

APPENDIX 6.1 - CONSTRUCTION CLIENTS' CHARTER, INDIA

– Proposed by Ci3 (CONSTRUCTION INDUSTRY INSTITUTE INDIA) Action Team 6

THE CHARTER – Purpose, Expectations and Operationalisation

This Charter is a joint manifesto of leading Construction Clients in India based on common core values, goals and principles, that is summarised in a set of 'declarations' below, that pledge to set and sustain high standards that should also help to drive significant and continuous industry improvements to benefit all construction industry stakeholders including the end-users of the constructed products. The Charter also provides a basis for governance and a means to communicate strategic expectations and operational objectives to construction industry supply chains, end-users and the wider community. This Charter is expected to inspire other major construction industry stakeholders like consultants and contractors to commit to interlocking collective pledges or declarations in their own equivalents of this manifesto, whether called a charter, code or credo, that will be based on principles and practices that will be complementary to, and synergise with those enshrined herein.

It is also expected that the effective joint operationalisation of this charter, will lead to charter signatories being recognised by end-users and supply chains as socially and environmentally responsible and caring construction clients, whose processes, performance and products can be expected to be of a correspondingly higher standard and of greater overall value than those of others.

Each signatory remains committed to this inaugural Construction Clients Charter, India from the date signed by that signatory onwards, unless and until it is superseded by a newer version. A self-monitoring mechanism and a random or periodic peer-review system are envisaged, so as to encourage top-to-bottom operationalisation of the charter declarations and pledges within each charter organisation. The following basic declarations and pledges are expected to be refined and expanded in updated versions of the Charter after periodic reviews and up-dates. All existing signatories would be invited to consider and commit to any such up-dated version.

CHARTER DECLARATIONS & PLEDGES

1. on PROCUREMENT: We commit to ethical and performance-oriented procurement of goods and services that will encourage and empower the principles and practices espoused in subsequent 'declarations and pledges' below. This includes: (a) incorporating suitable selection criteria, apart from base price considerations, for consultants, contractors, suppliers, specialist subcontractors and other supply chain members, that also realistically recognize and incentivise merit, quality and performance including on 'whole life' aspects of the built asset; (b) targeting early stakeholder engagement, including of contractors, operator and end-user representatives; (c) developing more collaborative contracts where risks are shared realistically and equitably, disputes are minimised and any residual disputes resolved speedily, with a win-win focus on overall value; (d) ensuring financial responsibility that includes ensuring that all contractors, suppliers and vendors on the project, if directly contracted by us, or to the maximum extent possible if contracted by other project participants, are paid their dues on time i.e., as in their contracts
2. on DESIGN: We commit to **timely and complete**: (a) appointment of all needed design team(s)/ sub-teams and facilitating their collaboration for joint design development targeting optimal solutions, (b) signing off on a comprehensive clients' requirements in a design brief; (c) responses to requests for clarifications/ information; (d) signing off on outputs of each principal design phase; (e) providing reasonable time for the design, including for [i] joint evaluation of

alternatives, particularly at the conceptual stage and [ii] adequate whole-life considerations, including life cycle costs, energy and carbon footprints, constructability, maintainability, and efficient operability, as well as life-cycle health and safety considerations, so our built assets are both 'fit for purpose' and 'fit for future', including being conducive to optimal end-user satisfaction and productivity

3. **on INNOVATION & TECHNOLOGY:** We commit to proactively seek and select suitable opportunities to initiate, lead or participate in innovative approaches to design, construct, maintain and operate our built assets, including through the creative use of existing and new materials and technologies, including ICT tools and related systems with whole-lifecycle digitalisation, that will also enable faster, better and more transparent decision making
4. **on PROJECT EXECUTION:** we commit to (a) using and incentivizing appropriate ICT enhanced Project Planning & Control Systems that include transparent, integrated, real-time, mobile, collaborative Building Information Modelling (BIM) systems and processes and Lean practices across the built asset life cycle, also enabling timely information flows to, and decision making by all relevant stakeholders; (b) formulating and adhering to realistic time and cost plans, while meeting performance and quality specifications based on agreed cost-time trade-offs etc. and enhanced productivity through synergistic teamworking, stakeholder management and joint risk management; (c) benchmarking for continuous improvement using KPIs both internally, and with benchmarking partners where feasible
5. **on HUMAN RESOURCE DEVELOPMENT & WORKER WELFARE:** we commit to (a) being caring employers of all our direct employees, while supporting employees of other project participants on our projects, with a long term vision that also encompasses our potential pool of managers and workers, hence contributing to skills development programmes in cash and/or kind; while also steadily increasing the percentages of trained managers and skilled workers in sites, with pre-set targets, subject to periodic review; (b) designing and implementing worker welfare strategies; (c) nurturing a pride in ones work and respect for that of others and a sense of belonging in one's team and ownership of project outputs that would boost morale and industry image
6. **on QUALITY, SAFETY AND SUSTAINABILITY:** we commit to developing quality, safety and sustainability systems that are on par with and improve along with international best practices in these areas. This includes: (a) using where available, only certified and quality/ environmentally rated materials, processes and products; (b) prioritising worker safety and well-being in principle and practice; (c) mandating the development and implementation of quality, safety and environmental management operational plans and checklists for each project. This would in turn include: minimising the amount of rework during design, construction and operation & maintenance stages, minimising waste, maximising recycling and suitable disposal of unavoidable waste material, optimising resource mixes and usage, incorporating adequate whole-life considerations, including constructability, maintainability, life cycle costs and value, energy and carbon footprints.

NOTE: Ci3 Charter Members will be invited to sign this Charter at a Ci3 Charter Launch ceremony, planned for around Sep. or Oct. 2017. More Charter Signatories are expected to sign on from time to time thereafter.