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# Professional Drilling Management

## Online Course

### **MODULE 2: PROCUREMENT & CONTRACT MANAGEMENT**

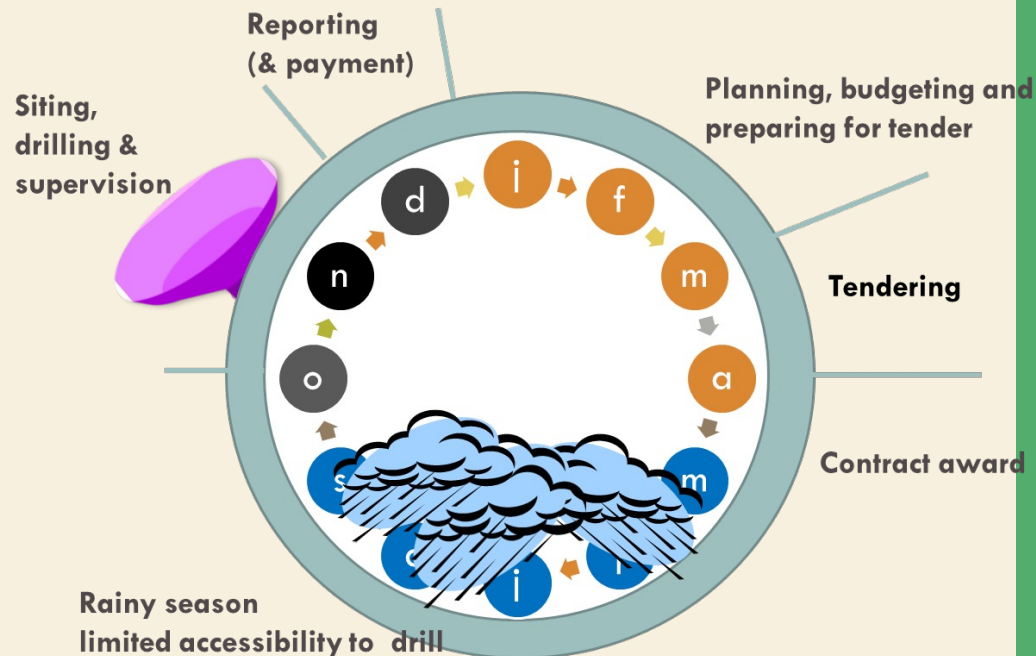
**ORIENTATION VIDEO**



# INTRODUCTION



**“MANAGING BOREHOLE DRILLING PROJECTS INVOLVES MUCH MORE THAN SIMPLY AWARDING A CONTRACT!”**



## EXAMPLE OF DRILLING CALENDAR, BURKINA FASO, 2017\*

\*Source: DANERT, K, OUEDRAOGO, JP, AMADOU, B ET ZOMBR  
(2018) **Bonnes pratiques pour la réalisation de forages au Burkina Faso - 2017**. Note de mission , Skat Foundation, Available from <https://www.rural-water-supply.net/en/resources/details/825>



# MODULE GOAL

This module introduces you to costing & pricing, and the procurement & contract management of borehole drilling.

Upon completion, you should:

- better appreciate the financial risks of borehole drilling
- be familiar with the various cost components
- be able to reflect on drilling procurement and contract management processes within your own organisation

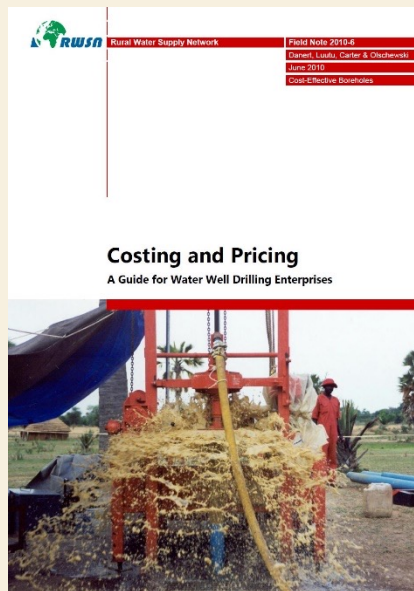
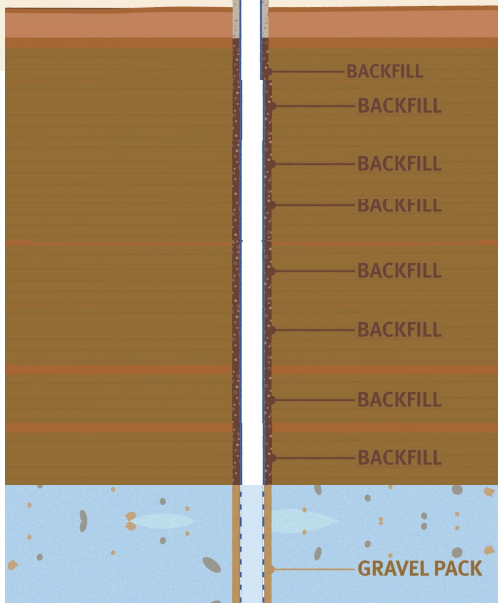
The forum discussion will enable you to reflect on:

- the intricacies of borehole costing and pricing
- the realities faced by private sector drillers including the effects of non-payment for dry boreholes



# COSTING & PRICING – AND ENGINEERS ESTIMATES

## MANDATORY READING



<http://www.rural-water-supply.net/en/resources/details/146>

## RECOMMENDED MATERIAL

## Borehole Costing Model V2.8 BETA

<http://www.rural-water-supply.net/en/resources/details/361>



# FOUR STAGES OF PROCUREMENT & CONTRACT MANAGEMENT

## MANDARATORY VIDEO AND READING



Stage 1: Procurement Plan



Stage 2: Contract Award



Stage 3: Contract Management



Stage 4: Monitoring and Reporting

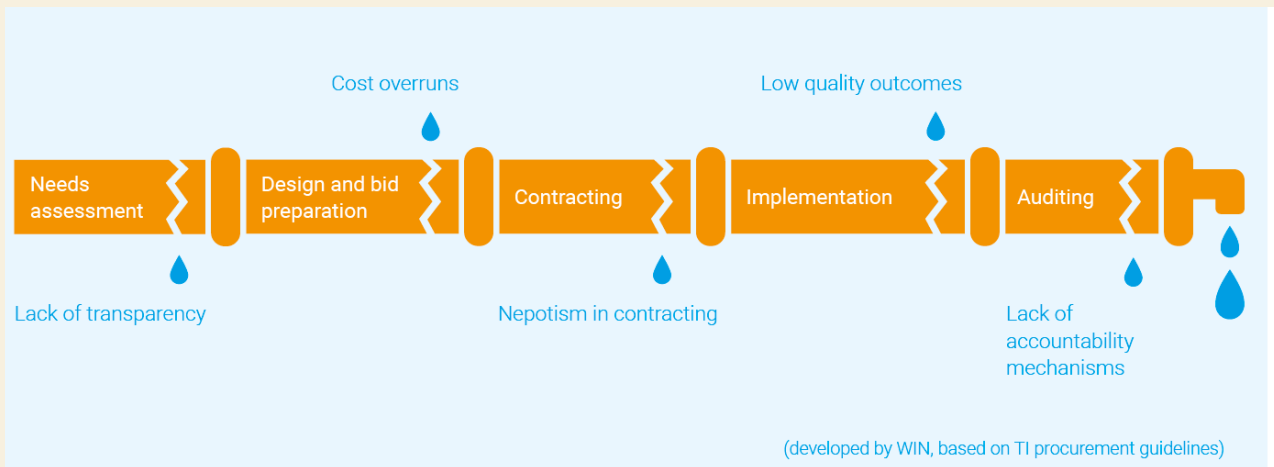
- RWSN (2016) ***Four steps to better drilling contracts*** [Online], RWSN, <https://vimeo.com/171751215>
- ADEKILE, D. (2014) ***Procurement and Contract Management of Drilled Well Construction. A Guide for Supervisors and Project Managers***, RWSN, <http://www.rural-water-supply.net/en/resources/details/431>



# ANTI-CORRUPTION & INTEGRITY

## THE PROCUREMENT PROCESS AND MAJOR RISKS

## OPPORTUNITIES & CHALLENGES



- Considerable materials available alongside promising initiatives!

But *"the lack of scientific, technical and infrastructural capacity of local actors... can generate an accountability gap"*



Source: WIN (2016) **Chapter 4 - From Planning to Implementation** in WIN (2016) Water Integrity Global Outlook, A primer on corruption and integrity in the water sector, with cases and tools, Water Integrity Network, Available from <https://www.waterintegritynetwork.net/wigo/>

# ADDITIONAL RESOURCES

## IF YOU WANT TO LEARN MORE

1. RWSN Thematic Page: [Professional Water Well Drilling](#)
  2. GIACC (2008) [Anti-Corruption Tools Procurement procedures](#)
  3. GIACC (2008) [Contract Terms](#)
  4. WIN (2019) [Descriptions of common integrity risks and applicable tools for water organizations & projects](#)
- [Professional Borehole Drilling: Learning from Uganda](#) (0-6:40)
  - [UNICEF Mali - Learning from the management of borehole construction for schools in Mali](#) (from minute 17:39-31:39)
  - [Borehole Drilling – Planning, Contracting & Management: A UNICEF Toolkit](#)
  - [Borehole Costing Model V2.8 BETA](#)
  - [F-301/2017a UNHCR Sample Drilling Contract and Technical Specification \(Word\)](#)



# KEY POINTS



1. Good design, planning and management of drilling projects and programmes is time-consuming.
2. To ensure quality, all four stages of the drilling procurement and contract management process are essential but time-consuming:
  - i. preparing a procurement plan,
  - ii. a systematic contract award process,
  - iii. professional contract management (including regular communication, supervision and timely payment) and
  - iv. monitoring and reporting after construction
3. Borehole drilling is riskier than many other civil works such as building construction.
4. Drilling cost and drilling price estimates need to consider risk.
5. Even if «turn-key» or «no water no pay» contracts are used, the cost of failed boreholes will be paid somehow.





