# Newsletter July 2018

# Message from the Chair



I am pleased to report below our activities since May.

The ACEHK Annual Seminar was successful held on 20 June with over 270 attendees. The Guest of Honour Mr C K Hon, Permanent Secretary for Development shared his vision for transforming the construction industry with his "Hong Kong Construction 2.0" initiative. Keynote Speakers Mr S H Lam and Mr Allen Yeung outlined the government's strategies for developing Hong Kong into a world class smart city while Mr K K Ling raised the problem of double ageing.

A networking luncheon was held on 6 July at the World Trade Centre Club during which our LegCo Representative Ir Dr W K Lo gave a presentation on "Opportunities for Engineering Consultants in the Greater Bay Area".

In response to our request at the last CEC meeting, the Project Cost Management Office (PCMO) organised a meeting for ACEHK on 10 July to brief us on Project Cost Scrutiny for Major Capital Works projects. Our members had a very good exchange of views with DevB colleagues at the meeting.

The new policy on selection, appointment and management of consultants under the purview of the EACSB had been promulgated via DevB Technical Circular (Works) no. 5/2018 on 21 June. DevB has taken into consideration some but not all of ACEHK's comments in the new policy. DevB has committed to conduct a review after one year of implementation of the policy. Formal registration for listing had commenced on 3 July.

DevB advised in the last CEC meeting that NEC has been adopted in 18 consultancy agreements and 106 works contracts of which 22 already completed. It is government's policy to adopt NEC Form in all public works contracts as far as possible. In order to raise members' awareness on NEC, we plan to organise a seminar in early September.

The formation of our Young Member Committee for the 2018-2019 session has been accomplished. The YMC comprises 20 members from various Member firms and the Chairperson is Miss Samantha Kong from SMEC. The first YMC networking event for the promotion of their mentorship programme was held successfully on 19 July with over 50 participants. These enthusiastic youngsters have put together a very ambitious year plan of activities. I appeal to all of you to render your full support to them.

#### Victor Cheung

Chairman



# The Association of Consulting Engineers of Hong Kong 香港顧問工程師協會

#### **ACEHK Annual Seminar**



ACEHK held an extremely successful seminar showcasing the various elements of digital engineering and how developing a Smart City has the potential to transform the lives of the people of Hong Kong.

The guest of honour, Ir C K HON, JP gave an interesting and engaging talk on the development of urban Hong Kong and the governments vision for facilitating the transformation of Hong Kong in to a Smart City. The three Key note speakers, Ir LAM Sai-hung, JP, Mr KK LING, SBS and Ir Allen Yeung Tak-bun, JP also gave their views and interpretations on the meaning, purpose and deliverability of a Smart City in Hong Kong. The seminar was also fortunate to have many talented invited speakers to present at the event, and a diverse range of subjects was covered, from innovations in cloud computing to latest BIM developments for city infrastructure, the use of digital sensors, GIS, remote sensing & use and development of Artificial Intelligence for enhancing the smart city concept.

A complete set of papers for the event can be found on our website at:

### Young Members' Committee

The YMC has gained tremendous momentum in the last month in both deciding on their initiatives as well as getting some of these underway for 2018. The YMC has also been assisting the Council in successfully organising the ACEHK Annual Seminar held on the 20 June 2018. The 3<sup>rd</sup> committee meeting took place end of May and the following initiatives have now been put in motion:

- a) Mentorship Programme The Program also acts as a platform for Young Members and Members to interact in an informal setting.
- b) Site Visit to CLP Black Point Power Station (BPPS) Power Generation. We envisage the site visit to bring insight to our candidates about Power Generation System and Associated Works.
- c) School Talk launching a series of School Talks for secondary school students (S1 to S6) in 2018. The Talk intends to exemplify the very dynamism of the engineering profession to students and enable them to have a deeper understanding and appreciation of the engineering profession to facilitate them in charting their plans and careers in the future.
- d) Meet & greet for Mentors and Mentees.

There will be opportunities for young engineers who are not already involved in the YMC to participate. If you wish to nominate someone (under 30 years old and not more than two per member) please contact Eric Lau at:

Eric.Lau@atkinsglobal.com

### **ACEHK ANNUAL AWARDS 2018**

Invitations are sought from Hong Kong Consultancies to enter the

**ACEHK 2018 Annual Awards competition** 

- To promote awareness and enhance presence of the engineering industry
- To showcase and give due recognition to truly excellent projects.
- To share and highlight practices and management of successful projects.

All companies within Hong Kong are eligible for entry. Companies should submit an Illustrated Report documenting one of their engineering related projects (including any study or research), along with any graphics and figures, to the assessment panel of the ACEHK Annual Awards on or before 17 August 2018. All projects or related works should have reached completion to be considered as valid entries. A separate Application Form should also be completed and included as the first page of each submission.

#### Each submission must include the following:

- 1. Application Form
- 2. Illustrated Report (with relevant figures and graphics)

For more details regarding the submission process and rules of entry, please refer to the ACEHK Annual Awards Entry Guide.

The Application Form and ACEHK Annual Awards Entry Guide can be found on the ACEHK website, at:

http://www.acehk.org.hk/news/detail.shtml?news\_id=104&category\_id=1

# **ACEHK Activities May-July 2018**

# EACSB's New Procurement and Consultants Monitoring System

DevB continues to develop and roll-out its new procurement arrangements for consultancy agreements issued under the purview of the EACSB, which it believes will address certain perceived market failings affecting the procurement of consultants for government projects. As part of its commitment to ensuring a fair and equitable procurement regime in Hong Kong, the Council undertook a survey of members opinions to gauge the reaction to EACSB's proposals. The results were attached to a letter submitted to DevB on 8 June. The letter and survey results were sent to members.

The Council also had a constructive meeting with Ir Dr The Hon Lo Wai Kwok, Representative of the Engineering Functional Constituency of Legislative Council, to enlist his help in presenting our concerns and proposed changes to the proposed procurement system. Ir Lo kindly consented to raising these concerns with DevB on our behalf.

Subsequently, DevB held a further briefing session on 21 June 2018 (with am & pm sessions), where they outlined changes to the procurement system that they have made in response to the concerns raised by ACEHK and other stakeholders. After attending the briefing, the Council still has significant concerns with regard to certain elements of the proposed scheme (particularly on the manpower checking system proposals) and will make further representations to DevB on this matter.

#### List of Forecast Consultancy Projects

As part of DevB's expressed commitment to improve visibility of upcoming government consultancy projects, the first consolidated monthly forecast of consultancies was issued by DevB in June.

### Improvements to Consultants' Cash-flow - Update

The Council continues to make representations to government, through Development Bureau, for more equitable standard payment schedule arrangements for government consultancy (particularly Lump Sum) agreements.

Council attended the Construction Engineering Committee (CEC) meeting on 22 June and presented a paper detailing the difficulties experienced by consultants as a result of onerous milestone payment schedules and the severe negative effects on consultants cashflow from extended delays in payment incurred should an agreement be delayed through no fault of the consultant.

The matter is being considered by DevB and ACEHK continues to engage with the Bureau to address and resolve this issue.

# Revision to the EACSB Management Handbook for Direct Employment of Resident Site Staff by Consultants for Public Works Contracts

DevB issued a draft Management Handbook for Direct Employment of Resident Site Staff by Consultants for Public Works Projects. ACEHK canvassed members for comments and submitted a consolidated response which was presented at the CEC meeting on 15 June. The new handbook will come into effect in Q3 2018.

## <u>Construction Industry Activities – Overview</u>

## Technology Collaboration: BIM and GIS Conference

4th May

The conference was held on the 2018 at Cyberport jointly organised by the Hong Kong Geographical Information System Association, the Hong Kong institute of Building Information Modelling and the Smart City Consortium.

## Breakfast Meeting with Ir Frank Chan

11 May

Ir Frank Chan gave an interesting overview of the challenges facing Hong Kong as it tries to provide sufficient housing for its growing population. The talk covered the challenges facing the government as it strives to provide sufficient housing for the local population as population expands and the size of individual households falls.

## Luncheon talk by Ir Dr Hon Lo Wai Kwok

6 July

Legco Representative, Ir Dr Hon Lo Wai Kwok gave a luncheon talk on "Opportunities for engineering consultants in the Greater Bay Area Development" at the World Trade Centre Club, Causeway Bay. His talk covered the challenges to Hong Kong as a result of the recent global economic slowdown, as well as the opportunities available to Hong Kong by linking up with the Greater Bay Area and the implementation of the One Belt One Road initiative as well as the improved links to China via the HK-Macau-Zuhai Bridge and the Guangzou-Shenzen-HK Express Rail Link.

#### **Upcoming events**

#### **Belt and Road Summit**

The 2018 Summit will be held on 28<sup>th</sup> June 2018 at the HK Convention and Exhibition Centre.

For online registration go to: http://www.beltandroadsummit.hk/en/participants/online\_registration.html

#### **ACEHK Awards**

12 November 2018

Annual Dinner 12 November 2018

**2018 AGM** 10 December 2018

#### Feedback

Event updates are also posted at: <a href="http://www.acehk.org.hk">http://www.acehk.org.hk</a>

Members can provide feedback on any issue to the Chairman at: chairman@acehk.org.hk