

**Construction Industry Council**

**Committee on Construction Business Development**

Meeting No. 001/22 of the Committee on Construction Business Development (Com-CBD) was held on Thursday, 3 March 2022 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 Meeting No. 001/22:

<b>Agenda Item</b>	<b>Paper</b>	<b>Major Resolutions / Progress Highlights</b>
1.1	CIC/CBD/M/004/21	<b>Confirmation of the Minutes of Meeting No. 004/21</b> Members took note of the Paper CIC/CBD/M/004/21 and confirmed the Minutes of Meeting No. 004/21 held on Friday, 10 December 2021.
1.2	CIC/CBD/M/004/21	<b>Matters Arising from the Last Meeting</b> Item 4.3, the Reference Material on Reasonable Consultancy Fee Evaluation System would be published on CIC website. CIC Secretariat would further liaise with professional institutes for further promulgation of the issue.  Item 4.8, update on Task Force on Greater Bay Area was reported under item 1.6.
1.3	CIC/CBD/P/002/22 (for approval)	<b>Updated Construction Expenditure Forecast (2021/22 – 2030/31)</b> Rider Levett Bucknall Limited (RLB) representative presented the Updated Construction Expenditure Forecast.  The updating schedule for construction expenditure forecast would normally be in January and June of each year, the current Update was delayed from January 2022 due to the impact from COVID-19 and inclusion of the projected volume of works recently announced under major developments. The next release date would depend on the availability of any revised data from Development Bureau (DEVB).

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		<p>Members opined that the Forecast might have underestimated the annual construction volume. There was apparently a shortfall between the Forecast and the industry expectation.</p> <p>[Post meeting notes: Further discussion was held between the DEVB and the CIC after the meeting. The Manpower Forecast currently undertaken by the CIC was intrinsically linked to the Expenditure Forecast, it was agreed that the Updated Construction Expenditure Forecast would not be released until the Manpower Forecast was finalized, which was anticipated to be in April 2022. This was to ensure sharing of coherent information / trends to the public.]</p>
1.4	CIC/CBD/P/003/22 (for approval)	<p><b>Establishment of Task Force on RMAA Market Study</b></p> <p>Members were briefed the background of establishment of the Task Force on Renovation, Maintenance, Addition &amp; Alteration (RMAA) Market Study, the proposed deliverables, Terms of Reference (ToR) and membership.</p> <p>Members provided comments on item 2 of the proposed ToR regarding establishment of an expert panel for mediating disputes arising in private residential RMAA works as well as the member composition.</p> <p>Upon deliberations, Members approved the Paper subject to amendment to the ToR and membership.</p>
1.5	--	<p><b>Progress Update on Task Force on Strategic Review for Uplifting Construction Capacity</b></p> <p>The consultant, Arcadis Consultancy Hong Kong Limited (Arcadis) submitted the Draft Report on 28 January 2022, and re-submitted it on 25 February 2022 upon receiving comments from the CIC Secretariat. Task Force meeting was scheduled on 24 March 2022 for deliberation of the Draft Report. A stakeholder engagement session was anticipated to be conducted in April 2022. The Final Report of the Study was targeted to be published in Q3 of 2022.</p>

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1.6	--	<b>Progress Update on Task Force on Greater Bay Area</b> Notwithstanding the fact that the majority of works in GBA were affected by the fifth wave of the COVID-19 epidemic. The CIC had recruited a Manager and a Senior Officer to handle GBA related tasks, including the setup of the liaison office in GBA.
1.7	--	<b>Any Other Business</b> <b>(a) Update on Security of Payment Legislation (SOPL)</b> CIC Secretariat briefed Members that since the implementation of Security of Payment Provisions (SOPP) on 31 December 2021, 5 public works contracts were tendered with the inclusion of SOPP. The CIC would liaise with the DEVB and other stakeholders to gather problems encountered during the implementation. Regarding SOPL, the CIC would liaise with the DEVB and consolidate viewpoints from stakeholder to facilitate the legislation. <b>(b) Impact by the fifth wave of the COVID-19 epidemic</b> Members expressed that the fifth wave of the COVID-19 epidemic had serious impact in all aspect of manpower resources and material supply. DEVB issued guidelines on relief measures for public works contracts, including advance payment, flexible EOT assessment and variation costs for RAT kits and would promulgate to private clients for adoption or relevant measures in collaboration with the CIC. Meanwhile, Lands Department would consider extending the building covenant period for new developments upon application by owners / developers. <b>(c) Eco-system for MiC/MiMEP</b> Ir Thomas HO suggested the Com-CBD to initiate the creation of Eco-system for MiC and MiMEP application, with a view to facilitating the development of MiC/MiMEP in Hong Kong. <b>(d) Other Matters</b> Ir Rocky POON advised that Ar. Stephen HO would depart the CIC in March 2022, and all present expressed their gratitude to Stephen for his contribution.

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