



CONSTRUCTION  
INDUSTRY COUNCIL  
建造業議會

2020 ANNUAL REPORT

# DIGITALISATION IN CONSTRUCTION





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## FIGURES AT A GLANCE IN 2020



### Number of Registered Construction Workers

**548,328**

Registered  
General Workers

**307,198**

Registered  
Semi-skilled Workers

**32,972**



Registered  
Skilled Workers

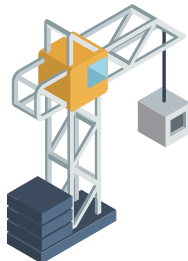
**208,158**



### Registered Specialist Trade Contractors Scheme (RSTCS)

Registered Companies

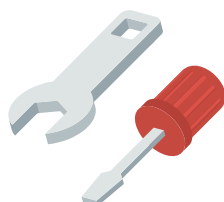
**7,381**



### Site Inspection and Enforcement

Number of sites inspected

**1,301**



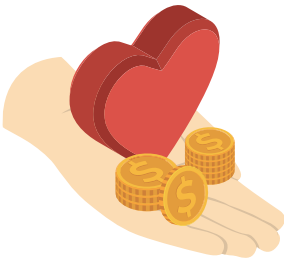
### CIC Outreach Services Team

Number of workers  
(man-time) reached

**5,949**

Number of briefing  
sessions conducted

**167**



**Workers Welfare**

Scholarship for Family Members of Registered Construction Workers

HK\$ **276,000**

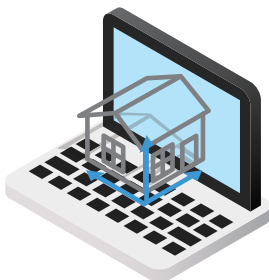
Construction Workers Professional Development Scheme

HK\$ **265,600**



**Levy Income**

HK\$ **1,134,640,828**



**CIC BIM Space**

Over **33,000** participants (man-time) attended BIM events or webinars



**Hong Kong Institute of Construction**

Full-time courses

**1,800**  
graduates

Part-time courses

**34,197**  
in-service practitioners  
(man-time) graduated\*

\* Included students attending courses for plant-operation-related certification test



**Student placement**

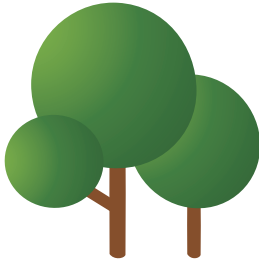
**92%** of students were successfully placed upon graduation



### Collaborative Training Schemes\*

**2,095** graduates

\* Collaborative Training Schemes for training intermediate tradesmen  
Collaborative Training Schemes for training senior tradesmen  
Subsidised VTC construction-related programmes



### Urban Forestry Support Fund - Trainee Programme

**20**

arborist trainees

**3**

tree climber trainees

**15**

briefing sessions

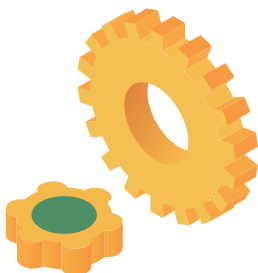


### Trade Tests

Number of trade tests conducted\*

**10,721**

\* Included civil and building construction trade tests; construction-related electrical and mechanical trade tests; and certification tests for machineries and crane operation (Training Course for Persons Working on Suspended Working Platforms and Certification Test Course with Imbedded Certification Test for Operator of Builder's Lift).



### Construction Innovation and Technology Application Centre (CITAC)

Number of service users\*

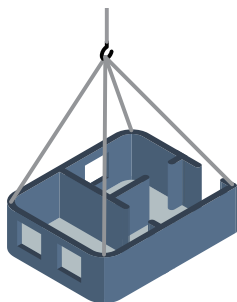
**43,907**

\* Service users including CITAC guided tour visitors, as well as seminar, conference and webinar participants, and among them, 43,223 users were industry practitioners and 684 users were students and public members.



**Visits to CIC-Zero Carbon Park (CIC-ZCP)**

Number of visitors  
**144,000**



**MiC Events and Visits to MiC Display Centre**

Number of participants attended events and tours organised by the MiC Department\*

**3,500**

\* Including local pilot project visits, MiC factory inspection in Greater Bay Area, forums, workshops, webinars and guided tours in the MiC Display Centre.

**Construction Industry Sports and Volunteering Programme (CISVP)**



Number of beneficiaries (man-time)

**323,580**

Number of participants (man-time) participated in CISVP events

Over **5,100**



Number of volunteering services

**298**

Number of volunteering service hours

**14,429**

Number of participating volunteers

**6,585**



**Supported and Sponsored Events**

**56**

industry events

A total of

**HK\$ 1,077,800**

sponsorship

# HIGHLIGHTS OF THE YEAR

## Weathering the COVID-19 Pandemic with the Industry

### Construction Industry **Caring Campaign**

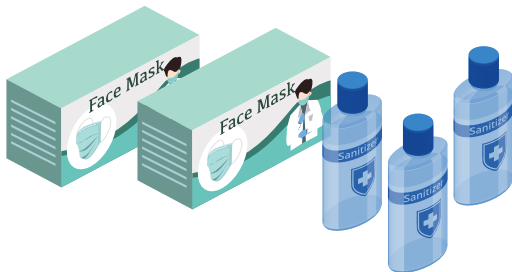
#### Fight against Novel Coronavirus



In 2020, with tremendous support from the industry, the CIC successfully raised  
HK\$ **20,995,500+**

Monetary donation  
HK\$ **19,500,000+**  
In-kind donation valued at  
HK\$ **1,495,500**

#### Material Distribution



**550,000** pieces of masks  
**130,000** bottles of hand sanitiser

#### Monetary Assistance



**2,500+** workers  
who were confirmed infected or  
under mandatory quarantine



**1,000+** caring packs



Financial Assistance  
HK\$ **11,660,000+**





## CONSTRUCTION INDUSTRY ANTI-EPIDEMIC FUND

The CIC fully supported the HKSAR Government in coordination and disbursement of two rounds of subsidies to mitigate the economic impact of COVID-19 on the industry.



Total Amount of Subsidies  
**HK\$ 6,375,000,000**



Benefiting **500,000** construction workers  
 and nearly **23,000** construction-related companies and employers

The CIC allocated funds to set up the Relief Fund to:

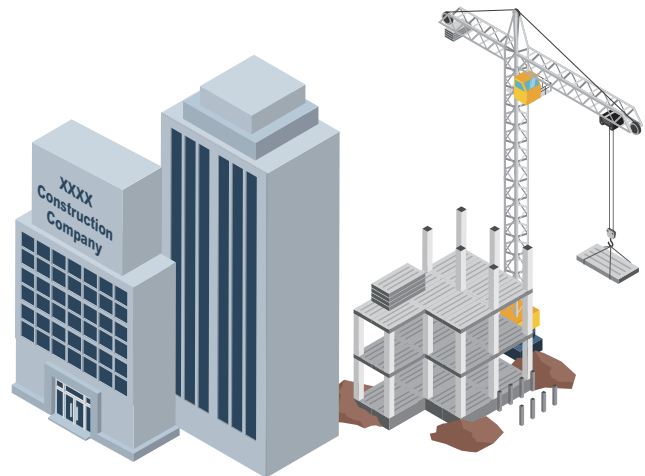
- provide funding support to lessen the operational hardship of small and medium enterprises in the construction industry; and
- subsidise registered construction workers who were underemployed or unemployed to acquire new skills in a view of encouraging them to enhance their competency to switch to other trades in the industry.



## Construction Industry Council Relief Fund



Specially allocated  
**HK\$ 200,000,000**



## Construction Industry Community Caring Campaign

The construction industry brought warmth and hope to the community, by distributing

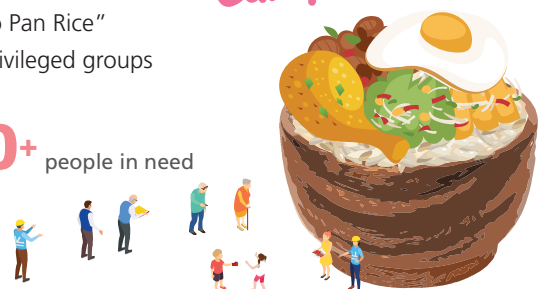
**450,000** pieces of masks  
**40,000** bottles of hand sanitiser  
**52,000+** citizens were benefitted



Joined hands with the industry to give free "Lo Pan Rice" to the under-privileged groups

Benefitting **8,000+** people in need

## Construction Industry Lo Pan Rice Campaign



## HIGHLIGHTS OF THE YEAR



“ The CIC demonstrated excellent leadership and took accountability in fostering industry cohesion by launching industry-wide fundraising campaign during challenging times. ”

— Construction Industry Caring Campaign - Fight against Novel Coronavirus



“ Industry practitioners were working together to pack anti-epidemic materials for ease of transportation and distribution. ”

— Anti-epidemic Materials Packaging Volunteering Activities



“ Distributed “Lo Pan Rice” to low-income groups, bringing warmth and hope to the community amid the pandemic. ”

— Construction Industry “Lo Pan Rice” Campaign



“ Joining hands with construction-related organisations to distribute anti-epidemic materials to under-privileged groups in several districts. ”

— Construction Industry Community Caring Campaign



**建造業 防疫抗疫基金**  
註冊建造業工人

**第一輪資助** 港幣 1,500元  
申請人須於2019年1月1日至2020年2月19日期間  
✓ 曾有出勤紀錄

**第二輪資助** 港幣 7,500元  
申請人須於2019年1月1日至2020年4月8日  
申請書持有有效建造業工人註冊證

已獲此第一輪資助的申請人，將自動納入第二輪資助。而獲資助者須重新申請。這套獲已獲資助的註冊行業資助。

合資格從未申請的工友，可透過重新提交的「安全鎖鑰」手機應用程式，向申請第一輪及第二輪資助。

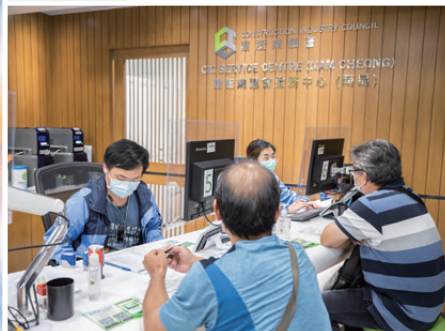
“這套申請系統（建造業工人服務中心）(第618號) 提交不準確的資料或申請中有錯誤

www.cic.hk  
3199 7377 查詢

CONSTRUCTION INDUSTRY COUNCIL  
建造業議會

下載「安全鎖鑰」  
手機應用程式

申請日期至2020年6月31日



The CIC assisted the government in disbursing two rounds of subsidies to the construction enterprises and workers.  
— Construction Industry “Anti-epidemic Fund”

Kindly note that the Anti-epidemic Fund was transferred to your bank account via autopay.

“The CIC produced multi-lingual anti-epidemic posters to strengthen workers’ awareness of epidemic prevention.”  
— Posters of Prevention of COVID-19 and Respiratory Tract Infection

**Prevention of COVID-19 and Respiratory Tract Infection**  
COVID-19 तथा धारप्रधार पर संक्रमणको रोकथाम

**Prevention of COVID-19 and Respiratory Tract Infection**  
कोविड-19 और श्वसन तंत्र के संक्रमण के रोकथाम

**Prevention of COVID-19 and Respiratory Tract Infection**  
كوفيد-19 اور نظام تنفس کے انفکشن کی روک تھام

**預防 2019 冠狀病毒病及呼吸系統傳染病**  
保持良好個人衛生

**保持良好個人衛生**  
• 經常洗手  
• 以標準洗手，洗手最少20秒  
• 酒精含量70-85% 酒精洗手液

**保持良好工作環境和廁所衛生**  
• 定期沖廁和抹手紙  
• 確保沖廁系統運作正常  
• 保持清潔  
• 保持工作環境通風

**預防 2019 冠狀病毒病及呼吸系統傳染病**  
• 工作環境於公眾地方應戴上外科口罩  
• 打噴嚏或咳嗽時應以肘部掩蓋口鼻  
• 以噴霧清水進行日常清潔和消毒  
• 保持社交距離，避免聚集  
• 安裝過濾水龍頭及風扇口  
• 安裝集體訂餐盒及彈性午餐時間，以減少社交接觸

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CHP hotline for COVID-19 cases: COVID-19 Enquiry and CHP hotline: 2125 1111 / 2125 1122 For more information on tackling the disease: www.chp.gov.hk

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衛生防護中心「2019冠狀病毒病」個案熱線: 2125 1111 / 2125 1122 更多防疫資訊: www.chp.gov.hk

CONSTRUCTION INDUSTRY COUNCIL 建造業議會



“With the support from the Development Bureau, the CIC and the Hong Kong Construction Association jointly launched the “Construction Industry COVID-19 Testing Service Scheme”, providing COVID-19 nucleic acid tests at construction sites with a view to saving time and resources to collect and return the specimen and facilitating frontline workers to get tested.”  
— Construction Industry COVID-19 Testing Service Scheme

## Construction Digitalisation

“

As a pioneer in promoting wider adoption of the MiC in Hong Kong, the CIC is pleased to witness the completion of construction projects with the use of MiC, such as the InnoCell at Hong Kong Science Park, the North Lantau Hospital Hong Kong Infection Control Centre and the “Nam Cheong 220”. In 2020, the MiC Display Centre was officially transformed into a resource centre to provide the industry with the latest news and information on MiC and to develop referencing materials and other relevant guidelines.”

— **Modular Integrated Construction (MiC)**



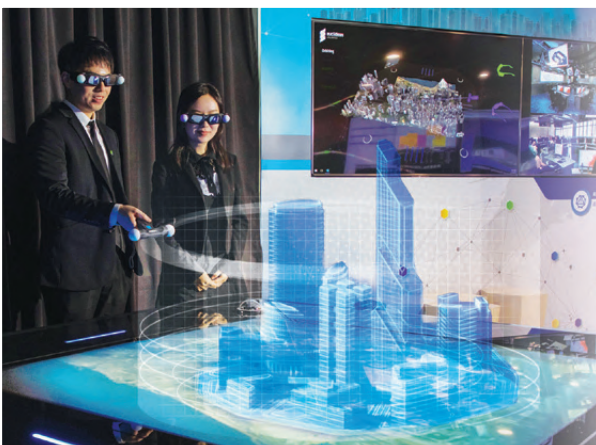
InnoCell, Hong Kong Science Park, Pak Shek Kok, Tai Po



Quarantine Camp in Penny's Bay - Phase 4



Married Quarters for the Fire Services Department, Pak Shing Kok, Tseung Kwan O

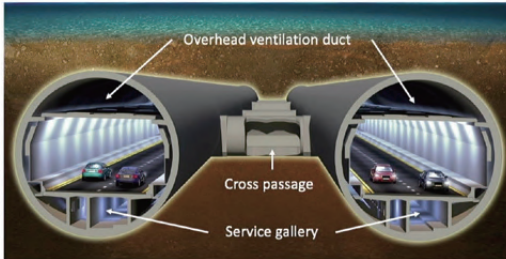


“

The CIC has been giving prominence to promoting the development and application of BIM technology in Hong Kong since 2013. After several years of efforts, the technology is well-developed and widely adopted in the industry. As such, the CIC launched the 1<sup>st</sup> Celebration of BIM Achievement 2020, further introduced the Certification of BIM Coordinators and Accreditation of its related courses as well as the ISO's international standard, consolidating the key position of BIM in industry development and transformation.”

— **Building Information Modelling (BIM)**

**First service gallery in Hong Kong's tunnel**



CIC Lunch Talk: Sharing on the Tuen Mun-Chek Lap Kok Link Project



“ Starting from October 2020, a brand-new webinar, the “CIC Lunch talk”, was launched every Friday noon to invite honourable guests from different professions to exchange latest industry information and share innovative ideas on the construction industry in a casual way, thereby creating a knowledge-sharing culture and promoting sustainable development of the construction industry. In 2020, the CIC held more than 110 webinars for industry stakeholders, covering industry development topics such as construction safety, environment and sustainable development, MiC and construction business development, with the aims of promoting the application of innovative technology and pushing forward the transformation into “Construction Industry 2.0”. ”

— CIC Lunch Talk & Industry Development Webinars



**CIC Construction Digitalisation Award  
建造業議會數碼化大獎**



“ The Award aims at recognising outstanding local projects and local organisations for their contribution to the promotion and adoption of digitalisation in the industry. ”

— The 1<sup>st</sup> CIC Construction Digitalisation Award

## Industry Development



Mr. Michael WONG, Secretary for Development, as the Guest-of-honour

“ Industry-wide adoption of green building features and use of energy-efficient technology lay the ground for future sustainable building in Hong Kong. ”  
 — The 2<sup>nd</sup> CIC Sustainable Construction Award Conference and Presentation Ceremony



“ Committed to construction training in the past 45 years, building a team of professionals and distinguished alumni who lead forward movement of the local construction industry. ”  
 — “45<sup>th</sup> Anniversary of Construction Training in Hong Kong” Roving Exhibitions and the 2<sup>nd</sup> HKIC Outstanding Alumni Award Presentation Ceremony



“ The Summit brought young leaders together to discuss how innovative technologies can be applied to construction projects to achieve productivity growth. ”  
 — Registered Specialist Trade Contractors Scheme Leadership Summit 2020



“ Industry practitioners and organisations were recognised for their efforts and contribution in building a better community through voluntary services. ”  
 — Construction Industry Volunteer Award Presentation Ceremony 2020



“ Having fun with the public while promoting healthy lifestyle and caring culture of the industry. ”  
 — Construction Industry Happy Run and Carnival 2020

# 生命第一 LIFE FIRST



“ Industry stakeholders of all levels from over 450 sites participated in this 5-day campaign to review and reflect site safety so as to identify potential operational risks and safeguard frontline workers. ”

— First-ever “Life First” Campaign



“ The construction industry strives to cultivate safety culture and enhance site safety to achieve the goal of accident-free site environment. ”

— Construction Safety Week and the 26<sup>th</sup> Considerate Contractors Site Award Scheme Award Presentation Ceremony



“ Showcasing the public the correlation between construction and green living through the exhibition and a variety of workshops. ”

— “Art in Construction” Exhibition



“ “Construction STREAM Construction Dream” allowed everyone to explore and experience the diversity of construction while displaying the industry’s professionalism. ”

— Construction Month 2020



“ Through online fundraising concerts, the CIC spread love and care to the community and cheered the industry up amid the COVID-19 pandemic. ”

— CIC-Zero Carbon Park Online Concerts

# CHAIRMAN'S MESSAGE







## CHAIRMAN'S MESSAGE



**2020 has been an arduous year. As COVID-19 wreaks havoc globally, Hong Kong alone reported more than 8,800 confirmed cases and 148 fatalities during the year. Multiple anti-epidemic measures such as immigration control, working from home and social distancing arrangements seriously disrupted socio-economic activities. Hong Kong's unemployment rate reached a record high of 6.6% in the last quarter of 2020. Although the job opportunities brought about by new construction projects enabled the Hong Kong's construction industry to fare a bit better, the RMAA (Renovation, Maintenance, Alterations and Additions) sector was still hard hit with a high unemployment rate.**

During this difficult time, the Construction Industry Council has proved its value as a bridge between the Government and the industry, extending help to frontline workers in need and construction enterprises. The CIC assisted in the vetting of applications and disbursement of funds under the Construction Industry "Anti-epidemic Fund" and the "Employment Support Scheme", totalling over HK\$6.3 billion government subsidies. One million man-time of registered frontline workers received monetary assistance and nearly 23,000 subsidy applications from enterprises

or employers were successfully approved, benefitting construction companies and long-term casual employees. The CIC also helped the Government to distribute 6 million masks to more than 110,000 workers.

Separately, the CIC also contributed HK\$200 million from its own financial reserve to subsidise the operation of small and medium-sized construction companies as well as providing additional training subsidies for on-the-job construction workers to upgrade their skills.

In the past few years, the Construction Industry Council, together with the Development Bureau, has been tirelessly promoting industrialisation, digitalisation, innovating technologies, and in particular, bringing into Hong Kong Modular Integrated Construction (MiC). Notable MiC pilot projects included the Nam Cheong 220 transitional housing project, the Hong Kong Science and Technology Parks Corporation's InnoCell and the Fire Services Department's Married Quarters at Pak Shing Kok. The successful completion of these projects has helped the industry accumulate solid experience in MiC project design, evaluation and approval, procurement and actual construction. Such valuable experience has enabled Hong Kong to deliver expeditiously the North Lantau Hospital Hong Kong Infection Control Centre, with 816 negative pressure beds and separately more than 4,000 units of quarantine facilities in Hong Kong. Such timely and efficient facilities boosted Hong Kong's arsenal in its battle against the pandemic.

The Construction Industry Sports and Volunteering Programme, another major initiative of the CIC, with an aim of cultivating a healthy and caring culture amongst the construction community, has also played an integral part in the fight against COVID-19. In the same spirit, the CIC initiated the Construction Industry Caring Campaign – Fight against Novel Coronavirus at the onset of COVID-19 to raise funds amongst the construction community to support infected construction workers and those who had to undergo mandatory quarantine. The funds raised had delivered HK\$11.66 million financial assistance to 2,580 affected workers, and provided 550,000 protective face masks and 130,000 bottles of hand sanitiser to construction workers in need when there was a shortage of personal protection supplies.

On a separate front, some of the CIC's activities had to be held online as a result of social distancing measures. Notwithstanding this restriction, we continued to connect with our industry counterparts by hosting more than 100 virtual technical seminars, talks and workshops, including the 2<sup>nd</sup> CIC Sustainable Construction Award Conference and Presentation Ceremony, the Zero Carbon Park Concerts, Construction Safety Week, the 26<sup>th</sup> Considerate Contractors Site Award Scheme Award Ceremony, Construction Month 2020, the Employers Appreciation Ceremony 2020, the 2<sup>nd</sup> HKIC Outstanding Alumni Award, the Construction Industry Volunteer Award Presentation Ceremony 2020, the

Registered Specialist Trade Contractors Scheme Leadership Summit 2020, the Construction Workers Professional Development Scheme Award Presentation Ceremony and CIC Lunch Talk etc. Meanwhile, our key work plans, such as Industry Development programmes, Workers' Training, Trade Testing, Workers' Registration, Registered Specialist Trade Contractors' and Subcontractors' Registration remained in force.

Looking ahead, the CIC will continue to support the HKSAR Government in leading the construction industry to overcome COVID-19, with a concerted effort to achieve zero new infections, creating the right conditions for the resumption of normal life and economic activities with Mainland China and other recovering economies.

Whilst being responsive to changing times, the CIC stays committed to elevating the construction industry by promoting industry upgrades and building a professional, innovative and caring culture. The endorsement and support of the industry assures us that we are on the right track. We shall continue to collaborate with the Government to cultivate a sustainable business environment for the wide implementation of MiC and BIM (Building Information Modelling), both of which are vital to the success of the construction industry reform.

After the pandemic, I very much look forward to visiting and exploring the Greater Bay Area with my industry counterparts, and witnessing the region flourishing into a world-class bay area and grooming base for our younger generation and the Hong Kong's construction industry.

I'd like to take this opportunity to express my heartfelt gratitude to all CIC Council Members, Committee Members and staff for your resilience and perseverance in fulfilling your duties throughout the pandemic.

**Chan Ka-kui**

Chairman, Construction Industry Council

April 2021



### Steering the Construction Industry through Unprecedented Challenges

The construction industry in Hong Kong continued to face unprecedented challenges in 2020 as the COVID-19 pandemic disrupted supply chains which in turn slowed down building works and severely affected workers' livelihoods. This compounded the impact of a tumultuous 2019 which was plagued by social unrest. In response to this, the Construction Industry Council (CIC) quickly swung into action again to offer much-needed support for the industry and workers, especially during the most challenging time at the onset of the pandemic.

At the same time, we did not lose focus on our vital tasks. The CIC tapped into the growing momentum for digitalisation under the new normal of the pandemic by seizing every opportunity arising from such challenges. We have developed more powerful and efficient communication platforms conducive to our missions of strengthening the sustainability of Hong Kong's construction industry, striving for continuous improvement in standards and skill development and increasing workers' awareness on health and safety. We continued to set sustainability standards for green construction to pave way for green finance. We were relentless in promoting innovation in the industry, enhancing safety awareness at work sites as well as upgrading and upholding workers' qualifications through training and testing.

## Spearheading Anti-Epidemic Relief Measures for Industry Stakeholders

Construction companies and workers were severely affected on various fronts in the early stages of the pandemic. The supply chain of construction materials was disrupted following lockdowns in mainland China in early 2020, leading to a forced slow-down or suspension of construction works in Hong Kong. As a result, employers faced challenges in generating revenue and maintaining cash flow, less work were available for workers paid by the day, and to make matters worse, construction workers were not spared from the territory-wide supply crunch for personal protection items such as face masks.

The CIC spearheaded immediate relief measures for the industry. To keep construction projects going and maintain job opportunities for workers, we have collaborated with the Development Bureau from January 2020 to build a pipeline of small and medium-sized projects that are designed to mainly utilise locally-sourced construction materials and thereby continue the income flow for workers.

Upon the roll-out of the government's Anti-Epidemic Fund (AEF), the CIC coordinated the distribution of two rounds of financial subsidies to construction workers and construction related enterprises. We also implemented the Employment Support Scheme for the Construction Sector (Casual Employees) (ESSC), which provided subsidies for employers to keep jobs and was arranged to fully subsidise their "qualified employees" in the form of wage payment during the subsidy period.

We processed applications from eligible organisations and workers in a very tight timeframe of within one week and disbursed the subsidies to approved applicants within two to three weeks. We were able to achieve this by speedily creating a mobile app as an efficient and reliable platform to facilitate applications. Our quick action meant that workers, contractors, sub-contractors and consultants received the much-needed subsidies on time. In total, the CIC helped disburse over HK\$6,375 million of subsidies to 500,000 workers, 21,000 companies and over 1,770 employers under AEF 1.0, AEF 1.5, AEF 2.0 and ESSC. Additionally, the CIC allocated HK\$50 million from the CIC's levy reserve to supplement AEF with financial support to registered construction workers.

When personal protection materials were in short supply globally in early 2020, the CIC and the industry jointly launched the Construction Industry Caring Campaign and with the support from the government, a total of 6,550,000 surgical masks and 130,000 bottles of hand sanitiser were distributed to frontline workers, prioritising the needs of frontline construction workers and protecting their health. We also introduced an industry-wide "Construction Industry COVID-19 Testing Service Scheme" with the Hong Kong Construction Association (HKCA), working with a professional testing institution to set up mobile specimen collection stations at construction sites to facilitate nucleic acid COVID-19 testing for workers. Through donations from industry stakeholders and three trendsetting online fundraising concerts at the CIC-Zero Carbon Park, we raised additional funding to offer financial assistance to workers who had to undergo compulsory quarantine or had tested positive for COVID-19, providing timely support in this difficult time and injecting positive energy into the society.

We are pleased that our combined anti-epidemic support initiatives helped to keep the industry in relatively good shape, enabled us to pursue, in parallel, other important industry initiatives to enhance sustainability, work quality, workers' safety and skill levels.

## Setting Sustainability Standards to Benefit the Industry and the Community

The construction industry has been serving as an engine of economic growth in Hong Kong. There is no doubt that the development of the city and the construction industry are inextricably linked, which puts the CIC in a pivotal position in driving the transition towards sustainable construction. With sustainability as an integral part of our advocacy, the CIC plays a leading role in strengthening the industry capacity, unleashing the potential for innovations, and preparing the industry for the challenges ahead.

Building in a sustainable way not only benefits the environment of our city, but also contributes to our stakeholders' ultimate goal, especially when industry leaders look beyond the short-term increase in costs to the long-term appeal of getting green finance from ESG-conscious financiers.

At the forefront of promoting sustainable construction, the CIC adopted sustainability as our theme for 2020. During the year, we developed the CIC Sustainable Construction Certification Scheme for Green Finance (SCCS) and implemented the CIC Carbon Assessment Tool (CAT) to set measurable standards for sustainable construction. SCCS formulates green standards which allows the financial sector to benchmark, drives the construction sector to embrace the green finance opportunities, as well as promotes the development of green finance in Hong Kong. CAT evaluates the carbon performance of a construction project based on the embodied carbon of over 300 construction materials and carbon emissions generated by on-site construction processes. Since January 2021, CAT has been integrated into the requirement of "BEAM Plus New Buildings". We believe this will further motivate the industry to reduce carbon emission in construction projects. Standardised carbon performance evaluation tools give financial institutions the yardstick to assess green finance for eligible environmental-friendly construction projects. In turn, this will support the government to move towards the goal of achieving carbon neutrality before 2050. We are delighted to see major developers in Hong Kong embracing the mindset of sustainable construction and adopting certified green materials and low carbon processes in their projects.

## Building a Solid Foundation for Innovative Construction

Having played an instrumental role in promoting the adoption of innovation and technology for construction, the CIC is pleased to see Building Information Modelling (BIM) and Modular Integrated Construction (MiC) becoming industry norms.

Since BIM technology has been mandated by the Development Bureau for capital works projects estimated to cost more than HK\$30 million, effective 2018, the CIC has been designated to formulate BIM technical standards to guide the industry and to encourage the use of BIM in private projects. We have since then introduced certification and accreditation programmes including the "Professional Certificate for the Building Information Modelling (BIM) Manager", the "Certificate in Modular Integrated Construction (MiC) for Foremen" and Certification of BIM Coordinators. Together with the CIC-accredited BIM Manager courses offered by other training services providers, about 700 BIM Managers can be trained a year. They not only account for the majority of talents mostly needed for BIM technology, but are also crucial in reshaping the industry in the future.

To motivate young people to get hands-on experience with BIM, we have introduced the CIC BIM Competition encouraging post-secondary students to use BIM principles and tools to create winning project designs. The 2020 competition challenged students to design a student hostel in accordance with specified design requirements. For the 2021 contest, a series of training, mentoring support and online resources have been arranged for young participants, as we continue to fine-tune the programme to strengthen the BIM knowledge of tech-savvy young talent for the construction industry.

As the industry's strongest advocate for the innovative construction model MiC, the CIC is gratified to see MiC gaining momentum, with the SAR government taking the lead to make MiC the norm for building new government projects unless otherwise specified. The first MiC projects in Hong Kong – namely the Hong Kong Science and Technology Parks Corporation's InnoCell completed in 2020 and the Fire Services Department's Married Quarters at Pak Shing Kok to be completed in 2021 – serve as convincing showcases of MiC's advantages. Over 50 MiC projects are in the pipeline, including an elderly home in Kwu Tung North and a hostel at the University of Hong Kong. We are confident that MiC will become the "go-to" preferred construction method, given its attributes, such as overcoming manpower shortages, attracting younger generations into the trade by offering a safer and more comfortable working environments in prefabrication factories, ensuring standardised quality, enhancing workers' safety, causing less disruption for the surrounding neighbourhoods of projects as most of the production work can be manufactured in factory. As such, different modules are being constructed in the factory and the site in parallel, ramping up the construction of a building. The CIC will continue to promote innovative enhancements of the construction industry and support both the supply chain and manpower training for the industry. We will continue to tackle adoption obstacles, such as the challenging logistics involved in transporting large prefabricated units, by training specialist managers for coordinating logistics.

## Prioritising Workers' Safety and Skill Upgrades

As the city's major champion for the well-being of construction workers, the CIC takes the lead to promote safety for workers and upgrade their skills through training and testing schemes.

Frontline construction work is tough and all stakeholders should develop empathy for those working in harsh hot weather or at height, especially having to wear face masks to prevent the spread of COVID-19 and in compliance with anti-pandemic rules. During the year, we launched the "Life First" campaign, rallying top management of clients, construction companies, consultants and regulatory body officials to conduct site walks at their associated sites. The campaign was implemented across over 400 construction sites in Hong Kong to provide insights to management about implementing improved measures to minimise work-site incidents. Meanwhile, workers were reminded to be cautious about their own safety and exercise their right to "say no" to dangerous work if there were potential hazards. The campaign was a great success, and we will continue to encourage industry management to conduct regular site visits to enhance awareness of work site safety.

Developing skilled workers for the industry is a core mission for the CIC, as there is a high demand for fresh blood to replenish the ageing workforce in order to cope with large volume of construction work in Hong Kong, to the tune of over HK\$200 billion every year. We gear up workers for the industry annually, including secondary school leavers from one-year training that comes with a monthly subsidy for trainees, and adult tradesmen through short-term courses of three to six months.

In the second half of 2020, we introduced courses for electrical and mechanical (E&M) disciplines and surveying. To meet the industry's manpower needs and provide a clearer path for career progression for workers, we have extended the scope of the E&M curriculum and certificate courses in Refrigeration, Air-conditioning and Ventilation Installations, Fire Service Electrical Fitting, Fire Service Mechanical Fitting and the Certificate of Electrician/Electrical Fitter (Grade A) Upgrading Course are now in the pipeline to support the new "Trade Test for Grade A Electrical Work" launched this year. With increasing adoption of technology in construction processes, our training will also expand in depth and breadth, equipping trainees to work with technological components such as using drones for surveying and sensors in buildings.

Reinforcing our role as a custodian of professional standards, we have introduced an e-platform for the Technically Competent Persons Registration Scheme (TCPRS), in conjunction with the Buildings Department. Under the scheme, each certified TCP would be assigned a registration number their relevant qualification will be stored in our database and thereby, it would be a breeze for employers in the industry to identify and hire a qualified experienced supervisor with the help of our TCPRS. The CIC aims to motivate TCPs to advance their careers by taking training and development courses to enhance their skills, knowledge and work quality.

## The Way Forward

The prolonged COVID-19 pandemic has irreversibly changed the way we live and work. For the industry to continue to thrive, we must make the most out of the opportunities arising from the pandemic. For that to happen, workers must be kept safe, at work sites and in every other aspect of their daily routines. We encourage industry decision-makers to continue to team up with frontline workers by conducting regular site visits. We hope the Life First campaign will make "safety-first" the fundamental mindset for all construction workers well beyond the duration of the campaign. We are hopeful, and confident, that construction industry personnel will embrace the territory-wide free vaccination programme and protect themselves from the risks of infection.

Social distancing measures and the new norm of working-from-home have accelerated the digitalisation of our programmes and workflow. Riding on this momentum, we will set up a task force to speed up the roadmap on digitalisation. I am confident that our industry is ready, willing and able to leverage innovative tools to minimise disruption in the supply chain, such as using remote visual communication tools for the quality review of construction supplies from mainland China. We will encourage the industry to adopt digital tools for maintenance and work records, in place of paper trails, to enhance the reliability of work process documentation.

Webinars have proven to be a highly effective means for engaging the industry during the pandemic. The CIC Lunch Talk, for example, drew a much higher turnout in its digital format, with an average of 500 registrations in each talk. We will continue to organise online talk series every Friday afternoon, with industry professionals sharing insights on specific topics.

At the same time, I will lead the CIC team to build on our achievements established in the following areas in the year ahead:

- Promoting Innovation and Technology (I&T)
- Fostering relationships between industry stakeholders
- Strengthening the CIC's brand image and promoting industry developments to society
- Further advancing industry sustainability and social responsibility
- Ensuring industry excellence and advancement



I am tremendously proud of the effort and swift response from each and every CIC team-member during the year. Despite the challenges of transitioning work processes online, our staff have always ensured that multiple events, initiatives and activities were rolled out successfully and well attended.

I would like to take this opportunity to once again thank my CIC colleagues, government officials and industry stakeholders for helping the construction industry thrive during such difficult time. Let's make the most out of the experience we all gained over the past year and keep our industry safe, sustainable and innovative.

**Ir Albert CHENG**

Executive Director, Construction Industry Council

May 2021

## MEMBERSHIP OF CIC



**1** **Mr. CHAN Ka-kui**  
Chairman, Construction Industry Council  
Chairperson, Executive Committee

**2** **Ir CHAN Chi-chiu**  
Chairperson, Committee on Registered  
Specialist Trade Contractors Scheme

**5** **Prof. CHUNG Kwok-fai**  
Convener, Objections Board

**3** **Mr. CHAN Kim-kwong**

**4** **Mr. CHAN Pat-kan**  
(Resigned w.e.f. 10 March 2021)

**6** **Mr. FU Chin-shing, Ivan**  
Chairperson, Committee on Environment



7 Sr HO Kwok-kwan, Thomas

9 Sr LAM Kin-wing, Eddie

11 Mr. LEUNG Kin-man, Stephen  
Representing Permanent Secretary for  
Transport and Housing (Housing)  
(Succeeded Ms. YEUNG Kwong-yim,  
Connie, w.e.f. 28 January 2021)

8 Ir HO On-sing, Thomas

10 Ir LAM Sai-hung  
Permanent Secretary for Development  
(Works)

12 Ir LEUNG Wing-kee, Ricky

## MEMBERSHIP OF CIC



13 Mr. LI Tat-wai

15 Mrs. LO LEE Oi-lin

17 Mr. MOW Tai-hing

14 Ir Prof. LO Hong-kam

16 Ir MO Kon-fei, Kenneth  
Chairperson, Construction Workers  
Registration Board

18 Ir PAN Shujie



**19** **Ir Dr. PANG Yat-bond, Derrick**  
Chairperson, Committee on Construction Safety  
Chairperson, Construction Industry Sports & Volunteering Programme Committee (w.e.f. 1 February 2021)

**20** **Ir POON Lock-kee, Rocky**  
Chairperson, Committee on Construction Business Development

**21** **Mr. WONG Hin-wing, Simon**  
Chairperson, Audit Committee

**22** **Ir WONG Kin-wai, Ken**  
Chairperson, Committee on Productivity

**23** **Ms. WONG Yeuk-lan, Eliza**

**24** **Ir YU Sai-yen**  
Chairperson, Construction Industry Training Board

**25** **Mr. YU Tak-cheung**  
Director of Buildings

## Retired CIC Members

Retired on 31 January 2021



1 Ar. FUNG Yin-suen, Ada  
Chairperson, Committee on  
Building Information Modelling



2 Ms. LEE Sau-king, Amy



3 Ms. YEUNG Kwong-yim,  
Connie  
(Retired from her position on  
27 January 2021, and succeeded  
by Mr. LEUNG Kin-man, Stephen  
since 28 January 2021)



4 Ir YU Shek-man, Ringo

## Current Chairpersons of Management Boards



1 Mr. CHOI Wun-hing, Donald  
Chairperson, Construction Innovation  
and Technology Application Centre  
Management Board



2 Mr. CHONG Kin-lit, Paul  
Chairperson, ZCB Management Board



3 Prof. LEE Chack-fan  
Chairperson, Hong Kong Institute of  
Construction Management Board

## About the Construction Industry Council

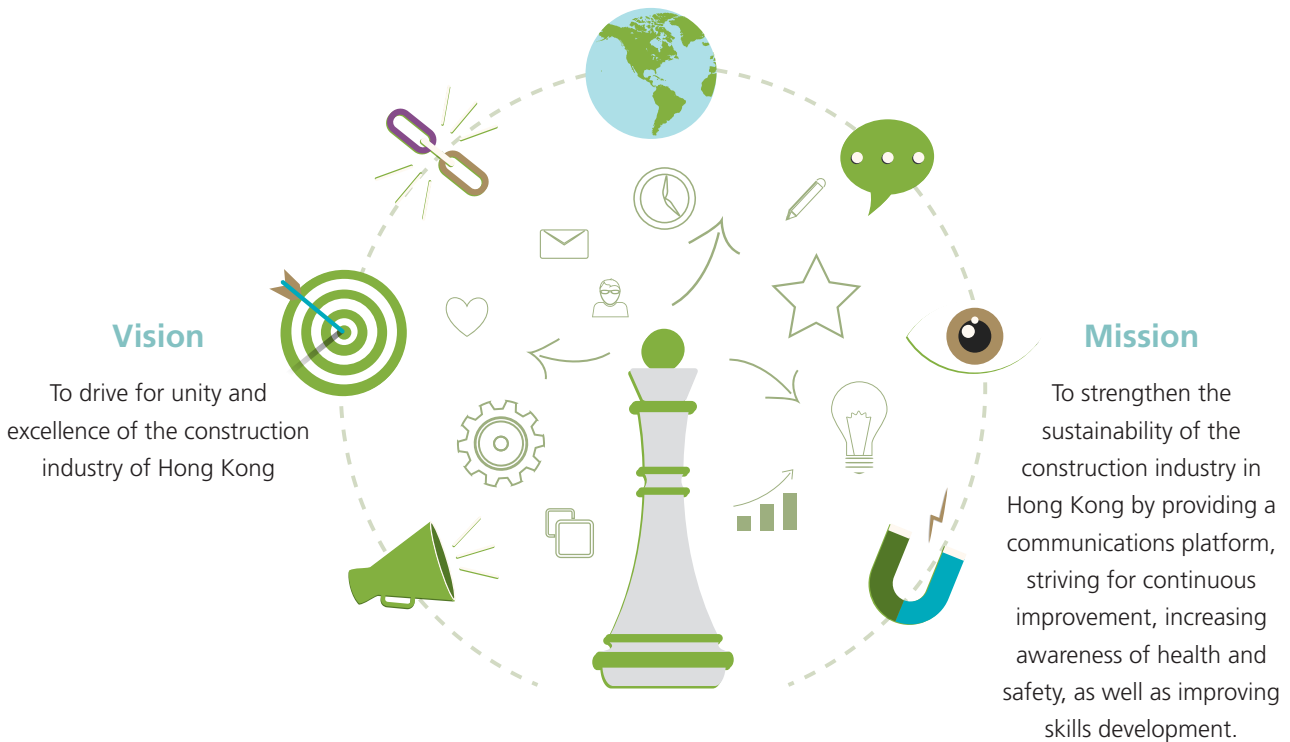
The Construction Industry Council (CIC) was formed in 2007 under the Construction Industry Council Ordinance (Cap. 587). The CIC consists of a chairman and 24 members representing various sectors of the industry including employers, professionals, academics, contractors, workers, independent persons and government officials.

The main functions of the CIC are to forge consensus on long-term strategic issues, convey the industry's needs and aspirations to the Government, provide professional training and registration services, and serve as a communication channel between the Government and the construction industry.



Please visit [www.cic.hk](http://www.cic.hk) for further details.

## Vision and Mission



## CIC Functions (up to 31 December 2020)

Under Section 5 of the Construction Industry Council Ordinance, the CIC has the following functions:

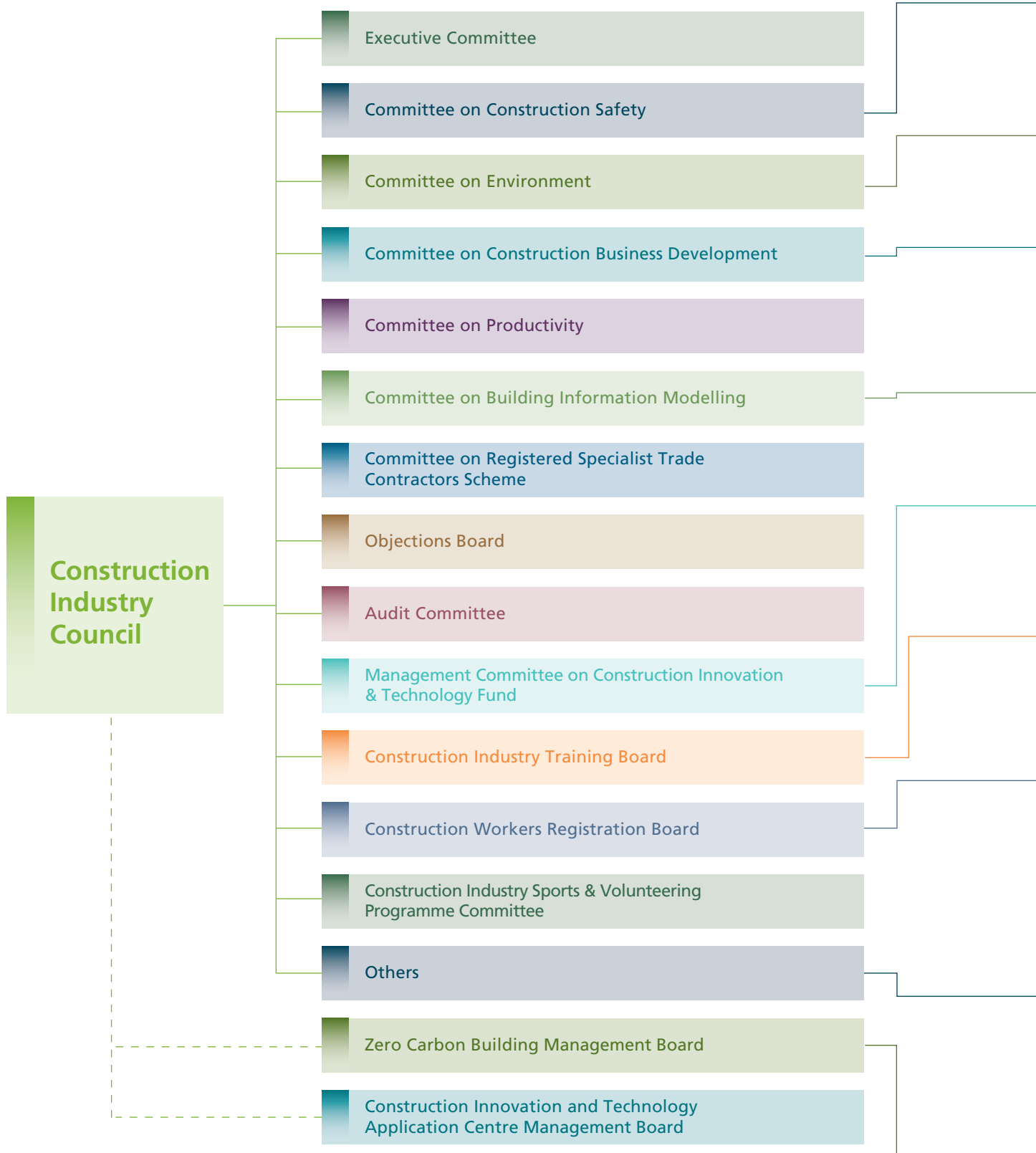
1. to advise and make recommendations to the Government on strategic matters, major policies and legislative proposals, that may affect or are connected with the construction industry, and on matters of concern to the construction industry;
2. to reflect to the Government the construction industry's needs and aspirations;
3. to elevate the quality and competitiveness of the construction industry by promoting the ongoing development and improvement of the industry;
4. to uphold professionalism and integrity within the construction industry by promoting self-regulation, formulating codes of conduct and enforcing such codes;
5. to improve the performance of persons connected with the construction industry through establishing or administering registration schemes or rating schemes;
6. to advance the skills of personnel in the construction industry through planning, promotion, supervision, provision or coordination of training courses or programmes;
7. to encourage research activities and the use of innovative techniques and to establish or promote the establishment of standards for the construction industry;
8. to promote good practices in the construction industry in relation to dispute resolution, environmental protection, multi-layer subcontracting, occupational safety and health, procurement methods, project management and supervision, sustainable construction and other areas conducive to improving construction quality;
9. to enhance the cohesiveness of the construction industry by promoting harmonious labour relations and the observance of statutory requirements relating to employment, and by facilitating communication among various sectors of the industry;
10. to serve as a resource centre for the sharing of knowledge and experience within the construction industry;
11. to assess improvements made by the construction industry through the compilation of performance indicators;
12. to make recommendations with respect to the rate of the levy imposed under this Ordinance;
13. to conduct or finance educational, publicity, research or other programmes relating to occupational safety and health, environmental protection or sustainable development in the construction industry; and
14. to perform any other functions relevant to the construction industry, including those functions conferred or imposed on it by or under this Ordinance, the Construction Workers Registration Ordinance (Cap. 583) or any other enactment.



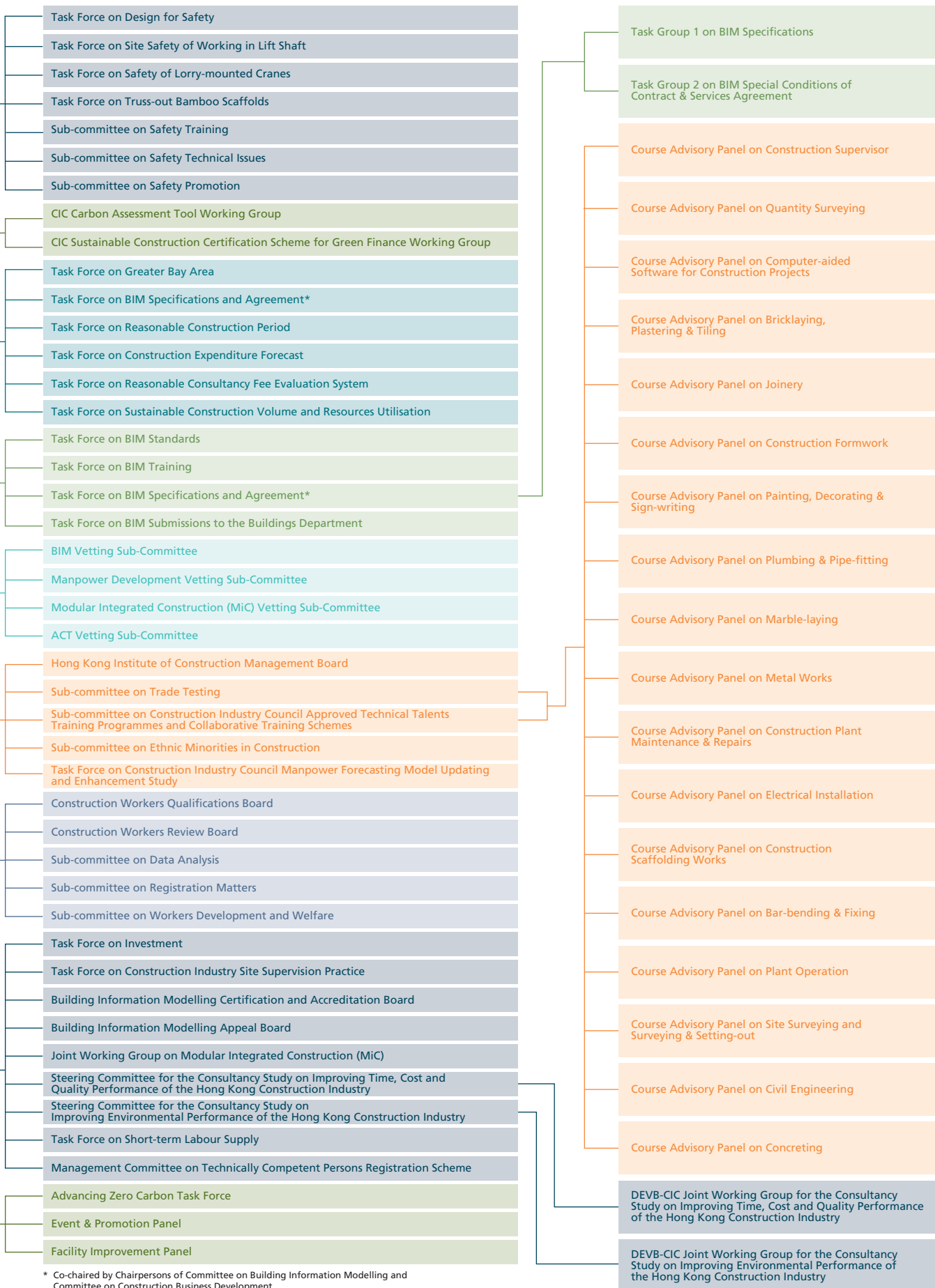
Under Section 6 of the Construction Industry Council Ordinance, the supplementary functions of the CIC are:

1. to provide training courses for the construction industry;
2. to establish and maintain industrial training centres for the construction industry;
3. to assist, including by the provision of financial assistance, in the placement of persons who have completed training courses provided for the construction industry;
4. to assess the standards of skills achieved by any person in any kind of work involving or in connection with the construction industry, to conduct examinations and tests, to issue or award certificates of attendance or competence, and to establish the standards to be achieved in respect of any such work.

# THE COUNCIL AND ITS COMMITTEES



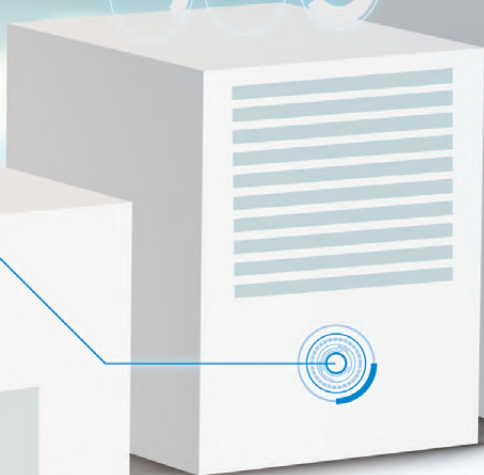
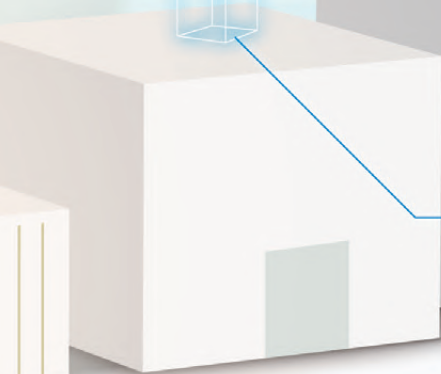
# THE COUNCIL AND ITS COMMITTEES



\* Co-chaired by Chairpersons of Committee on Building Information Modelling and Committee on Construction Business Development

# CORPORATE GOVERNANCE REPORT





## Corporate Governance Framework

The Construction Industry Council (CIC) firmly believes that good corporate governance is fundamental to ensuring proper management and smooth operation of the organisation in the interests of all stakeholders and the public. The CIC establishes the corporate governance framework with reference to the following:

- *Corporate Governance Code and Corporate Governance Report* issued by the Hong Kong Exchanges and Clearing Limited;
- *Corporate Governance for Public Bodies - A Basic Framework* published by the Hong Kong Institute of Certified Public Accountants; and
- *Good Governance and Internal Control in Public Organisations* issued by the Independent Commission Against Corruption.

In pursuit of its Vision and Mission, the CIC's corporate governance framework is supported by:



**The Five Pillars**

## The Council, Statutory Boards and Industry Development Committees

### Structure and Composition

#### The Council

The Chairman of CIC and its 24 Members are appointed by the Secretary for Development, generally for two years each term. They may serve the CIC continuously for up to six years. The composition of the Council is governed by Sections 9 to 12 and Schedule 2 of the Construction Industry Council Ordinance (Cap. 587) (CICO), as follows:

- not more than three public officers;
- not more than four persons who represent employers;
- not more than four persons who represent professionals or consultants;
- not more than five persons who represent contractors, subcontractors, materials suppliers or equipment suppliers;
- not more than two persons who represent training institutes, academic or research institutions;
- not more than three persons from trade unions representing construction workers; and
- not more than three persons the Secretary for Development thinks fit to be a Member.

#### Statutory Boards

Besides the Council, there are five Statutory Boards established under the CICO and the Construction Workers Registration Ordinance (Cap. 583) (CWRO), namely

1. Objections Board;
2. Construction Industry Training Board;
3. Construction Workers Registration Board;
4. Construction Workers Qualifications Board; and
5. Construction Workers Review Board.

#### Industry Development Committees

In overseeing the performance of the CIC, pursuant to Section 15 of the CICO, the Council has established a number of Boards and Committees to assist the CIC in

executing and managing its various core businesses and functions. Upon such division of responsibilities, the Council concentrates on strategic issues, direction planning, policy making, corporate governance and the long-term development of the industry. The five Industry Development Committees are:

1. Committee on Building Information Modelling;
2. Committee on Construction Business Development;
3. Committee on Construction Safety;
4. Committee on Environment; and
5. Committee on Productivity.

In addition to the Boards and Committees, subcommittees, task forces and working groups are also formed to assist the relevant Boards / Committees to focus on specific issues and carry out respective tasks for better performance of the CIC's functions.

### Appointment

To ensure connectivity and to strengthen communication, the Chairpersons of Boards / Committees are, as far as possible, taken up by Council Members, while the subcommittees / task forces / working groups are chaired by the respective board / committee members, unless special expertise is

required from outside parties. Council Members may indicate their preference to join normally up to three committees.

The appointment mechanism of the five Industry Development Committees was revamped in 2018. Under the revamped mechanism, on selecting and appointing new members to the Committees, the CIC will invite the relevant construction industry-related bodies to nominate candidates in order of priority. The candidates' suitability will be assessed by their expertise, previous contributions to the industry and / or the CIC task forces, etc., their willingness to serve, and the needs of the CIC. The Council Chairman will discuss nominations with the individual Committee Chairpersons.

Via mirroring the Council and capping Committees' members to a maximum of 17, the revamp helps to improve the public perception of the Committees to be more representative of the industry, allowing an integration of views from representative sectors while forbidding monopolisation by particular institutions as members could only serve a maximum of four years. The new mechanism encourages members to advise from a macro, instead of a sectoral, perspective. They enable the CIC to benefit from a wide range of experience and a variety of independent perspectives. In addition to sufficient diversity, wider representation and better integration, it also exemplifies cross sector collaboration.

#### Composition of the Council



#### Composition of the Five Industry Development Committees

In the form of a "mini Council"



## Modus Operandi of the Council

Apart from the regulatory requirements on meeting procedures of the Council and the Statutory Boards, the CIC Boards and Committees at large adopt the following key features on meeting procedures as a good practice of corporate governance:

1. The Council and the Executive Committee hold bi-monthly meetings, while Boards and Committees meet at least quarterly (except for the Objections Board, Construction Workers Qualifications Board and Construction Workers Review Board, which hold meetings as and when necessary).
2. The meeting schedule is set at the beginning of each year to allow Members to reserve time to attend.
3. Notice of Meeting is issued to Members at least 14 calendar days before the meeting. Members are provided with the Agenda and Papers at least seven calendar days before the meeting is convened.
4. The draft Agenda is prepared by the responsible Secretariat and approved by the Council Chairman / Board / Committee Chairperson.
5. The Executive Director and senior management attend the meetings to present the papers and provide further information and explanations on the issues where appropriate. However, they have no voting rights and may not influence the decision-making process. The management of the CIC, under the leadership of the Executive Director, will follow up on the execution of the strategic directions set by the Members and report progress from time to time.
6. Members are required to sign the attendance sheet at the meeting. Meeting attendance and proceedings are documented in the Minutes recorded by the relevant Secretariat.
7. The draft Minutes prepared by the responsible Secretariat should be ready around seven calendar days after the meeting. The Minutes and discussion points of each agenda item are circulated to Members no later than 21 calendar days after the meeting for comment. The Minutes are reviewed and confirmed in the subsequent meeting.
8. Minutes of the meetings (except those of the Executive Committee, Audit Committee, Objections Board and the closed-door sessions of meetings of the Council) are posted to the CIC website for the public's reference.
9. Members are required to declare conflicts of interests, if any, before the commencement of discussion of the related agenda item(s) in question. These declarations and the actions taken, such as a Member abstaining from participating in the discussion of the concerned item(s), will be recorded in the Minutes and kept in a register of the Corporate Secretariat.
10. Members have access to relevant expertise to help discharge their responsibilities upon obtaining proper approval where appropriate e.g. consultants will be invited to present and explain their recommendations in separate sessions before the Council meeting to allow more time for questions and detailed discussions.
11. The quorum required by the Council meetings and Statutory Boards meetings is specified in the CICO and CWRO respectively.

A "Starred Discussion Paper" system was introduced in 2018 to facilitate prompt handling of approval matters and efficient processing of discussion papers at meetings. For routine and straightforward matters presented in a Starred Discussion Paper, approval by Members is assumed, unless Members choose to raise comments and / or enquiries during meeting. Since the implementation of this system, meetings have been conducted in a smoother, more timely and effective manner.



## Risk Management and Internal Controls

Risk management is integrated into the CIC's strategic planning process and its daily operations. With the growing complexity of operations and the increasing expectation of the industry on the CIC's services, the governance and

control measures of the CIC have been strengthened in the recent years, with the following Three Lines Model of risk management structure in place:



### First Line

Operational management is responsible for maintaining effective internal controls on a day-to-day basis. Internal policies and procedures are established and documented in the CIC's operation manuals with regular reviews.

### Second Line

Financial control, quality assurance, compliance and risk management functions are in place to ensure proper internal controls over daily operations (i.e. the First Line).

### Third Line

The Internal Audit Department is responsible for reviewing the effectiveness of governance, risk management and internal controls in the first two Lines. To uphold and improve the governance standard, the Audit Committee was formed in 2018 to oversee the audit work and to provide suggestions to enhance the CIC's internal control system.

### External Assurance Providers

External auditors and regulators outside of the CIC provide additional assurance to the CIC's stakeholders. For instance, the Hong Kong Council for Accreditation of Academic and Vocational Qualifications provides quality assurance to the Qualification Framework recognised programmes of the Hong Kong Institute of Construction.

The senior management of the CIC assess their respective strategic, compliance, financial and operational risks from a daily operational perspective. The Internal Audit Department consolidates the high risk areas and the corresponding mitigation measures for reporting to the Audit Committee which also serve as input to the Annual Internal Audit Plan.

The Project Management Handbook was published and the Project Committee composed of senior management of the CIC was formed in 2020. To ensure that projects can be timely completed with satisfied deliverables, project owners are required to outline potential project risks and related mitigation measures for approval by the Project Committee.

### Management Controls

The CIC formulates its annual Major Work Plans and publishes the information in the form of bilingual booklets. The Major Work Plans consist of the initiatives, action plans, timeline and the expected deliverables of individual departments of the CIC. The senior management will review their work progress at regular intervals during the year, and assess the final output and performance of the responsible departments against the work plans at the end of the year. In the internal audit exercises, the performance of relevant departments will be reviewed with reference to the Major Work Plans. Moreover, to enhance transparency and openness, the booklets of Major Work Plans will be distributed to various government departments, stakeholder organisations, industry associations / unions and training institutions.

### Mechanism of Complaints Handling

To maintain public accountability, the CIC welcomes feedback from internal and external stakeholders. Non-anonymous complaints showing dissatisfaction against the CIC or our staff members will be timely handled and investigated. Any non-compliance and inefficiency found in the provision of services will be followed up by the relevant management and further reported to the Audit Committee.

### Ethical Culture

A high level of integrity is essential to the organisation's continued success and long-term advancement. The CIC is strongly committed to the principles of fairness, honesty, integrity and impartiality in conducting its business and discharging its functions.

### Code of Conduct for Staff

For CIC staff, the Code of Conduct (the Code) is in place to set out the basic standard of conduct and other relevant policies which all staff are expected to understand and observe in the daily discharge of their duties. The Code, which is reviewed periodically to ensure compliance with the Prevention of Bribery Ordinance (Cap. 201) and the best practices promulgated by the Independent Commission Against Corruption (ICAC), covers the areas of acceptance of advantages, conflicts of interests, use of organisation's assets and resources, confidentiality of information, outside work, workplace behaviour, etc. All new employees are required to sign their acknowledgement of the Code. In addition, the CIC management staff are required to declare in writing annually their compliance with this Code.

### Compliance Training for Staff

The CIC is fully committed to the principles of honesty, integrity and fair play and attaches much importance to protecting a person's right to privacy in relation to personal data. We provide an equal opportunity environment when delivering services to the general public. To keep our staff updated on the latest development of the relevant ordinances and to refresh their knowledge in these aspects on a regular basis, training sessions are arranged for our staff. Individual representatives from the ICAC, Equal Opportunity Commission and the Privacy Commissioner for Personal Data are invited to conduct these training sessions.

- Introduction to the Anti-Bribery Ordinance of Hong Kong\*
- Introduction to the Anti-Discrimination Laws of Hong Kong\*
- Introduction to the Personal Data (Privacy) Ordinance

(\* Mandatory for management staff)

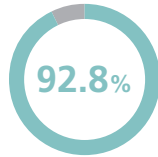
## Summary of Work Done in 2020

### Council

5

Meetings

Average attendance rate:



*(Council Meeting No. 001/20 was cancelled due to COVID-19.)*



Considered **142** papers



Significant matters considered / resolved:

### The Five Pillars:



#### Standard of Behaviour

It states the expectations on staff's behaviour. Compliance with the CIC Code of Conduct, Prevention of Bribery Ordinance and Code of Conduct for Personnel in the construction industry is expected.

1. Before the commencement of each Council Meeting, the Chairman will remind Council Members to declare any conflicts of interests, if necessary, during the course of meeting.



#### Organisation Structure and Business Processes

It illustrates the functions and operations of the CIC with clearly defined roles and responsibilities as well as reporting structure.

1. Establishment of the Project Committee
2. Revamp of the Committee on Construction Procurement to become the Committee on Construction Business Development
3. Appointment of Chairperson to the Construction Industry Sports and Volunteering Programme Committee
4. Appointment of Members to the Construction Industry Training Board and the Construction Workers Registration Board
5. Revision of the Standard Guideline on Relative Weightings for Technical and Fee Assessment



### Risk Management and Controls

It aims at analysing factors which may hinder the CIC from achieving its vision and mission. There is internal audit, statutory audit as well as budgeting and financial management to direct the appropriate behaviour. A dedicated risk management mechanism is established to lay down a defined way to assess risks.

1. Establishment of the Policies and Procedures on Levy Prosecution
2. Appointment of an external consultant to provide audit services for the CIC
3. Uplifting of the Tender Approval Thresholds
4. Implementation of a mechanism for Budget Virement
5. Report on audit observations by the Audit Committee
6. Establishment of the Task Force on Anti-epidemic Fund for Construction Sector



### Reporting and Communications

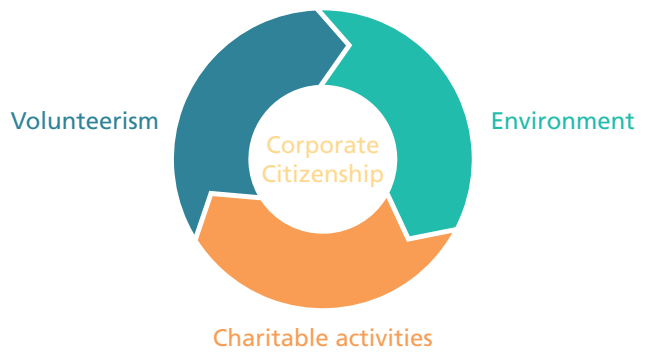
This pillar delineates the external and internal reporting requirements to ensure a timely disclosure of information for management decisions and compliance with regulatory requirements.

1. Introduction of the Construction Industry Environmental, Social and Governance (ESG) Reporting Service
2. Launch of the Technically Competent Persons Registration Scheme (TCPRS) and establishment of the Management Committee on TCPRS
3. Strengthening of the steering role of the Council and provision of a communication platform



### Corporate Citizenship

Corporate citizenship is embedded to demonstrate the CIC's commitment to contribute to build a caring society. There are three main areas, namely environment, charitable activities and volunteerism.



1. Launch of the Construction Industry Caring Campaign - Fight against Novel Coronavirus
2. Providing administrative and operational support to the Government's Anti-epidemic Fund (AEF 1.0, 1.5 and 2.0) for Construction Sector

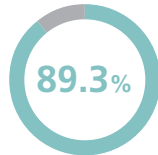


3. Launch of the CIC Relief Fund
4. Extension of the waiver of Construction Workers Registration Fees
5. Provision of free and voluntary COVID-19 testing services for construction sites
6. Promotion of low carbon living and sustainability

## Construction Industry Training Board

6  
Meetings

Average  
attendance  
rate:



Considered **76** papers



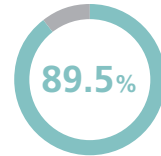
Five examples of significant  
matters considered / resolved:

1. Setting the training quota for programmes of the Hong Kong Institute of Construction, "Collaborative Training Schemes" and the "CIC Approved Technical Talents Training Programmes"
2. Confirming the development of Electrical and Mechanical Programmes and providing trade test and courses for Electrical Workers for Grade A Electrical Work
3. Adjusting the arrangements of Full-time Courses in response to COVID-19
4. Launching the CIC Relief Fund - Multi-skills Training Scheme for Registered Workers
5. Organising the 1<sup>st</sup> Hong Kong Construction Skills Competition

## Construction Workers Registration Board

3  
Meetings

Average  
attendance  
rate:



(One meeting was cancelled due to  
COVID-19.)



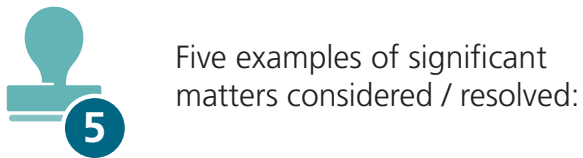
Considered **23** papers



Five examples of significant  
matters considered / resolved:

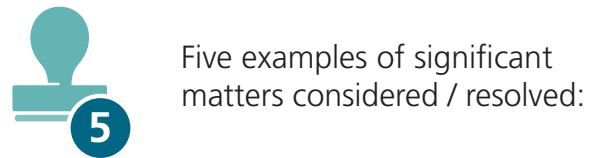
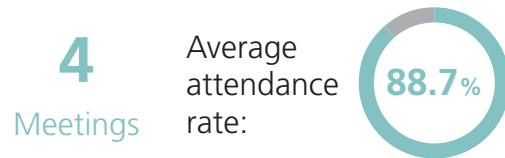
1. Promulgating monthly pay for some construction workers
2. Launching the Construction Industry UnionPay Dual Currency Credit Card
3. Upgrading the CIC Service Centre (Nam Cheong) to strengthen support for construction workers
4. Supporting extension of the waiver of Construction Workers Registration Fees
5. Launching the inaugural Construction Workers Professional Development Scheme

### Committee on Building Information Modelling



1. Launching the new scheme for “Certification of BIM Coordinators and Accreditation of BIM Coordinator Courses”
2. Holding the “Celebration of BIM Achievement 2020”
3. Organising the CIC BIM Competition 2020
4. Issuing five new / updated BIM Standards and BIM-related publications
5. Completing the consultancy study on “3D and BIM Data Use Case Requirements of the Construction Industry for the Development of Digital Hong Kong”

### Committee on Construction Business Development

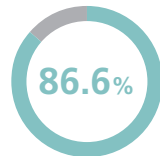


1. Revamping the Committee on Construction Procurement
2. Forming the Task Force on Greater Bay Area and compiling the Greater Bay Area Business Directory
3. Overseeing the consultancy study on “MiC & DfMA Procurement”
4. Completing the final report on Reasonable Construction Periods
5. Proposing the follow-up work plan on “Review Report on Quality Site Supervision Practices of the Hong Kong Construction Industry”

## Committee on Construction Safety

4  
Meetings

Average  
attendance  
rate:



Considered **30** papers



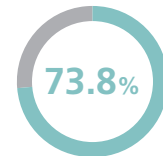
Five examples of significant  
matters considered / resolved:

1. Forming the Task Force on Design for Safety
2. Holding the "Life First" Campaign
3. Organising the Construction Safety Week 2020 with the main focus on "Lifting Operation Safety"
4. Developing the Safety Mobile Apps
5. Rolling out four new training courses, including "A12 Course on Construction Materials Rigger", "A12S Silver Card Course on Construction Materials Rigger and Signalman", "Lifting Safety Supervisor Course (3-day course)" and "Certificate in Soil Nail Drilling Safety Training Course"

## Committee on Environment

4  
Meetings

Average  
attendance  
rate:



Considered **16** papers



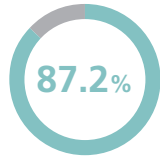
Five examples of significant  
matters considered / resolved:

1. Developing the CIC Sustainable Construction Certification Scheme for Green Finance
2. Enhancing the CIC Carbon Assessment Tool
3. Organising the CIC Sustainable Construction Award 2020
4. Launching the Sustainable Construction E-platform
5. Working with Hong Kong Green Building Council to publish *Hong Kong Report 2020* and co-organise World Sustainable Built Environment Conference 2020 Hong Kong Session

Committee on Productivity

4 Meetings

Average attendance rate:



Considered 12 papers



Five examples of significant matters considered / resolved:

1. Commencing the consultancy study on "Driving DfMA Adoption to Enhance Productivity for E&M Works in Hong Kong Building Projects" and preparing for the "DfMA MiMEP Tradeshow 2021"
2. Commencing the consultancy study on "Establishing a Certification Scheme for Construction Robots"
3. Commencing the research study on "Application of Maturity Method for Determination of Early-age Concrete Strength in Hong Kong Construction Industry" and forming an expert group to steer the research study
4. Completing the research study on "Development of an Appraisal Framework for Assessing the DfMA Content for Buildings in Hong Kong"
5. Organising the International Symposium on "Unlocking Innovation in Construction through 5G Technology"

Audit Committee

5 Meetings

Attendance rate:



Considered 23 papers



Five examples of significant matters considered / resolved:

1. Reviewing internal audit results and providing recommendations in the areas of project management, payment control, apprenticeship management, the Construction Innovation and Technology Fund operations, Modular Integrated Construction Department and Building Information Modelling Department
2. Reviewing the Phase 1 audit on the Hong Kong Institute of Construction
3. Assessing the identified operational inefficiencies and internal control deficiencies arising from the substantiated complaints against the CIC
4. Reviewing and endorsing the audited annual financial statements
5. Engaging an external consultant to provide professional internal audit services for the CIC



## Meeting Attendance

### Council Members' Attendance in Various Meetings in 2020

	Council <sup>1</sup>	Com-EXE	Com-BIM	Com-CBD	Com-CSY	Com-ENV	Com-PRO	Com-RSC	Com-AUD
<b>Chairman</b>									
1. Mr. CHAN Ka-kui	5/5	6/6							
<b>Members</b>									
2. Ir CHAN Chi-chiu	5/5			4/4				4/4	
3. Mr. CHAN Kim-kwong	5/5			3/4	4/4				
4. Mr. CHAN Pat-kan	2/5				4/4				
5. Prof. CHUNG Kwok-fai	5/5		3/5				3/4		
6. Mr. FU Chin-shing, Ivan	5/5	5/6	4/5			4/4	2/4		
7. Ar. FUNG Yin-suen, Ada	5/5	6/6	5/5						
8. Sr HO Kwok-kwan, Thomas	5/5			3/3 <sup>5</sup>		3/3 <sup>5</sup>		2/2 <sup>6</sup>	
9. Sr LAM Kin-wing, Eddie	5/5						3/4		
10. Ir LAM Sai-hung	5/5	6/6 <sup>2</sup>	5/5 <sup>4</sup>	4/4 <sup>4</sup>	4/4 <sup>4</sup>	3/4 <sup>4</sup>	4/4 <sup>4</sup>		
11. Ms. LEE Sau-king, Amy	5/5				4/4				
12. Ir LEUNG Wing-kee, Ricky	5/5			4/4				4/4	
13. Mr. LI Tat-wai	5/5				3/3 <sup>5</sup>		2/3 <sup>5</sup>		
14. Ir Prof. LO Hong-kam	4/5				3/4	3/4			
15. Ir MO Kon-fei, Kenneth	5/5	6/6			4/4		4/4	4/4	
16. Ir PAN Shujie	4/5					3/4	4/4		
17. Ir Dr. PANG Yat-bond, Derrick	5/5	6/6			4/4				
18. Ir POON Lock-kee, Rocky	5/5	5/5 <sup>3</sup>		4/4			4/4		
19. Mr. WONG Hin-wing, Simon	5/5			4/4					5/5
20. Ir WONG Kin-wai, Ken	5/5						3/4		
21. Ms. WONG Yeuk-lan, Eliza	4/5			4/4					5/5
22. Ms. YEUNG Kwong-yim, Connie	3/5			4/4 <sup>4</sup>	4/4 <sup>4</sup>	3/4 <sup>4</sup>	4/4 <sup>4</sup>		
23. Ir YU Sai-yen	5/5	6/6			3/4				
24. Ir YU Shek-man, Ringo	5/5	6/6					4/4		
25. Mr. YU Tak-cheung	4/5					3/4			

#### Notes

1. Council Meeting No. 001/20 was cancelled due to COVID-19.
2. Two meetings were attended by a representative.
3. Term commenced on 1 February 2020.
4. All meetings were attended by representative(s).
5. Term commenced on 24 April 2020.
6. Term commenced on 16 July 2020.

## Construction Industry Training Board Members' Meeting Attendance in 2020

Chairperson	Attendance
1. Ir YU Sai-yen	6/6
Members	Attendance
2. Mr. CHAN Kim-kwong	6/6
3. Mr. CHAN Pat-kan	3/3 <sup>1</sup>
4. Sr CHAU Bing-che, Henry	6/6
5. Ir CHAU Siu-hei, Francis	6/6 <sup>2</sup>
6. Ms. CHENG Sau-kuen	3/3 <sup>1</sup>
7. Ir Dr. CHI Wuh-jian, Joseph	1/3 <sup>1</sup>
8. Mr. CHOW Luen-kiu	2/3 <sup>1</sup>
9. Sr FOK Ching-yin, Amelia	3/3 <sup>1</sup>
10. Mr. HUANG Yongquan	3/3 <sup>3</sup>
11. Sr LAM Kin-wing, Eddie	6/6
12. Mr. LAM Oi-ki, Peter	5/6
13. Mr. LAU Wing-sum	2/3 <sup>3</sup>
14. Ir LUK Wai-lam, William	3/3 <sup>3</sup>
15. Mr. WAN Chi-ping, Fenton	6/6
16. Ar. WONG Chiu-lung, Dennis	5/6
17. Ir WONG Hon-ping, Edmond	2/3 <sup>1</sup>
18. Sr WONG Kin-wai, Staw	3/3 <sup>3</sup>
19. Mr. WONG Ping	2/3 <sup>3</sup>
20. Dr. YAN Ting-kwan, Daniel	2/3 <sup>3</sup>

### Notes

1. Term ended on 30 June 2020.
2. Three meetings were attended by representatives.
3. Term commenced on 1 July 2020.

## Construction Workers Registration Board Members' Meeting Attendance in 2020

Chairperson	Attendance
1. Ir MO Kon-fei, Kenneth	3/3
Members	Attendance
2. Ir AU-YEUNG Hoi-pang	2/2 <sup>1</sup>
3. Mr. CHAN Ka-lai	3/3
4. Ir Dr. CHAN Ka-lung, Raymond	3/3
5. Prof. CHAN Kwok-hong, Raymond	2/3
6. Mr. CHAN Kwok-yin, Andrew	2/3
7. Mr. CHAN Pat-kan	3/3
8. Mr. CHAN Shut-ho, Franki	3/3
9. Ir CHAU Siu-hei, Francis	3/3 <sup>2</sup>
10. Ms. CHAN Yuen-ming, Mary	1/1 <sup>1</sup>
11. Sr DY Wai-fung, Peter	1/3
12. Mr. KWOK Tung-keung, Simon	3/3
13. Ir LEUNG Wai-ho, Alfred	3/3
14. Ir LIU Sing-pang, Simon	3/3
15. Mr. LOK Kwei-sang, Tandy	3/3
16. Ir Prof. PAN Wei	2/3
17. Ir POON Kwok-ying, Raymond	3/3 <sup>3</sup>
18. Mr. TSANG Ting-fat	3/3
19. Mr. WONG Ping	2/3
20. Ar. YU Franklin	3/3

### Notes

1. Due to the change of posting, Ms. CHAN Yuen-ming, Mary succeeded Ir AU-YEUNG Hoi-pang in November 2020.
2. All meetings were attended by representatives.
3. One meeting was attended by a representative.

# MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

## Executive Committee

The Executive Committee was formed in 2018 with an aim of allowing a more efficient decision-making process in the delivery of the CIC's services and initiatives. The Council Chairman is also the Chairperson of the Executive Committee. For close connectivity and institutional coordination, the Chairpersons of the main Boards and Committees, who are also Council Members, sit on the Executive Committee. All major approvals are, in principle, vested in the Council, which meets bi-monthly in the even-number months, while the Executive Committee is also a bi-monthly forum in the odd number months to discuss policies and new initiatives and brainstorm on important issues. On pressing occasions, the Executive Committee is empowered to act on behalf of the Council to approve urgent matters for operational needs, except those specifically reserved for the Council under the Construction Industry Council Ordinance. The approved items shall be reported to the Council in a timely manner.

## Membership

### Chairperson

Mr. CHAN Ka-kui

### Members

Mr. FU Chin-shing, Ivan

Ar. FUNG Yin-suen, Ada

Ir MO Kon-fei, Kenneth

Ir Dr. PANG Yat-bond, Derrick

Ir POON Lock-kee, Rocky

Ir YU Sai-yen

Ir YU Shek-man, Ringo

Permanent Secretary for Development (Works)

– CIC Member

## Terms of Reference

1. To advise CIC on staff matters, including recruitment, salary and other conditions of service;
2. To advise CIC on general administration matters, including accommodation and facilities;
3. To examine and endorse annual estimates of incomes and expenditure and programme of activities prepared by the Management for the approval of the Council;
4. To deliberate on policy formulation and emerging issues and to formulate initiatives that are of interest to the construction industry;
5. To formulate strategic direction and provide guidance on the long-term development of the CIC; and
6. To approve urgent and time-sensitive matters on behalf of the Council except those specifically reserved for the Council under the Construction Industry Council Ordinance and to report to the Council on such approval given.

## Committee on Building Information Modelling (Com-BIM)

The Com-BIM aims to formulate strategies for market transformation, and to promote and facilitate the application of BIM and its related technologies across the construction industry. It also supports the implementation of related training programmes with a view to establishing the CIC as a Centre of Excellence for BIM through setting standards and common practices for BIM.

### Membership

#### Chairperson

Ar. FUNG Yin-suen, Ada – CIC Member

#### Members

Ir CHAN Chi-ming, Antonio – Hong Kong Federation of Electrical and Mechanical Contractors (since 18 December 2020)

Dr. CHAN Kang-yuen, Neo – Hong Kong Institute of BIM

Prof. CHENG Chin-pang, Jack – The Hong Kong University of Science and Technology

Mr. CHOI Wun-hing, Donald – Chinachem Group (since 19 June 2020)

Ir CHUNG Hung-wai, Clement – The Association of Consulting Engineers of Hong Kong

Prof. CHUNG Kwok-fai – CIC Member

Mr. FU Chin-shing, Ivan – CIC Member

Ir LEUNG Chi-suen, Francis – Hong Kong Institution of Engineers (since 23 October 2020)

Sr POON Shun-wing, Eric – Urban Renewal Authority

Mr. WONG Chi-pan, Billy – Hong Kong Construction Association

Ir WONG Ka-wo, Kelvin – Airport Authority Hong Kong

Cr WONG Wai-lun, Michael – Hip Hing Construction Co., Ltd. (since 23 October 2020)

Ms. WONG Wai-man, Rosana – Yau Lee Group (since 14 August 2020)

Permanent Secretary for Development (Works) – CIC Member

Assistant Director – Buildings Department

### Terms of Reference

1. To formulate strategies for market transformation, promote the use and facilitate the application of BIM, digital construction, and its related technologies in construction industry (hereinafter known as “BIM”);
2. To promote cross-disciplinary collaboration and adoption of “BIM” in project delivery processes including planning and design, construction, facility and asset management;
3. To develop CIC as a Centre of Excellence for “BIM” in the form of a central hub and of the open sharing platform of “BIM” with specific focus on the following:
  - To develop standards, specifications and common practices for BIM;
  - To develop and promote good practices in both BIM management and BIM operation;
  - To build capacity, develop and operate BIM Development Ladder, BIM Training Ladder, BIM Professional Registration and Accreditation; and their relating training programs and implementation programs; and
4. To identify areas which require further investigation, promote research & development for “BIM”.

### Committee on Construction Business Development (Com-CBD)

The Com-CBD aims to foster an efficient and health construction market through best practices and innovative solutions in areas such as tendering, project management, quality supervision and risk allocation. In recent years, we strive to facilitate local industry stakeholders in exploring construction supply chains in the Greater Bay Area, and strengthen exchanges between local and mainland industries.

#### Membership

##### Chairperson

Ir POON Lock-kee, Rocky – CIC Member

##### Members

Mr. AU Koon-shan, Raymond – MTR Corporation Limited

Ir CHAN Chi-chiu – CIC Member

Mr. CHAN Kim-kwong – CIC Member

Mr. CHOW Ping-wai – Hong Kong Construction Industry  
Employees General Union

Ms. CHUNG Fung-hing, Rita – Hong Kong Housing Society

Sr HO Kwok-kwan, Thomas – CIC Member

Mr. HUNG Cheung-shew, Danny – Hong Kong Construction  
Association

Ir LEUNG Wing-kee, Ricky – CIC Member

Mr. TSANG Pak-chung, Eddy – Hong Kong Construction  
Materials Association (since 19 June 2020)

Mr. WONG Hin-wing, Simon – CIC Member

Ms. WONG Yeuk-lan, Eliza – CIC Member

Permanent Secretary for Development (Works)  
– CIC Member

Permanent Secretary for Transport and Housing (Housing)  
– CIC Member

#### Terms of Reference

1. To deliberate and make recommendations for fostering a more efficient and healthy construction market through best practices in areas such as tendering, risk allocation, programming, maintaining liquidity throughout the construction supply chain, project management and quality supervision. With a view to cultivating equitable risk sharing and collaborative culture;
2. To promulgate the utilisation of innovative solutions and technology for procurement, project management and quality supervision;
3. To enhance communications and collaboration between local and Greater Bay Area construction practitioners; and
4. To facilitate local industry stakeholders in exploring supply chain in the Greater Bay Area.

## Committee on Productivity (Com-PRO)

The Com-PRO aims to elevate construction productivity by improving the construction process, advocating industrialisation and encouraging research and development. Innovative construction approaches including robotics and automation, offsite construction, and adoption of novel technologies and materials are explored and promoted to the industry.

### Membership

#### Chairperson

Ir YU Shek-man, Ringo – CIC Member

#### Members

Mr. CHOW Luen-kiu – CIC Member (until 31 January 2020)

Prof. CHUNG Kwok-fai – CIC Member

Mr. FU Chin-shing, Ivan – CIC Member

Ir KWAN King-fai, Alex – CIC Member (until 31 January 2020)

Mr. KWOK Tung-keung, Simon – The Hong Kong General Building Contractors Association

Sr LAM Kin-wing, Eddie – CIC Member

Mr. LI Tat-wai – CIC Member (since 24 April 2020)

Ir MO Kon-fei, Kenneth – CIC Member

Ir PAN Shujie – CIC Member

Ir POON Lock-kee, Rocky – CIC Member

Ir SO Kwok-leung, Derek – Hip Hing Construction Co., Ltd

Ir WAN Wai-man, Raymond – The Hong Kong Institution of Engineers (until 31 January 2020)

Ir WONG Kin-wai, Ken – CIC Member

Mr. YEUNG Kai-yu, Franki – Hong Kong Housing Society

Permanent Secretary for Development (Works)  
– CIC Member

Permanent Secretary for Transport and Housing (Housing)  
– CIC Member

### Terms of Reference

1. To compile and update key performance indicators related to the construction industry;
2. To review current productivity level in the construction industry by introducing measurable indicators for different work trades;
3. To encourage the adoption of new technology and innovative ideas to elevate construction productivity;
4. To conduct research on benchmarking or setting standards for the productivity of construction process;
5. To provide statistics in relation to construction productivity;
6. To recommend strategies to the Council and Boards / Committees for enhancing the industry's productivity and competitiveness; and
7. To coordinate and promote research and development for elevating construction productivity.

### Committee on Construction Safety (Com-CSY)

The Com-CSY strives to promote initiatives and measures to foster a positive safety culture in the construction industry. It reviews and monitors safety performance and encourages the adoption of new technology to improve safety. To enhance the mechanism of safety management, the Com-CSY also provides guidelines on preventive measures in relation to construction safety.

#### Membership

##### Chairperson

Ir Dr. PANG Yat-bond, Derrick – CIC Member

##### Members

Mr. Collin CHAN – Airport Authority Hong Kong

Mr. CHAN Kim-kwong – CIC Member

Mr. CHAN Pat-kan – CIC Member

Mr. IP Ka-sing, Dennis – MTR Corporation Limited

Ms. LEE Sau-king – CIC Member

Mr. LI Tat-wai – CIC Member

Ir Prof. LO Hong-kam – CIC Member

Ir MO Kon-fei, Kenneth – CIC Member

Ir Alcohol MOK – The Hong Kong Institution of Engineers

Sr WONG Chi-kin, Jesse – The Hong Kong Institute of Surveyors

Mr. WONG Kwok-keung – Hong Kong Federation of Electrical and Mechanical Contractors

Mr. Rex WONG – Hong Kong Construction Association

Mr. WU Wai-hung – Labour Department

Ir YU Sai-yen – CIC Member

Permanent Secretary for Development (Works)  
– CIC Member

Permanent Secretary for Transport and Housing (Housing)  
– CIC Member

#### Terms of Reference

1. To review and monitor safety performance of the construction industry;
2. To review and enhance the mechanism of safety management;
3. To encourage the adoption of new technology and innovative ideas in construction safety;
4. To conduct research on enhancing safety performance of the construction industry;
5. To identify and recommend measures for improving safety performance to CIC;
6. To promote the adoption of the improvement measures by the construction industry; and
7. To nurture a safety culture for the construction industry.



## Committee on Environment (Com-ENV)

The Com-ENV aims to promote good practices and innovative technologies to enhance sustainability performance of the construction industry. Industry researches and digital platforms are undertaken to provide relevant standards and guidelines for industry stakeholders.

### Membership

#### Chairperson

Mr. FU Chin-shing, Ivan – CIC Member

#### Members

Dr. CHAN Ka-lung – The Hong Kong Federation of Electrical and Mechanical Contractors

Mr. CHIU Chung-kei, Charles – Wheelock Properties (Hong Kong) Limited

Mr. CHOW Chi-ping – Hospital Authority

Sr HO Kwok-kwan, Thomas – CIC Member

Prof. LAU Siu-yu, Stephen – Faculty of Architecture, The University of Hong Kong

Ir Prof. LO Hong-kam – CIC Member

Mr. PAN Shu-jie – CIC Member

Ir POON Ching-su, Lisa – MTR Corporation Limited

Mr. POON Shun-wing, Eric – Urban Renewal Authority

Mr. TONG Yuen-king, Amen – Airport Authority Hong Kong

Mr. WONG Ping – Hong Kong Construction Industry Employees General Union

Mr. WU Siu-kei – Hong Kong Construction Materials Association

Director of Buildings – CIC Member

Permanent Secretary for Development (Works)  
– CIC Member

Permanent Secretary for Transport and Housing (Housing)  
– CIC Member

### Terms of Reference

1. To promote environmental protection and sustainable development in the construction industry;
2. To promote good practices in relation to sustainable design and construction;
3. To encourage the adoption of new technology and innovative ideas in environment protection and sustainable development in the construction industry;
4. To conduct research for enhancing environmental protection and sustainable development in the construction industry; and
5. To advise on the environmental strategy for development of construction standards.

### Committee on Registered Specialist Trade Contractors Scheme (Com-RSC)

The Com-RSC oversees the operations of the registration and regulatory actions of the Registered Specialist Trade Contractors Scheme. It also sets the strategic direction and formulates policies in managing businesses relating to the implementation and promotion of the Scheme.

#### Membership

##### Chairperson

Ir CHAN Chi-chiu – CIC Member

##### Members

Mr. CHAN Lok-chai – Hong Kong Bar-bending Contractors Association

Ir CHENG Sau-tong, Chris – MTR Corporation Limited

Mr. CHEUNG Tat-fai, Kenneth – Hong Kong Construction Sub-Contractors Association

Mr. CHEUNG Yuk-kei – Hong Kong Concretor Contractors Association

Mr. CHIM Fu-keung – Housing Department

Ir FUNG Kwok-keung, Conrad – Hong Kong Construction Association

Sr HO Kwok-kwan, Thomas – CIC Member

Ir HUNG Cheung-shew, Danny – Hong Kong Construction Association

Ir LEUNG Wing-kee, Ricky – Airport Authority Hong Kong

Mr. LOK Kwei-sang, Tandy – The Federation of Hong Kong Electrical & Mechanical Industries Trade Unions

Ir MO Kon-fei, Kenneth – The Real Estate Developers Association of Hong Kong

Mr. NG Choi-wah – Hong Kong General Building Contractors Association

Ir SHEA Tat-chi, Ringo – The Hong Kong Federation of Electrical & Mechanical Contractors

Sr WONG Kwok-leung, Paul – The Hong Kong Institute of Surveyors

Mr. WONG Ping – Hong Kong Construction Industry Employees General Union

#### Terms of Reference

1. To implement the recommendations of the University of Hong Kong's Research on "A Roadmap to Enhance the Subcontractor Management Mechanism in Hong Kong";
2. To steer the operations of the Registered Specialist Trade Contractors Scheme and the Subcontractor Registration Scheme (collectively, the "Scheme"), including but not limited to making recommendations on scope of trades, registration requirements, and any enhancements to the Scheme;
3. To review and approve registration applications of Registered Specialist Trade Contractors ("RSTCs") and Registered Subcontractors ("RSs");
4. To take regulatory actions against RSTCs or RSs violating rules under the Scheme; and
5. To promote the adoption of the Scheme by the industry.

## Audit Committee

Formed in 2018, the Audit Committee supervises the work of the Internal Audit Department and oversees corporate governance, compliance, financial reporting, internal controls, risk management and audit matters of the CIC.

### Membership

#### Chairperson

Mr. WONG Hin-wing, Simon – CIC Member

#### Members

Mr. CHOW Yuen-ming, Paul – MTR Corporation Limited  
 Ms. OR Siu-ngam, Patricia – Gammon Construction Limited  
 Ms. WONG Yeuk-lan, Eliza – CIC Member  
 Principal Assistant Secretary (Works)1 - Development Bureau

### Terms of Reference

1. To assist the Council fulfil its corporate governance and overseeing responsibilities of the CIC (with member organisations), including financial reporting, internal control, risk management, internal and external audit functions as well as compliance with policies, regulations and relevant legislations;
2. To oversee the work of Internal Audit Department, to review findings and management's responses to the recommendations made;
3. To oversee the external audit process:
  - To make recommendations to the Council on the appointment of external auditors, audit fees and any related matters;
  - To review annual audit report and any matters raised by external auditors;
4. To approve the engagement of any external consultants to conduct review if necessary; and
5. To assist the Council in dealing other relevant issues.

### Objections Board

The Objections Board was established under Section 54 to 56 of the Construction Industry Council Ordinance (CICO) to deal with objections to levy or surcharge raised by the contractor.

The Board consists of three members of the Council and the Council may authorise the Objections Board to appoint a sub-committee for the better performance of the Objections Board's function. The Objections Board is chaired by an academic to avoid the possible conflict of interest with industry stakeholders.

By virtue of Section 56 of the CICO, the Objections Board has the power to confirm, cancel or reduce the levy or surcharge.

#### Membership (all are CIC Members)

##### Convenor

Prof. CHUNG Kwok-fai

##### Members

Mr. FU Chin-shing, Ivan

Sr HO Kwok-kwan, Thomas (since 1 February 2020)

Sr Dr. LAI Yuk-fai, Stephen (until 31 January 2020)

#### Terms of Reference

1. To determine objections to levy and surcharge made under section 55 of CICO and under section 29 of the Construction Workers Registration Ordinance.

## Construction Industry Training Board (CITB)

Established under Section 29 of the Construction Industry Council Ordinance, the CITB is responsible for training and trade testing matters of the construction industry. It provides training courses, establishes and maintains industrial training centres, assists in placement issues and administers the relevant assessments, skills standards establishment, etc. for the construction industry.

### Membership

#### Chairperson

Ir YU Sai-yen

#### Members

Mr. CHAN Kim-kwong

Sr CHAU Bing-che, Henry

Mr. HUANG Yongquan

Sr LAM Kin-wing, Eddie

Mr. LAM Oi-ki, Peter

Mr. LAU Wing-sum

Ir LUK Wai-lam, William

Ar. WONG Chiu-lung, Dennis

Sr WONG Kin-wai, Staw

Mr. WONG Ping

Dr. YAN Ting-kwan, Daniel

Chief Occupational Safety Officer (System and Support),  
Labour Department

Deputy Secretary for Development (Works)1, Development  
Bureau

### Terms of Reference

1. To provide training courses for the construction industry;
2. To establish and maintain industrial training centres for the construction industry;
3. To assist, including by the provision of financial assistance, in the placement of persons who have completed training courses provided for the construction industry;
4. To assess the standards of skills achieved by any person in any kind of work involving or in connection with the construction industry, to conduct examinations and tests, to issue or award certificates of attendance or competence, and to establish the standards to be achieved in respect of any such work;
5. To advise on manpower planning and development for construction personnel at professional, supervisory and craftsman levels; and
6. To foster an ethical culture.

### Hong Kong Institute of Construction (HKIC) Management Board

The Hong Kong Institute of Construction (HKIC) was established as a company limited by guarantee governed by the Articles of Association under the Company Ordinance (Cap. 622). The HKIC Management Board governs the HKIC. It reports and is accountable to the CITB.

#### Membership

##### Chairperson

Prof. LEE Chack-fan

##### Members

Mr. CHAN Ka-kui

Ir Prof. CHAN Ping-chuen, Albert

Mr. CHOW Luen-kiu

Ms. KI Man-fung, Leonie

Ir KWOK Yu-won, Eric

Mr. LAM Oi-ki, Peter

Mr. LI Wing-leung

Ms. LO LEE Oi-lin

Ir YU Sai-yen

Permanent Secretary for Development (Works)<sup>1</sup>

Permanent Secretary for Education

Deputy Secretary for Development (Works)<sup>1</sup>, Development Bureau

Principal Assistant Secretary (Further Education), Education Bureau

##### Ex Officio

Ir CHENG Ting-ning, Albert

#### Terms of Reference

1. To formulate strategies for the development of HKIC (the Institute), taking into account of industry input and developments in the vocational and professional education and training (VPET) sector;
2. To ensure efficient and effective management of the Institute to realise its vision and mission;
3. To prepare and submit 3-year Strategic Plan and Annual Plan to Construction Industry Training Board (CITB) for endorsement on an annual basis;
4. To prepare and submit Annual Report to CITB;
5. To oversee and ensure quality provision of the Institute's programmes and services;
6. To decide on the Institute's policies and guidelines on programme planning, development, delivery and review; and
7. To approve programme proposals, including admission requirements, programme objectives, intended learning outcomes, and syllabuses.

## Construction Workers Registration Board (CWRB)

Established under Section 11A of the Construction Workers Registration Ordinance, the CWRB governs and provides quality workers registration services for the construction industry.

### Membership

#### Chairperson

Ir MO Kon-fei, Kenneth

#### Members

Ir Dr. CHAN Ka-lung, Raymond  
 Prof. CHAN Kwok-hong, Raymond  
 Mr. CHAN Kwok-yin, Andrew  
 Mr. CHAN Pat-kan  
 Mr. CHAN Shut-ho, Franki  
 Sr DY Wai-fung, Peter  
 Mr. KWOK Tung-keung, Simon  
 Ir LEUNG Wai-ho, Alfred  
 Ir LIU Sing-pang, Simon  
 Mr. LOK Kwei-sang, Tandy  
 Ir Prof. PAN Wei  
 Mr. TSANG Ting-fat  
 Mr. WONG Ping  
 Ar. Franklin YU  
 Assistant Director / Gas and General Legislation, Electrical  
 and Mechanical Services Department  
 Chief Occupational Safety Officer (Operations), Labour  
 Department  
 Chief Officer / Technical Services, Buildings Department  
 Deputy Secretary for Development (Works)<sup>1</sup>, Development  
 Bureau

### Terms of reference

1. To set the qualification requirements for registration or renewal of registration;
2. To act on and discharge tasks in regard to the Construction Workers Registration Ordinance, which include inspection of construction sites, conducting construction workers registration, handling review and appeal cases relating to workers registration, maintaining the daily attendance records of construction sites, and so on; and
3. To perform and exercise such other functions or powers as are imposed on it by the Construction Industry Council.

### ZCB Management Board

The CIC-Zero Carbon Park (CIC-ZCP, originally named as Zero Carbon Building (ZCB)) was set up as a company limited by guarantee governed by the Articles of Association under the Company Ordinance (Cap. 622). It is governed by a Board of Directors appointed by the CIC and consists of top green building specialists, engineers and key stakeholders who steer the development of the CIC-ZCP.

#### Membership

##### Chairperson

Mr. CHONG Kin-lit, Paul

##### Members

Mr. CHAN Yin-chung, Anthony

Ir CHENG Ting-ning, Albert

Mr. IP Chung-man, Tony

Mr. KWOK Chi-wah, Andrew

Mr. LAI Wing-chun, Martin

Mr. LO Chi-wai, Ian

Mr. MA Pok-man, Josiah

Mr. MA Wing-kui, William

Cr MANG KA-wing, Terence

Mr. NG San-wa, Lawrence

Ir YU Shek-man, Ringo



## Construction Innovation and Technology Application Centre (CITAC) Management Board

The CITAC Management Board assembles industry expertise to oversee the CITAC in exploring and identifying innovative technologies from local and international organisations.

### Membership

#### Chairperson

Mr. CHOI Wun-hing, Donald

#### Members

Ir Ian ASKEW (until 27 November 2020)

Ir CHENG Ting-ning, Albert

Mr. CHONG Hon-ming, Eric (until 1 January 2021)

Ir Wes JONES

Prof. LEUNG Kin-ying, Christopher

Ir PAN Shujie

Ir Dr. TSUI Yun-cheong, Ricky

Ir WONG Chi-kwong

Mr. WONG Ka-yu, Oscar

Director of Buildings – CIC Member

Permanent Secretary for Development (Works)

– CIC Member

### Terms of Reference

1. To explore and identify innovative techniques and technologies, both locally and internationally, that are suitable for adoption in the Hong Kong construction industry for improvement of its productivity, sustainability and safety;
2. To serve as a knowledge hub by collecting, showcasing and promulgating the latest local and overseas construction technologies with a view to promote their implementation and application;
3. To establish a global research network and serve as a collaboration platform with a view to encourage interdisciplinary research activities and collaboration; and
4. To cultivate and nurture a culture within the construction industry that is receptive and conducive to continuous innovation.

### Construction Industry Sports & Volunteering Programme Committee (Com-CISVP)

The Com-CISVP aims to better steer and promote sports and volunteering programmes in the construction industry, and to develop a long-term partnership with key industry stakeholders.

#### Membership

##### Chairperson

Mr. CHAN Ka-kui – CIC Member

##### Members

Ms. CHAN Ka-po, Judy – The Hong Kong and China Gas Company Limited

Mr. CHAN Yam-lung, Alfred – Welcome Construction Company Limited

Mr. CHAU Kai-nin, Alex – New World Construction Company Limited

Mr. CHEN Hai-bo, David – K. Wah Construction Materials Limited

Mr. CHEUNG Chun-hoo, Anson – Hong Kong Housing Authority

Ir CHU Yin-lin – Hong Kong Institute of Construction

Mr. LAI Siu-ki, Pele – Sun Hung Kai Properties Limited

Mr. LEUNG Siu-fai, Alex – Wheelock Properties (Hong Kong) Limited

Mr. LIU Hoi-yu, Paul – Dragages Hong Kong Limited

Mr. LUI Man-wai, David – AECOM Asia Company Limited

Mr. SO Chi-kin, Cyril – Southa Holdings Limited

Mr. TAM Chi-kwong, Steve – Chun Wo Construction Holdings Company Limited

Mr. TSANG Ting-fat – Tin Wo Engineering Company Limited

Mr. YAN Wai-ming, Alan – Gammon Construction Limited

Mr. YAU Kit-pan – The Federation of Hong Kong Electrical & Mechanical Industries Trade Union

Deputy Secretary for Development (Works)1,  
Development Bureau

#### Terms of Reference

1. To steer the development of Construction Industry Sports & Volunteering Programme (CISVP);
2. To promote CISVP to the wider population of the construction industry;
3. To encourage setting up company sports clubs and volunteering teams at company or association; and
4. To support CISVP events including but not limited to proactive promotion and participant recruitment.

## Management Committee on Technically Competent Persons Registration Scheme (TCPRS)

The CIC established the Management Committee on TCPRS to steer the direction of TCPRS.

### Membership

#### Chairperson

Ir WONG Kin-wai, Ken

#### Members

Mr. AU YEUNG Hoi-pang – Buildings Department

Mr. HO Hon-kit, Humphrey – Buildings Department

Ir KWAN King-fai, Alex

Mr. KWOK Chi-wah, Andrew

Mr. SHUM Ka-wah, Lawrence – Geotechnical  
Engineering Office of the Civil Engineering and  
Development Department

### Terms of Reference

1. To steer the implementation of the Technically Competent Persons Registration Scheme (TCPRS);
2. To review the efficacy of the TCPRS in uplifting the quality of site supervision personnel;
3. To review the appeal and / or complaint case(s) under the TCPRS; and
4. To consider the industry feedback and any other related matters to facilitate the industry for a wider adoption of the TCPRS.

### Management Committee on Construction Innovation and Technology Fund (CITF)

The Management Committee on CITF oversees the CITF operations.

#### Membership

##### Chairperson

Ir CHAN Chi-chiu

##### Members

Prof. CHUNG Kwok-fai

Ir KWAN King-fai, Alex

Ir CHENG Ting-ning, Albert

A representative from the Development Bureau

#### Terms of Reference

1. To formulate and recommend for the Council's approval, the operational framework of the Construction Innovation and Technology Fund (CITF);
2. To ensure the CITF is operated properly and efficiently in accordance with the approved operational framework;
3. To report to the Council on the operation of the CITF; and
4. To decide on all matters relating to the CITF operation as and when required, subject to the Council's ultimate decision.

## Investment Task Force

The Investment Task Force advises the CIC on investment-related matters, such as purchase, asset switching, redemption, etc. It also oversees the performance of the CIC's investments.

### Membership

#### Chairperson

Mr. WONG Hin-wing, Simon

#### Members

Mr. AU Chun-hing, Edward

Mr. LIU Chi-lun, Alan

Mr. Kassian POLIN

Mr. TSE Yue-hong, Chris

### Terms of Reference

1. To recommend appropriate investment of surplus funds;
2. To advise CIC on investment-related matters, such as purchase, asset switching, redemption, etc;
3. To oversee the performance of CIC's investments;
4. To advise and formulate investment strategies for CIC; and
5. To decide whether external managers should be appointed to manage CIC's investment portfolio going forward.

### Joint Working Group on Modular Integrated Construction (MiC)

The Joint Working Group (JWG) on MiC was set up by Development Bureau (DEVB) and the CIC in May 2017 to identify suitable technologies and practices of MiC, in order to promote and widen MiC adoption in Hong Kong.

#### Membership

##### Chairperson

Ir MO Kon-fei, Kenneth – CIC Member

##### Vice-Chairperson

Mr. KWONG Ka-sing, John – Development Bureau

##### Members

Ms. HO Wing-yin, Winnie – Architectural Services  
Department

Mr. LEUNG Hung-wai, Daniel – Housing Department

Prof. WONG Sze-chun – Former CIC Member

Ms. WONG Yeuk-lan, Eliza – CIC Member

Ms. YU Po-mei, Clarice – Buildings Department

Secretary (on rotational basis between DEVB and the CIC)

#### Terms of Reference

1. To identify suitable technologies and practices of MiC for Hong Kong;
2. To identify critical issues in implementing MiC in Hong Kong and to formulate relevant measures to tackle the issues;
3. To establish a roadmap leading to wide adoption of MiC in Hong Kong;
4. To promote the adoption of MiC in Hong Kong; and
5. To establish and monitor, if appropriate, task forces for addressing specific issues.

## SENIOR MANAGEMENT



**1** Ir CHENG Ting-ning, Albert  
Executive Director



**2** Ir LEUNG Wai-hung, Alex  
Director —  
Collaboration & Trade Testing



**3** Ir Dr. PANG Pui-loi, Richard  
Director —  
Industry Development



**4** Ir Dr. WONG Kwan-wah, Francis  
Director —  
Hong Kong Institute of Construction



**5** Ir CHU Yin-lin  
Assistant Director —  
Training, Hong Kong Institute of  
Construction  
Principal —  
Kwai Chung Campus, Hong Kong  
Institution of Construction



**6** Ar. HO Kin-wai, Stephen  
Assistant Director —  
Industry Development & Estates  
Office



**7** Ms. IP Wai, Cheryl  
Assistant Director —  
Human Resources & Administration



**8** Ms. LEE Oi-yen  
Assistant Director —  
Registration & Technology Fund



**9** Dr. MANN Ka-fai, Stephen  
Assistant Director —  
Student & Curriculum Development,  
Hong Kong Institute of Construction

## SENIOR MANAGEMENT



**10** **Dr. CHENG Tak-ming, Eric**  
Principal —  
Kowloon Bay Campus, Hong Kong  
Institute of Construction



**11** **Mr. HO Yau-ho, William**  
Principal —  
Sheung Shui Campus, Hong Kong  
Institute of Construction



**12** **Mr. CHIU Ka-shun, Daniel**  
Principal —  
School of Professional Development  
in Construction, Hong Kong Institute  
of Construction (Acting)



**13** **Mr. CHO Ying-kit, Rocky**  
Senior Manager —  
Construction Business Development



**14** **Ms. CHOI Chin-cheung, Lotus**  
Senior Manager —  
Corporate Communications  
General Manager —  
CIC-ZCP (Acting)



**15** **Ms. CHOI Ying-wai, Rebecca**  
Senior Manager —  
Curriculum Development & Quality  
Assurance, Hong Kong Institute of  
Construction



**16** **Mr. HO Kwing-kwong, Alex**  
Senior Manager —  
Building Information Modelling



**17** **Mr. KO Chun-hon, Ivan**  
Senior Manager —  
Trade Testing



**18** **Mr. LAI Chi-wai**  
Senior Manager —  
Registration Services



**19** **Mr. LAM Wing-tung, Tony**  
Senior Manager —  
Construction Safety (Acting)



**20** **Ms. NG Siu-yi, Cindy**  
Senior Manager —  
Finance (Acting)



**21** **Mr. TONG Yiu-nam, Thomas**  
General Manager —  
Innovation & Technology  
Development



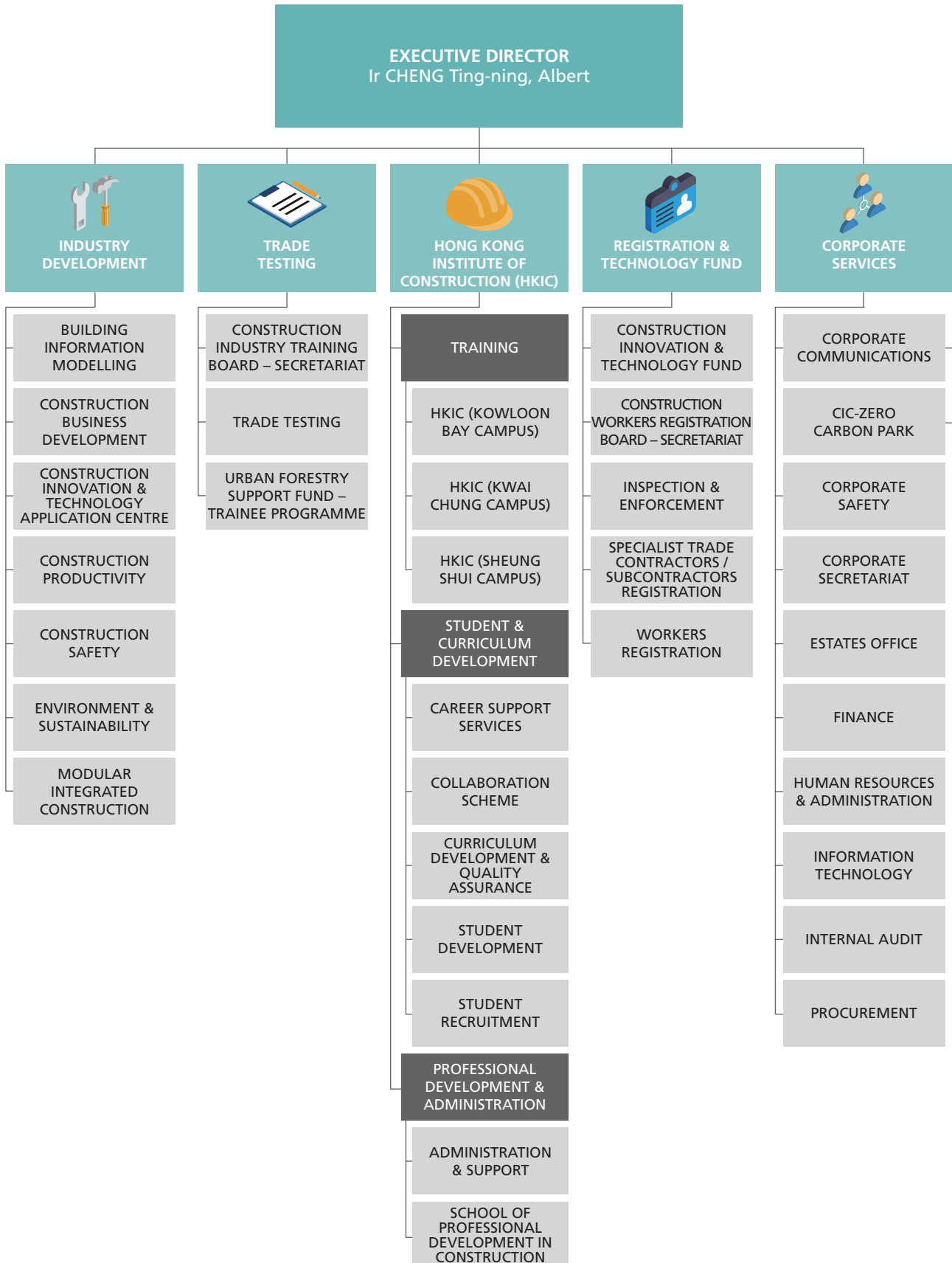
**22** **Dr. WONG Ming-wah, James**  
Senior Manager —  
Construction Productivity



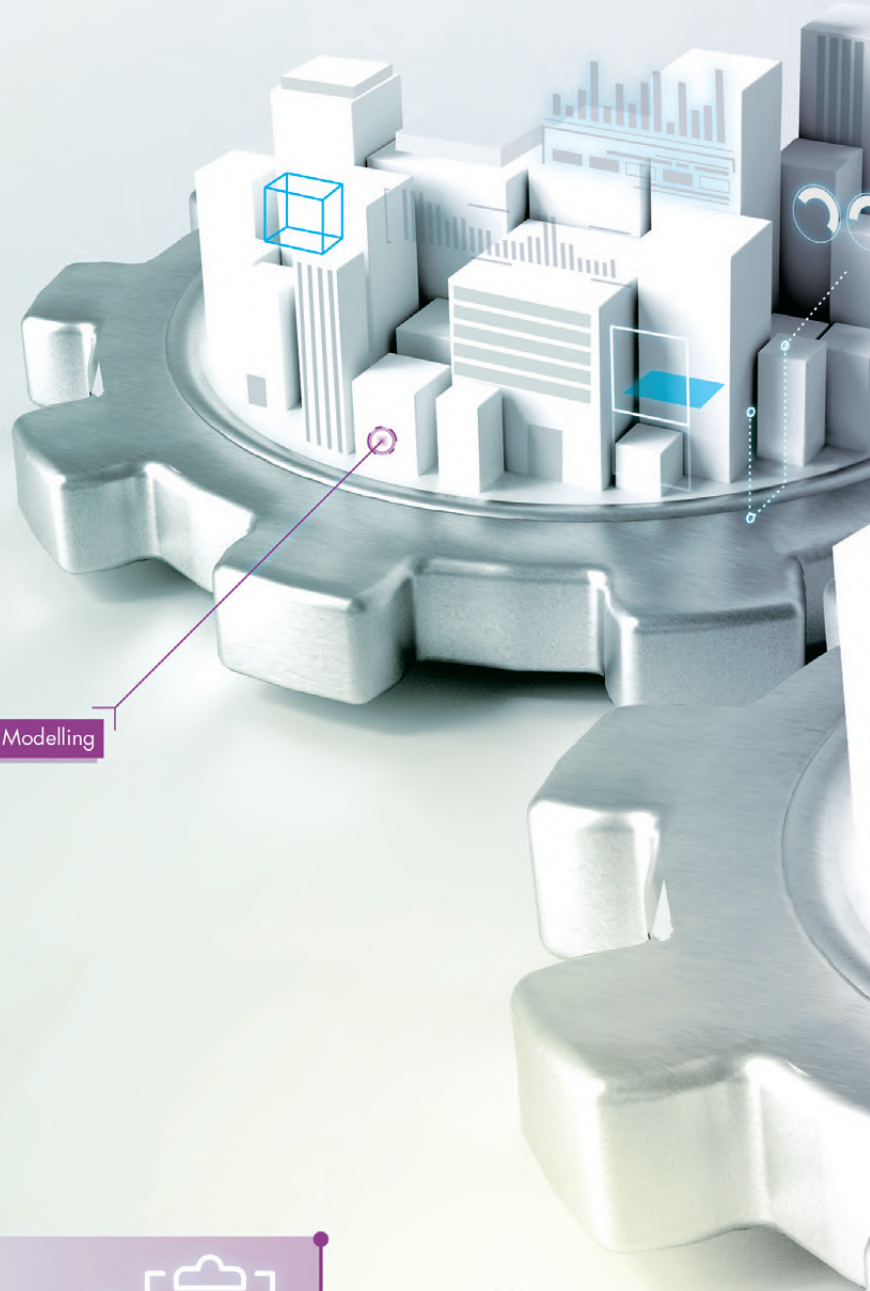
**23** **Ms. Miranda YEAP**  
Senior Manager —  
Corporate Secretariat



# ORGANISATION CHART



# OPERATIONAL REVIEW



 Building Information Modelling





Modular Integrated Construction

Collaboration Scheme

Workers Registration

# FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

## Building Information Modelling

The Building Information Modelling (BIM) Department strives to promote and facilitate wider adoption of BIM and its related technologies in architecture, engineering, construction, owner and operation. The CIC continues to develop itself as a Centre of Excellence for BIM, formulating strategies for market transformation and promoting cross-discipline collaboration and wider adoption of BIM.

During the year, a series of new and updated *CIC BIM Standards* publications in 2020 has won the Grand Award (BIM Projects - BIM initiatives Category) and the CIC has won the Gold Award (BIM Organisations - BIM Department / Units / Teams Category) at HKIBIM Awards 2020. The awards are recognition of our efforts and achievements in promoting the use of BIM. We have published a commemorative booklet with highlights of our endeavours and achievements during the BIM Year 2019. This booklet has clinched the Bronze Award under the category "Brochures" at the International Astrid Awards 2021.

## Celebration of BIM Achievement

Riding on the momentum of BIM Year 2019, the CIC launched the Celebration of BIM Achievement 2020. It recognised and shared achievements of organisations and practitioners with stakeholders with a view to inspiring them to constantly be creative, innovative, transformative or disruptive in bringing BIM to its full potential. Receiving enthusiastic support from the industry, this first-ever Celebration of BIM Achievement fully demonstrated that the industry has been successfully adopting and implementing BIM. A total of 17 local construction and non-construction projects were awarded "BIM Projects 2020", 15 local organisations received "BIM Organisations 2020", 10 BIMers were named "BIMers 2020" and among them, three participants aged below 30 were recognised as "Young BIMers 2020".



■ Celebration of BIM Achievement 2020



■ Publications of *CIC BIM Standards*

## CIC BIM Certification and Accreditation Schemes

The CIC BIM Certification and Accreditation Schemes (Schemes) aim at assessing the competency of BIM practitioners and ensuring the quality of local BIM training courses. Subsequent to the successful launch of the Certification of BIM Managers and Accreditation of BIM Manager Courses in 2019, the CIC expanded the Schemes to cover the Certification of BIM Coordinators and Accreditation of BIM Coordinator Courses in March 2020. Since the launch of the Schemes, nearly 400 BIM managers and 20 BIM coordinators have been successfully certified by the CIC. Moreover, three BIM manager courses and three BIM coordinator courses have been accredited by the CIC.

## CIC BIM Standards

The CIC further developed and enhanced the *CIC BIM Standards* in 2020 to meet the needs of the industry and introduced the ISO 19650 international standard, marking an important milestone in the history of BIM development in Hong Kong. During the course of the development, we conducted consultations with relevant stakeholders

to identify and align common practices with a view to facilitating better implementation and adoption of BIM technologies in project execution. The following new / updated BIM Standards and BIM-related publications in English were published by the CIC in 2020:

- *CIC BIM Standards – General Version 2 – December 2020* (with Hong Kong Local Annex of ISO 19650-2:2018)
- *CIC BIM Standards for Architecture and Structural Engineering Version 2 – December 2020* (in line with ISO 19650)
- *CIC BIM Dictionary December 2020* (in line with ISO 19650)
- *CIC BIM Exchange Information Requirements (EIR) Template (BIM Specifications) December 2020* (in line with ISO 19650)
- *CIC BIM Standards for Preparation of Statutory Plan Submissions December 2020*

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

#### BIM Objects

With the collection of over 1,500 BIM objects used by government departments in their projects, the CIC has checked their compliance with the *CIC Production of BIM Object Guide General Requirements* and uploaded onto the CIC BIM Portal for use by practitioners, which is also positioned as a virtual showroom for suppliers in the industry.

#### CIC BIM Space

With the growing demand in using BIM and its related technologies in the industry, the CIC BIM Space was established in 2019 to promote BIM awareness and adoption in the industry. Also serving as a one-stop shop for provision of BIM-related services and support to the industry, the CIC BIM Space encourages BIM adoption

and proliferation through organising joint seminars and events in collaboration with different stakeholders; provides stakeholders an information sharing platform; organises hands-on BIM software workshops, advisory workshops, awareness seminars and workshops; and showcases advanced technologies and different BIM applications with real projects.

In light of the COVID-19 outbreak, the CIC BIM Space was occasionally closed in 2020, while seminars were continued and switched to online webinar format to keep the momentum of BIM knowledge sharing. During the year, 52 webinars were organised, covering various BIM related events such as BIM Talks, BIM Solution Day, briefing of the Certification of BIM Personnel and Accreditation of BIM Training Courses and consultation sessions with industry stakeholders on CIC BIM Standards, successfully attracted over 33,000 attendees.



■ CIC BIM Space



■ CIC BIM Competition 2020

## CIC BIM Competition

The CIC continued to organise the CIC BIM Competition for higher education students in 2020. The competition aims to promote the practical use of BIM through collaborative and competitive learning approach among higher education students in construction-related disciplines, as well as to provide an excellent platform for the younger generation to unleash their potentials and demonstrate their skills in using BIM knowledge.

In response to the COVID-19 outbreak, 13 hands-on BIM training courses covering various BIM software knowledge and techniques were conducted through webinars in March and April 2020. Around 430 students attended the online training, which was twice as many as in 2019. In addition, since some participants were either out of Hong Kong or unable to meet up due to COVID-19, cloud collaborative platforms were provided to students to facilitate remote teamwork, showing how the adoption of BIM overcame geographical constraints on collaboration.

## BIM Adoption Survey

Based on an industry-wide BIM adoption survey conducted in 2019, we conducted a simplified survey in 2020 and continued to understand the BIM trend, current BIM adoption status and needs in local construction industry, thereby formulating effective plans to advance BIM adoption in Hong Kong. The survey showed promising improvement in adoption when compared to the results of 2019, which further reinforces the major directions of BIM strategies in the CIC's roadmap.

## 3D Spatial and BIM Data Use Case Requirements of Hong Kong Construction Industry

The CIC conducted a consultancy study in support of the Government's initiative of developing a smart city and Common Spatial Data Infrastructure (CSDI). It aims to accelerate the development of a digital Hong Kong by identifying and collecting different 3D spatial and BIM data use case requirements from the local construction industry.

Use cases of BIM, Geographic Information System (GIS), 3D spatial data and other kinds of geospatial data are covered in the study. The Study facilitates the integration of BIM and GIS and the development of 3D Map, as well as the research and development of the digital-built environment for the development of a smart city. A webinar to the public was organised in December 2020 to share the findings of the study.

#### R&D Project – BIM-based Rebar Design Optimisation and Prefabrication Automation

The CIC Research and Technology Development Fund was set up to provide financial support to research projects which may benefit the development of Hong Kong construction industry through practical applications of the research outcomes. As one of the funded research projects, the BIM-based Rebar Design Optimisation and Prefabrication Automation project was carried out by the Department of Civil and Environmental Engineering, Hong Kong University of Science and Technology, and was completed in December 2020. The project aimed to develop an innovative approach for automated clash-free steel reinforcement design optimisation and an automated BIM-based framework to generate the rebar schedule, detail drawings and factory machine codes for rebar prefabrication.

#### The Way Forward

Upon release of the CIC BIM publications on Standards and Guidelines in December 2020 in accordance with ISO 19650, there is a significant impact on the local industry. The CIC will develop a work plan and organise special training sessions in 2021 to upskill all practitioners in Hong Kong with the aim of promoting wider adoption in the industry.

To ensure data interoperability and facilitate data sharing, the CIC will continue to develop CIC BIM Standards on different BIM uses and disciplines to meet the needs of the industry. We will also work with project clients to identify building and infrastructure projects and carry out pilot BIM submissions to the Buildings Department with a view to developing streamlined workflow for the private sector.

Applications of BIM in various development stages often associate with different digital technologies, such as Virtual Reality / Augmented Reality (VR / AR), Radio Frequency Identification (RFID), Artificial Intelligence (AI), Internet of Things (IoT) as well as Integrated Project Delivery (IPD), etc. As the use of digital technologies has become a growing trend with increasing attention in the industry, the CIC will foster and promote digitalisation by formulating a Construction Digitalisation Roadmap for the local construction industry.

On the training side, the CIC will continue to consolidate training needs from the industry and collaborate with the School of Professional Development in Construction (SPDC) and BIM training service providers to offer necessary training courses to fulfil the demands. Given the momentum and quantum of the need for capacity building through the supply chain, the CIC will share the work with professional bodies and trade associations, as well as engage with vendors to produce short training videos and self-learning packages in 2021.

The CIC has been supporting a R&D project titled “BIM-Automation of Gross Floor Area (GFA) Calculation, Fire Safety and Prescribed Checking for General Building Plans (GBP) Preparation”, which is targeted to be completed in 2021. It aims to automate the GFA calculation, taking into account necessary statutory requirements with exemptions and fire safety prescribed checking will also be worked out.

The CIC will continue to organise the CIC BIM Competition in 2021 to encourage the young generation to acquire the knowledge of BIM. In addition, we will assist in organising the first CIC Construction Digitalisation Award to recognise outstanding local organisations and local projects for their contribution to the promotion and adoption of digitalisation tools to improve workflows, and bringing innovation into these areas to improve productivity, quality, sustainability and safety with measurable KPIs.



## Construction Business Development

Following the promulgation of the *Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area*, the Committee on Construction Procurement was officially revamped and renamed as the Committee on Construction Business Development in 2020, aiming to cultivate a sustainable construction market with equitable risk sharing and collaborative culture. The newly revamped committee will put more focus on fostering a healthy business environment for the construction market and enhancing connections with Greater Bay Area (GBA) counterparts.

### Reasonable Construction Period

A consultancy study was completed in 2020 to review critical factors affecting construction periods and establish an objective benchmark of construction period for building projects. With the adoption of big data analytics and machine learning approach, a Construction Time Performance (CTP) index was developed. Nine parameters were identified and validated by industry stakeholders as highly impactful to construction duration, the CTP index provides stakeholders an independent perspective to compare time required by a particular project to other similar projects completed in Hong Kong.

### GBA Construction Communication Platform

In light of the strong interest from industry stakeholders in Hong Kong to collaborate with other cities in the Greater Bay Area (GBA), the CIC will establish a GBA Construction Directory to cover the construction supply chains in nine selected GBA cities and two special administrative regions. Industry stakeholders in these cities and regions can connect with the right counterparts through this communication platform.

### Reasonable Consultancy Fee Evaluation System

Due to fierce competition amongst consultancy tenders in construction industry, unreasonably low bids have been submitted by consultants to secure jobs, resulting in unsatisfactory assignment completion. Under the “two-envelope system” commonly adopted in Hong Kong with evaluations on both fee and technical aspects, cost can still outweigh technical assessment when there are large variations in submitted fees.

A study on reasonable consultancy fee evaluation system is underway to appraise various fee evaluation mechanisms for consultancy tenders in local and overseas construction industries. A consultancy fee evaluation mechanism suitable for the market in Hong Kong will be developed and recommended to safeguard industry stakeholders against unreasonably low fee in consultancy tenders.

### MiC and DfMA Procurement

In promoting and facilitating the adoption of Modular Integrated Construction (MiC) and Design for Manufacture and Assembly (DfMA) in the construction industry, the CIC is developing a set of bilingual reference materials on MiC and DfMA procurement for industry stakeholders, covering procurement approaches, contract provisions as well as suggested timeline to adopt MiC and DfMA in construction projects.

## Construction Industry ESG Reporting Service 建造業環境、社會及管治報告服務



■ Construction Industry ESG Reporting Service

### ESG Reporting Services

With the aims of promoting Environmental, Social and Governance (ESG) best practices in the construction industry and assisting companies, in particular, the small and medium enterprises (SMEs), in preparing their corporate ESG reports, the CIC announced the launch of Construction Industry ESG Reporting Service (CIESG) in Q4 2020 and the service operation will commence in 2021.

### Publications on Promoting Healthy Construction Market

A number of publications were issued in 2020 to promote a healthy construction market. A *Review Report on Quality Site Supervision Practices of the Hong Kong Construction Industry* was issued in Q3 2020 to identify possible improvements and offer recommendations to elevate the performance of the industry regarding construction quality. In response to unforeseeable incidents in the market, the CIC will produce and publish relevant timely alerts to draw the attention of industry practitioners. A *Procurement Alert on Prevention of Bribery* and a *Market Alert on Considerations under COVID-19 Epidemic for Construction Projects* were published.

## Risk Management during COVID-19

To avoid crowd gathering due to the epidemic, a number of seminars, talks, conferences and stakeholder engagement sessions went virtual and switched to video conferencing, and corresponding prevention measures were taken in accordance with internal guidelines. Planned mainland study tours and exchange activities were also postponed.

## The Way Forward

Extended the work plan of 2020, the CIC will continue to conduct different studies on the aspects of healthy construction market, equitable risk sharing and collaborative culture, as well as to develop relevant reference materials and organise promotion activities for the industry. The CIC will also strive to facilitate industry stakeholders to explore and establish supply chains in the GBA.

The mismatch of resources has long been faced by the construction market, resulting in imbalance between demand and supply on certain resources, in particular, the fluctuating project rollout against labour shortages. In view of these problems, the CIC has initiated a study on sustainable construction volume and resources utilisation. This study aims at investigating the maximum construction volume that can be met practically by the industry as well as the minimum amount of construction works required to sustain the construction industry. Thus, industry stakeholders can make reasonable planning on projects, scheduling and training, as well as better resource utilisation. The study is expected to be completed in 2022.

With the aim of encouraging professionalism among contractors, the CIC will launch its inaugural CIC Outstanding Contractor Award in 2021, to recognise main contractors and specialist contractors with exceptional performances in innovation and professionalisation, revitalisation and ESG.



■ Review Report on Quality Site Supervision Practices of the Hong Kong Construction Industry

### ■ Procurement Alert on Prevention of Bribery

**PREVENTION OF BRIBERY**  
Procurement Alert 001/20

**Prevention of Bribery**  
A former foreman and a worker of a construction company were charged with soliciting and accepting bribes at a construction site, contrary to Section 11(1) of the Prevention of Bribery Ordinance (POBO).

**CONSIDERATIONS UNDER COVID-19 EPIDEMIC FOR CONSTRUCTION PROJECTS**  
Market Alert 002/20

**CONSIDERATIONS UNDER COVID-19 EPIDEMIC FOR CONSTRUCTION PROJECTS**  
As COVID-19 cases continue to emerge, different sectors of the society are adversely affected by the epidemic. It has been raised that as construction workers adopt anti-epidemic measures at work, such as wearing masks and observing social distancing, their work efficiency is reduced. This may adversely affect the progress of construction works. If the works are delayed due to the epidemic or other reasons, the industry is reminded of the following:

**Contractors**

- When a delay in completion of project is anticipated, contractors may discuss with project consultants and employers alternative methods which are practical and feasible. For example, re-sequencing the works to prevent or to mitigate the delay;
- Contractors should properly maintain relevant documents and records, such as site daily reports, method statements, progress plans and reports, completion records and daily attendance records of registered workers, as supporting documents for the application for extension of time.

**Employers / Consultants**

- If contractors propose other feasible solutions to prevent or to mitigate the delay in completion of works, the employer / consultant are encouraged to consider favourably and adopt their suggestions. Flexibility in construction sequences and methods may be exercised in compliance with relevant laws, regulations and project specifications, where circumstances permit;
- If contractors apply for an extension of time in accordance with the contract, the employer / consultant are advised to assess the application based on the justifications and relevant documentary proofs provided by the contractors, and reply to the contractors within a reasonable time.

■ Market Alert on Considerations under COVID-19 Epidemic for Construction Projects

## Construction Productivity

The Hong Kong construction industry is facing challenges of ageing workforce, high construction cost, and stagnant productivity growth. The Construction Productivity Department (COP) supports the Committee on Productivity (Com-PRO) in promoting innovation and facilitating the adoption of advanced technologies and construction methods to elevate the industry’s productivity and competitiveness.

## Design for Manufacture and Assembly (DfMA)

DfMA is a proactive design approach that focuses on achieving ease of manufacture and improving assembly efficiency, enabling higher quality and higher efficiency in offsite construction. To promote and facilitate adoption of DfMA and modular construction, a DfMA Alliance was established in 2019, and 148 companies / organisations from the industry joined the Alliance by the end of 2020. Major initiatives on promoting DfMA are highlighted as follows:

### DfMA for Mechanical, Electrical and Plumbing (MEP) Systems

A consultancy study on “Driving DfMA Adoption to Enhance Productivity for MEP Works in HK Building Projects” was commissioned in June 2020. Best practices on DfMA for MEP works both locally and internationally were

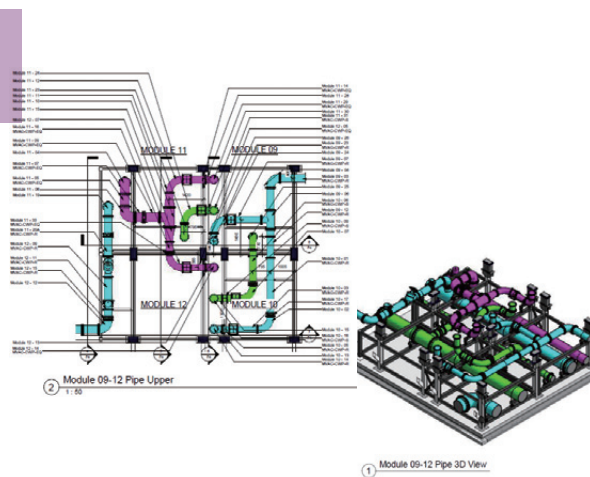
reviewed with an aim of formulating practical strategies with supporting measures to enhance productivity for MEP works in the building sector of Hong Kong. In addition, a DfMA Guidebook for MEP works is also being compiled.

### DfMA Scoring Scheme (DSS)

Com-PRO believes that measurement is a key step in monitoring performance and identification of improvement measures. To this end, a research project titled “Development of an Appraisal Framework for Assessing the DfMA Content for Buildings in Hong Kong” was conducted to develop a DfMA Scoring Scheme (DSS) to measure the extent of DfMA applied in residential building projects. A wide range of DfMA applications are covered in the DSS, including panelised systems, Modular Integrated Construction (MiC), MEP prefabrication, adoption of BIM, etc. The DSS can serve as an industry metric to assess project achievement on DfMA adoption and associated project performance on construction productivity, safety and sustainability.

### Promotion of DfMA

Five webinars on DfMA were organised in 2020. Local experts as well as experts from Australia and the UK were invited to share their experience on design guidelines, practices, MEP and DfMA platform approach. Around 4,000 practitioners joined the webinars.



■ Draft DfMA MEP Templates

## Innovation and Research

### International Symposium on “Unlocking Innovation in Construction through 5G Technology” 5G

The CIC and the Hong Kong Science and Technology Parks Corporation (HKSTP) co-organised the International Symposium on Unlocking Innovation in Construction through 5G Technology virtually on 9 December 2020 which welcomed nearly 1,200 attendees. Officiated by Ms. Rebecca PUN, Commissioner for Innovation and Technology, the Symposium brought together local and international experts, including representatives from Huawei Technologies Co., Ltd, Guangdong Bright Dream Robotics Co., Ltd, and SmarTone Mobile Communications Ltd, etc., to exchange views on transforming the construction industry by leveraging 5G network. Along with the Symposium, a B2B event was also held to promote the adoption of digital solutions, robotics and A.I., as well as advanced materials and technologies in the industry. About 100 B2B matchmaking meetings were successfully arranged.

### Research and Technology Development

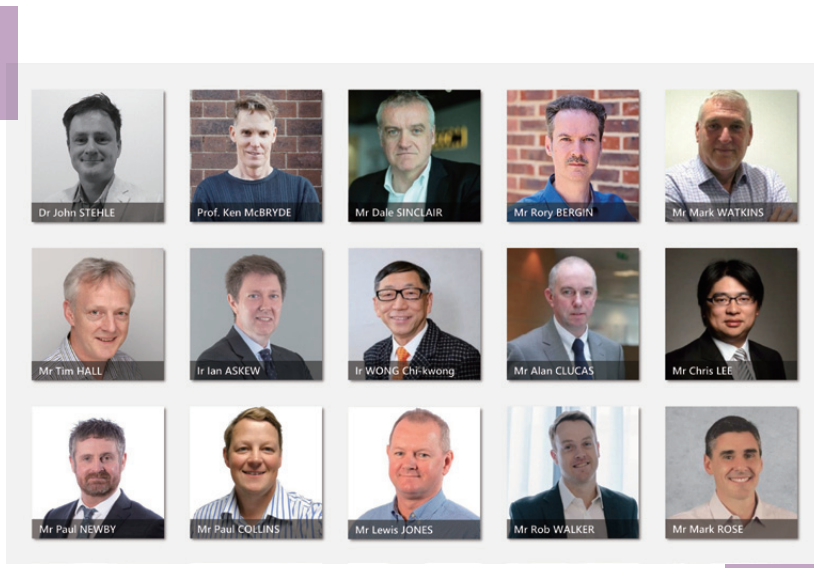
The Com-PRO is committed to improve the productivity and competitiveness of local construction industry by driving research and innovation. In 2020, the CIC Research and Technology Development Fund supported a research project

titled “Application of Maturity Method for Determination of Early-age Concrete Strength in the Hong Kong Construction Industry” which aims at assessing the applicability of the maturity method and maturity functions to predict the early age strength development of common cement and concrete products in Hong Kong. Practical guides to facilitate wider application of the maturity method among the industry will be developed.

With the objectives to disseminate research outcomes to the industry and solicit industry’s needs on research and development, two online research forums were organised in July and October 2020 with the themes “Advanced Construction Materials” and “Advanced Steel Solutions & Co-engineering” respectively. About 1,100 industry practitioners attended the Forums.

## Improving Construction Time, Cost and Quality

A consultancy study on “Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry” was undertaken to formulate strategies and measures to improve performances on those three aspects in the industry. Four key directions were initially recommended, namely “Shifting to Industrialisation”, “Driving Innovation”, “Streamlining Approval Processes”, and “Enhancing Project Management and Procurement”. An influential report on the Hong Kong construction industry is expected to be issued in 2021.



Local and overseas experts on DfMA sharing experiences online

### Construction Expenditure Forecast

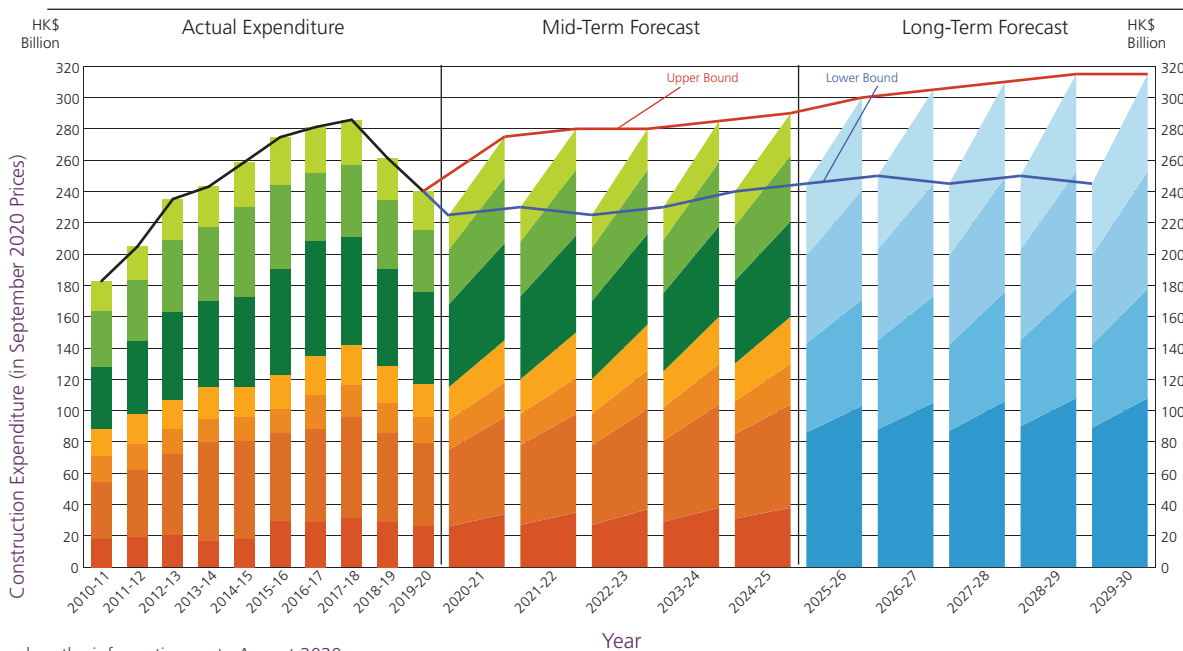
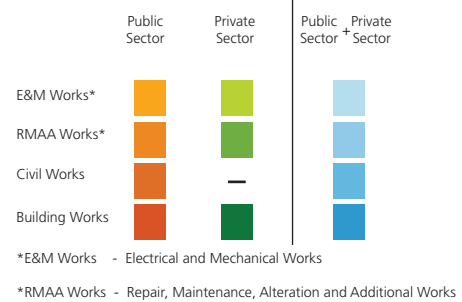
With a view to assisting policy makers and industry stakeholders in conducting resources and strategic planning, the CIC published a construction expenditure forecast in September 2020. In the next decade, construction volume is expected to range from HK\$225 billion to HK\$315 billion (in September 2020 price level) per annum. In spite of the challenges brought by COVID-19, the CIC will keep reviewing and monitoring the construction volume and manpower market for various industry stakeholders to formulate business strategies and development plans.

### The Way Forward

The manufacturing industry has experienced waves of industry revolutions, with a long history of innovation leading to the significant rise of productivity. Through industrialisation and digitalisation, the Hong Kong construction industry is currently under transformation to “Construction 2.0”. Looking ahead, the Com-PRO will endeavour to promote and facilitate the adoption of new technologies, advanced construction method, novel construction materials, and innovative solutions for a productivity leap in the local construction industry.

## CONSTRUCTION EXPENDITURE FORECAST FOR PUBLIC AND PRIVATE SECTORS\* (2020/21 TO 2029/30)

Actual Expenditure & Mid-Term | Long-Term



\*Based on the information up to August 2020

■ The latest Construction Expenditure Forecast released in September 2020

## Construction Safety

The Construction Safety Department (CSA) has been providing secretarial support to the Committee on Construction Safety (Com-CSY) to develop and take forward initiatives to foster a positive safety culture, and to provide guidance and training on safe practices. The Com-CSY and its three sub-committees, viz. Sub-committee on Safety Promotion, Sub-committee on Safety Training and Sub-committee on Safety Technical Issues, continue to carry out work following the consensus on the strategic direction to prevent fatal and serious construction accidents.

## Foster Safety Culture at Construction Sites

The CIC and the Development Bureau (DEVB) continued to co-organise the ninth consecutive Construction Safety Week (CSW) with a main focus on “Lifting Operation Safety”. Related activities including “Site Safety Gathering”, “Site Safety Gathering Sharing Session for Working-at-Height Safety”, “CSW 2020 Sharing Webinar”, “Lifting Safety Promotional Campaign”, “26<sup>th</sup> Considerate Contractors Site Award Scheme (CCSAS)”, as well as “Innovative Safety Initiative Award (ISIA) 2020” were held. In view of the epidemic, offline activities of the CSW 2020 were changed to online, such as live webcast for award ceremony, to prevent crowd gathering and to safeguard the health of workers.



■ 26<sup>th</sup> Considerate Contractors Site Award Scheme (CCSAS), one of the activities in Construction Safety Week 2020

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

In August 2020, the CIC and the DEVB launched an industry-wide construction safety campaign, "Life First", to encourage industry players to hold a 5-day campaign with safety review activities at their sites, including a thorough site safety inspection to identify potential risks and to protect

frontline workers. With the overwhelming response from the industry, almost 80 clients, including various Works Departments of the DEVB, public organisations and private developers, as well as about 200 main contractors and more than 450 construction sites participated in the Campaign.



■ An industry-wide construction safety campaign, "Life First", was launched in August 2020



In addition, four technical webinars, themed “Site Safety Measures for Working in Hot Weather”, “Design for Safety”, “Pay for Safety Scheme” and “Safety Roles and Responsibilities”, were organised with a total of over 4,000 participants to promote safety knowledge to industry stakeholders.

With the aim of educating and cultivating proper site safety awareness among future construction talents, the CIC and the Hong Kong Construction Association co-organised the sixth annual “Experiential Learning on Site Safety Training Scheme 2020–21”, providing training sessions with a view to enhancing consciousness and instilling knowledge on construction safety into the minds of undergraduates planning to join the construction industry. Running from November 2020 to July 2021, 15 construction-related faculties from 11 universities and tertiary institutions have joined this year and around 450 undergraduates are expected to be benefited from the Scheme.



■ Outdoor training of “Experiential Learning on Site Safety Training Scheme 2020–21”



■ Lifting operation safety training of “Experiential Learning on Site Safety Training Scheme 2020–21”

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

#### Provide Safety Training Materials

Four new training courses were offered to workers in 2020, including “A12 Course on Construction Materials Rigger”, “A12S Silver Card Course on Construction Materials Rigger and Signalman”, “Lifting Safety Supervisor Course” (a 3-day course) and “Certificate in Soil Nail Drilling Safety Training Course”. In addition, the CIC utilised virtual reality (VR) technology to develop training materials on lifting operation safety. Participating contractors of “Site Safety Gathering 2020” could download the VR training software from the newly developed VR platform and their workers could receive online safety training at sites.

#### Publish Educational Publicity Publications

With an aim of promoting lifting operation safety, a *Lifting Safety Handbook* was published. It provides a summary of safety information and highlights of the lifting operation so that the industry can have a better understanding of the risks and take appropriate measures when conducting the related works. The CIC also published a *Building Services Safety*

*Handbook*, providing information on common accidents in building services and maintenance operations and good practices to minimise work-related risks.

#### The Way Forward

With the aims of strengthening the safety culture and enhancing safety awareness throughout the industry, the CSA continues to prioritise initiatives on the promotion of specific safety topics which focused on the prevention of fatal accidents to improve safety awareness. The main theme of CSW 2021 will be “Safety x Smart Sites” with a focus on safety on lifting and heavy machinery operations. A Task Force on Design on Safety (TF-DfS) was formed in April 2020. The TF-DfS will carry out work that aims at investigating and formulating the roadmap and strategy on Design for Safety, strengthening the industry’s knowledge on Design for Safety, carrying out promotional activities, and conducting consultations with the industry to identify the feasibility and strategy on Design for Safety.



■ *Building Services Safety Handbook* and *Lifting Safety Handbook* were published

## Environment and Sustainability

In view of the growing importance of combating global climate change, the CIC strives to drive and facilitate the construction industry in the application of low carbon initiatives, with an ultimate goal of supporting the HKSAR Government to drive carbon neutrality before 2050. The Committee on Environment aims at encouraging the wide adoption of sustainability best practices and innovative technologies among the construction industry.

### CIC Sustainable Construction Award Conference and Presentation Ceremony

The CIC announced the launch of its second Sustainable Construction Award (SCA) in November 2019 and more than 300 applications were received this year. The SCA aims at

recognising sustainability best practices among organisations and practitioners, in particular, the young generation of the construction industry. The virtual SCA Conference and Presentation Ceremony was successfully held on 13 November 2020, with over 2,000 industry practitioners participated. Renowned speakers, construction leaders and award winners shared their experience on the green finance opportunities and new direction of sustainable construction in Hong Kong and Greater Bay Area. In addition, the award trophies this year were made of recycled concrete and materials which obtained the CIC Green Product Certification, implementing the sustainable construction concept on waste reduction and carbon reduction. The CIC is planning to arrange post-event activities, such as sharing sessions to further promote the winners' best practices to industry practitioners.



■ Highlight video



■ The renowned speakers and all awardees took part in the recording of the virtual SCA's Conference and Presentation Ceremony

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

#### World Sustainable Built Environment Conference 2020

With a view to demonstrating our effort and contributions in driving for a sustainable built environment and becoming the world's exemplar on green building development, the CIC and the Hong Kong Green Building Council became the joint Gold Sponsor of the World Sustainable Built Environment Conference 2020 (WSBE 2020), which was held virtually from 2 to 4 November 2020. Industry stakeholders

were given the opportunity of transferring knowledge and presenting innovative ideas in this reputable international platform. The CIC Chairman and the Chairperson of Committee on Environment also announced the initiative of developing CIC Sustainable Construction Certification Scheme for Green Finance at the conference, and the *Hong Kong Report 2020* was published in parallel with the opening of the WSBE 2020 to showcase the sustainability achievements of Hong Kong's construction sector.



■ Keynote Speech by Mr. CHAN Ka-kui, Chairman of the CIC



■ Panel Discussion

### CIC Sustainable Construction Certification Scheme for Green Finance

The *Chief Executive's 2020 Policy Address* pointed out that Hong Kong would be positioned as an Asia's green finance hub for raising green capital to build a low-carbon economy through wide adoption of green finance. The substantial GDP annually contributed by the construction sector is extremely high and therefore has a high potential to meet the trend of green finance. Thus, the CIC has been developing the Sustainable Construction Certification Scheme for Green Finance (Scheme) since September 2020 which clearly stipulates the green standard and system to facilitate the application of green finance in the construction industry with reference to international principles. Over 20 stakeholder engagement sessions were arranged for construction and financial key players in Hong Kong and Greater Bay Area, and the stakeholders showed great interest and support to the direction of the Scheme.

### Enhancement of CIC Carbon Assessment Tool

Launched in September 2019, the CIC Carbon Assessment Tool (CAT) is a universal platform for the construction industry in Hong Kong to evaluate the carbon performance of buildings and infrastructure. There are currently over 200 construction projects proactively using the CAT for the measurement of carbon performance on embodied carbon of construction materials and carbon emission of on-site construction processes. Besides, it has been successfully integrated into BEAM Plus New Building v1.1 and v1.2 BEAM Plus NB with effect from January 2021. The CAT was also showcased in the *Asia Pacific Embodied Carbon Primer* published by World Green Building Council as one of the successful cases in Asia Pacific, reaching a major milestone for its development.



■ Engagement Sessions with international green finance experts



■ Asia Pacific Embodied Carbon Primer

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS



■ 19<sup>th</sup> China International Exposition of Housing Industry & Products and Equipment of Building Industrialisation



■ Sustainable Construction E-platform

## CIC Sustainable Construction E-platform

The CIC launched the Sustainable Construction E-platform (E-platform) in September 2020 ([www.sc.cic.hk](http://www.sc.cic.hk)), a one-stop platform providing the latest information and services on sustainable construction aspects, including CIC Carbon Assessment Tool, CIC Sustainable Construction Award and CIC Green Product Certification, and many more. The general public can also register for events, view photo and video galleries, as well as have a better understanding on CIC's sustainable construction initiatives and the latest carbon reduction figures.

## 19<sup>th</sup> China Housing Exposition

The 19<sup>th</sup> China International Exposition of Housing Industry & Products and Equipment of Building Industrialisation, a signature exhibition of the building sector in Mainland China, was successfully held from 5 to 7 November 2020 in Beijing. The CIC was invited to participate as one of the major exhibitors, showcasing the CIC's major events and activities, as well as sustainability best practices of construction projects in Hong Kong.

## The Way Forward

With a view to supporting the HKSAR Government's ambition to achieve carbon neutrality in 2050, the CIC targets to launch the Sustainable Construction Certification Scheme for Green Finance in 2021 to incentivise the use of green finance products by the construction supply chain, in particular, contractors and suppliers. The CIC will also encourage more successful local cases through promotion and pilot projects. The CIC Carbon Assessment Tool (CAT) is the key to success in driving the Scheme. The CIC will proactively promote a wider use of CAT to establish a benchmark which will serve as a quantifiable base for the industry. The enhancement services of CAT are commenced and will provide training courses in Hong Kong Institute of Construction and online benchmarking services in 2021. It is expected that CAT will become the leading measuring tool for embodied carbon in the industry. With the aim of arousing industry awareness of sustainability and carbon neutrality, the CIC will also endeavour to explore the opportunity of enhancing ESG governance in the construction industry.

During COVID-19 epidemic, technologies have been making progress quickly worldwide which resulted in tremendous growth of digitalisation in the construction industry. The CIC will establish a one-stop digital platform, "Smart Waste Management Plug-in", to increase the efficiency of data collection, monitoring and reporting concerning construction and demolition (C&D) waste. It is expected that time, cost and quality of onsite waste management will be greatly improved in the future, supporting the industry to develop a reliable and comprehensive waste database for benchmarking purpose, and echoing with the direction and initiatives set out in the *Waste Blueprint for Hong Kong 2035*.

## Modular Integrated Construction

### Transformation of the MiC Display Centre into a MiC Resources Centre

Modular Integrated Construction (MiC) is an innovative construction method adopted in Hong Kong and also a breakthrough in the construction industry. The CIC has been actively promoting MiC to industry stakeholders and the public since 2017.

In 2020, the MiC Display Centre has set up a number of new exhibits and equipment for showcasing purpose, turning it into a Resources Centre for industry practitioners. In view of

the COVID-19, the MiC Display Centre was closed for some time during the year. A virtual tour was therefore specially produced, allowing the public to access updated information and technology online.

A Negative Pressure Isolation Ward was installed adjacent to the MiC Display Centre in July 2020, fully demonstrating the adoption of MiC technology in a medical setting. In response to the development of COVID-19, the Ward was subsequently transferred to the Asia-World Expo for demonstration and operation purposes in August 2020.



■ The MiC Display Centre has set up a number of new exhibits and equipment, transforming into a Resources Centre



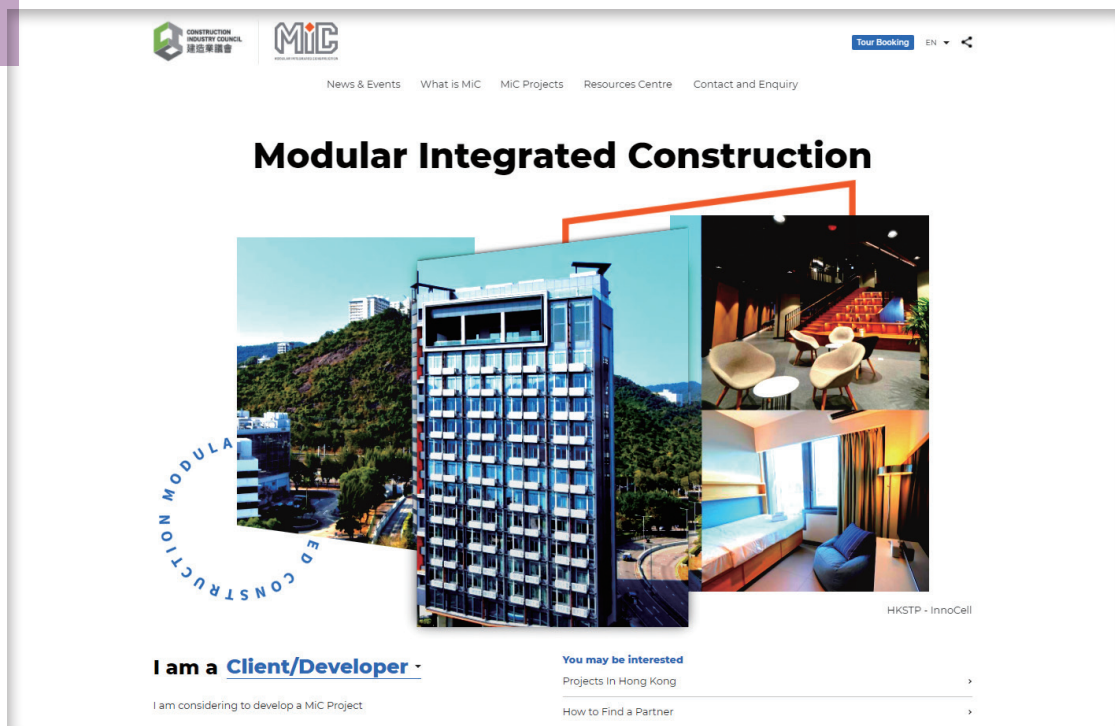
■ Prototype of Negative Pressure Isolation Ward



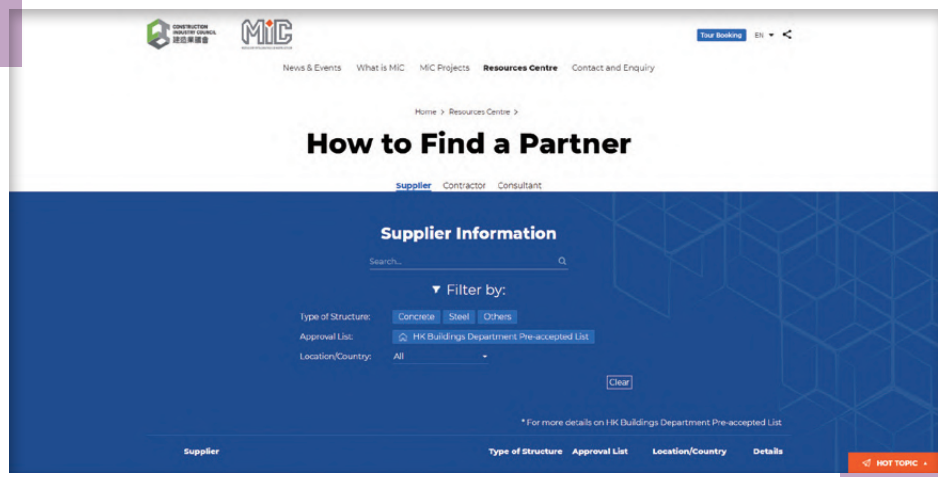
## One-Stop-Shop Online Resources Platform

A brand new website ([mic.cic.hk](http://mic.cic.hk)) was launched in November 2020, serving as an online one-stop resources platform for users to obtain the latest information related to MiC

anytime and anywhere. Not only does it provide the trends and developments of MiC, but also the recent developments of projects around the world and their project team information, official guidelines and reference materials.



■ The new website provides the latest MiC information worldwide



■ Information on projects, project consultants, contractors and MiC suppliers is provided

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

#### CIC Webinars

As the COVID-19 pandemic persists, the CIC organised and supported a series of seminars and forums in the form of online webinars, including “The 2<sup>nd</sup> International Conference on Modular Integrated Building (Architecture) Technology and Applications” held in Suzhou in August 2020 where a CIC representative provided a pre-recorded presentation on the development and application of MiC in Hong Kong; “Guangdong-Hong Kong-Macao Greater Bay Area’s

Construction Robot and MiC New Technology Promotion Forum” held in September 2020 where representatives of the CIC provided a pre-recorded presentation, sharing information on the development of MiC in Hong Kong with experts all over the world; the CIC Lunch Talk on “Accommodating a Co-creation Community in InnoCell – Technology Breakthrough with MiC” held in November 2020 with over 600 participants, where representatives from project management and design consultant shared their experience and the challenges on the InnoCell project.



■ Ir Albert CHENG, Executive Director of the CIC, gave a pre-recorded speech for the “Guangdong-Hong Kong-Macao Greater Bay Area’s Construction Robot and MiC New Technology Promotion Forum”

## Reference Materials for Modular Integrated Construction Projects

Further to the publication of the *Guidelines on the Statutory Requirements for Modular Integrated Construction Project* published in 2019, the CIC released an updated version in September 2020 and renamed it to *Reference Material on the Statutory Requirements for Modular Integrated Construction Projects*. During the year, the CIC also published *Reference Material on Logistics and Transport for Modular Integrated Construction Projects* to provide information and guidance on logistics and transport for MiC projects.

## Events Organised in 2020

In 2020, the CIC organised a number of events to facilitate the implementation of MiC in Hong Kong, which include:

### Greater Bay Area Factory Visit

In January 2020, a visit to four MiC factories in the Greater Bay Area, including AluHouse, Nova Deko, CIMC and China State Hailong, was arranged for non-governmental organisations (NGOs) to understand the advantages and constraints of MiC under prescribed regulations, so as to help them make appropriate decisions on transitional housing planning.



Members from the CIC and NGOs visited a MiC factory in the Mainland

### Local Site Visits

In order to have a better understanding of the construction processes of MiC projects, various local site visits were arranged for industry practitioners. In January 2020, the CIC staff and the MiC JWG members visited the Married Quarters for the Fire Services Department in Pak Shing Kok, Tseung Kwan O, which was topped out in August 2020; in March, representatives from the CIC and the government departments visited the InnoCell at the Hong Kong Science and Technology Park (HKSTP); and members of the CIC and MiC JWG visited the “Nam Cheong 220” project in May 2020 (Intakes started in August 2020). In addition, visits to quarantine camps constructed by MiC in Lei Yue Mun Park and Holiday Village as well as Penny’s Bay Phase I and IV were organised for industry professionals, NGOs and developers.



The CIC representatives and the JWG members visited the InnoCell at the HKSTP

## OPERATIONAL REVIEW

### FORGING AHEAD WITH SAFE, SMART AND SCALABLE CONSTRUCTIONS

#### MiC Projects in Hong Kong

By the end of 2020, there were a number of completed / substantially completed MiC projects in Hong Kong, including InnoCell at HKSTP, North Lantau Hospital Hong Kong Infection Control Centre and Nam Cheong 220. More than 30 MiC projects are now in the pipeline and over 20 MiC systems are on the Lists of Pre-accepted Modular Integrated Construction (MiC) Systems / Components of the Buildings Department. In addition, MiC was also widely adopted for the provision of transitional housing projects and quarantine camps to meet the housing demand and the demand arising from COVID-19.

#### The Way Forward

As more MiC projects will be completed, it is believed that confidence and acceptance of the industry and public in MiC will be further enhanced. The CIC will continue to make an all-out effort to promote a wider adoption of MiC in Hong Kong so as to expedite residential housing development and supply, thereby improving the living environment of Hong Kong people in the long run.

#### Completed / Substantially Completed MiC projects

InnoCell at HKSTP

North Lantau Hospital Hong Kong Infection Control Centre

“Nam Cheong 220”

#### Part of MiC projects in the pipeline

Married Quarters for the Fire Services Department at Pak Shing Kok, Tseung Kwan O

Residential Care Homes for the Elderly in Kwu Tung North

Student Residence at Wong Chuk Hang Site for the University of Hong Kong

Composite Development at Ash Street, Tai Kok Tsui

Chung Yuet Lau Elderly Homes at Jat Min Chuen, Shatin

High West Site Development in Pok Fu Lam

Subsidised Sale Flats Project in Hung Shui Kiu

- The Married Quarters for the Fire Services Department at Pak Shing Kok, Tseung Kwan O is expected to be completed in the second quarter of 2021



- The Quarantine Camp in Penny's Bay – Phase 4 was completed in November 2020

## SUSTAINABLE FUTURE ENVISIONED WITH INNOVATIVE TECHNOLOGY

### CIC-Zero Carbon Park

The CIC-Zero Carbon Park (CIC-ZCP) is home to the first zero carbon building in Hong Kong. The vision, execution and implementation of low carbon design innovations are forward-thinking, serving as milestone achievements for Hong Kong construction industry. To this day, building performance has been continually optimised since its opening in 2012. As a centre for exhibition, education and information, CIC-ZCP aims at promoting a low-carbon mentality and advanced green building technologies beyond the industry, and into the community.

CIC-ZCP completed the large-scale landscape optimisation works in 2020 which aspires to boost the neighbourhood's ecological value, and contribute as a living, breathing piece of infrastructure. With more than 200 different varieties of flowers and trees at CIC-ZCP, it is hoped that CIC-ZCP

will create a paradigm shift towards sustainable living by becoming a local landmark building, and function as a “city lung”, breathing new life and clean air into Hong Kong.

### Landscape Optimisation Work

To propel the continuous development of CIC-ZCP and enhance the experience of visitors, the landscape optimisation work was completed in 2020, including the turf soil enhancement, improvement in constructed wetland features and installation of the Air Improvement PhotoVoltaic (AIPV) Solar Kiosk in the urban native woodland, etc. A series of video promotions capturing the entire construction process was launched to showcase the adoption of advanced green technologies and sustainable construction development of CIC-ZCP.



■ CIC-ZCP completed the landscape optimisation work in 2020 to enhance the experience of visitors

### “Hong Kong Energy Evolution” Exhibition

CIC-ZCP has transformed into an experiential platform that promulgates awareness in sustainable development. To enhance public’s understanding on energy efficiency and energy conservation, CIC-ZCP launched a brand new exhibition themed “Hong Kong Energy Evolution” in September 2020. With the support of key energy provision stakeholders in Hong Kong, the exhibition introduced the energy sustainable development and showcased the evolution of power generation.

### “Art in Construction”

CIC-ZCP first presented “Art in Construction” in September 2020, an exhibition that gathered local artists to explore and showcase the connection and creativity between construction and art through various art-forms such as sculptures, installations, paintings, photography, and workshops. By incorporating the 360-degree camera technology, this exhibition also offered the public a virtual experience on the creativity of construction, appreciating the integration of art and a greener lifestyle in a whole new way.



■ CIC-ZCP first presented the “Art in Construction” Exhibition to showcase the public the correlation and creativity between art and construction



■ CIC-ZCP organised a series of regular “Low Carbon Living” fitness activities and workshops to promote the well-being

### Diversified Marketing Initiatives

CIC-ZCP aims at engaging with the industry and community to promote the wellbeing and low carbon living through various kinds of events. To echo the goal of achieving carbon neutrality before 2050 in *The Chief Executive's 2020 Policy Address*, CIC-ZCP launched a series of new marketing initiatives featuring carbon-neutrality, including webinars, an online video campaign featuring “Low Carbon Classroom”, regular “Low Carbon Living” fitness activities and workshops.

### Ride Through Crisis Together with Low Carbon Activities

CIC-ZCP organised the CIC’s annual signature event, Construction Month, in November 2020. The event comprised more than 20 online activities including music busking, movie screening, workshops and conferences to interact with the industry stakeholders and members of the public. In view of the COVID-19, the Construction Month was conducted simultaneously on online platforms, allowing more practitioners and the public to enjoy the fun-filled activities and keep abreast of the latest construction trends. Throughout the month, over 2,600,000 online views were reached on social media platforms.

## OPERATIONAL REVIEW

### SUSTAINABLE FUTURE ENVISIONED WITH INNOVATIVE TECHNOLOGY



■ “Construction Month” launched a series of compelling online activities to engage with the industry and community

In support of the “Construction Industry Caring Campaign - Fight against Novel Coronavirus” (Caring Campaign), CIC-ZCP organised an array of online concerts, uniting all sectors and encouraging everyone to give back to the tireless registered construction workers and their families affected by the COVID-19. It also promoted the sustainable development and reminded the members of the public to remain environmentally conscious when fighting against the pandemic. The concerts were streamed via over 40 media outlets which attracted both local and overseas audiences to support the Caring Campaign. Over 1,800,000 views and more than 460 pieces of media coverage were achieved.

### The Way Forward

As a low carbon role model, CIC-ZCP will continue to demonstrate the state-of-the-art eco-building design and technologies for promoting sustainability, as well as explore the enhancement of renewable energy. CIC-ZCP will also introduce new marketing initiatives to advocate advancing zero carbon and carbon neutrality with more engagement with members of the public and industry practitioners. With a view to creating and maximising synergy, CIC-ZCP will collaborate with the Construction Industry Sport and Volunteering Programme in organising more health / wellness-related workshops and community services.



■ CIC-ZCP launched the online concerts to support the “Construction Industry Caring Campaign - Fight against Novel Coronavirus”



## Construction Innovation and Technology Application Centre (CITAC)

CITAC was established in November 2017 to showcase and promulgate innovative technologies and practices which can improve the productivity, safety and sustainability in the construction industry. CITAC also explores and identifies innovative solutions, both locally and internationally, that are suitable for adoption in Hong Kong construction industry.

In 2020, under the strategic direction of its Management Board, CITAC promoted and showcased the use of construction innovations and technologies via the following initiatives:

### CITAC Exhibition with Virtual Tours

In 2020, a number of Industry stakeholders visited the centre to learn more about innovative technologies in terms of industrialisation, informatisation, intelligentisation, integration and infinity. Works department and local professional bodies, including the Housing Department, Architectural Services Department, Electrical and Mechanical Services Department and the Institution of Civil Engineers (ICE) Hong Kong, also visited CITAC to exchange and explore the potentials for implementing innovative technologies in the construction industry. Due to COVID-19, CITAC was temporarily closed to the public as a precautionary measure to reduce social contact.

In response to the fluctuating epidemic situation, virtual tours were developed and uploaded to CITAC’s official

website to offer the public a virtual walkthrough in the CITAC exhibition areas. 1,100 virtual visits were recorded since its launch in March 2020. Various online conferences and alternative events were also organised with more than 37,000 attendees, demonstrating a significant growth of engagement with industry stakeholders when compared with last year.

CITAC regularly renews its exhibits with a view to promoting wider adoption of construction innovation for the betterment of the industry, and keeping up with the fast-paced technological developments. The fourth round of exhibition will be launched in July 2021 after CITAC’s relocation to the CIC-Zero Carbon Park. CITAC will form a “Construction Exhibition Hub” with other exhibition centres nearby, namely the CIC-Zero Carbon Park, CIC BIM Space, and MiC Display Centre.

### Webinars on Diversified Topics of Interest of the Industry

Organising webinars serves as a new initiative to maintain the momentum on knowledge sharing during this challenging period, allowing CITAC to engage a larger group of industry stakeholders.

From 19 March to 31 December 2020, CITAC organised 49 webinars, successfully engaged more than 37,000 attendees. The webinars which attracted more than a thousand live viewers are shown as follows:

Date	Title	No. of Attendees
14 May 2020	Webinar on The Story of Crossrail: The Creation of a Digital Railway	Nearly 1,500
11 August 2020	Webinar on How to Improve Site Performance with Digital Works Supervision System + BIM	Over 1,100
21 August 2020	Webinar on Experience Sharing of a Showcase using Prefabricated Rebars	Over 1,300
27 August 2020	Webinar on Transforming the Construction Industry through Innovations	Over 1,200
17 September 2020	Webinar on Mainland and Hong Kong BIM and Digital Construction Forum	Over 1,100
24 September 2020	Webinar on Digital Infrastructure – Smart Bridge Technologies	Over 1,200
10 December 2020	Webinar on Revolutionary & Sustainable Nano & Bio-Green Technologies for the CIC-Zero Carbon Park	Over 1,100

## Exchange Views with Renowned Experts at Conferences

The CITAC Anniversary Conference on Construction Digitalisation was held online on 11 November 2020 with over 1,000 attendees across different sectors of the construction industry, including representatives from government departments, contractors and consultants, etc.

Centred on the theme of digitalisation across the construction life-cycle, Ir LAM Sai-hung, Permanent Secretary for Development (Works) of Development Bureau as the Guest of Honour, delivered the opening remarks. Local and overseas experts then shared their experience and lessons learnt on how to improve the construction industry across the whole project life-cycle with the implementation of digital tools.

The first “CITAC x Israel Construction Technology Conference and B2B Session”, co-organised by CITAC and the Israel Economic and Commercial Mission to Hong Kong and supported by Sino Inno Lab, was successfully held on 9 November 2020. Ir Dr. Richard PANG, Director of Industry Development of the CIC and Mr. Yoav HAIMI, Head of Economic and Commercial Mission from the Consulate General of Israel in Hong Kong gave the opening remarks. A total of seven Israeli contech companies gave presentations at this event, connecting Israeli companies with cutting-edge innovations in the construction tech domain with industry stakeholders in Hong Kong.



■ Left to right: Mr. Olivier KLEIN, Lead Technologist, Asia-Pacific AWS Solutions Architecture, Amazon Web Services; Ir Thomas HO, Chief Executive, Gammon Construction Limited; Mr. Donald CHOI, Chairperson of Construction Innovation and Technology Application Centre Management Board; Ir LAM Sai-hung, Permanent Secretary for Development (Works), Development Bureau; Ir Albert CHENG, Executive Director, Construction Industry Council; Ir Dr Richard PANG, Director – Industry Development, Construction Industry Council, Mr. Thomas TONG, General Manager of Innovation and Technology Development at Construction Industry Council



■ The CIC and HKSTP management and judges of final presentation at SciTech Challenge 2020

## SciTech Challenge 2020

Co-organised by the CIC and Hong Kong Science and Technology Park, SciTech Challenge 2020 was an open competition for innovators to pitch sensory technologies and solutions to industry end-users. This event brought together students and start-ups with potential users from the construction sector, in which the former groups pitched their products and solutions to the latter potential users. Over 60 groups from educational institutions and corporates participated in this year's competition.

The SciTech Challenge 2020 Finale was successfully held on 19 November 2020 at the CIC-Zero Carbon Park to celebrate the achievements of the vibrant and energetic contestants. Five prizes, including the Most Innovative Award and the Best Presentation Award, were presented to the winning teams.

## Increase of i-Club Membership

Benefited from the launch of online webinars, as of 31 December 2020, the number of registered organisation members and individual members was 156 and 3,060, respectively, with over six-fold growth in membership this year. The CITAC will continue to develop attractive i-Club

member privileges to appeal to industry stakeholders in joining the i-Club community.

## The Way Forward

2020 was undoubtedly a difficult year to all walks of life. Despite the CITAC was committed to drive the development and application of innovative technologies in the construction industry amid difficulties.

Looking forward, CITAC will continue to roll out more new projects to further promote innovative technologies and their applications in the industry, among which the development of an Innovation and Technology (I&T) Knowledge Hub will be one of the core businesses. A new web portal will be developed to consolidate knowledge, data and R&D findings related to the construction industry and construction I&T. CITAC will take the responsibility to draft model specifications and distribute it onto this platform to encourage wide technology adoption in the industry.

Meanwhile, we will also produce a series of videos, organise webinars and the CIC Digitalisation Award and launch the CITAC Anniversary Conference to encourage wide adoption of I&T in construction projects in the coming year.

## FOSTERING PROFESSIONALISM FOR INDUSTRY DEVELOPMENT

### Hong Kong Institute of Construction

#### Programme Curriculum Enhancement

Established in 2018, the Hong Kong Institute of Construction (HKIC) has strived to nurture accomplished and professional practitioners for the construction industry. Following the confirmation of the blueprint and roadmap for course development of full-time (one-year and two-year) programmes in 2019, HKIC continued to enhance programme curriculum for the Certificate in Construction, Diploma in Construction and Advanced Diploma and completed the accreditation exercises for the Certificate in Construction programme at the Hong Kong Qualifications Framework (QF) Level 2 and the addition of a new stream, i.e. Site Surveying, to the Diploma in Construction programme at QF Level 3. HKIC is now planning to introduce new stream of Electrical and Mechanical areas into the Diploma in Construction in an effort to address market needs more comprehensively and provide students more diversified articulation pathways.

#### 45<sup>th</sup> Anniversary of Construction Training

To mark the 45<sup>th</sup> anniversary of construction training in Hong Kong in 2020, three “45<sup>th</sup> Anniversary of Construction Training in Hong Kong” roving exhibitions were held

in October. The exhibitions featured stunning exhibits including traditional and innovative training tools and teaching materials, classic uniforms and virtual reality safety training gears, to showcase the development milestones of construction training in Hong Kong, attracting over 3,500 HKIC students and alumni, industry practitioners and public visitors. A series of branding campaigns was also launched throughout the year including a dedicated anniversary website, news supplement in Ming Pao, tramcar and tunnel billboards, and three promotional videos for social media platforms.

Besides, HKIC specially invited Professor LAU Chi-pang, a historian and Associate Vice President of Lingnan University, and his research team to compile the first-ever historical publication on construction training development in Hong Kong. After two years of preparation, from collecting historical information to conducting oral history interviews with more than 50 industry leaders and veterans, the book was published in December 2020.



■ “45<sup>th</sup> Anniversary of Construction Training in Hong Kong” roving exhibition attracted thousands of visitors



■ The first-ever historical publication on Hong Kong construction training development is available for purchase



■ Tramcar advertisement to celebrate the 45<sup>th</sup> Anniversary of Construction Training in Hong Kong

## Campus Facilities Upgrade

The COVID-19 epidemic has unleashed changes to the operation of HKIC, causing class suspension and reduction in the number of student enrolment. Instead of taking things lightly, HKIC faced the difficulties squarely by optimising training programmes and services provided, laying down a more solid foundation for nurturing future industry talents.

The "Centre for Professional Development" was formally renamed to the "School of Professional Development in Construction" (SPDC) on 1 January 2020. In April, the SPDC Advisory Committee was established to provide professional advice and guidance on the strategic development of SPDC and launching of training programmes, ensuring that the programmes can meet future needs and achieve sustainability of the construction industry.

With several years of concerted efforts, HKIC has taken a big step forward in enhancing campus facilities, improving training programmes and strengthening instructor training. The renovation works of campuses started in 2019 and subsequently completed in 2020, covering workshops and classrooms enhancement. To further foster all-round development of students, HKIC took this opportunity to provide additional campus facilities such as the Learning Resources Centre and gym room.

## Training

### Distance Learning During COVID-19

Since the outbreak of COVID-19, HKIC has suspended classes several times since February 2020, leading to a direct impact on the number of student enrolment and graduates. This year, there were 1,800 full-time graduates and 34,197 in-service construction practitioners completed part-time courses.

To protect the health of students and staff, HKIC took a series of measures to facilitate distance education as far as practicable, such as implementing “real-time online e-classes” and adopting “non-face-to-face teaching and learning packages” immediately in the wake of class suspension. Since February 2020, HKIC has uploaded 70 sets of programme materials and nine videos onto the website. A total of 40 videos on skills training of various trades were produced for students to refresh the knowledge at home. Originally-planned physical seminars were also switched to online setting, allowing practitioners to broaden their industry knowledge even during the pandemic. Moreover, the HKIC Non-face-to-face Teaching and Learning Task Group was set up to follow up with the progress of distance education, as well as to review content and quality of online training.

### High Quality Training Programmes

With a view to catching up market demand for well-trained technicians, teaching staff strived to enhance the existing curriculum while HKIC spared no effort to develop new programmes, such as adding new stream “Site Surveying” to the “Diploma in Construction” and launching the “Certificate in Aluminium Formwork”. In addition, a 40-hour “Certificate in Instructing Techniques for Site Trainers” was tailor-made to train up qualified site trainers and equip them with instruction skills to coach trainees at construction sites, thereby enhancing overall standard of on-the-job training at sites. In the meantime, the development plan of electrical and mechanical programmes was finalised to offer more comprehensive and high quality training programmes. In response to the government’s efforts on combating COVID-19, HKIC prepared a commissioned training course “Modular Integrated Construction (MiC) Unit Safe Installation” in March for a construction company entrusted to the government for building the Quarantine Centre in Penny Bay.



■ Temperature screening robot stationed at Kowloon Bay Campus and Tai Po Training Ground, by courtesy of the Electrical and Mechanical Services Department



■ HKIC teaching staff receiving the Best Trainee Award for completing the Site Supervisor Train-the-Trainer Course



■ Students taking the “Modular Integrated Construction (MiC) Unit Safe Installation” commissioned course at Tai Po Training Ground



■ Classroom teaching of the 5-day Site Supervisor Train-the-Trainer Course

### Safety Training Courses

In April 2020, the Safety Training Course for Construction Workers of Specified Trade – Rigger and Signaller (A12S), which was greatly welcomed by the industry, was launched to further enhance lifting safety training. To better prepare for the fast-growing development of Modular Integrated Construction (MiC), HKIC provided forward-looking lifting safety training course “Certificate for Lifting Safety Supervisors” specifically for experienced site managers recommended by contractors, enabling them to formulate lifting proposal and supervise lifting work after completing the course.

HKIC has also concerned about the safety training of slope work in Hong Kong. In this connection, the Certificate in Soil Nail Drilling Safety Course was launched in 2020, considered as a prerequisite by the Civil Engineering and Development Department for performing slope work.

## OPERATIONAL REVIEW

### FOSTERING PROFESSIONALISM FOR INDUSTRY DEVELOPMENT

#### Development and Programme of School of Professional Development in Construction

Same as last year, Modular Integrated Construction (MiC) and Building Information Modelling (BIM) were still the two main focuses of the curriculum development of School of Professional Development in Construction (SPDC).

The first intake of the “9-Day Specialist Certificate in Design for Manufacturing & Assembly (DfMA)”, jointly organised by SPDC and Singapore’s Building and Construction Authority (BCA) Academy, was held successfully in Singapore from 2 to 11 January 2020, with a total of 24 industry professionals and university researchers from 13 organisations. On the other hand, “Professional Certificate in Modular Integrated Construction (MiC) for Project Managers and Clerks of Works”, the first training programme in Hong Kong, was launched on 27 November.

With regards to BIM course development, the “Professional Certificate for BIM Coordinator” course was recognised as

one of the first batch of CIC-accredited BIM Coordinator courses on 13 November 2020 and will commence on 29 January 2021, with completion of the course being one of the prerequisites for applying for registration as CIC-certified BIM Coordinator. In addition, several BIM and digital construction related programmes were successfully launched in the year, for example, the “Certificate in Building Information Modelling (BIM) – Asset Management for EMSD Projects”, “Certificate in BIM Usage for Frontline Staff of Construction Works” and “Certificate in Digital Construction and Supervision Technologies for Front-line Supervisors”.

SPDC is now taking the leading role to set up a standalone website and mobile application and expects to implement roll-out in the second quarter of 2021. By then, applicants will be able to obtain the latest course information and apply for courses via the app. Existing courses will also undergo a review and restructuring process to accommodate the increasing need of industry practitioners for continuing professional training.



■ A Revitalisation of Haw Par Mansion – Experience Sharing Webinar on Conservation of Built Heritage held on 15 September 2020



■ A “9-Day Specialist Certificate in Design for Manufacturing & Assembly (DfMA)” programme jointly organised by SPDC and Building and Construction Authority (BCA) Academy from 2 to 11 January 2020 in Singapore

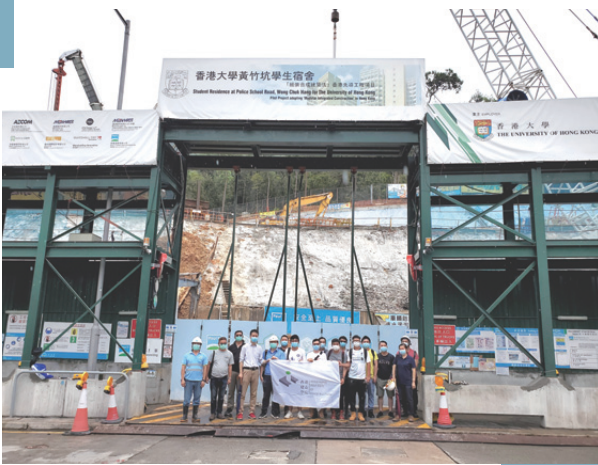




■ Group photo of SPDC Advisory Committee members and HKIC management staff



■ Webinar on “New Engineering Contract” jointly organised by SPDC, NEC Asia Pacific and construction-related institutes starting from November 2020



■ Site visit to the complex of student dormitories of the University of Hong Kong in Wong Chuk Hang, a pilot project adopting MiC

## Construction Industry Council Approved Technical Talents Training Programme

Launched in September 2019, the Construction Industry Council Approved Technical Talents Training Programme (CICATP) adopts dual-track approach by combining on-the-job training and skill assessments and enrichment programme in safety training, soft skills, innovation and technology provided by HKIC. HKIC graduates of one-year courses as well as selected individual short courses will be trained to be a knowledge-oriented senior tradesmen in two years. Up till the end of 2020, a total of 370 applications were approved, together with over 100 participating employers. About 190 days of Apprentice Enrichment training were organised with 96% attendance rate.

## OPERATIONAL REVIEW

### FOSTERING PROFESSIONALISM FOR INDUSTRY DEVELOPMENT



■ Mid-Term Skill Assessment marking the first training milestone of apprenticeship programme



■ Soft skill training for apprentices

#### Wide Recognition from Employers

CICATP has earned recognition from some of the key employers in the industry, such as the Works Departments under the Development Bureau, the Hong Kong Housing Authority, the Airport Authority Hong Kong and the MTR Corporation Limited, and has been considered as one of the designated worker training programmes listed in the contract with main contractors. According to the survey of the programme design, implementation and apprentice performance conducted with participating employers in April 2020, about 90% of the employers were satisfied with the overall student performance and programme implementation.

#### Motivation for Apprentice Training Participation

HKIC targets to recruit and train 200 to 300 HKIC full-time graduates to become knowledge-oriented senior tradesmen every year. As the HKIC full-time courses will acquire Qualification Framework (QF) Level 2 to QF Level 4 recognitions in the 2021/22 and 2022/23 academic year, the CICATP will keep up the pace and launch programmes integrated with qualification accredited courses and on-the-job training to increase students' incentive to participate in the apprentice training, laying the foundation for their future career development.

## Curriculum Development & Quality Assurance

In 2020, procedures of accreditation by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications were successfully completed for the revamped “Certificate in Construction” programme with eight streams at QF Level 2 and the addition of a new stream (Site Surveying) to the “Diploma in Construction” programme at QF Level 3. The HKIC has its courses successfully accredited without any conditions precedent or requirements for three consecutive years.

Apart from it, HKIC has strived to improve quality in the development of new programmes and the operation of existing programmes. During the year, 12 newly launched or revamped programmes have been vetted or validated according to the HKIC quality assurance (QA) mechanism. A “Health Check” mechanism for conducting annual quality assurance for QF-recognised programmes was also implemented. HKIC will continue to take a proactive role in mentoring all six Programme Teams (covering more than 200 programmes) through “account manager system”.

Over 25 sharing sessions, seminars and workshops were arranged for teaching staff in the year. Topics included QA, QF, curriculum development of outcome-based programmes, assessment design, programme management, learning and teaching materials development and programme accreditation preparation. To support the HKIC’s development, after reviewing the level of staff awareness and understanding of QA and QF, a 3-year roadmap for launching a holistic QA and QF training programme for teaching staff and a structured Continuing Professional Development (CPD) Scheme was established and approved by the Hong Kong Institute of Construction Management Board (HKICMB) in December 2020. To call attention to staff to the course quality, the second round of new quality improvement measures was launched at all campuses and departments of HKIC in 2020. New measures included enhancing the online service of Learning Resources Centre, holding forums with teaching staff and administrative staff to identify areas for improvement, creating learning circles to raise the level of staffs’ competence, etc. Two internal e-newsletters with a dedicated section to share quality assurance mechanism were also published.



■ Qualifications Framework Accreditation for “Certificate in Construction” programme

## Student Recruitment, Student Development and Career Support Services

### Promotion among Secondary School Students

Despite class suspension for all secondary schools, approximately 1,300 students were still reached in 2020 throughout the year through physical and online talks, as well as the below competitions.

To promote the construction innovation of BIM among secondary school students, HKIC launched the first-ever web-based “STEM Alliance – 3D Home Design Competition” in 2020, with over 300 participating students. Subsequently, the first-ever live webcasts “Construction x STEM” was held in June 2020 to discuss how BIM and electrical installation can be applied in construction industry and daily life.

Partnered with the Corporate Tech Academy Network (CTAN) members, the first “VPET Competition for Hong Kong Secondary Students”, was launched with the support of the Electrical and Mechanical Services Department, the Hong Kong Island School Heads Association, the Kowloon Region School Heads Association, the New Territories School Heads Association and the Engineering Discipline of Hong Kong Institute of Vocational Education to promote vocational and professional education and training. The competition attracted 113 students in total.

### Online Admission

With the ongoing decline in the number of secondary school graduates, along with the profound impact brought by COVID-19 on physical promotional activities, HKIC embraced the challenges and fully utilised online channels for student recruitment and activities promotion, such as web-based programme information talk, social media promotions, online admission and online programme consultation via Microsoft Teams on the day of HKDSE Release of Examination Results and WhatsApp stickers for DSE candidates, contributing an increase in the number of enrolment compared to last year. For full-time Advanced Diploma, Diploma and Certificate programmes in the 2020/21 academic year, the overall application rate was 74%, representing an increase of 13% compared to that of last academic year while the number of students enrolled saw a slight increase of 7% to 460. On the other hand, the application rate of full-time short courses was 122%, representing a significant increase of 33% compared to that of last year. Negatively affected by the four-month-long class suspension, the number of places available decreased that only 2,054 students were enrolled. Benefited from the wide adoption of online platforms, the number of HKIC website visitors soared to about 900,000 in 2020, representing a remarkable growth of 60%. The web-based programme information talk also recorded nearly 5,000 visits.



■ Finalists of “STEM Alliance – 3D Home Design Competition” presenting their works to judges online



WhatsApp stickers to cheer DSE students up with over 23,000 downloads

The COVID-19 epidemic situation has unleashed changes to the economic growth of Hong Kong and the long-term development of the construction industry to an unprecedented scale. Alongside this, the decrease in the number of secondary school graduates in recent years has posed daunting challenges to the recruitment work of HKIC. In view of this, HKIC will vigorously promote the development blueprint of “Construction Pathway Project” through versatile promotion strategies, such as branding campaigns, promotions in secondary school and website and social media promotions, to increase public awareness about the certificate and diploma programmes. Efforts will also be made to broaden the source of students to include young people seeking alternative employment. It is hoped that a growth in the number of student enrolled can still be maintained in spite of tough times in the coming years.

HKIC Anthem Production

To promote the vision and mission of HKIC as well as increase the sense of belonging of students and staff, the HKIC commenced anthem production work in 2020. The management, teaching staff and students were invited to participate in the recording. The anthem was officially broadcasted for the first time in the Graduation Ceremony in 2020.



Anthem recording



HKIC Anthem Lyrics Writing Competition Award Presentation Ceremony



■ Brainstorming Session of “Moral and Civic Education”



■ The newly published “Handbook on Positive Work Attitude and Value” for students

#### Moral and Civic Education Promotion at School

To encourage teaching staff to promote civic education, promote traditional Chinese culture at school, and strengthen the sense of national identity among them, HKIC invited Professor LAU Chi-pang to share his experience on how to implement moral and civic education in higher education institutions with the management. Three brainstorming sessions of “Moral and Civic Education” were held in the campuses. In the brainstorming sessions, the principals introduced the work strategy of promoting moral and civic education in the campus while staff from Student Development Department shared their experiences in relevant teaching materials preparation. In addition, teaching staff were also invited to share experiences in integrating moral and civic education elements into their teaching.

In December 2020, HKICMB approved the introduction of one-day sports training into full-time short courses with training duration of 75 days or longer. HKIC is actively following up on the relevant arrangement.

#### Expansion of Opportunities for Employment and Training

2020 was a challenging year for the Career Support Services. Various types of services were relentlessly organised for students and graduates, such as “Career Advising Scheme”, thematic workshops, production of *Handbook on Positive Work Attitude and Value* and individual career facilitation, to enhance their employability and personal qualities. At the same time, with the continued expansion of the CICATP, more employment and training opportunities were opened up for graduates. This year, over 80% of full-time students were employed by the industry within one month after graduation. Furthermore, as COVID-19 had an impact on the operation of full-time short courses, HKIC provided job-matching service for employers and 600 course applicants with urgent employment needs by coordinating both sides to participate in the Intermediate Tradesman Collaborative Training Scheme (ITCTS) so as to bring new talents into the industry.

Employer seminar on “How to Work with Ethnic Minorities and New Immigrants”



Writing lucky messages for Chinese New Year

高紹倫	郭志仁	謝啟堅	楊鎮儀
工程師 短期訓練課程 工務管理師 (1999)*	董事 基本工務課程 專業前導科 (2000)*	高級策劃工程師 建造業智工/ 技術員課程 土木工程 (2001)*	工程師 建造業智工/ 技術員課程 專業證書 (1999)*
文永俊	譚潔彩	黃偉倫	楊嘉智
董事 短期訓練課程 建築師專業證書 (1996)*	工程師 建造業智工/ 技術員課程 專業證書 (2013)*	高級項目經理 建造業智工/ 技術員課程 專業證書 (1999)*	高級主任 建造業智工/ 技術員課程 專業證書 (2000)*

Outstanding alumni putting HKIC motto “To Dedicate · To Excel” into practice

Diversified Publicity Initiatives

During COVID-19, HKIC strictly complied with the control measures while making best effort to extend stakeholders’ support for the career development of HKIC full-time course graduates through a wide range of activities. Activities included Contractor Sponsorship Scheme, HKIC Student Site Practices Scheme, Employer Appreciation Ceremony 2020, HKIC Graduation Ceremony 2020, employer seminar on “How to Work with Ethnic Minorities and New Immigrants?”, Build Your Life Mentorship Programme and the 2<sup>nd</sup> Outstanding Alumni Award. 25 briefing sessions on Career Support Services were held for industry employers and trade associations, totalling 111 representatives from 93 organisations. For students, 34 employer career talks and on-site recruitment activities were organized.

The 2<sup>nd</sup> Outstanding Alumni Award

The contributions made by alumni to the industry and HKIC signifies the legacy of HKIC’s mission. The 2<sup>nd</sup> Outstanding Alumni Award was held this year and eight alumni with remarkable contribution were awarded. Being the role models for “Pride of Construction”, the awardees have earnestly put HKIC’s motto “To Dedicate · To Excel” into practice and achieved great success in their lives and careers.

## OPERATIONAL REVIEW

### FOSTERING PROFESSIONALISM FOR INDUSTRY DEVELOPMENT



■ Signing memorandum of collaboration with Bureau of Education of Guangzhou Municipality



■ Visit to the WorldSkills training base in Guangzhou by the "Hong Kong Construction Industry Delegation to Guangdong Province"

#### Skills Exchange Internationally

Furthermore, HKIC has set up a WorldSkills Competition delegation to carry out relevant work with the purpose of promoting exchange between HKIC instructing staff and students and their international partners and encouraging the pursuit of excellence in skills. In January 2020, HKIC coordinated the "Hong Kong Construction Industry Delegation to Guangdong Province" and signed a memorandum of collaboration with the Bureau of Education of Guangzhou Municipality to steer active exchanges between technical institutes in the two cities in areas of student recruitment and employment, skills training and competition, etc.

#### The Way Forward

HKIC has been striving to nurture highly skilled workforce, provide a stable source of manpower over a long run for the construction industry and support graduates in building a successful career in the industry. It is expected that the labour market will be gradually stabilised. As such, HKIC will continue its efforts to expand networks of employers, strengthen partnerships with alumni, optimise the existing Career Portal and follow up the progress of students after their job placement in earnest to facilitate the process of job-seeking and employment. In addition, comprehensive training activities and competitions with our counterparts in the Mainland will also be organised to promote exchanges between both sides and equip the contestants and trainer team of the WorldSkills Shanghai with necessary skills.



## Collaboration Scheme

In addition to the full-time and part-time courses, the CIC offers a variety of collaborative training schemes as supplementary measures to respond to the demand for construction tradesmen and provide systematic and comprehensive craft training for construction practitioners. Working closely with main contractors, sub-contractors and trade unions, 2,095 graduates were trained under the Collaboration Scheme in 2020. In the years to come, special attention will be paid to expand the online platforms to reach more targeted employers and trainees and exploring more trades that would be benefited from collaborative training to enhance the outcome of the collaboration scheme.

### Intermediate Tradesman Collaborative Training Scheme

Intermediate Tradesman Collaborative Training Scheme (ITCTS), an integration of initial training provided by HKIC and on-the-job site training provided by employers, has been in operation for more than three years. In response to the suspension of face-to-face initial training courses during

COVID-19, the CIC exercised flexibility by arranging trainees to commence site-training directly at the employers' sites, supplemented with initial training in e-class as an alternative to ensure that trainees' training progress could get underway without delay. In order to address the rising industry demand for professional trades, three trades, namely Underwater Lamination Sand Placing Special Barge Operator, Offsite Rebar Automation Cut and Bend Operator as well as Tunnel Worker, were added to ITCTS in 2020. At present, ITCTS covers 46 trades.

### Lift Modernisation Subsidy Scheme

In response to the implementation of the "Lift Modernisation Subsidy Scheme" by the HKSAR Government and manpower demand for lift mechanic, the CIC cooperated with the Electrical and Mechanical Services Department (EMSD) and industry stakeholders to include "Lift Mechanic" in ITCTS in December 2019. With active promotion of the CIC and the EMSD, a total of 61 trainees of the ITCTS Lift Mechanic were successfully recruited in the year.



■ Utilising online platform and video conferencing application to launch ITCTS online recruitment days in times of the COVID-19 pandemic

### Advanced Construction Manpower Training Scheme – Pilot Scheme

To further optimised the “Advanced Construction Manpower Training Scheme – Pilot Scheme (Structured On-the-job)” (ACMTS – SOJ), an Enrichment Programme comprising of safety training, soft skills empowerment and skills enhancement with innovation and technology elements was included in the ACMTS – SOJ to ensure a holistic development of trainees.

### Increasing Recognition of the Scheme

To enhance publicity and receive wider recognition of the schemes, the CIC actively sought for collaboration with 42 social welfare organisations (SWOs) and Home Affairs

Enquiry Centres and regularly organised ITCTS Recruitment Days with the Labour Department and various SWOs. Given the challenges posed by the COVID-19 pandemic, ITCTS Recruitment Days were launched using virtual event platform and video conferencing application. A total of 16 recruitment days were held in 2020, attracting 882 job seekers with 1,557 on-site interviews arranged.

With a view to strengthening the relationship with employers and enhancing trainees’ understanding of the market, the CIC conducted 187 Scheme Introduction Briefing Sessions with employers via phone calls, video conferences and meetings. A total of four “Employer Sharing Sessions” and four “Trainee Sharing Sessions” were held in 2020, with the participation of more than 30 companies and 90 trainees.



■ Collaborative Training Scheme Employer Sharing Sessions



■ The newly added “Enrichment Programme” of Advanced Construction Manpower Training Scheme – Pilot Scheme (Structured On-the-job)



■ Co-organised recruitment days with social welfare agencies to expand publicity network

## Urban Forestry Support Fund – Trainee Programme

Commissioned by the Greening, Landscape and Tree Management Section of the Development Bureau, the CIC administers the “Urban Forestry Support Fund – Trainee Programme” (Trainee Programme). Launched in August 2020, the Trainee Programme follows the “first-hire-then-train” principle to enable graduates of arboriculture and tree management programmes to receive on-the-job training, paving the way for them to become qualified arborists and tree climbers in the future. It is expected that around 100 arboriculture and tree management graduates will be benefited from the Trainee Programme every year.

To strengthen the relationship with employers and industry stakeholders and enhance their understanding of the programme, 15 briefing sessions were arranged in 2020 with more than 35 participating companies. From August to December 2020, there were 23 trainees enrolled in the programme, of which 20 were arborist trainees and three were tree climber trainees.



■ Training tutor and arborist trainee were supervising tree removal work by the chainsaw operator at construction site



■ Tree climber tutor was felling a tree with chainsaw



■ Tree climber training tutor was demonstrating tree climbing with rope access during internal training session

## Trade Testing

The COVID-19 pandemic has brought unprecedented challenges both for the business environment and the operation of society; nevertheless, the Hong Kong Construction Industry Trade Testing Centre (HKCITTC) stood fast in its role and continued to provide efficient services during this particular period in the hope to facilitate workers to obtain qualifications to stay in their jobs and support living. An array of anti-epidemic measures were also adopted to protect the health of candidates and invigilators.

## More Efficient and Effective Trade Testing Service

### Adjustment of Construction Trade Test Application Requirements

Adjustment of the trade test application requirements took effective on 1 January 2020. In order to update workers on the details of the latest trade test application requirements for work experience and documentary proof, the HKCITTC actively communicated with industry stakeholders through various means and widely distributed leaflet of “Work

Experience Requirement for Trade Tests”. With the smooth implementation of the new application requirement, the average number of trade tests taken per person has been improved significantly, and the passing rates of students from training institutions has also been increased. In addition, the mechanism of recognised training institutes and labour unions for trade tests was introduced in early 2020, for which a poster was produced to promote industry stakeholders the idea that work experience requirement can be exempted by attending recognised bridging courses.

### Newly Launched “Trade Test for Grade A Electrical Work”

The HKCITTC officially launched the brand new “Trade Test for Grade A Electrical Work” in December 2020. Workers who successfully pass the trade test can apply to register as the Grade A Electrical Worker to the Electrical and Mechanical Services Department by using the Trade Test Certificate issued by the CIC. This arrangement has further expanded the scope of services provided by HKCITTC, facilitating more construction workers to obtain relevant professional qualifications and build their own career ladder in construction industry.



■ Poster of “Recognised Bridging Courses”



■ Poster of “Trade Test for Grade A Electrical Work”

### Digitalisation and Computerisation

The HKCITTC co-operated with Information Technology Department to improve the Trade Testing Management System, streamline operation procedures and processes, and ultimately enhance overall efficiency of daily processing of trade tests and statistics with satisfactory initial result. Meanwhile, the e-written test system has also been adopted in Trade Tests and Intermediate Trade Tests and received remarkable result in simplifying the written test workflow and increasing the efficiency and accuracy of written test scoring.

### Standardisation of Testing Processes

A set of trade tests reference study materials, such as pre-test briefing materials, practical test mock papers, written mock test papers, study materials and a collection of reference trade test photos, has been prepared in a standardised format to provide candidates clearer and more consistent preparation materials.

The HKCITTC also standardised the scoring sheets and practical test assessment scope of all trades to maintain objectiveness of assessment criteria and consistency of assessment process, and to further streamline the scoring process. Through the standardisation of assessment process, particularly the design of assessment criteria and process, validity and reliability of trade testing assessment can be enhanced.

### Invigilators' moderation and training

The purpose of moderation is to ensure invigilators making consistent assessment judgments when assessing candidates' performance, which is an essential part ensuring assessment integrity. Through moderation, experience sharing and discussion, invigilators will come up with a set of objective, standardised assessment criteria on evaluating skill levels of candidates to ensure consistent assessment results across different invigilators for the same candidate.

Training for invigilators was arranged to refresh their knowledge of the stringent requirements and procedures of the invigilation and skill assessments, enhance their

customer service skills, and update their understanding of the industry's expectation towards and latest demand for trade tests.

### Resources Redeployment

In 2020, some of the trade testing workshops, such as bar-bending, concreting and drainlayer, which originally conducted at Tai Po Training Ground, were relocated and arranged to be operated at the HKCITTC in Aberdeen, in which most of trade testing workshops are planned to be centralised and operated in 2021. Besides, various trades underwent restructuring process, for example, combining the supervision of levelling trade with that of scaffolding trade, and construction-related electrical and mechanical trades with construction plant mechanic trades, with the aim of utilising resources in a more effective way and further enhancing monitoring and management efficiency.

### Multi-channels for Trade Test Applications

Taking into consideration the latest development of the epidemic situation, the HKCITTC stepped up the promotion of Trade Test App (TTOA) to encourage workers to use the App for trade test application to reduce social contact. Furthermore, a drop box for trade test applications was also set up at the HKCITTC to provide alternative application method.



■ Promotion Leaflet of Trade Test Mobile App

#### More Facilitation on Trade Test Preparation for Candidates and Training Institutes

##### Enriching Materials on Preparing for Trade Trades and Trade Test Information

The HKCITTC has always strived to provide quality services to candidates. This year, a number of candidate-centric trade test information and preparation materials were produced, including producing and updating eight trade test videos introducing trade test background, new application requirement, trade test and e-written test procedures, etc.; producing “Trade Testing Agent” videos for Trade Tests and Intermediate Trade Tests; translating 14 “Trade Testing Agent” videos into English and different Ethnic Minority (EM) languages; producing trade test reference photo collection for 149 trades; standardising the format and optimising the content of 135 mock papers, study materials for written tests for Trade Tests / Intermediate Trade Tests; and preparing instructors of training institutes a tailor-made brief of test preparation.

All trade test information and preparation materials were uploaded to the CIC’s official website and Youtube channel in order to help candidates and instructors familiarise with the contents and requirements for trade tests and get well-prepared, thereby further enhancing the professional image of the HKCITTC.

#### Maintaining Close Contact with Construction Industry Stakeholders

The HKCITTC hosted 43 trade test exchange sessions and 12 industry exchange forums with industry stakeholders and instructors from Hong Kong Institute of Construction, Collaboration Scheme and other training institutes to provide an effective communication platform and maintain close relationship and communication with them.

During exchange sessions, trade test content and assessment criteria were explained in detail by invigilators, while views towards the latest trade test development was discussed and exchanged with industry stakeholders from labour unions and trade associations in exchange forums. A large-scale EM exchange forum was also held with over 10 major EM communities and organisations invited to gather their opinions of trade tests and the difficulties encountered when having trade tests, and to explore how to assist EM candidates more effectively.

The HKCITTC also organised 15 online trade test seminars for 17 hot trades to introduce industry practitioners trade tests. The online seminars received an overwhelming response, attracting the participation of about 240 HKIC students, workers and industry practitioners who were interested in taking trade tests.



■ Fire Services Department was invited to visit the HKCITTC on 3 November 2020



■ Major EM communities and organisations were invited to attend an EM exchange forum on 10 January 2020

## Recognition to Construction Masters and New Talents

With the purpose of recognising exceptional workmanship of experienced workers and new talents and acknowledging skilled industry practitioners from different trades, thereby encouraging the industry to identify and value talents, the HKCITC organised the 1<sup>st</sup> Hong Kong Construction Skills Competition (Competition) in 2020. Being one of the leading competitions in the construction industry, the Competition consisted of youth group and open group competitions, attracting a total of 161 contestants.

As COVID-19 persisted, the Competition was held behind closed doors. To increase public engagement, the Competition was streamed live online on the CIC's Facebook page and YouTube channel on the first day of open group competition, attracting a total of 35,800 views and arousing heated discussion in the industry.

Thanks to the generous sponsorships and enormous supports from the industry, the Competition was held successfully with over 97% of the contestants satisfying with the arrangement. An event highlights video was also produced and uploaded to YouTube channel for public review.



■ Mr. CHAN Ka-kui, Chairman of the CIC, Ir Albert CHENG, Executive Director of the CIC, Ir YU Sai-yen, Chairperson of the Construction Industry Training Board, and Mrs. Sylvia LAM, the then Director of Architectural Services, visited the 1<sup>st</sup> Hong Kong Construction Skills Competition and cheered for the contestants



■ Winners of the 1<sup>st</sup> Hong Kong Construction Skills Competition – Open Group

## The Way Forward

Looking forward, the HKCITTC will formulate a three-year plan with three major goals: enhancing resource utilisation and operational process efficiency; promoting participation of workers in taking trade tests to obtain quality-assured qualifications, thus enhancing their competitiveness; and encouraging construction employers and contractors to include trade testing qualifications as a mandatory requirement in the construction contracts, and raising the recognition of qualifications of trade tests.



■ Winners of the 1<sup>st</sup> Hong Kong Construction Skills Competition – Youth Group



## QUALIFICATION FRAMEWORK FOR ESTABLISHING PROFESSIONAL STATUS

### Workers Registration

The construction industry has been facing severe challenges during the pandemic, the Workers Registration Office (WRO) worked hand-in-hand, displaying resilience and resourcefulness to continue the support to registered workers.

### Uninterrupted Registration Services

The WRO provided uninterrupted services to construction workers during the outbreak. The CIC Service Centres stayed open for counter services while the back office operated around-the-clock to handle applications by post and electronic applications.

### Omni-channels for Registration

To minimise the possible risk of infection when commuting to CIC Services Centres for registration, omnichannels were launched for workers registration services including drop box at centres, postal method, easyJob mobile app and online submission to suit different needs of workers. Meanwhile, the WRO processed the applications back-end and ensured timely issuance of registration cards to registered workers.



■ The service centres adopted adequate anti-epidemic measures and colleagues provided uninterrupted registration services during COVID-19

### Registration Figures

The Workers Registration received 71,717 new registrations and 108,777 renewal applications in 2020, which was an increase of 128% and 69% respectively compared to 2019.

Registration Category	Number of Registered Workers (as at 31/12/2020)	Number of Registered Workers (as at 31/12/2019)
Registered skilled worker	208,158	202,612
Registered semi-skilled worker	32,972	30,655
Registered General worker	307,198	245,778
Total	548,328	479,045

### Anti-epidemic Assistance

The CIC assisted the Government in disbursing subsidies to the construction enterprises and workers under the “Anti-epidemic Fund” (AEF). The WRO set up enquiry service at the CIC Service Centres to handle registered workers’ enquiries and to assist them in applying for the AEF via mobile app. The flexibility of services provided by the CIC Service Centres coped well with the service demand, whilst we also stayed vigilant to the epidemic and adopted prevention measures to ensure health and safety of our staff and visitors.

Hong Kong faced a shortage of anti-epidemic supplies during the pandemic outbreak, the WRO distributed masks and hand sanitisers under the “Construction Industry Caring Campaign - Fight against Novel Coronavirus” to more than 50,400 registered workers who visited the CIC Service Centres for registration services. We continued to distribute thoughtful and practical seasonal giveaways to workers who came to apply for registration, including card cases and red packets, etc.

## Workers' Development and Welfare

Amidst the COVID-19 pandemic, the Construction Workers Registration Board continued to introduce a variety of initiatives for workers' professional development and welfare.

### Construction Workers Professional Development Scheme

We launched the Construction Workers Professional Development Scheme (Development Scheme) in 2020, aiming to encourage workers to pursue continuous learning and professional enhancement, as well as to develop

multiple skills, so as to nurture more outstanding professional tradesmen for the industry. The Development Scheme was well received by the industry with over 5,800 applications.

Due to the pandemic, the in-person award presentation ceremony was cancelled and replaced by a compilation of short videos featuring 186 awardees with their tips on professional development. The compilation video was uploaded onto the CIC website so that the awardees could share the joy with their family members and friends. The Development Scheme delivered positive energy during the pandemic and it showed impressive professionalism and multifaceted skills of registered construction workers.



■ Construction Workers Professional Development Scheme



■ Award winners of the Construction Workers Professional Development Scheme were invited to share their experiences (Awardee of the Construction Career Advancement Commendation Programme (Diamond) - Mr. WONG Kin-pan, Alexander)



■ The card face of “CCB (Asia) Construction Industry UnionPay Dual Currency Credit Card”

### Designated Credit Card for Construction Workers

The CIC and China Construction Bank (Asia) Corporation Limited jointly launched the “CCB (Asia) Construction Industry UnionPay Dual Currency Credit Card” (Credit Card) specially designed for registered construction workers, with the aim of increasing workers’ pride and sense of belonging to the construction industry. In addition to providing exclusive privileges and discounts for registered workers, the Credit Card is equipped with the UnionPay App which provides workers with a contactless payment method to reduce contacts during the pandemic.

### Supporting Young Family Members of Workers

Aiming to recognise registered workers for building Hong Kong a home for all and their parenting efforts to raise their families, “Scholarship for Family Members of Registered Construction Workers” celebrated its tenth anniversary in 2020. Over the decade, the CIC awarded 203 outstanding students with a total of over HK\$1.69 million scholarships. A record-breaking number of 503 applications were received in 2020, and 30 awards were presented at the award ceremony held on 31 October 2020. Past winners were invited to share their stories and experience of academic and career development and together shared the joy with this year’s winners and their families.

### Financial Relief

Hong Kong was facing a challenging economic environment since 2019. In order to relieve the burden of frontline construction workers, the CIC extended the waiver of registration and renewal fees for one year from 1 October 2020 to 30 September 2021 in response to the relief measures of the HKSAR Government.



■ The promotional poster for waiver of the construction workers’ registration and renewal fees



■ The award ceremony of the tenth Scholarship for Family Members of Registered Construction Workers was held on 31 October 2020

## Enforcement of Construction Workers Registration Ordinance

The Inspection and Enforcement Team continued to strengthen the industry's compliance with the provisions of the Construction Workers Registration Ordinance (Cap. 583) (CWRO) through a multi-pronged approach, including site inspection, compliance check on daily attendance records (DAR), prosecution, publicity and education. In 2020, the team conducted a total of 1,301 site inspections, checked 13,187 workers registration cards and reviewed a total of 2,462 DAR.

The Inspection and Enforcement Team prosecutes, in the name of the CIC, persons suspected of violating the provisions of the CWRO. Following investigations, the team issued a total of 327 summonses to the suspected offenders in 2020. Including the cases brought forward from the previous years, 252 summonses resulted in convictions in 2020 with 228 summonses to be heard in 2021.

Regarding publicity and education, a total of 20 seminars including tailor-made ones for contractors, were held to explain the requirements of the CWRO and the operation of the Construction Workers Registration System. Education efforts were stepped up during the year with dissemination of detailed illustration of CWRO requirements for new contracts registered and major CWRO provisions via regular emails.

## The Way Forward

Looking forward, we will continue to strive to provide excellent registration services to different industry stakeholders, including actively promoting e-registration to workers and upgrade of registration centres, as well as organising publicity and educational activities to promote various initiatives for workers registration and enforcement.

Workers' wellbeing is another priority of the CIC. We will organise a series of activities themed "personal development" and "personal health" for workers in 2021, and continue to strive to engage and motivate industry stakeholders and friends to participate in workers' development and welfare projects with an aim of further advancing the caring culture of the construction industry.

## Registered Specialist Trade Contractors Scheme

Launched in April 2019, the Registered Specialist Trade Contractors Scheme (RSTCS) achieved a record of 1,606 Registered Specialist Trade Contractors (RSTC) and 5,775 Registered Subcontractors (RS) for a total of 7,381 registered companies by end of 2020. Registration drove professionalism of registered companies and brought together specialists of core construction sectors.

### Industry Recognition

The seven designated trades of the RSTCS including concreting, concreting formwork, curtain wall, demolition, erection of concrete precast component, reinforcement bar fixing and scaffolding had been widely recognised by industry stakeholders. To accelerate the recognition of professionalism of the registered companies and to attract more industry stakeholders to get registered, the five core registration elements regarding safety, management, job experience, execution and finance have been uplifted. In response to the Association of Plastering Sub-contractors' request to add plastering as the eighth designated trade under the RSTCS, plastering trade will commence its RSTC registration with effect from 1 January 2021 with wide industry support.

The deployment of RSTCS registered companies was also adopted in the public works contracts. In particular, Group 2 companies of the RSTCS were not subject to any tender limit arrangement on subcontracts in public works under Development Bureau and the Housing Authority while Group 1 companies would tender according to the specified threshold starting from 1 October 2020.

### Registration Drives Professionalism

During the year, the Registration Services held 49 workshops to introduce the RSTCS objectives, requirements and application procedures. To encourage stakeholders' participation during the COVID-19 pandemic, face-to-face workshops were turned to webinars, establishing a two-way communication platform for attendees to express their concerns and share suggestions.

### Regulatory Actions

The Committee on RSTCS instigates regulatory actions against registered companies arising from court convictions or violations of relevant laws, as well as breach of Rules and Procedures of the RSTCS. When there is a prima facie case, a hearing will be conducted by the Committee and any regulatory actions imposed will be published on the RSTCS website. An independent appeal mechanism is also established to handle appeal cases.

During the year, a total of 28 registered companies were regulated, mainly in relation to violations of safety, wage payment and MPF legislations. The concerned companies were subject to penalties ranging from warning letters to suspension of registration from one to nine months.

### Talent Development

The RSTCS effectively provides a platform for registered companies to increase their exposure among a broader network of stakeholders. The RSTCS Leadership Summit 2020 (Summit) was conducted online with more than 240 attendees. Themed "New Normal" in Construction Industry – Digitalisation and Innovation, chairpersons of trade associations shared the advantages and their experiences of registration.

The Summit also invited industry pioneers to share their successful experiences and insights in implementation of digitalising site supervision and human-robot collaboration in construction projects. Four young leaders from the RSTCS Young Leaders Network, delivered presentations on automation and advanced technological solutions during the Summit. A discussion session was held to discuss how young leaders driving the industry to embrace the new trend of technology in construction.

## OPERATIONAL REVIEW

### QUALIFICATION FRAMEWORK FOR ESTABLISHING PROFESSIONAL STATUS

With the four core values of the RSTCS Young Leaders Network, we envision to nurture management and site supervisory staff aged 45 or below to succeed the professionalism and expertise of trade specialist, bringing forward the construction industry to new era. The four core values are:

1. Rejuvenate entrepreneurial spirit of new generation leaders;
2. Succeed professionalism and endeavor of businesses;
3. Transform the industry with innovative technologies; and
4. Collaborate with respect and trust in pursuit of excellence.

## The Way Forward

The RSTCS will continue to elevate the status of the registered companies with a forward-looking vision to promulgate the five core registration elements with other similar registration systems in Hong Kong and to implement the subcontract tender limit arrangement in public works contract for the newly added plastering designated trade from the end of 2021.



■ Young leaders from RSTCS Young Leader Network shared experiences of innovative technology adoption in construction projects



■ Speakers of the RSTCS Leadership Summit 2020 (left to right): Mr. Conroy TSANG, Mr. Andy WONG, Mr. Tim CHEUNG, Mr. Daniel LEE, Ms. LEE Oi-yen, Assistant Director – Registration and Technology Fund of the CIC, Mr. Benjamin WANG



## Technically Competent Persons Registration Scheme

### Launch of Technically Competent Persons Registration Scheme

A Memorandum of Understanding was signed between the CIC and the Buildings Department to establish the Technically Competent Persons Registration Scheme (TCPRS). The TCPRS facilitates the appointment and administration of Technically Competent Persons (TCPs) and Competent Person (Logging) and aims to build a pool of technically competent personnel to carry out engineering safety supervision and routine safety supervision duties.

The TCPRS was officially launched on 18 December 2020 with the following objectives:

1. Facilitate submission of supervision plans under the Buildings Ordinance (Cap. 123);
2. Gauge supply of TCPs; and
3. Through continuous training, enhance the quality, skills and knowledge of the TCPs and Competent Person (Logging).



TCPRS App

### Recognition and professionalism of the TCPs

Through registration to TCPRS via the TCPRS Portal, the registered TCP obtains an electronic registration card stored in the TCPRS Mobile App. The e-registration card states the registration particulars of the registered TCPs for easy identification and verification. Besides having the status being recognised, through continuous training and professional development, the quality and knowledge of the TCPs would be enhanced continuously.

The TCP List with details of all valid registered TCPs is available on the CIC website for every member of the public to ascertain a TCP's registration.

### The Way Forward

The CIC would continue publicising the TCPRS to industry stakeholders. The Continuous Professional Development model would also be built to enhance the overall quality of the registered TCPs and to nurture and recognise construction talents.



Back: (left) Mr. CHAN Ka-kui, Chairman of the CIC, and Ir LAM Sai-hung, Permanent Secretary for Development (Works)  
Front: (left to right) Ms. LEE Oi-yen, Assistant Director – Registration and Technology Fund of the CIC, Ir Albert CHENG, Executive Director of the CIC, Mr. YU Tak-cheung, Director of Buildings, and Mr. Humphrey HO, Assistant Director / New Buildings 2, Buildings Department

## FUELLING INDUSTRY INNOVATION WITH IDEAS AND CAPITAL

### Construction Innovation and Technology Fund (CITF)

#### Catalyst to Industry Transformation

The Construction Innovation and Technology Fund (CITF) continues its mission to support industry transformation through automation, digitisation and industrialisation. As of the end of 2020, 2,074 applications were received, among which 1,553 applications were approved, amounting to a total of HK\$366 million fund granted. The CITF applications manifested the six pillars of transformation catalyst, namely Building Information Modelling, Advanced Construction Technologies, Modular Integrated Construction, Prefabricated Steel Rebar, Industrialised Process – Robotic Welding and Manpower Development.

In response to the needs of Hong Kong construction industry, the scope of the CITF has broadened to enable industry stakeholders to pursue a visionary transformation. During the year, the funding category for MiC was expanded to financially support project consultants for additional costs incurred in implementing MiC projects as well as for costs incurred in the applications for in-principle acceptance

of MiC systems to the Buildings Department’s Lists of Pre-accepted MiC Systems. The financial subsidy was up to HK\$4 million per project for the former and up to HK\$1 million per successful application for the latter. Besides, the funding ceiling of the category “Prefabricated Steel Rebar” increased from HK\$3 million to HK\$5 million per project and the cash rebate per tonne also increased from HK\$200 to HK\$300. A new funding category, Industrialised Process – Robotic Welding, was newly created to further encourage industrialisation of in-situ work processes.

#### Industry Engagement

Another highlight of CITF was the CITF Pre-approved Lists (PA Lists) which serves as a sharing platform for both suppliers and potential users, providing the latest technology products, software and course information at fingertips. By the end of 2020, there were 207 pre-approved BIM Training Courses, 78 pre-approved BIM Software and 223 pre-approved technologies on the three PA Lists published on the CITF website.



■ CITF virtual booth





■ Signature online event “CITF ConTech 2020”

Under the COVID-19 pandemic, CITF continued to provide industry stakeholders the latest information on technological development and applications. A signature online event organised by the CITF Secretariat, CITF ConTech 2020, was held from September to October 2020, the PA List products which are readily available in the market were introduced and showcased via different thematic sessions such as Technologies Sharing, PowerUP Talk, Virtual Exhibition Booths and CITF Chat. Over 70 successful applicants and technology providers shared their experience in technology adoption and their products in various sessions.

In the face of the new normality under COVID-19, the CITF embraced the digital world for seminars. The series of theme-based online CITF Seminars discussed the CITF funding scope and application procedures as well as associated PA List products. We also maintained our vibrant communications with industry stakeholders through various direct e-marketing initiatives, offering the latest CITF updates and promoting the PA Lists.

## The Way Forward

The year of 2020 marked the second anniversary of the CITF, moving towards a new milestone. A comprehensive mid-term review will be conducted to take stock of the experience of the past two years and set forth the direction for the upcoming years for the benefit of a wider stakeholders group, with a view to developing a more “smart”, automated and productive construction industry.



■ Marketing Pre-approved Lists



■ Promoting CITF webinar

## EXEMPLARY LEADERSHIP, IMPACTFUL OPERATION

### Corporate Secretariat

The Corporate Secretariat (C-SECT) provides secretarial services and administrative support for the two highest-level authorities, the Council and the Executive Committee. It ensures the CIC's compliance with statutory and appointment requirements, upholds the corporate integrity and governance standards, and assists the Council on important policy decisions and strategic directions. C-SECT improves the quality of meeting documents and correspondence by implementing Grade Management for secretariat staff. It also develops governance systems and procedures, formulates corporate policies and guidelines, prepares documentation framework and templates, as well as providing regular training on relevant topics for staff.

### Enhance Corporate Governance Standards

C-SECT conducted the "Experience Sharing on Corporate Governance and Way Forward for CIC" session in 2020 to promote awareness and understanding of corporate governance, sustainability and social responsibility for senior management staff, and to reinforce enhancement of various standards and practices. Three sessions on Grade Management training were organised by C-SECT benefitting over 80 staff members.

### Release Informative Publications

C-SECT published the bilingual *CIC 2020 Major Work Plans* and *Corporate Governance Manual* in February and March 2020 respectively and updated the *Information for Council Members* booklet in March 2020. The *Corporate Secretariat Operation Manual* was also revamped for staff members' reference.

### Encourage Employment of the Ethnic Minorities

C-SECT developed initiatives with the Task Force on Ethnic Minorities in Construction to facilitate and encourage the ethnic minorities to join the construction industry. A video was produced to illustrate the career prospect in construction for ethnic minority workers and to promote the services of the CIC.

### Tackle COVID-19 Epidemic with Agility

To cope with challenges posed by the pandemic, C-SECT closely observed the precautionary measures on COVID-19. To maintain social distancing, we conducted video conferences and delivered training sessions by hosting webinars. For urgent matters such as the implementation of various anti-epidemic relief measures, we sought Council Members' approval by means of circulation of papers to ease concerns about attending meetings in person during the epidemic.

### The Way Forward

Looking ahead, C-SECT will continue to strengthen corporate governance for the CIC and enhance the quality and standard of our secretariat services. We will encourage fellow departments to put greater effort and commitment into the areas of sustainability and risk management.

As a pledge to drive for excellence and self-improvement, we shall strive for more and higher level recognitions in best corporate governance via active participation and exchange in prestigious award competitions.

## Corporate Communications

The Corporate Communications Department (CCD) has been keeping pace with the fast-changing situation and going against the convention to support the CIC to address any challenges arising from the COVID-19 pandemic with a high level of preparedness and resilience. The CCD leads the strategic publicity plan to build a positive industry image and strengthen CIC's position as an advocate of the industry. The CCD plays a pivotal role in maintaining CIC's excellent reputation and fostering a sustainable, positive and caring image and culture within the industry by establishing effective communication channels. The CCD is responsible for CIC's marketing, public relations, media relations, Construction Industry Sports and Volunteering Programme, outreach services and crisis management, and identifies and manages potential crisis with shrewd market acumen.

### Weather the Storm with the Industry

The construction industry was hard hit by the COVID-19 pandemic since early 2020. Many site operations are disrupted by epidemic control measures, which leads to underemployment and affects the livelihood of many workers. In view of this, the CIC initiated the "Construction Industry Caring Campaign - Fight against Novel Coronavirus" (Caring Campaign) to raise funds for assisting workers affected by the pandemic or infected by COVID-19. Furthermore, to tie in with the HKSAR Government's policies in fighting the disease, the CIC allocated a fund of HK\$200 million to set up a "CIC Relief Fund". A one-off financial support was provided to small and medium enterprises (SMEs) in the construction industry to relieve their economic distress, while workers were encouraged to acquire new skills with additional training allowance for enhancing their competency to switch to other trades and further their career within the industry. The CIC also assisted the Development Bureau to distribute the Construction Industry "Anti-epidemic Fund". The CCD undertook tasks such as coordination, answering enquiries, promotion, administration and logistics arrangement for several large

scale anti-epidemic campaigns, making sure relevant relief support is provided to the industry in time. Under such exceptional circumstances, the CCD worked day and night to promote various relief measures and establish interactive communication channels, ensuring messages delivered are up-to-date and all stakeholders and workers' queries are answered. Thoughtful non-financial support is also provided to workers affected by the pandemic.

Apart from assisting to source protective equipment, the CCD commissioned the Outreach Services team to manage the increasing workload, including to process Caring Campaign's enquiries, applications, administrative arrangements and distribute caring packs, rendering timely support for workers in need on behalf of the CIC and the industry. Thanks to the industry's support, the Caring Campaign processed 2,580 applications, issued a total subsidy of HK\$11,668,000 and distributed 140,000 caring packs, over 135,000 bottles of hand sanitisers and over 530,000 face masks in 2020, assisting construction workers in times of supplies shortage.

Echoing the "Construction Industry Caring Campaign - Fight against Novel Coronavirus", a "Construction Industry Community Caring Campaign" initiated by the Construction Industry Sports and Volunteering Programme in April and May had successfully gathered construction industry organisations to organise over 150 rounds of anti-epidemic material distribution activities in different districts, extending the support of the construction industry in the community to show care for underprivileged groups. 450,000 pieces of masks and 40,000 bottles of hand sanitiser were distributed, benefitting over 52,000 citizens.

#### Effective Communication to Support Sites' Anti-epidemic Measures

In 2020, the prevalence of the pandemic dealt a severe blow to local construction industry and brought operation to a halt at a few sites. In view of the situation, the CCD adjusted its communication plans to effectively publicise changes in relevant policies and formulated comprehensive anti-epidemic promotion plans for construction sites to raise health awareness of workers. Taking into account the language demand of ethnic minority workers, multi-language posters were prepared in Nepali, Hindi and Urdu for workers who are illiterate in both Chinese and English to ensure relevant messages were effectively delivered to all workers, thus breaking the possible transmission chain in the industry. In response to the evolving epidemic situation, the CIC worked hand-in-hand with the Development Bureau to roll out various initiatives, such as driving sites to review environmental hygiene, encouraging site workers to participate in the testing scheme, encouraging site workers to conduct test regularly and take effective prevention measures. Alongside with online and offline advertising efforts, the CCD broadens audience base by leveraging different promotional platforms such as posters and websites to promptly and effectively disseminate information to the industry and the public to ride out the storm.

Operation of the society was affected by the pandemic, a special crisis communication task force within CCD was set up to update the public, workers and the media regularly on latest operation arrangements of the CIC and the industry to allay public concerns while maintaining operational transparency. In the meantime, the CIC continued to provide services and facilities to workers and anti-epidemic information to the industry and the public to uphold CIC's positive image and reputation.

To encourage sustainable development and improvement, the CCD is committed to promoting industry cohesiveness with a positive industry image. Despite the fact that many events were cancelled and postponed due to the pandemic in 2020, the CCD strives ahead with extensive experience and take the lead to launch events in different formats to

cope with the challenges, as well as helping everyone in the CIC adjust to the new normal, for example, hosting online events and uploading exhibition content onto websites. In addition to various themed online activities, the CCD has also crafted a new informative and energetic lunch webinar "CIC Lunch Talk" to invite professionals to share insights about innovation and their experience, leading industry development forward and invigorating the public image of the construction industry with the use of virtual space. As the epidemic situation gradually stabilised later this year, the CCD launched a number of key publicity events between September to November, including "Art in Construction" Exhibition and Construction Month 2020, enhancing the image of the industry. Recognising the growing importance of online platforms, the CCD accelerated its CIC website revamp project to fully utilise the internet platform for sharing information.

Besides organising a number of themed activities and competitions, the CCD spared no effort in driving industry-wide innovation adoption and sustainability development through several campaigns, such as the CIC Sustainable Construction Award Conference and Presentation Ceremony, Hong Kong Green Building Week 2020, a construction safety campaign "Life First", Construction Safety Week 2020 and World Sustainable Built Environment Online Conference 2020. Many of these campaigns went virtual to promote industry development, encouraging practitioners to explore and adopt better construction methods and to strive for excellence even in pandemic period.

#### Building a Caring and Energetic Community

The CIC prides itself in uniting the construction industry in Hong Kong, great emphasis is also put on promoting the physical and mental wellbeing of construction workers. The Construction Industry Sports and Volunteering Programme (CISVP) focuses on organising healthy activities for the industry. A wide variety of activities, sports events and volunteer programme were launched to promote healthy living over the years with active participation of industry practitioners at all levels.

In early 2020, CISVP successfully organised the Construction Industry Happy Run and Carnival 2020 with more than 1,300 participants. Though the original planning of several events was set aside due to the outbreak of virus, many industry practitioners showed commitment and enthusiasm for volunteer services. With its effective and proactive coordination of CISVP, more than 17,000 participants from 62 construction related organisations and NGOs joint hands and contributed over 120,000 service hours this year. The team also overcame challenges posed by the pandemic and managed to organise three signature volunteering events, namely Construction Industry Lo Pan Rice Campaign, Construction Industry Blood Donation Day and Construction Industry Shoreline Clean-up Day. A total of 72 rounds of services were organised, attracting 1,600 volunteers to participate in the events, and the Construction Industry Lo Pan Rice Campaign benefited nearly 8,000 in need. Adding to the list of activities, CISVP introduced the Construction Industry Volunteer Award Scheme to encourage construction practitioners to organise or join volunteer service.

As the epidemic continues to spread, citizens and the industry are busily fighting against it. To re-energise the community, the CCD organised three fund-raising music concerts between August to November in CIC-Zero Carbon Park as part of the Caring Campaign. Through the relaxing music performance, the CCD hoped to cheer up fellow industry practitioners and members of the public during stressful times under the pandemic. Strictly following the anti-epidemic measures, CIC-Zero Carbon Park also organised more than 30 "Low Carbon Living" workshops in 2020, including fitness workshop and DIY workshops to promote low carbon living. The community are more aware of the importance and benefit of low carbon living and enjoy more interaction with the CIC-Zero Carbon Park.

## The Way Forward

The CCD will continue its mission to strengthen CIC's brand image and promote sustainable and professional development of the construction industry while overcoming challenges brought by changes in the environment. Interactive strategies will be deployed in the coming year to provide the community opportunities to understand construction industry and cutting edge construction technologies with the aims of uplifting the image of the construction industry and attracting more talents.

## Human Resources & Administration

Human Resources Department plays the role of business partner in the delivery of our services to departments in areas of talent acquisition & management, compensation & benefits, talent development and employee relations. Our main objective is to ensure that our policies, procedures and practices fit the needs, goals and aims of CIC and facilitate the accomplishment of the organisation's overall business strategies.

The Administration Department ensures that the office environment and administration work flow facilitate the efficient and effective operations of various departments. Our main objective is to organise resources effectively through automation and standardisation to direct operations in achieving organisation goals.

### Overcome Challenges with Agility

2020 was a challenging year for Human Resources and Administration Department. Nevertheless, we made significant achievements in protecting and taking care of staff's health and well-being, implementing anti-epidemic measures, leading and driving the Construction Industry Anti-epidemic Fund and maintaining the provision of Human Resources and Administration services.

### Stay Connected with Staff

To achieve automation and better connection with staff, the HR Mobile App "HRConnect" and the Human Resources Management System were further upgraded with new features added. A new version of *Staff Handbook* was issued which incorporated changes of the Employment Ordinance.

### Talent Development

Most of the planned training activities were carried out in 2020 using either online platforms or face-to-face training when the situation allowed. 32 classes of Continuous Learning Programme (CLP) and two classes of 6-day Certificate in Learning and Teaching (CLT) were held for more than 300 teaching staff. We also organised 24 Corporate Culture Workshops for over 400 staff to reinforce the CIC corporate culture. Other training workshops on language enhancement, knowledge sharing, ordinance awareness, etc. were also held.

### Lead and Drive the Construction Industry Anti-epidemic Fund

Human Resources and Administration Department led and drove the first and second Round of Construction Industry "Anti-epidemic Fund" (AEF), which was commissioned by the Development Bureau to CIC. To simplify application procedures so as to provide timely subsidies to workers and enterprises, we developed the application Mobile App and established relevant procedures within a short time frame of two weeks. Staff from Human Resources, Administration, Corporate Safety and other departments were deployed to handle the AEF administration work as well as to provide active support to the work of Employment Support Scheme for the Construction Section (Casual Employees) (ESSC). Upon completion of AEF, we have successfully disbursed subsidies in the total amount of over HK\$6,375 million to 500,000 workers, 21,000 companies and over 1,770 employers who have employed some 40,000 casual employers.

### Active Participation in Construction Industry COVID-19 Testing Service Scheme

Human Resources and Administration Department also actively supported the Construction Industry COVID-19 Testing Service Scheme (CITS) spearheaded by the CIC and the Hong Kong Construction Association to provide voluntary on-site testing services for construction workers. After two weeks of preparation, CITS was launched on 22 December 2020 as scheduled. It is estimated that approximately 290 construction sites with about 58,000 site staff will be tested in the first phase.

## Safeguard Staff Health and Wellbeing

Human Resources Department drove and coordinated the work of the CIC Operation Task Force which was set up in 2019 to closely monitor issues due to the societal incidents. The Task Force continued to meet regularly in 2020 to communicate and co-ordinate proactive measures to mitigate the day-to-day disruption arising from the pandemic.

In 2020, over 40 alerts and announcements were issued to staff to update them with instant information on operations and work arrangements and to remind staff to carry out anti-epidemic measures. A *Guideline on Measures Against COVID-19* was prepared to guide management staff on how to handle pandemic related issues.

Human Resources and Administration Department worked closely with various departments to implement anti-epidemic measures. Apart from taking temperature at the entrance, Health Declaration, wearing of surgical masks, other measures such as staggered working hours, flexible lunch hours, mobile work stations, provision of protective gears and rest time for frontline staff were also implemented. Staff who had special concern of going to work in office might discuss with their Line Managers for alternative work arrangements such as Work-From-Home.

The Administration Department had a busy year in 2020 from sourcing surgical masks, hand sanitiser and other protective gears for staff, to beefing up cleaning and disinfection at all CIC premises, conducting deep cleaning to premises visited by suspected / confirmed cases, etc. New technology had also been adopted including partnering with the Electrical and Mechanical Services Department (EMSD) to deploy robots to provide touchless body temperature checking at the entrance.

## The Way Forward

This is an opportunity for us to rethink and prepare our business model for the new normal once the pandemic is over. We plan to equip our staff with versatile skill-sets not only to navigate current challenges but also to prepare for the changes ahead. Staff bondage will also be strengthened through the reinforcement of corporate culture.

In year 2021, Human Resources will strengthen its strategic role as business partner by integrating staff to work directly and closely with business units in manpower planning, talent acquisition, talent development, administration and corporate safety. Plans have also been made to further expand staff's potential through upskilling and job enrichment to work in cross-functional team environment. The reinforcement of corporate culture will focus on rebuilding staff morale and encouraging staff to embrace innovation and digitalisation. Administration Department will also strengthen its role to facilitate the effective operations of various departments.

## Corporate Safety

Corporate Safety Department (CST) is responsible for the occupational safety and health of all CIC staff, student and those who can be affected by the CIC's operations and activities. CST leads tasks related to maintaining a safety and health management system intended to allow the CIC to provide safe and healthy workplace and environment for all stakeholders to prevent injury and ill health.

### Outdoor Safety Information Board

In 2020, CST designed, produced and installed outdoor safety information boards in 39 training workshops at HKIC outdoor training grounds. These information boards show basic safety requirement and allow training instructors to deliver work-trade-related safety message to students. The information boards are more durable and sturdy against outdoor condition with the prototype modification.

### HKIC Uplifting Project

With regards to HKIC's large scale renovation uplifting project launched in late 2019, CST worked closely with internal departments and external parties to provide monitoring and advice continuously to maintain high safety standard. In 2020, this project was granted the Gold Award for Best Refurbishment and Maintenance Contractor in Occupational Safety and Health by the Occupational Safety and Health Council.

### Leading Internal Anti-epidemic Work

In view of the prevention of COVID-19, CST assisted in compiling *A Guideline on Measures Against COVID-19* and formulated relevant contingency and precautionary measures for internal departments. We also took a consolidation role to resolve COVID-19 related issues within the organisation.

### The Way Forward

Corporate Safety Department will continue to devote to cultivating a safety-first culture and to stimulate the enhancement of our internal safety performance, in order to deliver continual improvement on safety aspect and to meet our stakeholders' expectation.



## Estates Office

The Estates Office (EO) supports the CIC's operation in facilities management and capital projects. For facilities management, the department is responsible for maintenance services for common building services, building structures, landscaping and Furniture & Equipment; executing statutory compliance checking and upkeeping; and providing licence renewal services. For capital projects, the department focuses on contracting and project management of revamp works, A&A Work and new development works, optimising space utilisation, and the adoption of Building Information Modelling (BIM).

### Adoption of BIM, IoT and EOMS in CIC

EO integrated BIM and Internet of Things (IoT) technology into the Estates Office Management System (EOMS) to enhance maintenance as well as asset and safety management at the headquarters. The integration was completed and launched at the end of 2020 with a more effective and comprehensive management on the CIC premises.

### Hong Kong Institute of Construction

Short Term Tenancies for development of new Lam Tei Training Ground and extension of Tai Po Training Ground were approved by the District Lands Conference. The Shatin Training Ground was returned to the District Lands Office in December 2020. Besides, the uplifting works for the Kowloon Bay Campus, Kwai Chung Campus and Sheung Shui Campus of Hong Kong Institute of Construction were still proceeding.

### Risk Management during Pandemic

During the COVID-19 pandemic, EO requires the contractors to implement strict measures to prevent and control the spread of disease with regular review and improvement on the measures. During the outbreak, the frequency of site visits was reduced to safeguard colleagues' health. In addition to switching to virtual meetings, contractors were required to prepare regular reports on project matters so that EO could closely monitor the project schedule.

### The Way Forward

EO will continue to support the future development of the CIC, maintain the good condition of CIC premises through professional management and intelligent system management, and provide sustainable facilities and comfortable working environment at all premises (HKIC Campuses, Hong Kong Construction Industry Trade Testing Centre, CIC Services Centres, Construction Innovation and Technology Application Centre, CIC-Zero Carbon Park, Headquarters and other back offices).

Outlook in 2021, EO will continue to provide the support and constructive suggestions with diligence, including:

- Uplifting works for the Kowloon Bay Campus, Kwai Chung Campus and Sheung Shui Campus of Hong Kong Institute of Construction will be completed in Q1 2021;
- Setup of new Lam Tei Training Ground for the Hong Kong Institute of Construction;
- Relocation of Construction Innovation and Technology Application Centre (CITAC) to the CIC-Zero Carbon Park (CIC-ZCP);
- Renovation works for the new Construction Workers Registration Service Centre;
- New renovation and improvement works for the CIC's premises; and
- Feasibility Study for adoption of new IoT for facilities management of the CIC's premises.

## Information Technology

With its professional knowledge on information technology, Information Technology Department (ITD) is responsible for the formulation of the CIC's IT development strategies, IT risk assessment and security control, as well as the design and management of the Enterprise Architecture, including applications, data and infrastructure to meet the Council's business requirements and growth. The department will also study users' requirements, recommend and deliver the most suitable solution with the purpose of ensuring users enjoy benefits brought by new technologies.

### Enhance Cybersecurity in the CIC

Firewalls at HKIC campuses and Hong Kong Construction Industry Trade Testing Centre were upgraded with network segmentation and intrusion prevention system protection to strengthen the intra-connectivity security. Meanwhile, a new IT Security Awareness Training was conducted to refresh IT security knowledge and best practices of all CIC staff to better safeguard CIC's cybersecurity.

### Upgrade Mobile Application

Mobile application "HRConnect" underwent improvements with a more user-friendly layout and new features of photo gallery and safety information. The "EasyJob" application was also upgraded to promote CCB (Asia) Construction Industry UnionPay Dual Currency Credit Card.

### Improvement on Operational Efficiency

Existing application systems, including Human Resources Management System, Trade Test Management System and Levy Assessment and Collection System, were enhanced to optimise system functions, improve operations automation and information transparency.

### New Initiatives Launched

The HKIC Training Management System was launched to provide automated management service covering training courses and students. The one-stop platform "Technically Competent Persons Registration Scheme" system was also launched to allow the public to register online and enable the Council and the Development Bureau to manage the approval process. Apart from them, the Sustainability E-platform and Model Portal was introduced to share benchmark and provide carbon performance tracking of buildings and infrastructure in Hong Kong.

### Risk Management during COVID-19

To cope with changes brought by the pandemic, the department set up an online learning platform for HKIC to conduct online teaching during the school suspension period and enhanced the remote access and video conference services to support intensive "work from home" requirement. Application systems for Anti-Epidemic Fund 1.0 and 2.0 were set up to support the applications from construction workers and contractors / sub-contractors.

### The Way Forward

ITD will kick off a series of initiatives to improve operation efficiency and cybersecurity, in order to support daily operation of the CIC and enhance its efficiency.

To improve operation efficiency, the department will deploy the HKIC Card Accessing System integrated with Digital Signage for attendance capture automation, and promote the use of tablets for rating practical tests in Trade Test e-assessment. Construction Workers Registration System will allow viewing and signing documents on tablet computers for a green and low carbon operation. Student Survey Platform will also expand and cover School of Professional Development in Construction courses and part time courses. Business intelligence platform with training related data will be enhanced to offer multi-dimensional analysis. The Safety Mobile App will be revamped with block chain technology for e-certificates storage and verification.

ITD will further enhance the CIC's cybersecurity by upgrading the log and event monitoring service, access control, emails. Phishing email simulation will also be conducted to foster user awareness and build a strong cybersecurity culture in the CIC. A location independent IT infrastructure will be introduced by setting up dual availability zones, multiple cloud environment, and anywhere anytime accessible services. In addition, CIC-Zero Carbon Park's Wi-Fi system will be upgraded to Wi-Fi 6 to support high-speed mobile network serving more Wi-Fi users and bandwidth-intensive applications, such as augmented reality. By upgrading the gateway to improve the performance and availability of remote offices or training grounds, we aim to support operation anywhere under the pandemic. Microsoft Teams Live Event service will be deployed to support webinars with large audience size and speakers from remote locations.

## Internal Audit

The Internal Audit Department (IA) assists the CIC in accomplishing its objectives by evaluating the effectiveness of the CIC's internal control system, including financial, operational and compliance controls, as well as proposing recommendations for improvement to the management.

A risk assessment exercise is conducted annually to formulate an annual internal audit plan for the approval of the Audit Committee. According to the internal audit, IA reviews the key controls in different areas and reports the findings to the Audit Committee quarterly.

### Audit Work Done in 2020

IA reviewed the operational, financial and compliance control matters of the operations in project management, payment control and Apprenticeship Management as well as departments of Construction Innovation and Technology Fund, Modular Integrated Construction and Building Information Modelling. All key findings and recommendations were communicated, discussed and followed up with the process owners in a timely manner. In general, critical findings were addressed immediately or within 3 months while minor findings were addressed within a year.

During the year, an external consultant was engaged to carry out an internal audit on the Hong Kong Institute of Construction (HKIC). Phase 1 of the audit covered reviews on training, campus management, curriculum development and quality assurance of HKIC, is expected to be completed in February 2021 while phase 2 covering review on staff management and student assessment will be commenced in February 2021.

### COVID-19 Measures

To prevent cross infection, originally scheduled face-to-face interviews were replaced by phone call or video conference whilst on-site visits were only carried out when necessary.

### The Way Forward

From 1 January 2021, an external consultant will provide 2-year internal audit services to the CIC. The consultant will assess the risk level of various divisions and departments of the CIC and develop audit plan(s) at the beginning of 2021. The control effectiveness of the CIC's operations will also undergo a review throughout 2021 to 2022 and audit recommendations will then be proposed to the CIC management with reference to the best practices in the industry.

## Procurement

With its main objective to improve efficiency of transaction flow and reporting, the Procurement Department (PD) supports the CIC's operations in managing transactions of goods and services, as well as handling procurement database on operation requirements.

### Management of Major Tenders

PD managed a number of major research and consultancy service tenders this year, including "10-Year Construction Expenditure Forecast in Hong Kong (Year 2020-2023)", "3D and BIM Data Use Requirements of the Construction Industry for the Development of Digital Hong Kong to the HKSAR Government", "Enhancement of the Building Information Modelling (BIM) Standards (General)", "Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry (Phase II)", "Driving Design for Manufacture and Assembly (DfMA) Adoption to Enhance Productivity for E&M Works in Hong Kong Building Projects", "Development & Formulation of BIM Guide for using Building Information Modelling (BIM) in generation of Mechanical, Electrical & Plumbing (MEP) digital drawings for statutory submissions", "Development and Implementation of Sustainable Construction Certification Scheme on Green Finance", and "Reasonable Consultancy Fee Evaluation System".

PD also assisted in tender management for other large scale events and facility uplifting projects such as the "Optimisation of Landscape Works for CIC-Zero Carbon Park", "Supply and Installation of Language Laboratory Learning System for Kowloon Bay Campus and Sheung Shui Campus of the HKIC", "Workstation Computer for BIM Extension for Kowloon Bay Campus of the HKIC", "Design and Implementation of Mobile Application on Construction Safety and Website and Mobile Application for the SPDC", "Event Management and Production Services for Construction Industry Happy Run and Carnival 2021", and "Term Repair and Maintenance for Builder's Works and Closed-Circuit Television System".

## Supplier Management

PD established the Project Committee and the Project Management Policy & Procedures Working Group in 2020 and is responsible to manage their daily operation. The *Project Management Handbook (Non-Capital Projects)* was launched this year and technical project reviews were conducted in accordance with the handbook. Moreover, maintenance of the qualified vendor list for "Event Management and Multi-Media Design Services" and "Engineering, Construction & Renovation Works and Repair & Maintenance" categories were also updated this year together with the quarterly vendor performance review and the CIC vendor survey.

### Anti-pandemic Measures

During the outbreak of epidemic, PD sourced personal protective equipment such as surgical masks and alcoholic hand sanitisers, as well as COVID-19 testing and related services for construction workers and site personnel in construction sites. Audit Services were also procured for the Employment Support Scheme for the Construction Sector under the Anti-epidemic Fund.

To minimise social contact during the pandemic, the procurement process was digitalised. Virtual documentation and management approval have been implemented to protect the health of colleagues. In addition, supplemental contract terms and conditions were added to hedge against potential contractual liabilities that might arise between the CIC and its vendor due to COVID-19 pandemic.

### The Way Forward

PD will focus on three main areas in the coming years. First, procurement and vendor policies will be reviewed with reference to the Government and other public authorities while vendor list will also undergo expansion. Second, enhancement will be done to the Enterprise Resource Planning (ERP) System by establishing supplier portal and associated modules. Mobile application will be developed for the implementation of procurement digitisation and to facilitate e-procurement. Last but not least, PD will perform technical project review and audit by monitoring project performance of project managers with respect to time, cost and compliance independently through the year.

## Finance

The Finance Department supports the CIC with a wide spectrum of finance functions, including financial and management reporting, budgeting and forecasting, levy assessment and collection, strategic planning and decision support, treasury and investment management, financial analysis, company secretarial work, bank account operations and all finance related projects. The department develops and executes internal control policies and procedures for all finance and accounting matters. Secretarial and decision support are provided to the Investment Task Force in formulating investment strategies and monitoring investment performance.

The Finance Department arranges statutory audit with external auditors and reports the audited accounts to the Audit Committee. It compiles annual budgets, performs budgetary control and monitors business performance. The department also administers the assessment and collection of construction levies payable by contractors on the value of construction operations under the Construction Industry Council Ordinance and Construction Workers Registration Ordinance.

### Coordination of Subsidies during Pandemic

To support frontline workers in times of pandemic, the CIC initiated the Construction Industry Caring Campaign – Fight against Novel Coronavirus, as well as arranged the administration and disbursement of fund allocation from Construction Industry “Anti-epidemic Fund”. Finance Department timely provided the disbursements of subsidies and coordinated the related audits. In addition, 2020 operating contingency budget was centralised and reallocated to meet the related expenditure for anti-epidemic measures.

### Ensure Smooth Levy Operation

Policies and Procedures on Levy Prosecution were approved while procedures for levy surcharge imposition was implemented this year. The Levy Assessment and Collection System was revamped and upgraded to Levy System 2.0 to smoothen the levy assessment. Through webinars and collaborations with stakeholders, the department aims at enhancing the awareness of the Levy in the industry.

### Enhancement on Operation Efficiency

Finance Department upgraded the budget module in ERP. Budget virement mechanism was implemented to provide more flexibility for fellow departments to manage resources promptly and implement their business plans more effectively. Accounting procedures manual was also updated to strengthen internal controls. Business analytics tool, Power BI, was launched for all departments to provide a more interactive, dynamic and visual platform for performance monitoring.

### The Way Forward

In view of the challenges faced by the construction industry arising from the impact of the pandemic and the possible recovery of the economy, Finance Department will continue to provide our professional support and advice from financial perspective to both internal and external stakeholders for the benefits of the construction industry.

# SUSTAINABILITY REPORT



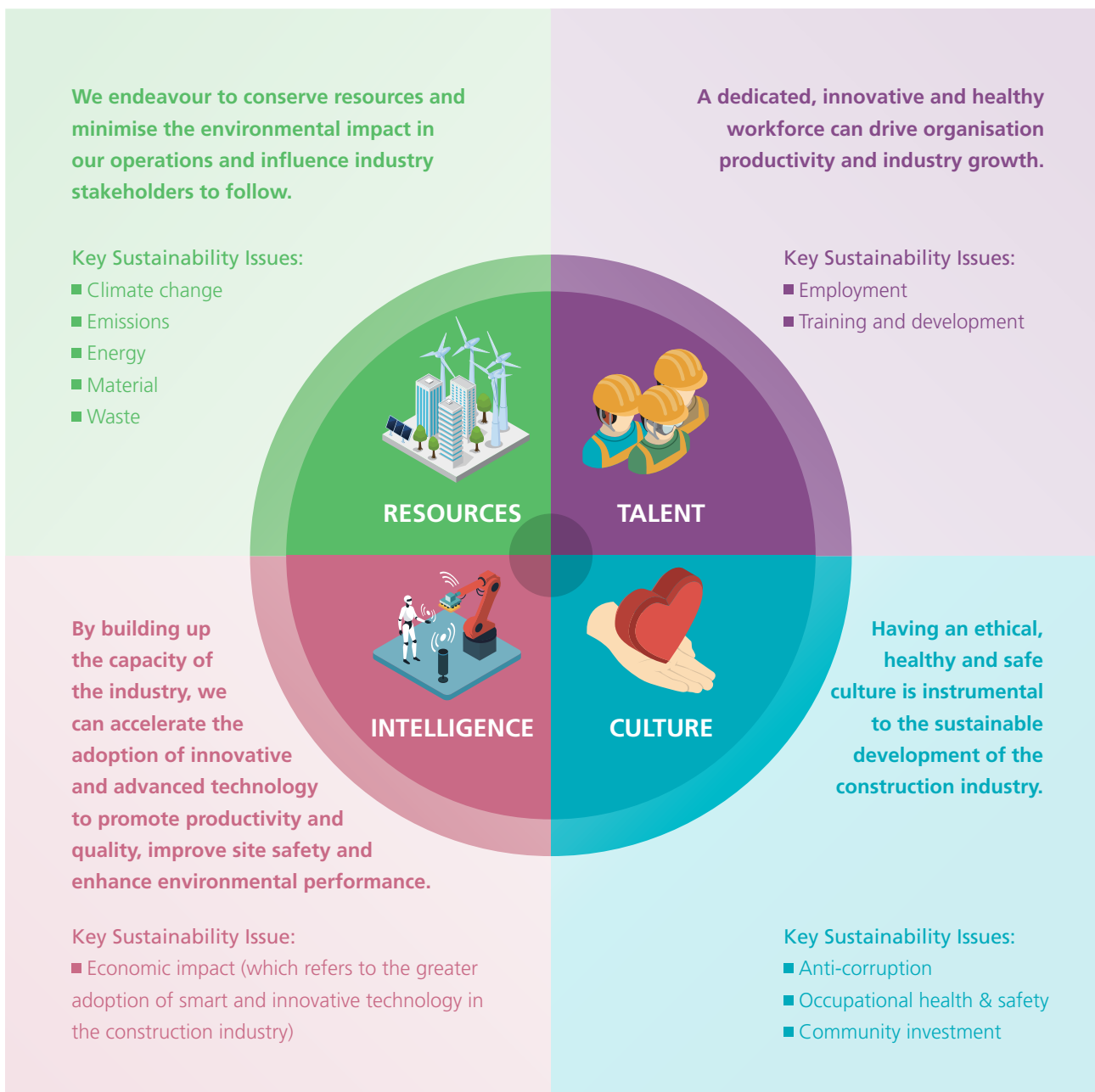


# SUSTAINABILITY REPORT

## CIC Sustainability Framework

The CIC's sustainability framework is built on four strategic pillars: Resources, Talent, Intelligence and Culture. Each pillar consists of an internal aspect on how we strive to integrate sustainability in our operations, and an external aspect on how we provide resources and advocacy work, and collaborate with stakeholders to drive for sustainable development in the construction industry.

### Four pillars of sustainability:



To learn more about CIC's approach and performance on sustainability, please refer to the section "Sustainability at the Construction Industry Council" at [www.sc.cic.hk](http://www.sc.cic.hk).



# RESOURCES

## How We Drive Industry Impact

Establish strategic low-carbon roadmap and provide tools, schemes and guidance to enable companies' transition to more sustainable construction

## Sustainable Construction Roadmap

2018

2019

2020

2021

2022

2050

Launching carbon assessment tool, green product certification and sustainable construction certification scheme for low carbon transition



**200+** projects participated in CIC Carbon Assessment Tool

Facilitating the industry to green financing and setting carbon reduction target



**500+** green products being certified by the CIC Green Product Certification



**58.48%** low-carbon concrete used by construction projects in the industry

## How We Manage Our Operation

Optimise the use of resources in workplaces, facilities, and supply chain



**70,000+** kWh of electricity generated by the CIC-Zero Carbon Park's photovoltaic panels and biodiesel generator in 2020



**242** kg of recyclables (including paper, metal, plastic and glass) collected



**889** expired or damaged safety helmets collected

## Top Material Issues



Climate change



Emissions



Energy



Material

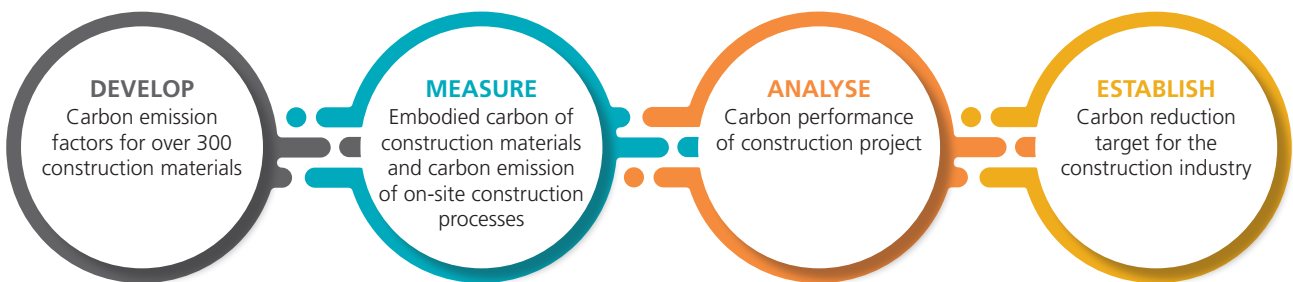


Waste

## Major Achievements in Driving Industry Impact

### How the CIC Carbon Assessment Tool supports low carbon construction

The CIC Carbon Assessment Tool (CAT) is designed to be more than just a tool to assess carbon footprints of construction projects but also an enabler for low carbon construction. It has been adopted by about 200 projects in the public and private sectors and is now integrated into BEAM Plus New Buildings Versions 1.1 and 1.2, reaching a major milestone for its development.



### CIC Green Product Certification

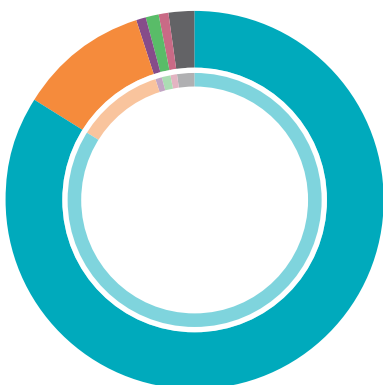
Currently, there are over 500 green products being certified by the CIC Green Product Certification (Certification). The CIC is working with other organisations to provide incentives which motivate the industry to participate in the Certification and will continue to promote it to different parties, encouraging the industry to produce and procure greener materials and products for a low carbon future.



The Certification is one of the green building assessment criteria in BEAM Plus Materials and Waste Aspects.



The Urban Renewal Authority has recognised the Certification in its Green Item Subsidy Programme.



### Percentage of certified green products by categories

- Ready-mixed concrete **84%**
- Paint & Coating **11%**
- Panel Board **1%**
- Adhesive & Sealant **1%**
- Block for Internal Partition **1%**
- Others **2%**

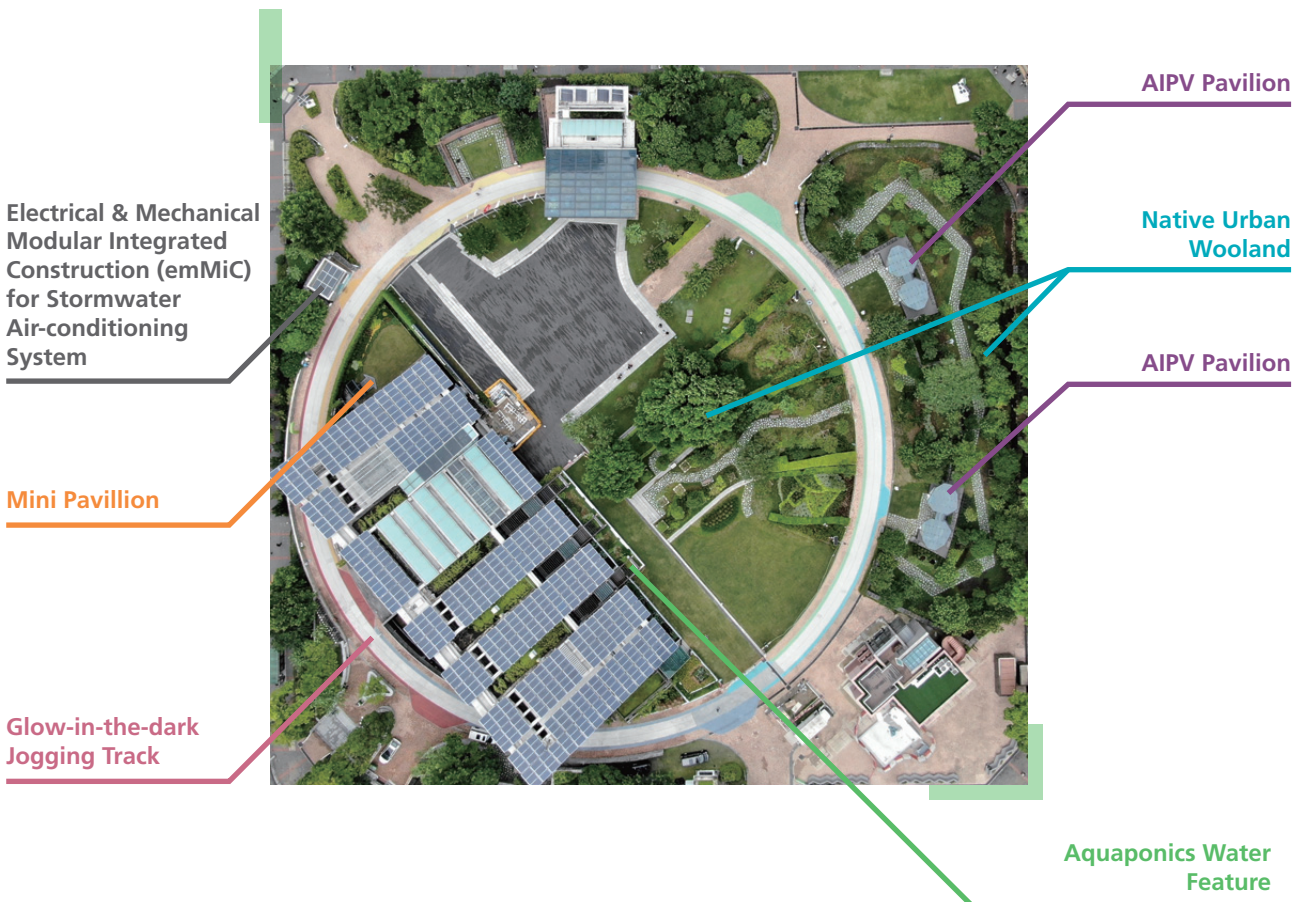
### CIC Sustainable Construction Certification Scheme for Green Finance

As part of the wider sustainable construction roadmap, the CIC is developing the CIC Sustainable Construction Certification Scheme for Green Finance which will form a synergy with the CAT, CIC Green Product Certification, and other sustainable construction models advocated by the CIC. The Scheme will be officially launched in 2021.

### CIC-Zero Carbon Park – A showcase for the industry

CIC-Zero Carbon Park (CIC-ZCP) is a platform for exhibition, education and information for zero / low carbon building design and technologies, as well as promotional ground for low-carbon living in Hong Kong. The CIC-ZCP is constantly evolving, bringing the latest building technologies and practices to industry practitioners as well as organising activities and guided tours to promote environmental sustainability. From time to time, it organises low carbon and wellness workshops for the public, such as upcycling workshops and parent-child yoga workshops.

#### Highlights of green features in CIC-ZCP:





■ **Air Improvement Photovoltaic Pavilions (AIPV) Glass Canopy**

Hong Kong's first AIPV glass canopy which can efficiently generate electricity from sunlight while decomposing fine particulate matter (PM2.5) and other harmful compounds.

■ **Electrical & Mechanical Modular Integrated Construction (emMiC) for Stormwater Air-conditioning System**

Hong Kong's first emMiC stormwater air-conditioning system to generate extra cooling loading by making use of stormwater inside the box culvert running underneath.



■ **Glow-in-the-dark Jogging Track**

use of photoluminescent paint which absorbs ultraviolet rays during daytime and glows at night.

■ **Native Urban Woodland with Tray Planter System**

providing effective protection for plant growth and retaining water to reduce irrigation demand.

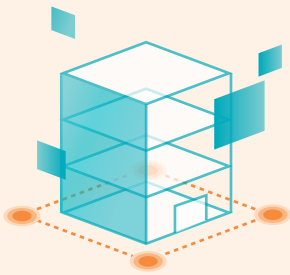


■ **Mini Pavilion**

making use of the innovative Design for Manufacture and Assembly (DfMA) approach.

## Key Initiatives in Operation

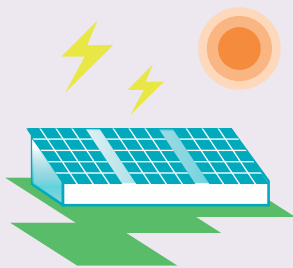
### Management System



The Building Management System (BMS) of CIC-ZCP is an intelligent platform to monitor and control the building services system as well as its environmental performance. More than 2,500 sensors are installed in the building area for the BMS to record and provide instantaneous data for real-time analysis. Real-time energy and carbon emission performance are displayed on a 3D model of the building in the Building Environmental Performance Assessment Dashboard (BEPAD), visualising the performance for facility management and visitors.

Moreover, to streamline the process of recording our environmental performance, a sustainability data online portal has been established and integrated in the existing corporate-wide Estates Office Management System (EOMS) to record and evaluate environmental performance.

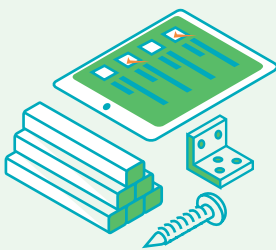
### Energy



CIC-ZCP is a state-of-the-art zero-carbon building in Hong Kong. Participated in the Feed-in Tariff (FiT) Scheme, CIC-ZCP has been contributing self-generated electricity from renewable power sources to power companies with economic returns. Over 70,000 kWh was generated by photovoltaic panels and biodiesel generator in 2020.

The Hong Kong Institute of Construction (HKIC) – Kowloon Bay Campus has participated in CLP Power's Peak Demand Management Scheme. After CLP Power identified peak demand hours of electricity consumption, the campus has implemented electricity reduction measures during specified periods and earned rewards in return.

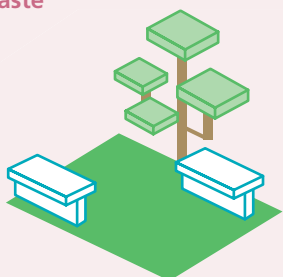
### Materials



In regard to material use, HKIC has collaborated with different contractors to collect reusable construction materials from construction sites for teaching purpose. An e-survey system has also been developed for students to submit programme evaluation questionnaires via mobile devices.

In addition, we consider the environmental attributes of the products we procured. For example, we have specially sourced a cleaning and disinfection spraying product using bio-nano coating technology with an environmentally friendly bottling design.

### Waste



Waste materials from trade tests collected this year will be used to set up a roof-top gardening area at Hong Kong Construction Industry Trade Test Centre (HKCITTC) for employees to relax in future.

Recycling areas are also set up in HKIC and HKCITTC to collect expired or damaged safety helmets for upcycling into other usable plastic products.

## The Way Forward

Apart from optimising the use of resources in our operation, the CIC will continue to play a critical role in driving sustainable construction with the following initiatives:

- Integrate the CAT into BEAM Plus New Buildings Version 2.0 and further promote it through trainings and function enhancements
- Develop a digitised platform named Smart Waste Management Plug-in
- Launch the CIC Sustainable Construction Certification Scheme for Green Finance
- Reinforce CIC-ZCP's function as a showcase of Low Carbon Role Model by marketising its latest uplift through new tours and enhancing its renewable energy systems

# INTELLIGENCE

## How We Drive Industry Impact

Take the lead to provide resources for the industry to promote intelligence through exhibitions, awards, funding, research and knowledge sharing



## Innovations transforming the construction industry

### Design for Manufacturing and Assembly (DfMA)

A modern design approach focusing on the ease of manufacture and assembly efficiency, enabling the industrialisation in building construction.

### Modular Integrated Construction (MiC)

A construction method that employs the technique of having freestanding volumetric modules (with finishes, fixtures, fittings, etc.) manufactured off-site and then transported to site for assembly; a successful example of DfMA which transforms conventional on-site construction operations into integrated production and assembly of off-site prefabricated modules.

### Building Information Modelling (BIM)

An intelligent multi-dimensions model-based tool which digitalises building design, construction and operation for better project management.

### Construction Innovation and Technology Application Centre (CITAC)

A knowledge hub to promote the implementation and application of construction innovation.



**4%**

As at the end of March 2020, there was an improvement in BIM adoption<sup>1</sup> in Hong Kong as compared to the previous year



**HK\$366 million fund**

Supported by Construction Innovation and Technology Fund (CITF)



**59,256** industry practitioners

Learned new technologies through CITAC, CIC BIM Space and MiC Display Centre



**4** projects

Supported by CIC Research and Technology Development (CIC R&D) Fund in 2020

## How We Manage Our Operation

Enhance operational efficiency with smart and innovative technology



**6** new technologies were introduced to CIC-ZCP

## Top Material Issue



Economic impact

1: Based on the normalised results of the BIM Adoption Survey 2020 and 2019.

## Major Achievements in Driving Industry Impact

### Funding Technology Adoption and Researches

Construction Innovation and Technology Fund (CITF) contributed more than HK\$300 million in 2020 to a variety of projects for adoption of innovative and advanced technologies, including BIM training, BIM software and hardware, advanced construction technologies, MiC and prefabricated steel rebar. The CIC Research and Technology Development (R&D) Fund also supported the research of BIM-based Rebar Design Optimisation and Prefabrication Automation conducted by the Department of Civil and Environment Engineering of The Hong Kong University of Science and Technology, and four other research projects in 2020.

### CITF ConTech 2020

Held in September and October, ConTech 2020 was a “360° construction platform” that showcased innovative technologies via a series of online initiatives, such as online briefings, virtual technology exhibition booths, online chats with technology suppliers as well as sharing by successful CITF applicants.

### Knowledge Sharing on Innovative Technology

The CITAC Anniversary Conference on Construction Digitalisation was organised in 2020, which emphasised on digitalisation across the construction life cycle. The CIC also co-organised a conference on construction technology with the Consulate General of Israel in Hong Kong with a B2B matching session, promoting information exchange on cutting-edge technologies of the two places. In 2020, there were 22,763 CITAC service users in total and 2,705 i-Club new registrations from companies and individuals. Compared to the previous year, the number of CITAC service users and i-Club registrations increased 12% and 439% respectively.



Apart from making best use of the CITAC, the CIC has actively organised various events to facilitate knowledge sharing on BIM, MiC and DfMA.

## BIM

- CIC BIM Competition 2020 was organised for full-time tertiary students to team up and reach their full potential through demonstration of BIM skills
- Certification of BIM Coordinators and Accreditation of BIM Coordinator Courses were launched to further expand current BIM certification scheme with aim of ascertaining the competency of BIM practitioners and the quality of local BIM training courses
- Celebration of BIM Achievement 2020 was launched to recognise outstanding projects, organisations and individuals for their achievements in BIM applications

## MiC

- The CIC introduced the pioneer course to equip foreman with essential knowledge of MiC and technique on supervision for execution of work. A "Certificate in Modular Integrated Construction Unit Installation" will be awarded to students upon completion of the course and examination
- Six local pilot projects were launched and one Greater Bay Area factory visit was organised
- The MiC Display Centre has been transformed into a resources centre through addition of MiC-related exhibits and resources
- A brand new website was launched to promote MiC technology to industry practitioners and the wider public

## DfMA

- Organised five webinars to promote the adoption of DfMA in the local construction industry
- Co-organised by School of Professional Development in Construction (SPDC) of the Hong Kong Institute of Construction (HKIC) and the Building and Construction Authority (BCA), the Specialist Certificate in Design for Manufacturing and Assembly programme was designed for construction practitioners in Hong Kong to acquire know-how of DfMA application
- Facilitated and promoted the adoption of Advanced System Formwork
- Co-organised the International Symposium on Unlocking Innovation in Construction through 5G Technology with the Hong Kong Science & Technology Parks Corporation



### CIC Sustainable Construction Award (SCA)

Organisations and practitioners are encouraged to participate in the SCA and share their successful stories in sustainable constructions. Entered its second year, the SCA received over 300 applicants this year. The best practices on sustainable construction technology were showcased to industry practitioners and the public through various media.



## Key Initiatives in Operation

### Integration of BIM-AM (Building Information Modelling – Asset Management) with IoT (Internet of Things)

In collaboration with the Electrical and Mechanical Services Department (EMSD), CIC-ZCP has further adopted BIM-AM in operational and maintenance management (O&M), integrating IoT technologies with the BMS, Radio Frequency Identification (RFID) and CCTV system.



**Remote Monitoring**

IoT enables the facility management to monitor Heating, Ventilation and Air-conditioning (HVAC) system operation and space utilisation remotely



**Fast Asset Locating**

Mobile devices are used to locate equipment by scanning the equipment RFID tag / zone QR code



**Remote Diagnosis**

System faults are instantly diagnosed via asset relationship in the BIM-AM system

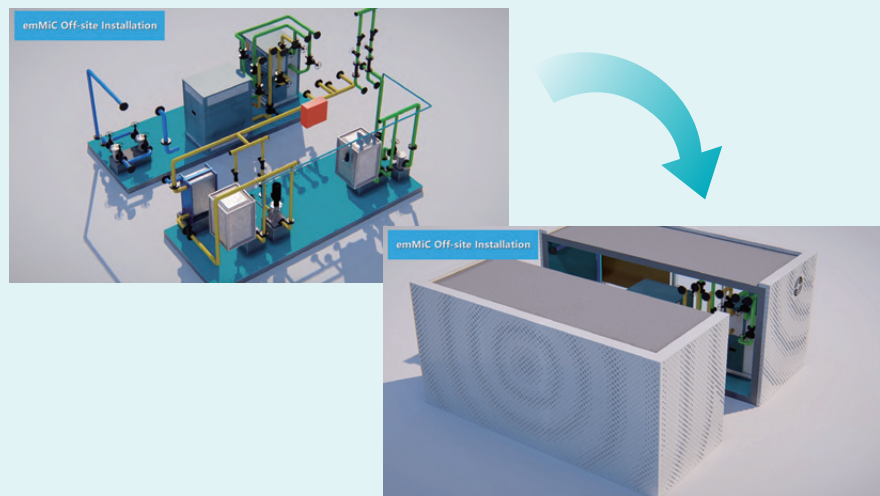


**Record Spatial and System Operational Data**

Enables post-occupancy thermal analysis to formulate thermal comfort-based optimisation control

### Electrical & Mechanical Modular Integrated Construction (emMiC) for Stormwater Air-conditioning System

The emMiC for Stormwater Air-conditioning System in CIC-ZCP adopted the MiC method to integrate the air-conditioning equipment inside a prefabricated module, allowing the harvesting of stormwater by an underground culvert for air cooling. It is a perfect example of DfMA as the entire module and its associated equipments were prefabricated and assemble on-site. It is also the first pilot project of this technology adopted in Hong Kong.



## The Way Forward

The CIC will continue to launch various initiatives to actively promote wider adoption of intelligent technologies for the sustainable growth of the construction industry, including:

- Develop the Construction Digitalisation Roadmap with the CIC Construction Digitalisation Award to recognise outstanding local projects and organisations
- Launch the first CIC Outstanding Contractor Award to recognise the contributions of outstanding contractors
- Implement BIM and IoT for the CIC's headquarters, and carry out pilot BIM submissions to the Buildings Department
- Enhance the funding categories and funding mode of the CITF with feedback from industry stakeholders towards technology adoption in the industry
- Develop a Construction Directory on a digital platform for the Greater Bay Area (GBA) supply chain, facilitating knowledge sharing between industry stakeholders in the GBA and Hong Kong

# TALENT



## How We Drive Industry Impact

Attract, nurture and equip talents for the sustainability of the construction industry

### "45-year Legacy Shaping Construction Talents"



7,211

Construction workers passed respective trade tests in 2020



5,800+

Applications received under the Construction Workers Professional Development Scheme in 2020

## How We Manage Our Operation

Operate responsibly by integrating sustainability concepts into talent attraction and career development programmes



Initiating the role of Human Resources Business Partner



Developing a Continuous Professional Development Scheme for teaching staff

## Top Material Issues



Employment



Training and development

## Major Achievements in Driving Industry Impact

### 45<sup>th</sup> Anniversary of Construction Training in Hong Kong



2020 marks the special 45<sup>th</sup> anniversary of construction training in Hong Kong. Throughout these years, a series of systematic trainings based on site operation for the front-line skilled workers and site supervisors has been successfully developed, supporting the increasing construction expenditure with robust economy. Since 2018, the CIC has positioned HKIC to provide programmes validated under the Qualification Framework with the incorporation of whole-person development module and innovative technology in the curriculum. Looking forward, the HKIC will continue to uphold its vision to nurture an accomplished construction workforce with sound professional skills, theoretical knowledge, safety awareness, innovative ideas, passion and pride for the sustainable growth of the construction industry in Hong Kong.

## Journey of Construction Training Programmes and Trade Testing

The CIC provides numerous platforms and programmes for talent attraction and development in the construction industry. The key initiatives building out the talent pipeline for the construction industry:

### 1. HKIC

To reiterate the CIC's commitment to quality training and career development, the CIC strives to provide courses that are validated under the Qualification Framework (QF) Accreditation.

In 2020, HKIC set up the School of Professional Development in Construction (SPDC) (previously known as "Centre for Professional Development") to provide professional and continuing education pathways for construction industry practitioners. The SPDC offers courses such as BIM and MiC, further exemplifying the CIC's strategic approach of integrating innovative technological advancement with talent development.

To align with programme development, the CIC completed renovation works for three HKIC campuses and will upgrade the infrastructure facilities for a better teaching environment.

### 3. Construction Workers Professional Development Scheme

Launched in 2020, the Construction Workers Professional Development Scheme (Development Scheme) aims at encouraging workers to pursue continuous learning and develop multiple skills, especially during the pandemic period. The Development Scheme was well-received by the industry with over 5,800 applications.

### 5. Intermediate Tradesman Collaborative Training Scheme

The Intermediate Tradesman Collaborative Training Scheme (ITCTS) aims at training new entrants to become skilled tradesman in the construction industry. The ITCTS adopts a "first-hire-then-train" approach that provides training subsidies and employment opportunities to participants.

### 2. CIC Approved Technical Talents Training Programme (CICATP)

In order to promote industry development, encourage creativity and innovation and inherent skills and capabilities of the industry as a whole, CICATP was launched to combine on-the-job training and skill assessments and enrichment programme in construction safety, soft skills, innovation and technology.

### 4. Hong Kong Construction Industry Trade Testing Centre

The Hong Kong Construction Industry Trade Testing Centre (HKCITTC) has been striving to improve overall competency level of workers in the construction industry. This year, it organised the first Hong Kong Construction Skill Competition to uplift the skill level of industry practitioners with the participation of more than 200 candidates. The competition successfully identified industry elites and motivated practitioners by recognising their professionalism.

### 6. Registered Specialist Trade Contractors Scheme (RSTCS)

The Registered Specialist Trade Contractors Scheme (RSTCS) was established in 2019 with the aim of building up a pool of professional trade contractors with specialised skills through recognised registration system for long term development of the construction industry. Currently, the RSTCS covers eight designated trades founded upon five comprehensive core requirements on safety, management, job experience, execution and finance. As of the end of 2020, there was a total of 7,381 registered companies under the RSTCS.



## Key Initiatives in Operation

<p><b>Talent Management and Engagement</b></p>	<p>The CIC is making every effort to drive excellence for the construction industry. To strengthen our talent management capability, the CIC is initiating a new role of Human Resources Business Partner who serves as an in-house talent management consultant. This new role will work closely with different business units, offering people management solutions and guidance for our middle management colleagues.</p>
<p><b>Training and Development</b></p>	<p>The CIC encourages its staff to prepare for future industry challenges through continuous learning. A series of upskilling and job enrichment programmes will be rolled out to maximise the potential of our staff. A Continuous Professional Development Scheme for teaching staff is now under development to enhance their professional growth and keep them abreast of the latest development of the construction industry, thereby maintaining teaching quality of HKIC.</p>

## The Way Forward

The construction industry experienced a challenging year in 2020. Despite the challenges, the CIC will continue with our best effort to enhance the knowledge and raise the level of professionalism in the organisation and the construction industry with measures as follows:

- Establish the new role of Human Resources Business Partner
- Launch the Job Enrichment Programme and the Continuous Professional Development Scheme
- Expand the QF accreditation for HKIC’s programmes and courses
- Launch new courses, develop Electrical and Mechanical (E&M) courses and establish a concrete laboratory and a welding testing laboratory
- Publish publications to explain high-level trade test assessment criteria of major trades
- Include the new trade, Plastering, under the RSTCS



# CULTURE



## How We Drive Industry Impact

Encourage a healthy life style and instil a safe, caring culture amongst practitioners through education as well as sport and volunteering programmes

## Safety and Caring Cultures for the Construction Industry

The unity of the industry is based on a sense of pride. By promoting safety and caring cultures among industry practitioners, we enhance their well-being, bring social harmony as well as develop positive perceptions of the industry among young people and the general public.



Organised almost **300** industry-wide events and activities



**30** students were awarded the Scholarship for Family Members of Registered Construction Workers in 2020



## How We Manage Our Operation

Care about the safety and well-being of employees and promote an corporate ethical culture



Published the first series of safety self-learning pack with an online safety library

## Top Material Issues



Anti-corruption



Occupational health & safety

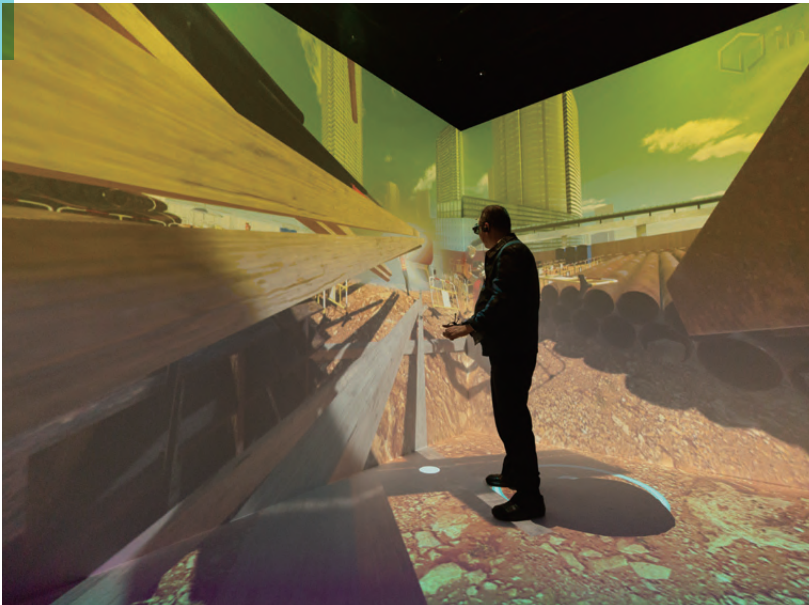


Community investment

## Major Achievements in Driving Industry Impact

### Safety Experience Training Centre

In an effort to enhance safety awareness and promote a safe working environment in the construction industry, the CIC launched the Safety Experience Training Centre (SETC) in 2019. Besides safety experience tours for HKIC teachers and students, the SETC also launched a safety certificate training tour for members of construction-related professional associations and managerial staff of construction and building companies to walk through the full curriculum of the SETC. In 2020, there were 19,000 visitors to SETC and over 1,100 training sessions were organised for industry practitioners, HKIC staff and students.



■ Eight different training zones within SETC were established with the theme of common accident types from construction industry, such as working at height, use of chemical and machinery



■ "Safety Girls 2020" promoted construction safety messages to industry practitioners

## Promotion of Safety and Health Culture

In order to promote the safety awareness of the industry practitioners and uplift the image of the industry, the Safety Girls Campaign was launched this year to recruit a group of dedicated female construction industry practitioners to become our safety ambassadors. The Campaign has successfully spread the messages to the public and enhanced their awareness of the fact that the safety standards of the construction industry has greatly improved throughout the years. When our safety ambassadors return to work after the completion of the Campaign, they will act as a role model of site safety and health and continue to positively influence their peers at work with the knowledge and experience acquired from the Campaign.

## Construction Industry Sports & Volunteering Programme (CISVP)

The CIC is keen to improve the quality of life and well-being of practitioners in the construction industry. In 2020, the CISVP organised nearly 300 volunteer activities to extend our care to the community and underprivileged groups, especially during the COVID-19 pandemic, benefiting more than 320,000 people, in the following areas:

- Gathering construction industry organisations for over 150 rounds of volunteering activities for anti-epidemic material distribution; distributing 450,000 pieces of masks and 40,000 bottles of hand sanitiser to over 52,000 citizens
- Organising 56 rounds of “Construction Industry Lo Pan Rice Campaign” to support nearly 8,000 needy members
- Organising 10 rounds of Construction Industry Blood Donation Day
- Arranging 6 rounds of Construction Industry Shoreline Clean-up Day
- Undertaking home repairing and moving services for the elderly
- Performing emergency repair for community facilities
- Organising tree planting activities

To motivate the construction practitioners to contribute and give back to the community, the CISVP organised for the third year the Construction Industry Volunteer Awards Presentation Ceremony under the theme of “Together We Care”. There were 62 construction-related organisations and NGOs participated in the Award Scheme, contributing a total of 124,139 service hours by 17,073 volunteers (man-time). In addition, a total of 124 companies, including contractors, professional bodies, consultant firms and government departments, were awarded the “Construction Industry Caring Organisation” Logo for their commitment to the local community. The number was more than double of the amount from last year.

## Key Initiatives in Operation

### Corporate Safety and Health

On top of in-person training, the CIC published the first series of safety self-learning pack on the intranet this year, allowing employees to refresh and update their safety knowledge at their own pace. The CIC will continue to develop new safety modules to strengthen the safety knowledge of our employees. Other measures to enhance the accessibility of safety information include:

- A safety alert section in “HR Connect” which builds up communication channel to share near miss and accident reviews across department over mobile phones.
- An online safety library is available in the intranet for employees to retrieve useful information anytime.
- Outdoor safety information boards were set up at four training grounds for posting safety and health information to teachers and students.

### Combatting COVID-19 pandemic

This year, the COVID-19 outbreak has posed profound impact local economy activities and various sectors in the society, including the construction industry. The CIC and the industry, therefore, jointly set up the “Construction Industry Caring Campaign – Fight against Novel Coronavirus” (Caring Campaign) in February 2020 to unity the industry and fight against the virus together.

The CIC took up the role of secretariat for the Management Committee of the Campaign with an outreach team handling the quarantined and confirmed COVID-19 cases of registered construction workers. The responsibilities of the outreach team included answering enquiries, vetting of applications, administrative work, logistics arrangement as well as caring packs dissemination. As of 31 December 2020, 8,840 enquiries were received and a total of 2,580 applications amounting to HK\$11,668,000 were successfully approved.

To fully support the industry to combat the epidemic through different platforms and initiatives, the CIC also assisted the HKSAR Government in disbursing Construction Industry “Anti-epidemic Fund” (Fund) and distributing face masks. With diversified publicity strategies, workers, eligible applicants and stakeholders were reached through various online communication platforms to provide timely updates on the Caring Campaign, the Fund and “Construction Industry COVID-19 Testing Service Scheme”. Highlights of the initiatives included:

- Face mask and sanitiser distribution: Assisted the Government in distributing around six million masks; Distributed over 530,000 masks via Caring Campaign, as well as together with outreach team, distributed over 130,000 bottles of hand sanitiser to frontline construction workers with the aim of providing better health protection

- Caring packs distribution: Distributed over 140,000 caring packs to workers through Caring Campaign, CIC Service Centres, HKCITTC, and by post
- Construction Industry “Anti-epidemic Fund”: Subsidies were disbursed to 500,000 construction workers and 21,000 construction-related enterprises
- Waiver of registration and renewal fees: Together with the waiver implemented in October 2019, the CIC has continued to waive the relevant fees for construction workers for 2 years, amounting to approximately HK\$19 million

#### Upholding Corporate Integrity

The CIC will continue to uphold the principles of integrity and professionalism with zero-tolerance of bribery and corruption. The CIC has also reviewed the Service Enhancement policy and procedures and enhanced the existing whistleblowing mechanism to protect whistle-blowers from any unfair treatment.

## The Way Forward

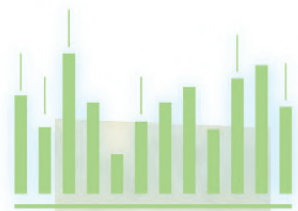
The CIC will continue to devote efforts to raise the health and safety standard of the construction industry and promote a caring culture and a healthy lifestyle through the platform of CISVP with the following actions:

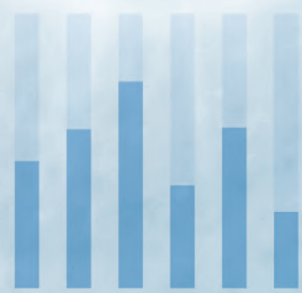
- Launch the Industry Diving Safety Programme
- Design a safety management system and associated workflow and provide training programme for the industry
- Develop a new safety mobile application and promote it to project clients, consultants, main contractors, subcontractors and construction workers
- Roll out workers’ and development activities for the Construction Workers Festival
- Continue to promote sustainable living through community services with the CISVP networks and CIC-ZCP

# FINANCIAL STATEMENTS



573849 1062  
123456 7890  
3547609 128  
823956 7190  
46793085 12  
62345 17890  
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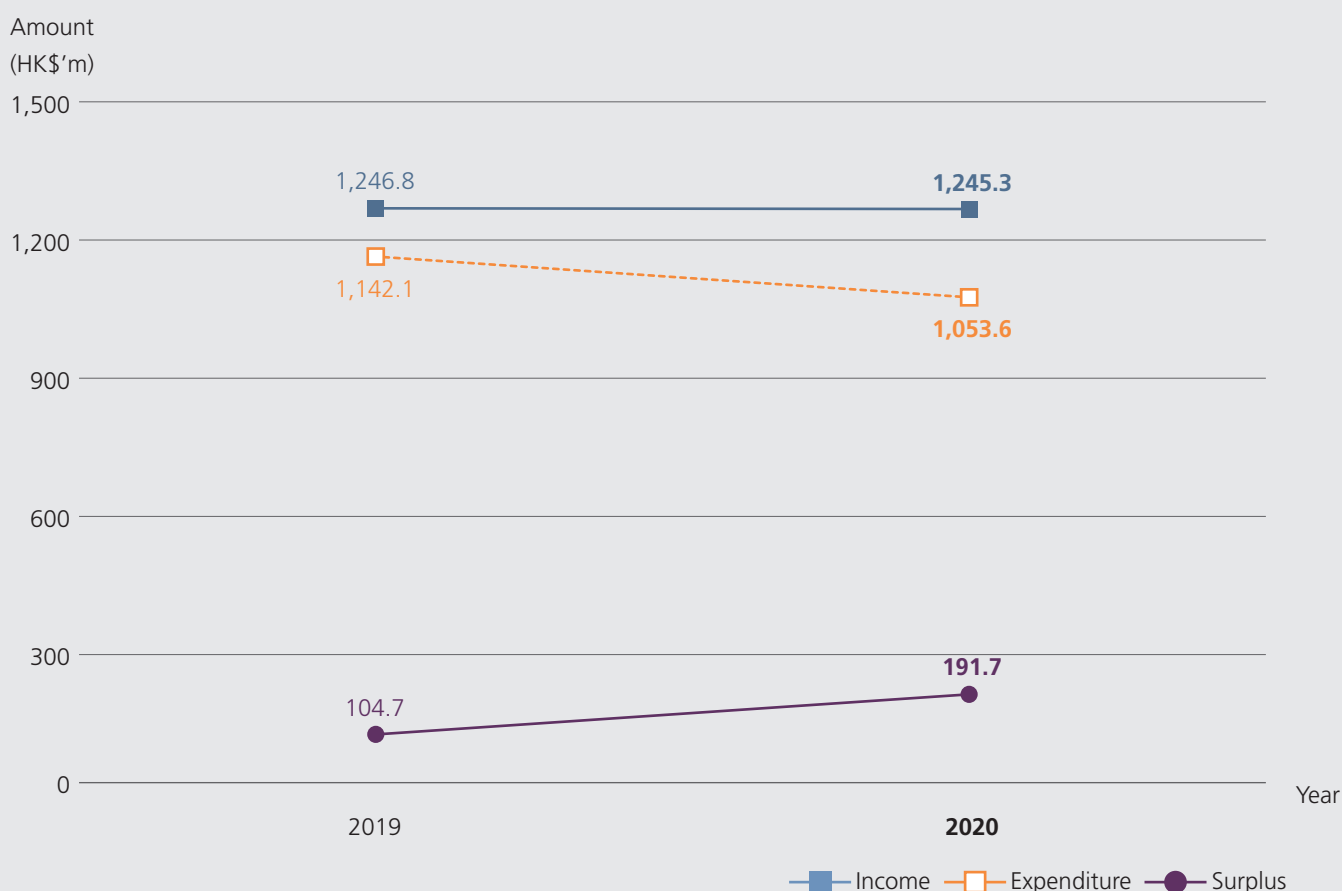
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4	6	7	8	0	0	8	5	0	2
6	2	3	4	5	6	7	8	9	0
7	8	0	7	8	5	4	2	6	3
3	5	9	2	8	7	9	0	7	6
4	0	5	2	6	7	3	3	8	9
7	6	8	5	3	0	4	7	9	2
6	7	9	7	8	5	2	4	0	6
9	5	3	4	7	0	6	2	7	8
7	8	9	2	5	9	3	7	0	4
8	3	6	8	0	7	9	9	2	5

1,088,840,828

## HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2020

Based on the consolidated financial results for the year ended 31 December 2020, total income of CIC Group was \$1,245.26 million (2019: \$1,246.79 million), a slight decline of \$1.53 million or 0.1% against last year. Total expenditure for 2020 was reduced by \$88.56 million or 7.8% to \$1,053.58 million (2019: \$1,142.14 million). The operating results for 2020 recorded a surplus of \$191.68 million (2019: \$104.65 million).

### CIC Income, Expenditure & Surplus for Year 2019 and 2020



Total income of CIC in 2020 was \$1,245.26 million, a slight decline of \$1.53 million or 0.1% against \$1,246.79 million in 2019.

Levy income increased to \$1,134.64 million in 2020 (2019: \$1,103.16 million) and contributed 91.1% (2019: 88.5%) of total income. The 2.9% year-on-year increase in levy income in 2020 was mainly caused by the increase in civil engineering infrastructure works in public sector. Total levy assessed on the value of construction operations in the private and public sectors amounted to \$573.45 million (2019: \$604.11 million) and \$560.70 million (2019: \$498.26 million) respectively, representing 50.5% (2019: 54.8%) and 49.4% (2019: 45.2%) of total levy income. In addition, penalty on overdue levy amounted to \$0.49 million in 2020 (2019: \$0.79 million).

Course fee and related income decreased to \$16.39 million in 2020 (2019: \$27.95 million) with lower income from safety courses and part-time courses.



Workers registration fee income for 2020 decreased marginally to \$7.61 million (2019: \$7.91 million) due to fluctuations in the actual number of workers registration applications and amortisation effect of income from previous years.

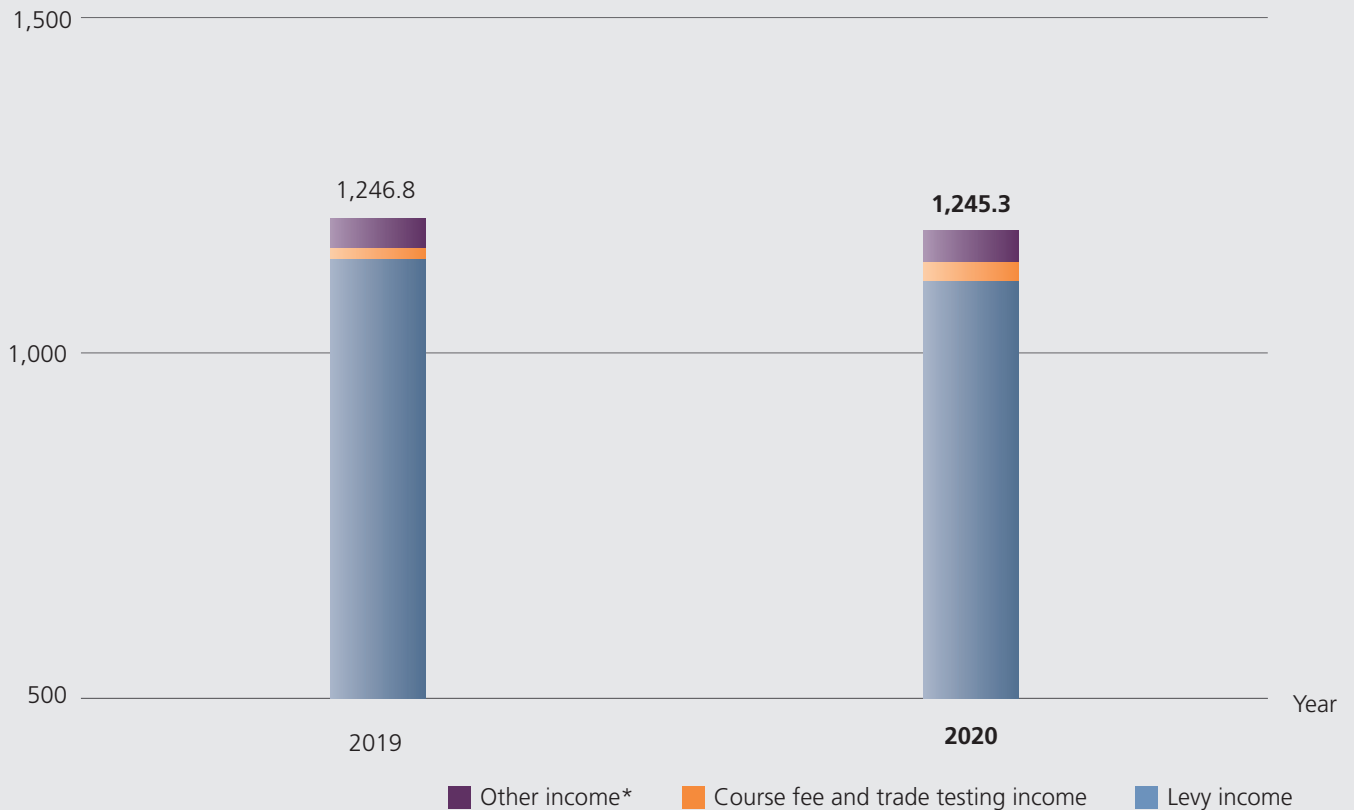
Trade testing income for 2020 declined to \$5.00 million (2019: \$7.10 million) primarily due to the decline in the number of trade test applications during COVID-19 pandemic in 2020 as compared with 2019.

Investment and interest income for 2020 amounted to \$38.47 million (2019: \$54.88 million). The decrease in investment and interest income was mainly due to lower interest rates on time deposits.

Other income of \$43.15 million in 2020 (2019: \$45.80 million) comprised the reimbursement income of trainees' allowances from the Government under the Advanced Construction Manpower Training Scheme (ACMTS) and the Investing in Construction Manpower Scheme (ICMS) and other miscellaneous income. The decrease in other income in 2020 was mainly due to the booth rental income from Construction Innovation Expo 2019 in the previous year.

**CIC Income for Year 2019 and 2020**

Amount  
(HK\$'m)

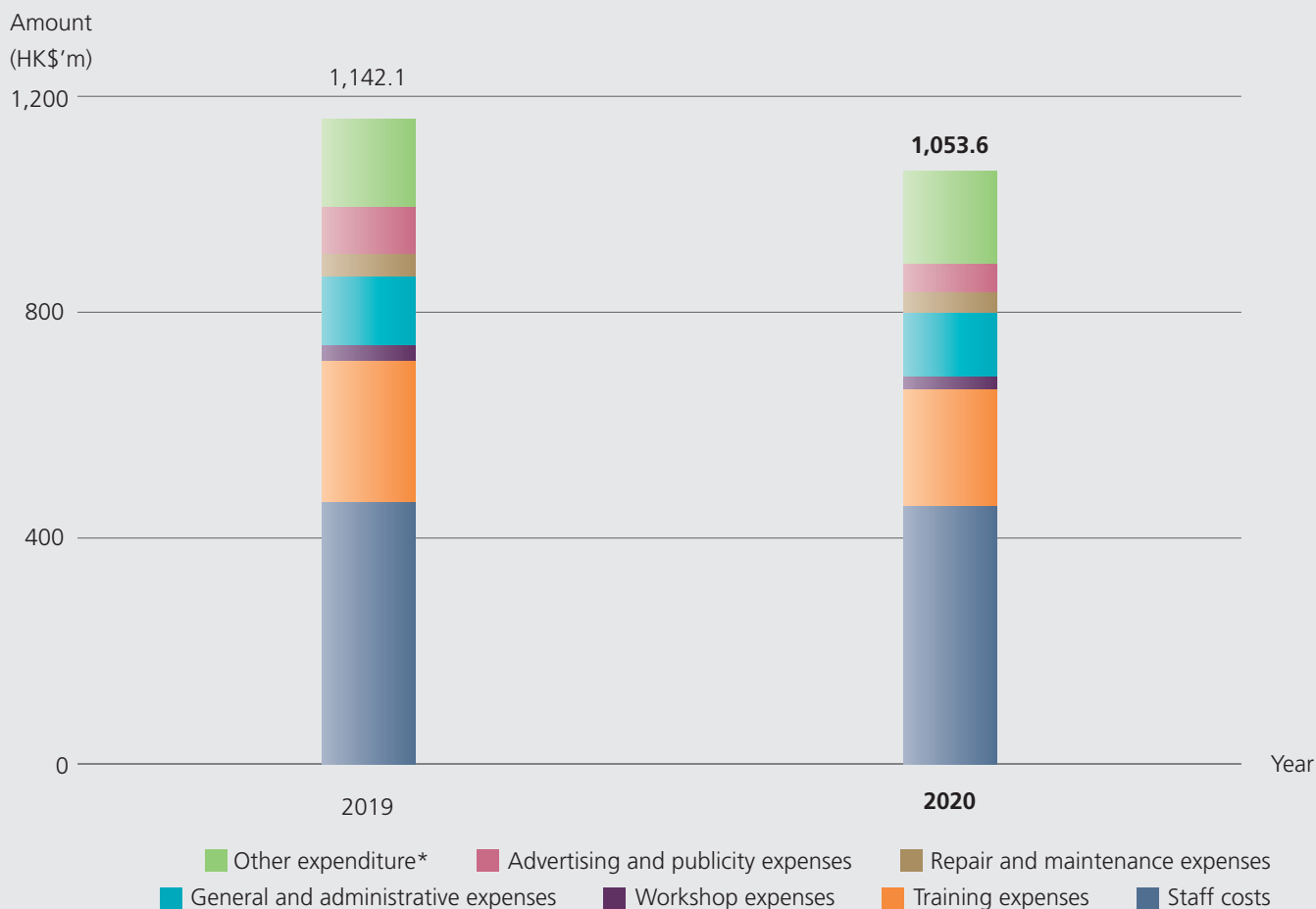


\* Other income in the above bar chart includes registration fee income from sub-contractors, investment and interest income, reimbursement of trainees' allowances and other miscellaneous income.

## HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2020

Total expenditure of CIC in 2020 was \$1,053.58 million, a decrease of \$88.56 million or 7.8% against the \$1,142.14 million in 2019.

### CIC Expenditure for Year 2019 and 2020



\* Other expenditure includes depreciation and amortisation, impairment loss on levy receivables.

- (a) Staff costs amounted to \$455.15 million in 2020 (2019: \$463.45 million). The decrease of 1.8% was mainly due to lower salaries and wages of temporary instructing staff for Hong Kong Institute of Construction.
- (b) Training expenses amounted to \$207.25 million in 2020 (2019: \$249.14 million), a decrease of 16.8%. The decrease was mainly due to decline in training expenses for Enhanced Construction Manpower Training Scheme (ECMTS) and Collaborative Training Schemes, and lower subsidy for Diploma in Vocational Education. It was partly offset by the increase in training expenses for the Apprenticeship Scheme.
- (c) Workshop expenses dropped by 23.0% to \$22.17 million in 2020 (2019: \$28.81 million) mainly due to the lower expenditure on consumable materials and tools, restoration of trade test venues, electricity, as consistent with the decline in the number of students for in-house training and the number of trade test applications in 2020.

- (d) General and administrative expenses amounted to \$113.81 million in 2020 (2019: \$120.63 million). The 5.7% decrease in 2020 was mainly due to decrease in consultancy and professional fees, research and studies expenses, printing expenses, and lower funding support to Hong Kong Green Building Council Limited. It was partly offset by higher security expenses, and sanitation and cleaning expenses for anti-epidemic measures for COVID-19.
- (e) Repair and maintenance expenses amounted to \$39.69 million in 2020 (2019: \$39.74 million). The slight decline was due to lower maintenance expenses on computer equipment and software partly offset by higher expenses on other general repair and maintenance.
- (f) Advertising and publicity expenses decreased by 39.6% to \$50.45 million in 2020 (2019: \$83.46 million) mainly due to the expenditure on Construction Innovation Expo 2019 in prior year, lower expenditure on events for Construction Industry Sports and Volunteering Programme and decrease in publicity activities under COVID-19 pandemic.
- (g) Depreciation and amortisation amounted to \$165.04 million in 2020 (2019: \$157.38 million). The year-on-year increase of 4.9% was caused by the capital expenditure completed in 2020, including renovation works for Hong Kong Construction Industry Trade Testing Centre, and full-year effect of depreciation for capital expenditure completed in 2019, including renovation works of Kwai Chung Campus and CIC-Zero Carbon Park.
- (h) Capital commitments decreased by 66.1% to \$223.61 million in 2020 (2019: \$658.91 million). They comprised contracted capital expenditure mainly for consultancy, renovation and uplifting works at HKIC campuses, and preparation works for development of new campus at Tai Po, provision of IT development and support services, and the Modular Integrated Construction demonstration project at CIC-Zero Carbon Park.

As at 31 December 2020, the Council held a total of \$3,161.68 million as accumulated fund and reserves, compared with \$2,980.06 million as at 31 December 2019.

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF CONSTRUCTION INDUSTRY COUNCIL

*(Established under the Construction Industry Council Ordinance, Hong Kong Special Administrative Region)*

## Opinion

We have audited the consolidated financial statements of Construction Industry Council ("the Council") and its subsidiaries (collectively referred to as the "Group") set out on pages 181 to 215, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in fund and reserves, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

## Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

The Council members are responsible for the other information. The other information comprises the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Council members for the Consolidated Financial Statements

The Council members are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Council members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Council members are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Council members are also responsible for overseeing the Group's financial reporting process.

The Audit Committee of the Council assists the Council members in discharging their responsibilities in this regard.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 26 of the Construction Industry Council Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council members.

## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of the Council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **BDO Limited**

*Certified Public Accountants*

### **Tam Kwok Yiu**

Practising Certificate Number P02575

Hong Kong, 28 April 2021

## Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

	Notes	2020 HK\$	2019 HK\$
<b>Income</b>			
Levy income	4	<b>1,134,640,828</b>	1,103,155,329
Workers registration fee income	5	<b>7,607,553</b>	7,909,794
Course fees and related income	6	<b>16,390,464</b>	27,954,724
Trade testing income	6	<b>4,997,036</b>	7,096,332
Investment and interest income	7	<b>38,472,819</b>	54,879,453
Other income	8	<b>43,149,822</b>	45,798,357
		<b>1,245,258,522</b>	1,246,793,989
<b>Expenditure</b>			
Staff costs	9	<b>455,145,641</b>	463,452,261
Training expenses		<b>207,251,958</b>	249,143,575
Workshop expenses		<b>22,168,615</b>	28,812,565
General and administrative expenses	10	<b>113,810,052</b>	120,632,421
Repair and maintenance expenses		<b>39,691,952</b>	39,738,985
Advertising and publicity expenses		<b>50,450,210</b>	83,462,764
Depreciation	11	<b>165,036,615</b>	157,381,630
Impairment loss / (net reversal of impairment loss) on levy receivables	14	<b>27,693</b>	(482,668)
		<b>1,053,582,736</b>	1,142,141,533
		<b>191,675,786</b>	104,652,456
<b>Surplus for the year</b>			
<b>Other comprehensive expense for the year</b>			
Item that will not be reclassified to profit or loss:			
Equity instruments at fair value through other comprehensive income			
– Decrease in fair value		<b>(10,056,092)</b>	(399,883)
		<b>181,619,694</b>	104,252,573
<b>Surplus and total comprehensive income for the year</b>			

## Consolidated statement of financial position

At 31 December 2020

	Notes	2020 HK\$	2019 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	11	<b>828,473,382</b>	935,222,611
Construction in progress	11	<b>374,767,707</b>	20,343,901
Debt instruments at amortised cost	12	<b>59,122,814</b>	–
Equity instruments at fair value through other comprehensive income	13	<b>11,238,314</b>	37,467,957
		<b>1,273,602,217</b>	993,034,469
<b>Current assets</b>			
Debt instruments at amortised cost	12	–	70,054,642
Levy receivables	14	<b>67,857,638</b>	88,573,393
Deposits, prepayments and other receivables	15	<b>54,270,863</b>	52,761,778
Cash and bank balances	16	<b>2,964,127,027</b>	3,092,327,878
		<b>3,086,255,528</b>	3,303,717,691
<b>Current liabilities</b>			
Accounts and other payables and accruals	17	<b>241,279,542</b>	254,289,839
Construction Innovation and Technology Fund	18	<b>920,193,391</b>	1,003,913,440
Lease liabilities	19	<b>10,154,381</b>	13,843,600
Contract liabilities	20	<b>11,782,751</b>	13,349,447
		<b>1,183,410,065</b>	1,285,396,326
<b>Net current assets</b>		<b>1,902,845,463</b>	2,018,321,365
<b>Total assets less current liabilities</b>		<b>3,176,447,680</b>	3,011,355,834



## Consolidated statement of financial position (continued)

At 31 December 2020

	Notes	2020 HK\$	2019 HK\$
<b>Non-current liabilities</b>			
Lease liabilities	19	<b>4,580,390</b>	14,734,771
Contract liabilities	20	<b>10,191,615</b>	16,565,082
		<b>14,772,005</b>	31,299,853
<b>Net assets</b>			
		<b>3,161,675,675</b>	2,980,055,981
Represented by:			
Accumulated fund		<b>2,766,295,640</b>	2,586,969,204
General reserve		<b>389,353,310</b>	389,353,310
Investment revaluation reserve		<b>6,026,725</b>	3,733,467
<b>Total fund and reserves</b>			
		<b>3,161,675,675</b>	2,980,055,981

The consolidated financial statements on pages 181 to 215 were approved and authorised for issue by the Council members of Construction Industry Council on 28 April 2021 and were signed on their behalf by:

**CHAN Ka-kui**  
Chairman

**WONG Hin-wing, Simon**  
Council member

## Consolidated statement of changes in fund and reserves

For the year ended 31 December 2020

	Accumulated fund HK\$	General reserve HK\$ (Note a)	Investment revaluation reserve HK\$ (Note b)	Total HK\$
At 1 January 2019	2,482,316,748	389,353,310	4,133,350	2,875,803,408
Surplus for the year	104,652,456	–	–	104,652,456
Other comprehensive expense for the year	–	–	(399,883)	(399,883)
At 31 December 2019	2,586,969,204	389,353,310	3,733,467	2,980,055,981
Surplus for the year	191,675,786	–	–	191,675,786
Other comprehensive expense for the year	–	–	(10,056,092)	(10,056,092)
Reclassification adjustment upon disposal of equity instruments at fair value through other comprehensive income	(12,349,350)	–	12,349,350	–
At 31 December 2020	2,766,295,640	389,353,310	6,026,725	3,161,675,675

Notes:

- (a) The general reserve has been set up to record the statutory transfer of net assets from Construction Industry Training Authority on 1 January 2008 and Construction Workers Registration Authority on 1 January 2013. The general reserve was created for employing the reserve in the operations of the Council or by investing the reserve in such manner as the Council members think fit. The Council members may apply the general reserve for any other special purpose.
- (b) The investment revaluation reserve comprises the cumulative net change in the fair value of equity investments at fair value through other comprehensive income held at the end of the reporting period and is dealt with in accordance with the accounting policy in Note 3.

## Consolidated statement of cash flows

For the year ended 31 December 2020

	2020 HK\$	2019 HK\$
<b>Operating activities</b>		
Surplus for the year	<b>191,675,786</b>	104,652,456
Adjustments for:		
Impairment loss / (reversal of impairment loss) on levy receivables	<b>27,693</b>	(482,668)
Interest expense on lease liabilities	<b>488,254</b>	654,238
Depreciation	<b>165,036,615</b>	157,381,630
Investment and interest income	<b>(38,472,819)</b>	(54,879,453)
Loss on disposal of property, plant and equipment	<b>2,871,581</b>	3,464,315
<b>Operating cash flow before movements in working capital</b>	<b>321,627,110</b>	210,790,518
Decrease / (increase) in levy receivables	<b>20,688,062</b>	(10,373,242)
Increase in deposits, prepayments and other receivables	<b>(10,084,740)</b>	(5,497,810)
Increase in accounts and other payables and accruals	<b>3,720,365</b>	13,385,166
Decrease in contract liabilities	<b>(7,940,163)</b>	(212,140)
<b>Net cash from operating activities</b>	<b>328,010,634</b>	208,092,492

## Consolidated statement of cash flows (continued)

For the year ended 31 December 2020

	Note	2020 HK\$	2019 HK\$
<b>Investing activities</b>			
Withdrawal of bank deposits with maturity over three months		<b>4,032,567,584</b>	2,931,979,247
Redemption of debt instruments at amortised cost		<b>70,000,000</b>	–
Interest received		<b>46,739,351</b>	59,258,987
Proceeds from equity instrument through other comprehensive income		<b>16,173,551</b>	–
Dividend received from equity instruments at fair value through other comprehensive income		<b>318,873</b>	1,986,908
Placement in bank deposits with maturity over three months		<b>(3,918,785,585)</b>	(3,042,262,726)
Payment for purchase of property, plant and equipment		<b>(415,582,773)</b>	(149,058,026)
Purchase of debt instruments at amortised cost		<b>(59,528,633)</b>	–
<b>Net cash used in investing activities</b>		<b>(228,097,632)</b>	(198,095,610)
<b>Financing activity</b>			
Repayment of lease liabilities	19	<b>(14,331,854)</b>	(12,476,390)
<b>Net cash used in financing activity</b>		<b>(14,331,854)</b>	(12,476,390)
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>85,581,148</b>	(2,479,508)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>50,065,152</b>	52,544,660
<b>Cash and cash equivalents at the end of the year</b>		<b>135,646,300</b>	50,065,152
<b>Analysis of the balances of cash and cash equivalents</b>			
Cash and bank balances		<b>2,964,127,027</b>	3,092,327,878
Less: Time deposits with original maturity over three months		<b>(2,828,480,727)</b>	(3,042,262,726)
		<b>135,646,300</b>	50,065,152

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

## 1. General

The Construction Industry Council (the "Council") was established as a statutory body on 1 February 2007 in Hong Kong under the Construction Industry Council Ordinance. The Council acts as an industry co-ordinating body. Its principal functions are to forge consensus on long-term strategic issues, convey the industry's needs and aspirations to Government, as well as provide a communication channel for Government to solicit advice on all construction-related matters. In order to propagate improvements across the entire industry, the Council is empowered to formulate codes of conduct, administer registration and rating schemes, steer forward research and manpower development, facilitate adoption of construction standards, promote good practices and compile performance indicators.

The address of the registered office of the Council is located at 38/F., COS Centre, 56 Tsun Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Group consolidated financial statements are presented in Hong Kong dollar, which is the same as the functional currency of the Council and its subsidiaries.

## 2. Application of new and amendments to Hong Kong financial reporting standards ("HKFRSs")

### New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the preparation of the Group's consolidated financial statements for the first time in the current year:

Amendments to HKFRS 3	Definition of Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to the Conceptual Framework for Financial Reporting	Definition of Asset and Liabilities

The application of the above new and amendments to HKFRSs in the current year has had no material impact on the Group's consolidated performance and positions for the current and prior years and / or on the disclosures in these consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the new and amendments to HKFRSs that have been issued but are not yet effective:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions <sup>1</sup>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 <sup>2</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 <sup>3</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>3</sup>
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use <sup>3</sup>
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilment a Contract <sup>3</sup>
HKFRS 17	Insurance Contracts and the related Amendments <sup>4</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 June 2020

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2022

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2023

The Council members anticipate that the application of these new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### 3. Significant accounting policies

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA under the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The significant accounting policies are set out below:

### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Council and entities controlled by the Council and its subsidiaries. Control is achieved where the Council:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Council reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### Revenue from contracts with customers

The Group recognises revenue when a performance obligation is satisfied, i.e. when "control" of the services underlying the particular performance obligation is transferred to the customer.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;  
or

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct service.

A contract liability represents the Group's obligation to deliver services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

*Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation*

### Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services delivered to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

### Levy income

Levy income is accounted for on an accrual basis and is recognised when the assessment of the value of construction operations by the Group are complete.

### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred are recognised in profit or loss in the period in which they become receivables.

### Property, plant and equipment and construction in progress

Property, plant and equipment held for use in the provision of services or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress represented the expenditure made for construction of property, plant and equipment for provision of services or administrative purpose. Construction in progress are carried at cost less any recognised impairment loss. Such items are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.



Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Leasehold land and building	25 – 50 years
Motor vehicles	5 years
Computer equipment	3 – 5 years
Renovation and building facilities	3 – 5 years
Furniture and fixtures	10 years
Facilities, tools, machinery and workshop equipment	5 years
Other equipment	10 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of underlying assets or the cost of the right-of-use asset reflect that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying assets.

## Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of the tangible assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### Employee benefits

Salaries, gratuities, paid annual leave, contributions to defined contribution retirement plans are accrued in the year in which the associated services are rendered by employees.

### Leasing

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (which comprises the initial measurement of lease liabilities, initial direct costs, reinstatement costs, any payments made at or before the commencement date less any lease incentives received), and subsequently at cost less any accumulated depreciation and impairment losses. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Generally, the Group uses its incremental borrowing rate as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Payments associated with short-term leases (i.e., leases with a lease term of 12 months or less) and low value leases are recognised on a straight-line basis as an expense in the profit or loss.

### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

## Financial assets

### Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss, except that at the date of initial application / initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

### *Amortised cost and interest income*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset starting from the following reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

### *Equity instruments designated as at FVTOCI*

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gains or losses will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated fund.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the investment and interest income line item in profit or loss.

### *Impairment of financial assets*

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under HKFRS 9 (including deposits and other receivables, bank balances and debt instruments at amortised cost). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group has elected to measure loss allowances for levy receivables using the HKFRS 9 simplified approach and has calculated ECL based on lifetime ECL. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets subject to ECL, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

#### (i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has been dissolved by deregistration, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on the amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of deposits and other receivables, where the corresponding adjustment is recognised through a loss allowance account.

## Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

Financial liabilities (including accounts and other payables and Construction Innovation and Technology Fund ("CITF")) are subsequently measured at amortised cost, using the effective interest method.

## Derecognition of financial instruments

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gains or losses previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated fund.

The Group derecognises a financial liability when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## Investment properties

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for use in the production or supply of goods or services or for administrative purposes. Investment property is stated at cost less subsequent accumulated depreciation and any accumulated impairment loss. Depreciation is charged so as to write off the cost of investment property net of expected residual value over the estimated useful life using the straight-line method. The useful life, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

## Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control of the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group;
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 4. Levy income

	2020 HK\$	2019 HK\$
Private sector	<b>573,454,825</b>	604,100,319
Public sector	<b>410,485,864</b>	384,220,749
Others (Note)	<b>150,205,605</b>	114,042,200
Penalty on overdue levy	<b>494,534</b>	792,061
	<b>1,134,640,828</b>	1,103,155,329

Note: Others include levy income on construction operations relating to the port and airport development, Mass Transit Railway, Express Rail Link, South Island Line, Kwun Tong Line Extension, West Island Line and Tuen Ma Line.

In accordance with the provisions of section 32 of the Construction Industry Council Ordinance, a levy is imposed at the rate of 0.5% on the value of all construction operations undertaken or carried out in Hong Kong, for which the tender has been submitted on or after 30 July 2018, and with a total value exceeding HK\$3,000,000\*(see below).

In addition, in accordance with the provisions of section 23 of the Construction Workers Registration Ordinance, a levy is imposed at the rate of 0.03% on the value of all construction operations undertaken or carried out in Hong Kong, for which the tender has been submitted or a construction contract has been entered or the construction operations have begun on or after 30 July 2018 and with a total value exceeding HK\$3,000,000# (see below).

\* Any construction operations which have commenced or been tendered before 30 July 2018, the levy threshold is HK\$1,000,000. The levy rate for these operations was 0.5%, effective on 20 August 2012 while it was 0.4% before 20 August 2012 and 0.25% before 10 January 2000.

# Any construction operations which have commenced or been tendered between 24 February 2005 and 29 July 2018, the levy threshold is HK\$1,000,000.

### 5. Workers registration fee income

Workers registration fees are collected from construction workers who are applying for registration which normally has a validity period of 60 months in accordance with the Construction Workers Registration (Fees) Regulation (Cap 583 (B)). Workers registration fee income is recognised over time and the advances received relating to future periods are treated as contract liabilities (Note 20). Revenue is recognised on a time proportion basis based on the output method.



## 6. Course fees and related income and trade testing income

Course fees and related income is recognised over time. Trade testing income is recognised at a point in time. All these incomes represent contracts with customers and were derived from Hong Kong.

### (i) Course fees and related income

The Group provides construction training courses to trainees. Such courses are recognised as a performance obligation satisfied over time as the trainee simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised over the period of training based on the output method.

All courses are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

### (ii) Trade testing income

The Group provides trade testing services to construction industry practitioners. Such services are recognised at a point of time upon the completion of the testing.

All trade testing services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## 7. Investment and interest income

	2020 HK\$	2019 HK\$
Interest on bank deposits	<b>36,872,319</b>	51,504,149
Interest on debt instruments at amortised cost	<b>1,244,539</b>	1,388,357
Other interest income	<b>37,088</b>	39
Dividend from equity instruments at fair value through other comprehensive income	<b>318,873</b>	1,986,908
	<b>38,472,819</b>	54,879,453

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 8. Other income

	2020 HK\$	2019 HK\$
Reimbursement of trainees' allowance (Note 1)	<b>31,164,998</b>	28,012,091
Registration fee income from sub-contractors (Note 2)	<b>2,883,176</b>	2,407,137
Income from conferences and workshops	<b>1,792,609</b>	8,438,837
Income from short-term rental of devices	<b>1,402,617</b>	1,569,920
Other miscellaneous income	<b>5,906,422</b>	5,370,372
	<b>43,149,822</b>	45,798,357

Note 1:

Reimbursement of trainees' allowance represents the receivable from the Government in respect of the allowances paid by the Group to the trainees for several approved training schemes which are regarded as government grants.

Note 2:

Registration fees are collected from sub-contractors who are applying for registration which normally has a validity period of 24 months before 1 July 2017, and either 36 or 60 months on and after 1 July 2017. Registration fee income is recognised over time and the advances received relating to future periods are treated as contract liabilities (Note 20). Revenue is recognised on a time proportion basis based on the output method.

### 9. Staff costs

	2020 HK\$	2019 HK\$
Salaries, wages and other benefits	<b>433,366,682</b>	440,972,973
Contributions to defined contribution retirement plan	<b>21,778,959</b>	22,479,288
	<b>455,145,641</b>	463,452,261

### 10. General and administrative expenses

General and administrative expenses included:

	2020 HK\$	2019 HK\$
Auditors' remuneration	<b>521,300</b>	526,330
Depreciation charges:		
– owned assets	<b>152,421,216</b>	145,872,250
– right-of-use assets	<b>12,615,399</b>	11,509,380
Loss on disposal of property, plant and equipment	<b>2,871,581</b>	3,464,315

## 11. Property, plant and equipment and construction in progress

	Leasehold land and building (note)	Motor vehicles	Computer equipment	Renovation and building facilities	Furniture and fixtures	Facilities, tools, machinery and workshop equipment	Other equipment	Total property, plant and equipment	Construction in progress	Total
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
<b>Cost</b>										
As at 1 January 2019	612,097,912	1,341,244	96,270,545	496,698,927	6,228,386	90,973,509	22,619,196	1,326,229,719	4,833,815	1,331,063,534
Additions	972,530	–	–	–	80,385	–	8,707,206	9,760,121	150,916,428	160,676,549
Disposals	–	–	(3,843,114)	(13,688,877)	(156,322)	(2,837,458)	(1,107,863)	(21,633,634)	–	(21,633,634)
Transfer	–	–	22,862,852	74,624,602	–	30,787,112	7,131,776	135,406,342	(135,406,342)	–
At 31 December 2019	613,070,442	1,341,244	115,290,283	557,634,652	6,152,449	118,923,163	37,350,315	1,449,762,548	20,343,901	1,470,106,449
Additions	–	–	–	–	–	–	–	–	417,338,594	417,338,594
Disposals	(2,795,440)	(264,800)	(145,600)	(13,238,496)	(232,824)	(1,442,731)	(827,822)	(18,947,713)	–	(18,947,713)
Transfer	–	–	24,119,380	27,058,382	2,584,396	3,437,451	5,715,179	62,914,788	(62,914,788)	–
At 31 December 2020	610,275,002	1,076,444	139,264,063	571,454,538	8,504,021	120,917,883	42,237,672	1,493,729,623	374,767,707	1,868,497,330
<b>Accumulated depreciation</b>										
At 1 January 2019	76,569,372	824,603	40,258,976	190,904,504	2,989,682	54,925,155	6,916,546	373,388,838	–	373,388,838
Charge for the year	27,374,936	138,309	18,566,975	93,097,801	624,940	14,506,109	3,072,560	157,381,630	–	157,381,630
Written off on disposals	–	–	(3,843,114)	(9,056,842)	(91,514)	(2,784,156)	(454,905)	(16,230,531)	–	(16,230,531)
At 31 December 2019	103,944,308	962,912	54,982,837	274,945,463	3,523,108	66,647,108	9,534,201	514,539,937	–	514,539,937
Charge for the year	27,465,115	138,309	20,442,674	96,114,361	628,069	15,581,382	4,666,705	165,036,615	–	165,036,615
Written off on disposals	(2,795,440)	(264,800)	–	(9,220,680)	(174,020)	(1,346,518)	(518,853)	(14,320,311)	–	(14,320,311)
At 31 December 2020	128,613,983	836,421	75,425,511	361,839,144	3,977,157	80,881,972	13,682,053	665,256,241	–	665,256,241
<b>Carrying amounts</b>										
At 31 December 2020	481,661,019	240,023	63,838,552	209,615,394	4,526,864	40,035,911	28,555,619	828,473,382	374,767,707	1,203,241,089
At 31 December 2019	509,126,134	378,332	60,307,446	282,689,189	2,629,341	52,276,055	27,816,114	935,222,611	20,343,901	955,566,512

Note: Included in leasehold land and building are office premises carried at historical cost of HK\$1, which is leased out to earn rental income. The market value estimated by the Council as at 31 December 2020 is HK\$27,500,000, the determination of which was supported by market evidence. The gross rental income earned for the year was HK\$912,000 (2019: HK\$532,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 12. Debt instruments at amortised cost

	2020 HK\$	2019 HK\$
Debt instruments listed on the Stock Exchange of Hong Kong, with fixed interest rate of 3.20% to 4.25% (2019: 1.96% to 2.52%) per annum and maturity date in 2025 (2019: 2020)	<b>59,122,814</b>	70,054,642

### 13. Equity instruments at fair value through other comprehensive income

	2020 HK\$	2019 HK\$
Equity securities listed on the Stock Exchange of Hong Kong, at fair value	<b>11,238,314</b>	37,467,957

Note:

The above listed equity investments represent ordinary shares of entities listed in Hong Kong. These investments are not held for trading, instead, they are held for long-term strategic purposes. The Council members have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

## 14. Levy receivables

	2020 HK\$	2019 HK\$
Levy receivables	<b>74,371,506</b>	95,059,568
Less: Impairment loss	<b>(6,513,868)</b>	(6,486,175)
	<b>67,857,638</b>	88,573,393

All levy receivables are expected to be recovered within one year.

The average credit period on levy receivables granted to the contractors is 28 days after the date of the notice of assessment.

No penalty is imposed on the contractor for the specified period of 28 days. Thereafter, penalty is imposed at 5% of the unpaid amount. If the amount of the levy or surcharge, including any penalty imposed remains unpaid within three months after the expiry of the specified period, a further penalty of 5% of the unpaid amount will be imposed on the outstanding balance. The Group would provide fully for all long outstanding receivables, having considered, inter alia, the likelihood of recoverability based on historical experience.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

As at 31 December 2020, included in the Group's levy receivables balance are debtors with a carrying amount of HK\$2,931,199 (2019: HK\$3,518,056) which were past due at the end of the reporting period for which the Group had not provided for any impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable.

### Impairment of levy receivables

Impairment losses on levy receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against levy receivables directly.

The movement in the allowance for impairment loss is as follows:

	HK\$
At 1 January 2019	7,119,838
Uncollectible amount written off	(150,995)
Net reversal of impairment losses	(482,668)
<hr/>	
At 31 December 2019	6,486,175
Impairment losses recognised	27,693
<hr/>	
At 31 December 2020	6,513,868

At 31 December 2020, levy receivables of HK\$6,405,161 (2019: HK\$6,403,201) were individually determined to be impaired and full impairment loss were recognised in the allowance account. The individually impaired receivables related to contractors that were either under liquidation or in financial difficulties and the Group assessed that the full amount of the receivables to be irrecoverable.

In determining the recoverability of levy receivables, the Group collectively considered any change in the credit quality of the levy receivables from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the contractor base being large and unrelated.

## 15. Deposits, prepayments and other receivables

	2020 HK\$	2019 HK\$
Deposits and prepayments	<b>11,958,829</b>	12,916,530
Other receivables		
– Interest receivables – The Group	<b>8,588,952</b>	16,735,025
– Interest receivables – CITF (Note 18)	<b>40,136</b>	490,847
– Receivable from the Government	<b>29,257,963</b>	16,682,709
– Others	<b>4,424,983</b>	5,936,667
	<b>42,312,034</b>	39,845,248
	<b>54,270,863</b>	52,761,778

## 16. Cash and bank balances

Cash and deposits at banks comprise cash and demand deposits held by the Group.

	2020 HK\$	2019 HK\$
Deposits with banks		
– with original maturity over three months		
– The Group	<b>1,933,480,727</b>	2,047,262,726
– CITF (Note 18)	<b>895,000,000</b>	995,000,000
	<b>2,828,480,727</b>	3,042,262,726
Bank balances and cash		
– The Group	<b>110,493,045</b>	41,642,559
– CITF (Note 18)	<b>25,153,255</b>	8,422,593
	<b>2,964,127,027</b>	3,092,327,878

Deposits and bank balances totalling HK\$920,153,255 (2019: HK\$1,003,422,593) being Construction Innovation and Technology Fund (Note 18) are kept at earmarked bank accounts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 17. Accounts and other payables and accruals

All of the accounts and other payables and accruals are expected to be settled within one year or are repayable on demand.

### 18. Construction innovation and technology fund

The Finance Committee of the Legislative Council approved the establishment of the CITF on 16 July 2018, with an allocation of HK\$1,000,000,000 for use over a tentative period of 5 years. CITF is to encourage wider adoption of innovative construction methods and technology in the construction industry with a view to promoting productivity, uplifting built quality, improving site safety and enhancing environmental performance by the Government of HKSAR. The CIC was commissioned by the Development Bureau to be the implementation partner. CIC opened a designated bank account and keep separate books for the CITF. As at 31 December 2020, the fund balance accumulated to HK\$920,193,391 (2019: HK\$1,003,913,440) for which HK\$920,153,255 (2019: HK\$1,003,422,593) and HK\$40,136 (2019: HK\$490,847) are included in cash and bank balances (Note 16) and interest receivables respectively. The unutilised amount has to be returned to the Development Bureau.

### 19. Lease liabilities

The group leases a number of properties in Hong Kong with fixed periodic payments over the lease terms.

The group also leases certain items of equipment with fixed payments over the lease terms.

#### Right-of-Use Assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

<b>Right-of-use assets</b>	<b>Leasehold land and building HK\$</b>	<b>Other equipment HK\$</b>
At 1 January 2019	28,837,184	–
Additions	972,530	8,707,206
Depreciation	(10,783,780)	(725,600)
At 31 December 2019	19,025,934	7,981,606
Depreciation	(10,873,958)	(1,741,441)
At 31 December 2020	8,151,976	6,240,165



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

Future lease payments are due as follows:

	Minimum lease payments HK\$	Interest HK\$	Present value HK\$
<b>2020</b>			
Not later than one year	<b>10,350,040</b>	<b>195,659</b>	<b>10,154,381</b>
Later than one year and not later than five years	<b>4,707,004</b>	<b>126,614</b>	<b>4,580,390</b>
	<b>15,057,044</b>	<b>322,273</b>	<b>14,734,771</b>
<b>2019</b>			
Not later than one year	14,331,854	488,254	13,843,600
Later than one year and not later than five years	15,057,044	322,273	14,734,771
	29,388,898	810,527	28,578,371

### Movement of lease liabilities

	2020 HK\$	2019 HK\$
At 1 January	<b>28,578,371</b>	30,720,787
New leases	–	9,679,736
Interest expenses	<b>488,254</b>	654,238
Repayments	<b>(14,331,854)</b>	(12,476,390)
At 31 December	<b>14,734,771</b>	28,578,371

The present value of future lease payments are analysed as:

	2020 HK\$	2019 HK\$
Current liabilities	<b>10,154,381</b>	13,843,600
Non-current liabilities	<b>4,580,390</b>	14,734,771
	<b>14,734,771</b>	28,578,371

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### Leases – Other disclosures:

	2020 HK\$	2019 HK\$
Short term lease expense	182,000	128,370
Low value lease expense	2,530,563	2,170,077
Interest expenses	488,254	654,238

### 20. Contract liabilities

	2020 HK\$	2019 HK\$
Course fees and related income	3,466,678	3,300,001
Workers registration fees	10,949,386	18,556,879
Registration fees from subcontractors	7,558,302	8,057,649
	21,974,366	29,914,529
Current	11,782,751	13,349,447
Non-current	10,191,615	16,565,082
	21,974,366	29,914,529

Contract liabilities, that are not expected to be settled within the Group's normal operating cycle, are classified as non-current based on the Group's earliest obligation to transfer services to the customers.

The following table shows how much of the revenue recognised in the current year relates to brought-forward contract liabilities.

	Course fees and related income HK\$	Workers registration fees HK\$	Registration fees from sub-contractors HK\$
<b>2020</b>			
Revenue recognised that was included in the contract liability balance at the beginning of the year	3,300,001	7,607,464	2,441,982
<b>2019</b>			
Revenue recognised that was included in the contract liability balance at the beginning of the year	3,985,241	7,095,901	1,512,807

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

(a) Course fees and related income

When the Group receives course fees before the construction training course commences, it gives rise to contract liabilities at cash receipt, until the amount is recognised as course fees and related income. The Group typically receives the full amount of the construction training course fees before the course commences.

(b) Workers registration fees

The workers registration fees normally have a validity period of 60 months in accordance with the Construction Workers Registration (Fees) Regulation (Cap 583 (B)). When the Group receives the registration fees from the construction workers, it gives rise to contract liabilities at cash receipt, until the amount is recognised as registration fee income over the period.

(c) Registration fees from sub-contractors

The registration fees from sub-contractors normally have a validity period of 60 months under the Registered Specialist Trade Contractors Scheme. When the Group receives the registration fees from the sub-contractors, it gives rise to contract liabilities at cash receipt, until the amount is recognised as registration fee income over the period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 21. Taxation

Pursuant to section 28 of the Construction Industry Council Ordinance, the Council is exempted from taxation under the Inland Revenue Ordinance.

Zero Carbon Building, wholly owned subsidiary of the Council, is exempted from Hong Kong Profits Tax under section 88 of the Inland Revenue Ordinance.

Hong Kong Institute of Construction, a wholly owned subsidiary of the Council, is exempted from Hong Kong Profits Tax under section 88 of the Inland Revenue Ordinance.

### 22. Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of capital fund. The Council members of the Group review the capital structure periodically. As part of this review, the Group will balance its overall capital structure through obtaining finances from available sources.

## 23. Financial instruments

### (a) Categories of financial instruments

	2020 HK\$	2019 HK\$
<b>Financial assets</b>		
Financial assets at amortised costs (including cash and bank balances)	<b>3,071,207,809</b>	3,207,873,484
Equity instrument at FVTOCI	<b>11,238,314</b>	37,467,957
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	<b>996,087,903</b>	1,075,474,494

### (b) Financial risk management objectives and policies

The Group's financial instruments include equity and debt instruments, deposits, other receivables, bank balances and cash, accounts and other payables. The risks associated with these financial instruments include credit risk, liquidity risk, interest rate risk and equity price risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group's overall strategy remains unchanged from prior year.

#### Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has policies in place for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Council members consider that the Group's credit risk is significantly reduced.

For deposits and other receivables, the Group performs impairment assessment under 12m ECL model upon application of HKFRS 9. The credit risk on deposits and other receivables are limited because the counterparties are entities with good repayment history and credit ratings and / or exposure at default is low. In this regard, the Council members consider that the Group's credit risk is significantly reduced.

The Group only invests in debt securities with low credit risk. The Group's debt instruments at amortised cost are bonds issued by corporations that are graded in the top credit rating among rating agencies. Therefore, these investments are considered to be low credit risk investments and the loss allowance is assessed on 12m ECL basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

The Group's bank balances are deposited with banks with high credit ratings and therefore the credit risk of these bank balances is low and the loss allowance is assessed on 12m ECL basis.

The Council members considered that no additional provision for the above items has to be made as it is immaterial.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit rating and the investments in two debt instruments at amortised cost, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties.

### Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity requirements. The Group managed liquidity risk by continuously monitoring forecast and actual cash flows.

The following table details the remaining contractual maturities at the end of the reporting period of the non-derivative financial liabilities, which are based on the contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

	Carrying amount HK\$	Total contractual undiscounted cash flows HK\$	Within 1 year or on demand HK\$	More than 1 year but less than 2 years HK\$
<b>2020</b>				
Accounts and other payables and accruals	<b>241,279,542</b>	<b>241,279,542</b>	<b>241,279,542</b>	–
Construction Innovation and Technology Fund	<b>920,193,391</b>	<b>920,193,391</b>	<b>920,193,391</b>	–
Lease liabilities	<b>14,734,771</b>	<b>15,057,044</b>	<b>10,350,040</b>	<b>4,707,004</b>
	<b>1,176,207,704</b>	<b>1,176,529,977</b>	<b>1,171,822,973</b>	<b>4,707,004</b>
<b>2019</b>				
Accounts and other payables and accruals	254,289,839	254,289,839	254,289,839	–
Construction Innovation and Technology Fund	1,003,913,440	1,003,913,440	1,003,913,440	–
Lease liabilities	28,578,371	29,388,898	14,331,854	15,057,044
	1,286,781,650	1,287,592,177	1,272,535,133	15,057,044

### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to debt instruments at amortised cost. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the Council members will consider hedging significant interest rate exposure should the need arise.

The Group is exposed to cash flow interest rate risk through the impact of rate changes on interest bearing financial assets. Interest bearing financial assets are mainly cash and deposits at banks which are all short term in nature. Therefore, any future variations in interest rates will not have a significant impact on the results of the Group.

### Equity price risk

The Group is exposed to equity price changes arising from equity investments at fair value through other comprehensive income. All of these investments are listed on the Stock Exchange of Hong Kong.

Listed investments held in equity investments at fair value through other comprehensive income portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

### Equity price risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk on listed equity interests at the reporting date.

If the prices of the equity investments at fair value through other comprehensive income had been 20% higher / lower, the Group's investment revaluation reserve would increase / decrease by HK\$2,247,663 (2019: HK\$7,493,591).

## (c) Fair value measurements of financial instruments

### (i) Financial instruments measured at fair value

The fair values of listed equity investments at fair value through other comprehensive income which are traded on active markets are determined with reference to quoted market bid prices. The Group holds listed equity investments at fair value through other comprehensive income amounting to HK\$11,238,314 (2019: HK\$37,467,957), which are grouped into Level 1 in the fair value hierarchy.

During the years ended 31 December 2020 and 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

### (ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 31 December 2020 and 2019.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 24. Capital commitments

Capital commitments outstanding at 31 December 2020 and 2019 not provided for in the consolidated financial statements were as follows:

	2020 HK\$	2019 HK\$
Contracted for	<b>223,613,693</b>	658,907,059

Capital commitments relate to the acquisition of plant and equipment, renovation works and acquisition or development of computer equipment.

### 25. Related party disclosures

#### (a) Related party transactions

As the members of the Council were being drawn from private or public construction industry sector organisations, it is inevitable that transactions will take place with organisation in which a member may have an interest. All transactions involving organisations in which members of the Group may have an interest, subsisted at the end of the year or at any time during the year, were conducted on normal commercial terms and in accordance with the Group's procurement procedures.

During the year, the Group entered into the following non-trade transactions with related parties:

	2020 HK\$	2019 HK\$
<b>Nature of transactions</b>		
Funding support to Hong Kong Green Building Council Limited	<b>4,772,945</b>	5,865,575

#### (b) Related party balances

Balances with related parties at the end of the reporting period are as follows:

	2020 HK\$	2019 HK\$
Net amount due to Hong Kong Green Building Council Limited	<b>196,083</b>	185,722

Hong Kong Green Building Council Limited is a related company, in which several members of the Council are also directors of Hong Kong Green Building Council Limited.



## 26. Subsidiaries

Details of the Council's subsidiaries at 31 December 2020 and 2019 are as follows:

Name of subsidiaries	Place of incorporation	Effective interest held by the Council		Principal activities
		2020 Directly %	2019 Directly %	
Zero Carbon Building (Note)	Hong Kong	100	100	Operating and managing CIC Zero Carbon Park
Hong Kong Institute of Construction	Hong Kong	100	100	Provision of training courses for the construction industry

Note: As at 31 December 2020, the capital fund of this subsidiary amounting to HK\$94,456,035 (2019: HK\$94,456,035) representing the accumulated contributions from the Council.

## Number of Higher Paid Staff

The actual remuneration of staff members exceeding \$1,000,000 in 2019 and 2020 is shown below:

	2020 Number of Individuals	2019 Number of Individuals
\$1,000,000 and above	36	41





## CONSTRUCTION INDUSTRY COUNCIL

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