

Procurement documentation update 1.3.2022 - what changed?

Skanska has updated the Procurement documentation. The updated documents were introduced on 1st of March 2022. The updates apply to **Skanska's standard terms and conditions and to Skanska's Occupational Safety, Environment, Product and Logistics requirements** (except for the documents for the consultancy assignment, which will be updated later in the spring).

The changes / additions include e.g. clarifications on posted workers, workers' rights and human rights, negligence, fall protection and cabin requirements for skid steer loaders, and equipment and fuel requirements for zero-emission sites.

All changes made to the documents are summarized here:

Changes in Skanska's Standard Terms and Conditions for Subcontracting – document:

Section 3.1.3 Restrictions and Requirements for use of Contractor's Employees and Subcontractor

- Specified in the section on the Use of a Subcontractor that use off temporary staffing in the execution of the work without an approval of the Client is not permitted.
- A new paragraph has been added, Posted workers from outside the EU / EEA and Switzerland, containing:

“As a general rule, only citizens of other EU / EEA countries and Switzerland can work as posted workers at Skanska's construction sites. Citizens of other countries must apply for a residence permit and related right to work in Finland from the Finnish Immigration Service.

The use of posted workers from outside the EU / EEA countries and Switzerland at Skanska's construction sites is only possible with an exception. Employees from outside the EU / EEA countries cannot work at our construction sites without a residence permit issued by Finland and the related right to work, or a written exemption permit granted by Skanska. Exemption permit must be requested in writing from Skanska in good time in advance.

A posted worker from outside the EU / EEA countries and Switzerland is always required to have an employee's residence permit issued by the Finnish Immigration Service if the employment in Finland lasts for more than 90 days in a 180-day period. The contractor may not circumvent this regulation by changing employees after the end the period for longer-term contracts.”

- A new paragraph has been added, Workers' rights and human rights (payment of wages, accommodation, recruitment fee, right to belong to a union, taking possession of identification documents), previous entries have been grouped together in this new paragraph to clarify ambiguities regarding the payment of wages and employment conditions. The new entries are as follows:

“If the Contractor arranges accommodation for the employee, the accommodation must meet the prescribed requirements of the Health Protection Act and the regulations of the collective agreement binding the Contractor on accommodation conditions.

The Contractor shall ensure that employees do not themselves pay any fees or related costs to any parties for their recruitment.

The contractor's employees must have the freedom of association, the right to form and join trade unions, and the right to collective agreement negotiations.

The Contractor shall not take possession of workers' work permit documents, passports or other identity documents.

Negligence to comply with the above matters shall be considered a serious breach of contract. ”

Section 3.1.5 Intervention and consequences of negligence

- Added to the first paragraph "... or other contractual obligation..."
- Added to the first tier of the list the sections on 'failure related to source separation of waste ' and 'failure to self-handover'
- Added to the third tier of the list the item "violations of employee rights or human rights"

Section 3.1.6 Client's right to remedy the Contractor's failure

- Added to the list of examples "... and source separation of waste "

Section 4.1.2 Quality assurance actions

- Deleted subheading Contractor self-handover
- Added to the last paragraph " reception of the work phase, sub-phase ..."

Section 4.1.3 Quality and Handover material has been renamed (earlier Maintenance Book Material)

- The first sentences of the paragraph have been reworded to read as follows:
"The Contractor must provide the Client with Quality and Handover material for related to the contract. The Product and Material Safety Data Sheets for the materials, and the approval documentation for materials must be submitted before ordering the materials."

Section 6.1 Adherence to schedule

- New sentence added:
"We require the Contractor to use Client's site-specific a takt-time production application "

Section 7.4 Correction of Warranty Period Errors

- The word 'error' in the last paragraph has been changed to the plural form 'errors'.

Section 10.1 Payment of the Contract Price

- The sentence regarding the first installment has been supplemented" ... delivering the product approval documentation of identified materials. "
- The words "with materials" have been removed from the entry related to the payability of the invoice.

Section 13.1 Plan for the handover phase

- New sentence added to the end:
"The Client has the right to submit claims for defects reported by the builder and / or residents to the Contractor, identified within two weeks of handover of the entire project, even if the contract would have already been handed over."

Changes in Skanska's Standard Terms and Conditions for Material Procurement – document:

Section 2.2 Requirements for occupational safety, site arrangements, materials, the environment, and co-operation

- The same changes have been made in relation to defaults as in the standard terms and conditions of the subcontract.

Section 11. Warranty

- The word 'error' in the last paragraph has been changed to the plural form 'errors'.

Changes to Skanska's Occupational Safety, Environmental, Product and Logistics Requirements in Subcontracting – document:

Section 1.2 Use of personal protective equipment

- The words 'suitable for work' have been deleted

Section 1.4 Induction and qualifications

- Induction portal has been renamed to Contractor Portal, and a new link has been added
- The last paragraph with entries about a support person has been deleted.

Section 1.6 Working at heights, danger of falling and lifting work

- Addition made to the last sentence of the first paragraph "... and opening guards..."

Section 1.7 Fire work and fire protection

- Revised year for fire protection instructions
- Added sentence "The contractor is responsible for guarding the fire works".
- Deleted specifications for hand fire extinguisher power classes

Section 1.9 Commissioning and maintenance inspections

- Text amended and supplemented:
" The Contractor must ensure that reception and set-up inspections, and introduction and maintenance inspections of all machines, devices, tanks, scaffoldings, etc. in his use, are carried out, in accordance with applicable regulations and standards, as well as to deliver the relevant inspection records to the Client."

Section 1.10 Safety and fuel tanks of machinery and trucks have been renamed (before Reversing alarms, mirrors, hazard warning flashers, fuel tanks)

- New Paragraph added:
" Skid steer loaders must comply with the laws of fall protection and cab requirements. The risk of the worker falling must be prevented by a safety cab, protective structure, or other similar device. Skid steer loaders steered from the top must have a safety cab to protect the driver from the weather. If the conditions require the use of a machine without a cabin, must this be agreed separately with the Client on the basis of a risk assessment."
- The texts concerning fuel tanks and barrels have been modified and added "... must have syphoning prevention and lockable caps".

Section 1.14 Environmental obligations and working environment

- Sentence added "The contractor must comply with the site's environmental and waste management plans."
- New entries for zero emission site:
" If the project is carried out in accordance with the criteria of emission-free construction sites, the Contractor is obliged to provide the Client with an equipment list of the vehicles used for internal transportations and machinery used on the work site, and to report to the Client on a monthly or other agreed reporting period on the use of its equipment in accordance with the reporting basis and instructions received from the Client. The equipment must meet the set emission class requirements. The eligibility of the equipment must be certified to the Client. Any changes to the equipment used must be updated in the equipment list and approved by the Client before delivering the equipment to the work site. Refueling in accordance with the conditions or the electricity used to charge the equipment must ultimately be certified, for example, with receipts and a certificate of origin of the electricity. If the Contractor fails to comply with the requirements of the zero-emission site, the Contractor is obliged to pay the Client a contractual penalty, which the Client will have to pay to the Builder due to the Contractor's negligence.

Section 1.14.6 Reduction of dust exposure

- The word 'significantly' in the first paragraph has been deleted

Section 2. Requirements for the products and materials to be used

- It has been specified that product approval certificates must be in Finnish or English.

Section 3.2 Arrival on site and work induction

- The name of the Induction portal has been changed to Contractor portal and a new link has been added.

Section 3.3 Protective equipment

- The words 'suitable for work' have been deleted

Changes in Skanska's Occupational Safety, Environment, Product and Logistics Requirements for Material Procurement – document

Section 1. Requirements for products and materials

- It has been specified that product approval certificates must be in Finnish or English.
- Sentence added: "If low-carbon criteria have been set for the project, the Seller must offer the Buyer low-carbon material options and be prepared to provide the buyer with information and explanations related to the fulfillment of the criteria."

Section 3.2 Arrival on site and work induction

- The name of the Induction portal has been changed to Contractor portal and a new link has been added

Section 3.3 Protective equipment

- The words 'suitable for work' have been deleted