

TECHNICAL QUESTIONS

1. Do I need a specialist measurement qualification?

No. There is currently no requirement for a specialist measurement qualification to use ICMS. However, professional or accredited members of the ICMS Coalition member organisations are best qualified to undertake the work in accordance with ICMS and make the necessary professional judgements.

2. Is ICMS mandatory?

No. It is up to each ICMS Coalition member organisation to decide the status of ICMS in respect of its members. However a number of coalition organisations are expected, in time, to make this a mandatory requirement for their members. In the future, other stakeholders like financial institutions and governments will require construction costs be presented in accordance with ICMS.

3. My market has existing established measurement standards so why should I be concerned with ICMS?

ICMS provides global consistency in classifying, defining, measuring, analysing and presenting construction costs at a project, regional, state, national or international level, hence simplifying benchmarking across the geographical regions and world markets. For these reasons ICMS will be increasingly demanded by investors and developers including multilateral agencies and will provide commercial advantages to both users and their advisers.

4. There are specific government measurement requirements within my market which differ from ICMS so how can I use ICMS?

ICMS can be used in conjunction with national standards for markets that have differing measurement requirements. A dual reporting basis can be adopted.

Measurements undertaken using ICMS provide sufficient information to enable translation across national measurement standards. It is possible for a user to report measurements in both ICMS and any relevant government requirement.

It is anticipated that government requirements will overtime converge with the requirements of ICMS.

5. How can I use ICMS in a mixed development project?

ICMS can be used in different types of projects ranging from a project of a single type such as building to a project with many types of Sub-projects such as a transportation project comprising railways, tunnels, bridges and buildings. In short ICMS can be used for any type of capital project. There are examples on the use of ICMS for mixed development projects in the appendices to the Standard and further examples will be

provided on the website for various types of projects.

6. Why does ICMS require information for both Gross External Floor Area (GEFA) and Gross Internal Floor Area (GIFA)?

GIFA and GEFA are commonly used as a basis for measuring floor areas in many parts of the world. This information is necessary for benchmarking and for cost comparison purposes. IPMS has definitions for GIFA and GEFA which are known as IPMS 2 and IPMS 1 respectively.

7. What is the expected level of accuracy for ICMS?

ICMS does not specify a particular level of accuracy or tolerance. The level of accuracy of costs reported using ICMS will depend upon the information upon which the costs are based. Information stipulated in the Standard will enable a judgement to be made on the level of accuracy when using the data for analysis.

8. What would I report using ICMS if there were many types of different projects under a large programme of work?

ICMS allows for projects and Sub-projects to be identified using the classifications in the standard. For example, a major programme of work comprising a railway system with bridges, tunnels and stations could be classified by using the ICMS hierarchy. An example of a large project using this approach is shown in both the appendices to the standard and in examples soon to be published on www.icms-coalition.org.

9. Will ICMS help me with benchmarking of project costs within a region and between world regions?

ICMS will allow comparison of projects carried out in different jurisdictions and markets using common terminology and classification. It will ensure that the essential cost components of a project referred to in the Standard as "Cost Group" to be included in the cost report so that the project cost can be compared on a like-for-like basis.

10. How can ICMS help service providers?

ICMS will increase the flexibility of service providers to present cost according to both market and client requirements. By using ICMS, service providers can draw from the pool of available cost data for the purposes of benchmarking. Therefore, ICMS will improve the quality of comparables as the service provider will be able to ensure that he is comparing construction project costs on a like-for-like basis.

11. How will ICMS impact on the application of Building Information Modelling (BIM)?

The ICMS Coalition envisions a symbiotic relationship between BIM and ICMS. For BIM to work efficiently, it must incorporate standard classifications for all professional work processes in terms of authoring the model(s) collecting data from the model(s). ICMS provides an international standard for data classification for construction and cost benchmarking and therefore informs BIM software vendors about the parameters that the profession wishes to use

in terms of the analysis of costs. It is anticipated that BIM will be developed to comply with ICMS requirements on classification of construction cost. BIM would help introduce an international standard for data classification for construction and cost benchmarking. ICMS provides the BIM software vendors the parameters that the profession wishes to use in terms of the analysis of costs. As such, BIM software that complies with the requirements of ICMS will be advantageous to both the vendors and users.

12. Although the Cost Sub-group at Level 4 is not mandatory under ICMS, when should a Cost Sub-group be created to reflect its importance in the build-up to the cost of the Project?

Cost Sub-groups are components or elements of a project that is broken down to the lowest level. As a guide to the level of detail to which a Project is to be broken down, each Cost Sub-group should represent a significant proportion of the total cost of a Project or Sub-project. How significant the proportion of the cost should be is often determined by the guidance given by the member organisations of ICMS Coalition to their members. For general guidance, the SSC has recommended that the Cost Sub-group should represent at least 1% of the total capital cost of the Project or Sub-project.

13. Why is the information on Currency and Exchange Rate important in the Project Attributes?

The Project cost is often reported in the currency where the Project is located. However in some internationally-funded projects there may be times when the Project cost may be reported in multiple currencies. For the purpose of benchmarking or cost comparison it is necessary to reduce Project Cost to a common currency such as USD or Euro. Hence it is necessary to provide the exchange rate at the base date indicated in the Project Attributes.

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