



goodcorporation

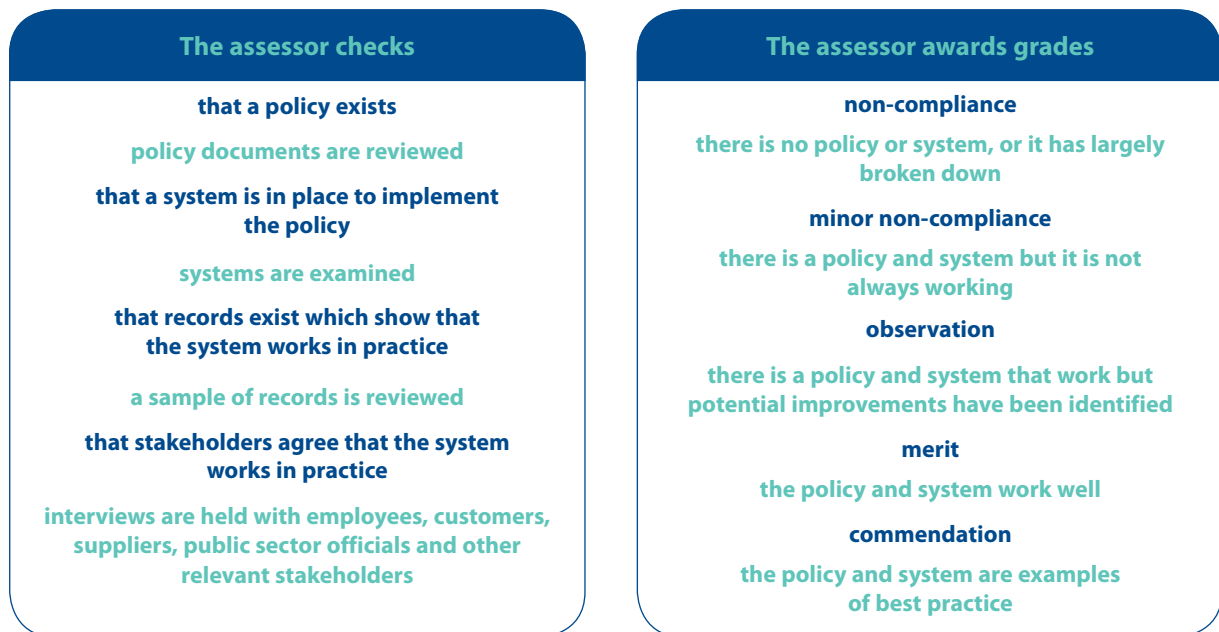
The GoodCorporation Project Assessment Framework

The GoodCorporation Project Assessment Framework is designed to help organisations evaluate how well ethical business practices are being applied to large construction and development projects.

The basis of the framework comes from the IFC/World Bank performance standards and from the GoodCorporation Standard. The principles cover the key elements of good project management including clear governance, labour standards for contractors and sub-contractors, ethical behaviour by contractors and sub-contractors, environmental protection, government and regulatory relationships and community relations.

GoodCorporation uses this list to help its clients to ensure that good practices are in place (1) in the project HQ (2) at the main contractors and (3) on the ground with contractors and sub-contractors.

The assessment methodology follows GoodCorporation's standard approach as illustrated in the diagram below:



The assessment framework can be tailored to the specifics of a project and the grading system illustrated above is used to measure how well the company is doing in its ethical management of the project. This type of approach can be used to assess and manage contractor performance and/or to demonstrate to funders that good practices are in place.

The GoodCorporation Project Assessment Framework

The Project Assessment Framework provides the basis for an assessment of a major infrastructure or development project. The practices listed here can be adapted to the specifics of the project and can be applied to both the project owner and/or the main project contractors.

1. Project Governance

- GOV1: The project team has explicit responsibility for the social, environmental and ethical issues arising from the project.
- GOV2: The project team ensures that all social, environmental and ethical risks and impacts associated with the project are evaluated.
- GOV3: The project team ensures that a project execution plan is in place that addresses the social, environmental and ethical risks and impacts that are identified for the project.
- GOV4: The project team ensures that the necessary roles, responsibilities, and authority to implement the social, environmental and ethical management programme are embedded in the project structure.
- GOV5: Adequate training is provided to project team employees and contractors with direct responsibilities related to the project's social, environmental and ethical performance.
- GOV6: The project team establishes procedures to monitor, measure and report on the effectiveness of the social, environmental and ethical management programme.
- GOV7: The project team establishes audit rights to ensure that it can assess the social, environmental and ethical performance of its contractors.
- GOV8: There is a process to ensure that stakeholders can raise any concerns about social, environmental or ethical issues with the project team.
- GOV9: The project team adopts international best practice in terms of transparency of income, expenditure and tax payments wherever the project operates.
- GOV10: The project team ensures that all communications about the project are accurate and not misleading.

2. Employees of contractors and sub-contractors

- EMP1: There are clear terms and conditions of employment for all employees. Employees are provided with information regarding their rights under national labour and employment law. HR policy should be clear and understandable for all employees.
- EMP2: Compliance with relevant employment laws and regulations is monitored.
- EMP3: Local costs of living and pay norms are taken into consideration when determining remuneration.
- EMP4: Freedom of association and organisation of employees is respected. If national law restricts those rights, the contractor should provide alternative ways for employees to express their concerns and protect their rights.
- EMP5: Employees know how and when their remuneration is determined.
- EMP6: An equal opportunities policy statement exists and is monitored. The policy states explicitly the organisation's intention to recruit, promote and reward employees on the basis of merit alone.
- EMP7: There is a policy to treat all employees with respect and no forms of harassment are tolerated. Procedures are in place to respond to accusations of workplace discrimination, harassment or bullying.
- EMP8: The contractors provide a grievance mechanism to allow workers to raise reasonable workplace concerns.
- EMP9: Mitigation measures for the impacts of labour reductions on employees exist and have been defined after consultation with employees.
- EMP10: There is a health and safety policy that includes procedures for protecting and monitoring employees' health and safety.

- EMP11: Training is undertaken to ensure that employees are able to implement the organisation's health and safety policy and practices.
- EMP12: There is no child labour, forced, bonded or otherwise exploited labour.
- EMP13: The contractors and sub-contractors have processes in place to ensure that child labour, forced, bonded or otherwise exploited labour is not used in the supply-chain.
- EMP14: There is a process to ensure that the contractors and sub-contractors apply the labour standards set out here equally to "non-employee workers" or agency workers.

3. Contracting and sub contracting companies

- SC1: The main contractors have clear, transparent and ethical processes for selecting sub-contractors.
- SC2: An ethical due diligence process is in place to minimise the risk that unethical sub-contractors work on the project.
- SC3: Terms of business, which explain clearly the basis of the contract with sub-contractors, are respected.
- SC4: Confidential information received from sub-contractors is protected and used only in ways explicitly agreed.
- SC5: There is a policy not to use intellectual property such as copyrights, trademarks, patents or software belonging to sub-contractors without express permission.
- SC6: Sub-contractors are routinely paid in accordance with agreed terms.
- SC7: There is a policy not to offer, pay, solicit or accept bribes in any form to or from contractors and sub-contractors including via intermediaries.
- SC8: A process is in place to inform contractors and sub-contractors about the project's Code of Conduct (or equivalent) and to encourage them to abide by equivalent principles.

- SC9: A mechanism is in place to ensure that contractors and sub-contractors operating on project sites adhere to international safety practices and environmental standards.
- SC10: Contractors and sub-contractors have appropriate permits and licences to undertake their duties on site.

4. Environment

- ENV1: The contractors and sub-contractors have an environmental policy and system that conform with international best practice.
- ENV2: The contractors and sub-contractors avoid or minimise the release of pollutants in all circumstances.
- ENV3: The contractors and sub-contractors avoid or minimise the generation of waste materials. In case of waste generation, waste materials should be either recovered and reused or treated and safely disposed of.
- ENV4: The contractors and sub-contractors avoid or minimise the release of hazardous materials. The contractors avoid the manufacture, trade and use of hazardous materials subject to international bans and phase-outs.
- ENV5: Compliance with environmental regulations is monitored and adherence to industry-specific codes of practice is communicated to relevant stakeholders.
- ENV6: There is an assessment of the environmental impacts of the project in terms of use of resources (such as materials, energy and water) and production of waste.
- ENV7: There is a prioritisation of the environmental impacts of the project and a monitored programme for continuous reduction of impacts. This should include greenhouse gas management, pollution prevention, biodiversity, conservation and sustainable natural resource management.

5. Community

- COM1: There is an effective process of dialogue and consultation with the relevant community groups where there are concerns about the impacts of the project.
- COM2: Guidelines and procedures are in place to inform local residents of health and safety issues that are of relevance to them.
- COM3: Project infrastructure should be managed according to good international industry practice and impacts on the community's health and safety should be minimised.
- COM4: The contractors and sub-contractors must avoid or minimise the exacerbation of impacts caused by natural hazards.
- COM5: The contractors and sub-contractors must avoid or minimise impacts on all natural resources used by affected communities.
- COM6: The contractors and sub-contractors prevent or minimise the communities' exposure to any communicable diseases that could result from project activities or the influx of temporary or permanent project labour.
- COM7: The contractors and sub-contractors must prepare an adequate response to all potential emergency situations. This preparation must include training, communication and emergency procedures.
- COM8: The contractors and sub-contractors must assist local communities and government in their preparations to respond to emergency situations. Documentation on emergency preparedness must be made available to all relevant stakeholders.
- COM9: A process is in place to deal with enquiries and complaints from members of local communities.
- COM10: There is a programme of support for community projects and activities that is appropriate to the project and the needs of the community.
- COM11: The project has purchasing and recruitment policies that support the local community.
- COM12: There is a policy that prohibits cash and in-kind payments to political parties, political organisations or their representatives in host countries.
- COM13: There is a process to ensure that any lobbying activities are conducted in a responsible manner.
- COM14: There is a process to ensure that any guards or security forces used by the project are properly recruited, trained and managed in order to prevent any infringement of the human rights of the neighbouring population.
- COM15: The contractors and sub-contractors ensure there is proper liaison with any local government security personnel operating on or near the project site(s) to ensure that any risks of intervention are properly assessed and managed.
- COM16: The contractors and sub-contractors ensure that any credible allegations of abusive acts by security personnel are investigated and responded to.
- COM17: There is a policy not to offer, pay, solicit or accept bribes in any form to or from public officials.
- COM18: Population displacement should be avoided or at least minimised. Where needed a full resettlement plan should be developed following best international practice.
- COM19: All communities of indigenous peoples that might be affected by the project should be identified. Risks and impacts for those communities must be assessed and avoided whenever possible. A specific plan should be in place that follows international best practice.
- COM20: The contractors and sub-contractors must comply with national and international law regarding the protection of cultural heritage. The contractor should also undertake internationally recognised practices for the protection, study and documentation of cultural heritage.
- COM21: The contractors and sub-contractors have processes in place to consider and mitigate the impact of influxes of temporary workers including drugs, prostitution, violence, medical services, social and recreational services, public safety and education.
- COM22: The contractors and sub-contractors have explicit responsibility for security on project sites and ensure that risks are evaluated and appropriate plans are in place to respond.