

# The Role of Partners for Consultancy Development

Badan Lal Nyachhyon  
Past President  
SCAEF

## A story

I was appraised by a unknown person from Far West Nepal,” We know your dedication in Consultancy Development”.



I was extremely alerted. A person unknown to me is watching at me from far away distance.

**I recalled the big ever watching eyes of “SWOYAMBHU” and “BAUDHANATH”.**

## Herbert Hoover (on engineering)



*"The great liability of the engineer compared to men of other professions is that his works are out in the open where all can see them. His acts, step by step, are in hard substance. He cannot bury his mistakes in the grave like the doctors. He cannot argue them into thin air or blame the judge like the lawyers....He cannot, like the politician, screen his shortcomings by blaming his opponents and hope that the people will forget. **The engineer simply cannot deny that he did it.** If his works do not work, he is damned forever."*

**What he did  
you can see ...**



**...and that  
is the built  
or natural  
environme  
nt**



## Our voice is not loud enough

- Engineers and Consultants are dedicated to their profession
- But we did not put our voice loud enough to prevent Environmental Damages
- Our share of liability is remained unattended

## Need for Continuous Upgrading

- The First thing A common man sees is the products of Engineers – Better House or Garbage dump, pot hole in the road, traffic accidents, failing power, water shortage, failing telephone
- They have great expectation that the infrastructure created by them stand to high standards
- **People remember and look at Engineer**
- The Image of Engineer is at stake

## Engineering today

- Engineers to be vigilant, responsive and devote for enhancing the acceptance of the engineering products by the Society
- In last Century, Engineer is brilliantly visible as individual and is considered the symbol of dignity, pride and respect.
- **Today**, the Consulting Engineer is more visible in institutional form than individual personality.

## Consultancy – Foundation of Economy

- In April 1992, UN ESCAP Recognized Consulting Services as foundation of economic development and Adopted a Memorandum of TCDPAP
- TCDPAP members (15): **Bangladesh, China, India, Indonesia, Iran, Pakistan, Korea, Laos, Malaysia, Myanmar, Nepal, Philippines, Vietnam, Sri Lanka and Thailand**
- Potential members: **Azerbaijan, Uzbekistan, Afghanistan**
- **Membership Criteria:** Consulting Associations, Government, Technology Suppliers and business houses

## Leaders and End Users

- End Users: national governments, donor agencies, private sector industries and Communities – creating demand for high quality and efficient performance and return of Value of money they pay

## Strong, Vibrant and Effective Consultancy

- Foundation for Sustainability, Decency, Dignity, Respect: **Understanding among stakeholders**, End Users of Consultancy and Service Providers (Level of delivery)
- Market Force: Supply and Demand – **Smile for a smile and Garbage for a Garbage**
- Value of Services – **Competitive Market creating demand high quality Services and efficient performance**
- Return of Value of Prices – **Quality of services irrespective of rationale of Prices**

## WTO regime Services - 12 classifications: Reciprocal Conditions

### Four Modes of Supply:

- **Cross-border** (from the territory of one member into territory of other member – banking, architectural services)
- **Consumption abroad** (users consuming in the territory of supplier- aircraft maintenance, tourism)
- **Commercial presence** (presence of supplier in users' territory- Established companies as insurance, hotel chain, consultants, contractors, manufacturing)
- **Movement of natural persons** (presence of supplier as doctor, lawyer, accountant, manager, engineer, architect).

## **Role of FIDIC– as a Leader**

Promotes:

**the business interest of firms supplying technology-based intellectual services for the built and natural environment**

**NMA for ensuring the sustainability of their business and the projects they are involved**

**Exercising sound business methods, promoting ethics, Integrity and enhancing the image**

**Adapting strategies to address the dynamic growth of the market economy**

**“Value added” services in new ways to meet the client needs**

**Removal of disparity and unfair competition between its members from Developed and Developing Countries**

## **Role of TCDPAP - a forum for collaboration**

TCDPAP is a regional forum for:

- **Networking along NCA, GA, NGO, suppliers of technology, and institutions promoting the Consulting Industry**
- **Boosting export of Consultancy Services**
- **Developing collaborative partnership among the consultants and Government Agencies**
- **Providing training for enhancing capacity**
- **Information dissemination**
- **Membership Development**
- **Developing Effective Policy, Strategy and program**
- **Many Opportunitites still to be explored**

## FIDIC-TCDPAP Collaboration

- Members – Common to both Organisations
- Target – Common in both Organisations
- FIDIC- Guide for Standard and Professional Development
- TCDPAP- Provide for Forum for Business Development ?
- Complementing each other for creating strong, vibrant and sustainable Consulting Industry
- Explore areas of Collaboration

## Consulting Practice in Nepal



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- Consulting practice emerged in Nepal in late 1960s
- Currently, 75 companies providing 80% of Job
- Annual turnover about Rs.1.5 billion (US\$ 20M)
- Non-Consulting org. (without committed Code of Ethics and Liability) taking away huge amount of jobs
- **Low fee competition and conflict of interest** destroying the industry
- Huge brain drain and loosing capacity
- Sustainability – Low (Skill Development)

## Role of the Private Sector

- Assumes social and corporate responsibility for assurance of safety of life and property,
- Investors providing huge market for Consultants
- Lack of policy on the Consulting services and broader procurement guidelines,
- Use of domestic consulting services by the private sector has been very limited.
- huge consequences on sustainability because of high cost they spend, low reliability of services,
- Most of assets are vulnerable to major disasters as earthquake and fire,
- **Great Concern for SCAFF**

## Role of SCAEF as a National Leader

- **Protect the interest of its member firms,**
- **Create market (all jobs through companies)**
- **advocate for adherence to Code of Ethics, Integrity, and Anti-corruption Policy, Quality**
- **Advocate for Introduction of Rationale of Priced Proposals (sustainability of the industry)**
- **Advocate for transparency of consultants selection procedure, (technical audit and public review)**
- **Capacity building through providing relevant training, enhancing knowledge and skill base**
- **Strengthening the networking, Image building**

## Role of the Government

- Recognise CI as Development Partners
- Develop Policy for sustainable development of the Industry and enhancing Image
- Develop institutional arrangement (regulatory and supervisory mechanism) for empowering the industry,
- Strengthening professionalism and integrity
- Strengthening access to international market
- Representation at international forums
- Strengthen procurement procedure (PPMO has lead role to play)
- Reform Tax system following WTO service modes
- Procurement policy at Private Sector

# Conclusion

**It is like driving a Chariot**

**If a horse becomes lame,  
the motion is broken**

**All stakeholders need to  
deliver services at  
equitable manner**

**Needs vision and mindset  
to keep all partners  
together**

**Partnership, Networking  
and collaboration is the  
foundation**

