

Construction Industry Council

Committee on Construction Business Development and Mainland Liaison

Meeting No. 003/23 of the Committee on Construction Business Development and Mainland Liaison (Com-CBD & ML) was held on Thursday, 14 September 2023 at 2:30pm at the Board Room, 29/F, Tower 2, Enterprise Square Five (MegaBox), 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

Summary Notes of the Com-CBD & ML Meeting No. 003/23:

Agenda Item	Paper	Major Resolutions / Progress Highlights
3.1	CIC/CBDML/M/002/23	Confirmation of the Minutes of Meeting No. 002/23 Members took note of Paper CIC/CBDML/M/002/23 and confirmed the Minutes of Meeting No. 002/23 held on Thursday, 1 June 2023.
3.2	CIC/CBDML/M/002/23	Matters Arising from the Last Meeting (a) Item 1.3: Update on the Work Plan of Follow-up Actions for Recommendations of the Report of Study on Strategic Review for Uplifting Construction Capacity. A joint working group meeting had been held to go through the follow-up actions with relevant departments. The status of each action plan had been reported. (b) Item 2.3: Update on the Construction Expenditure Forecast (2022/23 – 2031/32). The forecast had been published on the CIC website, along with a press release.

Agenda Item	Paper	Major Resolutions / Progress Highlights
		<p>(c) Item 2.4: Update on the Business Plan 2024 of Committee on Construction Business Development and Mainland Liaison. The study on the review of the tendering approach to encourage wider adoption of innovative technologies was included in the 2024 Business Plan and the associated budget. The study will commence upon final approval from the Council Meeting in October 2023.</p> <p>(d) Item 2.5: Update on the Study Tour to London was reported under item 3.3.</p> <p>(e) Item 2.6: Update on the Release of “Alert on Cashflow Problems”. The alert had been published on the CIC website and disseminated to industry stakeholder groups and associations. A follow-up survey had been sent out for response, and the results were reported under item 3.10. The alert had also been discussed in the meeting with the Real Estate Developers Association of Hong Kong held on 4 August 2023.</p>
3.3	CIC/CBDML/P/009/23 (for information)	<p>Report on Study Tour to London 2023</p> <p>Members were briefed on the post-visit report of the Study Tour to London 2023. The report presented information on the itinerary, delegation, details of visit and the proposed follow-up actions. Members acknowledged the report on Study Tour to London 2023.</p>
3.4	CIC/CBDML/P/010/23 (for approval)	<p>Applications for the CIC R&D Fund and Discussion on Research Agenda</p> <p>Members were briefed on and further invited to discuss the research proposals received in April 2023 for the CIC Research and Technology Development Fund (R&D Fund). Based on the initial assessment by the CIC Secretariat, Members confirmed that no research proposal was recommended.</p>

Agenda Item	Paper	Major Resolutions / Progress Highlights
3.5	CIC/CBDML/P/011/23 (for approval)	<p>CIC Outstanding Contractor Award 2024</p> <p>Members were briefed on the preliminary proposal of the CIC Outstanding Contractor Award 2024 including the date, venue, categories of awards, judging criteria, key dates, proposed organising committee and proposed judging panel. Members approved the preliminary proposal of the CIC Outstanding Contractor Award 2024.</p>
3.6	CIC/CBDML/P/012/23 (for information)	<p>Tentative Meeting Schedule for 2024</p> <p>Members were requested to take note of the time and venue of Com-CBD & ML meetings in 2024.</p>
3.7	--	<p>Progress Update on Task Force on Greater Bay Area</p> <p>(a) Members were briefed on the progress of the Task Force. The GBA team had completed 18 visits/events in the first 8 months of this year, including visits to Guangzhou Construction Vocational Training School and the MiC factory of Guangzhou Construction Group in Guangzhou. Furthermore, the Forum of China Contech Development and the Future of Hong Kong Construction Industry had been successfully held on 9 August 2023. In addition, 18 more visits/events to Mainland China, such as a visit to BYD Company in Shenzhen and DaFang AI in Dongguan, etc. have been planned until the end of 2023.</p> <p>(b) The next signature course on national affairs in Beijing would be held from 29 October to 3 November 2023 with a target of 30 participants.</p>

Agenda Item	Paper	Major Resolutions / Progress Highlights
3.8	--	Progress Update on Task Force on Review and Enhancement of Construction Contract Terms Members were briefed on the progress of the Task Force. The tender of the consultancy study was returned on 3 July 2023 and eight tender submissions were received. The tender assessment was held on 7 July 2023. During the initial assessment of the technical part, three tenderers were shortlisted and their fee proposals were opened. The award of the tender is pending the CIC's internal approval process.
3.9	--	Progress Update on 2023 Major KPIs Members were briefed on the progress of 2023 Major KPIs. The progress of the Major KPIs was in general on track.
3.10	--	Any Other Business (a) Update on Security of Payment Legislation (SOPL) Members were briefed on the latest development of SOPL. A briefing session led by the Development Bureau (DEVB) had introduced the details of SOPL and provided updates on the enactment of SOPL. The draft SOP Bill is being finalised after addressing the received comments and the Legislative Council Panel on Development would be consulted in Q4 2023. (b) Update on the Resumption of Brownfield Sites in Hong Kong Members were briefed on the update regarding the resumption of brownfield sites. A briefing workshop had been held on 30 August 2023 with the representatives from DEVB, the Lands Department, the Planning Department and the Hong Kong Construction Association. The main purpose of the briefing was to address the problems faced by the brownfield operations in the construction industry that were affected by government projects, and the assistance to be offered.

Agenda Item	Paper	Major Resolutions / Progress Highlights
		<p>The CIC Secretariat will seek more detailed information about the brownfield sites arrangement from the government and collect information such as the demand of land and its usage from the industry stakeholders.</p> <p>(c) Study on Structural Changes and Future Development of the Committee on Construction Business Development and Mainland Liaison Members were briefed on the study on structural changes and future development of the Com-CBD & ML. During the discussion, Members expressed their views on the workload of MLS and the necessity of establishing a new committee for MLS, which could enable a more focused development on the main tasks and objectives of MLS.</p> <p>(d) Survey Results for Alert on Cashflow Members were briefed on the results of the follow-up survey on the Alert on Cashflow Problems. The survey was sent to industry stakeholders for collecting their responses to the Alert on Cashflow Problems. A total of 48 responses had been received, 75% of the respondents were contractors, sub-contractors and suppliers, while the remaining 25% were employers and consultants.</p> <p>(e) Career Fairs in the Mainland (October and November 2023) Members were briefed on the proposed career fairs in the Mainland. The DEVB will organise career fairs in October and November 2023 at universities in Beijing, Tianjin, Shanghai, Nanjing, Guangzhou and Shenzhen to recruit graduates for the construction industry of Hong Kong.</p>

Remarks: The mentioned papers discussed at the Committee on Construction Business Development and Mainland Liaison and the full minutes can be made available to Council Members from the CIC Secretariat upon request.