the words of Kofi Annan, "Business is the way the world earns its living".
- there is a realisation in the world that there are enough policies, and that enough planning has been done to achieve most of the objectives of sustainable development, which includes the reduction of poverty. It is recognised that the emphasis needs to change to



**FIDIC representatives Lanre Sagaya, Nigeria; Eigil Pedersen, FIDIC President; Peter Boswell, FIDIC Managing Director; and FIDIC Executive Member Rafik Maghji, Tanzania.**

implementation, and that the role of business, and specifically implementing agencies, is essential. It is also recognised that central to delivery is the role of the engineer, more than anyone else!"

FIDIC and SAACE had a joint exhibition stand at the Ubuntu

Village, situated at the Wanderers. FIDIC President, Eigil Pedersen, gave a short talk on its views on Sustainable Development. This was followed by cocktail party, which gave members a chance to meet Pedersen and FIDIC Managing Director Peter Boswell.

# Head of New International Business Development Section

One of the strategic thrusts for 2002 and beyond is 'Global Positioning of Membership'. An International Business Development Section has been set up to focus on increased business opportunities for SAACE members outside South Africa. Due to the specialised costs of setting up and running this section, these services will be offered to members on a user pay basis.

We are pleased to welcome Roelof van Tonder on board as the Manager of the International Business Development Section.

Born in the picturesque town of Sabie, Roelof holds a B Com degree in Human Resources Management from the University of Pretoria.

He completed his diplomatic training in 1990 at the Department of Foreign Affairs and was posted to Mozambique as Assistant Trade Representative. After gaining valuable experience in trade promotion and political analysis in

that country, he was posted to the Consulate General in Beverly Hills, California.

On his return to South Africa, Roelof was involved in various important projects such as the launching of the Maputo Development Corridor and many high profile visits by politicians. In 1997, Roelof was appointed as First Secretary to the South African Embassy in Tunis, Tunisia where he was responsible for managing trade and political relations between South Africa, Tunisia and Libya and had the opportunity to build up an extensive network of contacts in the region. He then worked in the Chief Directorate for North Africa on his return.

Roelof brings a wealth of experience and contacts to his new position at the Association

and we are confident that his expertise will provide numerous opportunities for the members of the International Business Development Section.

**Roelof van Tonder comes on board as the Manager of the International Business Development Section.**



## Editor's note

This has certainly been a hectic year. Apart from the normal features such as the Directory and Annual Excellence Awards, we had the first Built Environment Professions Convention, the reinstatement of a printed newsletter, our Golden Jubilee, the World Summit on Sustainable Development and our 50th Anniversary History Book.



Next year promises to be even more interesting as we will be looking at a new image for the association.

Our new President, Dempsey Naidoo has a number of objectives that will keep Marketing and Communications busy, including the promotion of the consulting engineering industry.

SAACE is here to service your needs – so please let us know if you have any suggestions or specific requirements. Also, tell us if there are any subjects that you would like to see covered in future issues of the newsletter.

*Lynn McSweeney*  
Member Services Manager  
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## Calendar of events

### Important dates to diarise

Date	Event	Venue
22 Jan 2003	President's Breakfast	Gauteng
*29 Jan 2003 (Provisional)	CETA Workshop – What CETA can do for you	Gauteng
*Feb 2003 (Provisional)	Seminar – Client Consultant Relationship	Gauteng
*11-12 Feb 2003	Seminar – FIDIC Contracts	Gauteng
13 Aug 2003	Awards Banquet	Gauteng
6-10 Sep 2003	FIDIC Convention	Paris
17- 18 Oct 2003	AGM & Annual Convention	Drakensberg

\* School of Consulting Engineering