



Rijkswaterstaat
*Ministry of Infrastructure and the
Environment*

Public Procurement of Dutch Infrastructure

*Developments, methods and
considerations*

Cees Brandsen

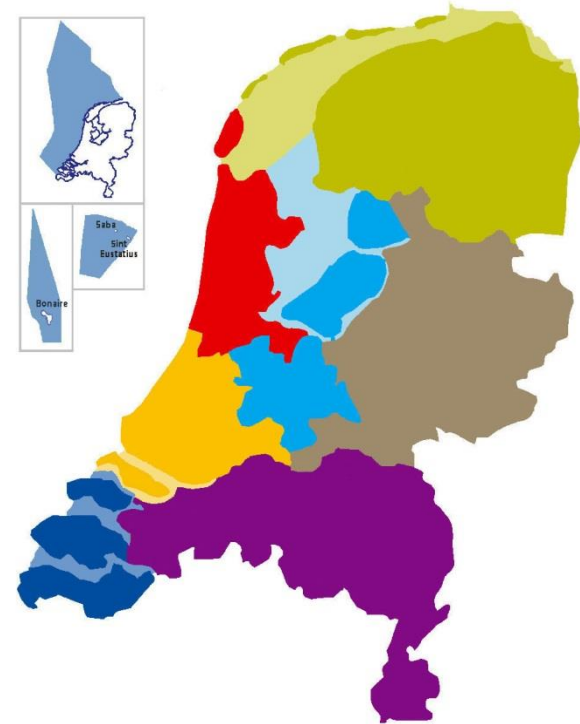
Director major projects and
maintenance Rijkswaterstaat

April 12th, 2016



Introduction Rijkswaterstaat

- Rijkswaterstaat is the executive agency that manages the main national infrastructure facilities on behalf of the Ministry of Infrastructure and the Environment
- Some nutshell figures:
 - Founded in 1798
 - Around 8,500 employees
 - Annual budget: appr. 5 billion Euros





Role of the government vs private sector in terms of constructing

Roads, waterways, railroads, watersafety

- Government role:
 - Decision making
 - Procurement of design, build and maintenance
 - Traffic management, water management, crisis management
- Private sector role:
 - Responsible for actual design, build and maintenance of infrastructure

Seaports and airports

- Publicly owned companies (Ltd.)
- Inland infrastructure
- Private sector (Ltd.'s) responsible for building, financing and management of port infrastructures and suprastructures





General political constraints

Political demand to realize in public tenders:

- The shift of public “works-and-services” to the private sector companies
- Environment: Noise, CO2-reduction, clean air, durability
- Safety standards
- Social return: mainly to stimulate unemployed workers into society
- Use of PPP-schemes; possibilities for private investments in public infrastructure
- Chances for small companies
- Freedom for the private sector to innovate and find more efficient solutions
- Preventing collusion in the tendering of public works





Cultural change: a new procurement strategy

- Market strategy Rijkswaterstaat:
 - Durable competitive market
 - Award on: Economically Most Advantageous Tender (EMAT)
 - Permanent ambition to lower costs of tendering
 - Market-vision: increasing share of partnership in realising projects
 - Based on functional specifications
- Contracting strategy: 3 main standards (integral approach)
 - Maintenance: performance based contracts and E&C-contract
 - New projects: Design and Construct (D&C)
 - Major projects (> € 60 mln.): Design, Build, Finance and Maintain (DBFM)





Projectmanagement within Rijkswaterstaat

- Integral Projectmanagement Model (IPM), 5 roles
- Each staff member (RWS) is a counterpart for the contractor-official
- Attitude, basic skills and competences of the managers is essential





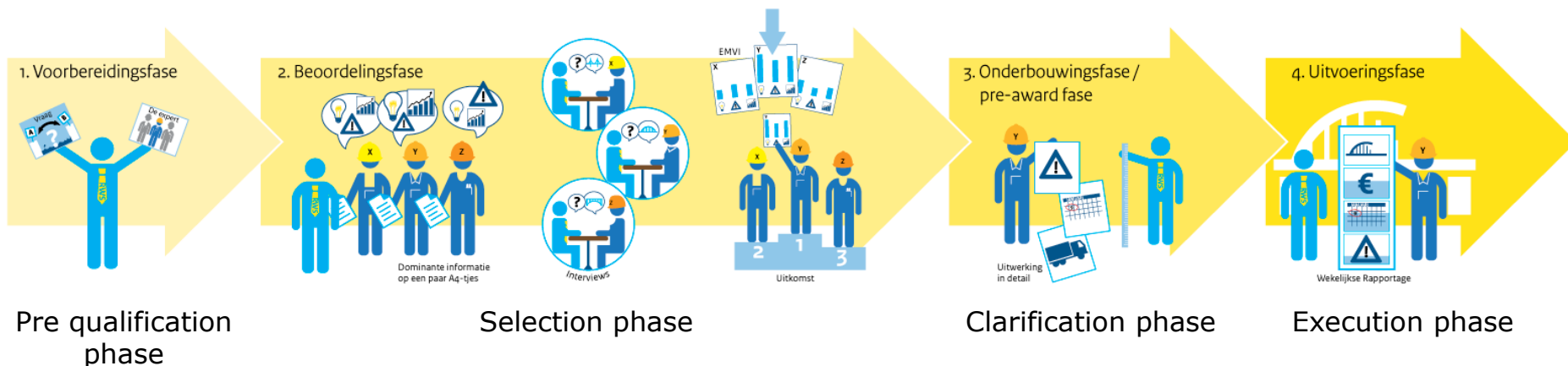
Process of procurement for integral contracts

- Preliminary design of the project; solve the environmental, spatial problems, etc.
- Rijkswaterstaat approves design and permits
- Preparation of the procurement plan
- Preparation of tender-documents



Opportunities and risks for changes

- Best Value approach (Best Value Procurement)
- Dean Kashiwagi, Arizona State University (ASU)
 - Creates transparency and simplicity, dominant information
 - Measures and documents performance and project deviation
 - Minimizes the client management, direction, and control of the vendor



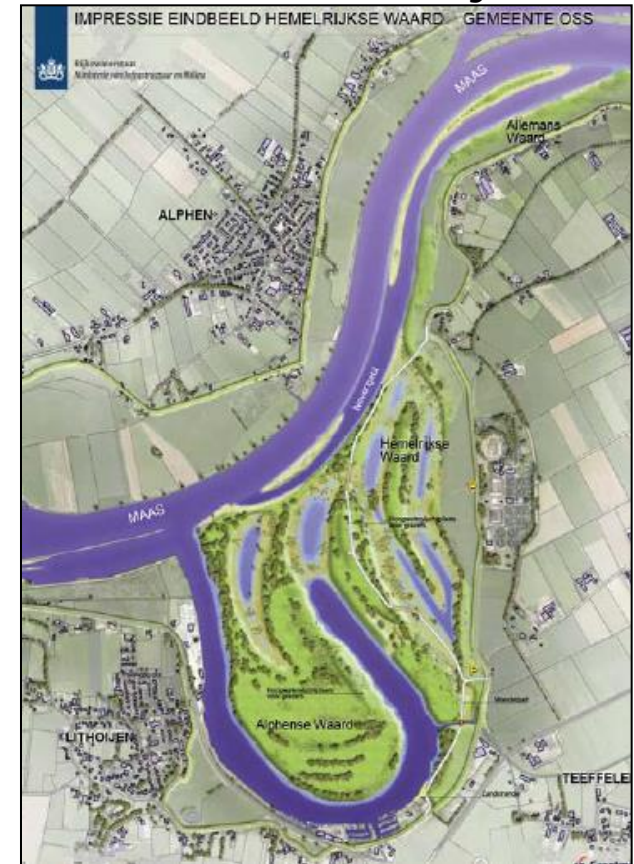


Examples Best Value projects

IJsselmeer - Houtribdijk



River Meuse - Hemelrijkswaard





The agenda of the future

- Three major programs:
 - “Locks and Weirs”
 - Multi water works
 - “Grip on the river Meuse”





Lessons learned

- Difficulties
 - Client (Rijkswaterstaat) has to learn to keep distance
 - Contractor has to learn to be accountable for the completion of the project
 - Working with functional specifications
 - People with the proper knowledge, attitude and skills
- This requires
 - New partnership during the project realisation
 - Bring knowledge, attitude and skills and a higher education level
 - Shift to larger combinations of contractors
 - Culture change
 - *Marktvisie*
 - *Ketensamenwerking*





Cees Brandsen
cees.brandsen@rws.nl

Rijkswaterstaat
www.rws.nl/zakelijk

Public Procurement
Frits Houtman
frits.houtman@rws.nl

Best Value approach
Wouter Smits
wouter.smits@rws.nl