INTERNATIONAL ROUNDUP

INTERNATIONAL COST ENGINEERING COUNCIL

Issue 1 | Volume 6 | May 2015

FEATURING:

International Construction Management Standard (ICMS) - pg 11

10th ICEC Congress 2016, Rio de Janeiro, hosted by The Brazilian Institute of Cost Engineering (IBEC) - pg 17

Events Around the Globe...
ICEC Office Holders 2014-2016

CONTENTS

3  ICEC Office Holders 2014-2016
4  ICEC Chairman Report - By Alexia Nalewaik
7  ICEC Secretary General Report -By Peter Smith
9  ICEC Executive Officeholders
11  International Construction Management Standard (ICMS) Roll Out
17  10th ICEC World Congress, Rio de Janeiro - ‘In Progress’ - By Paulo Dias
19  Association Updates
28  Events around the Globe...

NZIQS Annual Conference
AIQS Infinite Value Awards
AACE Congress
IPMA World Congress
It seems every professional institution president, at some point, writes an update that starts with something along the lines of “Wow, where did the months go?” In my case, it’s more like, “How and when did it become May?!” I am fairly certain I have only just unpacked my suitcase from the ICEC World Congress in Milan.

The first and second quarters of 2015 have been very busy. I was invited to deliver a keynote speech at the CPM Conference in San Diego, was technical expert for an RICS workshop in New York on the future of the project controls profession. I attended our own ICEC Region 2 meeting in Paris, gave the keynote speech at the Cost Engineering Conference in Zwijndrecht (where I also won the Ambassador Award), and moderated a panel about “Constructing the Future” at the RICS Summit of the Americas in Los Angeles. Up next, I will present a technical paper at the PAQS conference in Yokohama and attend both the PAQS and ICEC Region 4 board meetings.

I’m very enthusiastic about the progress being made against our 2014-2016 Action Plan, approved in Milan by membership. We have a very dedicated group of board and committee members, and their combined energy is a joy to see. The ultimate objective of the action plan is to facilitate the sharing of technical knowledge, encourage cooperation between member institutions, publicize available technical products and events, strengthen and codify ICEC administration, and create a solid foundation upon which ICEC, its members, and its partners can build our profession.

The twelve initiatives in the action plan are:

1. Organise the 2016 World Congress in Rio de Janeiro. Team leader: Paulo Dias
2. Develop written policies & procedures for ICEC, specifically for production of the biannual world congress, and other administrative processes. Team leader: TT Cheung
3. Establish a baseline Body of Knowledge and minimum accreditation standard for all members of ICEC, develop a resource list for existing Professional Standards/Bad Practices, and map the Body of Knowledge against that of IPMA. Team leader: Andrej Kerin
4. Develop a strategy for implementing and maintaining Memorandums of Understanding and Cooperative Agreements. Team leaders: Peter Cox & Murtala Oladapo
5. Develop an ISO standard for cost management. Team leader: Ginette Basak
6. Upgrade the ICEC website. Team leader: ICEC Secretariat
7. Attract new organisations to become ICEC members, and promote the formation of new member organisations in underserved geographical regions. Team leader: Madhu Pillai
8. Significantly increase visibility of ICEC, through identification of corporate sponsors, creation of marketing materials, and development of regional activities. Team leader: Eugene Seah
9. Integrate research and education programs into ICEC activities. Team leader: Peter Smith
10. Develop a strategy for the participation of younger members in ICEC activities. Team leader: TT Cheung
12. Continue efforts toward the development and implementation of United Nations Strategy, including Central Product Classification (CPC) with the Economic and Social Council (ECOSOC) and World Trade Organisation (WTO). Team leader: Murtala Oladapo
Welcome to the April 2015 ICEC International Roundup Newsletter. This newsletter is published twice a year in March and October. I would like to encourage all member associations and their individual members to contribute articles and other relevant information for each newsletter. It provides a good opportunity to promote congresses, seminars, forums, projects and other activities of your association.

On behalf of ICEC I would like to again thank and congratulate the AICE & FAST for hosting and organising the 9th ICEC World Congress and associated meetings in Milan, Italy from 18-23 October 2014. The event was organised with a high level of professional expertise and was a resounding success.

ICEC Secretariat News

ICEC has a new ICEC Administrative Manager – Anabel Guillergan.

The Australian Institute of Quantity Surveyors (AIQS) has hosted the general ICEC Secretariat since 2004. Anabel is an employee of the AIQS and is based in the AIQS headquarters in Sydney. Anabel was previously the Office Manager for the AIQS for a number of years and before that acquired considerable experience working for a major Quantity Surveying firm in an Executive Assistant role. Anabel was also supervising the work of Sarah Nguyen (the previous ICEC Administration Manager) in the AIQS office so has a good working knowledge of ICEC and the ICEC Administration Manager role. Anabel will be using the same email address (secretariat@icoste.org).

The AIQS recently moved their premises in the Sydney CBD. Therefore, the new ICEC Secretariat address and contact details are:

International Cost Engineering Council
Suite 303, Level 3
70 Pitt Street, Sydney NSW 2000 Australia
Tel: +61 2 9262 1822
Fax: +61 2 9279 1400
Email: secretariat@icoste.org.

10th ICEC World Congress 2016 – Rio De Janeiro, Brazil

The Brazilian Institute of Cost Engineering (IBEC) will host the 10th ICEC World Congress in 2016. The date for the event has been confirmed for 8-12 October 2016. The venue will be the Windsor Hotel in Copacabana, Rio de Janeiro.

Further details can be found on the new congress website at:

www.icec2016.com

New ICEC Member Associations

ICEC welcomed three new member associations in 2014. They are:

The German Association of Project Managers in the Construction Industry and Real Estate Economy (DVP). The official German title for the association is: ‘Deutscher Verband der Projektmanger in der Bau- und Immobilienwirtschaft’ (DVP). The DVP website address is: www.dvpev.de/

IBEC is pleased to announce Cost Engineer Day 2015 will be held 19 May, in Rio de Janeiro (Brazil). More information can be found at www.ibec.org.br. Congratulations to IBEC, also, in achieving ICEC accreditation of the certification program.

A number of conference calls have been held for the CEEC International Construction Measurement Standards effort, attended by ICEC member associations and peers (AIQS, PAQS) around the world. A workshop is to be held 15-17 June, in Washington DC. I hope some of our ICEC members can attend. I’ll be there!

The LinkedIn group created for the 2014 ICEC World Congress in Milan is being renamed, and has become the primary LinkedIn group for ICEC. Please join, and engage in the discussions.

A “technical matchmaking” effort has begun, which is intended to facilitate cooperation and discourse between ICEC members. As such, reports from member institutions are particularly important, and the format has been revised to focus on technical products and events. Please provide your reports to the ICEC Secretariat prior to every regional meeting and the World Congress. If we don’t have current information about your activities, we can’t share it with other member institutions and cooperative partners.

Have we strengthened ICEC and furthered its mission in the past quarter? Here we see cooperation between organizations on the ICMS initiative, between major QS employers on the RICS workshop, plus education of individual members at conferences and strengthening of certification programs. We still need to, and can always, do more. We need not just a promise of cooperation, but an alignment of objectives and sharing of knowledge to further both the profession and its professionals, with the ultimate goal of creating recognition, legitimacy, and opportunities worldwide for all QS, CE, and PM.

Please join us in this effort. There is room for everybody.

Dr. Alexia Nalewaik FRICS FAACE DIF
Chair of ICEC

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Chair of ICEC
The Canadian Institute of Quantity Surveyors (CIQS). The CIQS website address is: www.ciqs.org
The French project management association “Société de Management de Projets” (SMaP). The SMaP website address is: http://www.smap-asso.eu/

New ICEC Accredited Certification Program – IBEC (Brazil)

ICEC recently accredited the Certificador Professional Certification Program developed by the Brazilian Institute of Cost Engineers (IBEC). This was accredited on 1 April 2015 and is a significant milestone in the development of the cost engineering profession in Brazil and South America.

ICEC would like to encourage member associations to consider applying for ICEC accreditation of their certification and/or continuing professional development programs (CPD). ICEC Accreditation provides international recognition for the qualification and professionals qualified under these accredited programs are entitled to use the ICEC name and logo and the post-nominals ICECA to designate their achievement. Further details can be found on the ICEC website at: http://www.icoste.org/accred.htm

New Co-Operative Agreements With Other Associations

ICEC has had formal agreements with the following kindred associations for a number of years:

International Federation of Surveyors (FIG)
ICEC & FIG have a Memorandum of Agreement that was signed in 1999.

International Project Management Association (IPMA)
ICEC & IPMA have a Protocol Agreement that was signed in 1994.

Royal Institution of Chartered Surveyors (RICS)
ICEC & the RICS have a Memorandum of Co-Operation (MOC) that was signed on 27 June 2012 during the 8th ICEC World Congress in Durban, South Africa.

ICEC also recently entered into two new formal Memorandums of Co-Operation (MOC) with the following organisations:

The Pacific Association of Quantity Surveyors (PAQS)
The MOC was signed at the PAQS Congress and Region 4 Meeting in Hong Kong in June 2014.

The African Association of Quantity Surveyors (AAQS)
The MOC was signed at the ICEC World Congress in Milan, Italy in October 2014.

ICEC EXECUTIVE OFFICERS FOR 2014-16

The ICEC Executive Officers for 2014-16 were elected at the Council Meeting. The new Executive and Officer Positions are as follows:

ICEC 2014-2016 Executive Board:

Chair                          Dr Alexia Nalewaik (USA)
Senior Vice-Chair            TT Cheung (Hong Kong)
Administrative Vice-Chair    Kwadwo Osei-Asante (Ghana)
Administrative Vice-Chair    Andrej Kerin (Slovenia)
Technical Vice Chair        Angelo do Valle (Brazil)
Secretary-General            Dr Peter Smith (Australia)
Immediate Past ICEC Chair    Carsten Wredstrøm (Denmark)

ICEC Region Directors

Region 1                          Paulo Dias (Brazil)
Region 2                        Gianluca di Castri (Italy)
Region 3                      Robert Pearl (South Africa)
Region 4                        Teo Wooi Sin (Singapore)

ICEC Region Deputy Directors

Deputy Director - External Relations

Region 1                          Mahdu Pillai (USA)
Region 2                        Alec Ray (United Kingdom)
Region 3                      Femi Onashile (Nigeria)
Region 4                        HH Kwan (Malaysia)
The ICMS

The following is a series of 6 papers that have been developed to explain the proposed International Construction Measurement Standards (ICMS). These papers can also be found on a Community website set up for the ICMS. You are invited to register on this website to get the latest news and also engage in discussions on the standard. It can be accessed at:
https://communities.rics.org/connect/ti/icmscoalition/view?objectId=14279365

The inaugural meeting for the development of the ICMS at a micro level, surveys carried out by the RICS and CEEC of cost consultants in 40 countries have shown that:

- approximately 50% of countries did not claim any published standard elemental classification of building parts;
- in the absence of locally agreed standards, professionals frequently adopt ‘foreign’ standards or ad hoc in-house developed standards;
- there is no common way of expressing cost per m², both in terms of the cost definition and the floor area (IPMS addresses the latter); and
- there are many countries where the quality of cost information, and data classification, falls short of what local professionals might wish.

Construction is a large contributor to world GDP and is recognised to have a significant ‘multiplier’ effect on national economies. It is also an increasingly globally mobile industry, where investments in, and the implementation of, projects is carried out on an international basis.

At a macro level, there is no uniform way for governments and markets to calculate construction output. For example, the United Nations produces a list of standard activities which comprise construction output (the ISIC –or International Standard Industrial Classification). The categories, however, are not complete and there is a need to revise them to reflect modern needs and practice. Government statistical agencies and industry commentators require improvements in the official definitions of construction output and the way data is presented.

Significant variations in the definitions and measurement of construction output are not only a concern in global and national accounting, but also on the demand (investment) and supply (consultants and contractors) side of the industry. This lack of comparability and consistency affects certainty, and therefore investment in, construction.

Finally, feedback from professional organisations around the world has identified particular problems relating to different terminologies in use. This is particularly the case between US and Europe and between buildings and infrastructure.
The Solution

Professional organisations should lead the development of common, internationally agreed standards. Working as a coalition of equals, professional bodies have the authority and ability to drive forward common rules of engagement which practitioners will be responsible for delivering around the world.

Although the detailed solution cannot be determined until the coalition is established, some principles have emerged through preliminary discussions. Key characteristics of the standard will be as follows:

2. Covering buildings and infrastructure and capital cost and whole life cost.
3. Defining construction cost.
4. Related to IPMS in terms of expressing cost per m2, and acknowledging the construction process; and
5. Connected to emerging BIM classifications.

In addition, the name of project will be subject to further discussion. ICMS has a useful link to IPMS, ISV and IFRS, but is already used as a four letter acronym in other areas.

Paper 2 - The Governance Model

2.1 Purpose

ICMS governance is to enable the sustained support, transparency, equality, leadership and trust needed to achieve the universal implementation and use by all global stakeholders. This will be accomplished by the setting of a framework, defining roles and responsibilities of those involved in the coalition. In addition ICMS governance will ensure transparency and inclusion amongst participating parties, based on an inclusive, rigorous and principles-based standard setting process.

2.2 The Coalition

It is proposed that the coalition of organisations will function in a Trustee capacity. This group of coalition members ("the Trustees") who have signed the Declaration will be lead and administered the whole project. This includes setting up the Independent Standard Setting Committee (SSC) through administering a process of nomination and selection of Standard Setting Committee members. A key principle of governance is that the Coalition, made up of Trustees from each Member Body, run the project but do not get involved in the actual standard setting. The Trustees set up an independent standard setting committee and delegate all standard setting responsibilities to this independent committee.

Through this model we separate the political work of running, growing and leading the coalition from the technical work of drafting, consulting with the world and approving the standard. The Coalition, made up of the member bodies, will own all the ICMS and related intellectual property.

The deadline for signature of the Declaration will be set by the coalition as soon as possible.

All matters pertaining to finances, intellectual property, coalition communications, strategy and implementation will be the responsibility of the Coalition. For completeness, note that individual members are responsible for their own costs.

Along with establishing the process of selection and deselection of the SSC, the Trustees will also draft the SSC Terms of Reference. However, as stated, the Coalition Trustees will not have a direct role in the standards setting process. The Coalition Trustees, along with the rest of the world will be consulted as part of the standard setting process, but the Trustees will not have a role in drafting, nor final approval of the standard approved by the SSC.

After this process produces as standard having been approved by the SSC, individual coalition member organisations are expected to begin their own internal process of adopting the standard. At this time it is possible that a coalition member organisation will decide not to adopt and leave the Coalition. This would be the decision of the individual member organisation and separate from the process of approval the final standard by the SSC with the support of the Trustees.

2.3 Partners

ICMS Coalition membership will be reserved for only not-for-profit membership bodies and similar associations. Companies and government entities are not eligible for coalition membership. However, companies and governments are the key stakeholders and beneficiaries of ICMS. Therefore, those who can't join the coalition but who wish to voice their support for ICMS can become Partners of ICMS. To be Partners, these entities will sign a declaration (to be written) confirming their support for the project and intention to adopt ICMS. These Partners would then be recognised through being listed on the ICMS website. Partners would also be consulted through the normal SSC consultation process.

2.4 The Standard Setting Committee (SSC)

The Committee will have responsibility for drafting the standard within the parameters laid down for them by the Trustees. They will regularly report to the coalition, this reporting will be to demonstrate progress against agreed milestones. The SSC will not have a role in the governance ICMS; their tasks will be specific to, and limited to the setting of the standard.

2.5 Specific Governance Initial Steps

- The ICMS Declaration is signed to become an official member of the ICMS Coalition
- Members of the Coalition nominate an individual to be their Trustee
- Trustees confirm ICMS Coalition Bylaws
- Trustees select their own Officers (Chair, Vice, Exec Secretary) as detailed in the bylaws
- Trustees nominate and select individuals for the Standard Setting Committee
- Trustees meet regularly through conference calls and online technology

Paper 3 - Standard Setting Process

3.1 Purpose

The purpose of this paper is to guide and inform the discussion on ICMS Standard Setting.

This paper will set out a proposed process for discussion and agreement.

3.2 The Work of the Standard Setting Committee

A Standard Setting Committee (SSC) will be formed with delegated authority to set ICMS.

This will be a committee of experts reporting to the Coalition Trustees and with the express requirement to act in the public interest. The committee will be responsible for writing a set of construction measurement standards fit for international use. In doing so the SSC will:

- Write a principles based standard specific to the market problem and scope defined by the Coalition.
- Create and disseminate a Consultation Document. With the aid of the Coalition, feedback will be gathered by all global stakeholders by the set deadline.
- Write an Exposure Draft, based on Consultation Document feedback, as set out in the Work Plan. With the aid of the Coalition, feedback will be gathered by the set deadline.
- Issue the first edition of ICMS, based on feedback received, as set out in a coalition work plan.

3.3 Independence and Expertise

The SSC will be independent and will act independently. Although members will be nominated by Coalition members, each individual is to act independently. No individual on the committee will represent any organisation, sector or geographic region. It is vital that each member work on the basis of their own skill, knowledge and expertise while taking an international and independent perspective.

The committee will consist of a number of individuals to be decided by the Coalition Trustees. Once set, the SSC will decide and confirm their own Chair, Vice Chair and Executive Secretary.

3.4 Setting up the Standard Setting Committee:

All Coalition Trustees will be invited to nominate individuals (from their organisation and/or beyond) to sit on the SSC.

Coalition members nominating individuals will take on the responsibility to nominate individuals able to act independently and with the skills fit for the task. Moreover, Trustees will be expected to ensure the SSC members have experience and knowledge about the diverse sectoral and geographic nature of the market.

After an agreed date, and all nominees are provided, Coalition members will begin a selection process. Trustees will rank all nominees, based on their own judgement, as to how the individuals meet the requirements against an agreed framework.

After compiling all Coalition members’ nominees, the top ranked individuals will be asked to form the SSC. If not mutually decided it is a committee of 10, the top 10 individuals will be selected.

3.5 Administration

For each individual selected to be on the Standard Setting Committee, the nominating body commits to funding and supporting their time and expenses related to ICMS.

This may include time, technology to support virtual working and any travel expenses.

Most of the work will be virtual; so mostly the support will be time and technology. If the nominating body is not the individual, it is expected that the nominating body secure the support of the individual’s employer.

The Standard Setting Committee will work to a work plan agreed with the Coalition.
Objective 1 - Ethics
Ethics guide everything we do and foster public trust. To complement construction measurement standards, we follow ethical principles that guide our international profession.

Objective 2 – Standards
Standards are the foundation of our profession. We support the creation, maintenance and use of high quality, international and principle-based construction measurement standards through a transparent and inclusive standard setting process.

Objective 3 - Measurement
Measurement underpins the assumptions on which construction professionals undertake their activities. We will cooperate in creating an inclusive and sustained measurement standard setting process.

Objective 4 - Classification
Classification of data is increasingly important in construction. We will collaborate in setting measurement standards which further international classification of data.

Objective 5 – Implementation
Once International Construction Measurement Standards (ICMS) are created we are committed to promote the implementation of these standards to encourage world markets to accept and adopt ICMS as the primary method of construction measurement.

Signed:

Through creating a shared, united, international process and set of standards, we can win the trust of governments and other key stakeholders. Through a world class standard setting process and governance model we can avoid the fragmentation and inconsistency of professional bodies going it alone.

5.4 The IFRS Model
This is the lesson and example of IFRS. The accounting professional bodies and firms supported IFRS, not the individual country standards of UK GAAP, Mexican GAAP etc. A united profession lead to governments following the profession and adopting IFRS. In the last 10 years 123 countries have required or permitted IFRS. As the accountants have created this path; it is suggested that we follow it.

5.5 The Message to Governments
Given that every substantial government in the world either requires or permits IFRS (even the USA permits foreign listed entities to report under IFRS) it is logical that we connect to this success.

ICMS will represent a large percentage of what ends up on the accountant’s balance sheet. ICMS underpins IFRS. This is our message to governments. One must measure consistently before one can value and report financial information. Garbage in, garbage out. If professionals are using inconsistent construction measurement standards, inconsistent and incomparable data will be fed into financial reporting standards.

This inconsistency in professional standards has a direct impact on the current state of the world economy. One can argue that inconsistency, and the related lack of trust, in the construction industry harms the economy.

Universal adoption of ICMS can help address this problem. This is the beginning of our united message to governments. Adopt ICMS and ensure transparency, comparability and consistency.

Questions for Discussion:
- As a coalition, how can we best work together to reach governments and win adoption
- What other key market entities must we reach, and how do we reach them?
The Communications Group will lead the development of shared communications materials such as press releases, presentations, video content, infographics and articles. The Communications Group will submit materials to the Coalition Trustees for use across all Coalition organisations. Communications materials will be developed in English and made available for Coalition organisations to translate and edit for their own purposes.

Coalition organisations will be encouraged, independently of the Communications Group, to produce their own communications materials for members and other stakeholders referencing their work as part of the Coalition.

The ICMS communications group should initially seek to agree a set of key messages and a summary/narrative outlining why we are undertaking this project: "how" we plan to develop and embed the standards; and "who" is involved.

6.3 Stakeholders
The Communications Group should lead a stakeholder mapping exercise to identify key stakeholders. Categories to include: government/public bodies, industry and media. The aim is to raise awareness of ICMS in a coordinated and systematic way, drawing on existing relationships where they exist. The mapping exercise would allow the Coalition to target key groups of stakeholders with the aim of supporting the roll-out/implementation of ICMS in global markets.

Coalition Partners will be encouraged to use their existing contacts to seek opportunities to engage key stakeholders on the ICMS initiative including, for example, at conferences and events, or through the media.

6.4 ICMS Partners
The end users of construction measurement information are a priority audience for the initiative. These stakeholders include investors, contractors, consultants, governments and other public bodies. These groups will create market demand for the standards and lead the adoption of ICMS. They should be encouraged to publically support the initiative and in doing so add their profile and authority to the project.

The Communications Group will work with coalition partners to develop materials, including: a Q&A document; key messages for specific audiences; presentation materials; press releases and online content.

The site should be shared across all Coalition organisations and should include content developed by the Communications Group. It should list the Coalition organisations and Partner firms with links to their websites. The website will have the ability to integrate social media and other types of content. In order to be of value the website should be fresh and benefit from content generated through all Coalition organisations. The flow of content is critical to ensure the website remains relevant and that it delivers impact.

6.7 Resources
The Communications Group will work with coalition partners to develop materials, including: a Q&A document; key messages for specific audiences; presentation materials; press releases and online content.

This paper proposes the creation of a ‘Partner’ status for leading businesses in their markets and would be supported to promote the relevance of ICMS to their business and those of their clients. The Partner status would be open to any business that wishes to support ICMS but which is ineligible to join the Coalition.

A declaration document should be prepared by the Communications Group and made available for firms to access, sign and return to the Coalition for confirmation.

6.5 Channels
The Coalition will have the benefit of an extensive network of communications channels when seeking to promote and embed ICMS. These communication channels will be used to update members and interested parties on the development of ICMS; to promote and lead consultations; and to seek widespread support for the project. Communications channels include:

• Partner organisations’ websites and social media channels
• Coalition organisations’ newsletters and publications
• Third party print and broadcast media
• Existing relationships (e.g. with local/national government; regulators etc.)
• Members and their employers.
• Industry events

6.6 ICMS Website
The Coalition should consider the use of a website as a platform for housing project-related information and as a means of connecting markets and practitioners with the initiative.

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Association Updates

AACE International Total Cost Management Framework, An Integrated Approach to Portfolio, Program, and Project Management

The second edition of the AACE International Total Cost Management Framework, An Integrated Approach to Portfolio, Program, and Project Management has been released by AACE International and is available for purchase. AACE members have access to a free digital download on the AACE website.

The new second edition TCM Framework offers enhanced process maps through the use of color to emphasize the plan-do-check-act (PDCA) steps integral to TCM. In addition, the second edition incorporates minor edits to the process maps and associated narrative. The second edition was edited by H. Lance Stephenson, CCP FAACE. Stephenson says, “The second edition of the TCM Framework continues to provide a structured, integrated overview of cost engineering which will further guide AACE products.” Stephenson also notes that, “The second edition also strengthens and supports specific knowledge areas, such as risk management, planning and scheduling, and cost estimation to name a few.”

While members can download the electronic version at no charge, non-members interested in purchasing a copy can visit the AACE online store. The second edition is available as an electronic download or, for a fee to both members and non-members alike, as a print book.

AACE launches an official LinkedIn Group

This group is for global professionals working in total cost management.

The purpose of this group is to provide a forum where professionals in the field can meet, network and share experiences and knowledge related to the industry.

We encourage members, volunteers, section leaders, AACE certificant holders and anyone else interested in the profession to join.

For additional information, contact Charity Golden, AACE Executive Director at cgolden@aacei.org or visit the website, http://www.aacei.org

www.icec2016.com
Information: contact@icec2016.com
Hotel Windsor Barra - Rio de Janeiro
The 2014 International Total Cost Management conference (ITCM) was held November 11-13, 2014, at the Millennium Hilton Bangkok in Bangkok, Thailand. Eighty attendees gathered from around the world to enjoy the fantastic technical presentations. The two day event featured two tracks of technical presentations from global industry experts.

There were fifteen countries represented and the overwhelming majority of participants were from Australia, Asia and the Middle East. For many, this was their first opportunity to attend an AACE conference.

The keynote speaker Khoo Swee Chiow is a world renowned explorer and adventurer. He told a fantastic story about his life and his 'Dare to Dream' philosophy. He outlined all of the fantastic risks and adventures he has taken in his life and the planning and preparation required to minimize risk and ensure project success. It was amazing to hear about his success in climbing Mount Everest, K2, and also skiing to the South and North Pole. His achievements were incredibly impressive from a man who had never seen snow until he decided to take on these challenges and a testament to what is possible if you 'Dare to Dream'.

The meeting presented many opportunities to network with global professionals. President-Elect, Julie Own, polled attendees and learned they were extremely impressed by the high quality technical presentations. Among favorites were John Livengood’s epic presentation across two sessions ‘Construction Claims A to Z’, and Barry Tozer’s ‘Improving Delay Cost Calculation’. Subject matter was advanced and quite relevant to many of the delegates. John Barrett’s ‘Managing BIM for Project Controls’ was very current, we cannot wait to see his next presentation as he develops this topic with further research and additional case studies. It was very pleasing to see Julie’s mentee, and chair of the Mentoring Advisory Committee, Devdas Tamboli, give two papers; ‘Schedule Update Analysis: Retained Logic versus Project Override’, and ‘Constraints in Practical Application of Time Impact Analysis’. It was very satisfying to see one of the younger professionals delivering his papers with confidence and authority.

The conference provided the opportunity to present the Association’s Charles V. Keane Distinguished Service Award to Maged El-Hawary. President Martin Darley, CCP, gave the ‘State of the Association’ address over lunch and engaged in a lively Q&A session which focused on regional issues, challenges, and opportunities.

The location in Bangkok was fantastic!! The people of Thailand are so warm and welcoming. Delegates took the opportunity to explore the many sights and sounds of this bustling city, form the wonderful temples on the city tour, the Damnoen floating markets, riding elephants in the rain forest, feeding baby tigers at a sanctuary, to parasailing in Pattaya. Co-Chair Philips Tharakan Mulackal, CCC EVP, also says many participants shared positive comments indicating that one of the unique features of the conference is how keen attendees are in learning and sharing knowledge.

AACE thanks members of the conference planning committee who spent months pulling together the various components of the conference. The ITCM Conference Planning Committee consisted of Co-Chair, Philips Tharakan Mulackal, CCC EVP; AACE President, Martin R. Darley, CCP; President-Elect, Julie K. Owen, CCP PSP; VP International Regions, Madhu Pillai, CCP; Director-Region 7, Mohammed Rafuiddin, CCP PSP; Director-Region 8, Ghulam Mujtaba Shaikh, PE; Director-Region 9, Garvan McCann; and Director-Region 10, Aldo Mattos, CCP. Representing the AACE Headquarters staff was Executive Director, Charity A. Golden, along with Jennie Cunningham-Amos and Teri Jefferson.
ACES Upcoming Seminars & Events

Cost Matters - Vital to Engineering: 2015 Seminar Program (Victoria)

Cost does matter, to all professionals and especially to engineers who have the fundamental responsibility to deliver effective and efficient solutions.

Following the successful 2014 program on Leadership “How to lead and what it takes”, this year we are looking at areas of interest to cost engineers in a variety of aspects, such as costing design (June and July); lean production methods applied to design and construction (Mar); measuring and controlling productivity in manufacture and how we rate, represented by global manufacturers present in Victoria (April and November). And we begin with how the PPP’s used for major contracts such as the proposed Melbourne Metro Rail Tunnel, are costed, in an intensely interesting ‘follow the money trail’ review by an expert consultant to the industry.

See the Engineers Australia event listing for final details and make sure you register. Events are generally on the third Tuesday of the month at Engineers Australia, Victoria. Sessions start 6:00pm with light food and conversation for a 6:30 start through to 8:00pm finish.

Risk control beyond the Australian standard: a joint panel with the Risk Engineering Society

Tuesday, 19 May

Simple reporting is not enough. This panel of expert practitioners will investigate how to gain traction in risk management on capital works and reap the benefits in project outcomes.

Issues will include how to achieve:
- Risk mitigation rather than simple lists based on risk analysis to ensure active strategies that minimise risk and add robustness to planning and execution
- Contingency budgeting for risk mitigation to ensure programs are resourced
- Identify the unlikely project ‘show stoppers’ and have strategies in place to deal with them if they occur
- Work with ambiguity and uncertainty and foster open collaboration to achieve agile responses where future risks cannot be adequately forecast

Engineering Design: the pursuit of excellence or the pursuit of value

Tuesday, 16 June

‘Pursuit of Excellence’ and ‘Pursuit of Value’ do not need to be mutually exclusive objectives.

As professionals, we have a responsibility to deliver innovative designs and, at the same time, at a cost that is tailored to meet the client’s budget.

It’s important to understand the difference between cost and value. Often, the lowest cost does not represent the best value and a professional’s job is to communicate this difference.

This seminar will be a panel discussion with experienced design professionals and project engineers.

White Paper: Mastering Complex Projects

Principles for success and reliable performance

by Nolan L Bear – Chair, Mastering Complex Projects Conference – Convention 2014

At the recent Mastering Complex Projects conference, a simple but powerful lesson was delivered to me. A senior manager talked in an aside about the old adversarial contracts where, in an attempt to make a profit, client and contractor lobbed commercial grenades at each other; subcontractors were preyed upon mercilessly and the claims team was of equal size to the project team. At the end of the day nobody won, but the toxic experience caused him to seriously question whether he wanted to be an engineer in this business.

The old style contracts are a serious challenge to professional behaviour and contrast with the many presentations on successful Alliances at our conference, where engineers were able to find best for project solutions and make a valued professional contribution. The common theme is collaboration applied to tasks and well defined objectives; not as an accidental occurrence but as part of a deliberate leadership strategy and developed culture.

One presentation observed that Australia has led the world in developing new contract forms such as Alliances. However we are told that some government bodies are at risk of discarding this successful model in an attempt to find still greater “value for money”, and so the experiments in different contract forms are continuing, potentially at a cost to taxpayers and our reputation as engineering managers.
As professionals we all have a stake in encouraging these collaborative relationships and participating in the ongoing conversation to identify the most productive commercial relationships, and then find convincing ways to demonstrate value for money.

The issues raised in this paper point to the way ahead for continuous learning about how to manage complex projects successfully and the application of the lessons already available to us.

In order to drive positive change in local and international engineering projects, Engineers Australia has an opportunity and responsibility to engage with the construction industry, academia, government and clients to mediate these issues and argue convincingly for solutions in these conversations about how complex projects are structured and resourced. Through facilitated discussion at the conference, we have identified the following actions to achieve this aim:

• As a priority, first seek to influence government, clients and project sponsors who are the most influential in setting complex projects on a path to success.
  o Form a panel of senior executives to guide the engagement
  o Develop a succinct ‘Guide Book for Complex Project Clients & Initiators’

• Seek to influence training and professional development in project leadership, risk and control systems.
  o Provide a bridge between academic output and construction industry by using professional development to disseminate relevant and practical research
  o Work with government and companies to provide job opportunities, and mentoring for new graduates
  o Collaborate with other professional organisations to develop and support research and professional development of engineers.

• Develop industry strategies to increase the available knowledge & wisdom
  • Identify the special risks, and cultural issues associated with managing overseas projects

This white paper is the result of the work of many professionals who have generously contributed their time, hard won experience and knowledge: my thanks to each of them.

A copy of the white paper is available from the Engineers Australia website: http://newsroom.engineersaustralia.org.au/sites/default/files/resources/mcp_whitepaperfinal.pdf
CECA Events Update
Conference and Seminar of Project Cost Information Strategy
27-28 January 2015

The conference and seminar of project cost information strategy was held in Chong Qing.

The topic of the seminar was about top-level design, BIM, big data and other modern information technology which has impact on engineering cost management.

At the meeting, the group released the two achievements regarding engineering cost industry’s future trends: One is Strategic Research on Project Cost Information Strategy, the other one is the impact of BIM Technology for engineering cost Management. Four invited guests delivered a keynote speech respectively. In addition, the enterprise delegates are invited to show the achievement and share their experience.

Hong Kong Institute of Surveyors Member Mutual Recognition

In order to make Hong Kong Institute of Surveyors members better understand the cost consulting industry standards, specifications and related management systems when they practice in mainland, 13th-14th March 2015, CECA has held mainland cost engineers continuing education courses for Hong Kong Institute of Surveyors members in Shen Zhen. There are 159 members who attended the training. During the meeting, the Hong Kong Institute of Surveyors invited Miss Xu Hui qin who is the chairman of both PAQS and CECA to meet with the current chairman and former chairman of the Hong Kong Institute of Surveyors. Chairman Xu has expressed gratitude for the support of Hong Kong counterparts for the participation of mainland projects cost industry in the international trade, and hope to strengthen the exchanges and standardisation of practice to create a win-win cooperation between Hong Kong and the mainland.

China Engineering Cost Consulting Industry Development Report


The book covers the industry development present situation and evolution, the development environment and its policies and recommendations of industry development. Through in-depth analysis of the industry structure and the main factors affecting the development of the industry, then pointing out the problems, coping strategies and recommendations of industry development. Finally, it includes a forecast of the future industry trends.
Events around the Globe...

Upcoming Events in 2015 – The ICEC Calendar

ICEC maintains a calendar of cost engineering, quantity surveying, and project management conferences and meetings around the world on the ICEC Website. The following are some of the main conferences/meetings being held this year and their weblinks for more information:


Please let us know of you events/meetings and we will post them on the ICEC website.

NZIQS 2015
Annual Conference Registrations NOW OPEN!

17 – 19 June, Claudelands Event Centre, Hamilton

The NZIQS conference is fast becoming the must attend event on the institute calendar. Our conference theme Motivate, Educate, Activate is reflected in our strong line-up of speakers, site visits and breakout sessions. Hear motivational stories of both personal and professional growth. Be educated on the hot topics within our industry, what legislative changes we need to be aware of and more. Learn tools to activate a better working environment, helping you work and network smarter.

The conference has experienced a dramatic growth over the past four years, from 100 delegates in attendance in 2011 to 160 this past year in Napier, and 2015 is shaping up to be even bigger!

This year we will be hosting the conference plenary sessions at Claudelands Event Centre. This facility opened in June 2011 and is the fifth largest of its kind, winning the 2014 Large Venue of the Year Award.

We are pleased to extend registration to members of AIQS and Construction Industry Council organisations, helping NZIQS members to form strong relationships with our industry and Australian counterparts.

To download the NZIQS 2015 Conference Guide please visit the website, http://www.nziqs.co.nz/Events/NZIQS-2015-Conference

Registration is now open! Please visit the NZIQS Events website, http://www.nziqs.co.nz/Events/NZIQS-2015-Conference.
**AIQS Infinite Value Awards 2015**

The Infinite Value Awards are back in 2015 and Nominations are NOW OPEN!

Are you working on an outstanding project? Do you work with someone who goes above and beyond in their daily job?

This is your opportunity to highlight the successes of your industry by nominating them in one of the 11 Infinite Value Awards Categories. For more information and to make your 2015 Infinite Value Awards nomination head to the website: www.infinitevalueawards.com

**Save the Date!**

- **MAY** Nominations Open
- **MID JULY** Nominations Close
- **LATE JULY** Finalists Announced
- **FRIDAY, 23 OCTOBER** Melbourne, Australia 2015 Infinite Value Awards Gala Dinner

[www.infinitevalueawards.com](http://www.infinitevalueawards.com)

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**AACE Congress**

Sunday, 28 June 2015 thru Wednesday, 1 July 2015

AACE’s 2015 Annual Meeting

at the MGM Grand Las Vegas, Nevada, USA

Sunday, 28 June 2015 thru Wednesday, 1 July 2015

Don’t miss out on this excellent opportunity to network with your peers, earn CEUs/PDHs and attend the latest papers on cost, schedule and management at AACE’s 2015 Annual Meeting in Las Vegas, NV, USA.

To register, please visit the Congress Website:

http://www.aacei.org/am/2015/welcome.shtml

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**IPMA World Congress**

28 September 2015 thru 30 September 2015

Panama 2015

at Hotel Westin, Playa Bonita

28 September 2015 thru 30 September 2015

The 2015 IPMA WC will hold an event considering different sectors in which IPMA competences and products are targeted and the needs to expose the Multi-Cultural Context in today’s project management world.

In Addition, to the general public it is the single global event to expose a leading organization latest standards and competence baseline for project program and portfolio management.

To register, please visit the Congress Website:

http://ipmawc2015.com/
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- MBA in Construction Management and Project Management

FOR MORE INFORMATION GO TO:
www.ibec.org.br/cursos/

AACE INTERNATIONAL

We make available state-of-the-art distance learning by internet as well as by traditional correspondence course.

No matter who you are, or where you are, anywhere in the world, if you want continuing education without travel, check our list of course offerings.

Internet courses can be used by anyone who has a computer and the appropriate internet setup. Correspondence courses are delivered by mail. There are many reasons that distance learning can be an appropriate alternative to classroom instruction.

Online courses provide interactivity and increased retention of content. The student’s commitment to online education – a determination to take full advantage of self-study and education – is the greatest strength of online learning.

FOR MORE INFORMATION GO TO: www.aacei.org

THANK YOU FOR READING