



goodcorporation

The GoodCorporation Project Assessment Framework

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

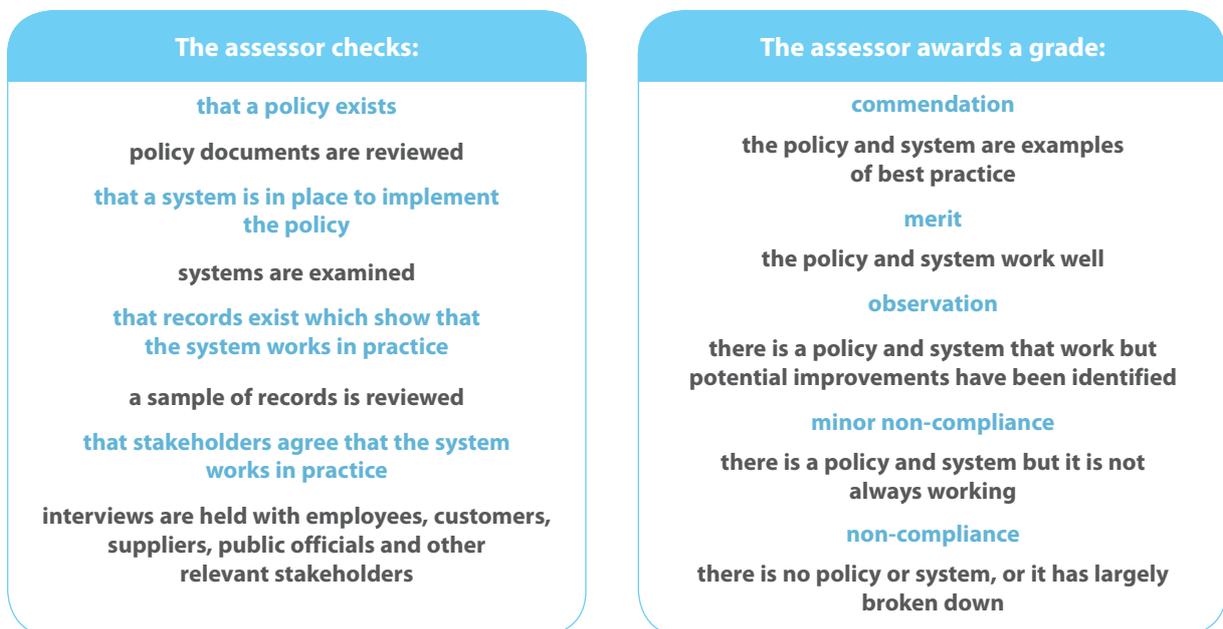
This framework helps companies to ensure that good practices are in place throughout a project.

It is intended to be used at all levels:

(1) the client project management team (2) the main contractors and (3) the subcontractors.

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

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 the project owner, the main project contractors and to subcontractors.

1. Project Governance

- GOV1: Explicit responsibility for the social, environmental and ethical issues arising from the project is assigned.
- GOV2: All social, environmental and ethical risks and impacts associated with the project are evaluated.
- GOV3: A management system is in place that addresses the social, environmental and ethical risks and impacts that are identified for the project.
- GOV4: 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 employees and contractors with direct responsibilities related to the project's social, environmental and ethical performance.
- GOV6: Procedures are established to monitor, measure and report on the effectiveness of the social, environmental and ethical management programme.
- GOV7: Audit rights are established to ensure that the social, environmental and ethical performance of contractors and subcontractors can be assessed.
- GOV8: There is a process to ensure that stakeholders can raise any concerns about social, environmental or ethical issues.
- GOV9: International best practice is adopted wherever the project operates in terms of transparency of income, expenditure and tax payments.
- GOV10: All communications about the project are accurate and not misleading.

2. Employees

- 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.

- EMP2: Compliance with relevant employment laws and regulations is monitored.
- EMP3: Freedom of association and organisation of employees is respected. If national law restricts those rights, the contractor or subcontractor should provide alternative ways for employees to express their concerns and protect their rights.
- EMP4: Local costs of living and market rates are taken into consideration when determining remuneration packages.
- EMP5: Employees know how and when their remuneration package is determined and are routinely paid in accordance with agreed terms.
- EMP6: The organisation recruits, promotes and rewards 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: Contractors and subcontractors provide a grievance mechanism to allow their 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: Accommodation provided for employees working on the project is of an adequate standard.
- EMP13: No child labour, forced, bonded or otherwise exploited labour is used, either in the contractor or subcontractor's own workforce, or in the supply chain.
- EMP14: There is a process to ensure that the labour standards set out here are applied equally to agency workers and migrant labour.

3. Contracting and Subcontracting

- SC1: Contractors and subcontractors have clear, transparent and ethical processes for selecting subcontractors.
- SC2: An ethical due diligence process is in place to minimise the risk that unethical contractors or subcontractors work on the project.
- SC3: Terms of business, which explain clearly the basis of the contract with contractors or subcontractors, are respected.
- SC4: Confidential information received from contractors and subcontractors 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 contractors or subcontractors without express permission.
- SC6: Contractors and subcontractors 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 subcontractors, including via intermediaries.
- SC8: A process is in place to inform contractors and subcontractors 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 subcontractors operating on project sites adhere to international safety practices and environmental standards.
- SC10: Contractors and subcontractors have appropriate permits and licences to undertake their duties on site.

4. Environment

- ENV1: Contractors and subcontractors have an environmental policy and system that conform with international best practice.
- ENV2: Contractors and subcontractors avoid or minimise the release of pollutants.
- ENV3: Contractors and subcontractors 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: Contractors and subcontractors avoid or minimise the release of hazardous materials and avoid also 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 a baseline environmental impact assessment of the project.
- ENV7: There are processes to measure the environmental impacts of the project in terms of use of resources (such as materials, energy and water) and production of waste.
- ENV8: There is a prioritisation of the environmental impacts of the project and a monitored programme for continuous reduction of impacts. This includes greenhouse gas management, pollution prevention, biodiversity, conservation and sustainable natural resource management.
- ENV9: Biodiversity and eco-systems are explicitly considered in project decisions.
- ENV10: After the project, land is restored to its original condition, or better.

5. Community and Host Country

- 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: There are procedures to prevent and control negative public health impacts.
- COM3: Guidelines and procedures are in place to inform local residents of health and safety issues that are of relevance to them.
- COM4: Project infrastructure is managed according to good international industry practice and impacts on the community's health and safety are minimised.
- COM5: Contractors and subcontractors avoid or minimise the exacerbation of impacts caused by natural hazards.
- COM6: Contractors and subcontractors avoid or minimise impacts on all natural resources used by affected communities.

- COM7: Contractors and subcontractors 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.
- COM8: Contractors and subcontractors prepare an adequate response to all potential emergency situations. This preparation includes training, communication and emergency procedures.
- COM9: Contractors and subcontractors assist local communities and government in their preparations to respond to emergency situations. Documentation on emergency preparedness is made available to all relevant stakeholders.
- COM10: A process is in place to deal with enquiries and complaints from members of local communities.
- COM11: There is a programme of support for community projects and activities that is appropriate to the project and the needs of the community.
- COM12: The project has purchasing and recruitment policies that support the local community.
- COM13: There is a policy that prohibits cash and in-kind payments to political parties, political organisations or their representatives in host countries.
- COM14: There is a process to ensure that any lobbying activities are conducted in a responsible manner.
- COM15: 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.
- COM16: 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.
- COM17: Any credible allegations of abusive acts by security personnel are investigated and responded to.
- COM18: The risks of land acquisition are evaluated and managed.
- COM19: There is a policy not to offer, pay, solicit or accept bribes in any form to or from public officials.
- COM20: Population displacement is avoided or at least minimised. Where needed a full resettlement plan is developed following international best practice.
- COM21: All communities of indigenous peoples that might be affected by the project are identified. Risks and impacts on those communities are assessed and avoided whenever possible. A specific plan is in place that follows international best practice.
- COM22: Contractors and subcontractors comply with national and international law regarding the protection of cultural heritage. Internationally recognised practices for the protection of cultural heritage are used.
- COM23: Contractors and subcontractors 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.
- COM24: Contractors and subcontractors have explicit responsibility for security on project sites and ensure that risks are evaluated and appropriate plans are in place to respond.