

Speech by

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Construction Industry Development Board (CIDB)

**Signing of Memorandum of Understanding (MoU) Between
CIDB IBS Sdn Bhd & SANY Construction Industry
Development (M) Sdn Bhd**

TPC Kuala Lumpur, Bukit Kiara

19 December 2018 (Wednesday)

(Salutations to be provided on event day)

Assalamualaikum warahmatullahi wabarakatuh and a very good morning

1. First of all, on behalf of CIDB, I would like to thank all of you for joining us to witness the Signing of the Memorandum of Understanding (MoU) between CIDB IBS Sdn Bhd and SANY Construction Industry Development (M) Sdn Bhd.
2. We are very delighted that SANY Construction, one of the largest construction companies in China, is collaborating with CIDB IBS to share its knowledge and expertise in Industrialised Building System (IBS) or precast technology by training and building a talent pool of skilled IBS workers.

3. Prior to today's signing of the MoU, CIDB had sent 12 participants to Hunan SANY Polytechnic College, Changsa, China on 1 April 2018 until 15 April 2018 comprising representatives from CIDB IBS, IBS Centre and instructors of Akademi Binaan Malaysia (ABM). In that visit, the Malaysian delegation exchanged knowledge, experience, and expertise with their Chinese counterparts.
4. This MoU formalises the cooperation between CIDB and SANY Construction, and marks another step forward towards achieving the goals of the Construction Industry Transformation Program 2016-2020 (CITP). One of the goals under the CITP's third strategic thrust of Productivity is to drive IBS adoption in both public and private sector projects and to develop a robust IBS supply chain in the country.
5. For this to happen, we need to have a significant shift in the skillset and mindset of the Malaysian construction industry. And for this, we are glad to be partnering with SANY Construction, who has significant experience in IBS construction methods.

Ladies and gentlemen,

6. Before I go on, allow me to give you a little background to CIDB IBS Sdn Bhd. CIDB IBS is a subsidiary of CIDB Malaysia that is tasked to ensure the IBS agenda is successfully implemented in the Malaysian construction industry.

7. To achieve this goal, CIDB IBS offers services to the construction industry such as:
 - a. Technical advisory to project owners, professionals, manufacturers and contractors
 - b. IBS-related trainings such the IBS Manufacturer Programme (IMP)
 - c. Verification, validation, testing and certification services based on CIDB's IMPACT IBS standard.

8. As at November 2018, CIDB IBS has trained a total of 3684 workers, 7496 contractors, and 4053 professionals to upgrade their knowledge in implementing IBS technology. The collaboration outlined in this MoU will complement the efforts already being made by CIDB IBS in this direction.

9. Under this MoU, SANY Construction and CIDB agree to share information and expertise in IBS-related innovation and technologies as well as collaborate in capacity building programmes at all levels, including upskilling and reskilling programmes for the existing workforce to be IBS-ready.

10. Through the efforts of the two parties, CIDB looks forward to seeing an increase in the number of IBS manufacturers, IBS installers and IBS contractors in Malaysia. We foresee that the synergy of purpose and intent between the two parties will further enable the larger CITP goal of building up the IBS ecosystem in Malaysia.

Ladies and gentlemen,

11. The government has mandated the use of IBS in public sector projects worth RM10 million and above since 2008. The requirement is to achieve a minimum IBS score of 70. IBS has also been mandated for private sector projects worth RM 50 million and above since 10 January 2018, with the requirement to achieve minimum IBS score 50 score having been gazetted by the Ministry of Housing and Local Government.

12. Besides the need for regulatory compliance, the benefits of IBS over conventional construction methods are very clear. IBS construction methods takes a holistic approach that enables early detection of any potential issues, from the design stage until right until completion.

13. As IBS systems enable more accurate allocation of resources, a construction project will be able to be completed within a shorter period of time. This contributes to the improvement of overall cost-efficiency of a project as well as reduce its impact on the environment.

Ladies and gentlemen,

14. CIDB sees the collaboration between the two parties as a key milestone in capacity building in the area of IBS. This is part of CIDB's strategic effort to further strengthen the IBS ecosystem

in the Malaysian construction industry, in line with the goals of the CITP goal of doubling the productivity of the Malaysian construction sector.

15. We welcome this collaboration with SANY Construction as we believe that by combining our strength, expertise and resources, we can truly make a difference in the industry. This is truly aligned with the spirit of the CITP tagline “Driving Construction Excellence Together”.

Thank you.