

# MEDIA STATEMENT

## CITP MADE GREAT STRIDES IN CONSTRUCTION INDUSTRY TRANSFORMATION THROUGH COLLABORATION

*CITP marks significant improvements in safety and health, environmental sustainability and productivity*

**KUALA LUMPUR, 6 August, 2019** - The Construction Industry Development Board Malaysia (CIDB) announced today that several landmark changes have been achieved towards its goal to raise the local construction industry to world-class standards. These are in line with the Construction Industry Transformation Programme 2016-2020 (CITP), covering safety and health practices in construction sites, environmental sustainability and productivity in construction.

The Ministry of Works through CIDB has been working closely with key ministries and agencies relevant to the construction industry in implementing initiatives and programmes under the CITP. The key milestones achieved together are:

1. **Ministry of Human Resources (MOHR):** - On enhancing safety and health for workers, Amendments of **Act 446 (Workers' Minimum Standards of Housing and Amenities Act 1990)**, which was approved by Parliament on 31<sup>st</sup> July 2019, will now make it compulsory for employers in all industrial sectors, including construction, to provide accommodation for workers that meets minimum standards as outlined in the Act. This is an issue that has been highlighted and worked towards closely with the MOHR since the inception of CITP in 2015.
  - **Department of Occupational Safety and Health:** - On safety in construction sites, efforts are being made towards mandating the **Occupational Safety and Health in Construction Industry Management (OSHCIM)** in 2020, in line with the soon-to-be amended Occupational Safety and Health Act (OSHA) 1994. Under OSHCIM, duty holders i.e clients, designers and contractors will have statutory duties to ensure occupational safety and health in construction sites;

2. **Ministry of Housing and Local Government:** - On quality, the launch of the **National Affordable Housing Policy** or **Dasar Perumahan Mampu Milik Negara (DRMM)** has incorporated various initiatives promoted under the CITP to ensure that quality is given priority in the construction of affordable housing. The DRMM incorporates **the National Housing Standard** (CIS 26:2019), which provides for minimum quality standards for housing in Malaysia, and serves as the standard guideline in the planning, design and construction of affordable housing projects. The DRMM, under chapter 3, Quality Home Construction Standards, has made it compulsory for the Industrialised Building System (IBS) method to be used in the construction of affordable housing. In addition, to further enhance quality, the policy requires all affordable housing projects to be assessed with QLASSIC (the Quality Assessment System in Construction) developed by CIDB.
  - **Local Government Department (JKT – Jabatan Kerajaan Tempatan):** - On improving the ease of doing business, the OSC 3 Plus Online system, that was developed as a CITP initiative, is now being piloted by 9 local authorities towards faster issuance of construction permits. Among others, the system allows for e-submission of building plans using Building Information Modelling (BIM). The local authorities which are piloting this system with JKT are Majlis Bandaraya Ipoh, Majlis Bandaraya Alor Setar, Majlis Bandaraya Subang Jaya, Majlis Perbandaran Kajang, Majlis Perbandaran Nilai, Majlis Perbandaran Kuantan, Majlis Perbandaran Dungun, Majlis Perbandaran Bt. Pahat, and Majlis Daerah Rembau.
3. **Ministry of International Trade & Industry:** - On boosting construction productivity through technology, the Malaysia Investment Development Authority (MIDA) provides **major tax incentives to increase Industrialised Building System (IBS) adoption**. These include, amongst others, Pioneer Status companies that can enjoy tax exemption from 70-100% for a period of 5 to 10 years; import duty exemption for raw materials/components and machinery and equipment; and investment tax allowance of 60-100% on qualifying capital expenditure for 5 years.
4. **The Ministry of Works:** – the collaboration of agencies under the Ministry of Works - CIDB and the Public Works Department has resulted in significant milestones achieved in the area of environmental sustainability. The **Malaysian Carbon Reduction and Environmental Sustainability Tool (MyCREST)** was launched in 2016 and has to date been used to assess 22 projects. In addition, **the Sustainable Infrastructure Rating Tool (Infrastar)** was launched in March this year, with four major infrastructure pilot projects. They are Pembinaan Empangan Kahang in Kluang Johor; Loji Rawatan

Kumbahan di Bandar Indera Mahkota; Kuantan, Pahang; Loji Janakuasa in Sandakan, Sabah; and Lebuhraya Setiawangsa – Pantai (SPE) @ DUKE 3.

Speaking after the CITP Ministerial Committee meeting, **Tuan Baru Bian, the Minister of Works** said that the achievements recorded so far prove that collaboration is key in achieving meaningful industry transformation. “No significant success can be achieved by working in silos. We are proud that CITP goals has indeed been achieved by the spirit of its tagline, ‘Driving Construction Excellence Together’.”

The CITP was launched in 2015 as a National blueprint for the transformation of the construction industry, within the implementation period of 2016 to 2020. The targeted transformation areas are divided into 4 strategic thrusts: Quality, Safety and Professionalism; Environmental Sustainability; Productivity; and Internationalisation & Competitiveness. The ministry through its reviewed CITP will focus on 8 areas namely:

1. **Quality** – improved construction quality in both public and private building projects;
2. **Safety** – improved occupational safety and health practices on construction sites;
3. **Professionalism** – Improved project delivery through standardization and integrity initiatives;
4. **Sustainability** – Sustainable construction emphasis in the value chain;
5. **Skills training** – Percentage of skilled construction work force increased to 30% of total registered workers;
6. **Technology** – Double construction industry productivity via IBS and BIM;
7. **Export** – New market entrance and enhanced construction financing for projects overseas;
8. **Competitiveness** – Improved ease of doing business through one stop portal on contractor registration and construction permits, improved policy formulation through digital analytics and improved access to accredited contractors through SCORE ratings.

The 12th MP which covers the period of 2021-2025 is expected to be premised on the ‘Shared Prosperity’ initiative and covers three development dimensions – economic empowerment, environmental sustainability and social re-engineering.

“The Ministry of Works and its agencies are in the process of benchmarking the accomplishment under 11<sup>th</sup> MP as well as identifying and recommending new policies, strategies and programmes to achieve the targets of 12<sup>th</sup> MP. In line with the Ministry of Works goal towards digitalising the construction industry, we expect the IR 4.0 and smart construction to play a significant role in the industry as we move towards 2020 and beyond,” said Tuan Baru Bian.

For more information, please visit: [www.cidb.gov.my](http://www.cidb.gov.my)

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### **About CIDB Malaysia**

*The Construction Industry Development Board was established under the Construction Industry Development Act (Act 520) to develop the Capacity and Capability of the Construction Industry through Enhancement of Quality and Productivity by Placing Great Emphasis on Professionalism, Innovation and Knowledge in the Endeavour to Improve the Quality of Life.*

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**For more information, please contact:**

*Issued on behalf of CIDB by NagaDDB Tribal*

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