

# CONSTRUCTION WEEK

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## KUWAIT BRIDGE

Combined Group Contracting signs deal with Hyundai **p05**

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Contract win for Muscat and Salalah Airport expansion

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**Burj Rafal**  
70-storey Riyadh tower on track for June 2014

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**Bahrain park**  
Work set to start at \$63.2m Muharraq



# Forward growth

INTERVIEW

**Raouf Ghali from Hill International on Iraq's growing role as a top market**

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Raouf Ghali, president, project management group (international), Hill International.



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William Skidmore visits the Four Towers project.



**KSA COUNTRY REPORT**  
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A look at the construction boom.



**SOCIAL INFRASTRUCTURE KSA 2012**  
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CW recently hosted the *Social Infrastructure KSA 2012* conference at the Radisson Blu in Riyadh.



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“The Arab Spring has influenced business.”  
**LEA LEHTINEN**



**EDITOR'S COMMENT**

Development progress marches ahead in Dubai with new projects.

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**ALFAREEDA PHASE 2 05**

Ewaan Global Residential Company has begun the second phase of its Alfareeda residential development in New Jeddah.

**RAK ACADEMY WORK 05**

UAE contractor Al Karmel anticipates the imminent completion of an extension to an English-language school in RAK.

**MANHOLE COVERS 14**

Cannelle Holdings FZCO imports composite, lightweight manhole covers from Polieco Group of Italy.

FACE TO FACE



# Forward bound

CW speaks to Raouf Ghali, president, project management group (international) of Hill International, about the company's projected growth path in the region.

By Gerhard Hope

**F**rom Saudi Arabia to Qatar, Iraq and Egypt, Hill International maintains a global presence, and has scooped up major projects in every area it has established itself in. "The Middle East was always one of our fundamental, core regions, and continues to grow," says Raouf Ghali, president, project management group (international).

"Even during the economic crisis, we grew in the Middle East. We may have downsized in some parts and at some locations, but at other locations we absorbed most of the shortfall," says Ghali. "Part of our risk management was to diversify into locations where we thought the market would have an upward trend."

The success of this strategy is evident in Hill International's sterling growth. "From the downturn we were about 350 people; we are over 900 today, so have hired 100+ a year," says Mohammed Al Rais, senior VP and MD.

The main driver of this growth was "senior management's decision, Ghali at the time, to come out of the Middle East and open up all across North Africa." Of course, this strategy has been impacted by the Arab Spring. "The Arab

Spring did hurt us a bit, but we were widespread enough to make up for the shortfalls," says Ghali. "And now some of the countries affected by the Arab Spring have started to come back." Ghali says that stalwart areas during the regional upheaval have been Saudi Arabia locally and Eastern Europe internationally: the former on the back of a huge infrastructure boom, and the latter on the back of mega EU-funded projects.

The name of the game at the moment is social infrastructure. "We have seen more and more of it," confirms Ghali, "and not just in Saudi Arabia, but in Iraq as well. Housing is a market we are looking at, and we are a strong player in it." Al Rais points out that Iraq "has just announced a programme for two-million houses that is before parliament for ratification." Ghali adds that the infrastructure sector in Iraq "will mature even more once they get a mortgage system going to give individuals access to property. I think the personal income level in many of these countries, particularly on the lower tier, has increased."

Another area of social infrastructure that Hill International is heavily involved with is healthcare. Recent

wins in this sector include two five-year contracts worth a combined \$34m from the Saudi Arabian government to manage the design and construction of two medical cities and ten hospitals. Hill is also providing project management services for SEHA's two new community hospitals in Abu Dhabi.

While the project pipeline in Dubai has slowed to a trickle, the slack has been picked up by the rest of the region. "It is quieter in Dubai, but there is a lot of activity in Saudi Arabia, Qatar, Iraq," says Ghali. "It depends on how far out in the Middle East you go. In Egypt, we have the landmark development of the Grand Egyptian Museum.

"In Qatar, we are doing the National Museum, which is an unbelievable steel structure. There are a lot of these heritage and cultural

projects and specialised buildings." Al Rais concurs: "If you talk generally, Saudi Arabia is beginning to pick up, especially with all these health projects now."

He adds that rail projects are also "on the move", with Hill recently appointed as project manager for the Green Line of the high-profile Doha Metro, a key project for the 2022 World Cup. This four-year contract, awarded by Qatar Railways Company, is worth \$59.2m to the company.

"The region until now has relied heavily on individual transportation, not so much mass transportation," says Ghali. "As it grows, and it sees the need to be more efficient and environment friendly, it is upgrading its infrastructure to support mass transportation. It is a catch-up game." Ghali adds that

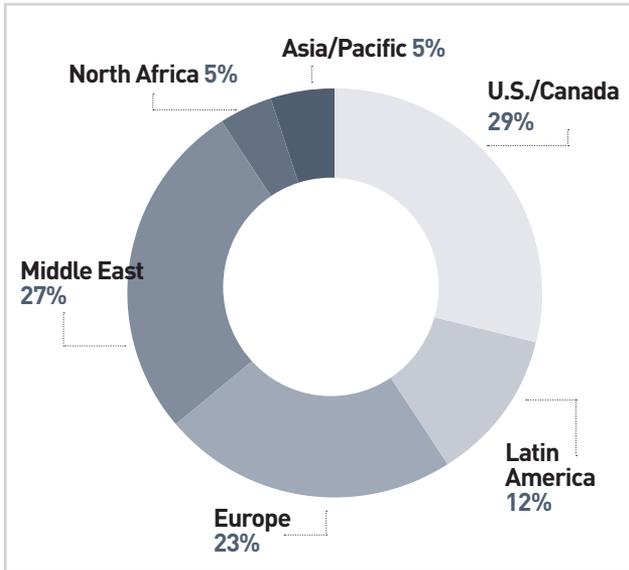
rail technology "has really evolved. What you can do now, you could not do 20 to 30 years ago." This is largely due to the specific climatic requirements of the region.

Ghali is responsible for a vast swathe of territories and regions, from the Middle East to North Africa, Europe, the Asia Pacific and Latin America. "Every day you wake up, and it is a different culture, a different approach you need to think about, and a different attitude you need to have for the different markets." Al Rais points out that Hill has 30 projects ongoing in the Middle East alone, and about 80 internationally, with 100 offices worldwide. "Those offices are established, so the culture, the approach, the contracts are all there. It is not something new."



**"Every day you wake up, and it is a different culture, a different approach you need to think about, and a different attitude you need to have for the different markets."**

Raouf Ghali



Hill International's consulting fees by region (2011).



Mohammed Al Rais and Raouf Ghali.



The Grand Egyptian Museum is a landmark project for Hill International.



Qatar's National Museum has been designed by Jean Nouvel.

He adds: "The vast geographic spread of Hill International gives it a depth of utilising expertise and staff that can be brought in for periods, depending on the related tasks." Ghali explains that "resources are utilised easily between regions because we have a flat organisation. We do not have a vertical hierarchy; it is lean and autonomous. Between most projects and myself, there is probably three layers of management, with easy access to global resources."

"We have little bureaucracy," says Al Rais, "which allows us to move quickly and without delay to meet client expectations. That is a huge plus point. Authority is delegated to



The National Museum project in Doha is an example of the flourishing cultural and heritage sector.



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## Raouf Ghali

Raouf Ghali is president of Hill's international project management operations. He has over 27 years' experience in project cost control, financial analysis, planning and scheduling, procurement and contract administration, claims analysis, accounting and procurement.

He has worked on commercial buildings, office buildings, defense facilities, food-processing facilities and theme parks, including development of EuroDisney in Paris.

Ghali is fluent in five languages, and has worked throughout the world, from the US to Europe, the Far East and the Middle East.

Ghali heads the international construction management organisation, with over 1,000 staff in more than 20 countries, supporting public and private clients on a range of developments.

With over 30 ongoing assignments, Ghali provides expertise for public private partnerships, build operate and transfer (BOT) schemes, feasibility studies and due diligence.

Ghali has a BSc degree in Business Administration/Economics and an MSc in Business Organisational Management from the University of LaVerne.

Ghali says that the drive for innovation in the region, and in Dubai in particular, has been accompanied by a need for good, solid project management.

"The area wanted to stand out, which is when the boom started. And what happened is we became the area to realise these architects' dreams.

The challenge on the project management side was to manage these projects in certain areas where they seemed unachievable construction- or time-wise. I think it was a huge challenge for the few major project management companies at the time."



Hill International won two contracts worth a combined \$6.7m from Jabal Omar Development for the Makkah expansion project.



Hill International managed the reclamation of the Palm Jumeirah in Dubai.

heads of regions, and then to country managers. There is a lot of auditing as well to ensure clients are satisfied. We move a lot more swiftly in terms of decision-making than other companies."

A large part of this success is due to the type of clients that Hill deals with. "I think our clients are more sophisticated. Usually the best client you can have is a client that understands what he needs and wants. He

may be demanding, but at least he understands what it is he is demanding." Al Rais concurs: "Those are our best clients definitely. Clients are much more specific now in terms of their precise requirements."

This has gone hand in hand with an increased awareness of the benefits of project management. "I think the role of project management is much better understood now, along with the value it can bring." Al Rais says: "The

**5,000** PROJECT ASSIGNMENTS WORLDWIDE • **\$250BN** TOTAL CONSTRUCTION VALUE

**“If you have an appreciation of the culture, I do not think it is a cultural minefield; it becomes easy to do business.”**

Raouf Ghali

appreciation of its benefits in Saudi Arabia has grown at least tenfold within the last two years. We are being asked to come in and do this now.” This has included specific work for the government, which Ghali notes is confidential. “We cannot mention specific Ministries, but in general we are augmenting their standards and training.”

Hill’s success in a notoriously challenging market like Saudi Arabia is largely due to its understanding of the local culture. “Wherever we go, the culture of the company is that, when you are in someone else’s country, you learn how they do business, not how you want to do business. Where you can, you add value to how they do business.”

Al Rais says: “I think Hill has been in all these areas long enough to have actually built local resources from the ground up.” Ghali adds: “That is another fundamental strategy of wherever we go – we tend to hire and work with local staff, and train, rather than just migrate people in and impose staff. We bring in the experts that are required to work alongside them. And if you look at our organisation, it is very multicultural.”

So it is a diversified, multicultural future that Hill has been striving towards, and has largely achieved. Ghali says that what keeps him passionate about his career is “a matter of seeing something come out of nothing, plus what attracted us as a company to the Middle East was the aptitude and willingness to try new things and to build something that has never been built before.” 



The Gate Towers at Shams Abu Dhabi, where Hill International won a contract from Sorouh.

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