



Construction Industry Transformation Programme 2016-2020

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JKR Seminar on Driving Excellence with IBS

Institut Sosial Malaysia, Kuala Lumpur, 29 September 2016

KEY CONTEXTS MALAYSIAN CONSTRUCTION INDUSTRY

Robust GDP



GROWTH



**>RM680b
in project value
awarded
(RMKe-10)**

Increase 8% per annum



Projects by Sector

2015 Statistics

Social Amenities
Residential
Non-residential
Infrastructure

Private sector

82%

5,408 projects

Public sector

18%

1,839 projects

9.5%

workforce

=



Registered workers

Includes
professionals

120+
Industries'

GROWTH



Rely on

CONSTRUCTION INDUSTRY

**Major connectivity projects
planned make
construction
even more
critical**



Pan Borneo Highway

(2,239km in Sabah and Sarawak)

KVMRT

Sungai Buloh – Kajang,
Sungai Buloh – Serdang – Putrajaya
and LRT3

Power Plants

(Perak, Johor, Penang, NS)

High Speed Rail

(Kuala Lumpur –
Singapore)

Central Spine Road

(Kuala Krai – Simpang
Pelangai, Pahang)

Highways

(Kota Bharu – Kuala Krai)

New Hospitals

(Kemaman, Bentong, Baling,
Pendang, Pasir Gudang dan Maran)

Construction Projects
Eleventh Plan (2016-2020)



KKR Tower 2



Penang Second Bridge



MITI Tower



KV MRT



EDTP Ipoh – Padang Besar



KL River of Life



MINISTRY OF WORKS
MALAYSIA

www.citp.my

CONSTRUCTION INDUSTRY TRANSFORMATION PROGRAMME

2016 - 2020

Driving Construction Excellence Together

20 Initiatives	9 Thrust KPIs	110 Initiative KPIs
400+ Partners	15 CIDB Sponsors & Owners	



QUALITY, SAFETY
& PROFESSIONALISM



ENVIRONMENTAL SUSTAINABILITY



PRODUCTIVITY



INTERNATIONALISATION

CITP Journey

5

Nov

CIDB & CITP
Budget Allocated

4

Oct

CITP Launched &
Implementation Plan
finalised

3

Sep

CITP Incorporated
within RMK-11

2

May

NDPC & SCSS
presentation

1

Mar

2015

2020

Jun

10

1st Progress
Report

CITP KPIs
Enhanced

May

9

CITP Committees
sits

Apr

8

CITP Committees
finalised

Jan

7

CITP
Implementation
begins

Jan

6

2016

CITP Implementation

Launching of CITP by the Prime Minister

14th International Construction Week, 10th September 2015



CONSTRUCTION INDUSTRY TRANSFORMATION PROGRAMME 2016-2020

Driving Construction Excellence Together



CIDB
MALAYSIA



MINISTRY OF WORKS
MALAYSIA

CONSTRUCTION INDUSTRY TRANSFORMATION PROGRAMME 2016 - 2020

Driving Construction Excellence Together



CIDB
MALAYSIA



MINISTRY OF WORKS
MALAYSIA

Chapter 8

Re-engineering economic growth for greater prosperity

Focus area D: Transforming construction

- Strategy D1: Enhancing knowledge content
- Strategy D2: Driving productivity
- Strategy D3: Fostering sustainable practices
- Strategy D4: Increasing internationalisation

"The Government will introduce the Construction Industry Transformation Programme (CITP), 2016-2020, to propel the industry forward and meet market demand."



Criticality of construction industry and CITP recognised within 11th Malaysia Plan (RMKe-11)

RMK-11 recognises importance of construction industry and CITP
... with a specific Focus Area within Chapter 8 of the document

Key Outcomes by 2020



Quality, Safety & Professionalism

Quality, Safety & Professionalism ingrained in industry culture

Environmental Sustainability

Malaysia's sustainable infrastructure :
a model for the emerging world



Productivity

More than doubling productivity, matched by
higher wages

Internationalisation

Malaysia champions : leading the charge
locally and globally



1

CASE FOR CHANGE

2

INITIATIVES

3

OUTCOMES



**QUALITY, SAFETY
& PROFESSIONALISM**

THRUST 1

Only

3%

of buildings currently adopt
QLASSIC¹



Very few quality-rated buildings

**Lack of accredited assessors for QLASSIC
results in low levels of QLASSIC assessment**

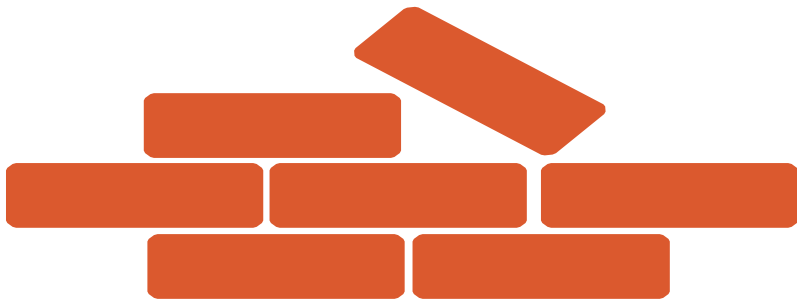




High occupational deaths in construction

Construction

70



Primary industries : **42**

Manufacturing : **40**

Wholesale and retail trade : **6**

Public service & statutory bodies : **5**

Professional services : **3**

Mining and quarrying : **3**

Delays in approval of permits

2014 World Bank Ease of Doing Business

74+

VS

26

days to obtain a
construction permit
in Malaysia

days in Singapore



5 Initiatives Under Thrust

QUALITY, SAFETY & PROFESSIONALISM



Q1 Increase emphasis on quality and implement quality assessments
E: farrin@cidb.gov.my T: 03-4047 7374

Q2 Improve workplace safety and workers' amenities
E: farrin@cidb.gov.my T: 03-4047 7374

Q3 Improve ease of doing business by addressing regulatory constraints
E: ida@cidb.gov.my / zainora@cidb.gov.my Ext: 7404 / 7047

Q4 Promote and raise awareness of CTP initiatives
E: noryani@cidb.gov.my T: 03-4047 7027

Q5 Enhance integrity and increase governance
E: ramu@cidb.gov.my T: 03-4047 7263

OUTCOMES : Quality, Safety and Professionalism

Quality, safety and professionalism ingrained in industry culture

Public projects
exceed
acceptable
QLASSIC score

Reduction in
worksite
fatalities and
injuries

Ease of Doing
business
indicator in
dealing with
construction
permits improved



50%



50%



5%

QUALITY, SAFETY & PROFESSIONALISM

27 Initiative KPIs to
support **3** Thrust KPIs



1

CASE FOR CHANGE

2

INITIATIVES

3

OUTCOMES



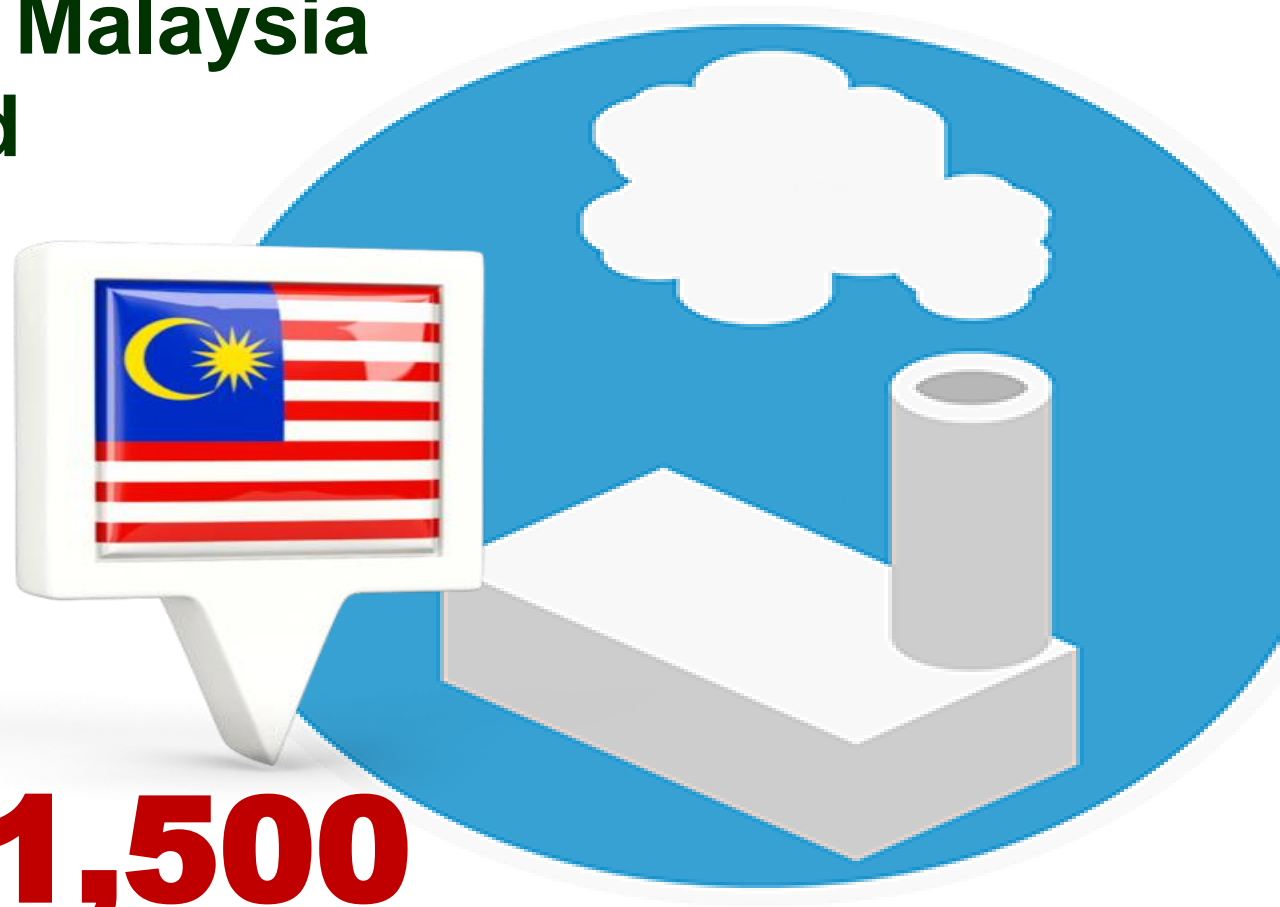
**ENVIRONMENTAL
SUSTAINABILITY**

THRUST 2

GDP : CO2 – eq. emissions in Malaysia among the lowest in the world

Singapore : \$3,700
Japan : \$3,100
Turkey : \$3,000
India : \$2,300

\$1,500



**High carbon emission and energy usage of
buildings**

Only 2% of buildings and infrastructure rated

RM2.9 Bn

damage from recent floods on the East Coast of Malaysia



Natural
disaster damage driven by lack
of building / infrastructure
resilience



RM800 Mn

for repair and reconstruction
of schools, hospitals, roads
and bridges

**Rapidly
depleting
capacity
of
landfills**



**Up to 40%
of illegal dumped waste
from construction and
demolition**



5 Initiatives Under Thrust

ENVIRONMENTAL SUSTAINABILITY



E1

Drive innovation in sustainable construction

E: farrin@cidb.gov.my

T: 03-4047 7374

E2

Drive compliance to environmental sustainability ratings and requirements

E: farrin@cidb.gov.my

T: 03-4047 7374

E3

Focus on public projects to lead the charge on sustainable practices

E: farrin@cidb.gov.my

T: 03-4047 7374

E4

Facilitate industry adoption of sustainable practices

E: farrin@cidb.gov.my

T: 03-4047 7374

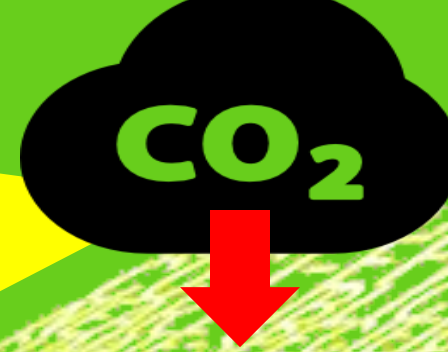
E5

Reduce irresponsible waste during construction

E: farrin@cidb.gov.my

T: 03-4047 7374

100% of large infrastructure projects
exceed sustainability requirements



4 Mt CO2 equivalent
reduction per year



OUTCOMES : Environmental Sustainability

Malaysia's sustainable infrastructure: a model for the emerging world

ENVIRONMENTAL SUSTAINABILITY



**19 Initiative KPIs to
support 2 Thrust KPIs**

1

CASE FOR CHANGE

2

INITIATIVES

3

OUTCOMES



PRODUCTIVITY

THRUST 3

Over-reliance on low-skilled foreign labour



Largely unskilled workforce

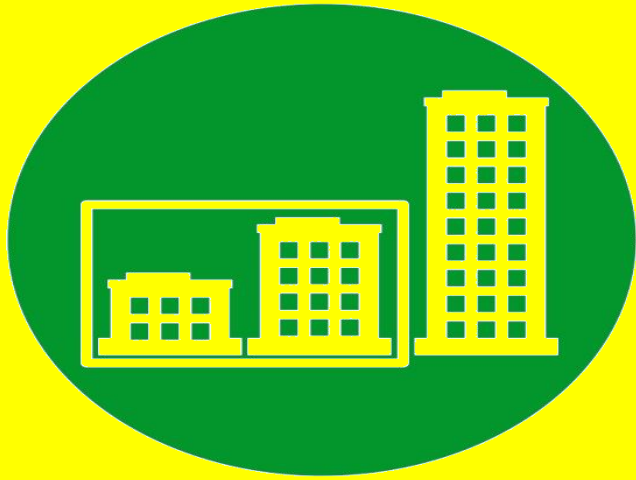
Limited adoption of Industrialised Building System (IBS)



Only
24%

Projects worth
>RM10 Mn

**Achieved 70 IBS
score
Despite MOF
circular**



~90%

contractors are SMEs



~56%

**firms are
Bumiputera**

**High proportion of subscale SMEs,
including Bumiputera firms**

6 Initiatives Under Thrust PRODUCTIVITY

P1 Continue investment in human capital development in construction

E: azizah@cidb.gov.my

Ext: 7313

P2 Enhance control and balance of workforce supply

E: jaiz@cidb.gov.my

Ext: 7414

P3 Accelerate adoption of IBS, mechanisation and modern practices

E: noraini@cidb.gov.my T: 03-92816909

P4 Roll out technology advantage across project lifecycle

E: noraini@cidb.gov.my T: 03-92816909

P5 Enhance availability of strategic information via National Construction Industry Information Centre

E: zainora@cidb.gov.my

Ext: 7354

P6 Advance SME Bumiputera capacity and capability-building

E: ibrahim@cidb.gov.my

Ext: 7323



2.5x increase in productivity to **US\$16,500**
per worker⁵



OUTCOMES : Productivity

More than doubling productivity, matched by higher wages

5. US\$16,500 is equivalent to RM 61,939 as stated in the 11th Malaysia Plan; 2.5x increase uses 2011 as a base as compared to 11th Malaysia Plan where 1.6x increase in labour productivity uses 2015 as a base. Both sets of numbers are consistent

PRODUCTIVITY

**48 Initiative KPIs to
support 1 Thrust KPI**



1

CASE FOR CHANGE

2

INITIATIVES

3

OUTCOMES



INTERNATIONALISATION

THRUST 4



Increased need for Malaysian companies to hold ground against foreign competitors

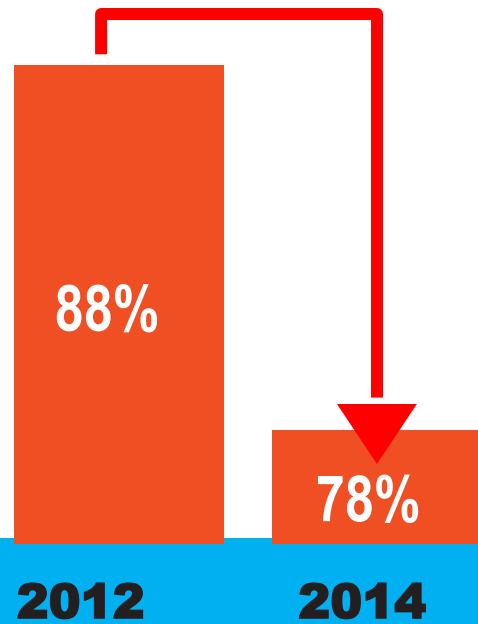
Malaysian companies need to be ready for greater competition and scrutiny

New FTA1s planned (e.g., TPPA1) in addition to current 12

1. Trans-Pacific Partnership Agreement



Erosion of domestic construction share of local companies



Losing domestic market share to foreign companies



12% (2012)

VS

22% (2014)

4 Initiatives Under Thrust



INTERNATIONALISATION

- I1** Internationalise construction practices and standards
E: zainora@cidb.gov.my / sazali@cidb.gov.my Ext: 7047 / 7434
- I2** Strengthen access to financing for Malaysian champions going abroad
E: zainora@cidb.gov.my T: 03-4047 7047
- I3** Support consortia formation and strengthen overseas market intelligence
E: zainora@cidb.gov.my T: 03-4047 7047
- I4** Intensify contractor's capacity and capability building
E: ibrahim@cidb.gov.my T: 03-4047 7323

OUTCOMES : Internationalisation

Malaysian champions: leading the charge locally and globally



10

**companies achieve 5*
SCORE rating**

10+

**construction-related companies
export construction services in
the global market**

6X

**increase in volume of overseas
construction projects and construction
related products secured by Malaysian
companies by 2020**

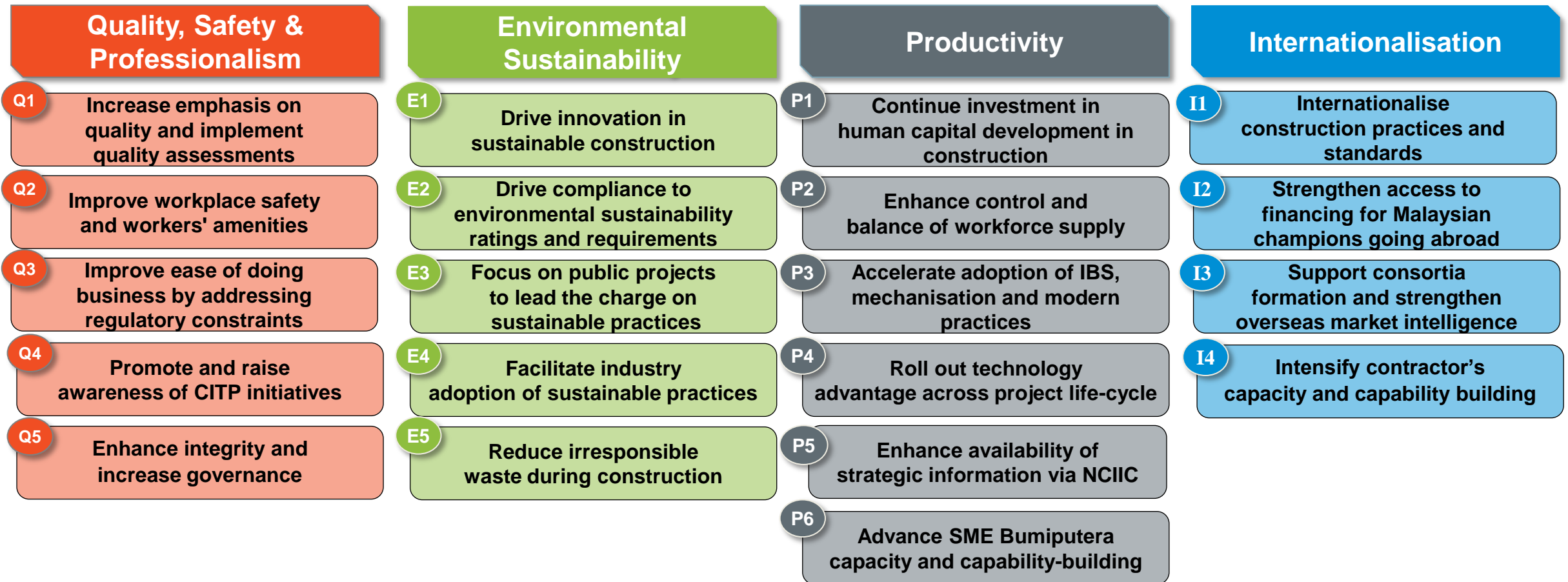


INTERNATIONALISATION



**16 Initiative KPIs to
support 3 Thrust KPIs**

20 CITP initiatives to transform the construction industry across 4 strategic thrusts



Enablers

Three Enablers drives
the success of CITP

**Effective
Industry
Collaborations**

1

**Strong
Coordination
Body**

2

**Robust
Governance**

3

**Effective
Industry
Collaborations**

1



Driving Construction Excellence Together

*Bersama-Sama Memacu
Kecemerlangan Pembinaan*



Public Sector



Private Sector

229 CITP Pledges Signed

CIDB Owners/ Sponsors

19

KKR

6

Kuala Lumpur

44

Melaka

56

Sarawak

30

Sabah

74

Johor, Penang





**Pledges Signed by
5 KKR Agencies
3 September 2015**



**Pledges Signed by 24 industry captains at
Sime Darby Convention Centre
26 October 2015**



Pledges Signed by 77 industry players at Sabah

5 September 2016

229 key stakeholders have already pledged their support for CITP: many more to come

Non-exhaustive

Private sector, including construction players



Government agencies and Ministries

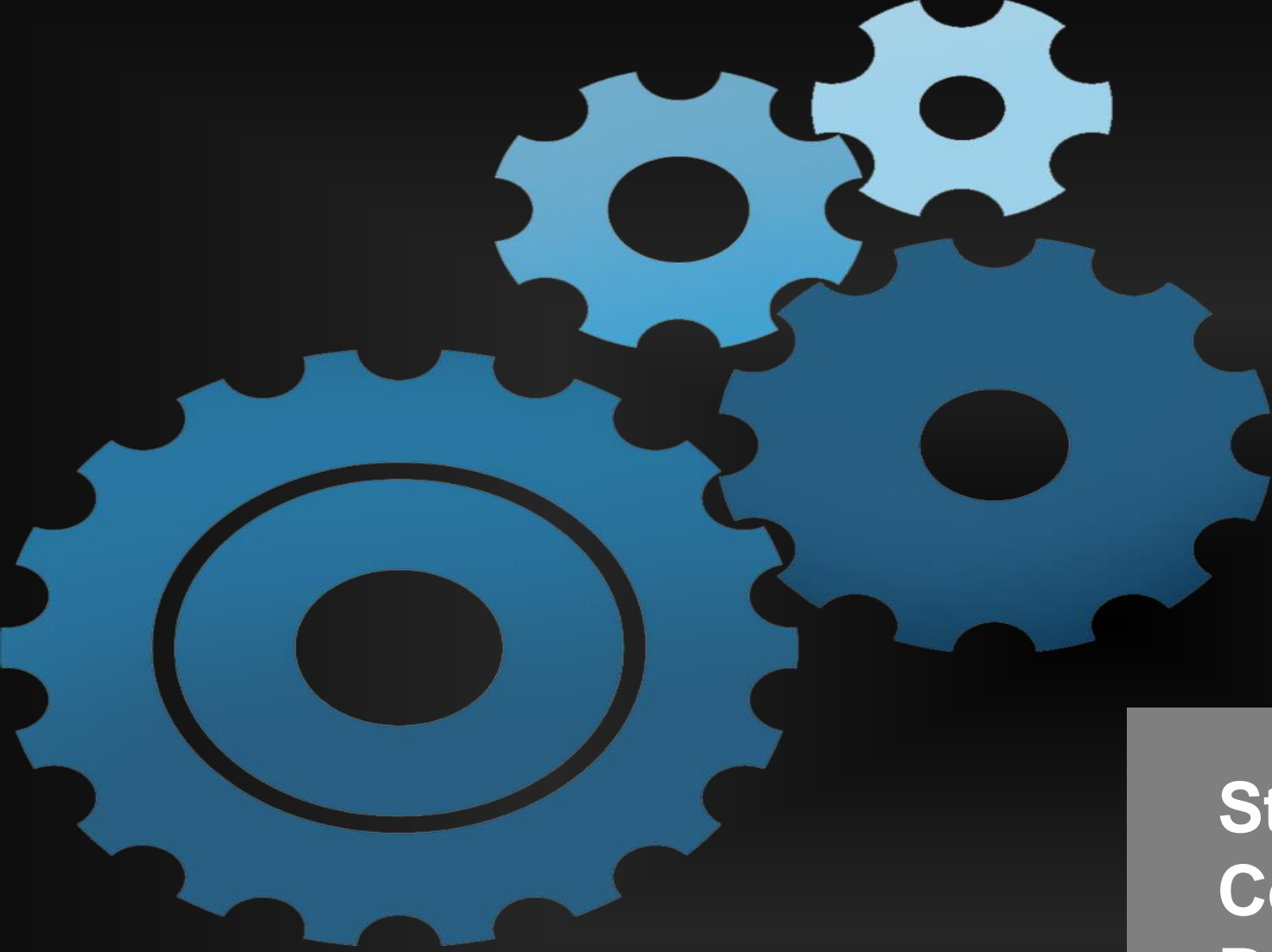


Research and learning institutions



Professional boards and associations





**Strong
Coordination
Body (PMO)**

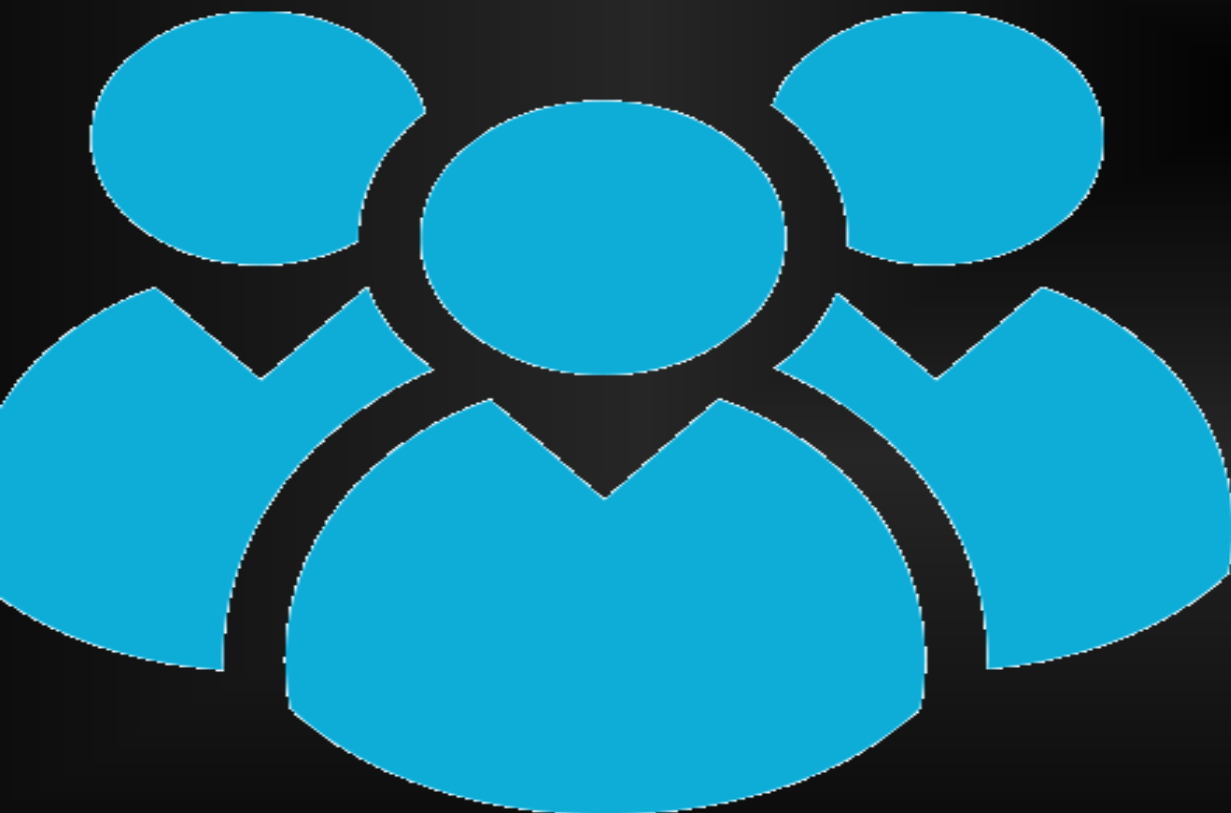
2

Programme Management Office (PMO) as the CITP coordinating body



Robust Governance

3



Roadblocks and Issues Escalate Up





IBW10 – IBS



IBW2 – Safety



IBW17 – MSCESMM



TWG1 – Quality, Safety & Professionalism



IWG4 – Dealing with Construction Permit



IWG14 – SME Bumiputera



IWG8 – Human Capital



IWG3 – Contractor Registration



CITP Ministerial Committee (CITP-MC)
9 August 2016



CITP Ministerial Committee (CITP-MC)
9 August 2016

ROLES OF JKR IN CITP

PERANAN JABATAN KERJA RAYA



- Q1 - Menggunapakai QLASSIC dalam penilaian kualiti pembinaan**
- Q2 - Melaksanakan keperluan kemudahan pekerja binaan di tapak bina**
- Q2 - Menerapkan OSH BQ di dalam dokumen tender projek JKR**



- E1 - Penglibatan aktif dalam program-program Pusat Kecemerlangan (CoE) Kemampanan**
- E3 - Memastikan kemampanan diterapkan dari peringkat perolehan**
- E3 - Meningkatkan usaha pengurangan emisi carbon dioksida melalui penggunaan pengukuran MyCREST**
- E5 - Meningkatkan usaha kitar semula sisa pembinaan**



- P3 - Meluaskan penerapan IBS berdasarkan KPI Inisiatif No.59, 61, 62, 63 & 67**
- P4 - Memastikan penerapan BIM dari peringkat rekabentuk sehingga ke penyelenggaraan berdasarkan KPI Inisiatif No.69, 70, 71 & 73**



- I1 - Mengguna pakai MSCESMM dalam projek**
- I1 - Mengguna pakai spesifikasi nasional pembinaan dalam projek**
- I1 - Memastikan penggunaan bahan binaan berkualiti mengikut standard di bawah Akta 520**

Among the many ways JKR can contribute in transforming the industry under CITP include but not limited to:

1 QUALITY

Increase emphasis on quality and implement quality assessments

2 SAFETY

Improve workplace safety and workers' amenities

4 SUSTAINABILITY

Compliance to environmental sustainability ratings and requirements

5 IBS

Increase adoption of IBS

6 BIM

Participate in BIM adoption

7 NCIIC

Construction data shared to enrich National Construction Industry Information Centre, particularly on N3C

JKR MEMBERSHIP IN CITP COMMITTEES

NO	NAME	COMMITTEE	NO	NAME	COMMITTEE
1	Dato' Ir. Dr. Roslan Md. Taha	MC	10	Ir. Hj. Mohd Daud Harun	IWG11-BIM
2	Datuk Ir Adanan Mohamed Hussain	TWG4-I IWG15-NSSC	11	En. Abdul Rahman Ambari	IWG11-BIM
3	Ir. Haji Abu Harith Shamsuddin	TWG1-QSP	12	Sr. Abd Shukor Ibrahim	IWG12-N3C
4	En. Kamalaldin Abd. Latif	TWG2-ES IWG6-Sustainable Ratings IWG7-Sustainable Practices	13	Sr. Husnan Hussin	IWG12-N3C
5	Sr. Ratna Hj. Mahyuddin	TWG3 IWG12-N3C	14	Dr. Kamaluddin Hj. Abdul Rashid	IWG15-NSSC IWG16-Material Standard
6	Ir. Hajah Ruhani Haji Ali	IWG1-Quality	15	Ar. Zairul Azidin Badri	IWG15-NSSC
7	Ir. Zailan Ab Rahman	IWG2-Safety	16	Ir. Radzwan Kasim	IWG15-NSSC
8	Sr. Dr. Rozina Mohd Zafian	IWG3-Contractor Registration	17	Ir. Abd Rahman Salleh	IWG17-MSCESMM
9	Ir. Norma Norman	IWG10-IBS			

WHAT'S IN CITP FOR IBS?

Public projects

RM10Mn and above achieved 70 IBS
score

Private projects

achieved
50 IBS score



<div>Limited regulatory impetus</div>	<div>01 Broad definition of IBS and lack of standards</div>		<div>02 Limited enforcement of IBS requirement</div>
	<div>Design Consultant</div>	<div>Contractor</div>	<div>Manufacturer</div>
<div>Lack of strong market supply and demand forces</div>	<div>03 Design consultants not fully equipped to incorporate IBS in their designs: Contractors forced to redesign with manufacturers thus leading to delays</div> <div>04 Design consultants not adequately trained to incorporate IBS specifically, in the design for manufacturing and assembly or DFMA</div>	<div>05 Contractors need to improve effectiveness of project management to adopt just-in-time practices and avoid delays</div> <div>06 Deposit paid to manufacturers can result in cash flow issues for contractors</div> <div>07 Limited number of IBS-ready contractors and workforce</div> <div>08 Preference to use cast-in-situ method</div> <div>09 Availability of low-cost foreign labours</div>	<div>10 Low demand means limited economies of scale: and few IBS manufacturers</div> <div>11 High import duty for IBS equipment and machinery, with limited IBS manufacturing incentives</div> <div>12 Sparsely located IBS manufacturers. especially in Sabah and Sarawak</div> <div>13 Relatively high cost of transportation for components and machinery</div>

Vicious cycle makes IBS adoption challenging

- Lack of scale resulting in high IBS cost
- Ineffective project management by contractors, resulting in on-site problems
- SME contractors face cash-flow issue in IBS procurement
- Few IBS suppliers due to small market
- Low supply of IBS components at high price
- IBS plants mostly concentrated in developed states

High cost in adopting IBS

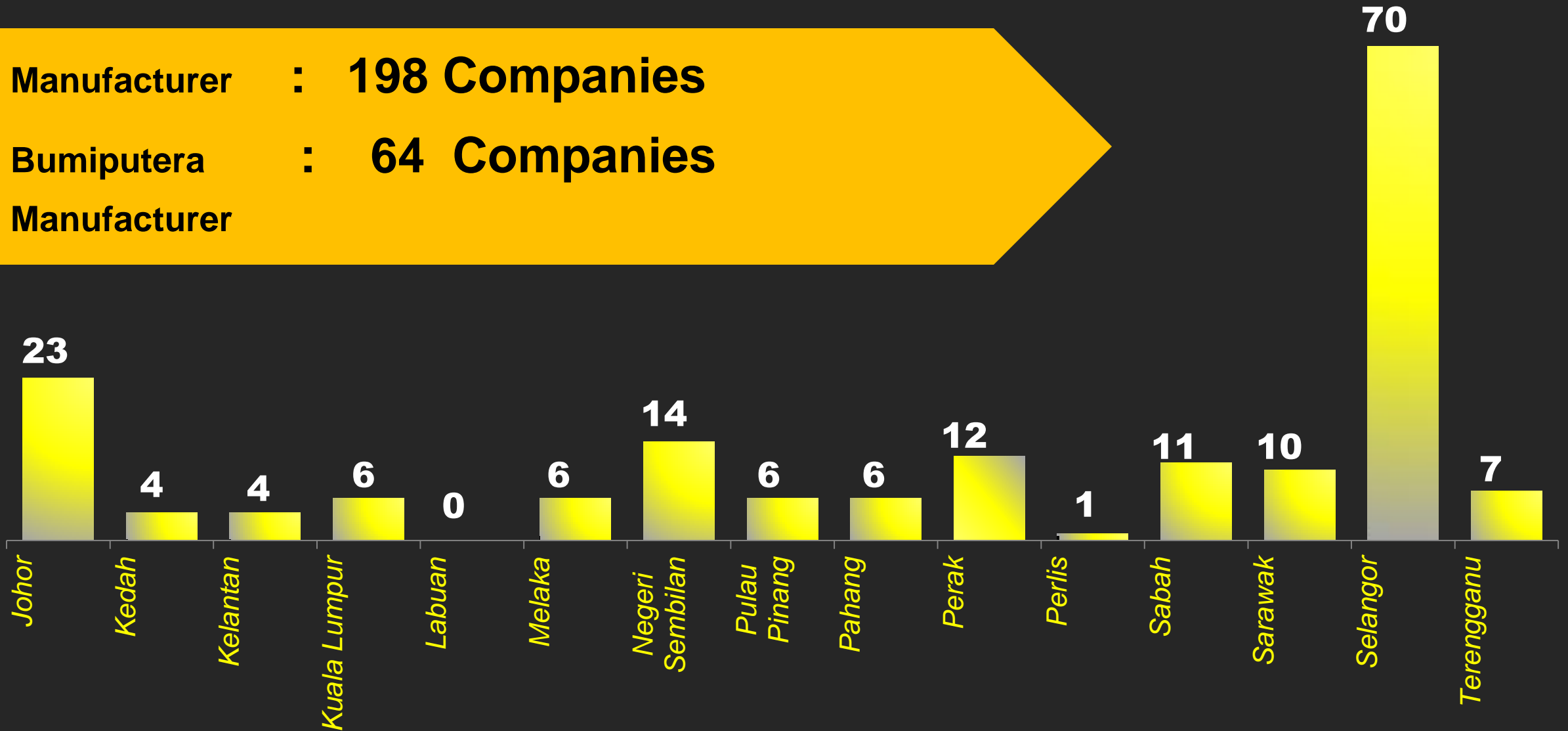
- Small pool of IBS specialist available in design for manufacturing and installation
- Upfront payment and long lead time
- High capital cost in setting-up IBS Plants
- Duty on IBS equipment high



Manufacturer : 198 Companies

Bumiputera : 64 Companies

Manufacturer

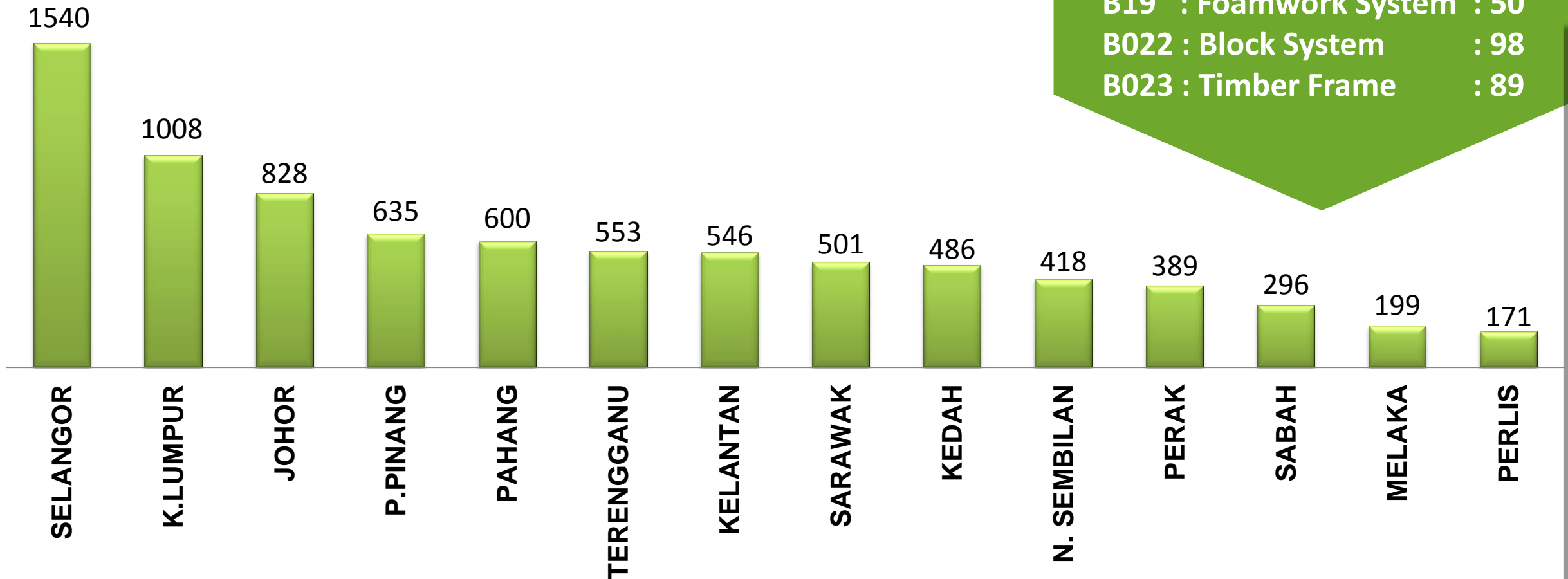


IBS Manufacturer Statistics (up to April 2015)

SPECIALISED IBS CONTRACTORS

UP TO AUGUST 2016

By State



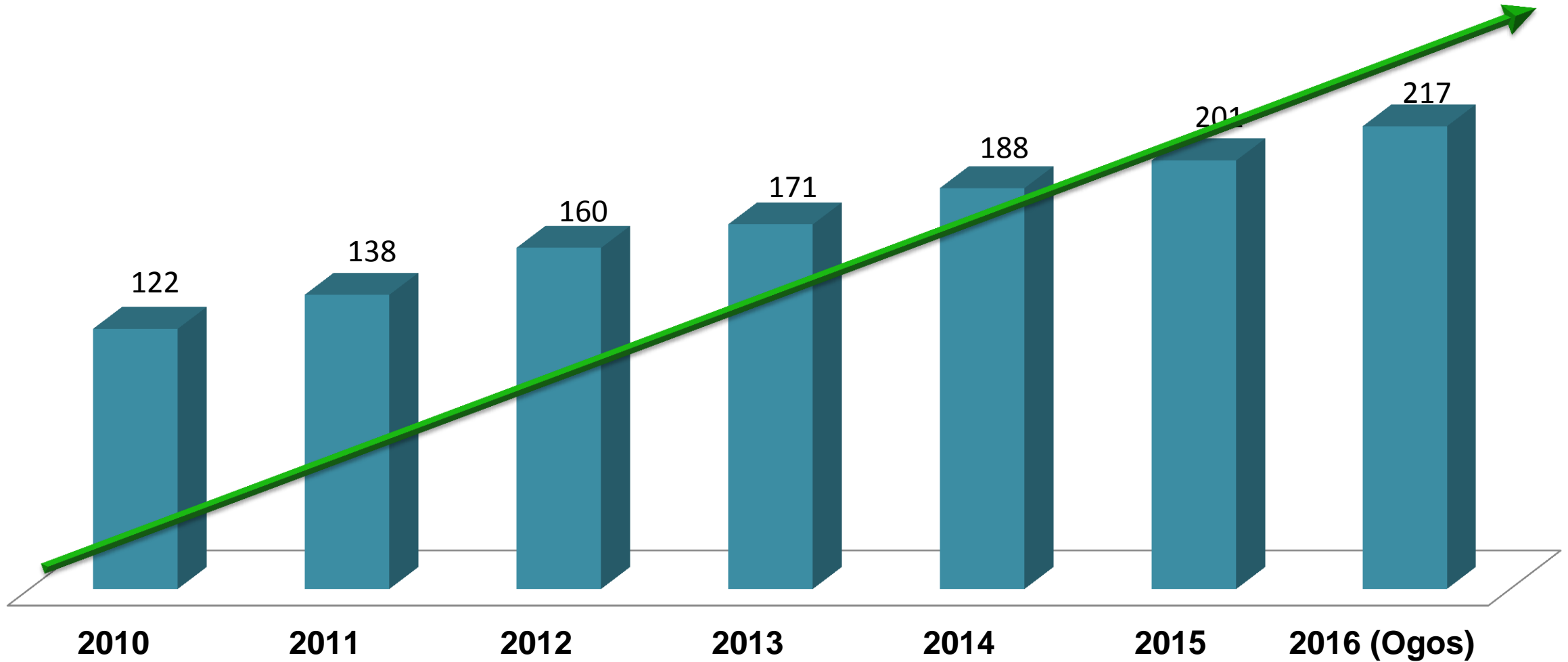
B01	: PC Concrete	: 707
B02	: Steel Frame	: 7223
B19	: Foamwork System	: 50
B022	: Block System	: 98
B023	: Timber Frame	: 89

Total of IBS Contractors = 8170

REGISTERED IBS COMPONENT MANUFACTURERS

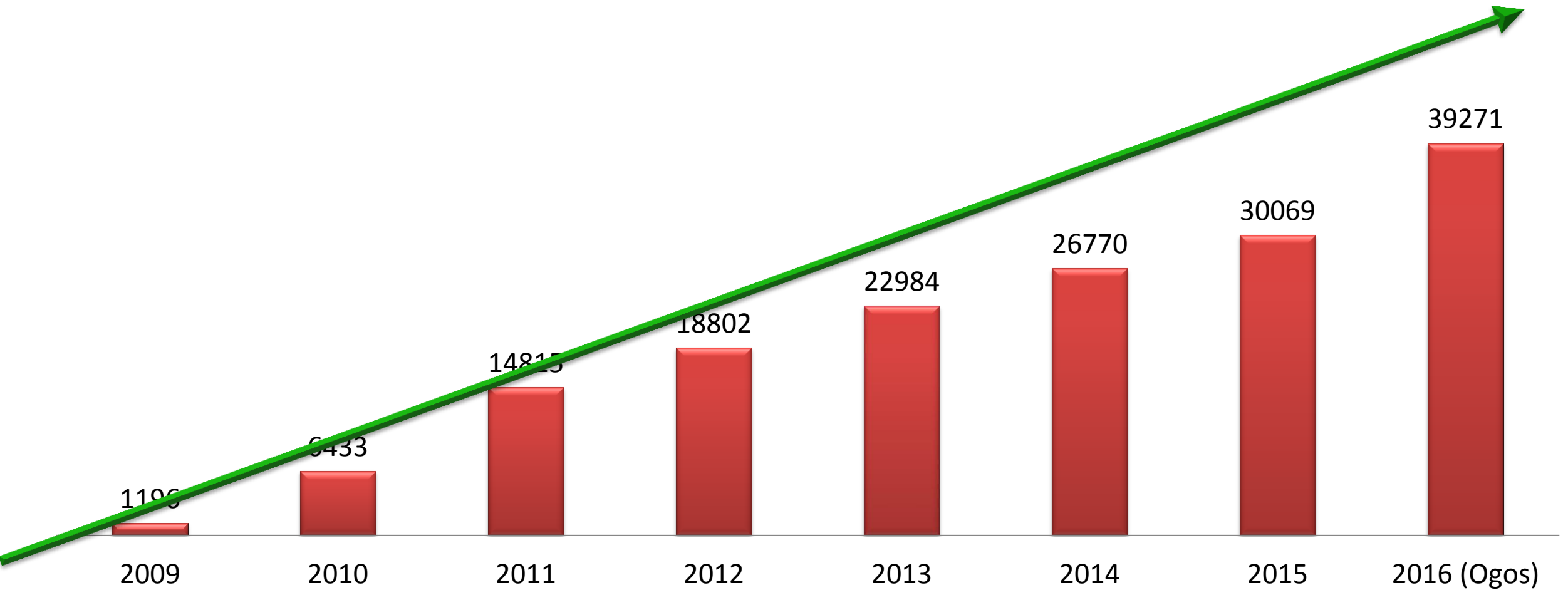
ANNUALLY UP TO AUGUST 2016

By Year



IBS INSTALLERS

UP TO AUGUST 2016



Accredited IBS Installers = 39,271 orang

Committee Name :
**CITP Initiative Working Group on
Industrialised Building System**

Committee Code :
CITP-IWG10/P3-IBS



CITP-IWG10/P3-IBS MEMBERSHIP



CHAIRMAN

Dato' Azman Mahmud (CEO MIDA)



DEPUTY CHAIRMAN

Datuk AG Buhtamam AG Mahmud (CIDB BOD)

23 Members

13 GOVERNMENT REPRESENTATIVE

10 PRIVATE REPRESENTATIVE

CITP-IWG10/P3-IBS MEMBERSHIP

1	Dato' Azman Mahmud (Chairman)	13	Kow Choong Ming (SP Setia Berhad)
2	Datuk AG Buhtamam AG Mahmun (Dep.Chairman)	14	Foo Sheh Eem (IJM Construction S/B)
3	Fara Anwary (MoF)	15	Ir. Hooi Wing Chen (IEM)
4	Yusnizah Kusnin (ICU)	16	Ar. Abu Zarim Abu Bakar (PAM)
5	Azhar Abdul Manaf (MARA)	17	Sr. Hj Mohd Amin Mohd Din (RISM)
6	Hajah Rose Zairani Hj Marmuji (MBSA)	18	Dato' Ir. Soam Heng Choon (REHDA)
7	Ir. Norma Norman (JKR)	19	Dato' Othman Jaki (KUB Precast S/B)
8	Najihah Abas (MIDA)	20	Prof. Tan Sri Dato' (Dr) Ir. Jamilus Hussein
9	Ir. Kamar Kassim (KPKT)	21	Datuk Ir. Elias Ismail (SPONSOR -CIDB)
10	Prof. Dr Azmi Ibrahim (UiTM)	22	Ir. Noraini bahri (OWNER - CIDB)
11	Ong Ka Thiam (MBAM)	23	Sr. Noridah Shaffii (PMO -CIDB)
12	Ir. Kamar Kassim (KPKT)		

Initiative P3

Accelerate adoption of IBS, mechanisation and modern practices



P3a : Drive scale of IBS adoption via public sector projects

P3b : Drive scale of IBS adoption via private sector projects

P3c : Propel IBS Supply Chain via Economic Mechanism

KPIs and collaborative partners

P3a

Drive scale of IBS adoption via public sector projects

59 All IBS components (i.e. columns, beams & slabs) for public projects to be procured separately from main contracts by 2018

JKR and other Developing Agencies

60 Quarterly Report on status of IBS adoption, submitted by Implementation Coordination Unit (ICU-JPM) to Ministry of Finance (MOF) and Auditor General (AG) for action on noncompliance beginning 2016.

ICU-JPM, MOF, AG, JKR & Developing Agencies

61 All JKR Pre-Approved Plans (PAP) comply to IBS and Modular Coordination by 2017

JKR

62 All JKR and CIDB's IBS components catalogue harmonised and issued by 2017

JKR-CIDB

63 80% compliance to amended MOF Circular 1 PPK 1/2013 by 2018

All Ministries & Developing Agencies

P3b

Drive scale of IBS adoption via private sector projects

64 100% new Development Order in Greater Klang Valley for projects RM50 Mn and above achieved minimum 50 IBS Score by 2018

KPKT, LAs in Klang Valley

65 100% new Development Order by identified local authorities in three states (Selangor, Johor & Pulau Pinang) for projects RM50Mn and above achieved minimum 50 IBS Score by 2020

KPKT, Relevant LAs



P3c

Propel IBS Supply Chain via Economic Mechanisms

66 At least 100 more new IBS component manufacturing plants established at various strategic locations by 2020

MIDA, MARA, SME Bank, CIDB

67 At least 5,000 professionals (engineers, architects & quantity surveyors) trained to apply IBS and modular coordination from design phase by 2020

JKR, Gov. Agencies, Prof. Association, MOHE, CIDB

68 At least two economic mechanisms to propel adoption of IBS introduced by 2017

- Manufacturing and installation equipment import tax reduction
- Tax Holiday for qualified local IBS manufacturers until 2020

MIDA, MITI, IRB, KPKT, Local Authority, MOF, CIDB

P3a

Drive scale of IBS adoption via public sector projects

CITP KPI

Annual Target for CITP KPI

59

All IBS components (i.e. columns, beams & slabs) for public projects to be procured separately from main contracts by 2018

2016	2017	2018	2019	2020
JKR agreement to procure IBS components separately from main contract secured..	Tender and Contract document/ BQ model for IBS procurement roll out	Note: 2018-2020 Annual target determine after JKR agreemnet has secured		
Weightage: 10%	Weightage: 30%	Weightage 60%		

60

Quarterly report on status of IBS adoption, submitted by Implementation Coordination Unit (ICU-JPM) to Ministry of Finance (MOF) and Auditor General (AG) for action on non-compliance beginning 2016

2016	2017	2018	2019	2020
2 Report on status of IBS adoption submitted by ICU JPM to MOF & AG for action on non-compliance AG agreement to audit on IBS non-compliance secured	2 Report on status of IBS adoption submitted by ICUJPM to MOF & AG for action non-compliance. Audit Report on IBS non compliance published by AG	2 Report on status of IBS adoption submitted by ICUJPM to MOF & AG for action non-compliance JKR corrective action on AG report on IBS	2 Report on status of IBS adoption submitted by ICUJPM to MOF & AG for action non-compliance	2 Report on status of IBS adoption submitted by ICUJPM to MOF & AG for action non-compliance
Weightage: 30%	Weightage: 20%	Weightage: 20%	Weightage: 15%	Weightage: 15%

61

All JKR Pre-Approved Plans (PAPs) comply to IBS and Modular Coordination by 2017

2016	2017	2018	2019	2020
50% of JKR Pre Approve Plan (PAP) comply to IBS and MC. JKR IBS-PAP drawings documented.	100% of JKR Pre Approve Plan (PAP) comply to IBS and MC. JKR IBS-PAP drawings documented.	Note: 2018-2020 All new JKR PAP comply to IBS and MC (Annual target to be determined later)		
Weightage: 40%	Weightage: 40%	Weightage 20%		

P3a

Drive scale of IBS adoption via public sector projects

CITP KPI

Annual Target for CITP KPI

62

All JKR and CIDB's IBS components catalogue harmonised and issued by 2017



2016

Harmonization of JKR and CIDB IBS component catalogue completed

Weightage: 70%



2017

Harmonized IBS component catalogue for Industry reference published

Weightage: 30%



2018



2019



2020

63

80% compliance to amended MOF Circular 1 PPK 1/2013 by 2018



2016

JKR agreement to broaden IBS adoption for projects RM5mn and above secured.

Weightage: 10%



2017

MOF circular to broaden IBS adoption for projects RM5mn and above issued.

Weightage: 40%



2018



2019



2020

Note 2018-2020
Target to be determined after MOF Circular issued

Weightage 50%

CITP KPI

Annual Target for CITP KPI

64

100% new Development Order in Greater Klang Valley for projects RM50 Mn and above achieved minimum 50 IBS Score by 2018

2016	2017	2018	2019	2020
Criteria to mandate IBS in Private Sector established and approved by MNKT IBS criteria for new private sector projects announced by KPKT	PBTs in Greater Klang Valley agreement to adopt IBS criteria as a prerequisite for issuance of DO secured and implemented	KPKT Report on IBS adoption for private sector project published. Corrective action for non-compliance of IBS adoption proposed and implemented	KPKT Report on IBS adoption for private sector project published. Corrective action for non-compliance of IBS adoption proposed and implemented	
Weightage: 30%	Weightage: 30%	Weightage: 20%	Weightage: 20%	

65

100% new Development Order by identified local authorities in three states (Selangor, Johor & Pulau Pinang) for projects RM50Mn and above achieved minimum 50 IBS Score by 2020

2016	2017	2018	2019	2020
Criteria to mandate IBS in Private Sector established and approved by MNKT IBS criteria for new private sector projects announced by KPKT	PBTs in three agreement to adopt IBS criteria as a prerequisite for issuance of DO secured and implemented	KPKT Report on IBS adoption for private sector project in three published. Corrective action for non-compliance of IBS adoption proposed and implemented	KPKT Report on IBS adoption for private sector project in three published. Corrective action for non-compliance of IBS adoption proposed and implemented	KPKT Report on IBS adoption for private sector project in three published. Corrective action for non-compliance of IBS adoption proposed and implemented
Weightage: 30%	Weightage: 30%	Weightage: 20%	Weightage: 20%	Weightage: 20%

P3c Propel IBS supply chain via economic mechanisms

CITP KPI

Annual Target for CITP KPI

66

At least 100 more new IBS component manufacturing plants established at various strategic locations by 2020

2016	2017	2018	2019	2020
20 new IBS manufacturer registered	20 new IBS manufacturer registered	20 new IBS manufacturer registered	20 new IBS manufacturer registered	20 new IBS manufacturer registered
Weightage: 20%	Weightage: 20%	Weightage: 20%	Weightage: 20%	Weightage: 20%

67

At least 5,000 professionals (engineers, architects & quantity surveyors) trained to apply IBS and modular coordination from design phase by 2020

2016	2017	2018	2019	2020
250 professionals trained in IBS and MC Directory of trained professionals published	1500 professionals trained in IBS and MC Directory of trained professionals published	1500 professionals trained in IBS and MC Directory of trained professionals published	1500 professionals trained in IBS and MC Directory of trained professionals published	250 professionals trained in IBS and MC Directory of trained professionals published
Weightage: 5%	Weightage: 30%	Weightage: 30%	Weightage: 30%	Weightage: 5%

68

At least two economic mechanisms to propel adoption of IBS introduced by 2017

2016	2017	2018	2019	2020
Tax Holiday incentive for new IBS manufacturing plants approved and implemented. Report on IBS Tax Holiday incentive recipients published.	Second Incentive on economic mechanism to propel IBS adoption proposed and submitted to MOF. Report on IBS incentive recipients published.	<div>Note 2018-2020 Target to be determined after proposal on second incentive approved</div>		
Weightage: 40%	Weightage: 30%	Weightage 30%		



ACTION PLAN TO TRANSFORM THE INDUSTRY TOWARDS IBS ADOPTION

01

Policy



- Mandate 100% new Development Order by identified local authorities in three states (Selangor, Johor & Pulau Pinang) for projects RM50Mn and above achieved minimum 50 IBS Score
- Mandate 100% new Development Order in Greater Klang Valley for projects RM50 Mn and above achieved minimum 50 IBS Score
- Enhance coverage of IBS adoption for public projects RM5 Mn and above.

02

Enforcement



- Involve AG in auditing non-compliance to MOF Circular SPP Bil.7- 2008 for IBS Public Project.
- Akta 520 CIDB: To regulate the implementation of IBS in Construction Industry.

03

Incentives



- Reducing import duty on IBS Machineries & Equipment (MITI-MoF)
- Offering Tax Holiday on new IBS Factories (MIDA-IRB -MoF)
- Increased plot ratio to Developers for new IBS projects (KPKT-LAs)
- Levi Exemption for Private Residential Projects achieved 50 IBS Score (CIDB - Existing Incentive)
- IBS Promotion Fund (IPF) RM500Mn (SME Bank-MoF –Existing Incentive)

CITP ACHIEVEMENTS JUNE 2016

Achievements Summary

20 IWGs established and had meetings

4 TWGs established and had meetings

1 CITP-MC established and had meeting

50% members of IWG/TWG represented by Government (124)

50% members represented by Industry (128)

110 Initiative KPIs & **9** Thrust KPIs confirmed by IWG/TWG

229 Pledges, **22** MoC & **2** MoU signed by Government and Industry

CITP PROGRESS STATUS AS OF JUNE 2016

73/110 Initiative KPIs

on track / ahead of schedule

19/110 Initiative KPIs

behind schedule

18/110 Initiative KPIs

commencing in 2017



THANK YOU