

International Construction Law
Academic Monograph



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DOI: 10.64457/icl.en.ch30

Designing Effective Risk Allocation and Dispute Resolution in Global Construction: FIDIC Standards as Practical Tools for Transnational Projects

Recommended citation: Dmitry Semenovitch Belkin. Designing Effective Risk Allocation and Dispute Resolution in Global Construction: FIDIC Standards as Practical Tools for Transnational Projects. In: International Construction Law. Moscow: Slavic Greek Latin Academy, 2025. DOI: 10.64457/icl.en.ch30.

The chapter traces the emergence of international construction contract law as a branch of private international law centred on the contract suites of the International Federation of Consulting Engineers (FIDIC). It maps the historical role of the Red, Yellow and Gold Books in standardising project management, risk allocation and dispute resolution through dispute adjudication boards and arbitration. Drawing on treaty material, arbitral awards and regional initiatives (EAEU, SCO, BRICS), the analysis highlights

the interaction between global templates and domestic legal orders, the contribution of education and technology-transfer frameworks promoted by UNCTAD and multilateral development banks, and the need for flexible localisation of FIDIC standards to secure predictable, sustainable cross-border projects in a multipolar economy.

International construction contract law (ICCL) constitutes an important part of international private law, governing cross-border construction projects. The development of this field has been largely driven by the activities of the International Federation of Consulting Engineers (FIDIC), which since its founding in 1913 has made a significant contribution to the harmonization of legal norms and project management procedures. FIDIC contracts provide legal certainty by offering efficient tools for project governance, protection of the parties' rights, and dispute resolution arising in the execution of major international projects. These standards have contributed not only to the development of international construction law as an independent discipline but also to strengthening international legal cooperation in the construction sector. The present study draws on academic publications, international agreements, and arbitration cases relating to the application of FIDIC standards in the international construction industry. Special attention was paid to key FIDIC contract forms—namely the “Red Book,” “Yellow Book,” and “Silver (formerly Gold) Book”—used in projects of varying scale and complexity. These contracts form the legal foundation for regulating construction projects, thereby contributing to the unification of legal norms in international construction relations. The influence of FIDIC on the evolution of international construction law has been analyzed, allowing a deeper understanding of FIDIC's role in standardizing and harmonizing construction contracts.

The international legal aspects of educational integration in the Eurasian space represent a key facet of international legal cooperation within the framework of the Eurasian Economic Union (EAEU). This process creates legal mechanisms that facilitate effective interaction among member states, thereby supporting the development of a unified educational environment and promoting integration processes. The importance of this initiative lies in establishing a single legal basis that ensures the harmonization of educational standards and programs, as well as easing the exchange of knowledge and

experience among the region's countries. It is aimed at achieving the goals set out in the EAEU Treaty, including the creation of a common economic space, strengthening the exchange of skilled professionals, and integrating member states' resources. As Deputy Chairman of the Federation Council Konstantin Kosachev noted during a roundtable on Russia's chairmanship in EAEU bodies, the Eurasian Economic Union is a self-sufficient structure capable of becoming one of the poles of a multipolar world and playing a key role in forming the Greater Eurasian Partnership. Strengthening international educational ties is essential to achieving these goals, as it enables the training of qualified personnel to advance integrative collaboration under the Strategic Directions of Development up to 2025 and future plans through 2030 and 2045.

Scientific, technological, and industrial integration processes within the EAEU play a vital role in international cooperation amid the challenges of the Fourth Industrial Revolution. These processes shape the contours of the Union's interaction with external partners, further enhancing cooperation. A prominent international entity that offers broad prospects for the Eurasian Union's scientific and technological development is the United Nations Conference on Trade and Development (UNCTAD). The EAEU states participate in UNCTAD through a dual format: via the Eurasian Economic Commission (EEC) and independently through each member state. The organizational framework for this cooperation is laid out in the Memorandum of Cooperation between the EEC and UNCTAD, which defines the main directions of joint work in key areas, including scientific and technological cooperation. One priority objective is to identify possible directions for cooperation in the science and technology sphere, which could contribute to modernizing the technological base of the EAEU member states and developing their construction infrastructure by introducing new technologies. It is important to note that international scientific and technical cooperation is central to efforts to develop the legal framework for international construction contracts. At the same time, scientific-technical cooperation plays a crucial role in technology transfer to the construction industry, which can significantly enhance the competitive positions of EAEU countries on the world stage. One of UNCTAD's activities is facilitating technology transfer at national and international levels, which is especially relevant for EAEU member states involved in international construction

projects. In this context, UNCTAD's recommendations and technical assistance can make a substantial contribution to improving the Union's global competitiveness and advancing international legal standards in construction. Through its cooperation with the Eurasian Economic Commission, UNCTAD promotes the development of sustainable economic and infrastructure links, creating conditions for implementing long-term construction projects in line with current legal norms and standards.

In the EAEU integration process, particularly in education, a legal foundation is needed to consolidate the achieved level of cooperation. Although the EAEU Treaty does not explicitly provide for educational integration, the strengthening of educational ties among member states continues actively. This is especially important for preparing the workforce needed to support legal integration and the execution of international construction projects within the EAEU. Issues of mutual recognition of educational credentials and regulation of training specialists for the Eurasian legal space are becoming acute in the context of technological modernization and the legal support of international construction contracts. From a legal standpoint, cooperation between the EAEU and UNCTAD illustrates the interaction of two differently constituted entities: the EAEU as a regional economic integration organization, and UNCTAD as an auxiliary organ of the UN General Assembly. Despite these differences, the participation of the Eurasian Economic Commission as the Union's representative opens up additional opportunities for EAEU countries to engage in global scientific, technological, and construction projects, thereby strengthening international legal cooperation in the construction field.

Since 2014, the world has faced changes that reinforce multipolarity and give rise to new non-Western "centers of power." Alongside the EAEU, the significance of international organizations such as the Shanghai Cooperation Organization (SCO) has grown. The SCO is founded on principles of equality and respect for the cultural and legal diversity of its participants. These principles help strengthen international cooperation in the science and technology sphere and underlie multilateral projects aimed at sustainable development of SCO member countries. Such developments create conditions for a review and further expansion of the legal bases of interaction

within similar organizations, underscoring the importance of intensifying their activities under current global conditions.

The existing governance structure of the SCO contributes to strengthening international relations, including cooperation in key areas such as construction and scientific-technical exchange. One important direction in construction cooperation is the development and implementation of international standards, such as the FIDIC model contracts, which serve as the foundation for regulating construction projects at the global level. On the other hand, some researchers argue that many international relations problems stem from internal constitutional and social issues within states. These issues hinder full interaction on the international stage and call for the development of more flexible and effective mechanisms to ensure stable cooperation.

The need to develop flexible legal mechanisms for effective cooperation in the face of global challenges is growing. In the construction sector, such interaction is particularly important for exchanging advanced technologies, managing large infrastructure projects, and standardizing legal norms for cross-border construction contracts. However, destructive factors—such as the primacy of political interests over scientific ones—continue to negatively impact international projects, including those in construction. This requires increased attention to safeguarding national interests within scientific-technical cooperation, particularly within organizations like the SCO. The importance of reinforcing legal mechanisms to maintain stable partnerships and create favorable conditions for scientific-technical and construction cooperation is confirmed by Vasilenko V. I.'s study, which examines the role of the SCO in ensuring regional security and stability.

In a rapidly changing world order, the threats of transnational terrorism, separatism, and extremism have become especially acute, requiring a comprehensive approach to security. These threats have become key factors influencing Russia's strategy of engagement with other states in the international legal arena. The SCO's adopted "Three Evils" doctrine—combating terrorism, separatism, and extremism—serves as an important tool to counter these transnational threats. This document emphasizes the necessity of joint efforts by member countries in fighting terrorism,

separatism, and extremism, thereby strengthening the legal foundations for cooperation in the field of security. An important aspect of this doctrine is its focus on multilateral approaches to conflict resolution and regional stability, which is essential for creating favorable conditions for the development of international law. Against this backdrop, Russia continues to actively advance international legal cooperation, placing special emphasis on collaboration in the construction and scientific spheres and on the security of major infrastructure facilities such as pipelines and communication networks. Security issues thus become key tasks in the context of executing cross-border projects that not only drive economic development but also reinforce the legal mechanisms that protect the interests of all participants. A focus on international cooperation in construction and science enables Russia not only to safeguard its interests but also to strengthen its position on the world stage.

The importance of a cross-sectoral approach to regulating international cooperation is emphasized in the research of N. E. Tyurina. The author notes that international integration and the development of new forms of interaction between universities and research organizations require a significant breakthrough in the legal regulation of international scientific cooperation. Harmonization of educational and scientific spaces, ensured by international agreements, fosters effective interaction among states, which is pertinent to the construction industry as well. Tyurina and co-authors also draw attention to the role of regional organizations—such as the SCO and the Association of Southeast Asian Nations (ASEAN)—in forming a unified scientific and technological environment. The creation of special coordinating bodies and the conclusion of international agreements allow for the unification of legal norms and facilitate interaction between countries. This experience can be applied to the development of international construction contract law, particularly regarding the adaptation of FIDIC standards to national legal systems. Furthermore, Tyurina’s study highlights the relevance of intellectual property protection and digitalization issues in international cooperation, and the need to develop new regulatory provisions and adapt existing norms to new forms of relations arising from technological progress. These considerations are especially significant for the construction sector, where the introduction of innovations and new technologies demands modern legal support.

Scientific-technical cooperation is one of the main aspects of international legal cooperation, and its importance significantly increases with the widespread adoption of robotics and artificial intelligence. Considering the challenges encountered during the COVID-19 pandemic, the need for integrated efforts and knowledge exchange in healthcare became evident. However, even in this globally important sphere, destructive factors emerge when political and short-term gains begin to prevail over long-term scientific projects. In such circumstances, Russia's protection of its national interests in scientific-technical partnerships, including cooperation within the SCO framework, becomes one of the leading directions of international legal interaction in the coming years.

A key element of international legal cooperation in construction is the resolution of disputes arising during the execution of major projects. FIDIC contracts include effective conflict-resolution mechanisms, such as Dispute Adjudication Boards (DABs) and international arbitration, to settle disputes during construction. The use of FIDIC-based arbitration practices in various jurisdictions contributes to the harmonization of legal norms and the strengthening of international cooperation, making these contracts one of the key instruments in regulating transnational construction projects. These mechanisms allow the parties to avoid lengthy court proceedings, which is particularly important in international projects involving multiple jurisdictions. The application of FIDIC-based arbitration procedures facilitates efficient project management and swifter dispute resolution, thereby bolstering international cooperation and the harmonization of construction law. A crucial role in this process is played by international arbitration practice, which is recognized and used in global construction disputes, furthering the development of legal standards within international construction contract law.

The regulatory and organizational potential of the SCO is considered quite high, as evidenced by the implementation of the 2025 SCO Development Strategy adopted at the 2015 Summit. The strategy's main goal was to take cooperation among member states to a new level, with a special focus on ensuring regional security, which has been achieved in recent years. However, important directions remain the fight against terrorism, separatism, and extremism, as well as combating illegal migration and trafficking in narcotics

and arms. Special attention is given to protecting the information space and improving mechanisms for promptly responding to security challenges in the region. In the economic sphere, the key areas of development include transport, energy, finance, communications, education, innovation, science, and technology. Plans include establishing a network of industrial clusters along transport corridors to stimulate economic growth, and in agriculture, prioritizing joint high-tech production and processing projects to boost food security. Humanitarian cooperation involves creating a unified educational space—such as the SCO Network University project—and developing youth cooperation through the SCO Youth Council to promote student exchange and raise education levels. Establishing a unified information space is also envisaged to enable rapid responses to media challenges and to protect member states’ interests in the information domain. Creating a unified educational space within the EAEU based on agreed legal and professional standards will be an important step in training highly qualified personnel. Cross-training programs developed through joint educational curricula will give EAEU countries competitive advantages in technology and innovation, directly affecting their ability to participate in cross-border construction projects—especially given global trends in digitalization and infrastructure modernization.

Standardization simplifies interaction among countries’ legal systems, and the model contracts and instruments developed by FIDIC play a key role in standardizing the construction sector. This is especially relevant for the BRICS countries, regarded as a driving force of global development with numerous large-scale international infrastructure projects. Model contracts provide the legal basis for effective project management, particularly for projects financed by international financial institutions like the New Development Bank (NDB). Unified standards help build trust between parties and offer more transparent legal frameworks for executing major infrastructure projects. Since its establishment in 2015, the NDB has actively utilized FIDIC standards to provide a legal basis for the infrastructure projects it finances. This approach allows for the unification of legal norms and reduction of risks in cross-border project execution while strengthening trust between parties. As noted in the NDB’s 2023 assessment of India’s public procurement system, the bank developed programs such as SUNP (Streamline and Simplify the Use of Country Procurement Systems for NDB

Portfolio) aimed at improving and standardizing procurement systems for projects implemented in BRICS countries, including India. These initiatives enable the use of national procurement systems while maintaining high international practice standards—particularly FIDIC standards—substantially improving the management of large-scale projects.

International construction contract law provides universal instruments for project management and dispute resolution. FIDIC standards simplify the contracting process, making contracts more predictable and legally secure for all parties. However, a key challenge remains the adaptation of these standards to local legal systems, necessitating the development of flexible mechanisms for interaction between international and national law, as well as the implementation of unified standards within the EAEU and the United Nations. M. V. Shugurov emphasizes the importance of scientific and technical cooperation between the EAEU and UNCTAD, which is becoming increasingly relevant in the context of the Fourth Industrial Revolution. He concludes that this cooperation is currently latent and needs to be activated to modernize the EAEU member states' technological base.

However, an essential balance must be maintained between universal FIDIC standards—which facilitate the execution of complex infrastructure projects under BRICS and NDB frameworks—and respecting national interests, including preserving Russia's existing theoretical and regulatory basis of construction rules and state standards. E. S. Anichkin and E. A. Kulikov note the growing need to prioritize Russia's national interests in the scientific realm amid changing international relations. The scholars stress that addressing these issues is at an embryonic stage and requires refinement, possibly drawing on the experience of the CIS, where agreements on scientific cooperation are already in place.

This study indicates that international legal cooperation under FIDIC continues to play an important role in the development of international construction contract law. The standardized contract forms and regulations developed by FIDIC help harmonize standards and protect the rights of participants in international construction projects. Within regional unions such as the EAEU, SCO, and BRICS, universal standards enable financial institutions like the NDB to more effectively oversee the implementation of

major infrastructure projects. Unification of legal norms and enhanced protection of the parties' interests contribute to the harmonization of legal regulation across different countries, allowing for efficient management of large international projects and reducing the risks of legal uncertainty. Nonetheless, adapting these standards to national legal systems remains a complex task that requires deeper legal elaboration and close cooperation among states and international organizations.

To ensure the continued development of international construction contract law, it is necessary to adopt more flexible approaches to adapting universal standards, taking into account national legal particularities. This involves not only harmonizing legal norms but also training professionals under integrated educational programs, which will strengthen inter-state cooperation and increase the legal predictability of international projects. Educational initiatives within the EAEU, SCO, and BRICS play a pivotal role in preparing specialists who will shape these universal standards.

The future evolution of international construction contract law should aim to balance the interests of all parties and establish fairer conditions for implementing major projects. Such an approach will reinforce international cooperation and contribute to achieving sustainable development.

Note on the publication of the main research results

Academic specialty: 5.1.5. International legal studies.

International legal cooperation in the fields of education, science, culture, public health and sport.

The main research results have been published in the following peer-reviewed article: Белкин, Д. С. Международно-правовое сотрудничество в сфере строительства. Развитие международного строительного контрактного права как отрасли международно-правовых наук в рамках МФИК / Д. С. Белкин // Вестник экономики, права и социологии. – 2025. – № 1. – С. 154-160. – DOI 10.24412/1998-5533-2025-1-154-160. – EDN URXCFB. DOI: 10.24412/1998-5533-2025-1-154-160 EDN: URXCFB

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