



CONSTRUCTION  
INDUSTRY COUNCIL  
建造業議會

# DESIGN FOR FUTURE BUILD FOR LIFE

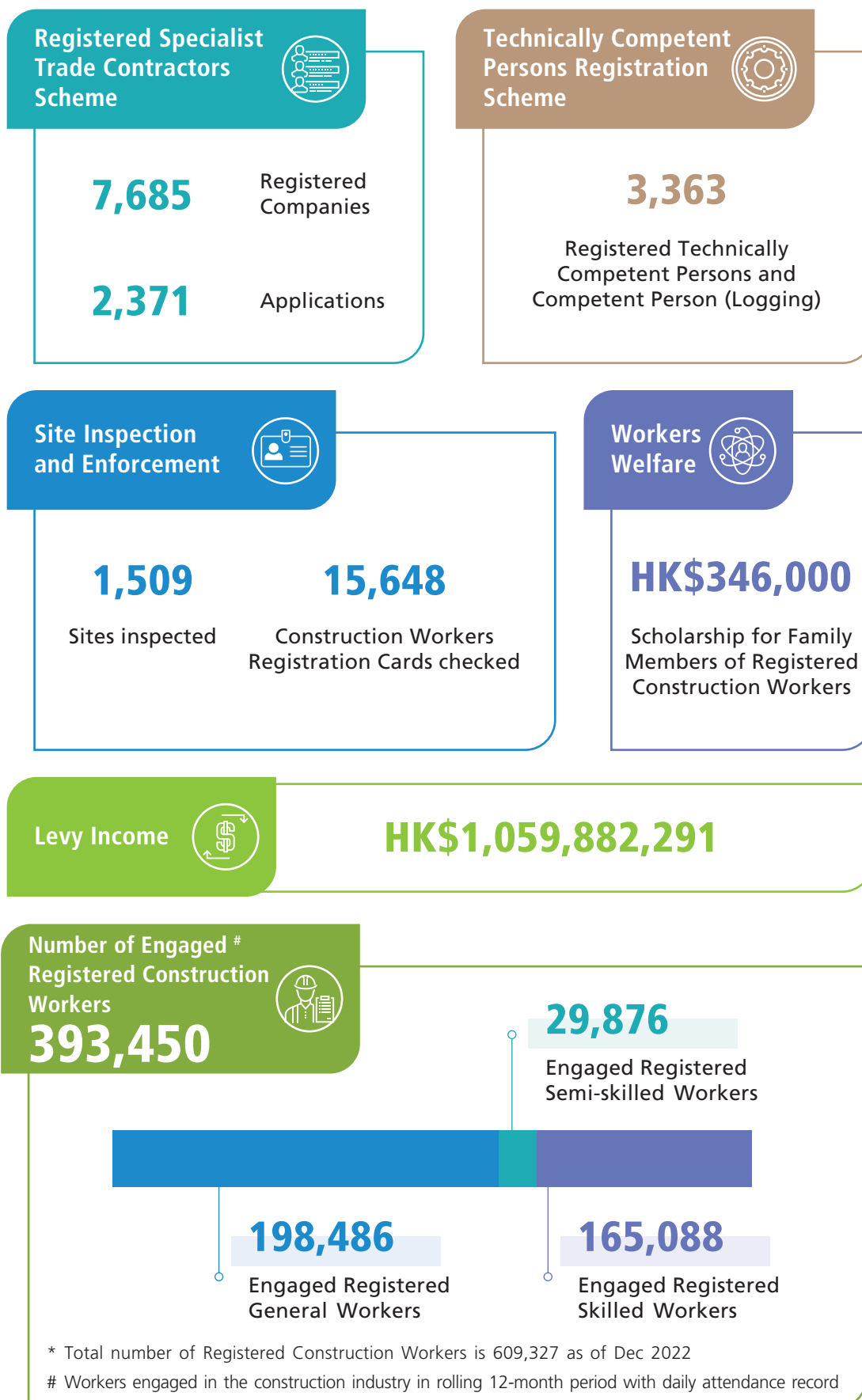
2022 ANNUAL REPORT







<b>2</b>	Figures at a Glance in 2022	<b>141</b>	Diversity and Inclusion
<b>6</b>	Highlights of the Year	<b>146</b>	Sustainability Report
<b>12</b>	Chairman's Message	<b>162</b>	Highlights of Audited Financial Statements for 2022
<b>16</b>	Executive Director's Report	<b>166</b>	Independent Auditor's Report
<b>22</b>	Membership of CIC	<b>169</b>	Financial Statements
<b>27</b>	About the Council	<b>175</b>	Notes to the Consolidated Financial Statements
<b>30</b>	The Council and its Committees	<b>208</b>	Annex
<b>32</b>	Corporate Governance Report		
<b>57</b>	Membership of Committees and Boards, and Terms of Reference		
<b>79</b>	Senior Management		
<b>81</b>	Organisation Chart		
<b>82</b>	Operational Review		





Construction Industry Council  
Approved Technical Talents  
Training Programmes (CICATP)



**116** Graduates

Hong Kong Institute  
of Construction



Full-time courses

**2,786**

Graduates



Part-time courses

**48,185\***

In-service practitioners  
(man-time) graduated

\* Included 5,929 students attending courses for  
plant operation related certification test

Collaborative Training  
Schemes\*



**2,075**

Graduates

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

Student  
Placement



**89%**

Students were successfully placed  
1 month upon graduation

Urban Forestry Support Fund –  
Trainee Programme



**105**

Approved  
Arborist Trainee  
applications

**36**

Approved  
Tree Climber  
Trainee applications

**8**

Trainees  
completed the  
trainee programme

## Trade Tests



**15,049\***

Trade tests conducted

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

## Visits to Hong Kong Construction Industry Trade Testing Centre



**160**

Visits organised

## Construction Industry Caring Campaign – Fight against Novel Coronavirus (including 2.0 phase)



The campaign approved **13,712** applications by workers who were confirmed infected or underwent mandatory quarantine.

**HK\$51,404,100**

Total Financial Assistance Provided

## Construction Innovation and Technology Fund



**HK\$795,656,646**

Cumulative Approved Amount

**2,931**

Cumulative Number of Approved Funding Applications

**622**

Cumulative Pre-approved Items

**14,893**

Cumulative Number of Approved Training Places

**985**

Cumulative No.\* of Beneficiaries

\* in which 580 were Small-and-Medium Enterprises. Small-and-Medium Enterprises refer to organisations which employ fewer than 50 persons

## Supported and Sponsored Events



**68**

Industry events supported and sponsored

**HK\$809,000**

Total Sponsoring Amount



Visits to CIC –  
Zero Carbon Park



**9,495**

Guided  
tour visitors



**153,427**

Park Visitors

MiC Events and Visits to  
MiC Resources Centre



**11,295**

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

\* Including local MiC project visits,  
International Conference, webinars,  
workshops, and MiC Resources Centre tours

Visits to CIC BIM Space



**37,689**

Participants  
(man-time)  
attended BIM  
events or webinars

Construction Industry  
Sports and Volunteering  
Programme



**65,835**

Number of beneficiaries (man-time)

Over **12,421** participants  
(man-time) participated in CISVP events



**472**

Number of  
volunteering  
services



**156,817**

Number of  
volunteering  
service hours



**8,602**

Number of  
participating  
volunteers

Construction Innovation and  
Technology Application  
Centre (CITAC)



**9,060**

CITAC service users\*

\* Including CITAC guided tour visitors,  
seminar, conference and webinar  
participants, among them 4,740 users  
were industry practitioners and 4,320  
users were students and public members



# CONSTRUCTION INNOVATION



The Construction Innovation Expo 2022 (CIExpo) attracted over **170** exhibitors from **15** countries and regions, and **7** summits and international conferences were successfully organised. More than **21,000** visits and **11,000** visitors were recorded in this 5-day grand event.





CIC Construction Innovation Award and Hong Kong Construction Common Data Environment Award were organised to recognise stakeholders who spearheaded the development of cutting-edge construction technologies.



Master Classes on Modular Integrated Construction (MiC), Common Data Environment (CDE), Design for Safety (Dfs), and Temporary Works were launched to equip experienced professionals with in-depth knowledge of advanced construction methods.

The 'MiC Play Unit' located in the CIC-Zero Carbon Park was unveiled during the Construction Month 2022 in November. It adopted multiple pre-fabricated and readymade components which can be assembled and dismantled easily, symbolising the concept of Mi-infinity.





The “Celebration for the 15th Anniversary of the Construction Industry Council and the Hong Kong Construction Exhibition Grand Opening Ceremony” was held in M+ with Mr. John LEE, Chief Executive of the HKSAR Government, as our Guest of Honour and encouraged CIC in bringing the industry for more breakthroughs.



The industry-wide promotion campaign “Design for Future, Build for Life” was co-launched with the Development Bureau and industry stakeholders to promote a professional image in order to attract young people to join the industry.



A “Course on National Affairs for Construction Young Persons” was launched to nurture young construction leaders, aiming to enhance Hong Kong young middle-level construction management’s understanding of the development of the Mainland.



CIC-See What I See Luncheons were organised monthly starting from June 2022. The then Director of Architectural Services, Ms. Winnie HO, and Secretary for Transport and Logistics, Mr. LAM Sai-hung, were invited as our keynote speakers to share their insights on the construction industry.



The CIC engaged a consultancy firm to collect stakeholders’ feedback and launched the report on “Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry”. It provided recommendations to the industry to uplift the industry’s competitive strength to cope with the golden decade ahead.

## HIGHLIGHTS OF THE YEAR

The Construction Safety Week was jointly organised by the Development Bureau and the Construction Industry Council since 2012. In 2022, the 28th Considerate Contractors Site Award Scheme was also held to recognise different teams and workers for their good safety performance.



The “Life First” safety promotion campaign and silent tribute event were also carried out to enhance site safety culture.

The CIC has been actively exploring chances to exchange and collaborate, which includes signing Memorandum of Understanding (MOU) with Cyberport and Huawei respectively during the CIExpo. The Hong Kong Institute of Construction have also signed a Memorandum of Intent (MOI) with the Hong Kong Institute of Construction Managers.



‘ZCP Green Heroes’ Award Badges Programme was launched to encourage students to participate in various carbon reduction activities, and understand the importance of sustainable development and carbon neutrality, contributing to saving our planet.





Construction Industry Sports & Volunteering Programme (CISVP) makes effort to encourage participation in sports and volunteering activities. To promote the importance of regular exercise, the CISVP Let's Workout Together Scheme has also kicked off in 2022, to collaborate with different schools to provide the sports facilities regularly.



The CIC allocated HK\$123 million to the "Construction Industry Caring Campaign" and extended the campaign into its 2.0 phase with the support of the Development Bureau, to continue aiding construction workers who were infected with COVID-19 or required to undergo quarantine. To combat the fifth wave of the pandemic, apart from COVID-19 Testing Day and appeal to receive vaccination, the CIC also took the lead in donating container-turned staff rooms for healthcare workers.





As the Chairman of the Construction Industry Council, I remain extremely proud to witness how our industry has navigated these intensely difficult waters and worked diligently to advance technological innovation and development, sustainability, and the holistic development and well-being of our workforce.

*- Ir Thomas HO*



We are now poised to embrace emerging opportunities and revive this vital element of Hong Kong's ambitious post-pandemic recovery aspirations. As the Chairman of the Construction Industry Council (CIC), when we celebrated the CIC's 15th anniversary in this extraordinary year, I remain extremely proud to witness how our internationally renowned industry has navigated these intensely difficult waters and worked diligently to advance technological innovation and development, sustainability, and the holistic development and well-being of our workforce. As Hong Kong's economy embarks on its journey to full recovery with the lifting of COVID-19 restrictions, we are primed to enter a dynamic Golden Era of Construction, underpinned by the Government's investment in infrastructure and high-quality projects. Based on current forecasts, the industry is expected to reach HK\$300 billion annually over the next decade. With annual expenditures at an all-time high, the CIC has been spearheading new techniques to enhance productivity, efficiency, quality, sustainability and safety. In the first year of my chairmanship, my team and I engaged with the construction community to listen to, learn from, and speak with industry practitioners and their families – who represent the very foundation of Hong Kong's construction industry – building the best homes for our people and erecting the most advanced structures for our commerce. Nevertheless, attracting a new generation of workers remains a top priority.

## Sharpening Our Strengths and Accelerating Growth through Innovation

The CIC is committed to transforming our construction industry's competitive strengths through digitalisation. Our focus is on increasing productivity and reducing costs by adopting technologies that make the building process faster, safer and higher in quality. To this end, we have introduced efficient and advanced construction technologies, such as Modular Integrated Construction (MiC), Multi-trade Integrated Mechanical, Electrical, and Plumbing (MiMEP), and Building Information Modelling (BIM), which are all part of Mi-Infinity. The smart, high-efficiency MiC approach overcomes traditional construction challenges, such as long completion times, high costs, and labour shortages. By taking construction offsite and completing labour-intensive and time-consuming processes on a factory floor and transporting completed components

to the site for assembly, MiC accelerates the construction process and significantly improves overall productivity, quality, and safety.

We are determined to galvanise the industry to embrace these new technologies and build an energetic and supportive culture around Mi-Infinity. As part of our career development path, we have also developed a series of master classes to educate the next generation of workers on the most efficient and safe construction techniques based on Mi-Infinity. These master classes cover a variety of advanced technologies and solutions, such as Artificial Intelligence (AI), MiC, Common Data Environment (CDE), BIM, Design for Safety (DfS), and Temporary Works. Through our CDE webinar series, practitioners learn digital solution strategies for managing and storing shared information for any given project or asset. The master classes encourage project consultants to perform early-stage MiMEP design and for MEP Contractors to design and construct MiMEP modules to enhance productivity.

Last August, the CIC also launched the first Master Class on MiC Project Implementation. This year we are promoting our signature course Master Class on AI for Construction to equip industry practitioners with first-hand experience on modern techniques and facilitate the adoption of AI solutions for wider application. We believe that a well-educated workforce will result in the widespread use of these innovative technologies throughout Hong Kong in order to provide an ideal long-term solution for the industry's sustainable development.



### Upholding Worker Safety is Our Pillar of Success

A critical responsibility of the CIC, and one that we take with utmost determination, is ensuring worker safety. While protecting our workers has always been a top priority for the CIC, we continuously strive to improve. Last year, we embarked on a multi-pronged strategy to reduce the number of accidents and injuries on construction sites by promoting design for safety, integrating safety management into temporary works, enforcing stakeholders' safety roles and responsibilities, and incorporating innovative technologies for a Smart Site Safety System (SSSS). Specifically, we aim to standardise and improve construction work by promoting the industry-wide adoption of the "Design for Safety" program, which greatly reduces the risks for workers, subcontractors and the public before construction work begins, thus minimising accidents. The programme is based on the concept that "safety starts from planning and design" and that by addressing potential risks proactively, they can be eliminated. The program also establishes the roles and responsibilities of all parties involved in a project, from consultants to workers, to ensure everyone is accountable for safety. Additionally, the CIC has been advocating the use of SSSS that utilises various technologies, such as dynamic safety monitoring and project management software, motion sensors, CCTVs, computer vision and AI-powered cameras in the construction process to closely monitor construction sites, alert workers to potential dangers, hazards, or unsafe practices, and identify safety trends and areas for improvement.

In November, the CIC and Development Bureau (DevB) co-organised the Construction Safety Summit 2022, with over 100 industry representatives and experts participating in person and 10,000 members of the industry participating via live broadcast to discuss various construction safety issues. Participating industry representatives were from government departments, developer associations, professional organisations, chambers of commerce, trade unions and related statutory organisations. During the summit, over 40 industry organisations signed the "Safety Charter", pledging to foster a site safety culture and promote the spirit of caring for all; to prioritise construction safety; promote best practices for site safety; proactively use technology to enhance safety performance, and provide safety training to all stakeholders to ensure a safe working environment.

We understand that delivering our message on the paramount importance of safety with impact requires a personal touch. As such, we regularly conducted Safety Walks to promote new construction technologies and safety measures at over 50 sites to educate staff and workers in 2022. Moreover, we commemorate those who lost their lives in the industry by organising an annual industry-wide Silent Tribute, which serves as a reminder of the importance of building a strong safety culture.



## Attracting Young Talents for Sustainable Growth

As we prepare for an increase in construction projects over the next decade, we recognise the importance of acquiring highly skilled and motivated workers to ensure success. To attract and cultivate the next generation of fresh, energetic talent, we launched the "Design for the Future, Build for Life" campaign, which promotes the local construction industry. Through this programme, we showcased the construction industry's role in building Hong Kong's future while also highlighting the brilliant prospects of the industry and the future it is creating for Hong Kong's younger generation.

We also established the CIC Youth Affairs Committee to spearhead youth development policy and ensure that we remain attractive as an industry to new generations of people and develop a skilled, motivated and dynamic workforce to take on the challenges of the future. We also invited young professionals to participate in the "Hong Kong Youth Development Blueprint Seminar", engaging them in consultations regarding the industry's development.

As Hong Kong accelerates its exploration and development in the Greater Bay Area, a wide variety of opportunities are emerging for the Hong Kong's construction sector in nurturing talents and broadening their career development in this upcoming world-class region. In 2022, we launched "Course on National Affairs for Construction Young Persons", in which mainland experts, government officials and renowned industry leaders shared with Hong Kong's young middle-level construction management to enhance their understanding of the development in Mainland and the opportunities this brings to Hong Kong and the industry.

## Embark on the Enormous Success in 2022 for the Next Golden Era

I can think of nothing better to bring 2022 to an end than the enormously successful Construction Innovation Expo 2022 (CIExpo) jointly hosted in December by the CIC, the DevB, the Centre of Science and Technology Industrial Development of the Ministry of Housing and Urban-Rural Development of the People's Republic of China. Over 170 exhibitors from 15 countries and regions and 11,000 visitors participated in the five-day, world-class CIExpo, which showcased the latest construction technologies and Hong Kong's leadership in digitalisation and smart construction practices. The triennial event not only gathered industry professionals from around the world to share the latest breakthrough techniques and topics, such as MiC, construction digitalisation, construction safety and health, and green construction, and exchange ideas on how innovation and advanced technology improve safety, efficiency and sustainability, it also marked the beginning of a return to normalcy after COVID-19.

Looking to the future, we entered 2023 with a tremendous feeling of hope, strengthened spirit and a profound determination to revive our beloved construction industry after the ravages of the pandemic. From this year forward, it is estimated that Hong Kong's overall construction volume will increase to over HK\$300 billion a year with capital works expenditure from the HKSAR Government exceeding HK\$100 billion a year. As the Chairman of the CIC, I will spare no effort in seizing the promising future by fully embracing the opportunities ahead and leading the industry in meeting people's needs and aspirations for a better quality of life, creating a community that enhances people's well-being and environmental sustainability and transforming Hong Kong into a modern smart city. As in the past, technological innovation, workforce safety and well-being, sustainability, and talent development will continue to be our pillars of success and drivers of growth. With the trust and support of the DevB and the Hong Kong construction industry, I look forward to another fulfilling, productive year as we work together to create an industry focusing on safety, productivity and sustainability.

**Ir HO On-shing, Thomas**

Chairman, Construction Industry Council  
June 2023



"It was the best of times, it was the worst of times." As we reflect over the past year, I am immersed with a sense of pride at how the Construction Industry Council (CIC) and the wider construction industry have come together and shown great resilience and adaptability in the face of unprecedented challenges. Together, we have survived the pandemic and continued to drive progress in technology, sustainability and workforce development.

With hindsight, it is without doubt that the COVID-19 pandemic has had a near catastrophic impact on Hong Kong's construction industry. Despite this, the CIC has stayed committed to supporting the industry and workers' welfare in this dark period. I am, therefore, thrilled to present our 2022 CIC Annual Report as we turn those huge challenges into opportunities, and act as the guiding light to lead the construction industry to a much brighter future.



*"It was the best of times, it was the worst of times." As we reflect on the past year, the Construction Industry Council (CIC) and the wider construction industry have come together and shown great resilience and adaptability in the face of unprecedented challenges.*

*- Ir Albert CHENG*



## Empowering the Industry with Innovation to Revive and Thrive

The CIC welcomes the Administration's 2022-23 Policy Address. We will enhance construction productivity to support the government's land and housing supply as well as infrastructure projects, while promoting the adoption of innovative technologies such as Modular Integrated Construction (MiC) and Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP). We will continue to prioritise construction safety and hold webinars, summits and expos to enhance professional development, drive the local economy, and contribute to the sustainable economic and social development of Hong Kong.

We believe that our unwavering efforts to facilitate the industry's technological development will overcome the hurdles we need to face and help us to emerge even stronger in the years to come, as we focus on enhancing manpower, safety and innovation in Hong Kong's construction industry through technological innovation.

In today's rapidly evolving world, it is essential to recognise that traditional approaches alone, such as education and awareness changes, may be insufficient to drive the upgrading of standards in the construction industry. We must continue to innovate and leverage new technologies to increase productivity, enhance safety and minimise construction cost. The year 2022 saw us take significant steps to enhance the above through the integration of various kinds of technologies, take the area of precasting as an example on improving safety and efficiency in the construction industry. By building components and designing and casting structures off-site, we can create a controlled environment that reduces the risk of accidents on construction sites. To achieve this, we must embrace technological changes, shift including shifting more work off-site thus reducing on-site time, adopting high productivity construction, which consolidates various

technologies to streamline the construction process. I am glad to tell that the industry has stated to apply innovative technologies such as digital and robotic tools, MiC, Common Data Environment (CDE), Building Information Modelling (BIM) and Design for Manufacture and Assembly (DfMA). Presently, over 90 MiC projects have been undertaken in Hong Kong, more than 20 of which have been completed. The Design for Safety (DfS) initiative has also been introduced to improve diversity, productivity, sustainability and safety performance at all levels and for a range of personnel.

The CIC is also keen to promote technology adoption in the construction industry. The Construction Industry Innovation and Technology Fund (CITF) has been instrumental in advancing safety in the construction industry by providing support for the development and implementation of AI technologies. Established by the Development Bureau in October 2018, CITF has funded various projects aimed at improving worksite safety. With a cumulative approved amount of HK\$795,656,646 and 985 beneficiaries, including 580 SMEs, the fund has made a significant contribution to the industry. The 2022-23 Budget saw an additional HK\$1.2 billion allocated by the Government, signalling the industry's recognition of the CITF's impact. These projects have introduced cutting-edge technologies, such as smart safety helmets that detect potential safety hazards and alert workers in real-time.

By harnessing the power of smart technologies, we can ensure that Hong Kong, as a global leader in the construction industry, will continue to thrive under continual capital investment in the Hong Kong construction sector and adopting the best technological advancement.

### Strengthening Our Workforce with Respect to Their Safety and Welfare

Our priority throughout 2022 has been construction workers' welfare. In collaboration with the Development Bureau, we launched the Construction Industry Caring Campaign 1.0 & 2.0, providing over HK\$51,404,100 in financial support to 13,712 workers. The CIC also provided scholarship awards to family members of registered construction workers to demonstrate our commitment to worker development. As part of our pandemic-response initiatives, we also issued a COVID-19 risk management guideline for construction sites, launched several industry COVID-19 testing days and produced promotional materials on vaccination and risk management for sites.

CIC also holds the safety and well-being of all workers in the construction industry dear to our hearts. It is unacceptable to witness double-digit fatal accidents on construction sites every year. We should never underestimate the daily risks and hazards that our workers face. To address this issue, we have implemented several measures to improve safety and reduce incidents.

Our efforts included conducting the first Master Class on Temporary Works, hosting a series of webinars, such as on safe gondola operations, and observing silent tributes to those who lost their lives in construction accidents. We have also organised the "Construction Industry Caring Cup" between the Development Bureau and the Construction Charity Fund Integrated Service Centre football teams to raise funds for family members of workers affected by construction site accidents.

We also published safety materials on various topics, including work-above-ground operation, scaffold, platform erection and dismantling, lifting operation and electrical works. For example, the CIC released the "Guidelines on Site Safety Measures for Working in Hot Weather" to provide guidance to the construction industry on measures that may be taken to protect construction workers during times of high temperatures, and on "Safety Roles and Responsibilities of Key Stakeholders in the Hong Kong Construction Industry" to encourage the practice of "Safety is Everybody's Business."

The Construction Safety Summit 2022 held in November, supported by 46 organisations, was also a success. Our "Life First" promotional campaign, now in its third year, gained widespread support from the industry, with nearly 80 clients, 180 contractors and 430 work projects participating. In addition, our Safety Walk initiative has been effective in inspiring top management to visit construction sites to demonstrate their commitment to the safety of all staff. These measures have enabled us to foster a culture of construction safety, resulting in a reduction in the number of accidents at construction sites.

### A Paradigm Shift towards Efficiency and Sustainability

As an industry that heavily relies on manpower, the Hong Kong construction industry is facing a significant challenge in 2022 due to a shortage of steelworkers. The traditional approach to employing human technicians and professionals has resulted in a scarcity of skilled workers. Specifically, there is a continual shortage of tile workers, painters and electricians for internal tasks. However, the lack of innovation in this area has made it difficult to overcome this bottleneck. Through embracing innovative solutions, such as automation and digitalisation, the CIC hopes that the industry can reduce its dependence on manual labour and become more efficient and sustainable. The CIC's efforts will play a pivotal role in driving the Hong Kong construction industry towards a brighter future in terms of manpower allocation.

As the construction industry faces this issue of reduced manpower and the need to increase efficiency in several areas, we have adopted advanced technologies that can significantly minimise manpower compared to similar practices in other cities. One such technology is Building Information Modelling (BIM), which has expedited and

improved our construction design structure, saving approximately 8,000 man hours. Another innovative approach we are using is MiC, which allows us to conduct equipment and operational testing off-site, reducing on-site design and construction time, and minimising manpower needs. Site supervision is also a manpower-intensive task, requiring numerous technicians and supervisors to monitor progress, safety, work completion and quality. To address this, we are utilising AI, which can predict, detect and fix issues at an early stage, again cutting manpower needs.

The CIC calls for a paradigm shift in the construction industry towards embracing innovative methods such as Modern Methods of Construction (MMC) to increase efficiency and reduce labour-intensive work. Collaboration between the private and public sectors is critical in promoting AI-based technology, such as MiC. This aligns with CIC's Construction Digitalisation Roadmap, aimed at improving productivity, safety, sustainability and quality of life. To achieve these goals, the CIC has implemented the Construction Digitalisation Charter, signed by 59 organisations, to develop an organisational digitalisation roadmap towards meeting a series of 2026 targets. This includes the adoption of Building Information Modelling (BIM), Construction Data Exchange (CDE), Smart Site Management System and more. To facilitate this digital transformation, the CIC has published three Beginner's Guides on Construction Digitalisation, aimed at helping particularly small and medium enterprises (SMEs), to adopt Smart Site Digital Platform, BIM and Common Data Environment for Information Management using BIM. The recent launch of the ConTech Accelerator and the signing of Memorandums of Understanding (MOUs) with 20 leading industry stakeholders, such as Cyberport and Huawei, for digital and low carbon construction tech, as well as with higher education institutions, demonstrate the CIC's commitment to promoting sustainable and efficient construction practices.

The CIC has also expanded its resources and adopted new means to teach students and train staff in AI-based technologies like Mi-Infinity and BIM. The Tonkin Street Redevelopment project, set to be completed in 2023, is the first private residential project that uses MiC-based construction. The project's successful completion will be used to promote the benefits of MiC-based construction,

such as improved quality control. In addition, the CIC has released the TCQ report "Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry" to encourage productivity. By embracing modern technologies and innovative methods like MiC and BIM, construction processes can be streamlined, leading to significant cost savings and improved quality of the final product while reducing the need for manpower.

Moreover, the CIC has been expanding its Registered Specialist Trade Contractors Scheme to include "Building Drainage Installation", implementing integrity management registration requirements and upgrading suspended ceiling and tower crane trades. These will enhance the capabilities and professionalism of registered specialist trade contractors, with the CIC offering online Induction Workshops for stakeholders to understand the registration requirements and transition arrangements for different designated trades.

## Rejuvenating the Industry through Young Talents and Healthy Lifestyle

The CIC is deeply committed to attracting young, digitally savvy talent to join our workforce and drive the digital transformation of our industry. To achieve this, we have undertaken several strategic initiatives and campaigns. These include creating innovative digital tools that streamline construction processes, developing advanced digital training programmes for recruiting and partnering with leading educational institutions to promote the benefits of developing a career in construction.

Comparing with other industries, the construction industry's working environment and safety incidents are not attractive at all to young talents. We bear the responsibility to make that change. To achieve this, we have initiated an industry-wide publicity campaign called "Design for Future, Build for Life" in collaboration with other organisations. The campaign aims to promote the construction industry while fostering strong connections and promoting the use of technology to enhance safety and working conditions. Concurrently, the CIC offers various master classes on topics such as MiC, CDE,

## EXECUTIVE DIRECTOR'S REPORT

temporary works and DfS for project managers. We believe this initiative is a crucial step in creating a safer and more sustainable construction industry in Hong Kong.

As the industry pioneer who sets the precedent for other institutions and corporates to follow in enhancing employees' welfare, the CIC is proud to be the first statutory body to implement the 4-day alternate working arrangement starting from July 2022. Such practice not only enhances productivity and promote work-life balance; it also allows our employees to spend more time with loved ones and pursue personal interests. This initiative has proved highly successful, with 92% of staff reporting that the new arrangement has enhanced their work-life balance. We have achieved this without compromising on KPIs for individual workers while successfully reducing workloads. Furthermore, 91% of staff reported that they have transformed their work patterns to work smarter. We commenced preparation work for this arrangement early in 2022, including a "Work Smarter Campaign" to gain support from staff and Line Managers. We believe this approach will enable us to attract and retain young talent in the industry and contribute to the growth and success of the construction sector. The new arrangement has also helped foster a kinship spirit among our staff, encouraging them to support each other's work. Though there were challenges in implementing this new arrangement, we have promptly and effectively addressed them, cementing our position as pioneers in the market.

Focusing on work-life balance as mentioned, we have also organised several sports competitions to encourage colleagues to pursue a healthy life. Via different competitions, 47 football teams from the industry partook in the annual "Construction Industry 5-a-side Football Competition", 20 basketball teams in the "Construction Industry Basketball League 2022" Finals and 250 players in the "Construction Industry Table Tennis Competition 2022". The CIC has also launched the Construction Industry Volunteer Award Scheme to recognise contributions to the community from 54 construction practitioners, instilling a caring culture amongst the volunteers.

A "Course on National Affairs for Construction Young Persons" was launched to nurture young construction leaders, in which mainland experts, government officials, and renowned industry leaders were invited to share with 30 enrolled students on topics such as national

development and macro perspective as well as professional development, aimed at enhancing Hong Kong young middle-level construction management's understanding of the development of Mainland.

The CIC is committed to providing diverse and effective opportunities for career advancement in the construction industry. The CIC offers approximately 29 programmes under the Hong Kong Institute of Construction (HKIC) that are accredited as Qualifications Framework Level 2 to Level 4. In 2022, the total number of students enrolled in the HKIC full-time and part-time programmes was 53,162, demonstrating their popularity. To further enhance opportunities for young professionals, the CIC signed a Memorandum of Intent (MOI) with the Hong Kong Institute of Construction Managers in November 2022. Additionally, the CIC remains committed to creating more uplifting venues like the Lam Tei Training Ground, which began operating in September 2022. The newly launched English class of the 'Certificate for Ground Investigation Assistant' programme was created in 2022 to assist non-Chinese speakers in joining the construction industry after completing HKIC's training. Moreover, LAM Man-chun, a graduate of HKIC Diploma in Construction (Metal Works & Welding), won the Medallion for Excellence in Welding at the WorldSkills Competition 2022, demonstrating the excellence of the CIC's programmes and the potential for personal and professional growth in the construction industry.

Aside from these programmes, the CIC has officially launched the Hong Kong Construction Common Data Environment Award and renewed MOUs with higher education institutions to introduce construction digitalisation content to their curriculums and equip students with the necessary knowledge of BIM and construction digitalisation before joining the construction industry. The Inaugural "BIM Education Symposium" has also been organised to provide opportunities for local higher education institutions to share their achievements and good practices in BIM education. Moreover, the Celebration of BIM Achievement 2022 has been co-organised by the CIC to invite students and practitioners from various tertiary institutes and organisations to participate in the seven categories, garnering a total of 67 winners with the chance to experience and adopt construction digitalisation.



The triennial Construction Innovation Expo (CIExpo) 2022 has also been highly successful in bringing together local practitioners, suppliers and technology companies, providing an ideal platform for networking and collaboration. With a focus on showcasing the latest technology and innovation in the construction industry, CIExpo 2022 also hosted the Field Innovation Award and the Sustainability Award, recognising and promoting innovative and sustainable practices in the industry.

## Conclusion

At the CIC, we firmly believe in the importance of promoting innovative technology in the construction industry attracting young talent to join our workforce and create a positive image of the industry in Hong Kong.

The CIC has several new initiatives and plans in store for the coming year, including CEO forums, showcasing cutting-edge technology, developing guidelines and daily mechanisms for frontline workers, promoting sustainability practices and offering master classes on various topics. This commitment to sustainable development is exemplified by the adoption of the iBEAM Unison smart waste management tool. Developed by BEAM Society Limited and supported by the Construction Industry Council Research and Technology Development Fund, iBEAM Unison is an innovative data platform that enhances the exchange of green building data, promoting sustainable construction practices and reducing waste in the industry. To continue this momentum, the CIC will be promoting sustainable practices and industry technologies through initiatives such as the CIC Global Construction Sustainability Conference & Exhibition 2023, Sustainable Construction Award, webinars, conferences and exhibitions. The recently launched Sustainable Finance Certification Scheme has been effective, with 17 assessors trained and accredited under SFCS in the first half of 2022, increasing the total number of assessors to 29.

Looking ahead, the CIC is committed to further strengthening its communication network in the Greater Bay Area (GBA) through new initiatives such as setting up the Mainland Liaison Office and offering courses on National Affairs for Construction Young Persons. These efforts are crucial to facilitating collaboration and exchange with the GBA and beyond, while driving innovation and progress in the construction industry. With these plans in place, the CIC is poised to make even greater strides in promoting sustainable development and shaping the future of the construction industry in the region.

In addition to driving innovation and sustainability, the CIC intends to promote a positive image of the construction industry through a soft video campaign showcasing the positive impact of construction on society. The CIC also includes the latest technology and knowledge in its training courses and invites SMEs to learn from them.

Overall, the CIC would step up its efforts and gear towards uniting the construction industry via driving innovation, sustainability and excellence through its various initiatives and plans.

**Ir Albert CHENG Ting-ning**

Executive Director, Construction Industry Council

June 2023

Ar. Marvin CHEN

Ir CHEUNG Chi-kong, Victor

Prof. CHENG Chin-pang, Jack



Mr. CHAN Kim-kwong

Ir HO On-sing, Thomas  
Chairman, Construction Industry Council  
Chairperson, Executive Committee

Prof. CHUNG Kwok-fai  
Convenor, Objections Board

**Mr. LI Tat-wai**



**Ir TONG Ka-hung, Edwin**  
Chairperson, Management Committee  
on Construction Innovation and  
Technology Fund

**Mr. LEUNG Kin-man, Stephen**  
Representing Permanent Secretary  
for Housing



**Ir LAU Chun-kit, Ricky**  
Permanent Secretary for Development  
(Works)

**Sr LAM Kin-wing, Eddie**  
Chairperson, Construction  
Industry Training Board  
Chairperson,  
Committee on Repair,  
Maintenance, Alteration and  
Addition



**Ir KAN Jun**



## MEMBERSHIP OF CIC

**Ar. LEUNG Wai-kin,**  
Clarence

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**Ir SUM Pang-tuen, Barry**

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**Ir LIU Sing-pang, Simon**  
Chairperson,  
Construction Workers Registration Board

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**Ir LEUNG Wing-kee, Ricky**

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**Mrs. LO LEE Oi-lin**  
Chairperson, Hong Kong Institute of  
Construction Management Board

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**Mr. MOW Tai-hing**

**Mr. WONG Hin-wing, Simon**  
Chairperson, Audit Committee  
Chairperson, Investment Task Force

**Ir YOUNG Meng-cheung, Andrew**

**Ms. YU Po-mei, Clarice**  
Director of Buildings

**Mr. WONG Siu-han, Rex**



**Sr HO Kwok-kwan, Thomas**

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

**Mr. TSE King-wa**

## RETIRED CIC MEMBERS AND CURRENT CHAIRPERSONS OF MANAGEMENT BOARDS

### Retired CIC Members



Ir Dr. PANG Yat-bond, Derrick



Ir WONG Kin-wai, Ken

### Current Chairpersons of Management Boards



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



**Mr. FU Chin-shing, Ivan**  
Chairperson, Committee on Environment  
Chairperson, ZCB Management Board



**Mrs. LO LEE Oi-lin**  
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



To drive for unity and excellence of the construction industry of Hong Kong.

### Mission



To strengthen the sustainability of the construction industry in Hong Kong by providing a communications platform, striving for continuous improvement, increasing awareness of health and safety, as well as improving skills development.



## ABOUT THE COUNCIL

### CIC Functions (up to 31 December 2022)

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.
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CONSTRUCTION  
INDUSTRY COUNCIL  
建造業議會





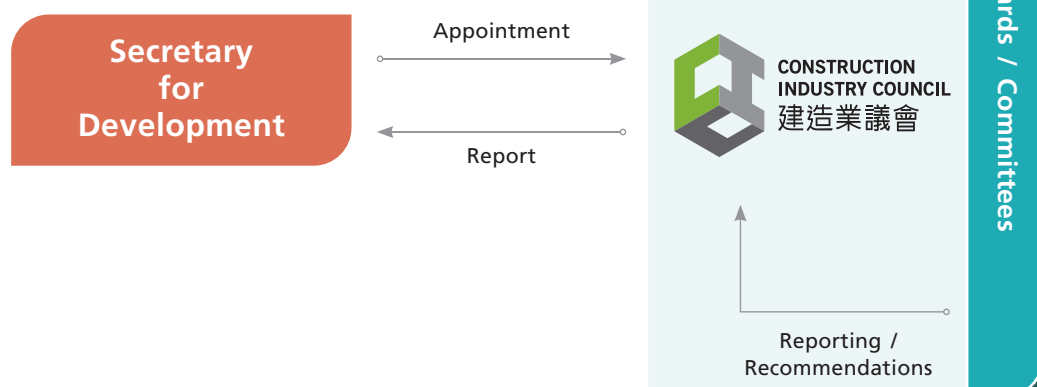
# DESIGN FOR FUTURE

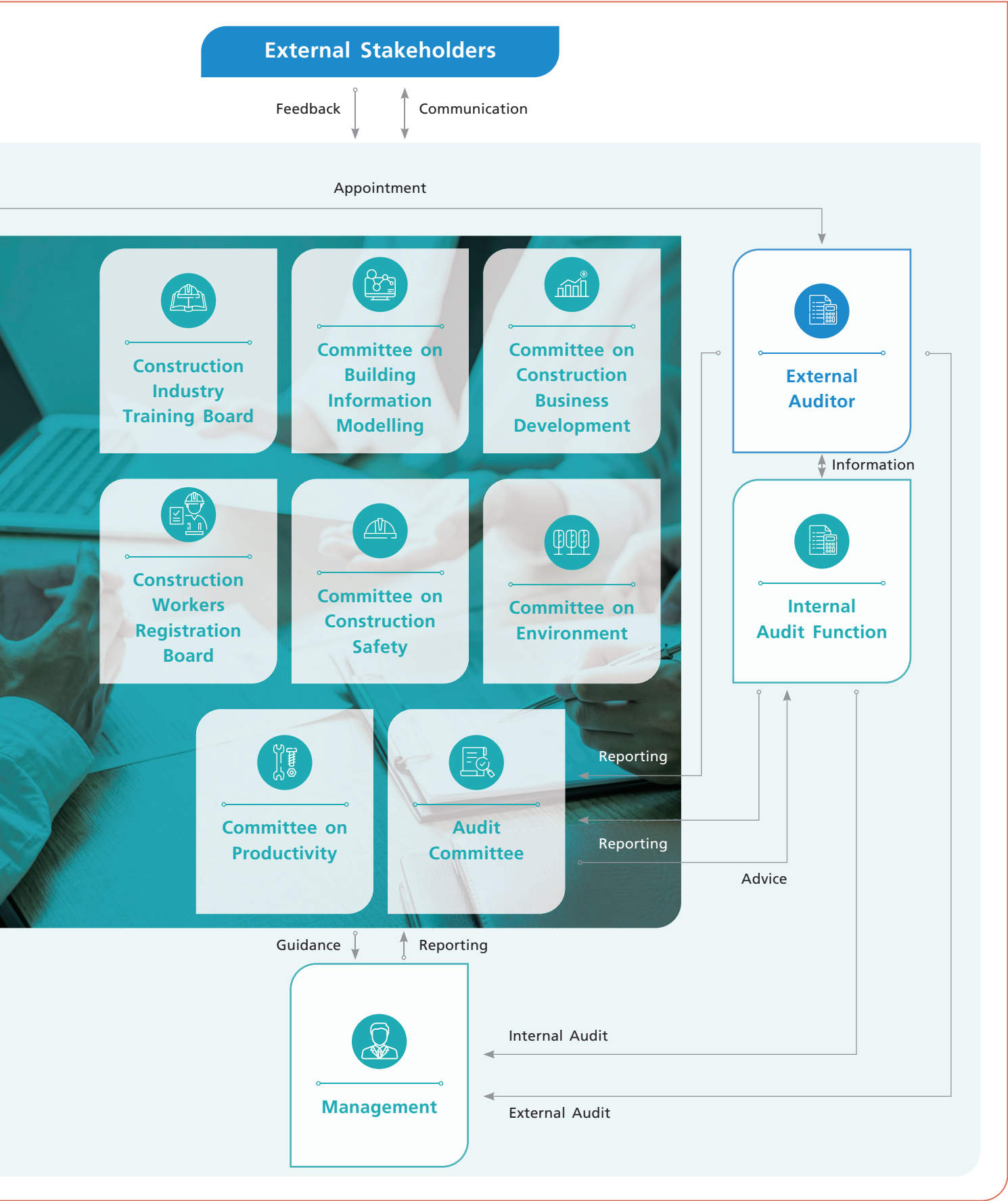




## Corporate Governance Structure

The Construction Industry Council (CIC) is firmly committed to maintaining high standards of corporate governance. We believe 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 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

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

- the Objections Board;
- the Construction Industry Training Board;
- the Construction Workers Registration Board;
- the Construction Workers Qualifications Board; and
- the 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:

- Committee on Building Information Modelling;
- Committee on Construction Business Development;
- Committee on Construction Safety;
- Committee on Environment; and
- Committee on Productivity.

In addition to the Boards and Committees, a number of 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, 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 up to three committees in general.

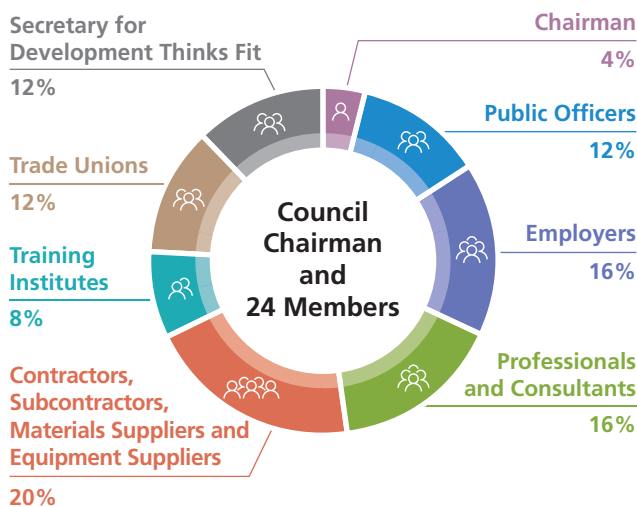
The appointment mechanism of the Industry Development Committees was revamped in 2018. To add in new blood and to rejuvenate the composition of the Industry Development Committees, a new category "Young Member" was introduced in 2021 to appoint suitable personnel under 40 years old when appointed. Under the established mechanism on selecting and appointing new members to the

Committees, the CIC will invite 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 CIC task forces, their willingness to serve, and the needs of the CIC, etc. The Council Chairman, in consultation with the individual Committee Chairpersons, will propose the list of Committee Members for the Council's approval, with due consideration given to Council Members' indicated preferences and nominations received.

Via mirroring the Council and capping Committees' members to a maximum of 18, the enhanced appointment mechanism would enable the Committees to be more representative of the industry, allowing an integration of views from representative sectors and enabling more youthful elements to contribute to Committee work while forbidding monopolisation by particular institutions as non-Council members would normally serve a maximum of four years. This mechanism also 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.

Members of the Construction Industry Training Board and the Construction Workers Registration Board are appointed in accordance with the relevant sections of the CICO / CWRO. The CIC reviews the Board appointment mechanisms from time to time to enhance its representativeness and effectiveness. Following the launch of the Registered Specialist Trade Contractors Scheme in April 2019, the number of registered specialist trade contractors has grown rapidly. The Council in December 2021 approved both Boards to expand the invitation list from 2022 to include nominations from organisations with representatives from registered specialist trade contractors / trade unions. At the same time, the same expansion has been extended to the invitation list for nominations to the Industry Development Committees. In addition, as the construction industry develops and evolves with time, the challenges faced by industry stakeholders are also becoming more diverse and multi-faceted. Given the constraints on Board composition (restricted by category and maximum number of members), the CIC approved the appointment of advisors in 2022 to help in broadening the views received from industry stakeholders as well as getting more expertise from sectors currently unrepresented on the Board in resolving problems. As a control mechanism, the maximum number of advisors shall not exceed half of the quorum of the board.

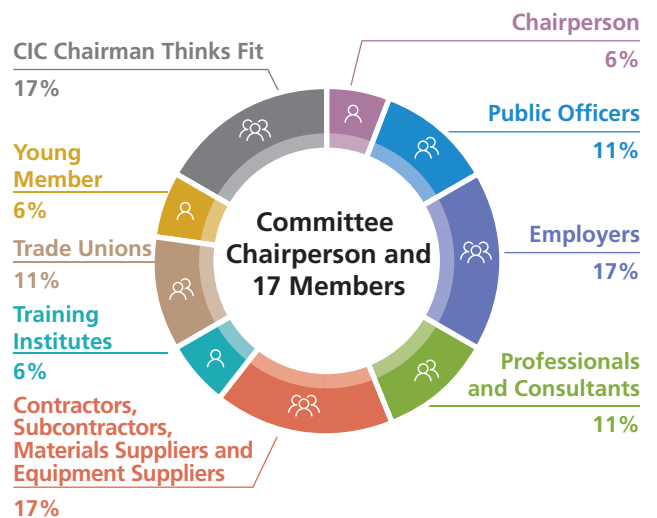
#### Composition of the Council



⋈ Number of Members

Percentages may not add up to 100% due to rounding.

#### Composition of the Five Industry Development Committees



### 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:

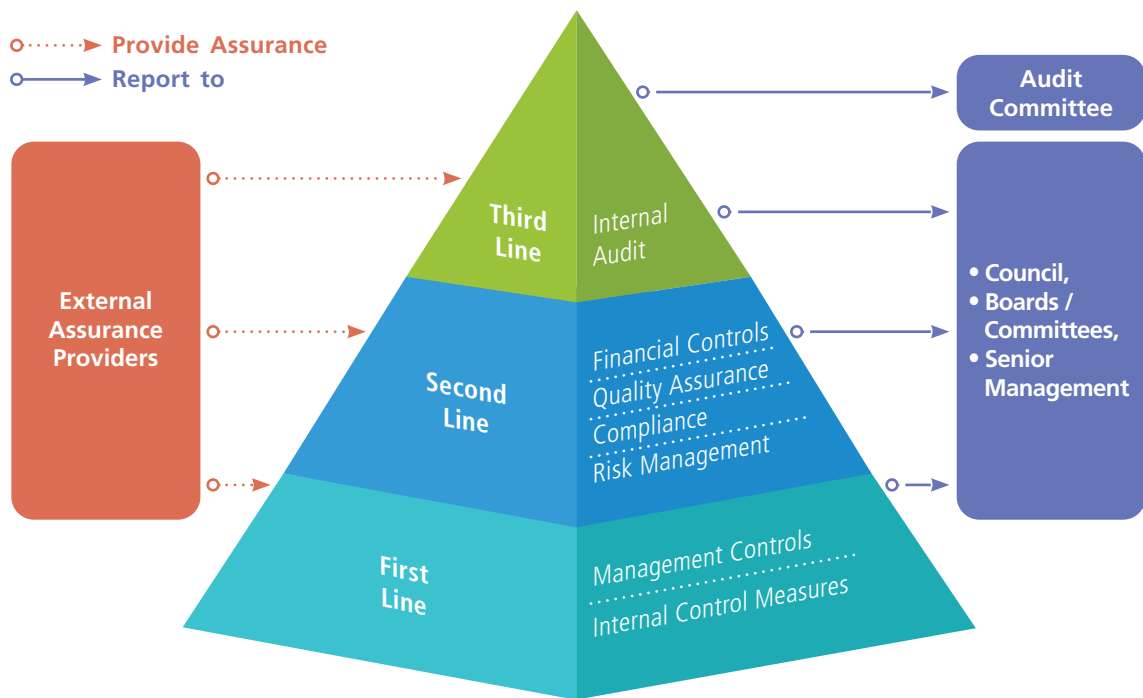
1. The Council and the Executive Committee hold bimonthly meetings, while Boards and Committees meet at least quarterly (except for the Objections Board, Construction Workers Qualifications Board and Construction Workers Review Board, which hold meetings as and when necessary).
2. Attending meetings by video conferencing is arranged in line with the social distancing measures during the COVID-19 pandemic and for Members who are out of town.
3. The annual meeting schedule is set at the end of the previous year to allow Members to reserve time to attend.
4. 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.
5. The draft meeting Agenda is prepared by the responsible Secretariat, subject to endorsement by the Executive Director and approval by the Council Chairman / Board / Committee Chairperson.
6. Except for Committees of which the Executive Director is a member, 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 shall 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.
7. 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.
8. The draft Minutes prepared by the Secretariat should be ready around seven calendar days after the meeting for consideration by the senior management and Chairman / Chairperson. 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. In addition, for the Council and the Executive Committee meetings, an action list of issues / matters that require immediate attention would be developed by the Secretariat for the management of relevant departments / business units to follow up in a timely manner.
9. 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 uploaded to the CIC website for the public's reference.
10. 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 relevant Secretariat.
11. 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.
12. The quorum required by the Council meetings and Statutory Boards meetings is specified in the CICO and CWRO respectively. At a meeting of the Council, a quorum is not less than half of its members. The quorum for a Construction Industry Training Board meeting is not less than six members, while a Construction Workers Registration Board meeting requires a quorum of ten members. For a meeting of the Construction Workers Qualifications Board, the quorum is seven members, and the quorum for a Construction Workers Review Board meeting is four members.

*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 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. All divisions and departments are required to conduct regular reviews on their operational manuals and ensure staff's compliance with internal operational policies and procedures.

Operational management reports, including areas with control deficiencies, if identified, and rectifying measures and controls, are compiled on a regular basis.

### 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 of Risk Management).

A team of experienced staff with accounting expertise and relevant qualifications is responsible for the financial reporting and accounting functions.

By an integrated top-down and bottom-up risk review process, risk items in CIC are identified and prioritised for monitoring by different levels of management according to the risk levels. An open and effective communication channel is created to ensure controls of top risks, timely reporting of emerging risk exposures and formulating relevant mitigation measures.

CIC maintains a corporate level risk register and a departmental level risk register and these are reviewed and updated annually under the risk management mechanism. Under the mechanism, views from all managerial staff are solicited to identify top tier risks and cross department risks the CIC is facing. Forums and / or interviews facilitating the discussion of strategies to manage the identified potential risks are held where appropriate. The risk management mechanism lays down a defined way to assess risks and increase the awareness of staff in relation to risk management.

### Third Line

The Internal Audit Department is responsible for reviewing the effectiveness of governance, risk management and internal controls in the first two Lines of Risk Management. The Department is comprised of staff with professional qualifications and has unhindered access to operational information for executing its duties.

Through a risk-based audit approach, the Department assesses the effectiveness of internal controls of CIC based on the guidelines on internal control promulgated by the HKICPA. The Committee of Sponsoring Organisations of the Treadway Commission Framework ("COSO") is also adopted to assess the five major components of internal controls, namely control environment, risk assessment, control activities, information and communication, and monitoring activities.

The Department, with the assistance of an external vendor specialising in internal audit, conducts internal audit exercises according to the annual internal audit plan approved by the Audit Committee. Findings are discussed and confirmed with the senior management and reported to and considered by the Audit Committee, to ensure the highest level of independence and objectivity.

## 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. In addition, senior management meets regularly with the ICAC Corruption Prevention Department to uphold the leading practices and measures in corruption prevention, especially on the new business or operations of the CIC.

## Internal Audit

The Internal Audit functions, as specified in the "Internal Audit Charter" of the Internal Audit Operation Manual, include:

- developing a flexible annual audit plan using risk-based methodology covering reviews of all material controls, including financial, operational and compliance controls and risk management functions. The key focus is on accountability, compliance and efficiency;
- implementing the annual audit plan as approved by the Audit Committee, including special tasks or projects requested by the management and the Audit Committee and performing compliance reviews with the laid down policies, procedures and requirements;
- discussing with the management and the Audit Committee the adequacy of the CIC's internal controls in the areas of corporate governance, information systems and security, and related significant findings and recommendations, together with the management's responses to resolve the issues or improve the processes;
- ensuring the endorsed recommendations from the audit report are completed by the management in a timely manner; and
- reporting to the Audit Committee and / or the senior management directly for any major issues encountered in relation to the internal audits.



## CORPORATE GOVERNANCE REPORT

### Mechanism of Complaints Handling

To maintain public accountability, the CIC has established various communication channels with internal and external stakeholders and always welcomes their feedback. Non-anonymous complaints showing dissatisfaction against the CIC or our staff members will be timely handled and thoroughly 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 upholding the principles of fairness, honesty, integrity and impartiality in conducting its business and discharging its functions.

### Code of Conduct for Members

Sections 6 and 7 under Schedule 3 and Section 8 under Schedule 4 of the CICO lay down the provisions on disclosure of interests of members and keeping of a relevant register. CIC's Code of Conduct for Members (the Code) sets out the standards of conduct and behaviour, while the Policy on Disclosure of Interests of Members (the Policy) spells out the declaration and handling of conflicts of interests for observance by Members. To uphold public trust and protect public interests, upon acceptance of appointment, Members of Council / Boards / Committees are required to accept and abide by the Code and the Policy, and declare any conflicts of interests in compliance with the stipulated requirements. Newly appointed Council Members are given briefings and a bilingual Information Booklet for Council Members to familiarise them with the CIC's corporate governance structure and the work of the CIC.

### 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 staff are required to sign their acknowledgement of the Code when they first join CIC. Staff are reminded on regular basis to comply with the Code of Conduct and other stipulations in the Staff Handbook, including but not limited to Managing Conflict of Interest, Confidentiality of Information and Protection of Personal Data, Employment of Staff Relatives, etc. Announcement will also be issued to staff before major festivals such as Mid-Autumn Festival, Christmas, Lunar New Year, etc. reminding them on CIC Policy on Anti-Bribery. 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, the following training sessions are arranged. Representatives from the ICAC, Equal Opportunity Commission and the Privacy Commissioner for Personal Data are invited to conduct these training sessions on regular basis throughout the year.

- 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

All new staff are required to attend these training sessions on a compulsory basis and as soon as they report for duty. To strengthen the protection of personal data privacy and CIC's cyber security and enhance staff's awareness, all staff are required to attend training on "Protection of Personal Data Privacy" and "Protection of Cyber Security" annually on a compulsory basis.

### Corporate Governance Framework

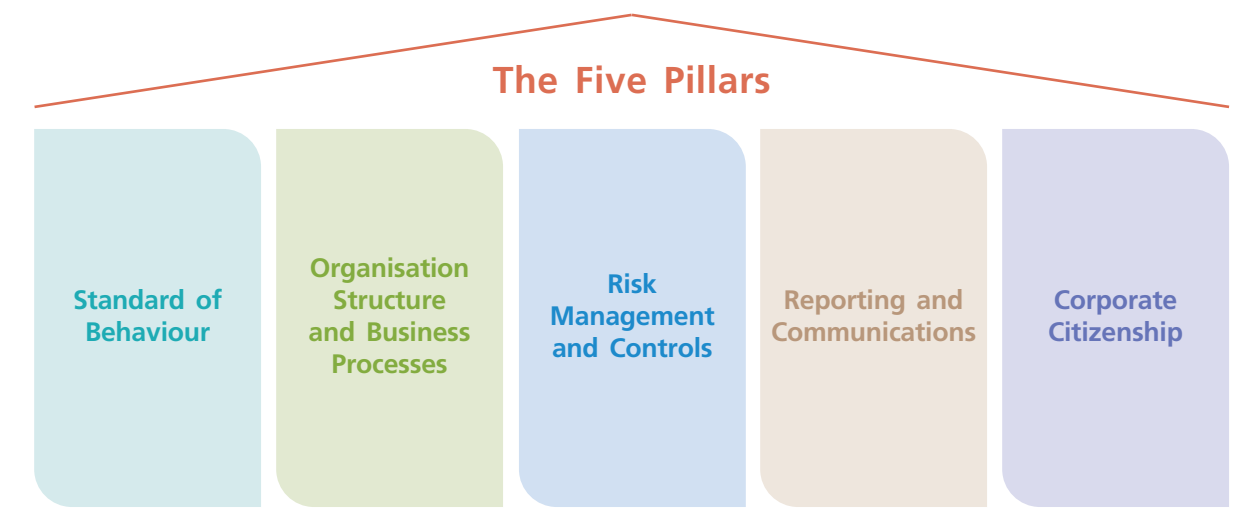
As a statutory body, CIC is committed to operate in an open and accountable environment so as to provide our stakeholders and public with services that are of value for money. CIC trusts a defined corporate governance framework can:

- contribute to the effective performance of the roles of CIC;
- serve to maintain the trust built on CIC by the public regarding the use and stewardship of levies collected and other assets which CIC is entrusted; and
- enhance stakeholders' confidence that CIC upholds the best quality services with the highest ethical standards.

The CIC's corporate governance framework is established with reference to the following:

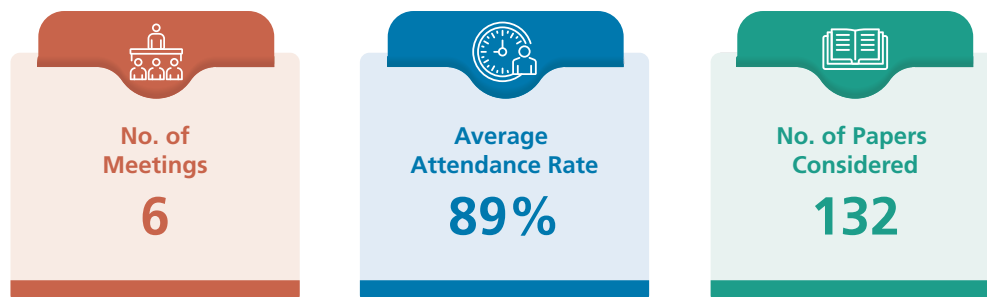
- Corporate Governance Code and Corporate Governance Report issued by the Hong Kong Exchanges and Clearing Limited;
- Corporate Governance for Public Bodies – A Basic Framework published by the Hong Kong Institute of Certified Public Accountants; and
- Good Governance and Internal Control in Public Organisations 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:



### Summary of Work Done in 2022

#### Council



#### Management Controls

Despite the COVID-19 pandemic in 2022, the operations of the Council has not been hampered, with all six Council meetings held as scheduled, two via video conference and the remaining four were physical meetings. Council Members have demonstrated commitment to their roles and responsibilities and have contributed to the effective performance and operation of the CIC.

Furthermore, in order to facilitate Council Members to better understand the operation of the CIC from an insider perspective, the Corporate Secretariat has arranged Council meetings at different CIC premises and invited Members to participate in site tour before / after the meetings. Members put forward valuable improvement suggestions on the operation of various departments / business units, which helped further strengthen the corporate governance of the Council.

#### Major Work Plans

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. The "CIC 2022 Major Work Plan" published in February 2022 and the booklet for 2023 is in the pipeline.



CIC 2022 Major Work Plans



## CIC Fellows

The CIC Fellows, composed of retired Council Members, retired Chairpersons of major Boards / Committees and retired Executive Directors, was officially set up in 2021. It serves as a high level advisory organisation for the benefit and future development of the construction industry as well as a platform to maintain friendship and facilitate the exchange of information among stakeholders on industry knowledge, experience and new technology updates. Dr. CHAN Ka-kui, the immediate past CIC Chairman, is the Convenor. Various functions, site tours and social gatherings are organised every year to solicit advice and support for the CIC where necessary.



CIC Fellows Annual Event cum Luncheon 2022



MFV Programme – a visit to the Hong Kong Construction Industry Trade Testing Centre

A new initiative called the “CIC Members cum Fellows Visit (MFV) Programme” commenced in early August 2022. Under this programme, both existing Council Members and CIC Fellows were invited to visit different premises / facilities of the CIC. Each visiting group consisted of 1-2 incumbent Council Member(s) and 1-2 CIC Fellows. The visiting groups were invited to record their observations and give corresponding recommendations / improvement suggestions to the CIC. Nine visits were conducted in 2022. A sound mechanism was in place to monitor the follow up actions taken by the responsible department(s) / business unit(s).



MFV Programme – a visit to the HKIC - Sheung Shui Campus



MFV Programme – a visit to the HKIC - Tuen Mun Training Ground

## CORPORATE GOVERNANCE REPORT

### Significant matters considered / resolved

#### Standard of Behaviour

It states the expectations on Members' and 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. An orientation session was conducted on 10 February 2022 for new Council Members appointed in 2022 and the Information Booklet for Council Members was published in February 2022.
2. To uphold public trust and protect public interests, all Members of the Council / Boards / Committees appointed in 2022 have accepted and agreed to abide by the Code and the Policy, and to declare any conflicts of interests in compliance with the stipulated requirements.
3. Before the commencement of each Council Meeting, the Chairman will remind Council Members to declare any conflicts of interests on items discussed at the meeting. This will be properly documented and appropriate actions will be taken where deemed necessary.

#### 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. Addition of a Member with extensive experience in Mainland affairs to the Executive Committee
2. Appointment of Chairperson / Members / Advisor to the Construction Industry Training Board and the Construction Workers Registration Board
3. Appointment of Chairman and a Director to the Board of Hong Kong Green Building Council Limited
4. Appointment of the Director of Industry Development of the Construction Industry Council as the Chief Representative of the Representative Office of CIC (HK) in Guangdong
5. Establishment of the "CIC Members cum Fellows Visit Programme"
6. Establishment of the Committee on Repair, Maintenance, Alteration and Addition
7. Establishment of the Construction Industry Council Youth Affairs Committee to formulate, promote and implement the "Blueprint for the Development of Youth in the Construction Industry in Hong Kong"

#### 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. Formulating a risk-based internal audit plan
2. Provision of audit services for the Construction Industry Caring Campaign 2.0
3. Organising training sessions on "Cyber Security Awareness" for all staff

### 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. To maintain communication efficiency, progress reports of major Boards and Committees were submitted to the Council on a regular basis to ensure work progress and high-level strategic issues were brought to the attention of the Council in a timely manner
2. Report on CIC Sponsorship Applications for industry events held in 2022
3. Implementation of the "Development Blueprint for Manpower Training of the Construction Industry"
4. Implementation of the roadmap for compulsory use of levy E-service
5. Revision of the "Policies and Procedures on Investment"
6. Finalisation of the 2023 Major Key Performance Indicators of various CIC boards and committees
7. Implementation of the CIC – Zero Carbon Park Business Plan 2023

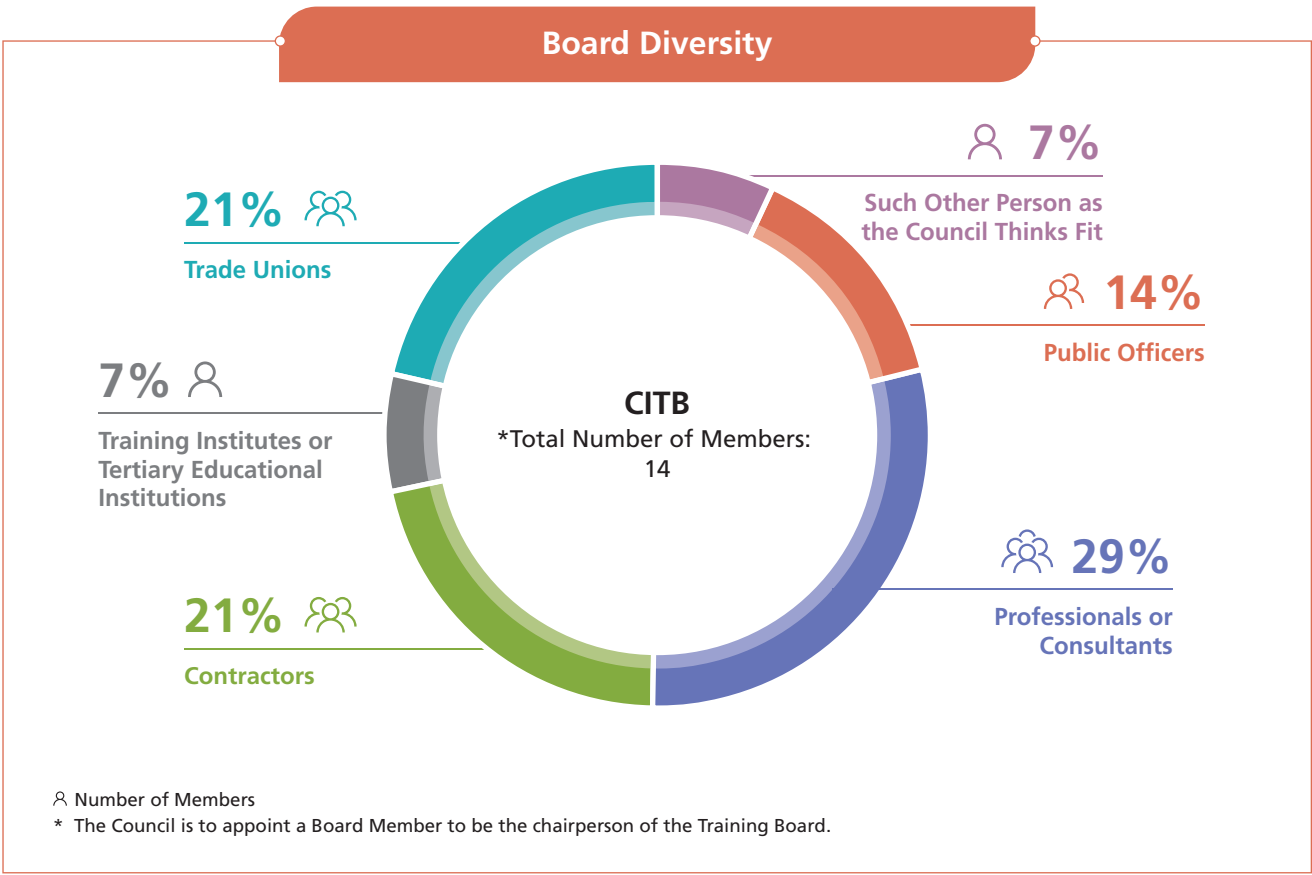
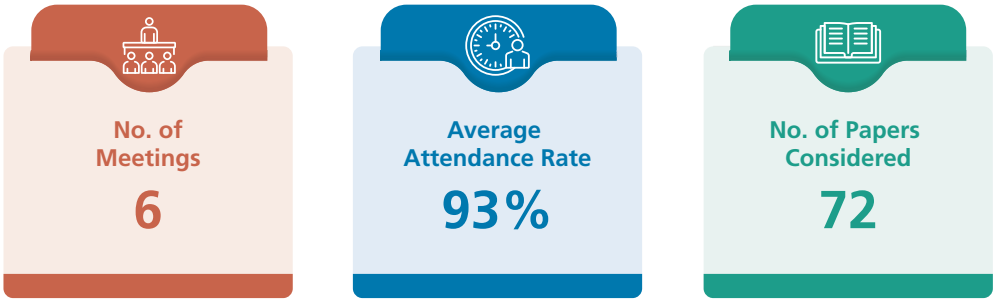
### Corporate Citizenship

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. Extension of the waiver of Construction Workers Registration Fees
2. Implementation of the Construction Industry Caring Campaign 2.0
3. Organisation of the Award Ceremony of the 12th CIC Scholarship for Family Members of Registered Construction Workers
4. Promotion of low carbon living and sustainability
5. Promotion of the "CIC Sustainable Finance Certification Scheme"
6. Launch of the "CIC Global Construction Sustainability Forum and Exhibition 2023"
7. Continuing to promote volunteer services

CORPORATE GOVERNANCE REPORT

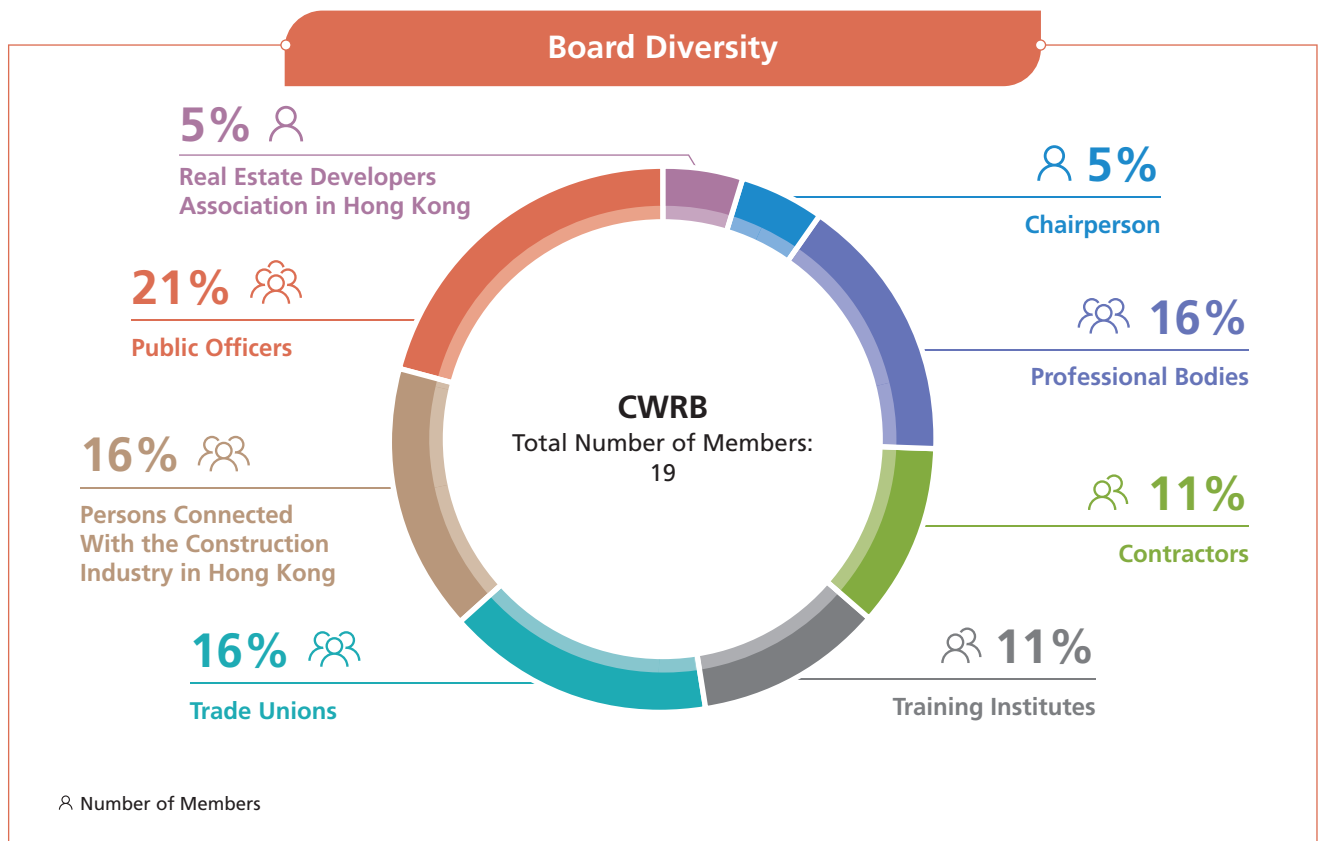
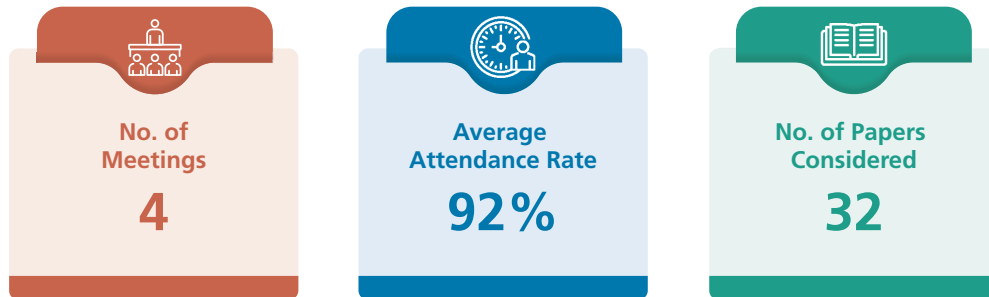
Construction Industry Training Board



Percentages may not add up to 100% due to rounding. (as at 31 December 2022)



## Construction Workers Registration Board

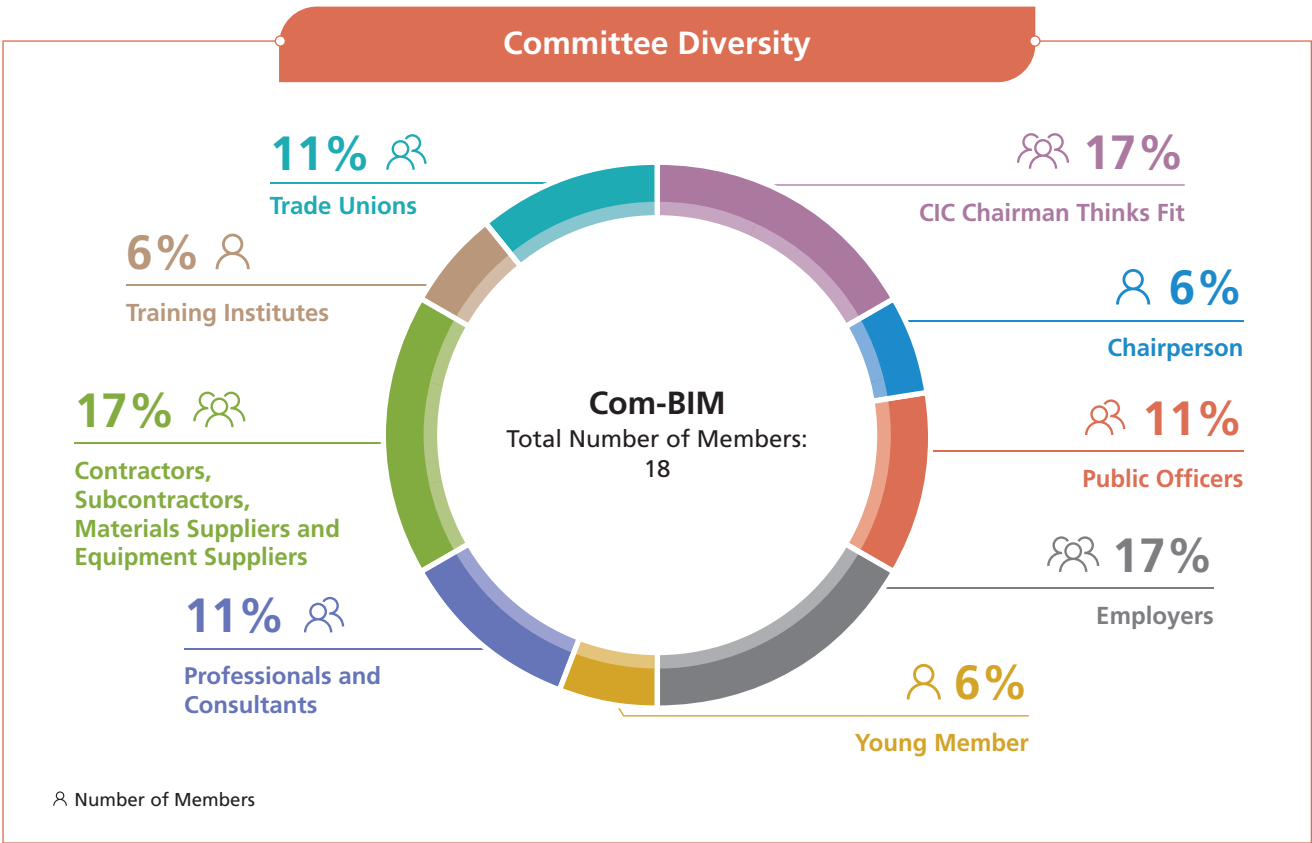
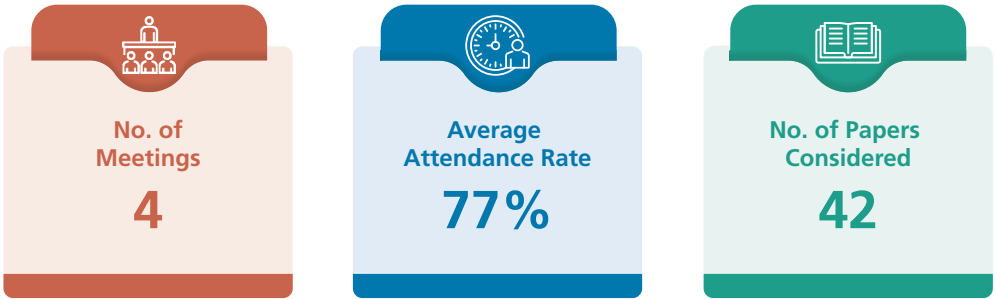


Percentages may not add up to 100% due to rounding.

(as at 31 December 2022)

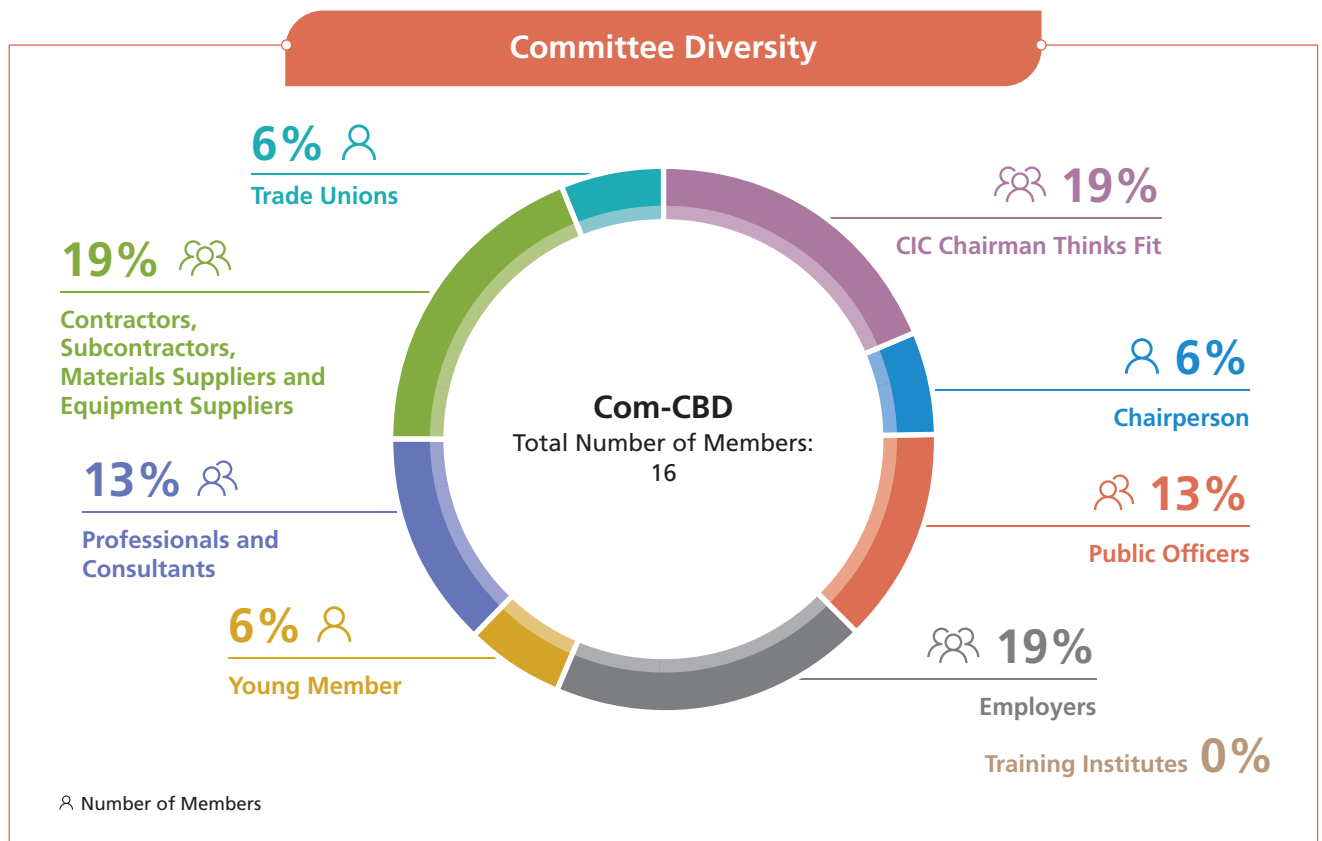
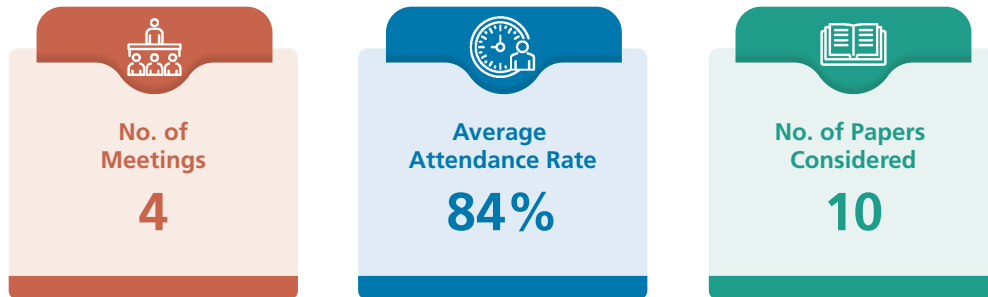
CORPORATE GOVERNANCE REPORT

Committee on Building Information Modelling



Percentages may not add up to 100% due to rounding. (as at 31 December 2022)

## Committee on Construction Business Development

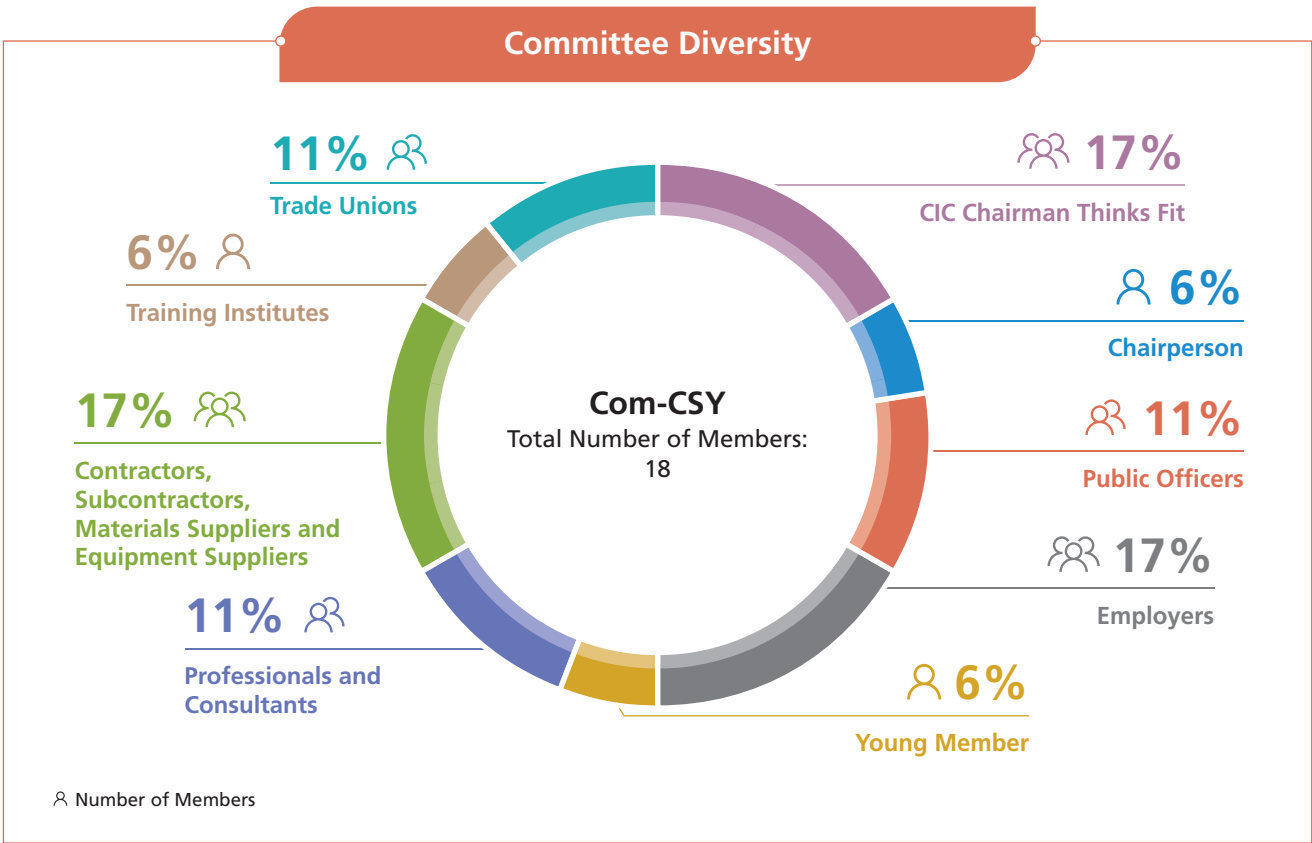
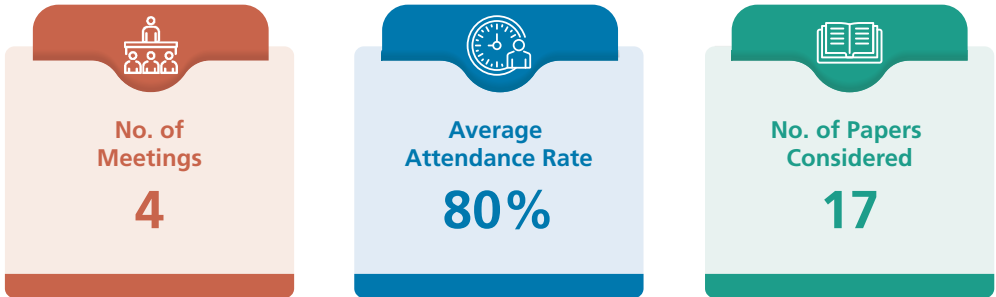


Percentages may not add up to 100% due to rounding.

(as at 31 December 2022)

CORPORATE GOVERNANCE REPORT

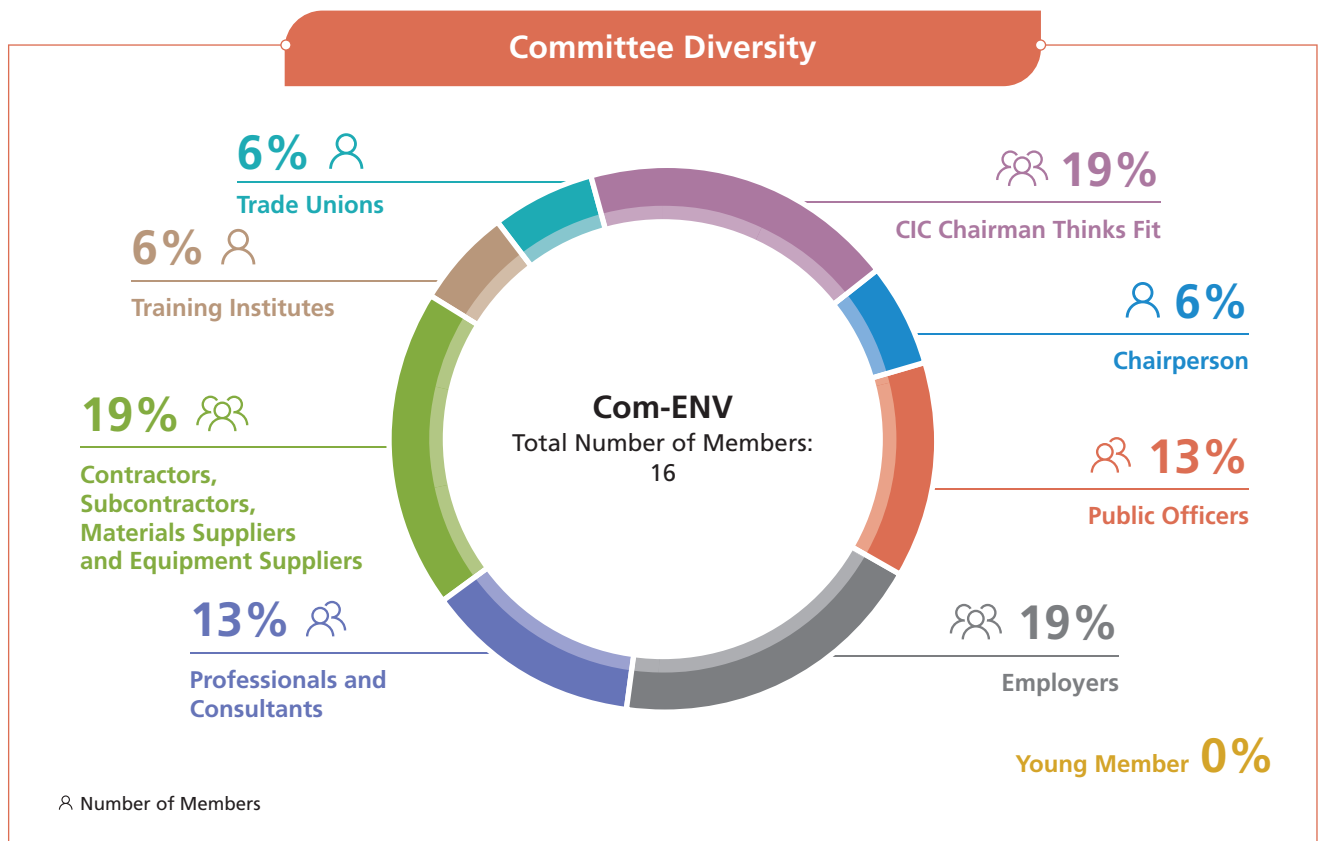
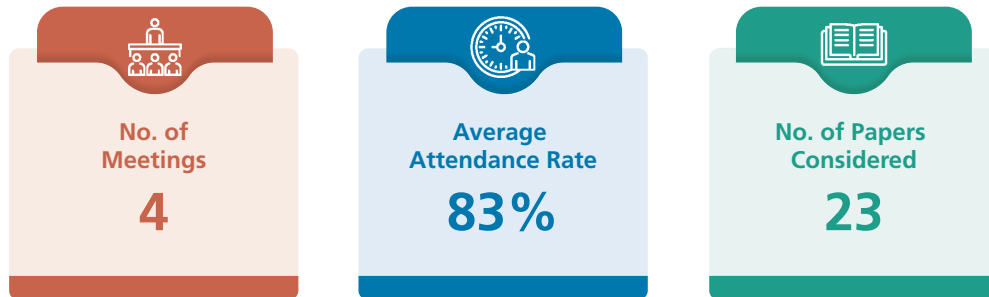
Committee on Construction Safety



Percentages may not add up to 100% due to rounding. (as at 31 December 2022)



## Committee on Environment

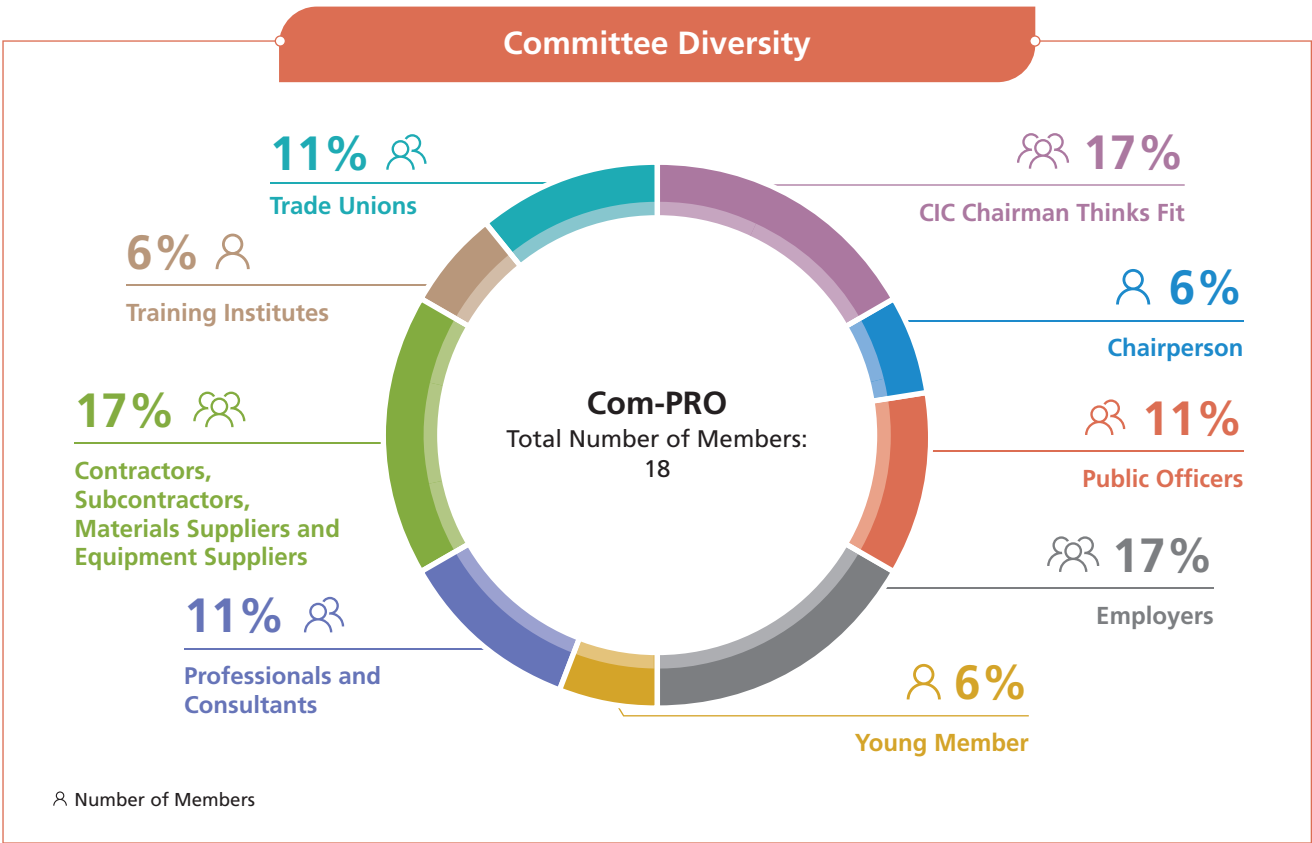
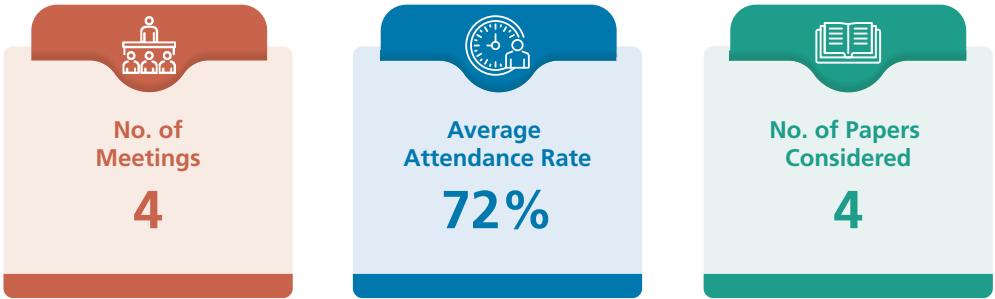


Percentages may not add up to 100% due to rounding.

(as at 31 December 2022)

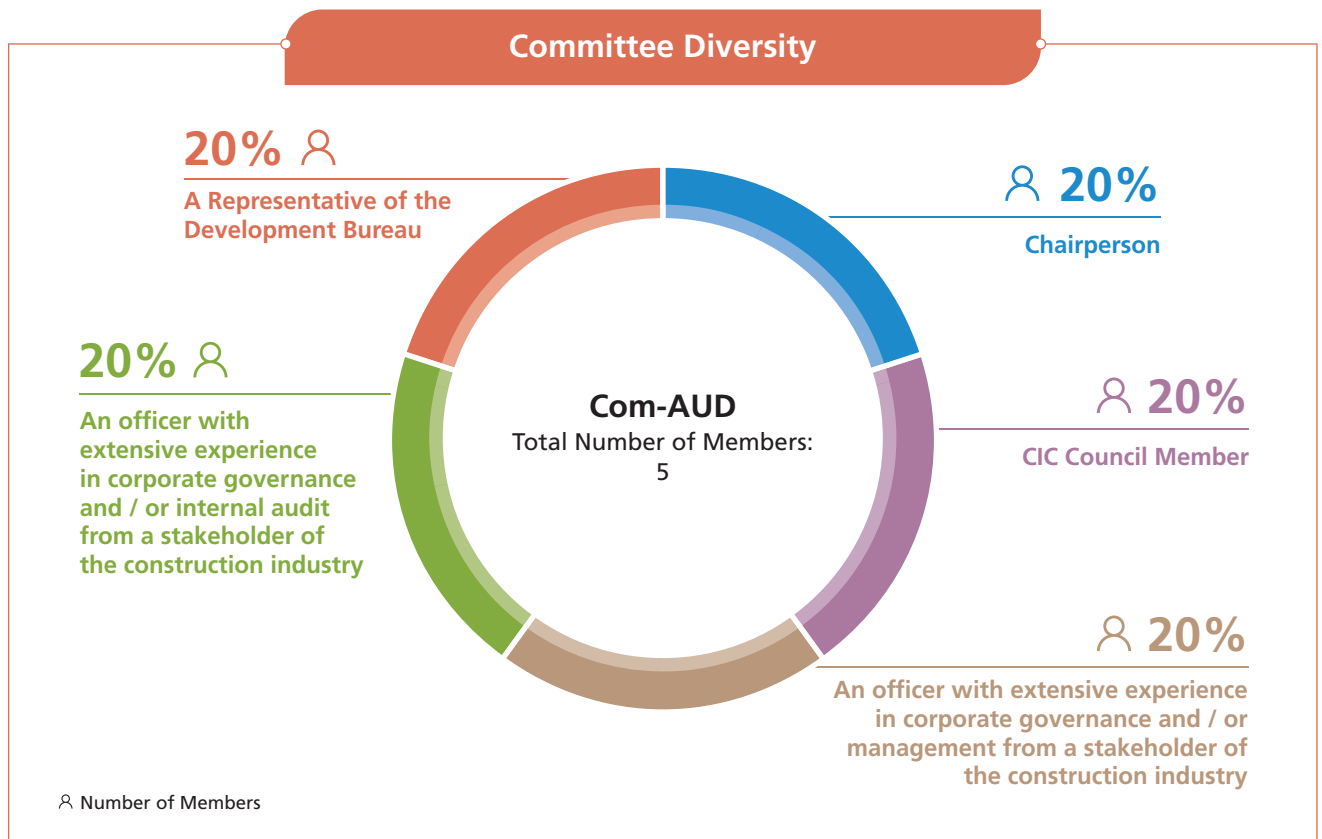
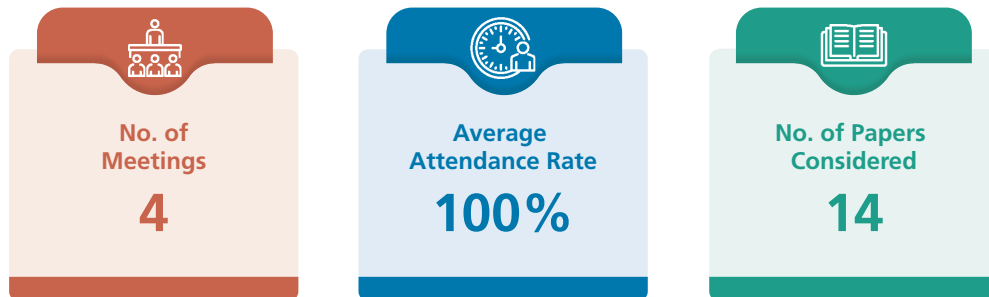
CORPORATE GOVERNANCE REPORT

Committee on Productivity



Percentages may not add up to 100% due to rounding. (as at 31 December 2022)

## Audit Committee



Percentages may not add up to 100% due to rounding.

(as at 31 December 2022)



## CORPORATE GOVERNANCE REPORT

### Meeting Attendance

#### Council Members' Attendance in Various Meetings in 2022

		Council	Com-EXE	Com-BIM	Com-CBD	Com-CSY	Com-ENV	Com-PRO	Com-RSC	Com-AUD
<b>Chairman</b>										
1	Dr. CHAN Ka-kui <sup>(1)</sup>	N/A	1/1							
2	Ir HO On-sing, Thomas <sup>(2)</sup>	6/6	5/5						1/1 <sup>(11)</sup>	
<b>Members</b>										
3	Ir CHAN Chi-chiu <sup>(1)</sup>	N/A							12/12 <sup>(3)</sup>	
4	Mr. CHAN Kim-kwong	6/6			4/4	3/4				
5	Ar. Marvin CHEN	6/6			3/3 <sup>(5)</sup>		2/3 <sup>(5)</sup>			
6	Prof. CHENG Chin-pang, Jack	6/6		4/4		2/3 <sup>(5)</sup>				
7	Ir CHEUNG Chi-kong, Victor	6/6						3/3 <sup>(5)</sup>		
8	Prof. CHUNG Kwok-fai	6/6		2/4				2/4		
9	Mr. FU Chin-shing, Ivan <sup>(1)</sup>	N/A	6/6 <sup>(3)</sup>		4/4 <sup>(10)</sup>		4/4 <sup>(3)</sup>			
10	Sr HO Kwok-kwan, Thomas	6/6			4/4		4/4		12/12	
11	Ir KAN Jun	5/6					3/3 <sup>(5)</sup>	3/3 <sup>(5)</sup>		
12	Sr LAM Kin-wing, Eddie	6/6	6/6					0/1 <sup>(7)</sup>		
13	Ir LAU Chun-kit, Ricky	6/6 <sup>(13)</sup>	6/6 <sup>(13)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>		
14	Mr. LEUNG Kin-man, Stephen	2/6			2/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>	4/4 <sup>(6)</sup>		
15	Ar. LEUNG Wai-kin, Clarence	6/6					2/3 <sup>(5)</sup>	2/3 <sup>(5)</sup>		
16	Ir LEUNG Wing-kee, Ricky	6/6			4/4				11/12	3/3 <sup>(12)</sup>
17	Mr. LI Tat-wai	0/6				0/4		1/4		
18	Ir LIU Sing-pang, Simon	6/6	3/3 <sup>(4)</sup>					2/3 <sup>(5)</sup>		
19	Mrs. LO LEE Oi-lin	6/6								
20	Ir MO Kon-fei, Kenneth <sup>(1)</sup>	N/A	1/1						5/6 <sup>(8)</sup>	
21	Mr. MOW Tai-hing	5/6				3/4		4/4		
22	Ir Dr. PANG Yat-bond, Derrick	6/6	5/6			4/4				
23	Ir POON Lock-kee, Rocky	4/6	6/6		4/4			3/4		
24	Ir TONG Ka-hung, Edwin	6/6						2/3 <sup>(5)</sup>	6/6 <sup>(9)</sup>	
25	Mr. TSE King-wa	6/6				1/3 <sup>(5)</sup>				
26	Mr. WONG Hin-wing, Simon	6/6			4/4					4/4
27	Ir WONG Kin-wai, Ken	6/6	6/6					4/4		
28	Ir YOUNG Meng-cheung, Andrew	4/6			2/3 <sup>(5)</sup>		3/3 <sup>(5)</sup>			
29	Ms. WONG Yeuk-lan, Eliza <sup>(1)</sup>	N/A								4/4 <sup>(3)</sup>
30	Ms. YU Po-mei, Clarice	6/6		4/4 <sup>(6)</sup>			3/4			

<sup>(1)</sup> Retired as CIC Member w.e.f. 1 February 2022.

<sup>(2)</sup> Member appointed as Chairman on 1 February 2022.

<sup>(3)</sup> Membership continued on an ad personam basis.

<sup>(4)</sup> Membership since 1 July 2022.

<sup>(5)</sup> Membership since 22 April 2022.

<sup>(6)</sup> Meetings were attended by representative(s).

<sup>(7)</sup> Membership withdrew w.e.f. 22 April 2022.

<sup>(8)</sup> Term ended on 15 July 2022.

<sup>(9)</sup> Membership since 16 July 2022.

<sup>(10)</sup> Attended meetings in the capacity of Chairperson of the Task Force on Greater Bay Area.

<sup>(11)</sup> Membership withdrew in February 2022.

<sup>(12)</sup> Membership since 1 February 2022.

<sup>(13)</sup> One meeting was attended by a representative.

## Construction Industry Training Board

### Members' Meeting Attendance in 2022

Chairperson		Attendance
1	Sr LAM Kin-wing, Eddie	6/6
Members		Attendance
	Mr. CHAN Kim-kwong	3/3 <sup>(1)</sup>
2	Mr. CHAN Lok-chai	3/3 <sup>(2)</sup>
	Sr CHAU Bing-che, Henry	3/3 <sup>(1)</sup>
3	Mr. CHOW Luen-kiu	3/3 <sup>(2)</sup>
4	Ir FUNG Kwok-keung, Conrad	3/3 <sup>(2)</sup>
5	Mr. HUANG Yongquan	6/6
	Mr. LAM Oi-ki, Peter	3/3 <sup>(1)</sup>
	Mr. LAU Wing-sum	3/3 <sup>(1)</sup>
6	Prof. LIM Wan-fung Bernard Vincent	2/3 <sup>(2)</sup>
7	Mrs. LO LEE Oi-lin	6/6
8	Ir LUK Wai-lam, William	4/6
9	Mr. NG San-wa, Lawrence	3/3 <sup>(2)</sup>
	Ar. WONG Chiu-lung, Dennis	2/3 <sup>(1)</sup>
10	Sr WONG Kin-wai, Staw	6/6
11	Mr. WONG Ping	6/6
12	Dr. YAN Ting-kwan, Daniel	4/6
13	Ms. LEE Chung-yan, Angela	6/6 <sup>(3)</sup>
14	Mr. WAN Chi-ping, Fenton	6/6

<sup>(1)</sup> Term ended on 30 June 2022.

<sup>(2)</sup> Term commenced on 1 July 2022.

<sup>(3)</sup> Two meetings were attended by a representative.

## Construction Workers Registration Board

### Members' Meeting Attendance in 2022

Chairperson		Attendance
1	Ir LIU Sing-pang, Simon	4/4 <sup>(1)</sup>
	Ir MO Kon-fei, Kenneth	2/2 <sup>(2)</sup>
Members		Attendance
	Mr. CHAN Ka-lai	1/1 <sup>(3)</sup>
2	Ir Dr. CHAN Ka-lung, Raymond	4/4
	Prof. CHAN Kwok-hong, Raymond	1/2 <sup>(2)</sup>
3	Mr. CHAN Shut-ho, Franki	4/4
4	Ms. CHAN Yuen-ming, Mary	4/4 <sup>(4)</sup>
5	Ir CHAN Yun-kan, Simon	4/4
6	Ir CHOW Hau-keung, Vincent	4/4 <sup>(5)</sup>
	Sr DY Wai-fung, Peter	2/2 <sup>(2)</sup>
	Mr. KWOK Tung-keung, Simon	2/2 <sup>(2)</sup>
7	Mr. LAM Oi-ki, Peter	2/2 <sup>(6)</sup>
8	Ar. Dr. LAM Wai-pan, Wilson	2/2 <sup>(6)</sup>
9	Ms. LEE Chung-yan, Angela	4/4 <sup>(7)</sup>
10	Ir LEUNG Wai-bun, Brian	1/2 <sup>(6)</sup>
11	Ir LEUNG Wai-ho, Alfred	4/4
12	Mr. LOK Kwei-sang, Tandy	3/4
13	Mr. NG Choi-wah	2/2 <sup>(6)</sup>
14	Mr. NG Ho-wang	3/3 <sup>(3)</sup>
	Ir Prof. PAN Wei	1/2 <sup>(2)</sup>
15	Sr PONG Yiu-po, Daniel	2/2 <sup>(6)</sup>
16	Cr TANG Yu-chi, Alfred	1/2 <sup>(6)</sup>
	Mr. TSANG Ting-fat	2/2 <sup>(2)</sup>
17	Mr. WONG Ping	4/4
18	Ir Prof. XIAO Fu, Linda	2/2 <sup>(6)</sup>
19	Mr. YAU Wah-hong, Alec	1/2 <sup>(6)</sup>
	Ar. YU Franklin	2/2 <sup>(2)</sup>

<sup>(1)</sup> Member appointed as Chairperson on 1 July 2022.

<sup>(2)</sup> Term ended on 30 June 2022.

<sup>(3)</sup> Due to the change of posting, Mr. NG Ho-wang succeeded Mr. CHAN Ka-lai in May 2022 to represent the Labour Department to attend meetings.

<sup>(4)</sup> One meeting was attended by a representative.

<sup>(5)</sup> All meetings were attended by a representative.

<sup>(6)</sup> Term commenced on 1 July 2022.

<sup>(7)</sup> Two meetings were attended by a representative.



## Executive Committee

The Executive Committee was formed in 2018 with an aim to allow 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 generally 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 CICO. The approved items shall be reported to the Council in a timely manner.

### Membership

#### Chairperson

Dr. CHAN Ka-kui  
(Retired w.e.f. 1 February 2022)  
Ir HO On-sing, Thomas  
(Chairpersonship since 1 February 2022)

#### Members

Mr. FU Chin-shing, Ivan  
(Retired as CIC Member on 1 February 2022  
and membership of the Executive Committee  
continued on an ad personam basis)  
Sr LAM Kin-wing, Eddie  
Ir LAU Chun-kit, Ricky  
Ir LIU Sing-pang, Simon  
(Membership since 1 July 2022)  
Ir MO Kon-fei, Kenneth  
(Retired w.e.f. 1 February 2022)  
Ir Dr. PANG Yat-bond, Derrick  
Ir POON Lock-kee, Rocky  
Ir WONG Kin-wai, Ken

### 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.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### 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 development of BIM related training programmes as well as setting standards and common practices for BIM implementation.

#### Membership

##### Chairperson

Ar. Prof. FUNG Yin-suen, Ada

##### Members

Ir CHAN Chi-ming, Antonio  
Dr. CHAN Kang-yuen, Neo  
Ar. CHAN Wing-kai, Aaron  
Prof. CHENG Chin-pang, Jack  
Ar. CHOI Wun-hing, Donald  
Ir CHUNG Hung-wai, Clement  
Prof. CHUNG Kwok-fai  
Mr. FUNG Chi-yiu  
Ir LEUNG Chi-suen, Francis  
Sr POON Shun-wing, Eric  
Ir TANG Man-hei  
Ir WONG Ka-wo, Kelvin  
Cr WONG Wai-lun, Michael  
Ms. WONG Wai-man, Rosana  
Sr YIP yin-yung  
Principal Assistant Secretary (Works) 3,  
Development Bureau  
Assistant Director / Corporate Services,  
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;
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 programmes and implementation programmes; and
4. To identify areas which require further investigation, promote research and development for BIM.

#### Task Forces / Task Group:

- Task Force on BIM Standards
- Task Force on BIM Training
- Task Force on Development of BIM-related Digital Solutions
- Task Force on BIM Submissions to the Buildings Department
- Task Force on BIM Personnel Development
- Task Group on BIM-enabled Modern Construction Training for Higher Education

### 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.

#### Members

##### Chairperson

Ir POON Lock-kee, Rocky

##### Members

Mr. CHAN Kim-kwong  
Mr. CHAN Wai-pong, Calvin  
Ar. Marvin CHEN  
Mr. CHEUNG Man-tim  
Ir. FUNG Kwok-keung, Conrad  
Sr HO Kwok-kwan, Thomas  
Sr LEE Man-ho, Louis  
Ir LEUNG Wing-kee, Ricky  
Mr. J Scott MACKENZIE  
Mr. TSANG Pak-chung, Eddy  
Mr. WONG Hin-wing, Simon  
Mr. WONG Ka-lung  
Ir YOUNG Meng-cheung, Andrew  
Permanent Secretary for Development (Works)  
or representative  
Permanent Secretary for Transport and Housing  
(Housing) or representative

#### 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.

#### Task Forces:

- Task Force on Greater Bay Area
- Task Force on Construction Expenditure Forecast
- Task Force on Reasonable Consultancy Fee Evaluation System
- Task Force on Strategic Review for Uplifting Construction Capacity
- Task Force on Review and Enhancement of Construction Contract Terms

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### Committee on Repair, Maintenance, Alteration and Addition (Com-RMAA)

The Com-RMAA aims to foster and support the development of efficient and healthy RMAA industry through comprehensively reviewing and determining the development directions of RMAA works, and enhancing the techniques, management and safety knowledge of the RMAA sector by providing and optimising the existing relevant courses.

#### Members

##### Chairperson

Sr LAM Kin-wing, Eddie

##### Members

Mr. CHAN Kim-kwong

Mr. CHAN Kwok-hung, Tom

Sr CHAU Bing-che, Henry

Mr. CHEUNG Wing-ho

Cr CHUNG Yuk-ming, Christopher

Mr. HO Chi-fai, Patrick

Mr. IP Chi-ming, Ellis

Mr. LAI Kwoon-leung, Kevin

Mr. LAM Yu-hin, Lewis

Sr LEE Chun-lai, Andrew

Sr PONG Yiu-po, Daniel

Ir SHEA Tat-chi, Ringo

Mr. SIU Kin-ching

Cr TANG Yu-chi, Alfred

Sr YU Kam-hung

Permanent Secretary for Development (Works) or representative

Commissioner for Labour or representative

Director of Electrical and Mechanical Services or representative

Chief Executive Officer of the Property Management Services Authority or representative

#### Terms of Reference

1. To comprehensively review and determine the development direction of the repair, maintenance (including electrical and mechanical engineering), decoration, alteration and additional works (RMAA);
2. To coordinate the work of various committees and task forces under the CIC and matters related to the RMAA sector, including but not limited to training and safety matters, and to provide overall advice on the CIC's support for the sector;
3. To enhance the techniques, management and safety knowledge of the sector by providing and optimising the existing related courses;
4. To implement the recommendations of the Task Force on RMAA as approved by the CIC; and
5. To consider issues and initiatives that can support the development of the RMAA sector and the need for an industry standard for implementing these initiatives in the long run.

#### Sub-Committees:

- Sub-committee on Worker Training
- Sub-committee on Promotion and Education
- Sub-committee on Supervision Matters
- Sub-committee on Standardisation



### 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 WONG Kin-wai, Ken

##### Members

Ir CHEUNG Chi-kong, Victor

Prof. CHUNG Kwok-fai

Ar. HUI Man-ho, Terence

Ir KAN Jun

Ir LAI Yee-yan, Stephen

Ir LAW Tik-ko, Dominic

Ar. LEUNG Wai-kin, Clarence

Mr. LI Tat-wai

Ir LIU Sing-pang, Simon

Mr. MOW Tai-hing

Ir POON Lock-kee, Rocky

Ir SO Kwok-leung, Derek

Ir TONG Ka-hung, Edwin

Ar. WONG Yuk-sun, Simon

Mr. YEUNG Kai-yu, Franki

Permanent Secretary for Development (Works) or representative

Permanent Secretary for Transport and Housing (Housing) or representative

#### 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 co-ordinate and promote research and development for elevating construction productivity.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### 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

##### Members

Ar. CHAN Chung-yee, Albert

Mr. CHAN Ka-lai

Mr. CHAN Kim-kwong

Prof. CHENG Chin-pang, Jack

Ir Wesley Scott JONES

Ir KONG Shui-sun

Mr. LAI Yuk-yin, Rico

Ms. LEUNG Mo-lin, Moby

Mr. LI Tat-wai

Mr. LO Wai-leung, Clint

Ir MOK Kwok-ho, Alcohol

Mr. MOW Tai-hing

Mr. TSE King-wa

Mr. WANG Kei-ming, Joseph

Sr WONG Ching-hang, Jeffrey

Permanent Secretary for Development (Works) or representative

Permanent Secretary for Transport and Housing (Housing) or representative

#### 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.

#### Sub-committees / Task Forces:

- Sub-committee on Safety Training
- Sub-committee on Safety Technical Issues
- Sub-committee on Safety Promotion
- Task Force on Design for Safety
- Task Force on Site Safety of Working in Lift Shaft
- Task Force on Safety of Lorry-mounted Cranes
- Task Force on Truss-out Bamboo Scaffolds

### 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

##### Members

Mr. CHAN Yiu-cheong

Ar. Marvin CHEN

Mr. CHIU Chung-kei, Charles

Mr. CHOW Chi-ping

Sr HO Kwok-kwan, Thomas

Ar. HO Lik-chi, Nicholas

Ir Kan Jun

Prof. LAU Siu-yu, Stephen

Ar. LEUNG Wai-kin, Clarence

Mr. WONG Siu-han, Rex

Mr. WU Siu-kei

Ir YOUNG Meng-cheung, Andrew

Ms. YU Po-mei, Clarice

Permanent Secretary for Development (Works) or representative

Permanent Secretary for Transport and Housing (Housing) or representative

#### 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.

#### Working Groups:

- Working Group of CIC Sustainable Finance Certification Scheme
- Working Group of CIC Smart Waste Management Tool
- Working Group of the Strategy and Plan Directional Guideline for the Hong Kong Construction Industry Achieving Carbon Neutrality Target according to the Hong Kong's Climate Action Plan 2050

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

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

The Com-RSC's key role is to oversee, discuss, review and monitor the operation of the registration and regulatory actions of Registered Specialist Trade Contractors Scheme. It also sets the strategic direction and formulates policies in managing businesses relating to the implementation, adoption and promotion of the Scheme.

#### Membership

##### Chairperson

Ir CHAN Chi-chiu

##### Members

Mr. CHAN Lok-chai

Mr. CHENG Li-hung

(Membership since 16 July 2022)

Ir CHENG Sau-tong, Chris

(Retired w.e.f. 16 July 2022)

Mr. CHEUNG Tat-fai, Kenneth

Mr. CHEUNG Yuk-kei (Retired w.e.f. 16 July 2022)

Mr. CHIM Fu-keung (Retired w.e.f. 16 July 2022)

Ir FUNG Kwok-keung, Conrad

(Retired w.e.f. 16 July 2022)

Sr HO Kwok-kwan, Thomas

Ir HO On-sing, Thomas

(Retired w.e.f. 1 February 2022)

Ir HO Wai-kei, Rickie

(Membership since 16 July 2022)

Ir HUNG Cheung-shew, Danny

Ir LAM Wai-tak, Walter

(Membership since 16 July 2022)

Ir LEUNG Wing-kee, Ricky

Mr. LOK Kwei-sang, Tandy

Ir MO Kon-fei, Kenneth

(Retired w.e.f. 16 July 2022)

Mr. NG Choi-wah (Retired w.e.f. 16 July 2022)

Ir SHEA Tat-chi, Ringo

Ar SUEN Warren Lampson

(Membership since 16 July 2022)

Ir TONG Ka-hung, Edwin

(Membership since 16 July 2022)

Ir TSANG Hing-cheung, Gilbert

(Membership since 16 July 2022)

Sr WONG Kwok-leung, Paul

(Retired w.e.f. 16 July 2022)

Mr. WONG Ping

Sr YIP Tsz-hong, Bryce

(Membership since 16 July 2022)

Sr YU Kam-hung (Membership since 16 July 2022)

#### 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.

#### Task Forces:

- Task Force on Automatic Suspension of Registration on Fatal Accident



### 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

##### Members

Mr. CHOW Yuen-ming, Paul  
Ir LEUNG Wing-kee, Ricky  
Ms. WONG Yeuk-lan, Eliza  
Representative of Development Bureau

#### Terms of Reference

1. To assist the Council fulfill 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:
  - i. To make recommendations to the Council on the appointment of external auditors, audit fees and any related matters;
  - ii. 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.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### 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 subcommittee 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 Member)

##### Convenor

Prof. CHUNG Kwok-fai

##### Members

Sr HO Kwok-kwan, Thomas

Ir TONG Ka-hung, Edwin

#### 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

Sr LAM Kin-wing, Eddie

##### Members

Mr. CHAN Kim-kwong (Retired w.e.f. 1 July 2022)  
Mr. CHAN Lok-chai  
(Membership since 1 July 2022)  
Sr CHAU Bing-che, Henry  
(Retired w.e.f. 1 July 2022)  
Mr. CHOW Luen-kiu  
(Membership since 1 July 2022)  
Ir FUNG Kwok-keung, Conrad  
(Membership since 1 July 2022)  
Mr. HUANG Yongquan  
Mr. LAM Oi-ki, Peter (Retired w.e.f. 1 July 2022)  
Mr. LAU Wing-sum (Retired w.e.f. 1 July 2022)  
Prof. LIM Wan-fung, Bernard Vincent  
(Membership since 1 July 2022)  
Mrs. LO LEE Oi-lin  
Ir LUK Wai-lam, William  
Mr. NG San-wa, Lawrence  
(Membership since 1 July 2022)  
Ar WONG Chiu-lung, Dennis  
(Retired w.e.f. 1 July 2022)  
Sr WONG Kin-wai, Staw  
Mr. WONG Ping  
Dr. YAN Ting-kwan, Daniel  
Deputy Secretary for Development (Works) 1,  
Development Bureau  
Chief Occupational Safety Officer (System and  
Support), Labour Department

#### 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.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### Management Board / Sub-committee / Steering Committee / Task Force / Trade Advisory Panels:

- Hong Kong Institute of Construction Management Board
- Steering Committee on Implementation of HKIC's Vision, Mission and Motto
- Sub-committee on Trade Testing
- Sub-committee on Construction Industry Council Approved Technical Talents Training Programmes and Collaborative Training Schemes
- Sub-committee on Ethnic Minorities in Construction
- Task Force on Construction Industry Council Manpower Forecasting Model Updating and Enhancement Study
- Trade Advisory Panel on Construction Supervisor
- Trade Advisory Panel on Quantity Surveying
- Trade Advisory Panel on Bricklaying, Plastering & Tiling
- Trade Advisory Panel on Joinery
- Trade Advisory Panel on Construction Formwork
- Trade Advisory Panel on Painting, Decorating & Sign-writing
- Trade Advisory Panel on Plumbing & Pipe-fitting
- Trade Advisory Panel on Marble-laying
- Trade Advisory Panel on Metal Works
- Trade Advisory Panel on Construction Plant Maintenance & Repairs
- Trade Advisory Panel on Electrical Installation
- Trade Advisory Panel on Construction Scaffolding Works
- Trade Advisory Panel on Bar-bending & Fixing
- Trade Advisory Panel on Plant Operation
- Trade Advisory Panel on Site Surveying and Surveying & Setting-out
- Trade Advisory Panel on Civil Engineering
- Trade Advisory Panel on Concreting
- Trade Advisory Panel on Refrigeration / Air-conditioning / Ventilation
- Trade Advisory Panel on Fire Service System



### 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

Mrs. LO LEE Oi-lin

##### Members

Ir Prof. CHAN Ping-chuen, Albert  
Ir HO On-sing, Thomas  
Ir KWOK Yu-won, Eric  
Sr LAM Kin-wing, Eddie  
Mr. LAM Oi-ki, Peter  
Mr. LI Wing-leung  
Mrs. Deanna TO LAU  
Mr. WONG Ping  
Ir YU Sai-yen  
Deputy Secretary for Development (Works) 1,  
Development Bureau  
Principal Assistant Secretary (Further Education),  
Education Bureau

##### Ex Officio

Ir CHENG Ting-ning, Albert,  
Executive Director of the CIC

#### 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.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### Construction Workers Registration Board (CWRB)

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

#### Membership

##### Chairperson

Ir LIU Sing-pang, Simon (Member until 30 June 2022 and Chairperson since 1 July 2022)  
Ir MO Kon-fei, Kenneth (Retired w.e.f. 1 July 2022)

##### Members

Ir Dr. CHAN Ka-lung, Raymond  
Prof. CHAN Kwok-hong, Raymond  
(Retired w.e.f. 1 July 2022)  
Mr. CHAN Shut-ho, Franki  
Ir CHAN Yun-kan, Simon  
Sr DY Wai-fung, Peter (Retired w.e.f. 1 July 2022)  
Mr. KWOK Tung-keung, Simon  
(Retired w.e.f. 1 July 2022)  
Mr. LAM Oi-ki, Peter  
(Membership since 1 July 2022)  
Ar. Dr. LAM Wai-pan, Wilson  
(Membership since 1 July 2022)  
Ir LEUNG Wai-bun, Brian  
(Membership since 1 July 2022)  
Ir LEUNG Wai-ho, Alfred  
Mr. LOK Kwei-sang, Tandy  
Mr. NG Choi-wah (Membership since 1 July 2022)  
Ir Prof. PAN Wei (Retired w.e.f. 1 July 2022)  
Sr PONG Yiu-po, Daniel  
(Membership since 1 July 2022)  
Cr TANG Yu-chi, Alfred  
(Membership since 1 July 2022)  
Mr. TSANG Ting-fat (Retired w.e.f. 1 July 2022)  
Mr. WONG Ping  
Ir Prof. XIAO Fu, Linda  
(Membership since 1 July 2022)  
Mr. YAU Wah-hong, Alec  
(Membership since 1 July 2022)  
Ar. YU Franklin (Retired w.e.f. 1 July 2022)  
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) 1,  
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.

#### Boards / Sub-committees:

- Construction Workers Qualifications Board
- Construction Workers Review Board
- Sub-committee on Data Analysis
- Sub-committee on Registration Matters
- Sub-committee on Workers Development and Welfare
- Task Force on Electronic Construction Workers Registration Card

### 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  
(Retired w.e.f. 1 August 2022)  
Mr. FU Chin-shing, Ivan

##### Members

Mr. CHAN Loong, Geoffrey  
(Membership since 1 August 2022)  
Mr. CHAN Yin-chung, Anthony  
(Retired w.e.f. 1 August 2022)  
Ir CHENG Ting-ning, Albert  
Ms. CHEUNG Yee-may, Mimi  
(Membership since 1 August 2022)  
Ms. CHEUNG Yuen-ying, Serena  
(Membership since 1 August 2022)  
Mr. IP Chung-man, Tony  
Mr. KWOK Chi-wah, Andrew  
Ms. KWOK May-han, Grace  
(Membership since 1 August 2022)  
Mr. LAI Wing-chun, Martin  
(Retired w.e.f. 1 August 2022)  
Mr. LO Chi-wai, Ian  
(Retired w.e.f. 1 August 2022)  
Mr. MA Po-man, Josiah  
(Retired w.e.f. 1 August 2022)  
Mr. MA Wing-kui, William  
(Retired w.e.f. 1 August 2022)  
Cr MANG Ka-wing, Terence  
Mr. NG San-wa, Lawrence  
(Retired w.e.f. 1 August 2022)  
Ms. SONG Jing, Joy  
(Membership since 1 August 2022)  
Ms. TANG Ka-fung, Florine  
(Membership since 1 August 2022)  
Mr. WONG Siu-han, Rex  
(Membership since 1 August 2022)  
Ir YU Shek-man, Ringo

#### Task Force / Panels:

- CIC-ZCP Sponsorship Vetting Panel

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### 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

Ar. CHOI Wun-hing, Donald

##### Board Members

Ir CHENG Ting-ning, Albert

Ir Wes JONES

Mr. Patrick KABASCI

Ir Sammy LAI

Mr. LEE Hang-wing, James

Prof. LEUNG Kin-ying, Christopher

Ir PAN Shu-jie

Ir Dr. TSUI Yun-cheong, Ricky

Ir WONG Chi-kwong

Mr. WONG Ka-yu, Oscar

Director of Buildings

Permanent Secretary for Development (Works)

#### 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.

#### Task Force:

- Task Force on Construction Digitalisation

### 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

Ir Dr. PANG Yat-bond, Derrick

##### Members

Ms. CHAN Ka-po, Judy

Ms. CHAN Kwong-ming, Judy

Mr. CHAN Yam-lung, Alfred

Mr. CHAU Kai-nin, Alex

Mr. HO Yau-ho, William

Ir Louis HUI

Mr. LAI Siu-ki, Pele

Ir Francis LEONG

(Membership since 25 April 2022)

Mr. LIU Hoi-yu, Paul

Mr. LUI Man-wai, David

(Retired w.e.f. 26 January 2022)

Mr. NG Heong-chen

Mr. SO Chi-kin, Cyril

Mr. TSANG Ting-fat

Mr. WONG Siu-kei, Ivan

Mr. YAU Kit-pan

Mr. YEUNG Wai-lun

Deputy Secretary for Development (Works) 1  
or representative

#### 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.

#### Task Force:

- General Sports Task Force
- Ball Games Task Force
- Volunteering Service and Caring Organisation Task Force
- Fundraising and Promotion Task Force



## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

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

The CIC established the MC-TCPRS to steer the direction of Technically Competent Persons Registration Scheme (TCPRS).

#### Membership

##### Chairperson

Ir WONG Kin-wai, Ken

##### Members

Mr. AU-YEUNG Hoi-pang – Representative of the Buildings Department (Membership since 22 January 2022)

Ms. CHAN Wai-lin – Representative of the Geotechnical Engineering Office of the Civil Engineering and Development Department (Retired w.e.f. 1 September 2022)

Mr. HO Hon-kit, Humphrey – Representative of the Buildings Department (Retired w.e.f. 22 January 2022)

Ir KWAN King-fai, Alex (Retired w.e.f. 1 February 2022)

Mr. KWOK Chi-wah, Andrew

Mr. LAI Ho-cheong, Alvin – Representative of the Buildings Department (Retired w.e.f. 6 June 2022)

Ir LAW Hoi-chee, Rachel – Representative of the Geotechnical Engineering Office of the Civil Engineering and Development Department (Membership since 17 October 2022)

Mr. LEE Kai-yuen, Chris (Membership since 1 February 2022)

Mr. TANG Hung-wai, Benny – Representative of the Buildings Department (Membership since 6 June 2022)

Ir TONG Man, Vincent – Representative of the Geotechnical Engineering Office of the Civil Engineering and Development Department (Retired w.e.f. 17 October 2022)

#### 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 (MC-CITF)

The Management Committee on Construction Innovation and Technology Fund (MC-CITF) oversees the CITF operations.

#### Membership

##### Chairperson

Ir TONG Ka-hung, Edwin

##### Members

Ir CHENG Ting-ning, Albert

Ir Alice CHOW

Prof CHUNG Kwok-fai

Ir HUNG Cheung-shew, Danny

Ms Kiki WANG

Ir YOUNG Meng-cheung, Andrew

A representative from the Development Bureau

#### Terms of Reference

1. To formulate and recommend for the Council's approval, the operational framework of the 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.

#### Vetting Sub-Committees:

- BIM Vetting Sub-Committee
- Manpower Development Vetting Sub-Committee
- MiC Vetting Sub-Committee
- ACT Vetting Sub-Committee

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### 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. KWOK Cheong-ping, Charles  
(Membership since 1 January 2022)  
Mr. LEUNG Sze-kit, Roy  
Mr. Kassian POLIN  
Mr. TSE Yue-hong, Chris

#### Terms of Reference

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

### DEVB – CIC Joint Working Group on Modular Integrated Construction (MiC)

DEVB – CIC Joint Working Group on MiC was set up by Development Bureau (DEVB) and CIC in May 2017 to promote and widen MiC adoption in Hong Kong.

#### Membership

##### Chairperson

Ar. WONG Yuk-sun, Simon

##### Vice-Chairperson

Ir KWONG Ka-sing, John

##### Members

Ar. CHOI Wun-hing, Donald  
Mr. HO Chun-hung  
Mr. KUOK Hoi-sang, Stephen  
Mr. LEUNG Kin-man, Stephen  
Mr. LI Kiu-yin, Michael  
Mr. WONG Kwong-yiu, Ricky  
Secretary (on rotational basis between DEVB and 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.

## MEMBERSHIP OF COMMITTEES AND BOARDS, AND TERMS OF REFERENCE

### Other Task Forces / Boards / Steering Committees

- Task Force on Investment
- Task Force on Construction Industry Site Supervision Practice
- Building Information Modelling Certification and Accreditation Board
- Building Information Modelling Appeal Board
- Steering Committee for the Consultancy Study on Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry
  - DEVB-CIC Joint Working Group for the Consultancy Study on Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry
- Steering Committee for the Consultancy Study on Improving Environmental Performance of the Hong Kong Construction Industry
  - DEVB-CIC Joint Working Group for the Consultancy Study on Improving Environmental Performance of the Hong Kong Construction Industry





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



**Mr. CHAN Cheuk-ming, Robert**  
Director - Industry Development



**Mr. CHAN Ka-shing, Adams**  
Chief Information Officer



**Mr. HO Kwing-kwong, Alex**  
Assistant Director - Industry Development



**Mr. HO Long-chau, Charles**  
Assistant Director - Training of the Hong Kong Institute of Construction



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



**Ms. LEE Oi-yen**  
Assistant Director - Registration Services



**Ms. YU Wai-man, Eva**  
Legal Counsel



**Ir ZHOU Yan**  
Assistant Director - Industry Development (High Productivity Construction)



**Ms. CHOI Chin-cheung, Lotus**  
General Manager - Corporate Communications & ZCP



**Mr. CHOW Wai, Barry**  
General Manager - Information Technology (Enterprise Solutions)



**Mr. LAM Wing-tung, Tony**  
Head of Safety



**Mr. LAU Tsz-lok, Chris**  
General Manager - Finance & Procurement

## SENIOR MANAGEMENT



**Mr. CHAN Tsz-yan, Sam**

Senior Manager - Industry Development,  
Construction Innovation and  
Technology Fund



**Mr. CHAN Wai-keung, William**

Senior Manager - Estates Office &  
Corporate Administration



**Ms. CHOI Ying-wai, Rebecca**

Head of Qualification &  
Quality Control, HKIC



**Mr. GUO Guanhong, Gordon**

General Manager - Mainland Business



**Ms. HO Fung-chi, Margaret**

Senior Manager - Industry Development,  
Environment & Sustainability



**Mr. HO Yau-ho, William**

Head of Certificate Training, HKIC



**Mr. KO Chun-hon, Ivan**

Senior Manager - Trade Testing



**Mr. LAI Chi-wai**

Senior Manager - Registration Services



**Mr. LEUNG Lap-kei, Chris**

Senior Manager - Industry Development,  
Construction Digital Platform



**Mr. LEUNG Ming-tak,  
Timothy**

Senior Manager - Industry  
Development, Construction Business  
Development



**Mr. NG Chi-wai, Ron**

Principal - School of Professional  
Development in Construction,  
HKIC (Acting)



**Mr. THONG Wang-fai, William**

Head of Diploma & Machinery Training,  
HKIC (Acting)



**Mr. WONG Chun-kuen,  
George**

Senior Manager - Industry  
Development, Construction  
Digitalisation



**Mr. WU Kai-chung, Kenneth**

Senior Manager - Industry  
Development,  
Construction Productivity



**Ms. YEAP Miranda**

Senior Manager - Corporate  
Secretariat



**Mr. YIP Ting-fung, Kevin**

Head of Infrastructure of  
Information Technology  
Department

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

**Industry Development**

Industry Development -  
Secretariat

Construction Business  
Development

Construction Innovation &  
Technology

Construction Digitalisation

Construction Safety

Construction Productivity

Construction Innovation &  
Technology Fund

Environment & Sustainability

Mainland Liaison Services

**Hong Kong Institute of Construction and Trade Testing**

Trade Testing

Student Recruitment

School of Professional  
Development in Construction

Safety Training

Student Development

Administration & Support

Certificate Training

Career Support Services

Collaboration Scheme

Diploma & Machinery Training

Curriculum Development &  
Quality Assurance

**Registration Services**

Construction Workers  
Registration Board Secretariat

Workers Registration

Subcontractor Registration

Inspection & Enforcement

**Corporate Services**

Corporate Secretariat

Corporate Communications &  
Zero Carbon Park

Human Resources

Legal & Compliance

Estates Office & Corporate  
Administration

Finance & Procurement

Information Technology &  
Big Data

**Internal Audit**

**Executive Director's Office**

## Industry Development

The core initiatives undertaken by Industry Development include design for safety, digitalisation, industrialisation, innovation and advanced technologies adoption. There are seven departments under Industry Development, namely, Construction Digitalisation, Construction Business Development, Construction Productivity, Construction Safety, Modern Methods of Construction, Environment and Sustainability and Construction Innovation & Technology Application Centre.

## Construction Digitalisation

The Construction Digitalisation Department continues to promote and facilitate wider adoption of construction digitalisation and related technologies in architecture, engineering, construction and operation, as well as formulating strategies for market transformation and promoting cross-discipline collaboration in the industry.

To achieve the target set in the CIC's "Construction Digitalisation Roadmap for Hong Kong", the CIC carried out the following initiatives in 2022.

### Hong Kong Construction Common Data Environment Award

The CIC and Development Bureau co-organised the first Hong Kong Construction Common Data Environment Award to recognise outstanding local projects and organisations that had best utilised Common Data Environment (CDE) to improve project management, collaboration and productivity.



Hong Kong Construction Common Data Environment Award

### Construction Digitalisation Charter

A total of 59 organisations signed the Construction Digitalisation Charter to join hands with the CIC to achieve our digitalisation targets for the industry. By signing the Charter, organisations commit to devise an organisational digitalisation roadmap to achieve the 2026 targets set in the CIC's Construction



Digitalisation Roadmap for continual and wider adoption of BIM, CDE, and if applicable, Smart Asset Management / Facility Management (AM / FM) for Operations & Maintenance (O&M) in their projects.



Construction Digitalisation Charter Signing Ceremony

## CIC Master Class on Common Data Environment (Project Managers)

To enhance the industry's capacity in adopting and implementing CDE and digital construction tools for projects in Hong Kong, the CIC launched the first signature course on CDE, namely the "CIC Master Class on Common Data Environment (Project Managers)" in 2022. The course is set to re-run quarterly. The next course is scheduled to start in early 2023.



CIC Master Class on Common Data Environment (Project Managers) Kick-off Ceremony



## CIC Beginner's Guide on Construction Digitalisation

The CIC has actively promoted the digital transformation of the construction industry. In order to help the industry, especially Small and Medium Enterprises (SMEs) to enhance their capabilities, accelerate digitalisation and embrace new technologies, the CIC has published the following three "CIC Beginner's Guides on Construction Digitalisation", namely "CIC Beginner's Guide on Construction Digitalisation – Smart Site Digital Platform", "CIC Beginner's Guide on Construction Digitalisation – Adoption of BIM in Small and Medium Enterprises" and "CIC Beginner's Guide on Construction Digitalisation – Adoption of Common Data Environment (CDE) for Information Management using BIM".



- CIC Beginner's Guide on Construction Digitalisation
- Smart Site Digital Platform
  - Adoption of BIM in Small and Medium Enterprises
  - Adoption of Common Data Environment (CDE) for Information Management using BIM



## OPERATIONAL REVIEW

### Celebration of BIM Achievement 2022

The CIC and Development Bureau co-organised the Celebration of BIM Achievement (CBA) 2022 to inspire organisations and practitioners to bringing BIM to its full potential, by recognising and sharing their achievements with all stakeholders. Ten judge paneling experts reviewed the numerous submissions through a stringent evaluation process to select the 67 winners.



Celebration of BIM Achievement 2022

### Teaching and Learning Kit for BIM Viewer Training

To cope with the surging demand for BIM Viewers, the CIC developed a “Teaching and Learning Kit” for BIM Viewer training available in both self-learning and instructor-led training. From its launch in 2021 to the end of 2022, over 17,500 individuals had completed the online training and received the BIM Viewer certificates.

### BIM Education Symposium

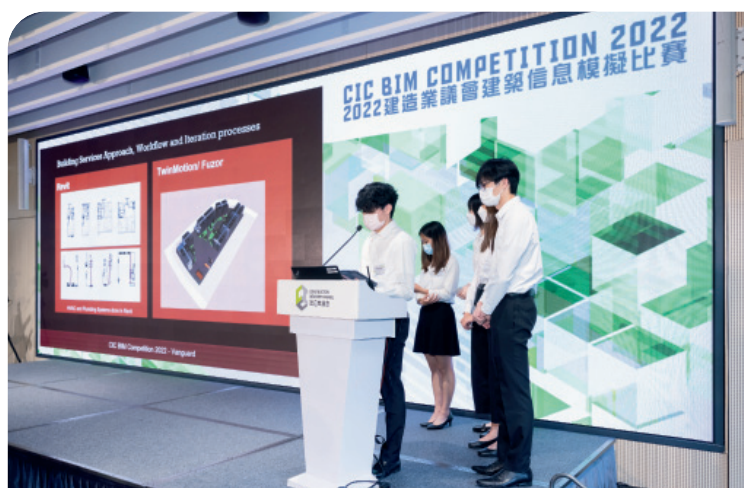
The CIC organised the Inaugural BIM Education Symposium to provide opportunities for local higher education institutions to share their achievements and good practices in BIM education. 13 educators from 11 institutions shared at the Symposium, which was well received by over 900 participants.



BIM Education Symposium

### CIC BIM Competition 2022

For the fourth year, the CIC BIM Competition continued to promote the practical uses of BIM through a collaborative and competitive learning approach among higher education students in construction-related disciplines.



CIC BIM Competition 2022

### CIC BIM Space

The CIC BIM Space has started expanding its scope to not only encourage BIM, but also Construction Digitalisation technology adoption and proliferation through acting itself as an information sharing platform. 52 webinars were organised throughout the year, such as BIM Talks, BIM Solution Day, webinar series on CDE Platform for Site Management, briefing of the Certification of BIM Personnel and Accreditation of BIM Training Courses, successfully attracting around 37,700 attendees to the CIC BIM Space.

### Way Forward

The CIC BIM Space will be revamped based on the recommendations given in the CIC's Construction Digitalisation Roadmap.

The CIC would produce guidelines for appropriate additional information requirements of BIM models based on the use cases identified in the Report on 3D Spatial and BIM Data Use Case Requirements of the Hong Kong Construction Industry for reference by the industry to support the Government's initiative of developing the Common Spatial Data Infrastructure (CSDI) and Hong Kong as a Smart City.

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 and BIM training service providers to offer necessary training courses. In addition, the CIC is going to launch the CIC Master Class on Artificial Intelligence (AI) for Construction in February 2023.

The CIC is going to launch for the second time, the Hong Kong Construction Common Data Environment Award and the Construction Digitalisation Award, to recognise outstanding local projects and organisations for their contribution and achievements in improving productivity, quality, sustainability and safety with digital tools.

We will continue to collaborate with industry stakeholders and relevant government departments to identify and develop quick win BIM-related digital solutions, such as plugins, through consultancy services or R&D projects, to harness the power of digitalisation in Hong Kong.

The CIC will publish a White Paper with a review of the BIM personnel development in Hong Kong construction industry in 2023. The "White Paper on BIM Personnel Development in Hong Kong" will also review shortage in manpower, and present the supply and demand forecast of BIM personnel in next five years (i.e. from 2023 to 2027). Key recommendations will be made in the White Paper to facilitate a healthy and sustainable development of BIM personnel in Hong Kong.

## OPERATIONAL REVIEW

### Construction Business Development

With an aim to foster a more efficient and healthy construction market in Hong Kong, the Committee on Construction Business Development (Com-CBD) completed a research study on better resources utilisation to meet the increasing construction volume. Through collaboration with industry counterparts, the Com-CBD had organised various activities such as stakeholder engagement sessions and workshops to promote equitable risk sharing. Meanwhile, the CIC has been setting up a representative office in Guangdong with a view to assisting companies in exploring business opportunities in the Greater Bay Area (GBA) and had arranged a course on National Affairs for Construction Young Persons in Hong Kong.

### Study on Strategic Review for Uplifting Construction Capacity

As the annual construction volume is estimated to exceed HK\$300 billion, the Com-CBD had completed a study on Strategic Review for Uplifting Construction Capacity proposing 16 initiatives to enhance construction capacity to meet future demands. The initiatives covered eight major areas – offsite construction, innovative technology, standardisation, non-local resources, training and development, contractual, statutory and local supply to ease the predicted manpower and construction material shortages, by lowering the demand or enhancing the supply of resources. A report detailing the findings and proposed initiatives would be published in the first quarter of 2023.

### Security of Payment Legislation (SOPL)

The Com-CBD has been working closely with Development Bureau (DEVB) and stakeholders on the progress of SOPL. With the Security of Payment Provision (SOPP) became effective in December 2021 for public works contracts, the Com-CBD has been collaborating with DEVB in encouraging client bodies to adopt SOPP in their construction contracts before the legislation is enacted. Briefing sessions had been conducted for various client bodies to introduce SOP framework and its implementation if so adopted in the contracts.



Briefing Session on SOPP in Public Works Contracts for Urban Renewal Authority on 29 Nov 2022

### Temporary Land Allocation

Temporary land allocation for material storage was one of the relief measures offered by DEVB during the COVID-19 pandemic. To cope with the global supply chain disruption caused by the pandemic, the Com-CBD has coordinated with DEVB and Hong Kong Construction Association to allocate six pieces of lands to contractors to alleviate the hardship faced by the local construction.

The lands were allocated to 9 different contractors for a period of about six months to one year.

## Mainland Liaison Services

In 2022, the CIC had expanded its networks for the Mainland liaison affairs with courtesy visits to more than 40 organisations, including institutes and associations, to exchange views on opportunities and developments in the Mainland.

The Representative Office of CIC (HK) in Guangdong was set up in Guangdong which will be operable in 2023 to assist companies in exploring business opportunities in GBA.



Kick-off Ceremony of Signature Course on National Affairs for Young Construction Leaders on 22 September 2022

The first Signature Course on National Affairs for Construction Young Persons was held from September to October 2022 to nurture young construction leaders, with invitation of mainland experts, government officials and renowned industry leaders for sharing to enhance the understanding of the development of the Mainland China and develop students' sense of belonging to the country. In addition, the Com-CBD organised the Greater Bay Area Construction Summit during the Construction Innovation Expo 2022. Industry leaders shared their experiences and insights on driving innovation and development in GBA.

## Way Forward

The Com-CBD will continue to promote a healthy construction market with a view to enhancing the business environment in Hong Kong. The Com-CBD would set up a Task Force on Review and Enhancement of Construction Contract Terms to evaluate the reasonableness of contract terms and trade practices adopted in Hong Kong construction industry and make recommendations thereon. While Policy Address 2022 encouraged the use of various innovative technologies, in particular Modular Integrated Construction (MiC), for speedy completion of housing, the Com-CBD will conduct study and develop reference materials on procurement strategy to facilitate the adoption of innovative technologies.

With the Representative Office of CIC (HK) in Guangdong soon to be put into operation, the Com-CBD will conduct courtesy visits, organise technical study tours and exchange activities. In addition, the Com-CBD will continue to organise National Affairs classes for industry practitioners of various tiers to understand the development of the Mainland China.



Greater Bay Area Construction Summit held on 13 December 2022



### Repair, Maintenance, Alteration and Addition

In view of the gradual increase in the construction volume and accidents related to repair, maintenance, alteration and addition (RMAA) works, the CIC established a Committee on the RMAA (Com-RMAA) in August 2022 in order to promote and support the development of the RMAA sector. Major works include comprehensively reviewing and determining the development directions of RMAA works, and enhancing the techniques, management and safety knowledge of the RMAA sector by providing and optimising the existing relevant courses.

The Com-RMAA and its four newly established sub-committees: Sub-committee on Worker Training, Sub-committee on Promotion and Education, Sub-committee on Standardisation and Sub-committee on Supervision Matters will implement relevant works following the development directions of the RMAA sector.



Leaflets for Intermediate Tradesman Collaborative Training Scheme

### Promotion on Certificate in Repair, Maintenance, Alteration and Addition Courses and Intermediate Tradesman Collaborative Training Scheme

In order to enhance the skill level and safety awareness of workers engaged in RMAA works, the Hong Kong Institute of Construction (HKIC) has organised the Certificate in RMAA (Building Construction) and Certificate in RMAA (Electrical and Mechanical) courses. Since the launching of the courses in June 2022, the cumulative number of applicants has exceeded 100. In addition, the HKIC also provides the Intermediate Tradesman Collaborative Training Scheme (ITCTS) to meet the needs of the industry.

With the aim of encouraging more practitioners in the RMAA sector to enroll in the certificate courses and participate in ITCTS, the Com-RMAA has collaborated with the Hong Kong Association of Property Management Companies and District Offices under Home Affairs Department on promotion to property management companies and owners' corporation. A promotional video about the certificate courses was also shared on social media to introduce the advantages of the courses.

Leaflets for Certificate in Repair, Maintenance, Alteration and Addition (Building Construction) and Certificate in Repair, Maintenance, Alteration and Addition (Electrical and Mechanical)



## Thematic Talks in Construction Innovation Expo 2022

To promote collaboration and knowledge sharing in the RMAA sector, the Com-RMAA organised two thematic talks, namely “Innovation Equipment for Domestic Renovation” and “Technology Applications in Monitoring and Facilitating Property Management and RMAA”. The talks successfully attracted about 120 participants.



Inno Talks on RMAA at Construction Innovation Expo 2022

## Partnering Workshop

To help building a partnering spirit across the industry and extend the benefits of partnership to the RMAA sector, the Com-RMAA organised a partnering workshop for stakeholders in the RMAA sector to foster the culture of partnering and introduce the “New Engineering Contract”. The workshop aims at those who had yet to know about the “New Engineering Contract” projects, allowing them to experience and appreciate the concept of collaboration.



Partnering Workshop was held on 30 November 2022

## Way Forward

In order to set out framework in defining RMAA market and get a better understanding of the factors that would contribute to the healthy development of the RMAA market, the Com-RMAA will conduct a consultancy study on the RMAA market to define the scope of RMAA sector including the types of works and trades involved. The study will facilitate the understanding of the current situation of the RMAA sector and provide proposals and recommendations that could help optimise the long-term development of the RMAA sector. Subsequently, stakeholders from the industry will be engaged to obtain feedback on the proposals and recommendations.

In terms of publicity, the Com-RMAA will hold a large-scale promotional event for home renovation and maintenance in March 2023 to publicise the rights and responsibilities of property owners, types of insurance, claim procedures, the two certificate courses and ITCTS, etc.

In order to solve the difficulties encountered by ordinary property owners in home renovation and maintenance, the Com-RMAA will compile a series of concise and easy-to-understand pamphlets to help the public, especially property owners.

The Com-RMAA will also continue to consolidate training needs from the industry and collaborate with the HKIC to offer necessary RMAA training courses to meet the demands. In addition, the CIC will also continue to explore with various government departments that the certificate courses would cover the skills required for government maintenance works contracts, so that the qualification of graduates of the courses would be recognised.

## OPERATIONAL REVIEW

### Construction Productivity

In view of the critical challenges of ageing workforce and anticipated high construction volume in the coming decade, the Construction Productivity Department supports the Committee on Productivity (Com-PRO) in promoting innovation and facilitating the adoption of modern technologies and construction methods to enhance the industry's productivity and quality.

### Construction Innovation Expo 2022

Officiated by the Chief Executive of the HKSAR, Mr. John LEE, the Construction Innovation Expo (CIExpo) 2022 was successfully held from 13 to 17 December 2022 at the Hong Kong Convention and Exhibition Centre. This second CIExpo was co-organised by the Development Bureau and the Centre of Science and Technology Industrial Development of Ministry of Housing and Urban-Rural Development of the People's Republic of China, and the CIC. The five-day exhibition attracted over 21,000 visits and 173 exhibitors participated to showcase construction innovations originated from 15 countries and regions. Over 40 local and overseas experts shared their knowledge and experience at the three-day International Conferences with the themes on Modular Integrated Construction (MiC), construction digitalisation, construction safety and health and green construction. Industry leaders also shared the latest trends in construction innovations and opportunities in worldwide and the Greater Bay Area.



Construction Innovation Expo 2022 Grand Opening Ceremony

### CIC Construction Innovation Award 2022

The fourth CIC Construction Innovation Award was organised in 2022 with the aim to spearhead the development, promotion, and implementation of new construction materials, methods, and technologies for enhancing the competitiveness of the construction industry. 12 awards were presented to the winner chosen from the 118 eligible submissions in five categories: International, Construction Productivity, Construction Safety, Construction Sustainability, and Young Innovators.

### Publications

#### Reference Material on Adopting DfMA for MEP Works (A Concise Guide)

Following the practical guidebook published in 2021, a concise version of the guidebook was compiled and released this year for industry stakeholders' ease of reference. This concise version provides key considerations and practical strategies from planning and design phase to implementation phase, encouraging practitioners to make use of prefabrication solutions out of the DfMA spectrum and fully utilize the BIM tool together with lean manufacturing construction principles to achieve value maximisation and waste minimisation. Webinars were also organised to promulgate the Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP).

### Improving Time, Cost, and Quality Performance of the Hong Kong Construction Industry

The consultancy report "Improving Time, Cost and Quality Performance of the Hong Kong Construction Industry" was released on 17 November 2022. The report recommended 13 strategies in four focus areas: High Productivity Construction; Streamline Approval Process; Drive Adoption of Innovative Technologies; and Enhance Project Management & Procurement with the aim to uplift the industry's competitive strength to cope with the golden decade ahead.

## Ongoing research projects

To enhance construction productivity, a number of research projects initiated through emerging technologies such as artificial intelligence, robotics, etc.

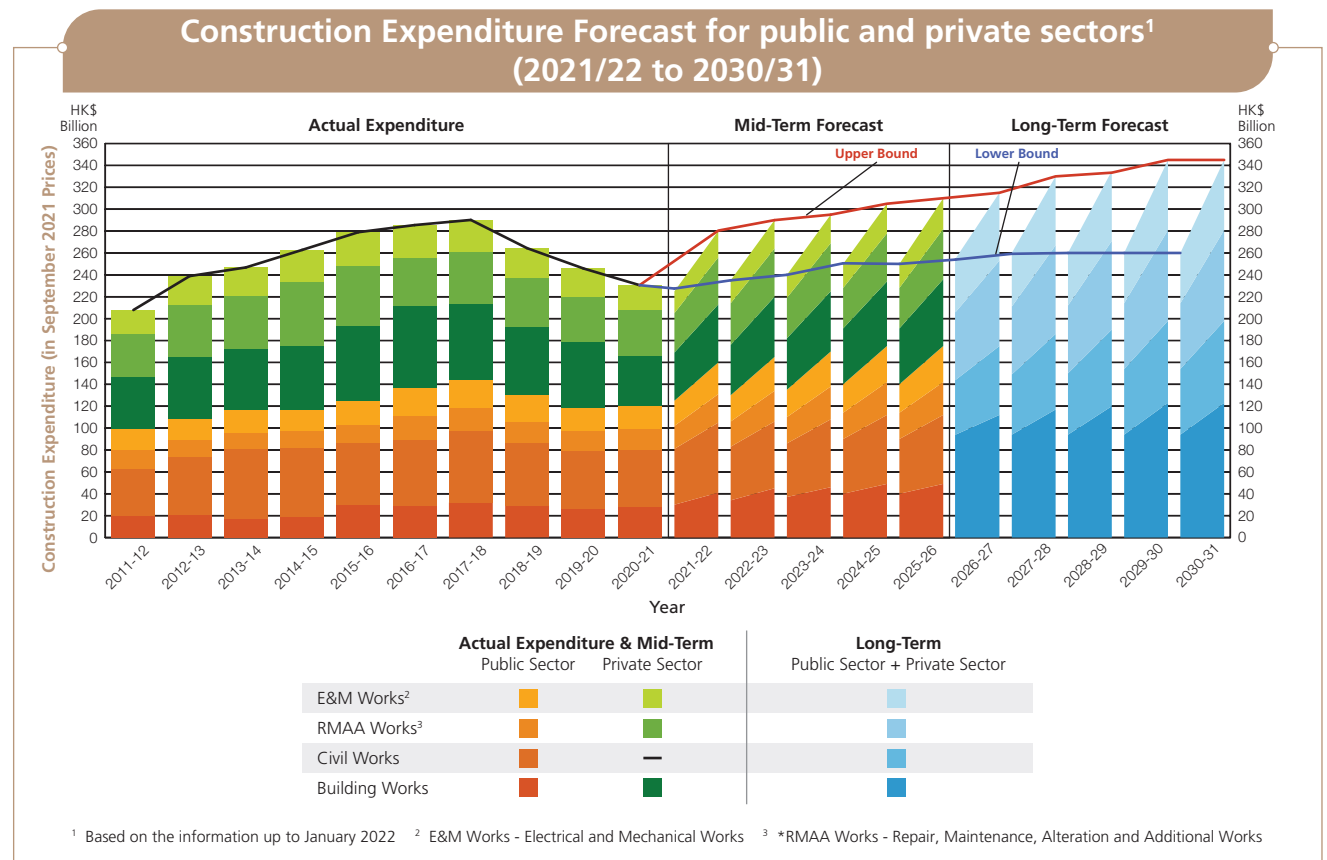
- Study of Artificial Intelligence for Road Surface Depression Detection Using 3D LiDAR Data (conducted by PolyU and the Highways Department as industry partners)
- Development of Artificial Intelligence Rock Type Classification APP for Geotechnical Logging (conducted by HKU)
- Autonomous Mobile Robot for Material Delivery and Site Inspection (conducted by Shui On Construction Company Limited)
- Development of Advanced Seismic Design Guidelines for MiC Buildings in Hong Kong and in the Greater Bay Area (conducted by The Hong Kong Polytechnic University)

## Construction Expenditure Forecast

To facilitate policy makers and industry stakeholders in assessing market trends and formulating strategic plans, the CIC continues to forecast the construction expenditure over the next ten years. The latest forecast indicated that, due to the massive demand for housing and infrastructure development, the construction volume was expected to reach between HK\$225 billion and HK\$345 billion (in September 2021 price level) from 2021/22 to 2030/31.

## Way Forward

The Com-PRO will continue to explore and take forward initiatives to showcase best practices on smart offsite construction and site management, explore emerging technologies and advanced materials, and facilitate wider adoption of high productivity construction solutions and construction robots for enhancing industry's productivity. Practical research projects will continue to be supported to incubate innovative solutions in construction.



### Construction Safety

The Committee on Construction Safety (Com-CSY) has been developing and taking forward initiatives to foster a positive safety culture and provide guidance and training on safe practices for years, to build a safer working environment for the industry. The Com-CSY and its three sub-committees: Sub-committee on Safety Promotion, Sub-committee on Safety Training and Sub-committee on Safety Technical Issues, continue to carry out work in different areas based on the strategic direction of preventing fatal and serious construction accidents.

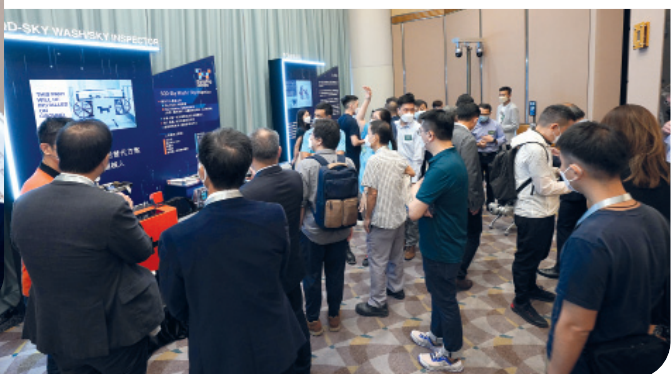
#### Safety Publications

Four sets of "Reference Material on Safety Roles and Responsibilities of Key Stakeholders in the Hong Kong Construction Industry" with different topics, including Work-above-ground Operation, Erection and Dismantling of Scaffold or Platform, Lifting Operation and Electrical Work, and three sets of reference materials focusing on "Fatal Zone Management", "Hole Management" and "Smart Safety-related Technologies for Use in Construction Works" were issued, to enhance safety awareness of all the industry stakeholders. Besides, "Guidelines on Site Safety Measures on Working in Hot Weather" had been published to promote the good practice and provision of guidance to the construction industry on measures that may be taken to protect construction workers working in hot weather.

#### Safety Promotion

The CIC and the Development Bureau continued to co-organise the eleventh consecutive Construction Safety Week (CSW) with the theme of "Safety 2.0", activities included "Construction Safety Summit 2022", "Safety Conference", "Safety X Smart Site Exhibition", "Site Safety Gathering in Construction Sites Campaign", as well as "28th Considerate Contractors Site Award Scheme", "Life First" campaign, etc.

The "Construction Safety Summit 2022" was a great success with the participation of more than 100 participants at the venue, and some 10,000 participants via online live broadcast. The Summit had brought together 46 supporting organisations coming from various sectors of the construction industry to sign the Safety Charter. With the invaluable contribution of all participants in the discussion sessions of the Summit, we had concluded an insightful "Action Plan" mapping out the four way-forward for uplifting construction safety. The "Life First" promotional campaign came to the third year with the support of the industry, in which nearly 80 clients, 180 contractors, and 430 work projects participated in the campaign and they submitted slides and videos to demonstrate the spirit of "SAY NO TO DANGER" with high risk activities for sharing. The CIC also organised the first "Life First" Quiz Competition in CSW, to remind participants about construction safety related information in a fun way and got overwhelming response.



Construction Safety Week 2022 - Safety X Smart Site Exhibition





Construction Safety Summit 2022



Construction Safety Week 2022 – Kick-off Ceremony and Conference

In addition, nine technical webinars themed “Suspended Working Platform (Gondola) Operation”, “Repair, Maintenance, Alteration, Addition – Scaffolding Works Safety”, “Temporary Works and Tower Cranes”, etc. and a “CEO Safety Forum” were organised to promote safety knowledge to the industry stakeholders with a total over 20,000 participants.



“Life First” Promotion Campaign



“Life First” Quiz Competition





## OPERATIONAL REVIEW

### Safety Training



CIC Master Class on Design for Safety (Project Managers)

The CIC and the Hong Kong Construction Association co-organised the eighth annual “Experiential Learning on Site Safety Training Scheme 2022-23”, for undergraduates who are planning to join the construction industry, to get well-prepared and 400 undergraduates are expected to be benefited from the Scheme. With the aim of fostering the development of Design for Safety, the “CIC Master Class on Design for Safety (Project Managers)” had been launched in October 2022. In addition, “Design for Safety Management System” and related reference material were published, encouraging the industry to resolve the potential risks at the design stage.



“Experiential Learning on Site Safety Training Scheme 2022-23”



### Way Forward

With the aim of further enhancing the overall safety performance of the industry, the CIC will adopt a more proactive approach in coming years. Webinars will be held regularly to encourage practitioners to strictly follow and implement relevant site safety measures to prevent accidents. At the same time, the CIC will encourage the industry to enhance construction safety by adopting the four approaches: Site Safety Culture; Design for Safety; Smart Site for Safety; Improvement of Site Safety Management System, with the vision to achieve “zero accidents”.

## Environment and Sustainability

Sustainability is an overarching trend for construction industry and the entire world in the coming decades. To promote the best sustainable practices and adoption of innovative technologies to enhance the sustainability performance of the industry, the CIC conducts research, develops tools, standards and guidelines for the industry. The CIC is keen on steering the industry to formulate decarbonisation strategies and devise measures contributing to the Government's fulfillment of its pledge to achieve carbon neutrality by 2050.

### Smart Waste Management Tool (SWMT)

One key area of decarbonisation in our city rests on waste reduction. To streamline the existing construction and demolition (C&D) waste management procedures, the CIC has kicked off a research study to evaluate the current C&D waste disposal procedures and policies, and develop the smart waste management system (SWMT), a one-stop digital platform that digitalises processes from waste data collection to management. The platform aims to create single source of truth with reduced manhours and paper usage in waste handling processes, and more importantly enables efficient waste management for projects. The groundwork of the platform has been laid in 2022, the pilot trials and refinement will be made before its launch in 2023.

### International Conference on Green Construction and CIC Sustainable Construction Award 2023 Launching Ceremony

To foster a sustainable culture in the construction industry, an International Conference on Green Construction was held on 15 December at the Construction Innovation Expo (CIExpo) 2022. The Conference gathered sustainable construction and green finance experts from China, Singapore, the United Kingdom and Hong Kong to share the latest trend and practices in sustainable construction, attracting over 600 industry stakeholders to attend. Concurrently, the launching ceremony of the CIC Sustainable Construction Award (SCA) 2023 was staged.



## OPERATIONAL REVIEW

### iBEAM Unison

To facilitate the calculation of buildings' embodied carbon in the design stage directly from BIM models, CIC funded the BEAM Society Limited to conduct a R&D research on developing iBEAM Unison e-platform. The major functions of the platform were developed and the launching ceremony was held on 14 December 2022 in CIExpo 2022. In 2023, the platform will further develop other features to enable users to collect and analyse more environmental performance data of buildings.



### CIC Green Product Certification (GPC)

As of December 2022, there were around 800 certified products under the 28 product categories of GPC, making a 33% increase in the cumulative number of certified products under GPC compared to 2021. The CIC will conduct further research in 2023 to review and explore new product categories, and assessment criteria to ensure industry needs on the adoption of more green and low-carbon products are met.

### CIC Sustainable Finance Certification Scheme (SFCS)

The SFCS is a common green finance assessment framework customised for the construction. It aims at facilitating the industry to grasp the opportunities in green finance as well as to promote sustainable construction best practices. In 2022, 25 engagement and training sessions were conducted to promote the scheme to both the financial and construction sectors, engaging over 2,900 industry stakeholders and financial practitioners. In the first half of 2022, 17 assessors were trained and accredited under SFCS, increasing the total number of assessors to 29.

### Way Forward

In line with Hong Kong's Climate Action Plan 2050, the industry is committed to a sustainable and carbon neutral city. The CIC initiated a consultancy study in late 2022 with a view to develop Strategy and Plan Directional Guideline for the Hong Kong Construction Industry Achieving Carbon Neutrality. The Guideline is targeted to complete within 2023, guiding the direction of industry decarbonisation towards the goal of carbon neutrality in 2050.

The CIC Global Construction Sustainability Forum and Exhibition will also be held in 2023 to promote construction sustainability within the industry and among the general public.



## Modular Integrated Construction (MiC)

Led by the Development Bureau and widely promoted and facilitated by the CIC, MiC technology has already been widely adopted in different building types, both in public and private sectors. By the end of 2022, there are more than 90 MiC projects in Hong Kong and over 20 of them have already been successfully completed. The benefits of MiC, in terms of safety, sustainability, productivity and quality etc., have been fully demonstrated by these projects.

### MiC Resources Centre Go Full Steam Ahead With “Mi-Infinity”

As part of the “iHub”, MiC Resources Centre received nearly 7,000 visitors in 2022, including students from tertiary and secondary education who intend to join the construction industry. At the same time, the Centre also provided a platform for the industry to communicate and match with their potential clients, so as to encourage the adoption of innovative solutions. In 2022, the Centre renewed three exhibits. To further promote “Mi-Infinity”, the Centre not only showcased MiC projects information and its module connection technologies, but also a number of MiMEP solutions, digital platforms to facilitate fabrication and construction on site, heavy lifting equipment and advanced construction materials.

### International Conference on MiC and MiC Achievement Ceremony



MiC Resources Centre organised interactive guided tours for students.

The 4th International Conference on MiC cum MiC Achievement Ceremony was held successfully on 14 December 2022 during the Construction Innovation Expo 2022. Experts from Hong Kong, Mainland China, Singapore and the United Kingdom shared the latest developments and professional advices on MiC in their respective regions and jurisdictions, stimulating a wider MiC adoption in Hong Kong. The 1st MiC Achievement Ceremony aimed to recognise outstanding local MiC advocates, projects and project teammates for their contributions to the adoption of MiC. The event attracted more than 600 attendees.



The first MiC Achievement Ceremony

## OPERATIONAL REVIEW

### Facilitating Latest Development Transfer and Exchanges

To facilitate MiC knowledge exchange and keep updating the MiC development, in 2022, the CIC organised two webinars attracting over 3,000 attendees.

Four local site visits were also organised in 2022 for the Joint Working Group on MiC, MiC Vetting Sub-committee on CITF, developers and master class students, including visits to Mockup for Tonkin Street Redevelopment Project and MiC Mockup for Hung Shui Kiu Phase 1A in October; Student Residence at Wong Chuk Hang Site for the University of Hong Kong in November and December.



The project team shared the concept of the façade design of Mockup for Tonkin Street Redevelopment Project with developers

### Meetings with Government Departments and The Real Estate Developers Association of Hong Kong (REDA)

To collect views and concerns of adopting MiC and understand the pain points in private residential development, the CIC organised regular meetings with REDA and related government departments, including Development Bureau, Lands Department, Planning Department, Buildings Department to discuss and respond to the concerns of property developers.

### Reference Materials on MiC

The CIC regularly publishes reference materials on MiC to the industry practitioners. In 2022, the CIC issued “Reference Material on Heavy Lifting Operation for MiC Projects”. The CIC also updated “Reference Materials on Use of Digital Technologies for QA / QC of MiC Modules in MiC Factories” and “Reference Material on Adopting DfMA for MEP Works (A Concise Guide)”. As of 31 December 2022, there were over 5,000 downloads for all published reference materials.

### MiC Training Programmes for Industry Practitioners

As of December 2022, MiC related training courses were conducted by the HKIC and SPDC and approximately 300 students have been trained in 2022.

CIC Master Class on MiC Project Implementation (Project Managers) was newly introduced with its Kick-off Ceremony being held in August 2022. It was one of the signature courses of the CIC in 2022. Two classes were held in August and November 2022 respectively. There would be a total of 100 graduates from the master class every academic year (four classes).



CIC Master Class on MiC Project Implementation (Project Managers) was one of the signature courses newly introduced in 2022

### Way forward

As the demand for high productivity construction continues to grow in Hong Kong and around the world, the CIC will continue to explore innovative technology and collaborate with relevant departments and institutes for promoting the development of “Mi-Infinity”.



## CIC – Zero Carbon Park

The CIC – Zero Carbon Park (CIC-ZCP) is home to the first zero carbon building in Hong Kong. Its vision, execution and implementation of low carbon design innovations are forward-thinking, and marks a milestone achievement for Hong Kong's 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 to promote a low-carbon mentality and advanced green building technologies beyond the industry, into the community.

CIC-ZCP aspires to boost the neighbourhood's ecological value, and contribute as a living, breathing piece of infrastructure. With more engagement with the community and industry stakeholders, CIC-ZCP hopes to create a paradigm shift towards sustainable living by becoming a local landmark building, and function as "green lungs", breathing new life and clean air into Hong Kong.



Continuous facility upgrades were carried out in CIC-ZCP

## 10th Anniversary Initiatives

To celebrate the 10th anniversary of the CIC-ZCP, a Minecraft Competition with the theme of "Construct Your Sustainable City" was organised to encourage students to apply the concept of innovative construction technologies as well as environmental sustainability.



The Minecraft Competition encouraged students to construct our ideal, sustainable city together

CIC-ZCP launched an educational reward programme, namely "ZCP Green Heroes", to encourage primary and secondary school students, as future leaders of our community, to actively participate in various carbon reduction activities organised by CIC-ZCP, to promote the understanding of the importance of sustainable development and carbon neutrality.



The 1st ZCP Green Heroes Acknowledgement Ceremony held in November 2022

## OPERATIONAL REVIEW

### Diversified Marketing Initiatives

CIC-ZCP aims to engage with the industry and community to promote green construction and low carbon living, various marketing campaigns including Construction Maze, Construction x Coffee @ ZCP Mart 2022, and ZCP Outdoor Electric Vehicles Exhibition were launched and received overwhelming response throughout the year.



The first Electric Vehicles Exhibition promoted the fun of low-carbon mobility and carbon neutrality

### MiC Play Unit

The MiC Play Unit was installed featuring the Modular Integrated Construction (MiC) concept which leverages on the technology of component prefabrication to utilise ready-made components to facilitate the installation process, as well as demonstrates the industry's efforts in terms of technology application.



The MiC Play Unit was installed in November 2022 featuring the MiC concept

### "Construction Month 2022"

CIC-ZCP presented the annual signature campaign "Construction Month 2022" in November. With the theme of "Leading Towards Carbon Neutrality", the campaign comprised of different captivating events, such as "Making of Hong Kong" Opening Ceremony, Little Architect Day Camp, Industry-wide PR Campaign Launch Ceremony, Low Carbon Movie Night and ZCP Green Market, offering a great platform to unite and encourage the industry as well as the public to explore the "Carbon Neutrality" journey".

### Experiential Landmark

CIC-ZCP continually uplifts its facilities to propel the sustainable development and enhance the experience of visitors. Facilities of CIC-ZCP have been enhanced, including the new bio-diesel generator and Greenwall system which aims to increase energy efficiency, reduce carbon emissions, and keep up with the latest energy efficiency standard.

### 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, and explore the enhancement of renewable energy to act. CIC-ZCP will also introduce new marketing initiatives to advocate advancing zero carbon and carbon neutrality with more engagement with the public and industry practitioners. With a view to creating and maximising synergy, CIC-ZCP will work closely with the industry practitioners and provide venue support to events initiated by the industry with aims of promoting construction sustainability.

## Construction Innovation and Technology Application Centre (CITAC)

In 2022, under the strategic direction of its Management Board, CITAC promoted and showcased the use of construction innovations and technology via the following initiatives:

### CITAC Exhibition

iHub serves as a professional knowledge platform, to explore and identify innovative techniques and technologies that are suitable for adoption in the Hong Kong construction industry. In 2022, iHub conducted over 280 tours and over 7,500 visitors participated.

Government and local professional bodies, including the Drainage Department, the Architectural Services Department, the Hong Kong Housing Authority, the Housing Society, the Hong Kong Electric Company Limited and the HKIS Senior Members Club had visited CITAC to exchange ideas and explore the potentials for implementing innovative technologies in the construction industry. Besides, potential construction practitioners from educational institutions, had participated in tours to understand and explore the latest development of the Hong Kong construction industry.

Besides the tours at iHub exhibition centers, eight Technical Tours were organised to showcase the adoption of innovations and technologies in major local construction sites during CIE expo 2022. More than 100 professionals joined the site visits.

At CITAC, we are always eager to search for innovative solutions and new technologies to enhance productivity, safety standard and quality control of the construction industry in Hong Kong. In 2022, CITAC has showcased over 50 technologies at CITAC digital platform and more than 400 technologies were showcased as of 31 December 2022.

### Increase of i-Club Membership

Benefited from webinars and construction related events, the number of registered organization members and individual members was 950 and 22,300 respectively (as of 31 December 2022), more than 52% growth of individual members since the end of 2021 was recorded. The CITAC will continue to develop attractive i-Club member privileges and networking activities to appeal to industry stakeholders in joining the i-Club community.



## OPERATIONAL REVIEW

### Industry Engagement – Technology matching

CITAC proactively approached industry practitioners to understand their pain points and needs and sorted our technology ventures for matching, more than 20 engagement activities had been conducted to increase the level of technology adoption by clients, consultants and SME contractors in the local construction industry. 83 SME contractors, six project clients, three consultants and 13 large-scale contractors connected to the technology suppliers during the matching events.

### Industry Engagement – ConTech Accelerator

The CIC and Hong Kong Science and Technology Parks Corporation (HKSTP) jointly launched Hong Kong's first ConTech-focused innovation accelerator programme in July 2022. Engaged 20 leading contractors, this programme created a unique platform to expedite the adoption of novel technologies and materials for enhancing safety, sustainability and productivity performance of the Hong Kong construction industry. This one-year programme is anticipated to drive the commercialisation and wider applications of the related technologies in construction.



The CIC and HKSTP launched Hong Kong's first ConTech-focused innovation acceleration programme – the ConTech Accelerator.

### Way Forward

The CIC will establish a CIC Innovation Platform. This integrated platform aims to accelerate, facilitate, and drive the implementation and application of innovative technologies in construction.

## Hong Kong Institute of Construction

2022 is full of challenges for the Hong Kong Institute of Construction (HKIC) due to the COVID-19 pandemic. Nevertheless, with the joint efforts of its staff, HKIC achieved fruitful results in various aspects.

To align the development of training and trade testing with the needs of the industry, the Course Advisory Panel under Construction Industry Training Council was renamed to Trade Advisory Panel in 2022. Training and testing contents were further improved by introducing new construction technologies and enhancing collaborations with the industry in training and trade testing for nurturing more outstanding construction talents.

With the goal of becoming a leading construction training academy in Asia within five years, HKIC formulated Development Blueprint for Manpower Training of Construction Industry in June 2022, covering four areas of training as the pillars of HKIC: Trade Skills Development; Professional Development; Technology / Modern Methods of Construction / Modern Construction Management and Sustainability; and Construction Safety.

### Training

In response to the future manpower needs of the industry, the CIC decided to increase the training target for Senior and Intermediate Tradesman to 10,000 (for the period from 1 April 2022 to 31 March 2023) in April 2022. As of 31 December 2022, the student enrollment of HKIC's relevant programmes and Collaborative Training Schemes reached nearly 9,439, which amounted to 94% of the target.

In 2022, the total number of students enrolled in the HKIC Full-time and Part-time programmes was 53,162.

To enhance the professionalism of specialist trade contractors and to groom their future leaders, HKIC, in partnership with the Registered Specialist Trade Contractors Federation, launched a new Part-time Diploma in Construction for Specialist Trades Management programme in September 2022. The new programme took the lead to provide training to the practitioners of four specialist trades in the areas of latest construction technologies, construction methods, smart safety management, Building Information Modelling (BIM), sustainable development, human resources management, team communication and coordination, etc. A number of new programmes were launched to meet the training needs of the industry as well, including Full-time short programmes: Certificate in Repair, Maintenance, Alteration and Addition (Building Construction), Certificate in Repair, Maintenance, Alteration and Addition (Electrical and Mechanical), Certificate in Refrigeration, Air-conditioning & Ventilation, Certificate in Fire Service Electrical Fitting and Certificate in Fire Service Mechanical Fitting and Part-time intensive programmes: Certificate in Electrical Wiremen (Intermediate Tradesman), Certificate in Plumbing and Pipe-fitting (Intermediate Tradesman), Certificate in Site Surveying (Intermediate Tradesman) and Foundation Certificate in Metal Scaffolder (Intermediate Tradesman); Part-time Intermediate Trade Test Preparatory programmes: Leveller, and Painter and Decorator; and Certificate in Safety Enhancement to Erection & Dismantling of Truss-out Bamboo Scaffolds.

The Foundation Certificate in Construction Safety (2-day Green Card course) was implemented in all Full-time programmes. It is planned to open for the public enrollment in 2023 to enhance the safety awareness of the industry practitioners.



## OPERATIONAL REVIEW

### Whole Person Development

In addition to mastering professional craft skills and industry knowledge, HKIC also encouraged students to participate in various sports activities and competitions, in order to nurture their all-round development and team spirit, including 'CIC Online Happy Run 2022' and 'Construction Industry 5-a-side Football Competition 2022' organised by the Construction Industry Sports and Volunteering Programme (CISVP), Jockey Club 'Water Sports 4 All' Programme – Interschool Indoor Rowing Competition 2022 and the 'HKIC Baduanjin Qigong Competition' co-organised by HKIC and the Health Qigong Association of Hong Kong, China.



HKIC Football Team

Besides, HKIC is committed to cultivating a caring and compassionate attitude among students. Students and teaching staff participated in different outreach volunteer activities every weekend. For instance, 370 students participated in the '18 Districts Lo Pan Rice' campaign jointly organised by the CIC and the Hong Kong Construction Association.



'18 Districts Lo Pan Rice' Campaign

For nurturing students' sense of Craftsmanship for their study and work, HKIC does not only integrate the elements of craftsmanship into teaching materials and assessment of Whole Person Development modules (if applicable), but also invites outstanding craftsmen from Chinese traditional trades to conduct various workshops. They inspired students to apply the essence of craftsman spirit in their study and work in future.

HKIC arranged silent tribute in the morning assembly on the second Friday of the month after a fatal industrial accident, to mourn deceased worker and to analyse the causes of accident with students so as to learn the lesson. HKIC's silent tribute was also adopted by the industry, where contractors of each working site organise their own silent tribute for working hands to promote safety culture.



Workshop on Mini Pawn Shop Sign Ornament

### Uplifting Training Venues

The Lam Tei Training Ground, replacing the Wai Lok Street Training Ground in Yau Tong, started its operation in September 2022 to provide timber formwork and bar bending training for Full-time programmes students.

In late 2022, Safety Experience Training Centre was further uplifted with three new equipment including Safety Harness and Fall Experience Plant, Mobile Elevated Working Platform and Confined Space Module to enhance students' awareness of working at height and in confined space.



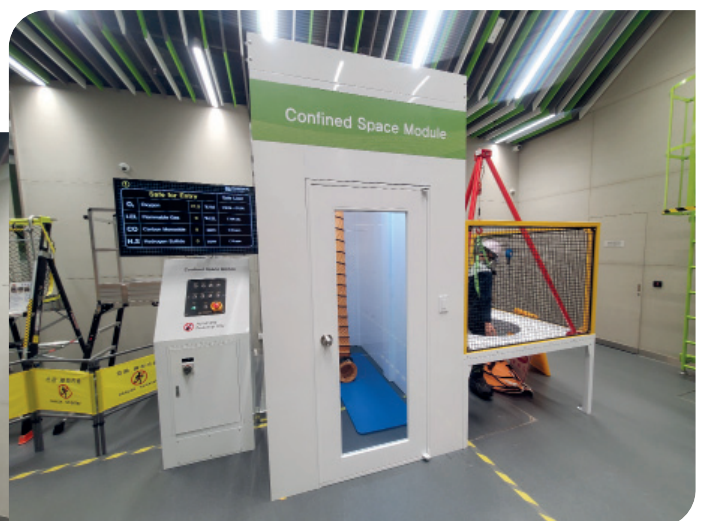
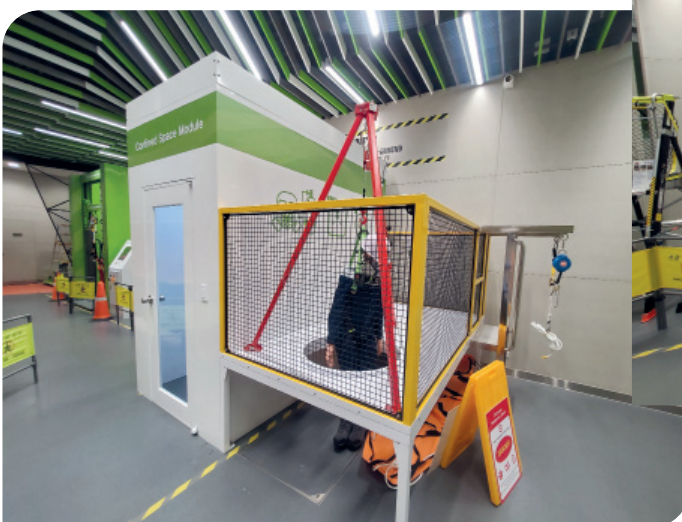
The Lam Tei Training Ground started to operate since September 2022



Safety Harness and Fall Experience Plant



Mobile Elevated Working Platform



Confined Space Module



## OPERATIONAL REVIEW

### School of Professional Development in Construction

To promote 'Construction 2.0', support the industry development and cater for the industry demand on training, the School of Professional Development in Construction (SPDC) is committed to providing advanced professional and continuous training for the practitioners. In 2022, CIC Master Class on Modular Integrated Construction (MiC) Project Implementation (Project Managers), CIC Master Class on Common Data Environment (Project Managers), CIC Master Class on Design for Safety (Project Managers) and CIC Master Class on Temporary Works (Engineers and Supervisors) were launched.



CIC Master Class on MiC Project Implementation (Project Managers) Kick-off Ceremony

In addition, on promoting popularisation of Building Information Modelling (BIM), SPDC launched the training programme in BIM for BIM Viewer. It aims to equip construction practitioners with the ability and knowledge of BIM viewing and commenting skills. By the end of 2022, over 700 students enrolled in the programme.



Training Programme in BIM for BIM Viewer

To expand the publicity coverage and broaden the reach of programmes, SPDC promoted its programmes via Electronic Direct Mail to the alumni, contractors and sub-contractors under CIC's registration schemes, newsfeed in CIC's social media platforms including Facebook, Instagram and LinkedIn, placing banners on HKIC website and advertising on CIC Newsletter 'Construction Post'.

SPDC proactively reached out to industry stakeholders and professional associations to promote the training programmes to their members and employees, and expand SPDC's collaboration network. For example, the Hong Kong Federation of Electrical and Mechanical Contractors Limited, the Real Estate Developers Association of Hong Kong, Hong Kong Housing Society, Gammon Construction Limited and Hip Hing Construction Co. Ltd.

## The Construction Industry Council Approved Technical Talents Training Programmes

HKIC understood students' strong demand for career support services. The Construction Industry Council Approved Technical Talents Training Programmes (CICATP) articulated with the Part-time programmes of 'Professional Diploma in Construction for Specialist Trades' and 'Diploma in Construction' in academic year 2022/23. About 130 students participated in these dual-track programmes, allowing them to acquire academic qualifications, apply the skills and knowledge learnt in the workplace and gain practical working experience concurrently.

To train more new blood and upskill the existing workers, the training places of CICATP was increased to 620 in 2022/23 with great support and funding from the Government. The number of trades covered in the scheme extended to 23, straddling all the trades in 'Enhanced Construction Manpower Training Scheme'. In September 2022, the 'On-the-job Skill Consolidation Subsidy Scheme' was also launched to subsidise employers with a monthly allowance of HK\$2,500 who employ the graduates of the 'Enhanced Construction Manpower Training Scheme', with monthly salary not less than HK\$15,000 for nine months. This scheme encourages employers to provide the HKIC graduates with on-the-job training and continuous employment. HKIC expects, through the CICATP, more talents with both skills and qualifications could be nurtured to meet the manpower demand of the construction industry.

## Programme Accreditation and Progression Pathway

The four Advanced Diploma programmes were successfully revamped, accredited at QF Level 4, and offered in 2022. Together with the previously accredited programmes, the total number of HKIC qualifications currently recognised under the Hong Kong Qualifications Framework (HKQF) has reached 29.

The new Professional Diploma in Construction for Specialist Trades programme with five streams pitching at QF Level 4 was successfully introduced in 2022. With the offer of this programme, HKIC provides articulation for students to progress from Certificate in Construction (QF Level 2), through Diploma in Construction (QF Level 3), to this new Professional Diploma programme. Students on Full-time mode of study may progress onto the next level of study on the newly offered part-time-day mode and join the 2-year CICATP for advancement to become skilled workers.

To further extend the articulation pathway, HKIC has been actively liaising with local tertiary institutions to offer degree programmes for graduates of Advanced Diploma and Professional Diploma in Construction for Specialist Trades programmes (all at QF Level 4). Graduates would receive module exemptions when joining specific degree programmes, thus reducing relevant study time.



## OPERATIONAL REVIEW

### Professional Recognitions

In addition to academic articulation opportunities, HKIC has also been seeking professional recognitions for the Advanced Diploma and Professional Diploma in Construction for Specialist Trades programmes. For example, in December 2022, the Advanced Diploma in Building Construction Supervision programmes was first recognised by Buildings Department as an acceptable academic qualification for Technically Competent Person (TCP) T2 to T3 for site supervision of relevant streams under the Supervision Plan System.

On 18 November 2022, HKIC signed a Memorandum of Intent (MOI) with the 'Hong Kong Institute of Construction Managers' (HKICM), with a view to promoting professional recognition of HKIC's programmes by HKICM, strengthening as well as actively examining exchange and collaboration on construction manpower training between the parties, and deepening the cooperative relationship with each other. HKICM has approved-in-principle the accreditation of Advanced Diploma and Professional Diploma in Construction for Specialist Trades programmes to its Associate Class of Membership. Other professional bodies offering recognitions to Advanced Diploma and / or Professional Diploma in Construction for Specialist Trades programmes include The Hong Kong Institute of Clerks of Works and Chartered Association of Building Engineers, etc.



Signing of Memorandum of Intent (MOI) between HKIC and the Hong Kong Institute of Construction Managers

### Trainings on Quality Assurance and Qualification Framework

HKIC continuously provides different trainings on quality assurance (QA) and qualification framework (QF) for its staff members. In 2022, HKIC has arranged for its staff a total of 30 training sessions on QA and QF with number of participants reaching 582. These trainings cover topics including HKQF, internal programme validation and programme accreditation, teaching materials and assessments design, marking for assessments, online learning management system, industry and site attachment scheme etc. To allow greater flexibility for staff to engage into relevant trainings, HKIC is also offering e-learning modules on QA and QF on online platform. Assessments for these modules provide staff an opportunity to self-evaluate their understanding of a topic.

As the major provider of vocational and professional education and training (VPET) for the construction industry in Hong Kong, HKIC would continue to obtain QF recognition for its programmes to facilitate lifelong learning of its students. In 2022, HKIC had kicked-off preparation for revamping eight of its Full-time short programmes and are planning to seek accreditation at QF Level 2 in 2023. The Institute also aims at submitting the application for 'Programme Area Accreditation' (PAA) at QF Level 3 in the near future. Relevant preparation work, including liaison with Hong Kong Council for Accreditation of Academic and Vocational Qualifications, will commence in 2023.

To help students stay abreast of the latest practices and development of the construction industry, and strengthen the relationship between HKIC and the industry, the Institute would establish a 'Visiting Scholar / Guest Lecturer Scheme' in 2023 and invite experienced industry practitioners and professionals to join. An appointment ceremony is anticipated to be held by Q3 in 2023.



Trainings on QA and QF for staff members

## Student Recruitment, Student Development and Career Support Services

Within the year, HKIC proactively recruited students, assisted them with job placement while providing them with moral and civic education.

HKIC participated in the 'Education and Careers Expo 2022' which was held from 21 to 24 July 2022. The event organiser designated one of the exhibition days as 'Construction Theme Day – Exploring Construction', with seminar on BIM and sharing by Worldskills Competition contestants, to introduce HKIC programmes and prospects in the construction industry. The award presentation ceremony of the Construction Industry Machinery Operation Competition 2021 was also held on the same day. To reach more targeted students, HKIC also actively participated in various education exhibitions, including the 'Virtual Information Expo on Multiple Pathways 2022' organised by the Education Bureau and the 'Ming Pao Education Expo'.



HKIC joined the 'Education and Careers Expo 2022' in mid-July

HKIC continued to broadcast the TV Announcements in the Public Interest (API), 'Construction Pathway Project', through social media channels (YouTube & Facebook), and outdoor media (MTR TV). The API with a theme of construction innovation and technology had generated nearly 850,000 views cumulatively.



HKIC promoted Full-time year-long programmes and the "Construction Pathway Project" to secondary school students through various school talks.

The number of subscribers to the HKIC YouTube channel increased by about 35% this year and the total number of visitors of the HKIC website also increased to 1,318,594 in 2022, a substantial increase of 30% as compared with 2021, and the total number of pageviews were 4,255,088.

## OPERATIONAL REVIEW

Further to the 'STEM Alliance – 3D Home Design Competition' held in 2020 to promote the construction innovation – BIM among secondary school students, the HKIC 'STEM Alliance' launched the 'My Future Campus 3D Design Competition' in 2022. The competition encouraged secondary students to acquire basic knowledge on BIM and its application software to utilise creativity, and to design ideal campuses under the theme of smart campus, sustainable development and shared space. A total of 17 teams were shortlisted to the final competition. Through the competition, HKIC successfully promoted the BIM Viewer training to secondary schools and a total of 78 students completed the programme and obtained certificates.



'My Future Campus 3D Design Competition'

Besides, as the Education Bureau would step up its efforts to promote STEAM (Science, Technology, Engineering, Arts and Mathematics) education at primary and secondary schools, the HKIC has transformed the 'STEM Alliance' to 'STEAM Alliance', to dovetail with future education policies and directions, and to support the future innovation and technology development in Hong Kong.

Looking forward, HKIC will continue to make best efforts to further enhance the brand awareness, diversify the promotional channels, make use of website and social media promotions and also leverage on the promotion of the Construction Hong Kong Campaign 'Design for Future Build for Life', commenced in November 2022, to attract youth to participate in HKIC's training and join the construction industry.

### Enhance Students' Sense of Belonging towards HKIC

To facilitate newly joined students from Full-time (1 year or above) programmes to familiarise with the institute life and to strengthen their sense of belonging to HKIC, an adventure training day camp was organised in September 2022 with about 380 students participated. About 90% of the participants agreed that apart from strengthening their knowledge and skills in setting the personal learning and career goals, this activity could also enhance their communication skills and establish team spirit.

### Promote National Identity

To strengthen students' national identity and the sense of belongings towards our country, HKIC continued to provide various training activities in collaboration with the Hong Kong Army Cadets Association in 2022. They included seminars on 'The National Flag, National Emblem and National Anthem of the People's Republic of China', book exhibition and film appreciation on 'The History of the Development of the National Flag, National Anthem and National Emblem', etc.

Besides, students of Full-time Year-long programmes were encouraged to join the HKIC Flag-raising Team with the provision of structural training on the flag-raising and foot-drill. They served as flag-raisers and flag-bearers in the flag-raising ceremonies organised by the CIC and HKIC. In the solemn Flag-raising ceremony, members of the flag-raising team and the participating students witnessed the national flag rising, hereby to embrace the responsibility of contributing to the national development as a 'Construction Young Person' in future.



### Career Support Services

HKIC offered graduates a wide range of employment services and training opportunities. It was also committed to expanding apprenticeship training and facilitating students to develop their strengths to join the construction industry. The first class of the Diploma in Construction (Bar Bending & Fixing) sponsored by the Hong Kong Bar-Bending Contractors Association was completed in August 2022. This sponsorship programme has been extended to the formwork industry, and the Hong Kong Formwork Contractors Association will sponsor new Diploma in Construction (Formwork) students. Employers also gave priorities to the graduates participated in the sponsorship scheme during recruitment which strengthens students' determination to complete the programmes and further contribution to the construction industry.

The success of the HKIC depends on the support and trust of the industry for years. Deepening industry collaboration could help students to establish networks and grasp the industry development. The 'Employers Appreciation Ceremony cum the 3rd Outstanding Alumni Award Presentation Ceremony and the Pledging Ceremony of WorldSkills Competition 2022' was held successfully to appreciate the employers who staunchly supported the training of HKIC through the year and to congratulate outstanding alumni for their achievements.

In view of the importance of construction youth development, 'Construction Industry Council Youth Affairs Committee' (CICYAC) was established by the CIC in 2022, which served to formulate the future direction of the youth development policy of the construction industry in Hong Kong, to make recommendations that meet the needs of youth in their developmental stages (including short-, mid- and long-term), and to develop a comprehensive blueprint for the development of youth in the construction industry. The preparatory work of the CICYAC was in full swing with signature events, like the 'Hong Kong Construction Industry Youth Development Blueprint Forum', the briefing session to non-governmental organisations on 'Youth Life Planning Activities Subsidy Scheme', the organisation of 'Youth Sports Teams', the 'Construction FunRun', and the coordination of drama performances, to encourage young people to broaden their horizons, understand the structures and development prospects of the construction industry.



Hong Kong Construction Industry Youth Development Blueprint Forum



The Employers Appreciation Ceremony cum the 3rd Outstanding Alumni Award Presentation Ceremony and the Pledging Ceremony of WorldSkills Competition 2022



## OPERATIONAL REVIEW

### Collaborative Training Schemes

In addition to the provision of Full-time and Part-time programmes, to meet the manpower demand of intermediate tradesmen and senior tradesmen, HKIC offers a variety of Collaborative Training Schemes to provide comprehensive and structured craft trainings for construction practitioners. With the support from chambers of commerce, main contractors, employers, trade unions and training bodies, the enrollment number was 3,678 whereas the graduation number was 2,075 for the Collaboration Training Schemes in 2022.

HKIC newly launched the 'Intermediate Tradesman Collaborative Training Scheme (Skills Enhancement Courses)'. Through the partnership with training bodies, a 50-hour training programme was offered to registered general workers who possess relevant working experience for upgrading to registered semi-skilled workers. At the same time, trades of 'Window Frame Installer', 'False Ceiling Installer', 'Curtain Wall Installer', 'Glazier', 'RMAA (Building Construction)' and 'RMAA (Electrical and Mechanical)' were newly introduced in the Collaborative Training Schemes in order to meet the training needs of the industry and to work in line with HKIC's four pillars under the Development Blueprint for Manpower Training of Construction Industry.

From time to time, HKIC co-organised with Social Welfare Organisations and construction practitioners (including Registered Specialist Trade Contractors Federation and Hong Kong Construction Sub-Contractors Association) to hold the Intermediate Tradesman Collaborative Training Scheme (ITCTS) Recruitment Days for recruiting students who are interested in joining construction industry to participate in the training.

HKIC arranged 70 ITCTS Recruitment Days and promotion booths in various districts in 2022, attracting more than 1,000 job seekers to participate the activities and on-the-spot interviews. A promotion booth was also set up at CIC Service Centre (Kowloon Bay) to promote Collaborative Training Schemes.



ITCTS Recruitment Days co-organised by HKIC, Labour Department, Social Welfare Organisations and construction practitioners

HKIC established the approved trainer list in 2022 to record the average passing rate of all students trained by each site trainer in the past year. The relevant site trainer's performance became one of the consideration factors for future applications and thus to improve the effectiveness of training schemes. During the year, 276 site trainers participated in 31 'Site Trainers and Trade Test Exchange Sessions' and 219 site trainers completed 5-day 'Certificate in Instructing Techniques for Site Trainers' programme in 2022 to strengthen their teaching and instructing skills for Collaborative Training Schemes, and to improve students' passing rates.

In the coming years, in consultation with stakeholders, HKIC will explore and introduce more work trades under the Collaborative Training Schemes to alleviate manpower shortage in construction industry.



Collaborative Training Schemes BIM Awareness Seminar and Workshop

### Urban Forestry Support Fund – Trainee Programme

The Urban Forestry Support Fund – Trainee Programme (UFSF-TP) has been in operation since August 2020. Employers in the arboriculture industry are encouraged to engage graduates of arboriculture, tree management, tree climbing and tree work programmes to join the UFSF-TP through the ‘first-hire-then-train’ mode. As of 31 December 2022, over 140 trainees, including Arborist Trainees and Tree Climber Trainees, have thus far participated in the programme as recommended by their employers ranging from government departments, landscape, arboriculture, construction companies to consultants.

To assist these trainees in acquiring professional skills, HKIC arranged soft skills and knowledge enhancement courses in the form of group activities, lectures and field trips. Their overall competency development was assessed through several rounds of assessments which included mid-year & final written and practical fieldwork of tree risk assessments or tree climbing assessments.

To promote the UFSF-TP, HKIC arranged a series of promotion activities, which included a feature story in the newsletter of Hong Kong Institute of Landscape Architects and CIC’s Construction Post, video interviews with employers, trainees and training tutors, recruitment talks at job fairs and collaboration with various associations and organisations on digital media platforms.

Urban Forestry Support fund – Trainee Programme





## OPERATIONAL REVIEW

### Encouraging non-Chinese Speakers to Join the Construction Industry

HKIC attaches great importance to the employment development and needs of non-Chinese speakers, English classes of various training programmes are therefore offered. In 2022, the English class of 'Certificate for Ground Investigation Assistant' programme was newly launched to assist the non-Chinese speakers to join the construction industry after the completion of HKIC's training. To encourage non-Chinese speakers to participate in Collaborative Training Schemes, HKIC jointly organised Non-Chinese speakers Recruitment Day with Registered Specialist Trade Contractors to assist employers in recruiting non-Chinese speakers. HKIC also participated in 'Carnival: Inspiring Hong Kong' organised by HK Nepalese Federation and 'Job Expo – Building a Multicultural Workplace' organised by Labour Department to encourage non-Chinese speakers to join the construction industry.



'Carnival: Inspiring Hong Kong' organised by HK Nepalese Federation

HKIC organised The EM (Ethnic Minority) Culture Day in Construction Month 2022. Through incorporating elements of exhibitions, art, music and language, HKIC facilitated the mutual understanding and exchange between non-Chinese speakers and Chinese speakers and raise public awareness of the life and culture of non-Chinese speakers. This event connected with the community and passed on the professionalism of the construction industry in Hong Kong.



EM Culture Day

## Trade Testing

The Hong Kong Construction Industry Trade Testing Centre (HKCITTC) continues to strive for providing independent, equitable and creditable trade testing services. In 2022, the HKCITTC incorporated several new elements in trade test in the hope of leading the industry to adopt the latest technologies and higher safety standard. In addition, to further improve the efficiency of trade test, the HKCITTC continually implemented a series of work to ameliorate the test process and enhance trade test related systems. And the HKCITTC also carried out numerous communication work with the industry to strengthen recognition of trade test, thus to improve the recognition of workers' skills.

### Advocate the Adoption of Good Practice of Work in the Industry

#### Upgrade Trade Testing Workstations to Simulate Real Site Environment

The HKCITTC endeavours to upgrade the trade testing workstations in recent years in pursuit of an optimised simulation of the actual workplace threats one may encounter in construction sites. Such Simulation not only tests the response capability of candidates, but also effectively promote good practice of work.



Introduction of simulating works on external wall at height in Plumber trade test

#### Introduce 'Protection and Handover Works'

The HKCITTC introduced 'Protection and Handover Works' requirements into trade test this year and encouraged the industry to protect the upstream works prior to work; and ensure each construction work is finished in compliance with industry standard and touch up on work before handover and housekeep after work, to achieve high standards in all aspects. Additional time is offered in trade tests for candidates to carry out 'Safety Assessment Prior to Work', 'Protection to Work Site Prior to Work' and 'Final Touch-up on Work before Handover', in order to spread the 'Protection and Handover Works' culture and habit from trade test to the industry, and soon become the industry principles and standard operating procedure.



Switch and pipes newly introduced in Painting trade test



## OPERATIONAL REVIEW

### Introduce Safety Assessment Prior to Work

The HKCITTC wished to promote good practice of safety assessment prior to work to candidates and to raise candidates' awareness of safety before, during and after works. Therefore, the HKCITTC tightened the standard of trade test risk and safety assessment in 2022 by bringing scenarios imitating potential threats of real-life construction site into trade test and testing candidates' response capability.



Controlled scenarios imitating potential threats into trade test environment

### Timely Update on Trade Test Contents

The HKCITTC strives to keep trade test contents abreast of time and to maintain close contact with industry stakeholders. In 2022, the HKCITTC organised regular meetings with Trade Advisory Panels and 57 trade test exchange meetings to listen to the industry stakeholders, understanding the latest market trends and application of new technologies and tools. The HKCITTC has been constantly updating trade test contents and purchasing new equipment to keep up with the actual operation and market needs.



Trade Advisory Panel members visited HKCITTC and joined the exchange meeting

## Active Promotion of Trade Test Recognition

### Continual and Closely Connected with the Industry to Boost Trade Test Recognition

The HKCITTC organised a total of 49 stakeholder exchange sessions and 27 trade testing seminars in 2022 to actively promote trade test qualification and the high skill level of certified workers. Support and recognition were received from various stakeholders; some incorporated the minimum skilled worker requirement in their construction work contracts, some specified the skilled worker qualification requirements in their employment contracts. Trade test qualification is moreover recognised by various government departments and their respective programmes or projects, such as the Hong Kong Fire Services Department, the Electrical and Mechanical Services Department and the Labour Department.



Property Management Services Authority visited the HKCITTC



Annual open day event organised by the HKCITTC

In 2022, the HKCITTC joined hands with the Urban Renewal Authority and Property Management Services Authority to promote trade test qualification towards owners and property management practitioners, including introduction of trade test qualification and elaboration on its application in renovation, repair or maintenance works.



Promoting trade test qualification and its application in the Building Rehabilitation Platform of the Urban Renewal Authority

Source: <https://www.ura.org.hk/> & <https://brplatform.org.hk/en>

## OPERATIONAL REVIEW

### Continuous Enhancement of Trade Test Operation Digitalisation and Test Capacity

#### Further Reinforce Digitalisation and Automation Process

The HKCITTC continued to enhance the Trade Test Management System (TTMS) in 2022, widening the integration scope between TTMS and Training Management System of HKIC and Collaboration Scheme Department, with the aim of optimising administrative procedures, and streamlining the trade test application handling processes.

In addition, in the hope of further increasing the efficiency of assessment and scoring procedures in practical tests, the HKCITTC has developed the e-Assessment System (phase 1) and conducted pilot run in Metal Scaffolding trade in 2022. The HKCITTC has also completed the design of e-Scheduling system in the year to allow better management and reallocation of manpower and workshop resources, etc. The system will be developed and put into operation in 2023. The HKCITTC has as well extended e-written test to Training Course for Persons Working on Suspended Working Platforms (Gondolas) so as to increase the bulk data handling efficiency and accuracy.



Pilot run of e-Assessment System in Metal Scaffolding Trade

#### Flexible Deployment of Manpower Resources to Support Full Implementation of 7-day Operation of HKCITTC

The HKCITTC has been providing 7-day operation services in order to facilitate the attending of trade test during public holidays. To facilitate such arrangement, invigilators can flexibly plan their work ahead to better fit the operational needs across 7 days of a week, for example resting on workstation restoration days while working on Saturdays, Sundays or Public Holidays. Human resources is henceforth more easily reallocated and fully utilised, especially in view of the pushing forward of the 7-day operation.



## Workers Registration

Workers Registration overcame acute challenges brought by the fifth wave of the COVID-19 pandemic and grasped the opportunities to bring wellness and development for registered workers with the easing of the pandemic situation.

### Registration Figures

The Workers Registration Office (WRO) processed 50,351 new registrations and 89,887 renewal applications in 2022. The sum increased almost 3% compared to previous year and showed the pandemic did not reduce the service demand.

Registration Category	Number of Registered Workers (as at 31/12/2022)	Number of Registered Workers (as at 31/12/2021)
Registered Skilled Worker	205,356	206,411
Registered Semi-skilled Worker	36,409	34,628
Registered General Worker	367,562	343,265
Total	609,327	584,304

### Combating Pandemic

The WRO provided uninterrupted registration services during the fifth wave of the pandemic. Contactless registration was welcomed by workers and over 93% of applications submitted during the pandemic were via “easyJob” mobile app, online electronic form and postal. The CIC Service Centres resumed normal services immediately when the pandemic went under control.

### Incentivise Upskill

Workers are construction industry’s biggest asset. Any strategy sought to transform the industry could not be achieved without having the right talents to lay the foundation. There was a considerable pool of Registered General Workers with diversity of skills and experiences. In order to address future skills and capabilities demand, the CIC nurtured the upskill atmosphere.

Construction Workers Professional Development Scheme was launched in the year. Registered General Workers who passed designated trade test to become Registered Skilled Workers were awarded with cash prize of HK\$5,000.



Promotion poster of Electronic Channels for Construction Workers Registration



## OPERATIONAL REVIEW



Publicity of Construction Workers Professional Development Scheme

The Scholarship for Family Member of the Registered Workers 2022 was also organised to support family members of construction workers with outstanding results in the Hong Kong Diploma of Secondary Education (HKDSE). It also recognised the skilled worker family members of the awardees to set a demonstration for fellow workers on the professional status of attaining skill qualification.

### Showing Care

Industry news were disseminated to workers such as Vaccine Pass implementation at construction sites, updates of training courses and trade tests. To continue our support to registered workers under the pandemic, the CIC extended the waiver of the construction workers registration and renewal fees for another year from 1 October 2022 to 30 September 2023. The CIC has waived the relevant fees for construction workers for four consecutive years in total with a sum of approximate HK\$38 million.

"Medical Examination Scheme for Registered Construction Workers" benefited 3,019 workers who paid HK\$10 to receive a medical check-up.

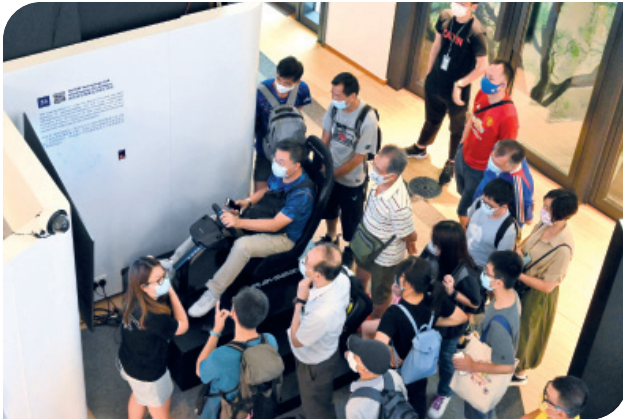


Promotion poster of "Medical Examination Scheme for Registered Construction Workers"

We celebrated festive joy with workers and cared about their well-being in relation to the seasonal impact on their work through seasonal giveaways such as red packets, electrolyte drink powder and card cases.

### Family Events

A series of family friendly events were held in this year's Construction Workers Festival including: Territory-wide Physical Fitness Survey for the Community, Construction Industry Exhibition Hub guided tours, Optimal Spinal Health Talk, Seminar / Webinar on "Road to Construction Professional – Refrigeration / Air-conditioning / Ventilation Mechanic", and "Quit to Win" Smoke-free Community Campaign recruitment session.



Construction Industry Exhibition Hub guided tours



Optimal Spinal Health Talk

### Enforcement of CWRO

The CIC is committed to promoting the construction industry in compliance with the statutory requirements of the Construction Workers Registration Ordinance (Cap. 583) (CWRO), including employment of registered construction workers for carrying out construction works on construction sites and submission of workers daily attendance records (DAR).

Amidst the COVID-19 pandemic, the Inspection and Enforcement Team was able to meet the target inspection of the year. In 2022, a total of 1,509 inspections on construction sites and 2,433 compliance checks on DAR submitted by principal contractors were conducted in accordance with requirements in the CWRO.

Regarding prosecution work, a total of 337 summonses were issued for prosecution of the suspected offenders. Including cases brought forward from previous year, 216 summonses, all relating to failure in submitting DAR within the prescribed statutory period, resulted in convictions in 2022.

To continue to raise awareness of contractors to comply with the CWRO, publicity on the CWRO related seminars was disseminated through email and instant messaging tools. Industry stakeholders are encouraged to refresh their understanding on CWRO regularly.

The Inspection and Enforcement Team continued to perform site check on anti-epidemic measures and a total of 1,043 sites were inspected during the year.



The Inspection and Enforcement Team conducted inspection at construction site

### Way Forward

The industry faces a pressing need for a skillful workforce to deliver upcoming new projects and to transform the industry. Looking forward the following initiatives will be further intensified:

- Big data analytics on registered workers data to provide insightful information for training, upskill programs and workforce trend;
- Outreach to the registered workers currently not engaged in the construction industry to join the industry; and
- Upskill Registered General Workers to become Skilled or Semi-skilled Workers through training or incentive schemes.



### Registered Specialist Trade Contractors Scheme

#### Professional and Resilient Specialist Trade Contractors

The Registered Specialist Trade Contractors Scheme (RSTCS) recorded the advancement of the registered companies. Despite the impact of the COVID-19 pandemic, as of December 2022, there were 7,685 registered companies, including 1,545 Registered Specialist Trade Contractors (RSTC) applicable to the 11 designated trades and 6,140 Registered Subcontractors applicable to other common civil, building and electrical and mechanical trades. The RSTCS is widely supported by the industry, especially by the public sector such as the Development Bureau, the Hong Kong Housing Authority, the Airport Authority Hong Kong and the MTR Corporation Limited etc., which have mandated the implementation of RSTCS in their projects. To facilitate a broader adoption of the RSTCS among private sector projects, representative from the Buildings Department had been invited to join the Committee on RSTCS from mid-July 2022. Furthermore, a set of reference model contract clauses for engagement of subcontractors registered under the RSTCS was also published on the Scheme website in June 2022.

#### Ignite Specialist Professionalism with Innovative Insight

Specialist trade contractors are sharing productivity, sustainability, safety and workers' wellness responsibilities. During the year, the RSTCS organised the "Specialist Trade Technical Webinar series" to showcase the achievements, good practice and innovative technology adoption of the specialist trades. Around 3,800 representatives from registered companies and industry stakeholders participated in the Webinar series:

April	–	Concreting Formwork
July	–	Curtain Wall and Demolition
August	–	Erection of Concrete Precast Component and Scaffolding
October	–	Suspended Ceiling and Plastering
November	–	Reinforcement Bar Fixing



Showcase of how BIM optimised rebar fixing works in Leadership Summit 2022



Introduced the innovative modular integrated aluminium formwork system in Technical Webinar

Designated Innovative Technology Workshops were held successively in October and November for collaborative parties such as Hong Kong Construction Sub-Contractors Association and Registered Specialist Trade Contractors Federation, to promote building and safety technologies in smart construction sites and brainstorm solutions amongst stakeholders to resolve difficulties in adoption of technologies.



Stakeholders shared their views at the Innovative Technology Workshop

Moreover, the series of “specialist trade good practice manual” was launched during the year which aimed to promulgate good practice on site among specialist trade contractors, front-line practitioners as well as other industry stakeholders. The Hong Kong Polytechnic University consultant team was engaged to compile the first three manuals covering concreting, concreting formwork and reinforcement bar fixing specialist trades.

### Continuous Enhancement to the RSTCS

Three designated trades joined the RSTCS in the year, namely suspended ceiling, tower crane (erecting, dismantling and altering height) and building drainage installation. The RSTCS was keeping the momentum of development to cover 11 designated trades in 2022 from only the seven trades in the beginning of 2019.



Three new designated trades implemented respectively in April and September together with the latest sixth element of registration of “Integrity Management”

While foreseeing an increasing trend in construction expenditures, a corruption-free environment is crucial to ensure a fair-share of the achievements. The new Integrity Management as the sixth element of registration of the RSTCS was implemented in April this year, regulating all registered companies to submit integrity policy and arrange their senior management staff to complete recognized integrity

training. We also proactively and closely cooperated with Independent Commission Against Corruption (ICAC) to promulgate extensively the Construction Industry Integrity Charter and recognized integrity trainings amongst all registered companies and industry stakeholders through our regular induction workshops, electronic direct mails, the designated webinar in February and the joint press conference in September which were well-received by the industry with over 5,100 attendees.



Mr CHAN Chi-chiu, Chairperson of Committee on RSTCS and Mr. FOK Kwong-man, Kenny, Assistant Director, Corruption Prevention 2 of the ICAC co-hosted the press conference in September

### Build Up Capability of Future Leaders

The RSTCS aims to enhance capabilities of registered companies' young leaders to prepare them to be future leaders to transform the industry in terms of Mi-infinity, digitalisation and sustainability.

A designated i-Hub tour cum “Happy Hour” sharing session was held in July to let young leaders experience the latest technologies and share with each other their experience of adoption. We encouraged all young leaders to be BIM Viewer and arranged designated training classes for them in September. We also arranged a dedicated site visit to an iconic project ‘The Henderson’ in core Central, which was a valuable experience for our young leaders of the RSTCS in December.



## OPERATIONAL REVIEW



Ir Thomas HO, Chairman of the CIC led our Young Leaders to visit the construction site of “The Henderson” in Central

This year concluded with the biennial Leadership Summit of RSTCS under the theme of Ignite Innovative Skills. The Summit demonstrated how RSTCs adopted new technologies in their projects and attracted over 1,400 representatives from registered companies and industry stakeholders with overwhelming positive feedbacks received.



The Committee on RSTCS kicked-off Leadership Summit 2022 with guests in November

### Stepped Up Regulatory Actions

The Committee on RSTCS instigates regulatory actions against registered companies on court convictions as well as breach of the Rules and Procedures for 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.

In view of the impactful fatal accidents happened during the year, the Committee on RSTCS stepped up regulatory actions on concerned companies involved in the fatal accidents with immediate sanctions imposed after hearings where appropriate.

During the year, a total of 36 registered companies were regulated, mainly in relation to violations of safety and anti-bribery legislations. The concerned companies were sanctioned with suspension of registration for 3 to 12 months.

### Way Forward

Looking forward, RSTCS registered companies would face challenges to handle the growing complexities and to have closer cross trades collaborations with other stakeholders in public and private construction contracts. It is also expected industry transformation will be speedy. The RSTCS would focus on the following areas:

- Build up the brand of RSTCS with elevated registration requirements and expanded coverage;
- Regulate improper behaviour to provide clear signal to the sector on significance of upkeep safety and professionalism;
- Promulgate good practices in terms of technical competence and governance.

## Technically Competent Persons Registration Scheme

The Technically Competent Persons Registration Scheme (TCPRS), which facilitates supervision plan submission under the Buildings Ordinance (Cap. 123), gauges the supply of Technically Competent Persons (TCPs) and enhances their quality, skills and knowledge through continuous training, had recorded steady growth of registrants with over 3,300 registered TCPs by the end of 2022.

### Launched the Continuous Competence Development Model

TCPs played a pivotal supervision role in construction projects and thus the TCPRS puts emphasis on professional development of TCPs. Registered TCPs are encouraged to complete continuous learning via the Continuous Competence Development (CCD) model launched during the year. The CCD model comprises three core pillars, namely statutory requirements, advanced construction practices, and environment, health and safety. The new CCD module in TCPRS Portal and mobile App was launched simultaneously to facilitate the recording of learning for TCPs.



### Recognised HKIC Course as T3 Academic Qualification

Being the very first Hong Kong Institute of Construction advanced diploma recognised as T3 academic requirement, graduates of HKIC's Advanced Diploma in Building Construction Supervision with relevant work experience could register as TCP of grade T2 or T3, they could also seize articulation opportunities to advance their career paths.

### Developed Business Platform for Registered TCPs

To facilitate industry stakeholders to identify suitable TCPs for supervision works and supervision plan submission, the enhanced online TCP List contained registered TCPs' registration information with advanced search function to enable business matching.

### Way Forward

The CIC would collaborate with the Buildings Department to encourage the practicing TCPs to register under the TCPRS through a diversified channels via promotion, industry liaison and CCD activities.

### Construction Innovation and Technology Fund (CITF)

#### Booster for Technological Transformation

The Construction Innovation and Technology Fund (CITF) continued to support local construction industry to transform and improve its productivity, quality, safety and environmental performance through automation, digitalisation and industrialisation. As of 31 December 2022, a total of 4,216 applications were received, among which 2,931 applications were approved with an accumulative approved amount increased to HK\$795 million in 2022. The amount approved in 2022 is equivalent to 39% of the accumulated amount in the past three years.

Under the six categories of funding support, namely Building Information Modelling (BIM), Advanced Construction Technologies (ACT), Modular Integrated Construction (MiC), Prefabricated Steel Rebar, Industrialised Process – Robotic Welding and Manpower Development, the total accumulative number of beneficiaries increased to 985 in 2022. The total accumulative number of small and medium enterprises (SMEs)<sup>1</sup> supported increased by 20% to 580 in 2022, indicating the wider adoption of new technologies among SMEs. More than 14,893 training places of different construction-related technologies including BIM have been approved under the CITF, which benefited construction personnel at various levels including professionals, technicians and students and encouraged the adoption of innovative construction technology.

Subsequent to the completion of the CITF Mid-Term Review to assess the effectiveness of CITF and identify ways for improvement after two years of operation, the major CITF enhancement measures were launched on 1 January 2022, featuring substantial uplift to the per-technology and per-applicant fund ceilings under the BIM and ACT categories and some new funding modes for BIM training, Pioneering Application of new technologies in Hong Kong and support to Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP) adoption. The major enhancement measures successfully boosted up the number of applications by 1,175, representing a 39% increase in the accumulative number of applications in 2022. In addition to the major enhancement, some more minor enhancement measures have been implemented in 2022 including earlier disbursement arrangement to relieve cash flow pressure of applicants, streamlined approval process to further reduce the processing time of funding applications and the new subsidy of 15% on course fee on top of the basic 70% subsidy for BIM training for CIC-Certified BIM Co-ordinators (CCBC) and CIC-Certified BIM Managers (CCBM) to further boost the supply of CCBC and CCBM.

The CITF Pre-approved Lists had undergone a comprehensive review in 2022 to ensure the appropriateness of the pre-approved items. In 2022, the advanced construction technologies, BIM software and BIM training courses on the pre-approved Lists continued to expand and by the end of 2022, there were 622 pre-approved items.

<sup>1</sup> Small and Medium Enterprises refer to organisations which employ fewer than 50 persons.

### Focused Engagement of the Industry

The CITF continued to provide industry stakeholders the latest information on the CITF and new technologies through a hybrid mode of on-line and in-person promotional activities amidst the COVID-19 pandemic. In 2022, the CITF Secretariat delivered or participated in a total of 92 promulgation activities including 31 CITF briefing and case sharing sessions, 37 cross-departmental or external party events and 24 tailor-made briefings to specific groups of industry stakeholders. To further encourage SMEs and subcontractors to adopt innovative and advanced technologies, a series of technology forums were delivered in collaboration with the Registration Services team to key subcontractors and small general contractors trade associations including the Hong Kong General Building Contractors Association and Hong Kong Registered Contractors Association to promote the latest CITF enhancement measures and pre-approved technologies applicable to their specific work trades.

### Way Forward

Entering into the fifth year of operation of the CITF, an outreach team will be added to boost the promotion to a wider range of eligible applicants at project level. A comprehensive overall review will also be conducted to consolidate the experience of the previous four years and set forth the next step to boost the cultivation of innovative mindset and continuous development of the construction industry through financial support.



Technology forums for introducing specific technologies to contractor associations



## OPERATIONAL REVIEW

### Corporate Secretariat

The Corporate Secretariat (C-SECT) provides quality secretarial services and administrative support to the two top 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 continuously 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.

#### Enhancing Corporate Governance Standards and Quality of Secretarial Services

In 2022, C-SECT conducted four interactive and refresher training workshops on corporate governance and writing skills. Through Grade Management, C-SECT critically reviewed and provided constructive advice / suggestions to uplift the quality of secretarial services delivered by various CIC business units on a regular basis.

#### Release of Informative Publications

C-SECT published the bilingual "CIC 2022 Major Work Plans" and the revamped "Information for Council Members" booklet in February 2022. The electronic version of "CIC 2022 Major Work Plans" is available at the CIC website and the "Information for Council Members" booklet was sent to the new Council Members in February 2022. In addition, the "Corporate Secretariat Operation Manual" has been updated and uploaded to the CIC website for staff reference.

#### Latest Updates of the CIC Fellows

Following the establishment of the CIC Fellows in 2021, a new initiative called the "CIC Members cum Fellows Visit Programme" commenced in 2022. Nine visits to various CIC premises / facilities were held on a bi-weekly basis. The first visit was held on 5 August 2022 at the HKIC Kwai Chung Campus, followed by visits to the Hong Kong Construction Industry Trade Testing Centre, the HKIC Sheung Shui Campus and Tai Po Training Ground, etc. The visiting groups put forward valuable improvement suggestions on the operation of various departments / business units, which helped to further strengthen the corporate governance of the Council.

In addition, the CIC Fellows Annual Event cum Luncheon was held on 20 December 2022. The luncheon was followed by a guided tour to the Advanced Manufacturing Centre in Tseung Kwan O.

## Supporting Election Events

C-SECT was tasked to provide administrative and secretarial support to the election events for the Council. Two candidates' forums were organised on 10 December 2022 for the 2022 Legislative Council Election Committee Constituency By-election and the Hong Kong Special Administrative Region (HKSAR) to the 14th National People's Congress Deputies Poll. Both forums were attended by around 90 election committee members and candidates in total. The success of these events manifested the commitment of CIC to civic responsibility and the construction industry.

## Support to the Hong Kong Engineering Science & Technology Award 2022

The Hong Kong Academy of Engineering Sciences (HKAES), supported by the Innovation and Technology Fund of the HKSAR Government, launched the inaugural Hong Kong Engineering Science & Technology (HKEST) Award in 2022 to recognise outstanding contributions and excellence among younger generations in Hong Kong for their dedication and achievements in the arena of engineering, science and technology. The CIC was seen as closely related to the nurturing and / or the development of engineering science and technology in Hong Kong and was invited by the HKAES to nominate up to three potential candidates for award consideration. The C-SECT invited nominations from a total of 53 industry / stakeholder organisations and formed a judging panel to decide on CIC's prioritised nominations. Finally, two out of seven submissions were nominated by the CIC's Judging Panel to the HKAES. CIC's support of the HKEST Award affirmed CIC's recognised status in the construction industry.

## Way Forward

In 2023, the C-SECT will continue to perform its supportive functions to the Council, the Executive Committee and the CIC Fellows, and to enhance the quality and standard of our secretarial services. Looking ahead, in addition to striving for high standards in corporate governance of the CIC, the CIC Fellows is also committed to contributing to the whole-person development of HKIC students. A preliminary idea of an interactive sharing session between CIC Fellows and HKIC students on management skills, career / life experience and technical skills / knowledge is in the brewing process, hoping to help students develop a positive attitude to life. In particular, the C-SECT will prepare an orientation for new Council Members and publish the bilingual "CIC 2023 Major Work Plans" in early 2023.

## OPERATIONAL REVIEW

### Corporate Communications

The corporate communications Department continues to implement comprehensive promotion strategies and maintains effective communications with industry stakeholders in a professional manner to upkeep the CIC's goodwill and leadership among the industry. The Department manages promotions, stakeholders, public and media relations, Construction Industry Sports and Volunteering Programme (CISVP) and crisis management for the CIC.

#### The Industry-wide PR campaign

To promote the professional image of the construction industry and attract new blood, the CIC and the Development Bureau has launched the "Design for Future, Build for Life" Construction Hong Kong PR Campaign. The Corporate Communications Department of the CIC has been working closely with the Bureau and organised the launching ceremony in November 2022, attracting at least 15 media to cover the event. Through diversional platforms, which include TV advertisement, website, social media tools, etc., the campaign reaches the community widely. The industry-wide Campaign also includes Master Talks, site visits and career talks, sowing seeds for the future of the construction industry. The CIC also launched two columns "Safety Walk with Thomas" and "CIC-See What I See" to share with the industry and general public on the latest development of construction technology and pioneering insights.



"Safety Walk with Thomas" column to share on advance construction technology

#### Connecting the Industry

The Corporate Communications Department worked closely with different departments to organise the "Celebration for the 15th Anniversary of the Construction Industry Council and the Hong Kong Construction Exhibition Grand Opening Ceremony", with the Honourable John LEE, Chief Executive of the HKSAR Government officiated at the grand ceremony. The Construction Innovation Expo was another highlight event of the CIC in 2022 where Corporate Communications Department took the leading role of promotion. Apart from online event listing and social media platforms, outdoor billboard advertisements were also placed outside tunnels.



Celebration for the 15th Anniversary of the Construction Industry Council and the Hong Kong Construction Exhibition Grand Opening Ceremony

To provide an exchange platform for the Government and industry stakeholders, the Corporate Communications Department has launched a series of "See What I See Luncheon". Six luncheons were held in 2022 with honour to have the then Director of Architectural Services, Ms. Winnie HO; Chief Executive Officer of Mass Transit Railway Corporation (MTR), Dr Jacob Kam; Managing Director of the Urban Renewal Authority (URA), Ir WAI Chi-sing; Chairman of the Business Environment Council and Chief Executive of Gammon, Mr. Kevin O'Brien, Secretary of Transport and Logistics, Ir LAM Sai-Hung, and Permanent Secretary for Development (Works), Ir LAU Chun-kit, Ricky, as our keynote

speakers. A celebratory luncheon was also held to bid farewell to former Chairman of the CIC, Dr. CHAN Ka-kui, and retired Council Members.



CIC-See What I see event

## Caring and Energising the Community

Commitment to corporate social responsibility has always been one of the major initiatives of the CIC. Once the Government has lifted its anti-pandemic measures and gradually resumed normal operations, the Construction Industry Sports & Volunteering Programme (CISVP) immediately rolled out a number of events including Construction Industry Volunteer Award Presentation Ceremony, Construction Industry Lo Pan Rice Campaign, Construction Industry Shoreline Clean-up Day, Construction Industry Table Tennis Competition, Construction Industry Basketball League, etc. New programme named "CISVP Let's Workout Together Scheme" has also been launched with an aim to promote regular exercise through cooperating with schools to provide free sports facilities. With the support of the industry, CISVP recorded over 12,421 participants (man-time), 156,817 volunteering service hours and 65,835 beneficiaries (man-time).



CISVP Lo Pan Rice

## Supporting Resumption of Normalcy

Earlier in 2022, where Hong Kong suffered from the fifth wave of COVID-19 pandemic, the Corporate Communications Department did not only assist the implementation of Construction Industry COVID-19 Testing Day, but also extended the "Construction Industry Caring Campaign" into its 2.0 phase (Campaign 2.0) to aid construction workers. As of 31 December, two phases approved nearly 15,000 applications, with an amount of \$56 million approximately.



Construction Industry COVID-19 Testing Day

## Way Forward

The Corporate Communications Department will continue to safeguard the image of the CIC and the industry, and to cope with challenges, with an innovative mindset and professional attitude. The Department will strive to promote innovative construction technology continually and encourage industry's sustainable development by hosting different events and campaigns. To motivate the young generation, the Department will also organise the Construction Industry Outstanding Young Person Award, hoping to contribute to the betterment of the industry.



## OPERATIONAL REVIEW

### Human Resources

The Human Resources Department provides professional human resources support to operational teams in areas of manpower planning, talent acquisition & retention, and talent development. Our main objective is to ensure that our policies and operations support the sustainable development of the CIC.

The Administration Department ensures the administration activities and work environment run smoothly and efficiently by providing coordination and co-operation amongst operational teams. Our main objective is to utilise resources effectively and efficiently through standardization, automation and adoption of new technology.

#### Implement People Initiatives

With a view to competing for attracting and retaining talents, Human Resources department implemented a number of people initiatives in 2022. These measures included, Alternate 4-day Work-Week ("Alt-4 arrangement"), Extending Retirement Age to 65, Building Career Ladder for Staff; and, Supporting Continued Learning. The Alt-4 arrangement was formally commenced on 1 July 2022. This measure is a pioneer in the market and a lot of preparation work had been done since early 2022 to engage support from staff and Line Managers, including a "Work Smarter Campaign", to encourage staff to adopt work smarter measures and build an efficient working environment together. Regular reviews on the effectiveness of the Alt-4 arrangement were conducted after its implementation. A corporate-wide Staff Opinion Survey was held in December 2022 with an enthusiastic participation rate of 100%. The Survey indicated that 92% of staff agree that the Alt-4 arrangement has enhanced their overall well-being and 91% has transformed their work pattern to Work Smarter.

#### Optimize Learning Experience

The CIC made available various learning platforms to encourage a learning culture amongst staff. An online "LinkedIn Learning" has been made available to all staff to access a 24/7 year-round free tool to learn. In 2022, the average LinkedIn learning hours per staff was 26 hours and near 94% of staff have fulfilled / largely fulfilled the learning requirement of 48 hours per year.

We continue to engage the Education University of Hong Kong to organize the Certificate of Learning & Teaching Programme (CLT) to equip 32 new joined teaching staff with the required teaching skill. The Continuous Learning Programme (CLP) was also conducted by the Education University to 192 serving teaching staff to refresh and update their learning and teaching knowledge.

Two "All-rounded Presentation" workshops were held in April and August 2022 to update 22 management staff with a brand new design presentation skill in an audience-centric approach and to grasp the keys to make an impressive presentation image. The Career GPS Mentorship Programme was also commenced in 2022 to develop talents for succession planning. 22 mentees were nominated and assigned to six mentors respectively. External mentors were also invited either as mentors to senior management staff to share their personal experience, career challenges and success stories.

Seven workshops were held in 2022 to make staff aware of various ordinances relating to their daily duties, including two on the Prevention of Bribery, two on Equal Opportunities, two on the Protection of Personal Data and one on Protection of Intellectual Property. A total participation of 1,411, including new joined staff and serving staff attended these ordinance awareness workshops. An in-house training organized in 2022 included a customized Smart Customer Service and Operations Workshop held in November for 25 front-line staff.

### Encourage Collaboration

To strengthen the bond among staff and to facilitate cross-team collaboration, Human Resources department organised eight “Staff Engagement Workshop” from August to December 2022 and 212 staff participated, including new staff, serving staff and culture champions. Feedback from staff were positive and they opined that the workshop was able to enhance staff’s understanding of the CIC, reinforce CIC’s core values, as well as foster Work Smarter and Team Collaboration.

A Management Retreat was held in June 2022 to advocate department to work together for the bigger interest. The Retreat was joined by the CIC Chairman, the Executive Director and over 20 management staff with the aim to reinforce the importance of collaboration and synergy.

### Combat the Spread of Pandemic

The Administration Department sourced and distributed over 45,000 Rapid Antigen Test (RAT) kits to support frontline staff and operation team in 2022. Additional disinfection, cleaning and fogging services were arranged whenever necessary. In April 2022, the Administration Department supported the Development Bureau to dispatch more than 1 million RAT kits and masks to over 1,400 contractors for distribution to more than 120,000 construction workers and personnel.

### Handle Public Enquiries

The CIC hotline call volume in 2022 reached 230,000 which is 50% more than 2021. To maintain our services to handle public enquiries effectively, the Administration Department reshuffled and arranged extra manpower to support the hotline. The Administration department also reviewed the demand and workflow of various administration services to achieve work efficiency and save cost.

### Reduce CIC Workplace Carbon Footprint

Green initiatives were deployed to enhance the awareness in the use of paper in CIC workplace. The paper consumption in 2022 reduced around 27% when compared with 2021. As some best practices were implemented, the overall electricity consumption in 2021 and 2022 was stable and achieved around 13% reduction when compared to 2020.

### Way Forward

To cope with the challenges ahead and to support the sustainable development of the CIC, the Human Resources Department will review, update and re-design the manpower structure of the CIC to ensure that our structure, job grading, job titles, etc. are market comparable, align with organization strategic goals and meet the challenges of attracting and retaining talents. We shall further enhance continuous learning opportunities for staff to gain practical experience from the market and to groom and develop potential talents to grow and build their career within the CIC. Various staff engagement activities will also be held to strengthen the core values of the CIC, to encourage new ways of thinking as well as to facilitate cross team collaboration.

Administration team will continue to reinforce green mindset amongst staff, promote green workplace and actively encourage waste reduction, energy saving and waste separation to reduce carbon footprint. We shall further adopt robotic automation and expand the work scope of intelligent robots. Plans have been made to deploy robots to virtual reception, document dispatch, cleaning, disinfection and security patrol.

## OPERATIONAL REVIEW

### Corporate Safety

Corporate Safety Department (CST) is taking ownership of the safety and health of all CIC staff, students and those who can be affected by the CIC's operations and activities. CST implements and maintains a safety and healthy management system for ensuring CIC's day-to-day operation with excellent safety standard and also provides zero-harm environment for all stakeholders.

#### Digitalisation of Occupational Health Assessment

In view of supporting paperless policy and effective enhancement, the whole process of Display Screen Equipment Assessment has been digitalised. Apart from the digitalised and streamlined process, digital dashboard has been established for progress monitoring on the assessment.

#### Online Training Platform for Occupational Safety & Health Training

Development of online training platform brings convenience and allows OS&H training to be carried out at various locations within the CIC. At the same time, staff are able to pick time slots to complete watching the training video clip. Relevant quiz is arranged to ensure the level of understanding on training material.

### Leading Internal Anti-epidemic Work

In view of the prevention of COVID-19, CST takes lead to decide and implement preventive measures within the CIC. At the same time, CST also works closely with all departments to tackle problems during for daily operation.

#### Way Forward

Corporate Safety Department will continue to ensure a safe environment for all CIC's operations. In the long run, Corporate Safety Department will also be devoted to cultivating the safety-first culture and to stimulate the advancement of our safety performance within the organisation, in order to cope with the advancement of the industry's best practice and safety standard.

## Estates Office

Estates Office (EO) supports the CIC's operation in facilities management and capital projects. The department is responsible for maintenance services for common building services, building structures, landscaping, furniture & equipment and ELV systems (IP phone, CCTV surveillance, access control & IoT devices) via the Estates Office Management System; executing statutory compliance checking and upkeep; and providing license renewal services. For capital projects, the department focuses on contracting and project management of revamp works, Alterations & Additions Work and new development works, optimizing space utilisation, and the adoption of Building Information Modelling (BIM) and Internet of Things (IoT) technology in CIC's premises.

Estates Office manages both land lease and short-term tenancy, as well as applying for short-term use of vacant government sites for CIC campuses and outdoor training grounds.

## Facilities and Assets Management

Development, integration and implementation of BIM and IoT into Estates Office Management System for asset management and facilities management in Hong Kong Institute of Construction (HKIC) Kowloon Bay Campus and Hong Kong Construction Industry Trade Testing Centre were completed in Q4 2022.

Modification works for enhancement of space utilization at office of Hong Kong Construction Industry Trade Testing Centre, office of HKIC-Kowloon Bay Campus and part of Canteen of HKIC-Sheung Shui Campus were completed in Q4 2022.

Replacement works of existing lifts at HKIC-Kowloon Bay Campus, HKIC-Kwai Chung Campus (KCC) and HKIC-Sheung Shui Campus (SSC) commenced in Q4 2022 with an anticipated date for completion in Q4 2024.

Set up of Lam Tei Training Ground (LTTG) for HKIC was completed in Q3 2022. The development was required to accommodate the courses mainly operated in the former Wai Lok Street Training Ground which had to be vacated and handed back to the Government for development. The project scopes involved statutory submissions, site clearance, site formation, noise barrier, temporary building erection, street fire hydrant, building services installation works, relocation works and reinstatement of Wai Lok Street Training Ground, etc. After project completion, LTTG now serves formwork and re-bar fixing training courses.

## Way Forward

Estates Office will continue to work in concert with HKIC campuses, Trade Testing Centre, Service Centres and CIC-ZCP to carry out the facilities enhancement works for their built environment.

At the same time, we will forecast, plan and implement by overall consideration of facility and space utilization of properties to accommodate the future organization growth & practical needs of the CIC.

The team will continue to deploy, develop and integrate BIM and IoT into EO management system for facility management and asset management in other campuses (HKIC-SSC and HKIC-KCC).

Deployment of CCTV analytic with A.I. will be applied to facilitate the facility management of CIC premises, and integrated with other building systems and IoT devices, to setup Centralized Monitoring Dashboard Platform and perform different kinds of smart building applications, including General Building Status and Facilities Portfolio, Building Insight such as Energy Management and Saving Forecasting, Indoor Comfort and Building Health Status, Predictive Monitoring and Simulation, and ESG & Carbon Tracking. We will also work towards applying for temporary vacant government land and setting up new training ground for HKIC.



## OPERATIONAL REVIEW

### Information Technology

Information Technology Department (ITD) is responsible for the strategic development, coordination, maintenance, and operations of all information services and technology for the CIC. The primary duties of the ITD included IT Strategy implementation, enterprise architecture, IT demand management, enterprise applications implementation, application development, data management, cybersecurity, network and infrastructure services, service desk, and workspace technologies, etc. The ITD strives to provide excellent employee or customer-centric solutions through one-stop service and user experience principles.

#### Big Data Cultivation

CIC aimed to foster a data-driven culture in day-to-day operations. The ITD implemented technology infrastructure, including a data lake, data management platform, and analytic platform in 2022, and the benefits were being seen gradually with more insights drawn from data. To minimize maintenance effort, automatic data loading processes are also deployed for various databases, including CWRS, DAR, TMS, TTMS, LEVY, and SRMS. An internal dashboard reflecting all the key figures about trade had also been developed for use by various divisions.

#### Enhancing Cybersecurity in the CIC

To protect sensitive data and maintain business continuity by preventing cyberattacks, IT departments successfully initiated and completed several initiatives to enhance CIC's cybersecurity. Four protection solutions recommended by the consultant were implemented: Network Access Control, Data Leak Prevention, Privilege Access Management, and Web Application Firewall. Implementation of a Cybersecurity Assessment framework and set up necessary people, processes, and technologies to

continuously improve the protection of CIC's IT Systems and Data. ITD also set up the Annual Red Team Exercise, Cyber Threat Intelligence, Mobile Device Management, Endpoint Management of 1,000 endpoints and 300 servers, and Single-Sign-On and Multi-Factor Authentication for enhancing CIC's Cybersecurity Posture. The ITD also reviewed and reconfigured the network to segregate networks for different types of devices to lower the security risks arising from less manageable IoT devices while at the same time consolidated various cloud hosting services for different websites and applications into one enterprise subscription for increased usage visibility, manageability, and enhanced security.

#### Customer Centricity Services

The information technology department completed various projects to improve customer centricity and digitalization this year, including:

- Completed the e-service upgrade for LEVY Assessment and Collection System in Jul 2022 which is ready for industry-wide electronic adoption planned in mid-2023 to replace the paper submission.
- Completed the roadmap and design for the "Construction Worker Superapp" planned for launch in 2023 with additional features such as electronic construction worker registration cards, trade-specific or site-specific push notifications, and one-stop digital CIC services.
- Initiated the "CIC OnePass" project to assign a single online identity for CIC stakeholders to facilitate single account to log into all CIC systems.

- Adoption of digital tools to enhance efficiency, including e-Signature platform (i.e., Adobe Acrobat Sign) Faster Payment System (FPS) and Payme as well as e-tendering system (launch scheduled for Jun 2023).
- Network bandwidth upgraded for training grounds and various CIC offices / campuses accompanied with simplified Wi-Fi connection method to allow staff to use Wi-Fi more securely without registration and configuration by the IT department.

### Digitalisation of HKIC

In 2022, ITD assisted HKIC in the following:

- Completion of the online programme application system for all 1-year and 2-year full-time programmes in mid-2023.
- Completed the “Student Grading Management System” development to facilitate grade input and transcript printing.
- Enhanced the eSurvey system for HKIC to compare teaching feedback from graduates year-on-year.
- Launched Trade Test eAssessment in November 2022.

### IT Modernization and Enabling Technologies

Digital infrastructure must be modern and up-to-date to tackle the fast pacing world. Below technologies are adopted:

- Implemented a Low-code Application Platform (LCAP), OutSystems, as a standard platform for future external-facing applications. The platform is expected to cut short development time by 40%.

- Acquired an API Connectivity and Management platform to speed up system development, encourage code reuse, and enhance security.
- Acquired a “Centralization Web Content Management Platform” to support content management and publishing workflows for all future websites. CIC will benefit from lowered management and maintenance costs, and enhance cybersecurity in the long run.

### Governance

- Acquired a Social Media Management Platform to enhance social media publishing workflow effectiveness.
- Award two consultancy projects to review and develop relevant IT and Data Privacy Policies & Procedures.
- Implemented IT Service Management Platform (ServiceNow). Associated processes and procedures are reviewed to ensure the full adoption of IT service management practices for enhanced IT service levels.

### Way Forward

To drive the digital transformation journey of CIC, a 3-Year IT transformation roadmap was finalised to further transform the CIC into a digital organisation. The 3-Year IT transformation roadmap identified and prioritized 26 IT and Digital Transformation initiatives, including enhance employee experience, Improve Learning Experience, Teaching Quality and Optimize Resource Utilization, Industry Development Promotion, One-stop Service for Workers and Further uplift Cybersecurity Posture.

## OPERATIONAL REVIEW

### Internal Audit

The Internal Audit Department (IA) assists the CIC in accomplishing its objectives by evaluating the adequacy and 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 plan, IA reviews the key controls in different areas and reports the findings to the Audit Committee quarterly.

### Key and Signature Achievements in 2022

IA reviewed the operational, financial and compliance control matters on management of Collaboration Scheme, Personal Data Protection, Registered Specialist Trade Contractors Scheme, Competent Persons Registration Scheme, Human Resources and Corporate Communications Department. 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 six months.

With input from head of each division / department, Executive Director and Council Chairperson, a corporate-wide risk assessment exercise was conducted at year end of 2022. Top risks were highlighted to senior management.

Starting from November 2022, IA handled external complaints and carried out investigation when necessary.

### Way Forward

In the coming years, IA will continue cooperating with external consultant to carry out internal audit services. Audit recommendations will be proposed to the CIC management with reference to the best practices in the industry.

To further enhance the governance of the CIC and to assure adequate control procedures are in place, IA would continue to review the operation manuals of all departments and facilitate the drafting in organisation-wide policies such as Complaint Handling Policy.

## Procurement

The Procurement Department strives to understand stakeholders' requirements and support the CIC's operations by fulfilling internal purchase requests, as well as managing transactions of goods and services, with the aim of ensuring compliance of procurement procedures and maximum efficiency of transaction flow and reporting.

### Management of Major Tenders

The Procurement Department managed various major tenders in regard to consultancy and general services in 2022, including:

- Online Course Enrolment Platform and System Integration Services for Hong Kong Institute of Construction;
- General Services for Medical Examination Scheme for Registered Construction Workers;
- e-Tendering Platform and System Integration Services;
- Provision of the services for the Promotion and Publicity Campaign for the Construction Industry of Hong Kong;
- Consultancy Services on Digitalising Construction for Enhancing Project Delivery;
- Consultancy Services on Development and Implementation of Smart Waste Management Plug-in;
- Centralised Authentication Service;
- Centralised Web Content Management System;
- Hyper-converged infrastructure and Implementation Service;
- Network Attached Storage and Implementation Service;
- Computer Leasing and Procurement Services;
- SMS Sending Services; and
- Mailroom Service

The Department also assisted the CIC in carrying out tenders for numbers of large-scale events and facility uplifting projects, such as:

- Event Management and Production Services for Opening Ceremony of the Construction Exhibition Celebrating the 15th Anniversary of the Construction Industry Council and the 25th Anniversary of the Establishment of the HKSAR;

- Replacement Work of Existing Lifts at Kowloon Bay Campus, Kwai Chung Campus, and Sheung Shui Campus for Hong Kong Institute of Construction (HKIC); and
- Supply and Delivery of Equipment for PPE Zone and Working at Height Zone of Safety Experience and Training Centre at Hong Kong Institute of Construction – Kwai Chung Campus.

### Project and Supplier Management

The Procurement Department continues supporting the administration works of the Project Committee, in order to ensure all projects are being handled in compliance with the Project Management Handbook (Non-Capital Projects).

The Department also continues our journey in digitalization transformation aiming to increase operation efficiency and ensure data security. The digitalization initiatives include: Supplier Portal implementation that has been successfully launched in the 2nd half of 2022, allowing electronic submissions of proposals for the Request for Quotation (RFQ) and Request for Proposal (RFP) as well as Supplier Registration and Information Management; initiation of e-signature reducing turnaround time for approval process and electronic documents management; and E-tendering systems initial implementation allows electronic submissions, assessment and operation for the Request for Tender (RFT). The Department also maintains and expands the supplier database continuously, with conducting regular review of suppliers' performance.

### Way Forward

The Procurement Department will review and enhance the Procurement Manual to ensure a higher level of transparency and efficiency throughout the procurement operation process. The revised Terms and Conditions and Contract Templates will be adopted, for better safeguarding the interest of the CIC on one hand and aligning with the latest market practices on the other. The Department will reach an important milestone by implementing the highly anticipated e-Tendering system as part of the digitalisation roadmap. The Department will also regularly conduct random project reviews and audits to monitor the project performance regarding time, cost, and compliance through the year.



## OPERATIONAL REVIEW

### Finance

The Finance Department continues to act as the business partner of the CIC and its stakeholders in delivering a wide range of finance services, 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 works, bank account operations and all finance related projects.

In 2022, Finance Department has achieved a number of key milestones to digitalise income collection and payment operation, streamline and re-engineer process flow and strengthen corporate governance.

#### Launching Levy E-Service 2.0

An interactive platform (Levy E-Service 2.0) for submission of Levy Forms replacing the web-based platform was successfully launched in July 2022. The online validation features with the mandatory fields substantially improve the data quality and completeness of the Levy Forms. The new platform provides E-service users with valuable function for tracking of Forms submission, enquiries of payment records and reporting of levy key performance indicators. It comes with additional protection on cybersecurity with deployment of One Time Pin and also offers new function of levy projects assignment to meet specific need of users. Based on a survey conducted after launch of Levy E-service 2.0, the user satisfaction improved greatly in every aspects on using the new platform. The user-friendly platform has successfully enhanced data quality, submission efficiency and communication with Contractors and Authorized Persons.

#### Digitalising Finance Operations

Digitalisation is extensively deployed to minimise manual works and improve the finance operational efficiency. In view of numerous payment transactions, electronic payment method has been adopted for trainee allowance and staff costs to automate and speed up the processing. In 2023, it will be further extended to other vendor payments.

#### Revamping Accounting Procedure Manuals

In July 2022, a new Policies and Procedures Manual on Levy Operations was launched outlining the processes and procedures on how levy operations are run and controlled in CIC. In December 2022, all Finance Accounting Procedures Manuals were revamped for streamlining the processes and improving operational efficiency as well as enhancing their clarity and conciseness.

#### Way Forward

Riding on the successful launch of Levy E-Service 2.0, the CIC plans to enforce the compulsory use of this platform in 2023 with all Levy Forms submitted electronically via Levy E-Service 2.0. It would greatly uplift the levy operations while at the same time enhance the communication between the CIC and the industry practitioners. Controls on levy processing would be strengthened via levy system enhancement. Digitalisation journey will be continued to further automate and improve other finance functions, especially on treasury management and reporting. Business partnering projects would be conducted to develop constructive recommendations and action plans in process streamlining and effective resource utilisation.

Finance Department will continue to support the CIC by providing professional advices from financial perspective to maximise the benefits of all stakeholders.

## Diversity and Inclusion Report

The Construction Industry Council celebrates diversity in the organisation as well as within the industry as it brings in new perspective and encourages flexibility. Great importance is attached to embracing differences between ethnicity, age, gender, personal experience and background etc. in CIC, narrowing the communication gap and providing equal opportunity to all.

### Encourage Understanding

Understanding our differences is fundamental to achieving inclusivity, hence CIC strives to encourage community's understanding of the industry. In 2022, various large scale campaigns were launched to promote the community's interest in the construction industry. The "Design for Future, Build for Life" industry wide promotion campaign primarily aims to promote the industry image to the general public. Apart from industry professionals, student groups and public audiences are also invited to visit the CIExpo2022 to understand latest development of the industry. EM (ethnic minority) Culture Day were also organised to foster communications between Chinese-speaking and non-Chinese Speaking (NCS) community. It incorporated elements of exhibition, art, music and language, as well as raising public awareness of the life and culture of NCS people.

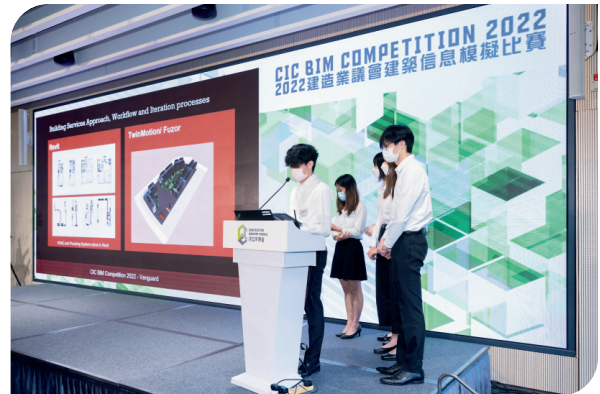


Regular articles under the columns "Safety Walk with Thomas" and "CIC – See What I See" were also published on CIC's public channels to communicate with the community on the latest development of technological advancement of the construction industry.

## DIVERSITY AND INCLUSION

### Encourage Participation of All

Apart from conveying our message to stakeholders, CIC is also actively listening to opinion and needs of different stakeholders. New committees are set up to address the needs of different groups and trades, the Committee on RMAA and Youth were set up in 2022. Starting 2022, representatives from the youth segment is invited to join a number of committees to collect their views on the development of the industry.



The CIC also provides ample opportunities for all to participate in the construction industry. Activities targeting younger groups were organised to invite participation of different age groups, the annual BIM Competition attracted 278 full-time higher education (post-secondary) students while the CIC-ZCP Minecraft Competition – “Construct Your Sustainable City” attracted approximately 900 secondary and primary students. CIC-ZCP hosts regular activities that is open to public that encourages participation from the whole of the community.

### Addressing Needs of Different Groups

The CIC understands diversity may bring challenges to our equal opportunity principle and is eager to eliminate such hurdles to address needs of different groups. As such, participants are divided into different age groups in CISVP sports games to ensure fair competition.

CIC – ZCP also makes good use of the venue resources to organise different kinds of activities, including green markets, music performances, workshops, etc., bringing people closer together through music and cultural exchange. Other outdoor events including ZCP Outdoor Electric Vehicles Exhibition and A“MAZE”ing Summer, were also successfully organised with enthusiastic participation from children, young people and the general public.





Recognizing the different needs of its staff, CIC has introduced the “four-day work week” arrangement in 2022, which provides extra days off every two weeks for staff to take care of their families or to pursue further education according to their needs.



### Collaboration for Success

The CIC is also eager to foster synergy within the construction industry through collaboration. To achieve such, experts of a wide spectrum of professions were invited to share insights with fellow industry practitioners in CIC’s regular webinars. In 2022, over 100 webinars are organised covering topics including development policies, advanced technology application, sustainability development, safety culture and manpower planning.

To encourage further idea exchange and experience sharing, the CIC launched the master class series in 2022 covering topics such as common data environment, modular integrated construction, design for safety and temporary works. Industry practitioners with certain experience attending the courses will be given the chance to exchange idea with experts in the particular field and the CIC hopes to pool professionals together to join forces in bringing advancement to the industry.

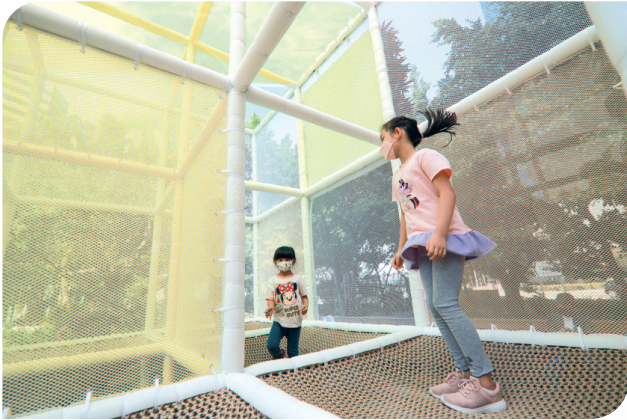


To encourage collaboration across industries, the CIC joint hands with the Hong Kong Science and Technology Park to launch the ConTech Accelerator to line up construction companies and technology firms to drive industry trials and collaboration on diverse new ideas to solve specific pain points throughout the building processes, from design and construction with innovations of site monitoring, green materials and robotic welding.



## DIVERSITY AND INCLUSION

### Serving the Community



While we embrace diversity in the construction industry, we also show care to the community at large. The principal of the construction industry is to build a better home for the citizens, hence the CIC continues to push the boundary for technological advancement in bring better, more efficient and safer build environment in Hong Kong. For instance, the CIC has been actively promoting the Modular Integrated Construction method to help ease the housing shortage in Hong Kong, contributing to the society with our professional knowledge.

Our heart is also with the community in need especially during the pandemic. The Construction Industry Caring Campaign – Fight Against Novel Coronavirus has been extended into its 2.0 phase in order to provide continued support to workers affected by the pandemic.

Through the compilation of initiatives illustrated above, the CIC is committed to advancing diversity and inclusion in our work, our collaboration with the industry and the society as well as our service to the industry.





# BUILD FOR LIFE





Dedicated to the mission of strengthening the sustainable development of the construction industry, the CIC aspires to create a sustainable future for all and contribute to Hong Kong's pledge to achieve carbon neutrality by 2050. Sustainability is not a one-time effort, but a continuous journey that requires ongoing commitment and dedication. As such, we strive to continuously promote sustainability practices and create a positive impact to the industry.

## Sustainability Framework and Governance

Aligned with the United Nations Sustainable Development Goals (UNSDGs), the CIC Sustainability Framework is built upon four strategic pillars: Resources, Intelligence, Talent, and Culture. The values and goals of these pillars are integrated into the CIC's internal operations and external initiatives to drive industry development and improvement.

Internally, the CIC has established a cross-departmental Sustainability Working Group (SWG) for formulating and disseminating its sustainability strategy, promoting departmental sustainability initiatives, and monitoring and reviewing sustainability performance.

On industry level, the CIC is committed to fostering a more sustainable future. We have the Committee on Environment (Com-ENV) and various working groups with membership comprising key stakeholders along the value chain to devise strategies and plans to promote environmental protection and sustainability in the construction industry.

### Four Pillars of the CIC Sustainability Framework

#### Resources

- Resources are scarce and definite. The CIC cares about the environmental impacts brought about by construction industry, and hence stays conscious about carbon emissions, resources and energy consumption of the industry.

#### Intelligence

- The CIC endeavors to drive the industry transformation by promoting the adoption of innovative and advanced technology.

#### Talent

- Talent development and a sustainable workforce are the prime concerns of the CIC.

#### Culture

- The CIC holds a strong stance on health and safety. We pursue every means to promote health and safety.

## In Alignment with UNSDGs



## Key Initiatives / Platforms to Drive Sustainability in the Industry

- CIC Sustainable Finance Certification Scheme (SFCS)
- CIC Carbon Assessment Tool (CAT)
- CIC Green Product Certification (GPC)
- CIC Sustainable Construction Award (SCA)
- CIC Smart Waste Management Tool (SWMT)
- CIC-Zero Carbon Park (CIC-ZCP)



- Construction Digitalisation Award
- Construction Innovation and Technology Application Centre (CITAC)
- MiC Resources Centre
- CIC Research and Technology Development (R&D) Fund
- Construction Innovation and Technology Fund (CITF)



- Hong Kong Institute of Construction (HKIC)
- School of Professional Development in Construction (SPDC)
- Registered Specialist Trade Contractors Scheme (RSTCS)
- Hong Kong Construction Industry Trade Testing Centre (HKCITTC)



- Construction Industry Sports & Volunteering Programme (CISVP)
- Construction Safety Campaigns / Activities



## Resources

### Towards Carbon Neutrality

The construction industry is facing an urgent challenge to combat the climate crisis by taking immediate and effective actions to slow down the trajectory of global temperature increase to below 1.5°C compared to pre-industrial levels. In response to the challenge, Hong Kong has demonstrated its commitment to global decarbonisation efforts through the Climate Action Plan 2050+ published in 2021. The CIC recognises the significance of this challenge and has embarked on a sustainable journey by initiating a series of programmes and tools since 2018 to empower and motivate industry practitioners to decarbonise the value chain.

### Carbon Neutrality Strategy and Plan Directional Guideline

The CIC envisages a sustainable future for the city, and is keen to join hands with the industry to contribute to the fulfillment of Hong Kong's pledge to achieve carbon neutrality by 2050. Based on the identified decarbonisation areas in the Hong Kong Climate Action Plan 2050+, the CIC commissioned a consultant to conduct a study to investigate the current and projection of carbon emissions generated in the sector, and analyse the efforts that the industry required to meet the carbon reduction targets. The study aims to extract and prioritise decarbonisation focus for the industry, and explores the innovations and means that the industry could adopt to pursue a carbon neutral pathway.

### Key Initiatives in the CIC Sustainable Construction Roadmap

#### 2018 The First Sustainable Construction Award



- 2,000+ industry practitioners participated in the 1<sup>st</sup> & 2<sup>nd</sup> award
- The 3<sup>rd</sup> award will be organised in 2023

#### 2019 Carbon Assessment Tool



- 300+ projects participated
- 800+ construction materials covered

#### 2019 Green Product Certificate



- 800+ green products certified
- 28 product categories covered

#### 2021 Sustainable Finance Certification Scheme



- 20+ certificates issued
- 29 certified assessors

#### 2022 Smart Waste Management Tool



- To be launched in 2023

#### 2022 Carbon Neutrality Strategy and Plan Directional Guideline

- Guiding the industry to move towards Carbon Neutrality by 2050

## Streamlining the Existing Construction and Demolition Waste Management Procedures

Waste reduction is a key area for decarbonising our city, and the CIC has taken an important step towards this goal by initiating a research study to evaluate the current construction and demolition (C&D) waste disposal procedures and policies. In 2022, the CIC has developed the Smart Waste Management Tool (SWMT) which is a one-stop digital platform and digitises processes from waste data collection to management. The SWMT creates a single source of truth, reducing the need for manual data entry and paper usage, and enabling efficient waste management for projects and society at large. The platform also features real-time data analytics, allowing users to track waste generation, disposal, and recycling rates, as well as identify areas for improvement.

With the groundwork laid in 2022, the SWMT will conduct pilot trials to refine the platform, with plans to launch in 2023. The SWMT represents an innovative solution to streamline waste management procedures in the construction industry, providing a user-friendly digital platform that simplifies waste management processes, reduces administrative burdens and costs, and enables more efficient waste management for projects and the wider community. By reducing waste and improving efficiency, the SWMT will help the construction industry move towards a more sustainable and circular economy, reducing environmental impact and contributing to a greener future.

## The CIC Sustainability Toolkit

The CIC has developed a set of digital platforms to enable capturing, monitoring and management of sustainability data, and eventually facilitate the improvement of sustainability performance. In 2022, the Carbon Assessment Tool (CAT) commenced the upgrades to enhance the friendliness of its user interface, as well as update and expand a database of material emission factors. The Green Finance Certification Scheme (SFCS) received more recognitions from financial institutes and continued to certify green projects and assessors. The CIC-funded iBeam Unison was launched, embarking a new phase of BIM-based green building assessment in Hong Kong while the Green Product Certification (GPC) had seen an increase of more than 30% of green products certified.

## Promoting Sustainable Culture and Construction Excellence

The CIC is committed to cultivating sustainable culture and promoting sustainable construction practices in Hong Kong. To encourage sustainable practices and bring together industry professionals, the CIC hosted the International Conference on Green Construction cum CIC Sustainable Construction Award (SCA) 2023 Launching Ceremony in 2022. The conference provided a platform for industry professionals to exchange ideas and learn from each other's experiences in sustainable construction. Topics covered sustainable design, green building materials, energy efficiency, and green finance.

As part of the conference programme, the CIC launched and announced the third Sustainable Construction Award (SCA) to be held in 2023. The SCA recognises outstanding achievements in sustainable construction practices among organisations and practitioners in Hong Kong and Greater Bay Area (GBA), and promotes the adoption of sustainable design, construction, and operation of buildings and infrastructure projects. The award is open to all construction projects in Hong Kong and GBA with construction activities carried out in the period between 2021 and 2023. Projects are evaluated based on their sustainability initiatives and their impact on the environment and community.

# SUSTAINABILITY REPORT

## Key Initiatives in Operation

### CIC-Zero Carbon Park

The CIC-Zero Carbon Park (CIC-ZCP) is Hong Kong's first zero-carbon building, designed to showcase sustainable features in the building to the industry and the public. Since its inception, the CIC-ZCP has served as an exchange and knowledge hub showcasing the latest technologies in the industry to our stakeholders from local and abroad, as well as a green community place that promotes the health and well-being of the neighborhood. A vast variety of activities with sustainability themes are organised at the CIC-ZCP. In 2022, the CIC-ZCP collaborated with the electric vehicle industry to organise the first outdoor exhibition of electric vehicles to support Hong Kong's development as a low-carbon city. The exhibition featured a variety of electric vehicles, including buses, minibuses, Rehabus (accessible buses), autonomous cars, vans, private cars, and motorcycles. In addition, EV charging facilities were on display, along with tips for public and home charging. This three-day EV Exhibition also included seminars and workshops organised by different exhibitors to further promote the benefits of low-carbon mobility.

The collaboration serves as a platform for promoting sustainable practices and technologies in the construction industry in order to contribute to a more sustainable and resilient future for Hong Kong. By promoting sustainable transportation options and educating the public on the benefits of low-carbon mobility, the collaboration encourages individuals to take action towards a greener future.

### Hong Kong Institute of Construction and Hong Kong Construction Industry Trade Testing Centre

The Hong Kong Institute of Construction (HKIC) and Hong Kong Construction Industry Trade Testing Centre (HKCITTC) performed the following environmental measures in their premises in 2022:

#### Energy Use

- Enhanced the use of renewable energy by installing solar panels in certain facilities to generate clean energy and reduce electricity consumption.
- Participated in the CLP Power Hong Kong's "Feed-in Tariff (FiT)" scheme to support renewable energy development in Hong Kong.

- Submitted an application for the Charter on External Lighting under the Environment and Ecology Bureau.
- A total of 2,451,981 kWh of energy was saved.

#### Materials

- Adopted e-training materials, e-assessment app, e-written test app, e-feedback surveys, and e-attendance to reduce paper consumption.
- For the training courses on excavator operation, replaced rocks with concrete elements for the process of rock breaking using hydraulic breakers. Afterwards, the broken concrete elements were recycled and used in drainage layers.

#### Waste

- Recycled disused metal containers in the Outdoor Training Grounds.
- A total of 109,815 kg of scrap metal was recycled.

#### Way Forward

The CIC is committed to keep expanding the initiatives towards sustainable construction and creating a sustainable built environment in Hong Kong. Going forward, the CIC will prioritise the following works:

- Collaborate with industry stakeholders to pursue the goal of carbon neutrality
- Implement for energy-saving practices throughout the building life cycle of CIC premises
- Launch the Smart Waste Management Tool in 2023
- Consult and finalise the Carbon Neutrality Strategy and Plan Directional Guideline in 2023
- Enhance recycling arrangements for waste materials, including scrap metal from HKIC's outdoor training ground
- Pilot the "Smart Plastic Bottle Recycling Green Programme" on campus
- Develop an e-scheduling system to better manage and relocate manpower and workshop resources
- Organise the CIC Sustainable Construction Award 2023
- Organise the Global Construction Sustainability Forum and Exhibition 2023

## Intelligence

### Towards High Productivity and Smart Construction

The construction industry is rapidly evolving through innovation and digitalisation, with Building Information Modelling (BIM), Modular Integrated Construction (MiC), and Multi-trade Integrated Mechanical, Electrical, and Plumbing (MiMEP) at the forefront of this transformation. These innovations unleash the potential to enhance productivity, quality, safety, and sustainability. The CIC plays a vital role in spearheading the transformation to smart construction by serving as a hub for innovation and digitalisation resources and knowledge, providing guidance and reference materials for the industry to follow. Through these efforts, the CIC aims to drive the industry towards a more efficient, sustainable, and technologically advanced future.

### Capacity Building for Industry Transformation

#### 01 Charter, Award and Recognition

#### 02 Guidance and Reference Materials

#### 03 Knowledge Sharing & Exchange

#### 04 Research and Development

#### 05 Funding Support



Construction Digitalisation Charter Signing Ceremony

### Charter, Award and Recognition

#### *Construction Digitalisation Charter*

A total of 59 organisations signed the Construction Digitalisation Charter to join hands with the CIC to achieve our digitalisation targets for the industry in 2022. By signing the Charter, they committed (1) to devise an organisational digitalisation roadmap to achieve the 2026 targets set in the CIC's Construction Digitalisation Roadmap for continual and wider adoption of BIM, Common Data Environment ("CDE") including Digital Work Supervision System ("DWSS") and Smart Site Management System (e.g. Smart Site Safety System), and if applicable, Smart Asset Management / Facility Management (AM / FM) for Operations & Maintenance (O&M) in their projects to enhance safety, quantity, speed, efficiency, sustainability, (2) to train relevant staff on various appropriate levels of BIM competencies, and (3) to authorise the name of their organisation and / or subsidiaries be placed on a public list of pledgees supporting the CIC's Construction Digitalisation Roadmap.

#### *Hong Kong Construction Common Data Environment Award*

The CIC and the Development Bureau co-organised the first ever "Hong Kong Construction Common Data Environment Award" to recognise outstanding local projects and organisations that had best utilised Common Data Environment (CDE) to improve project management, collaboration and productivity. A total of 11 awards were given under Project and Organisation categories.



Hong Kong Construction Common Data Environment Award



## SUSTAINABILITY REPORT

### *CIC BIM Competition 2022*

For the fourth year, the CIC BIM Competition continued to promote the practical uses of BIM through a collaborative and competitive learning approach among higher education students in construction-related disciplines. The theme of the Competition was “Modularity & Adaptability in Transitional Housing (T-Housing) Design with Use of BIM”. This is the first time to mandate the use of CDE as one of the submission requirements for students to experience digital project coordination and collaboration using CDE.



CIC BIM Competition 2022 Award Ceremony

### *Guidance and Reference Materials*

#### *CIC Beginner's Guide on Construction Digitalisation*

The CIC has actively promoted the digital transformation of the construction industry. In order to assist the industry, especially Small and Medium Enterprises (SMEs) to enhance their capabilities, accelerate digitalisation and embrace new technologies, the CIC has published the following three “CIC Beginner's Guides on Construction Digitalisation”.



- CIC Beginner's Guide on Construction Digitalisation – Smart Site Digital Platform
- CIC Beginner's Guide on Construction Digitalisation – Adoption of BIM in Small and Medium Enterprises
- CIC Beginner's Guide on Construction Digitalisation – Adoption of Common Data Environment (CDE) for Information Management using BIM

The three publications provide information on the commonly required functionalities of a digital platform for managing construction projects, step-by-step guidance for SMEs to adopt BIM, and practical advice on the general considerations when selecting a CDE as an information management and collaboration tool for BIM projects.

### *Reference Materials on MiC Publication*

The CIC regularly publishes reference materials on MiC to the industry practitioners. In 2022, the CIC issued “Reference Material on Heavy Lifting Operation for MiC Projects”. The CIC also updated “Reference Materials on Use of Digital Technologies for QA / QC of MiC Modules in MiC Factories” and “Reference Material on Adopting DfMA for MEP Works (A Concise Guide)”. As of 31 December 2022, there were over 4,500 downloads for all published reference materials.

### *Knowledge Sharing & Exchange*

#### *Construction Innovation Expo 2022 (CIExpo 2022)*

Jointly organised by the Development Bureau, Centre of Science and Technology Industrial Development, the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the CIC, the CIExpo 2022 was successfully held between 13-17 December 2022. There were four exhibition themes including Automation, Digitalisation, Industrialisation and Modernisation, and with over 21,000 visitors and 173 exhibitors participated.

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

#### Technology Matching

To promote the adoption of innovative technologies in different segments of our industry, the CITAC proactively approached industry practitioners to collect their pain points and needs, and sorted technology ventures for matching. Since June 2022, over 20 technology matching events between potential industry users and technology ventures have been organised. A total of 83 SME contractors, 6 project clients, 3 consultants and 13 large-sized contractors connected to the technology suppliers at the matching events.

#### ConTech Accelerator

The CIC and Hong Kong Science and Technology Parks Corporation jointly launched the Hong Kong's first ConTech-focused innovation accelerator programme in July 2022. Engaged 20 leading contractors, this programme created a unique platform to expedite the adoption of novel technologies and materials for enhancing safety, sustainability and productivity performance of the Hong Kong construction industry. This one-year programme is anticipated to drive the commercialisation and wider applications of related technologies in construction.

#### Exhibition

To explore and identify innovative techniques and green technologies that are suitable for adoption in the Hong Kong construction industry, iHub was built and serves as a professional knowledge platform. In 2022, iHub conducted over 280 tours and over 7,500 visitors participated. Benefited from the various industry-related events (e.g. online conference), the numbers of registered organisation members and individual members for i-Club were 950 and 22,300 respectively. There is an increase of more than 52% of individual members since the end of 2021.

### *Modular Integrated Construction (MiC)*

#### High Productivity and Sustainable Construction Method

As a part of the iHub, MiC Resources Centre received nearly 7,000 visitors including students from tertiary and secondary education who intended to join the construction industry. The tours aims to deepen youngsters' understanding and arouse their interest in joining the industry. The Centre did not only showcase MiC projects information and its module connection technologies, it has also provided a number of MiMEP solutions, digital platform to facilitate fabrication and construction on site, heavy lifting equipment and advanced construction materials to further support and promote the benefits of MiC i.e. more sustainable construction method compared with traditional one.

#### MiC Conference, Webinars and Workshops

In 2022, an International Conference on MiC cum MiC Achievement Ceremony and two local webinars were organised. The first MiC Achievement Ceremony aimed to recognise outstanding local MiC advocates, projects and its project teammates for their contributions to the adoption of MiC. The benefits of MiC, in terms of safety, sustainability, productivity and quality, etc., have been fully demonstrated by these awarded projects.

## SUSTAINABILITY REPORT

### Understanding Local MiC Projects

As an advocate of MiC in Hong Kong, the CIC strives to promote understanding on the MiC construction process in the industry, including how to achieve greener buildings. The CIC organised local site visits in 2022 for Joint Working Group on MiC, CITF Vetting Sub-committees, developers and master class students. Projects included Mockup for Tonkin Street Redevelopment Project, MiC Mockup for Hung Shui Kiu Phase 1A and Student Residence at Wong Chuk Hang for the University of Hong Kong. Over 60 participants joined these visits.



Mockup for Tonkin Street Redevelopment Project visit

### Webinar Series on Offsite Construction

In a webinar series organised in 2022, local experts and professionals were invited to share the development and their project experiences on offsite construction. Over 3,000 practitioners attended the event.

### Research and Development

#### Research Projects on Construction Innovation

Funded under the CIC Research and Technology Development (R&D) Fund, an artificial intelligence mobile phone application has been developed to classify different rock types for geotechnical logging.

### Funding Support

#### Construction Innovation and Technology Fund

By the end of 2022, Construction Innovation and Technology Fund (CITF) has contributed more than HK\$790 million to a variety of projects for the adoption of innovative and advanced technologies in the industry. The CITF is one of the initiatives employed to encourage sustainable development of the industry, including enhanced environmental performance of construction projects. The CITF Pre-approved Technologies List consists of over 600 products covering different environmental-friendly materials as well as digitalisation and automated solutions for pollution mitigation and monitoring. Over 2,900 funding applications were approved, benefiting more than 960 recipients. In 2023, the CITF will conduct an overall review with an aim to further enhance the funding support to the industry in relation to technology adoption.

## Key Initiatives in Operation

### IoT System at HKIC and HKCITTC

In 2022, HKIC Kowloon Bay Campus and Aberdeen Trade Test Centre implemented the IoT Management System by installing different sensors, including Indoor and Outdoor Environmental Quality Sensor, Vibration and Temperature Sensor, Door Contact Sensor, People Counting CCTV, Tree Health Sensor, Weight Sensors etc..

Those IoT sensors are used for collecting data, analysing and making real-time and reliable reports. They proactively assist the management office to monitor facilities and make the immediate response and actions as prescribed.



Tree Health Sensor

Vibration and Temperature Sensor



Water Leakage Sensor (Point Type)

## Way Forward

Moving forward, the CIC will continue to promote the wider adoption of innovative technologies for the sustainable growth of the construction industry. The following initiatives will be prioritised to implement:

- Launch various awards to recognise the contributions of outstanding stakeholders in construction innovation and digitalisation
- Organise the CIC Master Class on Artificial Intelligence (AI) for Construction
- Produce appropriate additional information requirements for BIM models based on 10 use cases identified in "Report on 3D Spatial and BIM Data Use Case Requirements of the Hong Kong Construction Industry"
- Facilitate technical knowledge and resource sharing on MiC and BIM
- Promote and facilitate wider adoption of MiC in the private sector
- Implement CCTV analytics with an AI system at the CIC-ZCP and HKIC

Water Leakage Sensor (Rope Type)



Indoor Environment Quality Sensor



Talent Development

Cultivating Talents for the Future of Construction

A talented and professional workforce is essential for the sustainable development of the local construction industry. The CIC has a proven track record in attracting, retaining, and nurturing talents through the establishment of a systematic and comprehensive training and qualifications system. The construction workforce has made significant contributions to the prosperity of the local society, and the CIC is dedicated to further nourishing fellow practitioners in embracing professionalism, knowledge and skills, innovation, safety, and sustainability. In light of rapid industry transformation, the CIC is passionate about contributing to the city’s development by cultivating an energetic and skilled workforce that is equipped to meet the industry’s evolving needs.

Highlights in 2022



Providing Professional Construction Training and Development Schemes

Hong Kong Institute of Construction (HKIC) and School of Professional Development in Construction (SPDC)

HKIC and SPDC actively conduct programme accreditations under the Qualifications Framework (QF). In 2022, 144 training courses including Advanced Diploma Programme, Certificate in Construction Programme, Diploma in Construction Programme, Short Course and Skill Enhancement Courses were launched.

Trade Tests

Hong Kong Construction Industry Trade Testing Centre

The Hong Kong Construction Industry Trade Testing Centre (HKCITTC) provides independent and credible trade test services to the industry. A total of 15,049 trade tests were completed in 2022.

## Registration Schemes

### *Registered Specialist Trade Contractors Scheme*

The Registered Specialist Trade Contractors Scheme (RSTCS) was established in 2019 with the aim to build up a pool of professional and committed trade contractors with specialised skills through a recognised registration system for the development of the construction industry.

To widen the coverage of the RSTCS, “suspended ceiling”, “tower crane (erecting, dismantling and altering height)” and “building drainage installation” are upgraded as the 9th, 10th and 11th designated trade in 2022 along with the current designated eight trades namely demolition, reinforcement bar fixing, erection of concrete precast component, concreting formwork, concreting, scaffolding, curtain wall and plastering. Until 2022, the RSTCS covers 11 designated trades founded upon the sixth comprehensive core elements. As of the end of 2022, there were a total of 7,685 registered companies, including 1,545 Registered Specialist Trade Contractors (RSTC) and 6,140 Registered Subcontractors under the RSTCS.

## Supporting the Frontline Industry Practitioners

### Professional Development

The CIC cares about professional development and physical and mental health of frontline practitioners. To encourage continuous development among registered construction workers, registered Technically Competent Persons, management, technical and safety personnel of Registered Specialist Trade Contractors, key initiatives in 2022 were implemented as follows:

- Five Specialist Trade Technical Webinars to showcase innovative technology adoption and share construction project experience of specialist trades, attracting over 3,800 participants
- ‘RSTCS Leadership Summit 2022 – Ignite Innovative Skills’ with more than 1,400 attendees
- Two seminars on ‘Security of Payment Provisions in Public Works Contracts for the Construction Industry’ with around 470 people attended
- Six iHub Guided Tours arranged for more than 184 practitioners and their families

### Scholarship for Family Members of Registered Construction Workers

The CIC awarded ‘Scholarship for Family Members of Registered Construction Workers’ (The Scholarship) with HK\$346,000 scholarship and a total of 41 prizes to family members of construction workers who achieved outstanding results in the 2022 Hong Kong Diploma of Secondary Education Examination. The Scholarship also commended awardees’ family members who are registered skilled workers for their continuous enhancement of professionalism. Youth is the cornerstone of the flourishing growth of our society. It is hoped that the younger generation will drive society improvements by applying advanced knowledge and innovation in various professions such as medicine, dentistry, earth and environmental sciences, finance, architecture, engineering and education.

## SUSTAINABILITY REPORT

### Key Initiatives in Operation

#### Talent Management and Engagement

The CIC implemented a number of People Initiatives and Talent Retention measures in 2022 to realise the CIC core values of “Caring, Integrated, Committed” and to meet the challenges of the competition for talents. These measures included the Alternate 4-Day Work-Week arrangement, extending retirement age to 65 to retain outstanding performers, building career ladder for staff and supporting continued learning.

#### Training and Development

The CIC is cultivating a learning culture to prepare our staff to meet the CIC’s development needs and staff’s own career aspiration. In 2022, the following training initiatives were arranged:

- Online learning platform “LinkedIn Learning” with free access and 24/7 flexible learning hours made available to staff since 2022. 98% of staff has activated the learning platform with an average of 26 learning hours per staff.
- To ensure staff are kept abreast of the various ordinances related to their daily duties, a total of seven training workshops was held, with a total participation of 1,411 staff enrolled.
- To enhance management staff’s skills in making impressive presentation in an audience-centric approach, two three half-days workshops on “All-rounded Presentation” were held in April and August 2022 with participation of 22 management staff.

### Way Forward

The CIC is committed to enhancing knowledge and raising the level of professionalism in the organisation and the construction industry. To achieve this goal, the following measures will be taken:

- Expand the QF accreditation for HKIC programmes and courses.
- Select and train additional trainers to support training courses.
- Launch and promote repair, maintenance, alteration and addition (RMAA) skill assessment programme to industry.
- Organise the 2023 Hong Kong Construction Skills Competition to promote excellent craftsmanship of various trades.
- Incorporate new elements in trade test to promote safety, professional ethics and housekeeping practices.

## Culture

### Embracing a Caring and Safe Culture

At the CIC, a high emphasis is placed on promoting a culture of care and safety for both staff and industry practitioners. The CIC is committed to the physical and mental wellness of the workforce and has dedicated extensive efforts to enhancing construction safety through various initiatives, including promotional activities, knowledge sharing of safety practices, and innovation adoption. Moreover, we believe in caring for the community and the neighborhoods. As such, we are enthusiastic to unite industry practitioners to give back to the community with love and compassion and bring healthy effect to the well-being of the staff and the community.

#### “Life First” Campaign

The CIC launched an industry-wide construction campaign, “Life First” since 2021. The campaign received an overwhelming response from the industry, with participants coming from various government departments, clients from the public and private sectors as well as a large number of contractors. In total, 78 clients, 174 contractors, and 428 work projects were engaged in the campaign to promote the “Say NO to Danger”.

#### Construction Safety Summit 2022

The CIC and the Development Bureau (DEVB) co-organised the Construction Safety Summit 2022 on 4 November 2022. With the theme of revamping site safety culture, the summit pooled more than 100 representatives and experts of the industry together to discuss a number of construction safety issues and they also signed the “Safety Charter” at the Summit, pledging to drive changes to the construction safety culture, to map out the four directions of action plan that can uplift the overall safety performance of the industry so as to achieve the vision of “zero accidents”. Besides, about 10,000 industry stakeholders participated in the Summit via online live broadcast.



“Life First” Safety Promotion Campaign



Construction Safety Summit 2022 “Safety Charter” Signing Ceremony

### Cultivating a Heart to Serve

#### Care for Community

In 2022, the Construction Industry Sports & Volunteering Programme (CISVP) organised over 472 volunteer activities to extend our care to the community and underprivileged groups, especially during the COVID-19 pandemic, benefiting more than 65,835 people.

Reaching a record high this year, there was a total of 45 construction-related organisations and NGOs participated in the 5<sup>th</sup> Construction Industry Volunteer Award Scheme, contributing over 137,436 service hours by 19,381 volunteers (man-time).



## SUSTAINABILITY REPORT

To further encourage companies to actively participate in CISVP activities and organise sports and volunteering programmes for their employees, the CIC set up a new “Annual CISVP Corporate Award for Activeness” Scheme this year. The award is categorised into two groups, namely “SME” group (for companies with less than 50 employees in Hong Kong) and “Entrepreneur” group (for companies with more than 50 employees in Hong Kong). Each category will have a Gold, a Silver, a Bronze and meritorious awards.

Under CISVP’s annual mega event – Lo Pan Service Month, three signature events successfully conducted, namely Construction Industry Lo Pan Rice Campaign, Construction Industry Blood Donation Day and Construction Industry Shoreline Clean-up Day, which totalled 403 rounds of services with 3,559 volunteers participated.

This year, the CISVP collaborated with the Hong Kong Construction Association to organise the “18 Districts Lo Pan Rice” Campaign in July. Teams of volunteers from 33 construction-related supporting organisations distributed hot meal boxes and goodie bags to under-privileged groups at 33 distribution points across 18 districts. In 2022, a total of 31,012 “Lo Pan Rice” meal boxes were distributed.

CISVP also organised 11 rounds of home repairing and moving services for the elderly and emergency repair services for community facilities.

### Number of Volunteering Services

472

### Number of Beneficiaries

65,835

### Construction Industry Volunteer Award Scheme

#### Participated Organisations

45

#### Service Hours

137,436

#### No. of Volunteers (man-time)

19,381



Lo Pan Service Month – Construction Industry Shoreline Clean-up Day



“18 Districts Lo Pan Rice” Campaign



Lo Pan Service Month – Construction Industry Blood Donation Day



Representatives share experiences at the Construction Industry Volunteer Award Presentation Ceremony 2022

### Rising Industry Participation

Due to reinforce the objectives of CISVP and further promote the spirit of sports and volunteering to more organisations in the construction industry, near 9% growth in the application number of CISVP Corporate Members were achieved, and there was over 5% increase in the number of awarded companies for the "Construction Industry Caring Organisations" Logo.

CISVP Corporate Members	"Construction Industry Caring Organisations" Logo
153	146
Up 9% compared to 2021	Up 5% compared to 2021

### Key Initiatives in Operation

#### Corporate Safety and Health

To attain continual improvement in occupational safety and health (OS&H), various OS&H trainings have been provided to raise OS&H awareness within the CIC.

#### Staff Engagement & Cross-team Collaboration

To strengthen bondage amongst staff and to facilitate cross-team collaboration, the CIC held a total of 8 one-day "Staff Engagement Workshop" from August to December 2022 with 212 staff participations, including new staff, serving staff and Culture Champions.

### Way Forward

The CIC places a strong emphasis on promoting a culture of care and safety and is dedicated to continuously enhancing its efforts. The following initiatives will be pursued:

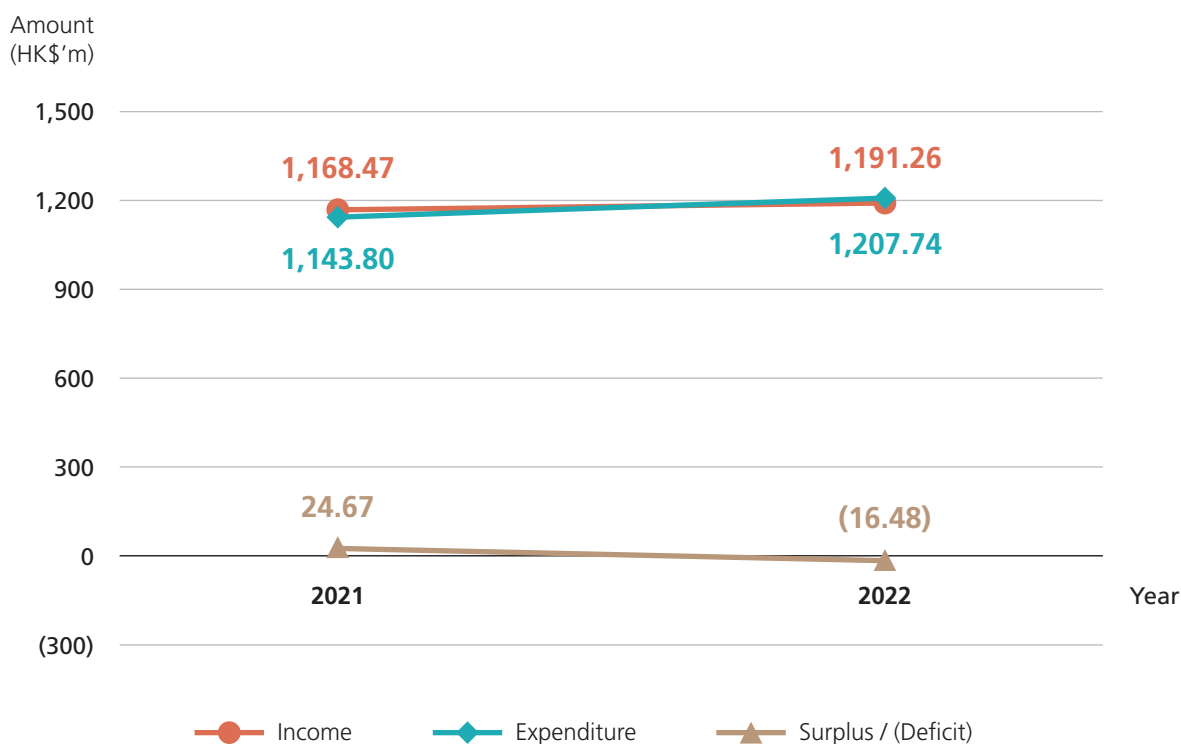
- Build a sense of commitment in sports and volunteering activities among different stakeholders, to promote a culture of community involvement and caring.
- Organise various safety training courses for the corporations and industry participants, to ensure that industry practitioners are equipped with the latest knowledge and skills to enhance construction safety awareness.
- Continue to provide various caring activities for staff, to promote their well-being and foster a culture of care within the organisation.

# HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

## Highlight of the audited financial statements of the CIC Group

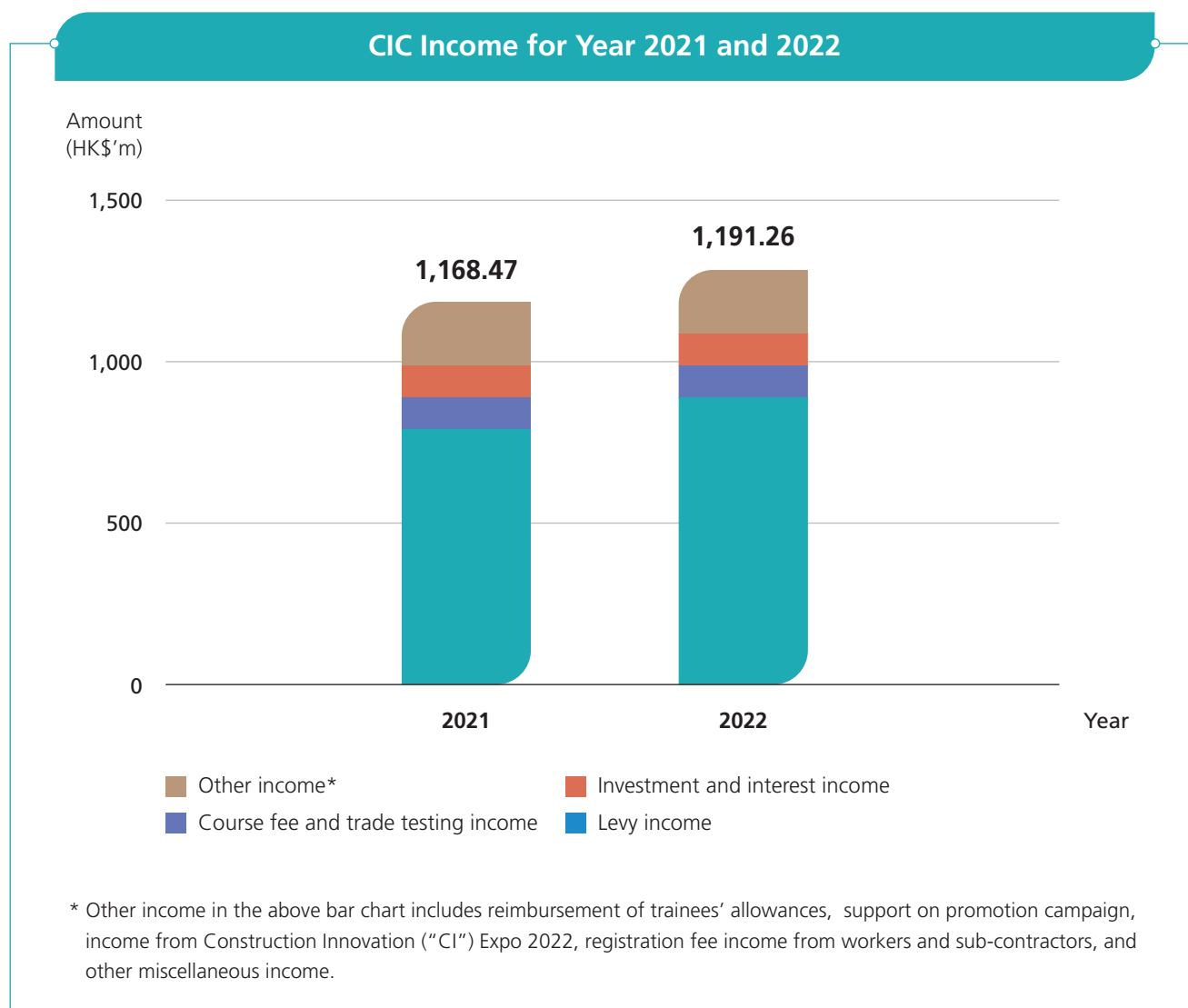
Based on the audited consolidated financial results for the year ended 31 December 2022, total income of CIC Group was \$1,191.26 million (2021: \$1,168.47 million), an increase of \$22.79 million or 2.0% against last year. Total expenditure for 2022 was increased by \$63.94 million or 5.6% to \$1,207.74 million (2021: \$1,143.80 million). The operating results for 2022 recorded a deficit of \$16.48 million (2021: surplus of \$24.67 million).

### CIC Income, Expenditure & Surplus / (Deficit) for Year 2021 and 2022



## HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Total income of CIC in 2022 was \$1,191.26 million, an increase of \$22.79 million or 2.0% against \$1,168.47 million in 2021.



Levy income increased to \$1,059.88 million in 2022 (2021: \$1,056.12 million) and contributed 89.0% (2021: 90.4%) of total income. The 0.4% year-on-year increase in levy income in 2022 was mainly caused by the increase in Civil & Building works in public sector. Total levy assessed on the value of construction operations in the private and public sectors amounted to \$487.06 million (2021: \$491.92 million) and \$570.14 million (2021: \$563.30 million) respectively, representing 46.0% (2021: 46.6%) and 53.8% (2021: 53.3%) of total levy income. In addition, penalty on overdue levy and surcharge amounted to \$0.77 million (2021: \$0.82 million) and \$1.92 million in 2022 (2021: \$0.08 million) respectively.

Workers registration fee income for 2022 decreased to \$3.50 million (2021: \$5.49 million) due to amortisation effect of income from previous years.

Course fees and related income decreased to \$29.33 million in 2022 (2021: \$33.04 million) with lower income from commissioned courses.



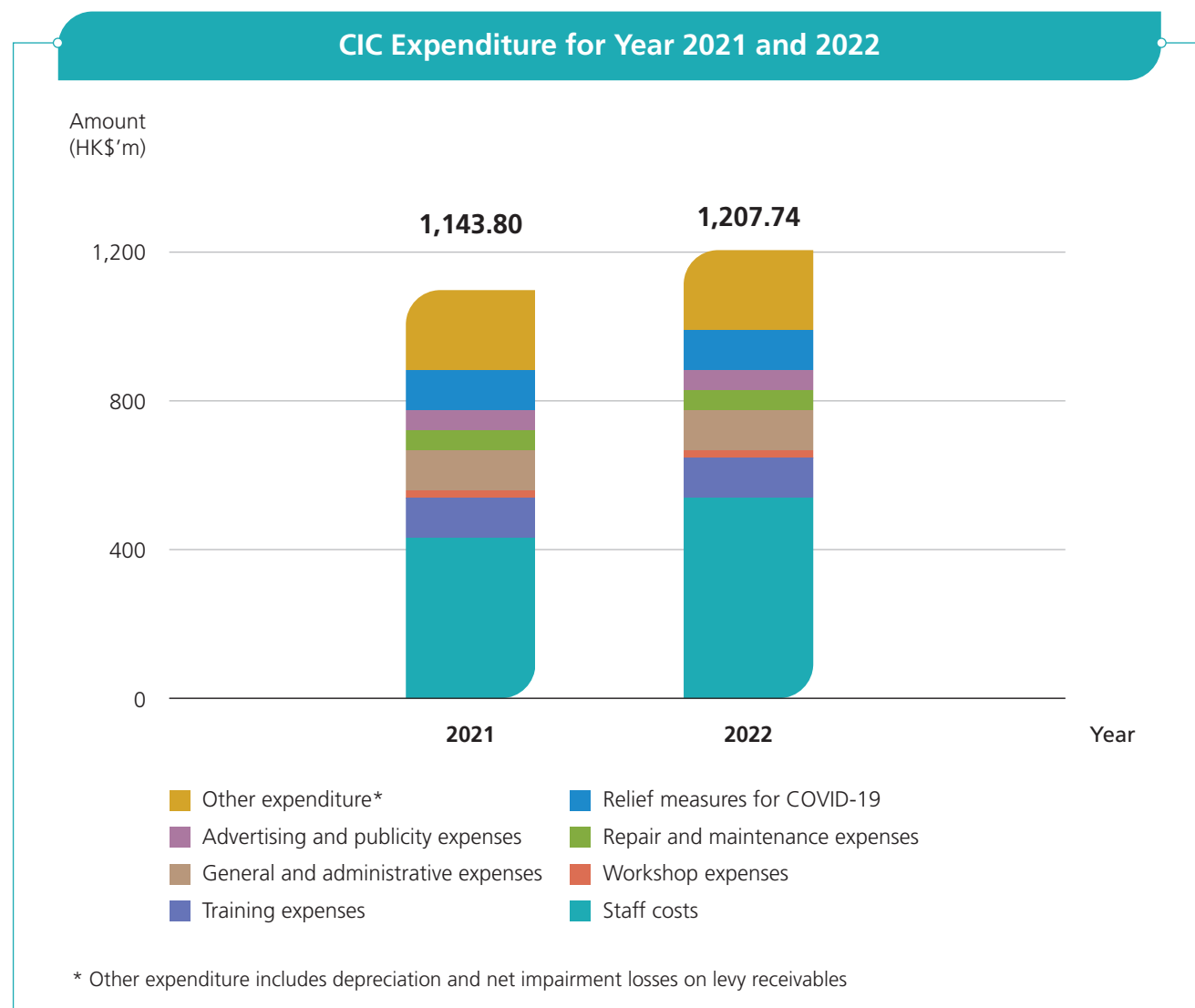
## HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Trade testing income for 2022 decreased to \$4.92 million (2021: \$5.29 million) primarily due to decrease in the number of trade tests conducted in 2022.

Investment and interest income for 2022 increased to \$32.94 million (2021: \$14.79 million). The increase in investment and interest income was mainly due to higher interest rates on time deposits.

Other income of \$60.68 million in 2022 (2021: \$53.74 million) mainly comprised of the reimbursement income of trainees' allowances from the Government under various schemes, including the Construction Industry Council Approved Technical Talents Training Programmes ("CICATP"), Intermediate Tradesman Collaborative Training Scheme ("ITCTS"), Urban Forestry Support Fund – Trainee Programme ("UFSF-TP"), Advanced Construction Manpower Training Scheme ("ACMTS") and other schemes, as well as other miscellaneous income. The increase in other income in 2022 was mainly contributed by increase in support on promotion campaign, income from CIExpo 2022, reimbursement from Enhanced Construction Manpower Training Scheme ("ECMTS") and UFSF-TP, which was partly offset by decrease in reimbursement from CICATP.

Total expenditure of CIC in 2022 was \$1,207.74 million, an increase of \$63.94 million or 5.6% against \$1,143.80 million in 2021.



## HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Staff costs amounted to \$456.18 million in 2022 (2021: \$428.07 million). The increase of 6.6% was mainly due to annual salary adjustment and recruitment of additional staff for various departments.

Training expenses increased by 44.5% to \$226.83 million in 2022 (2021: \$157.01 million) mainly due to decline in training expenses in 2021 when accrual for trainees' allowances and trainers' subsidies of collaborative training programs were reviewed and adjusted. Other increase was mainly due to increase in training outputs.

Workshop expenses increased by 34.2% to \$32.24 million in 2022 (2021: \$24.03 million) mainly due to higher expenditure on consumable materials and tools, and restoration of trade test venues resulting from increase in training outputs.

General and administrative expenses amounted to \$94.25 million in 2022 (2021: \$100.67 million). The 6.4% decrease in 2022 was mainly due to lower research and studies expenses and consultancy and professional fees. They were partly offset by higher sanitation and cleaning, and internet and broadband services.

Repair and maintenance expenses amounted to \$42.08 million in 2022 (2021: \$36.44 million). The 15.5% increase was mainly due to higher maintenance expenses on computer equipment and software, and repair of workshop equipment machinery.

Advertising and publicity expenses increased by 57.5% to \$72.81 million in 2022 (2021: \$46.23 million) mainly due to CI Expo 2022 and publicity events of the 15th Anniversary of CIC.

Depreciation amounted to \$222.96 million in 2022 (2021: \$223.84 million), a decrease of 0.4% against last year.

Relief measures for COVID-19 decreased by 53.0% to \$59.35 million in 2022 (2021: \$126.35 million). In 2022, CIC continued to run Caring Fund which provides support to construction workers and their families infected by COVID-19.

As at 31 December 2022, the Council held a total of \$3,169.34 million as total fund and reserves, compared with \$3,185.95 million as at 31 December 2021.

# 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 169 to 207, which comprise the consolidated statement of financial position as at 31 December 2022, 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 2022, 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 ("HKSAs") 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, but does not include 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.

### Other Matter

The consolidated financial statements for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 29 April 2022.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

28 April 2023

## FINANCIAL STATEMENTS

### Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>INCOME</b>			
Levy income	4	1,059,882,291	1,056,115,636
Workers registration fee income	5	3,496,948	5,493,108
Course fees and related income	6	29,333,433	33,041,551
Trade testing income	6	4,924,749	5,293,594
Investment and interest income	7	32,940,677	14,786,779
Other income	8	60,682,568	53,735,956
		<b>1,191,260,666</b>	1,168,466,624
<b>EXPENDITURE</b>			
Staff costs	9	456,176,210	428,073,055
Training expenses		226,828,216	157,009,802
Workshop expenses		32,235,325	24,029,044
General and administrative expenses	10	94,251,414	100,666,033
Relief measures for COVID-19	11	59,345,375	126,354,365
Repair and maintenance expenses		42,081,544	36,436,269
Advertising and publicity expenses		72,811,977	46,225,236
Depreciation	12	222,960,411	223,840,282
Net impairment losses on levy receivables	16	1,054,244	1,165,729
		<b>1,207,744,716</b>	1,143,799,815
<b>(Deficit) surplus for the year</b>		<b>(16,484,050)</b>	24,666,809
<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		(129,623)	(388,869)
<b>(Deficit) surplus and total comprehensive (expense) income for the year</b>		<b>(16,613,673)</b>	24,277,940

## FINANCIAL STATEMENTS

### Consolidated statement of financial position

At 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	13	981,368,607	1,092,483,743
Construction in progress	13	70,209,642	108,456,632
Debt instruments at amortised cost	14	260,420,621	262,514,998
Equity instruments at fair value through other comprehensive income ("FVTOCI")	15	10,719,822	10,849,445
		<b>1,322,718,692</b>	1,474,304,818
<b>Current assets</b>			
Levy receivables	16	96,097,969	82,061,970
Deposits, prepayments and other receivables	17	105,809,212	86,460,067
Cash and bank balances	18	3,866,857,604	2,693,625,040
		<b>4,068,764,785</b>	2,862,147,077
<b>Current liabilities</b>			
Accounts and other payables and accruals	19	333,544,545	342,460,244
Construction Innovation and Technology Fund	20	1,864,328,549	773,194,637
Lease liabilities	21	7,559,286	7,033,535
Contract liabilities	22	8,447,119	10,239,727
		<b>2,213,879,499</b>	1,132,928,143
<b>Net current assets</b>		<b>1,854,885,286</b>	1,729,218,934
<b>Total assets less current liabilities</b>		<b>3,177,603,978</b>	3,203,523,752

**Consolidated statement of financial position (continued)**

At 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Non-current liabilities</b>			
Lease liabilities	21	<b>5,695,561</b>	12,162,930
Contract liabilities	22	<b>2,568,475</b>	5,407,207
		<b>8,264,036</b>	17,570,137
<b>Net assets</b>		<b>3,169,339,942</b>	3,185,953,615
Represented by:			
Accumulated fund		<b>2,774,478,399</b>	2,790,962,449
General reserve		<b>389,353,310</b>	389,353,310
Investment revaluation reserve		<b>5,508,233</b>	5,637,856
<b>Total fund and reserves</b>		<b>3,169,339,942</b>	3,185,953,615

The consolidated financial statements on pages 169 to 207 were approved and authorised for issue by the Council members of Construction Industry Council on 28 April 2023 and were signed on their behalf by:

**HO On-sing, Thomas**  
Chairman

**WONG Hin-wing, Simon**  
Council member



## FINANCIAL STATEMENTS

### Consolidated statement of changes in fund and reserves

For the year ended 31 December 2022

	Accumulated fund HK\$	General reserve HK\$ (Note a)	Investment revaluation reserve HK\$ (Note b)	Total HK\$
At 1 January 2021	2,766,295,640	389,353,310	6,026,725	3,161,675,675
Surplus for the year	24,666,809	–	–	24,666,809
Other comprehensive expense for the year	–	–	(388,869)	(388,869)
At 31 December 2021	2,790,962,449	389,353,310	5,637,856	3,185,953,615
Deficit for the year	(16,484,050)	–	–	(16,484,050)
Other comprehensive expense for the year	–	–	(129,623)	(129,623)
At 31 December 2022	2,774,478,399	389,353,310	5,508,233	3,169,339,942

Notes:

- (a) 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) Investment revaluation reserve comprises the cumulative net change in the fair value of equity investments at FVTOCI 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 2022

	2022 HK\$	2021 HK\$
<b>Operating activities</b>		
(Deficit) surplus for the year	<b>(16,484,050)</b>	24,666,809
Adjustments for:		
Net impairment losses on levy receivables	<b>1,054,244</b>	1,165,729
Interest expense on lease liabilities	<b>357,395</b>	280,722
Depreciation	<b>222,960,411</b>	223,840,282
Investment and interest income	<b>(32,940,677)</b>	(14,786,779)
Losses on disposal of property, plant and equipment	<b>648,821</b>	3,134,515
<b>Operating cash flow before movements in working capital</b>	<b>175,596,144</b>	238,301,278
Increase in levy receivables	<b>(15,090,243)</b>	(15,370,061)
Increase in deposits, prepayments and other receivables	<b>(1,724,284)</b>	(34,645,556)
(Decrease) increase in accounts and other payables and accruals	<b>(113,864,195)</b>	87,207,362
Decrease in contract liabilities	<b>(4,631,340)</b>	(6,327,432)
<b>Net cash from operating activities</b>	<b>40,286,082</b>	269,165,591

## FINANCIAL STATEMENTS

### Consolidated statement of cash flows (continued)

For the year ended 31 December 2022

	Notes	2022 HK\$	2021 HK\$
<b>Investing activities</b>			
Placement in bank deposits with maturity over three months		(3,746,040,000)	(1,033,014,432)
Withdrawal of bank deposits with maturity over three months		2,448,927,170	1,279,567,989
Interest received		13,119,288	16,898,844
Dividend received from equity instruments at FVTOCI		373,314	318,873
Proceeds received on disposal of property, plant and equipment		4,500	237,488
Payment for purchase of property, plant and equipment		(72,976,868)	(209,123,269)
Purchase of debt instruments at amortised cost		–	(203,392,184)
<b>Net cash used in investing activities</b>		<b>(1,356,592,596)</b>	<b>(148,506,691)</b>
<b>Financing activities</b>			
Repayment of lease liabilities	21	(7,573,752)	(11,607,330)
Construction Innovation and Technology Fund provided by Development Bureau	20	1,200,000,000	–
<b>Net cash from (used in) financing activities</b>		<b>1,192,426,248</b>	<b>(11,607,330)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(123,880,266)</b>	<b>109,051,570</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>244,697,870</b>	<b>135,646,300</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>120,817,604</b>	<b>244,697,870</b>
<b>Analysis of the balances of cash and cash equivalents</b>			
Cash and bank balances		3,866,857,604	2,693,625,040
Less: Time deposits with original maturity over three months		(3,746,040,000)	(2,448,927,170)
		<b>120,817,604</b>	<b>244,697,870</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

## 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 coordinating 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’s 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

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendment to HKFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018 – 2020

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s consolidated financial positions and performance 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 2022

### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs, potentially relevant to the Group, that have been issued but are not yet effective:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>3</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>3</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>3</sup>
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies <sup>1</sup>
Amendments to HKAS 8	Definition of Accounting Estimates <sup>1</sup>
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2023

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2024

Except for the new and amendments to HKFRSs mentioned below, the Council members anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

#### (a) Amendments to HKAS 1 and HKFRS Practice Statement 2 *Disclosure of Accounting Policies*

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

HKFRS Practice Statement 2 Making Materiality Judgments (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies. The impacts of application, if any, will be disclosed in the Group’s future consolidated financial statements.

### **(b) Amendments to HKAS 8 *Definition of Accounting Estimates***

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgments or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

## **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 leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as value in use in HKAS 36 “Impairment of Assets”.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

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
- 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 works 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 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 is 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.

The recoverable amount of property, plant and equipment is estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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.

### Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include: (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

### 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Leases

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.

For contracts entered into or modified on or after the date of initial application of HKFRS 16, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

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, and adjusted for any remeasurement of lease liabilities other than adjustments to lease liabilities resulting from COVID-19-related rent concessions in which the Group applied the practical expedient. 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 Group presents right-of-use assets in property, plant and equipment, the same line item within which the corresponding underlying assets would be presented if they were owned.

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 at the lease commencement date 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.

In relation to rent concessions that occurred as a direct consequence of the COVID-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 if the changes are not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

### 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 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

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 other comprehensive income 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 other comprehensive income 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.

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, 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 is 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### (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.

### (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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

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.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the nature of financial instruments and past-due status:

- Nature of financial instruments (i.e., the Group's account and other receivables are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Investment properties

Investment property is a 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.

### Foreign currencies

Transactions entered into by Group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

### 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;

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

- (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.

### 4. LEVY INCOME

	2022 HK\$	2021 HK\$
Private sector	<b>487,055,478</b>	491,918,316
Public sector	<b>458,555,934</b>	438,444,812
Others (Note)	<b>111,582,259</b>	124,848,688
Penalty on overdue levy	<b>766,659</b>	821,173
Surcharge	<b>1,921,961</b>	82,647
	<b>1,059,882,291</b>	1,056,115,636

Note: Others include levy income on construction operations relating to the port and airport development, Mass Transit Railway (such as, Express Rail Link, South Island Line, and Kwun Tong Line Extension and Shatin/Central Link), etc.

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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 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 22). 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

	2022 HK\$	2021 HK\$
Interest on bank deposits	26,923,669	12,473,127
Interest on debt instruments at amortised cost	5,643,694	1,994,772
Other interest income	–	7
Dividend from equity instruments at FVTOCI	373,314	318,873
	32,940,677	14,786,779

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 8. OTHER INCOME

	2022 HK\$	2021 HK\$
Reimbursement of trainees' allowance (Note 1)	39,308,450	41,729,738
Registration fee income from sub-contractors (Note 2)	3,131,517	3,207,940
Income from conferences and workshops	5,010,342	2,238
Income from short-term rental of devices	994,046	1,237,226
Reimbursement of promotion expenses (Note 1)	6,550,425	–
Other miscellaneous income	5,651,305	6,797,865
Foreign exchange gain, net	36,483	760,949
	<b>60,682,568</b>	53,735,956

Note 1:

Reimbursement of trainees' allowance and reimbursement of promotion expenses represented the receivable from the Government in respect of the allowances paid by the Group to the trainees for several approved training schemes and promotion expenses paid by the Group 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 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 22). Revenue is recognised on a time proportion basis based on the output method.

### 9. STAFF COSTS

	2022 HK\$	2021 HK\$
Salaries, wages and other benefits	436,120,876	407,934,493
Contributions to defined contribution retirement plan	20,055,334	20,138,562
	<b>456,176,210</b>	428,073,055



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 10. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses included:

	2022 HK\$	2021 HK\$
Auditor's remuneration	621,700	558,200
Losses on disposal of property, plant and equipment	648,821	3,134,515

### 11. RELIEF MEASURES FOR COVID-19

	2022 HK\$	2021 HK\$
One off relief measure for COVID-19	6,517,323	110,125,440
Allowance paid and other expense incurred to support workers under the Construction Industry Caring Campaign – Fight against Novel Coronavirus	56,963,693	11,124,786
Other COVID-19 relief measures	6,472,012	11,228,925
	69,953,028	132,479,151
Less: Fundings from the Construction Industry Caring Campaign	(10,607,653)	(6,124,786)
	59,345,375	126,354,365

### 12. DEPRECIATION

	2022 HK\$	2021 HK\$
Depreciation charges:		
– owned assets	214,533,399	212,609,905
– right-of-use assets	8,427,012	11,230,377
	222,960,411	223,840,282

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

## 13. PROPERTY, PLANT AND EQUIPMENT AND CONSTRUCTION IN PROGRESS

	Leasehold land and building (note) HK\$	Motor vehicles HK\$	Computer equipment HK\$	Renovation and building facilities HK\$	Furniture and fixtures HK\$	Facilities, tools, machinery and workshop equipment HK\$	Other equipment HK\$	Total property, plant and equipment HK\$	Construction in progress HK\$	Total HK\$
<b>Cost</b>										
At 1 January 2021	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
Additions	18,802,920	–	–	–	–	–	–	18,802,920	206,108,651	224,911,571
Disposals	(26,041,742)	(384,900)	(741,340)	(4,604,467)	(576,870)	(1,856,524)	(3,762,159)	(37,968,002)	–	(37,968,002)
Transfer	–	333,798	14,339,232	444,926,421	1,832,746	7,423,347	3,564,182	472,419,726	(472,419,726)	–
At 31 December 2021	603,036,180	1,025,342	152,861,955	1,011,776,492	9,759,897	126,484,706	42,039,695	1,946,984,267	108,456,632	2,055,440,899
Additions	1,276,739	–	–	–	–	–	–	1,276,739	72,974,867	74,251,606
Disposals	–	–	–	(3,714,646)	(30,450)	(1,015,589)	(409,273)	(5,169,958)	–	(5,169,958)
Transfer	–	395,946	29,066,008	74,025,095	–	6,320,372	1,414,436	111,221,857	(111,221,857)	–
At 31 December 2022	604,312,919	1,421,288	181,927,963	1,082,086,941	9,729,447	131,789,489	43,044,858	2,054,312,905	70,209,642	2,124,522,547
<b>Accumulated depreciation</b>										
At 1 January 2021	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
Charge for the year	26,080,091	160,452	21,701,734	155,841,679	913,078	14,091,063	5,052,185	223,840,282	–	223,840,282
Written off on disposals	(26,041,742)	(384,900)	(718,840)	(4,306,353)	(341,314)	(1,767,331)	(1,035,519)	(34,595,999)	–	(34,595,999)
At 31 December 2021	128,652,332	611,973	96,408,405	513,374,470	4,548,921	93,205,704	17,698,719	854,500,524	–	854,500,524
Charge for the year	23,276,727	197,260	21,850,422	157,893,519	887,384	13,965,400	4,889,699	222,960,411	–	222,960,411
Written off on disposals	–	–	–	(3,329,498)	(21,405)	(909,575)	(256,159)	(4,516,637)	–	(4,516,637)
At 31 December 2022	151,929,059	809,233	118,258,827	667,938,491	5,414,900	106,261,529	22,332,259	1,072,944,298	–	1,072,944,298
<b>Carrying amounts</b>										
At 31 December 2022	452,383,860	612,055	63,669,136	414,148,450	4,314,547	25,527,960	20,712,599	981,368,607	70,209,642	1,051,578,249
At 31 December 2021	474,383,848	413,369	56,453,550	498,402,022	5,210,976	33,279,002	24,340,976	1,092,483,743	108,456,632	1,200,940,375

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 2022 is HK\$39,000,000 (31 December 2021: HK\$36,100,000), the determination of which was supported by market evidence. The gross rental income earned for the year was HK\$912,000 (2021: HK\$912,000) and was included in the other miscellaneous income.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 14. DEBT INSTRUMENTS AT AMORTISED COST

	2022 HK\$	2021 HK\$
Debt instruments, with fixed interest rate of 1.65% to 4.65% (2021: 1.65% to 4.65%) per annum and maturity date in 2025 to 2027 (2021: 2025 to 2027)	260,420,621	262,514,998

### 15. EQUITY INSTRUMENTS AT FVTOCI

	2022 HK\$	2021 HK\$
Equity securities listed on the Stock Exchange of Hong Kong, at fair value	10,719,822	10,849,445

Note:

The above listed equity investments represent ordinary shares of entities listed in Stock Exchange of 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.

On disposal of these equity investments, any related balance within the investment revaluation reserve is reclassified to accumulated fund.

### 16. LEVY RECEIVABLES

	2022 HK\$	2021 HK\$
Levy receivables	104,831,810	89,741,567
Less: loss allowance	(8,733,841)	(7,679,597)
	96,097,969	82,061,970

All levy receivables are expected to be recovered within one year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

The average credit period on levy receivables granted to the contractors is 28 days (2021: 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.

As at 31 December 2022, included in the Group's levy receivables balance are receivables with a carrying amount of HK\$3,866,380 (2021: HK\$2,281,193) 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 loss allowance for levy receivables is as follows:

	HK\$
At 1 January 2021	6,513,868
Reversal of impairment losses	(164,670)
Impairment losses recognised	1,330,399
At 31 December 2021	7,679,597
Reversal of impairment losses	(1,330,399)
Impairment losses recognised	2,384,643
At 31 December 2022	<b>8,733,841</b>

At 31 December 2022, levy receivables of HK\$6,668,506 (2021: HK\$6,349,198) 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 17. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2022 HK\$	2021 HK\$
Deposits and prepayments	11,543,966	8,055,971
Other receivables		
– Interest receivables – The Group	25,617,469	6,169,394
– Interest receivables – CITF (Note 20)	3,932,314	14,721
– Receivable from the Government	32,999,532	27,132,775
– Receivables from Anti-epidemic Fund applicants (Note 19)	25,727,526	40,199,646
– Others	5,988,405	4,887,560
	94,265,246	78,404,096
	105,809,212	86,460,067

### 18. CASH AND BANK BALANCES

Cash and deposits at banks comprise cash and time deposits held by the Group for the purpose of meeting the Group's cash commitments, which time deposits as at 31 December 2022 carry interest at market rate range from 0.15% to 5.90% (2021: 0.15% to 0.70%).

	2022 HK\$	2021 HK\$
Deposits with banks – with original maturity over three months		
– The Group	1,909,040,000	1,686,927,170
– CITF (Note 20)	1,837,000,000	762,000,000
	3,746,040,000	2,448,927,170
Bank balances and cash		
– The Group	79,473,994	152,069,782
– Construction Industry – Anti-epidemic fund	17,947,375	81,448,172
– CITF (Note 20)	23,396,235	11,179,916
	120,817,604	244,697,870
	3,866,857,604	2,693,625,040

Deposits and bank balances totalling HK\$1,860,396,235 (2021: HK\$773,179,916) being CITF (Note 20) are kept at earmarked bank accounts.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 19. ACCOUNTS AND OTHER PAYABLES AND ACCRUALS

	2022 HK\$	2021 HK\$
Construction Industry – Anti-epidemic Fund (Note)	43,674,901	121,647,818
Other amount payables and accruals	289,869,644	220,812,426
	333,544,545	342,460,244

Note:

On 11 June 2020, Development Bureau announced that the Anti-epidemic Fund would provide support to the construction industry.

The Council was commissioned by Development Bureau to be the implementation partner to handle application and disburse the subsidies of the Anti-epidemic Fund. The Council opened a designated bank account for the custody of the fund.

As at 31 December 2022, the fund balance accumulated to HK\$43,674,901 (2021: HK\$121,647,818) for which HK\$17,947,375 (2021: HK\$81,448,172) and HK\$25,727,526 (2021: HK\$40,199,646) are included in cash and bank balances (Note 18) and other receivables (Note 17) respectively.

### 20. 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. On 29 June 2022, the Finance Committee of the Legislative Council had approved the injection of HK\$1,200,000,000 to the fund to support its continued operation and implementation of the enhancement measure launched on 1 January 2022. Subsequent to the injection in 2022, the Fund is intended to be open for applications for a further 5 years from 2023 onwards subject to availability of the funding. 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 of the construction industry. The Council was commissioned by the Development Bureau of the Government of Hong Kong Special Administrative Region to be the implementation partner. The Council keeps a designated bank account for the CITF.

As at 31 December 2022, the fund balance accumulated to HK\$1,864,328,549 (2021: HK\$773,194,637) of which HK\$1,860,396,235 (2021: HK\$773,179,916) and HK\$3,932,314 (2021: HK\$14,721) are included in cash and bank balances (Note 18) and interest receivables (Note 17) respectively. The unutilised amount has to be returned to the Development Bureau.

### 21. LEASE LIABILITIES

The Group leases a number of properties in Hong Kong and the People's Republic of China with fixed periodic payments over the lease terms.

The Group also leases certain items of equipment with fixed payments over the lease terms.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

Right-of-use assets	Leasehold land and building HK\$	Other equipment HK\$	Total HK\$
At 1 January 2021	8,151,976	6,240,165	14,392,141
Additions	18,802,920	–	18,802,920
Depreciation	(9,488,936)	(1,741,441)	(11,230,377)
At 31 December 2021	17,465,960	4,498,724	21,964,684
Additions	1,276,739	–	1,276,739
Depreciation	(6,685,571)	(1,741,441)	(8,427,012)
At 31 December 2022	<b>12,057,128</b>	<b>2,757,283</b>	<b>14,814,411</b>

Future lease payments are due as follows:

	Minimum lease payments HK\$	Interest HK\$	Present value HK\$
<b>2022</b>			
Not later than one year	<b>7,772,173</b>	<b>212,887</b>	<b>7,559,286</b>
Later than one year and not later than five years	<b>5,746,092</b>	<b>50,531</b>	<b>5,695,561</b>
	<b>13,518,265</b>	<b>263,418</b>	<b>13,254,847</b>

	Minimum lease payments HK\$	Interest HK\$	Present value HK\$
2021			
Not later than one year	7,380,994	347,459	7,033,535
Later than one year and not later than five years	12,397,778	234,848	12,162,930
	19,778,772	582,307	19,196,465

For both years, the Group leases various offices for its operations. Lease contracts are entered into fixed term of 12 months to 36 months.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Movement of lease liabilities

	2022 HK\$	2021 HK\$
At 1 January	19,196,465	14,734,771
Additions	1,274,739	15,788,302
Interest expenses	357,395	280,722
Interest element of lease payment	(357,395)	(280,722)
Capital element of lease payment	(7,216,357)	(11,326,608)
At 31 December	13,254,847	19,196,465

The present value of future lease payments is analysed as:

	2022 HK\$	2021 HK\$
Current liabilities	7,559,286	7,033,535
Non-current liabilities	5,695,561	12,162,930
	13,254,847	19,196,465

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### Leases – other disclosures

	2022 HK\$	2021 HK\$
Short term lease expense	–	538,000
Low value lease expense	<b>2,360,563</b>	2,521,836
Interest expenses	<b>357,395</b>	280,722

## 22. CONTRACT LIABILITIES

	2022 HK\$	2021 HK\$
Course fees and related income	<b>3,961,619</b>	3,992,933
Workers registration fees	<b>1,959,360</b>	5,456,278
Registration fees from sub-contractors	<b>5,094,615</b>	6,197,723
	<b>11,015,594</b>	15,646,934
Current	<b>8,447,119</b>	10,239,727
Non-current	<b>2,568,475</b>	5,407,207
	<b>11,015,594</b>	15,646,934

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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

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\$	Total HK\$
At 1 January 2021	3,466,678	10,949,386	7,558,302	21,974,366
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(3,466,678)	(5,493,108)	(2,822,965)	(11,782,751)
Increase in contract liabilities as a result of receipt in advance during the year	3,992,933	–	1,462,386	5,455,319
At 31 December 2021	<b>3,992,933</b>	<b>5,456,278</b>	<b>6,197,723</b>	<b>15,646,934</b>
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	<b>(3,992,933)</b>	<b>(3,496,918)</b>	<b>(2,976,695)</b>	<b>(10,466,546)</b>
Increase in contract liabilities as a result of receipt in advance during the year	<b>3,961,619</b>	–	<b>1,873,587</b>	<b>5,835,206</b>
At 31 December 2022	<b>3,961,619</b>	<b>1,959,360</b>	<b>5,094,615</b>	<b>11,015,594</b>

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

### (a) Course fee 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 2022

### 23. 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, a 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.

### 24. 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.

### 25. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

	2022 HK\$	2021 HK\$
<b>Financial assets</b>		
Financial assets at amortised costs (including cash and bank balances)	4,321,253,351	3,120,062,847
Equity instrument at FVTOCI	10,719,822	10,849,445
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	1,970,451,345	954,111,933

#### (b) Financial risk management objectives and policies

The Group's financial instruments include equity and debt instruments, deposits, levy and other receivables, cash and bank balances and accounts and other payables and accruals. 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. 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 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 performs impairment assessment under ECL model on levy receivables to ensure that adequate impairment losses are made. Levy receivables are assessed generally by using a provision matrix and the Group also actively monitors the outstanding amounts owed by each contractor and identifies any credit risks in a timely manner in order to reduce the risk of a credit related loss. 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. 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 by 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.

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 consider 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 the 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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

	Weighted Average Interest rate	Carrying amounts HK\$	Total contractual undiscounted cash flows HK\$	Within 1 year or on demand HK\$	More than 1 year but less than 5 years HK\$
<b>2022</b>					
Accounts and other payables	–	106,122,795	106,122,795	106,122,795	–
Construction Innovation and Technology Fund Lease liabilities	–	1,864,328,549	1,864,328,549	1,864,328,549	–
	2.2%	13,254,847	13,518,265	7,772,173	5,746,092
		1,983,706,191	1,983,969,609	1,978,223,517	5,746,092
<b>2021</b>					
Accounts and other payables	–	161,695,350	161,695,350	161,695,350	–
Construction Innovation and Technology Fund Lease liabilities	–	773,194,637	773,194,637	773,194,637	–
	2.2%	19,196,465	19,778,772	7,380,994	12,397,778
		954,086,452	954,668,759	942,270,981	12,397,778

### 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 FVTOCI. All of these investments are listed on the Stock Exchange of Hong Kong.

Listed investments held in equity investments at FVTOCI portfolio have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 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 FVTOCI had been 20% higher/lower, the Group's investment revaluation reserve would increase/decrease by HK\$2,143,964 (2021: HK\$2,169,889).

### Currency risk

The Group exposed to currency risk primarily through holding debt instruments at amortised cost in USD.

As USD is pegged with HKD, no sensitivity analysis has been disclosed.

## (c) Fair value measurements of financial instruments

### (i) Financial instruments measured at fair value

The fair values of listed equity investments at FVTOCI which are traded on active markets are determined with reference to quoted market bid prices. The Group holds listed equity investments at FVTOCI amounting to HK\$10,719,822 (2021: HK\$10,849,445), which are grouped into Level 1 in the fair value hierarchy.

During the years ended 31 December 2022 and 2021, 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 costs are not materially different from their fair values as at 31 December 2022 and 2021.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 26. CAPITAL COMMITMENTS

Capital commitments outstanding at 31 December 2022 and 2021 not provided for in the consolidated financial statements were as follows:

	2022 HK\$	2021 HK\$
Contracted for	107,845,794	84,350,605

Capital commitments relate to the acquisition of plant and equipment, renovation works and acquisition or development of computer equipment.

### 27. 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:

	2022 HK\$	2021 HK\$
<b>Nature of transactions</b>		
Funding support to Hong Kong Green Building Council Limited	3,944,732	3,988,734

#### (b) Related party balance

Balance with related parties at the end of the reporting period are as follows:

	2022 HK\$	2021 HK\$
Net amount due from Hong Kong Green Building Council Limited	148,014	770,245

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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 28. SUBSIDIARIES

Details of the Council's subsidiaries at 31 December 2022 and 2021 are as follows:

Name of subsidiaries	Place of incorporation	Effective interest held by the Council		Principal activities
		2022 Directly %	2021 Directly %	
Zero Carbon Building (Note (a))	Hong Kong	100	100	Operating and managing CIC Zero Carbon Park
Hong Kong Institute of Construction (Note (b))	Hong Kong	100	100	Provision of training courses for the construction industry

Notes:

- (a) As at 31 December 2022, the capital fund of this subsidiary amounting to HK\$207,052,065 (2021: HK\$94,456,035) representing the accumulated contributions from the Council.
- (b) As at 31 December 2022, the capital fund of this subsidiary amounting to HK\$1,951,006,154 (2021: Nil) representing the accumulated contributions from the Council.

### 29. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform to the current year's presentation.

## Number of Higher Paid Staff

The actual remuneration of staff members exceeding \$1,000,000 in 2021 and 2022 is shown below:

	2022 Number of Individuals	2021 Number of Individuals
\$1,000,000 and above	36	34



## CONSTRUCTION INDUSTRY COUNCIL

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