Contract Structure & Dispute Risk

The problem

The contract is the last line of defence when a project goes wrong. Templates copied from unrelated industries, or supplier-friendly T&Cs; accepted without amendment, remove the buyer's remedies exactly when they are needed.

Mitigations checklist

- Start from an established framework (FIDIC Yellow/Silver Book or LOGIC/IChemE) — not a supplier template.
- Negotiate limitation-of-liability caps at 100% of contract value minimum for the core obligations.
- Carve gross negligence, wilful misconduct, IP infringement and confidentiality out of the liability cap.
- Choose arbitration seat (ICC, LCIA, SIAC) neutral to both parties, with English as procedural language.

Contract clauses to insist on

- Dispute-resolution ladder: notification → senior escalation → mediation → arbitration.
- Step-in rights for lenders on lender-financed projects.
- Assignment and novation rights defined.
- Confidentiality and IP survive termination.