

Construction Industry Council

Committee on Construction Business Development

Meeting No. 004/20 of the Committee on Construction Business Development (the “Com-CBD”) for 2020 was held on Thursday, 10 December 2020 at 2:30pm at the Board Room, CIC Headquarters, 38/F, COS Centre, 56 Tsun Yip Street, Kwun Tong, Kowloon.

Present	: Rocky POON	(LKP)	Chairperson
	Tony HO*	(HYK)	Prin AS (Works) 4 of Development Bureau
	CHIM Fu-keung*	(CFK)	Sr Mgr/P 3 of Housing Department (representing Stephen LEUNG - Asst Dir (Dev & Procurement) of Housing Department)
	Raymond AU*	(RA)	
	CHAN Chi-chiu*	(CCC)	
	CHAN Kim-kwong*	(KKC�)	
	CHOW Ping-wai*	(CPW)	
	Rita CHUNG*	(RC)	
	Ivan FU*	(FI)	
	Thomas HO*	(KnH)	
	Danny HUNG*	(CSH)	
	Ricky LEUNG*	(RyL)	
	Eddy TSANG*	(TPC)	
	Eliza WONG*	(EWYL)	
	Simon WONG*	(SWHW)	
In Attendance	: CHAN Ka-kui*	(KKCh)	Chairman
	Albert CHENG	(CTN)	Executive Director
	Angela HO*	(HTY)	AS (Works Policies 4) 4 of Development Bureau
	Stephen HO	(SnH)	Assistant Director – Industry Development & Estates Office
	Rocky CHO	(RYC)	Senior Manager – Construction Business Development
	Hilda WONG	(HiW)	Manager – Construction Business Development
	Christopher CHEUNG	(PHC)	Senior Officer – Construction Business Development

Karen NG	(KN)	Senior Officer – Construction Business Development
Mark CHEN*		Ove Arup & Partners Hong Kong Ltd. (only for item 4.6)
Goman HO*		Ove Arup & Partners Hong Kong Ltd. (only for item 4.6)
Cathy SO*		Ove Arup & Partners Hong Kong Ltd. (only for item 4.6)
Josephine WONG*		Ove Arup & Partners Hong Kong Ltd. (only for item 4.6)
Apologies	: Stephen LEUNG (KMLE)	Asst Dir (Dev & Procurement) of Housing Department

* attended the meeting online via Microsoft Teams

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Before the meeting began, LKP reminded Members that should they have any potential or actual conflict of interest with an item discussed during the meeting, they must declare as such to the Secretariat. No declarations were received during the meeting.

4.1 Confirmation of the Minutes of Meeting No.003/20

Members took note of the paper CIC/CBD/M/003/20 and confirmed the minutes of Meeting No. 003/20.

4.2 Matters Arising from the Previous Meeting

- (a) Following the item 3.5 from the previous meeting regarding the “Establishment of the Task Force on Sustainable Construction Volume”, the task force would be renamed as “Task Force on Sustainable Construction Volume and Resources Utilization”. Work progress of the Task Force would be reported under item 4.14.
- (b) Following the item 3.11(b) from the previous meeting, a letter regarding the security of payment legislation from the CIC and the reply letter from the Development Bureau had been circulated to Members on 7 September. Chairperson, LKP, in conjunction with representatives of the Hong Kong Federation of Electrical and Mechanical Contractors Limited and Hong Kong Construction Sub-Contractors Association, had met the Development Bureau on 29

September 2020 to discuss the legislative progress.

- (c) Following the item 3.11(h) from the previous meeting regarding the letter from Registered Specialist Trade Contractors Federation, the Secretariat prepared the “Market Alert – Considerations under COVID-19 Epidemic for Construction Projects” for deliberation under item 4.5.

4.3 ★ Tentative Arrangement for Meetings in 2021

LKP briefed Members on “Starred Discussion Paper”. The “Starred Discussion Paper” could be used by the Committee to endorse or approve the straight forward items.

This starred discussion paper presented for Members’ information the time and venue of Com-CBD meetings in 2021. Members received Paper *CIC/CBD/P/012/20* without further comments.

4.4 ★ Review of the Committee on Construction Business Development in 2020

This starred discussion paper presented for Members’ information a review of the works of Committee on Construction Business Development in 2020. Members received Paper *CIC/CBD/P/013/20* without further comments.

4.5 ★ Issuance of “Market Alert – Considerations under COVID-19 Epidemic for Construction Projects”

This starred discussion paper sought Members’ approval for the issuance of “Market Alert – Considerations under COVID-19 Epidemic for Construction Projects”. The alert reminded the industry to comply with the good practices in response to the impact brought by the epidemic on construction projects.

RYC supplemented that comments were received from the Development Bureau regarding the alert. The Secretariat would incorporate the comments before issuing the market alert. Members approved the issuance of “Market Alert - Considerations under COVID-19 Epidemic for Construction Projects” in Paper *CIC/CBD/P/014/20* without further comments.

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4.6 Final Report on Reasonable Construction Periods

RyL briefed Members on the background of the research study on Reasonable Construction Periods. Representatives of Ove Arup & Partners Hong Kong Ltd. (“Arup”), the consultant, briefed Members on the final report of the research study on Reasonable

Construction Periods.

Members discussed the final report in depth. KKCh, the CIC Chairman, remarked that the definition of construction period should be divided into two parts for consideration. Contractors were responsible for the part from commencement (i.e. Form BA10) to completion of works and application for occupation permit (i.e. Form BA13). The subsequent process, until the occupation permit was obtained, was a statutory approval procedure beyond contractors' control. In terms of construction period, the two should not be confused. RyL responded that due to the lack of information of approval procedure, the two parts could only be considered as one.

RyL concluded that there were limitations in collecting data for the study. They included insufficient database, absence of approval and inspection data provided by the relevant government departments, and lack of data of applied innovative technology etc. The study might not be able to meet all the requirements of the industry at this stage. It was expected that the CIC would enhance coordination with the government to obtain more relevant data to refine the model result. CTN stated that the CIC would discuss with the consultant for further follow-up actions.

After deliberation, Members approved the final report of research study on Reasonable Construction Periods and the issuance of Construction Time Performance Index (Paper CIC/CBD/P/015/20) and to release relevant payment under the consultancy.

[Mark CHEN, Goman HO, Cathy SO, Josephine WONG left the meeting at this juncture.]

4.7 CIC Outstanding Contractor Award 2021

SnH briefed Members on the preliminary proposal of the "CIC Outstanding Contractor Award 2021" ("the Award"), and invited all Members of the Committee to take up the role of the organising committee to provide strategic guidance and supervision for the Award, such as approving judging criteria, categories and eligibility.

HYK suggested that the CIC should sort out similar awards among the multiple types to avoid overlaps of awards and ensure an effective utilization of CIC's resources. CFK supplemented that the Hong Kong Housing Authority (HA) also presented similar awards to the works contractors under HA Counterparty

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Registration.

In addition, HYK enquired whether the contractors under HA Counterparty Registration were eligible for the Award. He also suggested incorporating “integrity policy” as one of the judging criteria, and establishing a mechanism to prevent companies involving in construction-related accidents from winning the Award, as well as encouraging different types of contractors, including small and medium-sized contractors and subcontractors, to compete for the Award.

SnH responded that the assessment of the Award was based on company level, which was different from that of other awards conducted based on individual projects. As contractors under HA Counterparty Registration must be registered as general building contractors under Buildings Department, the concerned eligibility had been covered in the proposal. Regarding the incorporation of “integrity policy” as a judging criterion and the contingency mechanism in case of accidents, the Secretariat would further discuss with Members in details.

After deliberation, Members approved the preliminary proposal for organising the Award (Paper CIC/CBD/P/016/20). The Secretariat would consider the above-mentioned proposal of Members and start the preparatory work.

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4.8 Proposed Follow-up Work Plan on “Review Report on Quality Site Supervision Practices of the Hong Kong Construction Industry”

SnH briefed Members on the proposed follow-up work plan, which included:

- Organising “CIC Outstanding Contractor Award 2021”
- Formulating relevant guidelines on rationalising the duties of professional site supervision team
- Providing certification channel and training for non-professional staff
- Driving collaborative culture

Due to the various degrees of differences in Digital Works Site Supervision (“DWSS”) software, CPW suggested that the Development Bureau should review and coordinate the adoption of DWSS by the industry, and request to standardise the software used for all public works, so as to enhance the efficiency of site supervision.

FI suggested the Development Bureau should align the output

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formats of DWSS software, so as to establish a database of big data in the future by collecting and merging the data of various works, which was beneficial to the development of industry digitalisation and industrialisation. LKP agreed that the suggestion would facilitate the local development of smart construction and smart city.

In addition, KKCh opined that a long-term planning was required for the work plan items, and suggested that the Secretariat should draft a two-year detailed work plan and formulate a concrete road map based on the goals of the work plan, for Com-CBD's follow-up actions.

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After deliberation, Members approved the work plan in principle (Paper CIC/CBD/P/017/20).

4.9 Proposed Budget Virement of Construction Business Development Department

RYC briefed Members on the background and reasons of the proposed budget virement, and reiterated that the virement would not exceed the total budget of the Construction Business Development Department in 2020.

Members approved the proposed budget virement (Paper CIC/CBD/P/018/20) without further comments.

4.10 Consultancy Study on MiC and DfMA Procurement

SnH briefed Members on the progress of the Consultancy Study on MiC and DfMA Procurement.

As the review report submitted by Meinhardt Hong Kong Ltd. ("Meinhardt") in August 2020 has not met the contract requirements, Meinhardt had submitted on 21 October 2020 the revised review report and the first draft of reference material. The revised review report was circulated for Members' information along with Paper CIC/CBD/P/019/20.

HYK remarked that more time was needed to review the revised review report before providing feedback to the Secretariat. After receiving Members' comments on the report, the Secretariat would consider the follow-up actions. Members had no further comments.

4.11 Task Force on Greater Bay Area

FI briefed Members on the latest progress of the Task Force.

The Secretariat had prepared the assignment brief for the website of the Greater Bay Area Construction Directory. The assignment brief was circulated for CIC Corporate Communications and Information Technology Departments' review. The Secretariat was consolidating the comments and expected to circulate the first draft in late December 2020 for Task Force Members' approval. Tendering would begin in the first quarter of 2021.

Besides, the Task Force suggested organising Greater Bay Area study tours on MiC, AIoT and DfMA for building services after the COVID-19 epidemic eased. Details were set out in Paper CIC/CBD/P/020/20.

LKP welcomed the suggestion and proposed that the study tours reserve places for young industry practitioners to understand the nation and broaden their horizons. CCC reminded the Secretariat to consult the Construction Innovation and Technology Fund Department after the meeting regarding the details of the funding application in order to draft a concrete proposal.

FI briefed Members on the Xiji Island Project jointly developed by the Centre of Science and Technology Industrial Development of the Ministry of Housing and Urban-Rural Development and Guangzhou Municipal Construction Group. It was expected to serve as a subsequent joint project after CIC signed the MOU on tripartite co-operation at the Construction Innovation Expo 2019. CIC would facilitate the exchange and sharing of experience in training and demonstrating innovative technology, such as introducing the exhibition items of Construction Innovation and Technology Application Centre.

Members took note of the above-mentioned work progress.

4.12 Task Force on Reasonable Consultancy Fee Evaluation System

RA briefed Members on the tendering progress of the consultancy on reasonable consultancy fee evaluation system.

Three tenders were received for the consultancy project. After the assessment by the assessment panel, Ove Arup & Partners Hong Kong Ltd. obtained the highest combined score despite the tender sum exceeded the pre-tender estimate due to the extended scope of the consultancy project. Therefore, on 16 November 2020, the Secretariat sought Com-CBD Members' approval on the award of the tender to Arup and to increase in budget of the consultancy project. The tender recommendation was approved on 23

November 2020. The Secretariat expected to award the tender in the fourth quarter of 2020.

Members took note of the work progress of the Task Force.

4.13 Task Force on BIM Specifications and Agreement

LKP briefed Members on the progress of the two Task Groups under the Task Force:

Task Group (1) on BIM Specifications reported that the Building Information Modelling Department had substantially finished compiling the BIM Exchange Information Requirements (EIR) Template, and two samples project EIR. The Task Group would hold a meeting in early December for final revision and refinement.

Task Group (2) on Special Conditions of Contract for BIM and BIM Services Agreement reported that LESK Solutions Co.Ltd., the consultant, submitted in early November the first draft of Special Conditions of Contract for BIM. In mid-November, the Secretariat had circulated the draft for Task Group Members' review. The Task Group would hold a meeting on 14 December 2020 to discuss the first draft of Special Conditions of Contract for BIM in details.

The Secretariat was reviewing the first draft of the BIM Services Agreement submitted in early December by LESK Solutions Co.Ltd. and would circulate the draft for Task Group Members' review.

The above-mentioned consultancy service was being conducted according to the approved budget and timetable. Members endorsed the work progress of the consultant and approved the milestone payments to LESK Solutions Co.Ltd..

4.14 Task Force on Sustainable Construction Volume and Resources Utilization

RYC briefed Members on the work progress of the Task Force.

On 30 October 2020, the Task Force held the first meeting to brief Members on the background, purpose, scope of works and tendering practice of the consultancy. Members agreed to adopt a two-stage tendering for the consultancy. For the first stage, the Secretariat would issue an Expression of Interest (EOI) to shortlist interested and qualified consultants for the second stage of tendering. The Secretariat had issued the invitation for EOI in

December 2020.

Members had no further comments on the above-mentioned progress report.

4.15 Any Other Business

(a) Security of Payment Legislation

LKP briefed Members on the follow-up progress of security of payment legislation. On 29 September 2020, LKP, in conjunction with the representative of Hong Kong Construction Sub-Contractors Association, had a meeting with the representative of the Development Bureau. He urged the Development Bureau to finalize the security of payment legislation at the earliest opportunity. The Development Bureau advised that a briefing session would be held in collaboration with CIC in early next year.

KKCN opined that there was a pressing need for the Development Bureau to implement the concerned legislation. CTN also invited HYK to enquire the responsible staff in the Development Bureau about the progress of the concerned draft. HYK would liaise with the responsible unit of Development Bureau for response.

CSH remarked that views of HKCA on the subject matter were conveyed to the Development Bureau.

(b) Adoption of English as Designated Language for Com-CBD Papers

Chinese was currently the default language for Com-CBD documents. Considering the prevalent use of English in consultancy studies conducted under the Committee, Members agreed to change the default language of documents to English starting from the first Com-CBD meeting in 2021.

4.16 Next Meeting

The next meeting was scheduled for 4 March 2021 (Thursday) at 2:30pm at Board Room, 29/F, Tower 2, Enterprise Square Five (MegaBox), 38 Wang Chiu Road, Kowloon Bay.

All to Note

There being no other business, the meeting was adjourned at 5:10pm.

**CIC Secretariat
December 2020**