

# International Construction Measurement Standards (ICMS)



# What are construction measurement standards?

- Construction measurement standards refer to the way construction project costs are calculated, classified and reported.
- What is included in the 'cost' and what is not.
- Not about the units of measurement (\$, £, €, ¥ etc.) but instead the 'line items' in the calculation such as labour, land purchase, design, materials and client costs.



# Why are they important?

Knowing what is, and what is not included in the cost of a construction project is vital to:

- Understanding how it compares with other projects within or outside that market
- Accurately assessing value-for-money
- Assessing and benchmarking the 'footprint' of a construction project
- Reporting national and international construction statistics



# How are they used today?

- The standards used today differ within countries and from one jurisdiction to the next.
- Depending on where the project is located the costs might include some or all of the following elements:
  - Labour and materials
  - Land acquisition
  - Professional Fees
  - Client costs





# What are the implications of global inconsistency?

- Inability to accurately compare project costs
- Investment risk
- Lack of transparency

Leading to:

- Under-investment in construction projects
- Time and cost overruns



# What is ICMS

- ICMS establishes a global standard for assessing project costs.
- It defines what should be included in the calculation of a construction project.
- It will enable global consistency.



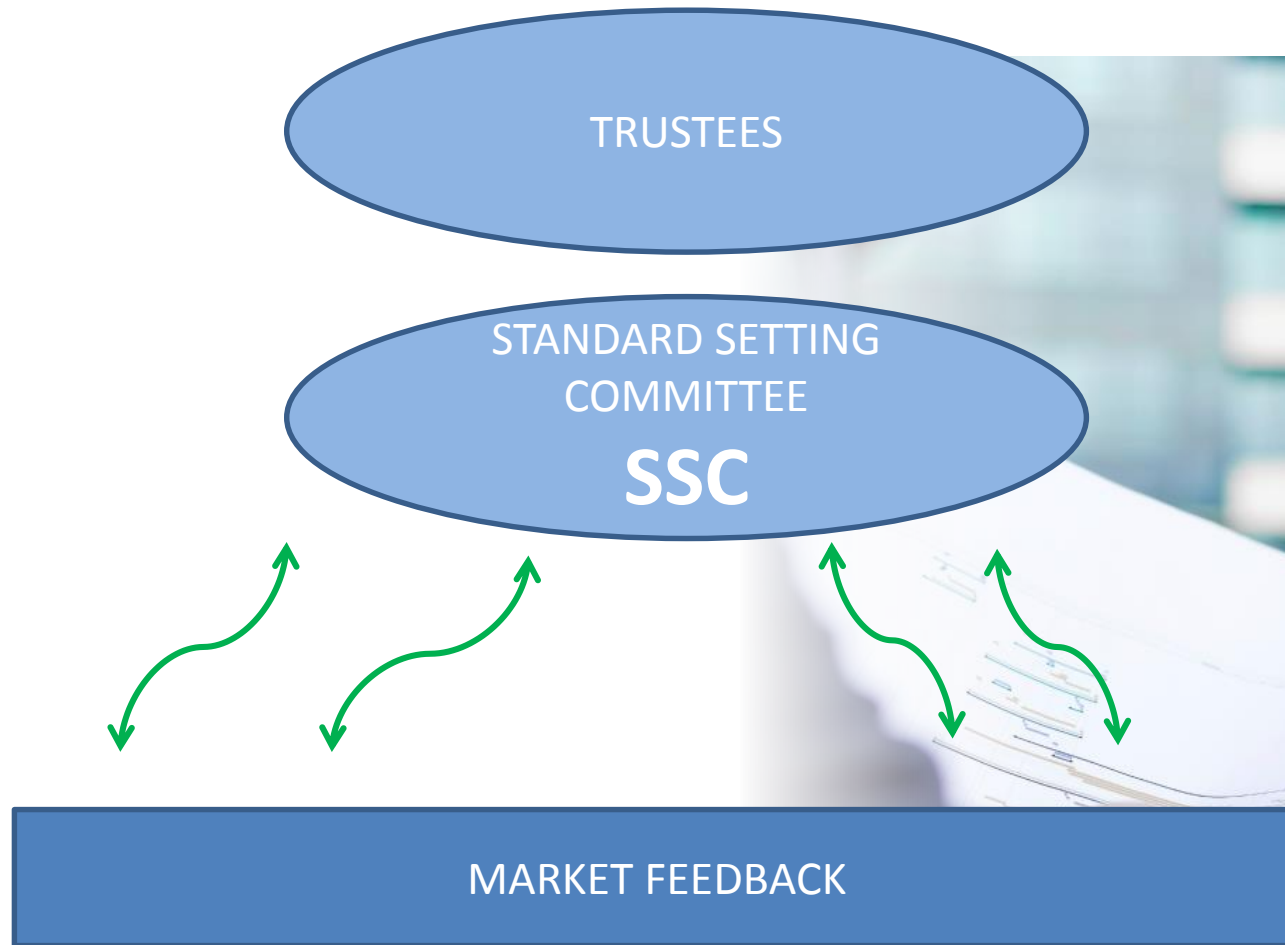
# Who is developing ICMS?

- Developed by a coalition of professional bodies from around the world.
- Coalition established during a meeting at the IMF, Washington D.C. in June 2015.
- Organisations have committed to develop and implement the standard.





# ICMS Structure





# The expert committee

- An independent Standards Setting Committee (SSC) has been established to write the international standard.
- The SSC is comprised, in total, of 27 experts from around the world.
- A public consultation on the ICMS will run before the SSC ratifies and hands over the final standard to the Coalition.

# What was the brief?

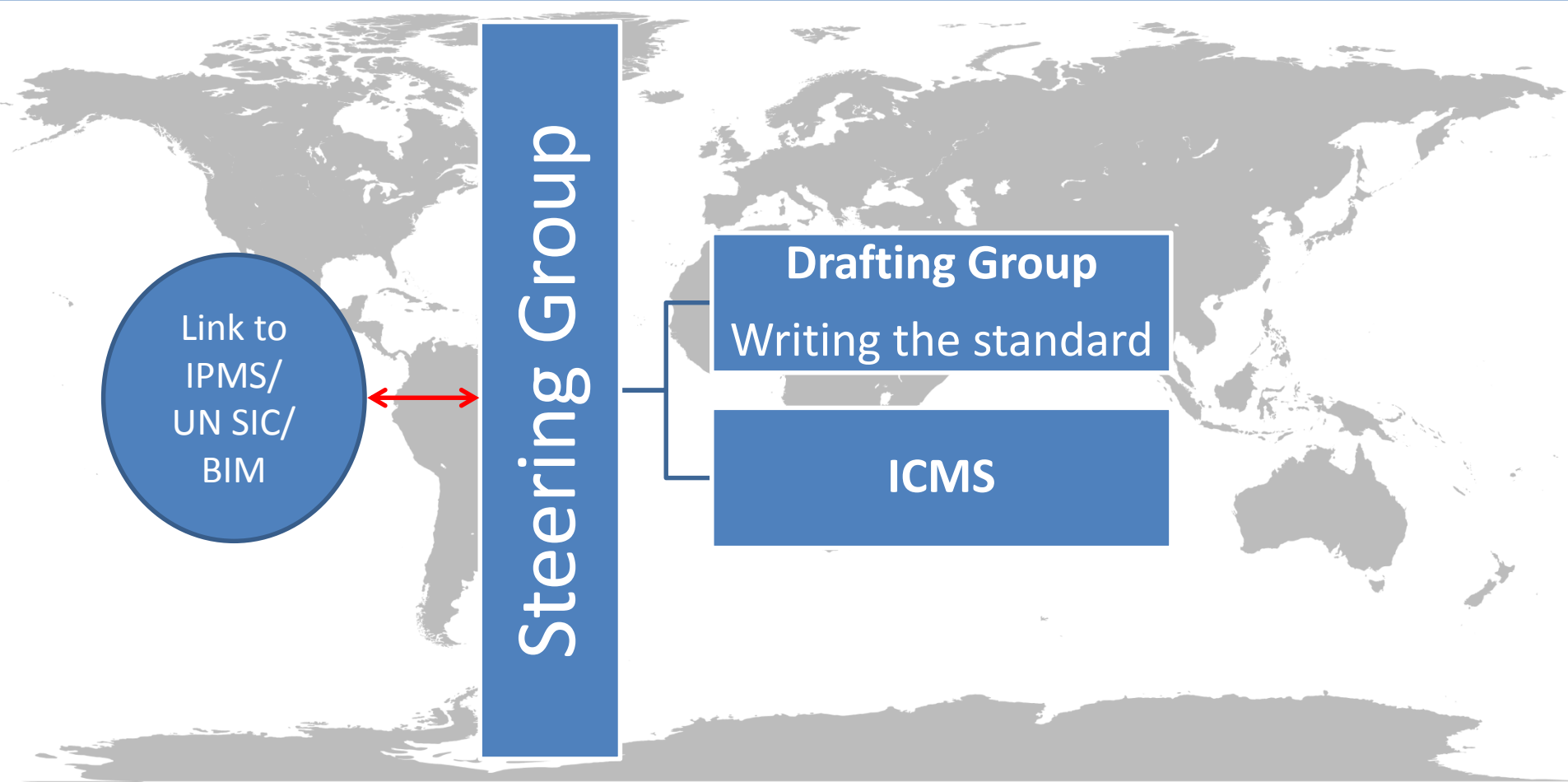
To agree what is included and excluded from construction costs at both a project level and a national reporting level

To create (a framework for) a standard system of costing for building and civil engineering projects

To allow Governments and international bodies compare the costs of construction of building and civil engineering projects (works) so that:

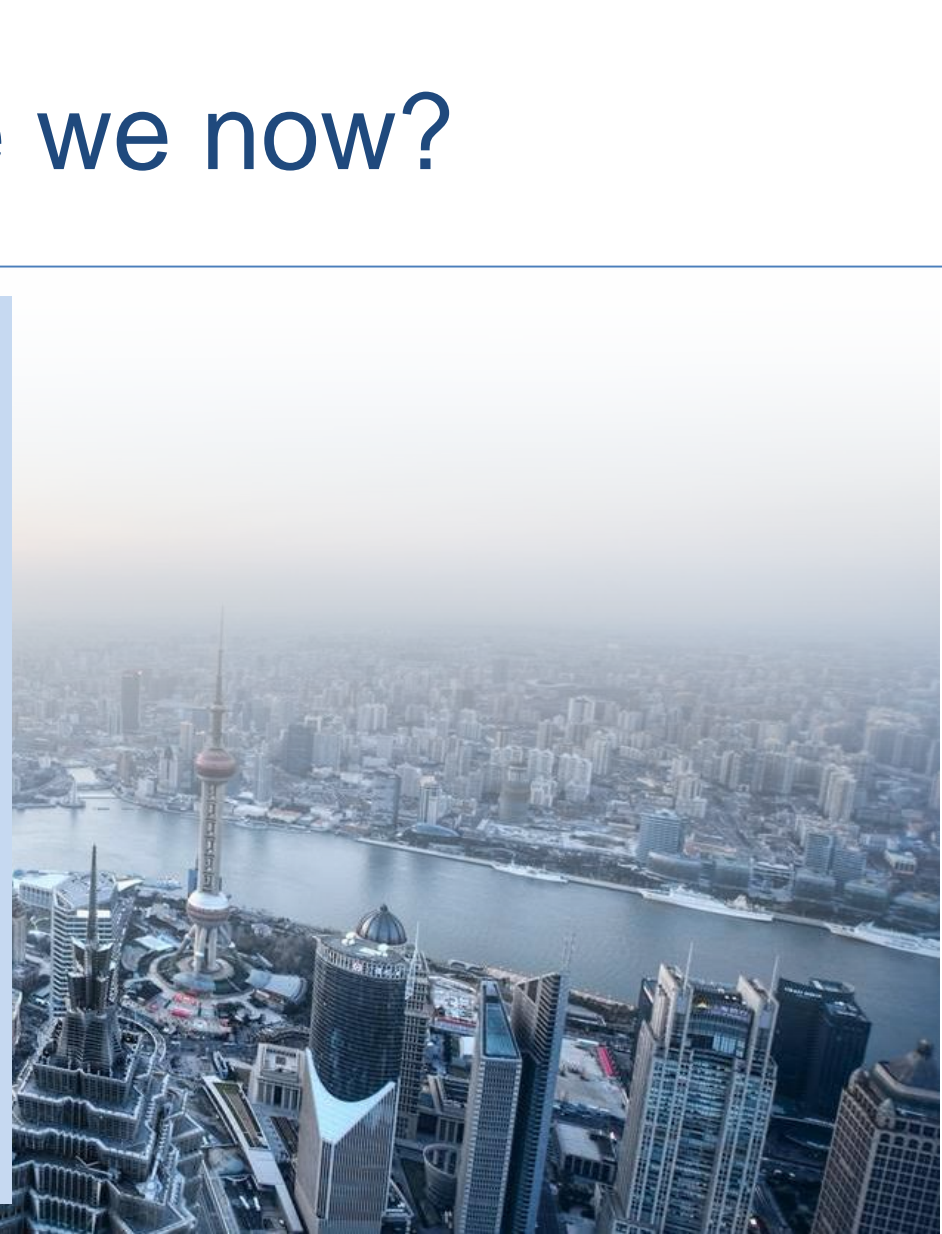
- national costs can be benchmarked;
- the causes of differences in costs can be identified;
- properly informed decisions on the location of construction projects can be made; and
- the relative performance of the construction industry in different countries can be determined

# How have we organised ourselves?



# Where are we now?

- ICMS
  - ✓ High level classification agreed
  - ✓ Attributes and values virtually agreed
  - ✓ Link to IPMS ([www.ipmsc.org](http://www.ipmsc.org)) for floor areas
- Drafting
  - ✓ Explanatory preambles drafted and under development
  - ✓ Drafting of cost classification systems commenced





# Who will benefit from ICMS?

- Any party that has a direct or indirect interest in construction projects will benefit.
- Those investing in or managing construction projects will benefit significantly.
- The public will benefit through enhanced, prudent assessments of public projects



# How will ICMS be adopted?



- The non-profit standards organisations that make up the coalition have committed to implement the ICMS once it is published.
- Many organisations will incorporate ICMS within existing standards and guidance.
- Governments and businesses will lead adoption of ICMS in the marketplace

# How can I get involved?

- Not-for-profit, professional and standards-setting bodies are encouraged to join the coalition and to adopt ICMS.
- Private firms, universities and governments will be invited and encouraged become voluntary 'partners' and work with the coalition to develop, raise awareness for and implement ICMS.





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CONSTRUCTION  
MEASUREMENT  
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