

Construction Industry Council

Committee on Procurement

Meeting No. 004/10 of Committee on Procurement (Com-PCM) was held on Tuesday, 30 November 2010 at 2:30p.m. at Room 1201, Murray Building, Garden Road, Central, Hong Kong

The following items have been discussed at the Com-PCM Meeting No. 004/10:

Agenda Item	Paper	Major Resolutions/ Progress Highlights
4.1	CIC/PCM/R/003/10	Confirmation of the Progress Report – the Progress Report CIC/PCM/R/003/10 of the last meeting held on 6 October 2010 was approved subject to one amendment to the list of attendees that the name of Mr MW WONG should be removed as he did not attend the last meeting.
4.2	CIC/PCM/R/003/10	Matters Arising from the Previous Meeting – <u>Agenda item 3.4:</u> CIC colleagues responsible for secretarial support to the Committee on Subcontracting would be kept informed of the works of the TF on SCC. <u>Agenda item 3.6.1:</u> The Technical Seminar on Collaborative Contracting Approach would be held on 12 Jan 2011 at Theatre, Level 2, Fo Tan Railway House. CIC Secretariat thanked the Chairman for his assistance and MTRC for sponsoring of the seminar venue. Registration was opened from the date of the meeting until 20 December 2010. Members were encouraged to participate and assist to promote the event to their organisations, if appropriate. The target number of participants was 150. <u>Agenda item 3.6.2:</u> This item would be discussed under agenda item 4.6.
4.3	CIC/PCM/P/015/10	Competition Bill – Members received a presentation from representatives of Hogan Lovells, Mr Henry WHEARE and Mr Damon SO, on the background and possible impacts of the Competition Bill to the industry. Members were requested to review and provide feedback to the CIC Secretariat before next

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		Committee meeting, on the need for setting up a task force to review the issues and take up the follow up actions, e.g. drafting of a set of guidance notes similar to the one adopted in the United Kingdom, i.e. Construction Industry Competition Law Code of Conduct, suggest membership of the possible Task Force as well as provide input on its terms of reference, as if appropriate, for consideration.
4.4	CIC/PCM/P/016/10	Collaborative Contract – NEC3 – Members received presentations from representative of CLP Power, Mr Sing-mo HO and representative of Drainage Service Department, Mr Keith TAM, on their experience in the adoption of NEC3 form of contracts in maintenance contract and capital works project. Members were requested to review and provide feedback to the CIC Secretariat on the necessity of setting up a task force to review the benefits and provide guidance to the industry, membership and terms of reference, before the next Committee meeting for further deliberation.
4.5	CIC/PCM/P/017/10	Key Performance Indicators (KPIs) for Construction Industry - Members received a presentation from Dr Li, Senior Manager (Research) of CIC Secretariat on the proposed initial key performance indicators for construction industry and made comments and suggestions to the development of KPIs for the industry. In particular, Members remarked that the implications and how KPIs could address the core issues of the industry and relate to the development of the industry should be defined. Also, additional KPIs on the measurement of efficiency and productivity, research and development / innovation, training needs to cope with local and overseas' demand on both labours and professionals should be developed. Furthermore, the data collected should be comprehensive reflecting the whole industry, i.e. comprising both public and private sectors.
4.6	CIC/PCM/P/018/10	Repair, Maintenance, Alternations and Additions Works (RMAA) - Members took note of the paper which provided a brief background of the procurement of RMAA works and a summary of observations of RMAA works under the OBB Scheme. Members were requested to review and provide feedback to the CIC Secretariat before the next Committee meeting for further deliberation.
4.7	CIC/PCM/P/019/10	Draft Guidelines on Contract Price Fluctuation System for Private Sector Construction Contracts - The Task Force Chair (Mr Steve GRIFFIN) briefed Members on the content of the draft guidelines.

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		Members were requested to provide comments to both the Task Force Chair and the CIC Secretariat in two-week time. Comments would be incorporated and the final draft would be submitted to the Committee at its next meeting for endorsement and then approval by the Council for issuance. The final draft would be sent for legal vetting, if necessary, in parallel.
4.8	CIC/PCM/P/020/10	Progress Report of Meeting No. 003/10 of the Task Force on the Selection of Consultants and Contractors (TF on SCC) - Members took note of the paper no. CIC/PCM/P/020/10 which was reported by the Task Force Chair (Mr Kevin POOLE) verbally in the last Committee meeting.
4.9	CIC/PCM/P/021/10	Situation Report of TF on SCC – The Task Force Chair briefed Members on the works of the Task Force, the recommended actions together with the associated revised programme of the Task Force. It was also reported there were possible solutions suggested in the Task Groups to resolve the issues but they were immature to be presented to the Committee as more time would be needed for deliberation in order to reach consensus.
4.10	CIC/PCM/P/022/10	Year Plan 2010/2011 – Members took note of the revised Year Plan 2010/2011 in which the programme of the TF-SCC was updated to cope with the recommendations of the Situation Report. Members concurred with the proposed adjustments and endorsed the revised Year Plan 2010/2011. (see Annex A).
4.11	CIC/PCM/P/023/10	Meeting Schedule for 2011 - Members took note of the meeting schedule for 2011.
4.12.1	AOB	Nomination of Co-opted Member - Members had no objection to the proposed nomination of Mr Thomas KK Ho, representative of the Hong Kong Institute of Surveyors, as a co-opted member of the Committee.
4.12.2	AOB	Technical Seminar - Members were encouraged to participate and register for the Seminar on the concept of partnering and collaborative contracting to be held in Jan 2011 as soon as possible, as seats were limited.

