

Circular No: BCA/IFM_AFM/2022-09-ES
Our Ref: BCA ID 108.2.1

CIRCULAR TO PROFESSIONAL INSTITUTES

Who should know

Building Owners, Developers, Facilities Management Companies, Architects, Engineers and Environmental Sustainability Design Consultants

Effective date

With effect from 6 September 2022 to 31 March 2025, or until the grant has been fully committed

\$30 MILLION INTEGRATED FACILITIES MANAGEMENT AND AGGREGATED FACILITIES MANAGEMENT GRANT

Objective

This circular provides details of the \$30 Million Integrated Facilities Management and Aggregated Facilities Management Grant (“IFM and AFM Grant” or the “Grant”). The Grant supports the Service Buyers (i.e. Developers, Building Owners) and Facilities Management Companies (“FMCs”) to build industry capabilities and develop more use cases to proliferate for mass adoption, through embracing innovative refreshed business models/systems/solutions for IFM and AFM.

Details of the IFM and AFM Grant

Background

1. The Built Environment (BE) sector comprises a diverse and complex value chain that spans across the entire building lifecycle. Particularly for the FM sector, in view of the expected increase in maintenance demand and ageing buildings, coupled with an impending manpower crunch due to an ageing workforce and tighter access to foreign workers, the current models of providing FM services would become unsustainable, with cost likely to escalate. Optimising building performance at the FM stage also helps foster better sustainability outcomes, reduces maintenance workload for FM teams, and enhances their productivity. Hence, the Grant aims to demonstrate the transformation shift in the way buildings are maintained and equip FMCs and service buyers with capabilities in multiple aspects towards IFM and AFM:

- Providing service buyers and FMCs greater confidence to adopt IFM and AFM through successful use cases;
- Widening the adoption of highly integrated Smart FM solutions for a portfolio/cluster of buildings; and
- Improving building maintainability through the demonstration of exemplary performance under the Green Mark: 2021 (GM: 2021) - Maintainability (Mt) section

Eligible Building Typologies

2. The grant is open to projects aggregating across three or more existing buildings¹ with a combined GFA of at least 45,000m² for the following building typologies:

- a) Commercial developments (e.g. hotels, serviced apartments, offices, retail buildings, mixed- developments, MSCT managed commercial and retail buildings);
- b) Institutional developments (e.g. healthcare facilities, Institute of Higher Learning campuses);
- c) Light industrial buildings; and
- d) Other building typologies with strong potential to contribute towards FM sector transformation to be determined by BCA in its sole discretion.

Eligibility Requirements and Funding Cap

3. To qualify for the grant, the service buyers and FMCs must jointly submit an application, committing to undertake the project that meets the following requirements. Funding support is subjected to BCA's assessment on the project's proposal submitted during the application stage, including innovative elements, and will only apply to 70% of the first \$3 million of the actual qualifying costs (capped at \$2.1 million). Please refer to Annex 1 of the terms and conditions ("T&Cs") of the Grant for more details. BCA also reserves the right and is not bound to assign any reasons for rejecting or accepting application.

- a) FMC must be registered under BCA's Contractor Registration System Facilities Management (FM01)² Workhead and accredited with at least a 'Gold' tier rating under Singapore International Facility Management Association's (SIFMA) Certified Facilities Management Company (CFMC) accreditation scheme;
- b) Adopt Outcome-Based IFM and AFM contracts that bundles 3 or more FM services together, consisting of at least 1 soft (e.g., cleaning, security, landscaping & etc.) and 1 hard FM service (e.g., Air-Conditioning and Mechanical Ventilation (ACMV) Systems, lifts & etc.) with a minimum 3 years-based contract period;
- c) Perform a gap analysis³ based on the Green Mark: 2021 Maintainability Section for all buildings in the proposal;
- d) Implement Type 3 Smart FM⁴ solutions which integrates across at least 3 FM services to optimise resource deployment;
- e) Complete Human Capital Diagnostic Tool (HCDT)⁵; and
- f) Demonstrate 20% or more overall productivity gain by manpower (e.g., man-days, man-hours, headcount, etc.)

¹ A block or tower exceeding 15,000m² GFA will be deemed as a building.

² Definition of FM01 Workhead: Provision of Integrated Facilities Management (IFM) and/or Managing Agent (MA) services by facilities management companies.

³ "Gap Analysis" refers to assessing the degree of maintainability of the building's inherent design – via GM: 2021 - Maintainability Section – to understand design-related inefficiencies in its current maintenance regimes. This would help service buyers plan and evaluate short-term and long-term improvements, accordingly.

⁴ Applicable for Smart FM solutions that transforms FM service delivery to one that is outcome-based, on-demand or as-needed (rather than scheduled), enable fluid and optimal deployment of resources and where appropriate, integrates with autonomous technologies. Some key characteristics include, but not limited to, workflow automation, digitalisation of routine FM tasks, predictive or on-demand maintenance; dashboard to monitor, manage and report performance of the 3 integrated services, implement digital integration plan to FM subcontracting supply chain, etc. For more info, refer to the "[Guide to Smart FM](#)".

⁵ HCDT, a national framework for workforce optimisation that measures human capital in terms of its capacity to support business goals, outlines an action plan, and prioritises resources to optimise competencies, processes and practices;

Qualifying Cost Items

4. A non-exhaustive list of Qualifying Cost Items are categorised into the Qualifying Cost Areas as follows:

Qualifying Cost Areas	Qualifying Cost Items
a) Design	i. Professional and consultancy services to carry out the Gap Analysis exercise based on the Green Mark: 2021 Maintainability Section Framework
b) Technologies required to achieve at least 20% overall manpower productivity gain	<ul style="list-style-type: none">i. Subscription fees relating to the provision of telco services, cloud services and platform servicesii. Purchase, installation and configuration of gateways, sensors, actuatorsiii. Purchase and configuration of analytics software (e.g. video surveillance, predictive maintenance)iv. Subscription fees for a maximum of two (2) years or lease of equipment including computer hardware, robotsv. Supply and installation of other equipment, materials, software and other physical or digital components of the proposed technology solutions as approved by BCA in its sole discretion

How to Apply

5. For interested service buyers and FMCs, you may complete the Pre-consultation Form. Our BCA Officer will contact you to arrange for a pre-consultation session. Please note that the pre-consultation does not constitute as a grant application. More information on the [IFM and AFM Grant](#) can be found on the BCA website.

Enhanced Guide to Smart FM

6 The Integrated Smart FM Taskforce under the Facilities Management Implementation Committee (FMIC) developed the Guide to Smart FM which was launched on 1 October 2019 to provide Building Owners and FM Managers with an easy-to-use reference to guide them on the key steps to take in their smart FM journey. As the industry move further towards Integrated FM and Aggregated FM (IFM and AFM) adoption, the Guide is revised to provide more guidance on Type 3 Smart FM processes, technologies, and digital skillsets. More information can be found on the BCA website for "[Guide to Smart FM](#)".

Thank you.

Yours faithfully



ANG KIAN SENG
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TERMS AND CONDITIONS

- (A) BCA has implemented the Integrated Facilities Management (“IFM”) and Aggregated Facilities Management (“AFM”) Grant (“**IFM and AFM Grant**”) with the aim to incentivise the progressive FMCs, in collaboration with Service Buyers to facilitate a wider industry shift through embracing innovative refreshed business models/systems/solutions for IFM and AFM to meet minimum 20% overall productivity gain by manpower in the following four areas:
- (i) adopting outcome-based contracting to raise the standards and productivity in FM services;
 - (ii) widening the adoption of highly integrated Smart FM solutions by integrating across multiple systems and FM services to optimise resource deployment for a portfolio/cluster of buildings;
 - (iii) improving building maintainability through the demonstration of exemplary performance under the Green Mark: 2021 Maintainability Section Framework; and
 - (iv) building capabilities in both FMCs and the workforce through the attainment of accreditations.
- (B) The IFM and AFM Grant is applicable in respect of the following building typologies:
- (i) Commercial developments (e.g. hotels, serviced apartments, offices, retail buildings, mixed-developments, MSCT managed commercial and retail buildings);
 - (ii) Institutional developments (e.g. healthcare facilities, Institute of Higher Learning campuses);
 - (iii) Light industrial buildings; and
 - (iv) other building typologies with strong potential to contribute towards FM sector transformation as determined by BCA in its sole discretion.
- (C) The Grantees are desirous of submitting the Application to BCA for purposes of obtaining the approval of BCA in relation to the Project’s participation in the IFM and AFM Grant.
- (D) BCA is desirous of providing its assessment of the Grantees’ Application, and where appropriate, issue the Letter of Acceptance to each of the Grantees for purposes of approving the participation of the Project in the IFM and AFM Grant.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1. In these T&Cs, the following words and expressions shall have the following meanings, except where the context otherwise requires:

“**Actual Qualifying Costs**” means the actual qualifying costs (excluding GST) incurred in relation to the Qualifying Cost Items after a copy of each of the FM Contracts which have been entered into in relation to the Project has been provided to BCA;

“**AFM**” means Aggregated Facilities Management;

“**Agreement**” means the whole agreement between BCA and the Grantees in respect of the Project’s participation in the IFM and AFM Grant, comprising of the following documents:

- a) the Application;
- b) the Letter of Acceptance; and
- c) these T&Cs,

“Application” means the Grantees’ application for the Project to be admitted into the IFM and AFM Grant and for such Project to be bound by these T&Cs;

“Application Form” means the application form which is to be submitted by the Grantees for participation in the IFM and AFM Grant;

“Application Proposal” means the application proposal which is to be submitted by the Grantees as a supporting document to the Application;

“Baseline Productivity Level” means the overall manpower productivity of the Grantees as at the date of Application which shall be set out by the Grantees in the Application Proposal;

“BCA” means the Building and Construction Authority, a statutory board established under the Building and Construction Authority Act (Cap. 30A);

“Buildings” means the existing buildings under the Project which are owned and/or developed by the Grantee and which have a combined GFA of at least 45,000m² and **“Building”** means any one of them;

“Business Day” means a day between Monday and Friday (both days inclusive), excluding any public holiday in Singapore;

“CFMC” means the SIFMA’s Certified Facilities Management Company Accreditation Scheme;

“CFME” means the SIFMA’s Certified Facilities Management Expert Accreditation Scheme;

“Completion Date” means the date falling 24 months from the date of the Letter of Acceptance or 31 March 2027, whichever is earlier;

“Data Migration Plan” means a data migration plan which shall be provided to a FM company which may be engaged by a Service Buyer Grantee to replace the FMC Grantee in relation to the provision of FM services to the Building(s);

“DfM” means Design for Maintainability, which is the practice of integrating operations and maintenance considerations into project planning and design to achieve effectiveness, safety, and economy of maintenance tasks during the lifespan of a facility;

“Effective Date” means the date on which the Letter of Acceptance is issued by BCA to the Grantee;

“FM” means Facilities Management;

“FMC” means a company which is registered under the FM01 Workhead and provides FM services to the Service Buyers in respect of the Buildings;

“FMC Grantee” means a FMC which had jointly submitted the Application in respect of the Project with the other Grantees;

“FM01” means BCA’s Contractor Registration System Facilities Management Workhead;

“FM Contract” means a IFM and AFM contract entered into by each Service Buyer Grantee and the FMC Grantee in relation to the Project, and which fulfils the following criteria:

- a) has a minimum term of three (3) years;
- b) adopts the OBC Model; and

- c) consists of three (3) or more FM services, with at least one (1) Soft FM service and one (1) Hard FM service.

“First Claim” means the first claim under the IFM and AFM Grant which shall (i) contain claims for Actual Qualifying Costs incurred by each of the Grantees and (ii) be subject to a maximum cap of 30% of the Maximum Grant Amount;

“First Claim Application” means the application to be submitted by the Nominated Grantee to BCA for purposes of claiming for the disbursement under the First Claim;

“Gap Analysis” means an assessment of the degree of maintainability of a building’s inherent design in accordance with the Green Mark: 2021 Maintainability Section Framework, for purposes of ascertaining design-related inefficiencies in the current maintenance regime of the building;

“GFA” means the total gross floor area of covered floor space measured between the centre line of party walls including the thickness of external walls but excluding voids;

“Grant” means the sum or sums of money in Singapore dollars to be disbursed to the Grantees by BCA under the Agreement;

“Grant Outcome Requirements” means the outcome requirements as set out in **Annex A**;

“Grantees” means the Service Buyer Grantee(s) and the FMC Grantee which had submitted the Application in respect of the Project and **“Grantee”** means any one of them;

“GST” means the tax chargeable in respect of the Qualifying Cost Items, under the Goods and Services Tax Act 1993;

“Hard FM” means FM services that relate to the physical built environment with a focus on space and infrastructure, including but not limited to Building Management System, Air-Conditioning and Mechanical Ventilation systems, Lifts and Mechanical and Electrical equipment;

“HCDT” means the Human Capital Diagnostic Tool, a national framework for workforce optimisation that measures human capital in terms of its capacity to support business goals, outlines an action plan, and prioritises resources to optimise competencies, processes and practices;

“IFM” means Integrated Facilities Management;

“IFM and AFM Grant” has the meaning ascribed to it in Recital (A) of these T&Cs;

“Letter of Acceptance” means the letter of acceptance issued by BCA to each of the Grantees in respect of the Grantees’ Application;

“Letter of Undertaking” means the letter of undertaking which shall be jointly issued by a Service Buyer Grantee and the FMC Grantee to BCA as a supporting document accompanying the Application in the event an FM Contract has not been entered into by such Service Buyer Grantee and the FMC Grantee at the time the Application is submitted;

“Maximum Grant Amount” means the maximum Grant that may be disbursed to the Grantees by BCA under the Agreement and is determined based on 70% of the Actual Qualifying Costs incurred by the Grantees, subject to a maximum cap of \$2.1 million;

“Nominated Grantee” means the Grantee which shall be submitting the First Claim Application and Second Claim Application to BCA on behalf of the Grantees;

“OBC Model” means the Outcome-Based Contracting model which requires that parties to a contract specify the contract requirements in terms of measurable performance outcomes;

“Parties” means BCA and the Grantees;

“Professional Services” means consultancy services in relation to the carrying out of the Gap Analysis on the Buildings and other professional services engaged for or in connection with the Project;

“Project” means the implementation of IFM and AFM across at least three (3) or more existing buildings⁶ with a combined GFA of at least 45,000 m² by the Grantees, as described by the Grantees in the Application;

“Qualifying Cost Area” means either the cost area of “Design” or “Technologies required to achieve at least 20% overall manpower productivity gain”;

“Qualifying Cost Items” means qualifying cost items which can be categorised into a Qualifying Cost Area, as determined by BCA in its sole discretion, and which are eligible for reimbursement under the IFM and AFM Grant, and includes the non-exhaustive list of qualifying items set out in **Annex B** hereto;

“Recommendation Report” means a report issued in respect of a building after the completion of a Gap Analysis on the building and which sets out the (i) proposed recommended improvement works to be carried out in relation to the building for the purpose of achieving exemplary performance under the Green Mark: 2021 Maintainability Section Framework and (ii) costs of such proposed recommended improvement works;

“Second Claim” means the second claim under the IFM and AFM Grant which shall (i) contain claims for Actual Qualifying Costs incurred by each of the Grantees and (ii) be subject to an amount equal to the Maximum Grant Amount less the monies disbursed to the Grantees under the First Claim Application;

“Second Claim Application” means the application to be submitted by the Nominated Grantee to BCA for purposes of claiming for the disbursement under the Second Claim;

“Service Buyer” means a developer or a building owner of the Buildings;

“Service Buyer Grantee” means a Service Buyer which had jointly submitted the Application in respect of the Project with the other Grantees;

“SIFMA” means the Singapore International Facility Management Association;

“Smart FM” means the integration of systems, processes, technologies and personnel to enhance the management of a building's facilities;

“Soft FM” means FM services that relates to people and organisations, including but not limited to landscaping, waste management, cleaning and security;

“Type 3 Smart FM Solutions” means the integration across multiple systems/FM services or domains to optimise resource deployment and includes workflow automation, digitalisation of routine FM tasks, predictive or on-demand maintenance, dashboard to monitor, managing and reporting performance of the integrated FM services;

“Type 3 Smart FM Report” means a report issued in respect of a building which details the Type 3 Smart FM Solutions adopted in respect of the building; and

“T&Cs” means the terms and conditions of the IFM and AFM Grant as contained herein.

⁶ A block or tower exceeding 15,000m² GFA will be deemed as a building.

2. BCA'S RIGHTS AND OBLIGATIONS

- 2.1. From the Effective Date until the date disbursements under the Second Claim are paid to the respective Grantees, BCA shall be entitled from time to time, through its authorised representatives which may include external auditors appointed by BCA, to conduct ad-hoc on-site and off-site audits to ensure that the terms and conditions of the Agreement, including these T&Cs are complied with, the Grant Outcome Requirements are being carried out, or have been carried out, in accordance with the Application and that all reports and information submitted to BCA by the Grantees are accurate, correct and not misleading. Each of the Grantees shall ensure that BCA's authorized representatives are given full access to all accounts, records, documents, assets and premises in connection with the Agreement, and shall provide BCA and its authorized representatives with all reasonable cooperation and assistance in connection with the audits. BCA shall bear its own costs and expenses incurred in respect of the audits performed under this clause, unless the audit identifies a material breach or default of the Agreement by a Grantee, in which case such Grantee shall reimburse BCA for all of BCA's reasonable costs and expenses incurred in connection with the audit.
- 2.2. BCA may:-
 - (i) publish, in any manner and on any medium it deems fit, a list of projects including the Project that have or have not been accepted under the IFM and AFM Grant, withdrawal of the Letter of Acceptance and any statistical and/or other information in relation to the Project; and
 - (ii) publish information in respect of the Project in any manner and on any medium it deems appropriate in so far as such publication is for the purposes of publicity of the IFM and AFM Grant.
- 2.3. If the Grantee's Application is rejected by BCA, BCA shall be under no obligation to make available to the Grantee the specific reasons for such rejection.

3. OBLIGATIONS OF THE GRANTEE

- 3.1. The Grantee shall comply with the terms and conditions contained in these T&Cs, including but not limited to the Grant Outcome Requirements.
- 3.2. The Grantee shall complete the Project by the Completion Date.
- 3.3. If applicable, each of the Service Buyer Grantees and the FMC Grantee shall comply with all its obligations under the Letter of Undertaking submitted by a Service Buyer Grantee and the FMC Grantee, including but not limited to submitting a copy of the FM Contract entered into by such Service Buyer Grantee and the FMC Grantee to BCA in accordance with the timelines described therein.
- 3.4. If directed by BCA, each of the Grantees shall attend at least one (1) seminar organised by BCA for the purpose of sharing and presenting their findings in respect of the Project. Each of the Grantees shall be required to submit its presentation materials (e.g. Powerpoint slides, reading material) to BCA for approval at least three (3) weeks before such seminar.
- 3.5. Each Grantee shall use the Grant prudently and ensure all expenditure incurred is reasonable and justified. The Grantee shall exercise sound financial management, having regard to the economy and efficiency and bearing in mind the Grant is public monies.
- 3.6. Each Grantee shall ensure that it has adequate procedures in place to enable early identification and effective management of any potential or actual conflicts of interest which the Grantee or the Grantee's officers, employees and agents may have in relation to the Agreement and the Grant Outcome Requirements. Each Grantee shall notify BCA if any such actual, perceived or potential conflict of interest arises or is likely to arise and shall take all measures required by BCA to resolve or deal with the conflict of interest.

- 3.7. Each Grantee shall not breach any laws in the carrying out of the Grant Outcome Requirements, whether or not related to the participation of the Grantee under the IFM AFM Grant.
- 3.8. Each Grantee shall not engage in conduct or activities in a manner prejudicial to the interest or reputation of BCA.

4. DISBURSEMENT OF GRANTS

- 4.1. The Grantees shall only be eligible for disbursements under the First Claim of the IFM and AFM Grant upon the satisfaction of the following conditions as BCA may determine:
 - (i) the Nominated Grantee submits the First Claim Application after the occurrence of each of the following:
 - a. each of the Grantees have received the Letter of Acceptance from BCA;
 - b. a copy of each of the FM Contracts entered into in relation to the Project has been submitted by the Grantees to BCA;
 - c. each Service Buyer Grantee has fulfilled Grant Outcome Requirements 1(a) and 1(b) as set out in **Annex A**; and
 - d. the FMC Grantee has fulfilled Grant Outcome Requirements 2(a) and 2(b) as set out in **Annex A**,
 - (ii) the First Claim Application only contains claims for Actual Qualifying Costs already incurred by the Grantees;
 - (iii) the First Claim Application consists of the following documents/written information:
 - a. First Claim Application Form;
 - b. summary of payments made by each of the Grantees in respect of the Actual Qualifying Costs incurred by each of the Grantees prior to the submission of the First Claim Application;
 - c. proof that Actual Qualifying Costs mentioned in paragraph b. above had been incurred by each of the respective Grantees (i.e. certified true copy invoices and signed payment receipts issued by the vendor/supplier);
 - d. copies of HCDT reports issued in respect of each Grantee and each certified by an independent assessor, evidencing that each of the Grantees have completed the HCDT assessment;
 - e. a Recommendation Report issued in respect of each Building and endorsed by the relevant Service Buyer Grantee;
 - f. proof that the FMC Grantee has achieved accreditation with at least a 'Gold' tier rating under each of the SIFMA's CFMC accreditation scheme and SIFMA's CFME accreditation scheme (e.g. accreditation report, certificate); and
 - g. a copy of each of the Grantee's details as approved under www.vendors.gov.sg which shall include the following details: Vendor Name, Vendor ID, Bank Account Details,

- (iv) the Nominated Grantee submits such other documents/written information as requested for by BCA.
- 4.2. The Grantees shall only be eligible for disbursements under the Second Claim of the IFM and AFM Grant upon the satisfaction of the following conditions as BCA may determine:
- (i) the Nominated Grantee submits the Second Claim Application after the completion of all the Grant Outcome Requirements as set out in **Annex A** by each of the Service Buyer Grantees and the FMC Grantee and in any case no later than six (6) months from the Completion Date;
 - (ii) the Second Claim Application only contains claims for Actual Qualifying Costs already incurred by the Grantees and which have not already been paid out under the First Claim Application; and
 - (iii) the Second Claim Application consists of the following documents/written information:
 - a. Second Claim Application Form;
 - b. a Type 3 Smart FM Report issued in respect of each Building and endorsed by the relevant Service Buyer Grantee and FMC Grantee;
 - c. a Data Migration Plan prepared by each Service Buyer Grantee in respect of its Building(s);
 - d. a report containing an assessment (e.g. calculations and business case report) by each of the Service Buyer Grantees and FMC Grantee of how an overall manpower productivity gain of at least 20% (e.g. mandays, manhours, headcounts) compared to the Baseline Productivity Level was achieved;
 - e. summary of payments made by each of the Grantees in respect of the Actual Qualifying Costs incurred by each of the Grantees after the submission of the First Claim Application and prior to the Second Claim Application; and
 - f. proof that Actual Qualifying Costs mentioned in paragraph g. above had been incurred by each of the respective Grantees (i.e. certified true copy invoices and signed payment receipts issued by the vendor/supplier),
 - (iv) the Nominated Grantee submits such other documents/written information as requested for by BCA.
- 4.3. BCA reserves the right to withhold the disbursement under the First Claim or the Second Claim if any of the conditions under Clause 4.1 or Clause 4.2 is not satisfied. In the event BCA exercises its right to withhold disbursement to the Grantees under the First Claim and/or the Second Claim pursuant to this Clause 4.3 or elsewhere in these T&Cs and notwithstanding anything to the contrary contained herein, BCA shall not be held liable to any of the Grantees under any circumstance whatsoever and howsoever arising.
- 4.4. Notwithstanding that the First Claim and Second Claim are to be submitted by the Nominated Grantee, BCA shall directly disburse to each Grantee (i.e. individual bank account of such Grantee), up to 70% of the Actual Qualifying Costs that such Grantee actually incurs under the First Claim and Second Claim, subject to the fulfilment of all conditions under Clause 4.1 and Clause 4.2 respectively.

- 4.5. BCA reserves the right to pay out the disbursements under the First Claim Application and the Second Claim Application to each of the Grantees via any means of electronic transfer including but not limited to interbank transfer, Paynow or General Interbank Recurring Order (GIRO).

5. SUBMISSION OF AUDITOR'S STATEMENT AND PROGRESS REPORTS/FINAL REPORT

- 5.1. Each Grantee shall submit progress reports/final report to BCA in the following manner:
- (i) from the Effective Date until the Completion Date, submit progress reports to BCA at six months intervals in accordance with the format / guidelines in **Annex E**; and
 - (ii) submit a final report in accordance with the format / guidelines in **Annex E**, no later than three (3) months from the expiry of the Completion Date.
- 5.2. Each Grantee shall, within such time period as may be specified by BCA, provide any supporting document or information that may be required by BCA to enable BCA to verify the accuracy of the progress reports/final report.
- 5.3. Each Grantee shall engage an external auditor and all claims must be audited by such external auditor. Audited statements shall be submitted along with all claims and each Grantee shall ensure that the wording of the audited statement follows the prescribed format in **Annex C**. Each Grantee shall make available to its auditor these T&Cs and its accompanying annexes including the attached Terms of Reference for Grantee's External Auditors at **Annex D**. Without prejudice to BCA's rights under Clause 5.1 above, in the event that the external auditor cannot issue an unqualified report, a Grantee shall ensure that BCA has direct access to the external auditor to gather details with regard to the audit findings.

6. LIMITATION OF LIABILITY

- 6.1. To the extent permitted under law, BCA and its directors, servants, agents, employees and authorized representatives shall not be liable for any and all direct and indirect loss, damage or claims arising from or in relation to the Agreement including the Letter of Acceptance.
- 6.2. To the extent permitted under law, BCA and its directors, servants, agents, employees and authorized representatives shall not be liable for any damage that arises from or relates to the Project or properties in the vicinity of the Project in the course of the performing the Agreement.
- 6.3. Each Grantee shall fully indemnify, defend and hold harmless BCA and its directors, servants, agents, employees and authorized representatives from any loss, damage, costs or expenses (including legal costs on an indemnity basis) incurred or to be incurred by BCA and its directors, servants, agents, employees and authorized representatives by any third parties arising from or relating to the Agreement.

7. TERMINATION

- 7.1. Without prejudice to its rights under common law, BCA may, without any compensation to the Grantees, terminate the Agreement by giving the Grantees a written Notice of termination, if:
- (i) any Grantee fails to comply with any of the Grant Outcome Requirements, and such Grantee fails to rectify the non-compliance within fourteen (14) days from the date of a written Notice of such non-compliance issued by BCA to such Grantee in respect of the non-compliance;
 - (ii) any Grantee submits information and/or documents which are false, forged, fraudulent, misleading or reasonably suspected by BCA to be false, forged, fraudulent or misleading; or

- (iii) any Grantee fails to comply with any terms and conditions of the Agreement, including any terms and conditions in these T&Cs, and such Grantee fails to rectify the non-compliance within fourteen (14) days from the date of a written Notice of such non-compliance issued by BCA to such Grantee in respect of the non-compliance.
- 7.2. In the event of termination of the Agreement pursuant to Clause 7.1 above, BCA shall be entitled to recover from any Grantee part of all the monies that have been disbursed to any Grantee pursuant to this Agreement.
- 7.3. Save as expressly provided for to the contrary, a termination of the Agreement will be without prejudice to the accrued rights, obligations and liabilities of BCA and the Grantees under the Agreement.
- 7.4. Regardless of termination, discharge or expiry of the Agreement, the rights and obligations of BCA and the Grantees under the Agreement which by their context, intent and meaning would reasonably be expected to survive the termination, discharge or expiry of the Agreement or any part thereof, shall so survive, including but not limited to Clauses 6, 8 and 11.

8. DISPUTE RESOLUTION

- 8.1. In the event of a dispute arising from or in relation to the Agreement, Parties shall attempt in good faith to settle the dispute through mutual discussion within fourteen (14) days from the date of commencement of such mutual discussion or any other timeframe as may be agreed by the Parties. If the dispute remains unresolved within:

- (i) fourteen (14) days from the date of commencement of such mutual discussion; or
- (ii) any other timeframe as may be agreed by the Parties,

whichever is the latest, the Parties shall discuss the dispute with the senior management of BCA and use all reasonable endeavours to resolve the dispute:

- (i) within a further fourteen (14) days from the meeting with the senior management; or
- (ii) within any other timeframe as may be agreed by the relevant Parties; or
- (iii) if for whatever reason the meeting is not conducted within thirty (30) days from a Party's request to meet,

whichever is the latest.

- 8.2. In the event of a failure to resolve the dispute in accordance with Clause 8.1, the relevant Parties shall make reasonable efforts to resolve the dispute by mediation in accordance with the mediation procedure for the time being in force, of the Singapore Mediation Centre. One mediator shall be appointed by the Singapore Mediation Centre to facilitate the mediation. A Party who receives a notice for mediation from the other Party shall consent to and participate in the mediation in good faith in accordance with this Clause. The relevant Parties undertake to abide by the terms of any settlement reached at the mediation. The Parties hereby agree that there will be a minimum of one (1) full-day mediation session. Failure to comply with this Clause shall be deemed to be a breach of the Agreement.
- 8.3. If the dispute is not resolved by mediation under Clause 8.2 within sixty (60) days (or any other timeframe as may be agreed by the Parties) from the initiation of that mediation, the Parties irrevocably agree to refer the dispute to and have the dispute finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference. The venue and seat of arbitration shall be Singapore. The Tribunal shall consist of one (1) arbitrator and the language of the arbitration shall be English.

9. NO WAIVER

- 9.1. Any failure to exercise, or any delay in exercising, by BCA of any right or remedy under the Agreement shall not operate as a waiver of such right or remedy.

10. RELATIONSHIP

- 10.1. Nothing in the Agreement shall be construed as to create a partnership or joint venture of any kind between the Parties.

11. CONFIDENTIALITY

- 11.1. Each of the Parties shall at all times keep confidential (and procure that its respective representatives and nominees keep confidential) any confidential information in relation to the IFM and AFM Grant or to the other Party and its business and affairs which it or they may acquire in the performance of the Agreement and shall not use or disclose such confidential information except with the prior written consent of the other Party.
- 11.2. The provision of Clause 11.1 shall not apply in respect of: (a) any disclosure required by any law, regulation, order or directive of any governmental or regulatory body or court of competent jurisdiction in Singapore or elsewhere (including any recognized stock exchange); (b) any information disclosed by a Party to its representative or nominee for the purpose of the Agreement; (c) any information which comes into the public domain otherwise than by a breach of Clause 11.1 by a Party; (d) any information which is developed by a Party independently of the confidential information disclosed by the other Party; or (e) any disclosure to a Party's financial or legal advisors.

12. WHOLE AGREEMENT

- 12.1. The Agreement sets forth the entire agreement and understanding between the Parties in respect of the subject matter hereof.
- 12.2. Each of the Grantees acknowledges that it has not been induced to enter into the Agreement by any representation, warranty or undertaking not expressly incorporated into the Agreement.

13. VARIATION

- 13.1. In the event any of the Parties seeks to vary the terms of the Agreement, the Parties must be in agreement regarding the variation, and no such variation of the Agreement shall be effective unless such variation is agreed to in writing and signed by all Parties. A variation made in accordance with this Clause 13.1 shall not require consideration for the variation to be binding and enforceable.

14. ASSIGNMENT

- 14.1. Each of the Grantees shall not, without BCA's prior written consent, assign or otherwise transfer to any other party its rights, benefits and/or obligations under the Agreement.

15. THIRD-PARTY RIGHTS

- 15.1. A person who is not a party to the Agreement shall have no rights under the Contracts (Rights of Third Parties) Act (Cap. 53B) of Singapore to enforce or enjoy the benefit of any term of the Agreement.

16. NOTICES

16.1. Any notice or other communication in connection with this Deed (each, a “**Notice**”) shall be:

- (i) in writing;
- (ii) if applicable, legible; and
- (iii) delivered by e-mail, hand, fax, pre-paid registered post or courier in accordance with this Clause 16.

16.2. A Notice to any of the Grantees shall be sent to the address or e-mail address provided by such Grantee under the “Project Team Details” section of the Application, or such other person or address as such Grantee may notify in writing to BCA from time to time.

16.3. A Notice to BCA shall be sent to the following address or e-mail address, or such other person or address as BCA may notify in writing to the Parties from time to time:

BUILDING AND CONSTRUCTION AUTHORITY

Address : 52 Jurong Gateway Road
#12-01, Singapore 608550 (Above JEM)

E-mail : low_siew_kim@bca.gov.sg and andy_goh@bca.gov.sg

Attention : Administrator (FMPO)
Integrated FM and Aggregated FM Grant
Environmental Sustainability Group – Facility Management Project Office

16.4. A Notice delivered in accordance with this Clause 16 shall be effective upon receipt and shall be deemed to have been received:

- (i) 2 days after posting, if delivered by pre-paid registered post;
- (ii) at the time of delivery, if delivered by hand or courier;
- (iii) at the time when receipt is confirmed, if delivered by fax to the specified fax number; or
- (iv) at the time of transmission, if delivered by e-mail before 6pm on any Business Day, and on the following Business Day if sent after 6pm on any Business Day.

17. SEVERANCE

17.1. A court or administrative body of competent jurisdiction’s determination that any provision of the Agreement is invalid or unenforceable shall not affect the other provisions of the Agreement, which shall remain in full force and effect. The Parties agree to substitute any invalid or unenforceable provision with a valid and enforceable provision which achieves similar effect as the invalid or unenforceable provision.

18. FORCE MAJEURE

18.1. Notwithstanding anything to the contrary in the Agreement, each Party, and where applicable its officers, employees or agents shall not be liable or be in any way responsible to the other in respect of any failure of the first mentioned Party to perform any of its obligations under the Agreement by reason of any event beyond the Party’s reasonable control (“**Force Majeure Event**”), including but not limited to riots, civil

unrest, curfew, state of emergency, labour disputes, strikes, war, civil war, lockouts, floods, fires, acts of terrorism, pandemics and acts of God.

- 18.2. A Party prevented from, or delayed in, the performance of its obligations under the Agreement by a Force Majeure Event shall not be liable for such failure or delay if it gives Notice thereof to the other Parties within seven (7) days from the occurrence of the Force Majeure Event, specifying the matters constituting the Force Majeure Event and estimating a period of time for which such prevention or delay may continue, and resumes that obligation as soon as the Force Majeure Event ceases.
- 18.3. If the Force Majeure Event continues for a period exceeding three (3) months from the date of the notice given under Clause 18.2 **Error! Reference source not found.**, any Party may at any time within one (1) month thereafter terminate the Agreement by written notice to the other Parties.
- 18.4. If a Force Majeure Event occurs, the Grantees or BCA (as the case may be) shall for the duration of such Force Majeure Event be relieved of any obligation under the Agreement as is affected by the Force Majeure Event except that the provisions of the Agreement shall remain in force with regard to all other obligations under the Agreement which are not affected by the Force Majeure Event.

19. GOVERNING LAW

- 19.1. The Agreement is governed by and shall be construed in accordance with the laws of Singapore.

Annex A: Grant Outcome Requirements

1. Each Service Buyer Grantee must meet the following requirements:
 - a) Perform a Gap Analysis based on the Green Mark: 2021 Maintainability Section in respect of its Building(s);
 - b) Complete the HCDT assessment; and
 - c) Implement Type 3 Smart FM Solutions in respect of its Building(s).

2. The FMC Grantee must meet the following requirements:
 - a) Complete the HCDT assessment;
 - b) Achieve accreditation with at least a 'Gold' tier rating under each of the SIFMA's CFMC accreditation scheme and the SIFMA's CFME accreditation scheme; and
 - c) Implement Type 3 Smart FM Solutions in respect of the Buildings for the purpose of enabling the FMC Grantee to provide Type 3 Smart FM services to the relevant Service Buyer(s).

3. Each Service Buyer Grantee and the FMC Grantee shall be jointly responsible for the satisfaction of the following requirement:
 - g) Achieve an overall manpower productivity gain of at least 20% (e.g. mandays, manhours, headcount, etc.) compared to the Baseline Productivity Level.

Annex B: Qualifying Cost Items

The Qualifying Cost Items are categorised into the Qualifying Cost Areas as follows:

Qualifying Cost Areas	Qualifying Cost Items
Design	ii. Professional and consultancy services to carry out the Gap Analysis exercise based on the Green Mark: 2021 Maintainability Section Framework
Technologies required to achieve at least 20% overall manpower productivity gain	vi. Subscription fees relating to the provision of telco services, cloud services and platform services vii. Purchase, installation and configuration of gateways, sensors, actuators viii. Purchase and configuration of analytics software (e.g. video surveillance, predictive maintenance) ix. Subscription fees for a maximum of two (2) years or lease of equipment including computer hardware, robots

Annex C: Format for External Auditor's Statement

AGREED-UPON PROCEDURES REPORT ON THE STATEMENT OF EXPENDITURE OF _____ [COMPANY NAME] IN CONNECTION WITH _____ [NAME OF GRANT/SCHEME] FOR THE PERIOD FROM _____ [DEVELOPMENT START DATE] TO _____ [DEVELOPMENT END DATE]

To Building and Construction Authority

Purpose of this Agreed-Upon Procedures Report

Our report is solely for _____ [Company Name] (the Engaging Party and hereafter referred to as the "Grantee")'s submission of the Statement of Expenditure incurred by the Grantee for the claim period from _____ [Development Start Date] to _____ [Development End Date] (the "Statement") in accordance with the terms and conditions of the Integrated Facilities Management and Aggregated Facilities Management Grant ("IFM and AFM Grant"), including all amendments, variations and supplementals to the same, and its accompanying annexes (hereafter referred collectively to as the "T&Cs") and may not be suitable for another purpose.

This is in connection with the _____ IFM and AFM Grant awarded by the BCA to the Grantee with the reference number _____ [Case Number] for the qualifying period from _____ [Development Start Date] to _____ [Development End Date] (the "Grant").

This report is intended solely for the Grantee and the BCA and should not be used by, or distributed to, any other parties.

Responsibilities of the Grantee

_____ [Company Name] has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

_____ [Company Name] is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Singapore Standard on Related Services (SSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with _____ [Company Name], and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the ethical requirements in the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code).

Our firm applies Singapore Standard on Quality Management (SSQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, in accordance with Annex D of the T&Cs (“Terms of Reference for Grantee’s External Auditors”). These procedures were agreed upon with _____
[Company name] in the terms of engagement dated _____ [Date].

S/N	Procedures	Findings
1	[Terms of Reference 1]	We found no exceptions from performing the procedures (a) to (h), and ensured that such procedures cover at least 85% of the value claimed in the Statement of Expenditure.
2	[Terms of Reference 2]	We have enquired and are <i>not aware of any</i> sale/lease/disposal of equipment that is funded by BCA during the execution of the project.
3	[Terms of Reference 3]	We confirm that there is no going concern matter included in the latest audit report of the Grantee.

[Practitioner’s signature]

[Date of practitioner’s report]

[Practitioner’s address]

Annex D: Terms of Reference for Grantee's External Auditors

1. The auditors shall check that:

- a) Items and amounts claimed are in accordance with details on qualifying cost.
- b) Items and amount claimed are in accordance with the terms and conditions of the Letter of Acceptance (and supplement Acceptance letters, if any) and its annexes.
- c) Items claimed are used for the project as stated in the Letter of Acceptance, unless otherwise stated.
- d) Items claimed by the Grantee are accurately recorded in all the claim forms and schedules, and in accordance with the books and records maintained by the Grantee.
- e) Description and authenticity of items claimed are valid by agreeing to appropriate source documents and other records.
- f) Claims agree to the appropriate source documents, e.g. invoices, personnel and payroll records, etc.
- g) Claims are made only upon disbursement of cash by the Grantee, and do not include those that are purely accounting entries without cash outlays (e.g. accruals, depreciation).
- h) All items claimed are incurred and paid within the qualifying period as per the terms and conditions of the Letter of Acceptance (and supplement Acceptance letters, if any).
- i) Verify the deliverable outputs as specify in First and Second Claim.

Exception:

For final claims, items claimed may be paid after the qualifying period, but before date of audit report.

- j) Equipment claimed exists through physical sighting or proof of documentation at the date of visit and are installed/operating exclusively for the project.
- k) Claim items are supported with justifications, in the form of 3 quotations or value assessment, prior to the purchase.
- l) There is no duplication of claims submitted, i.e. claims made were not disbursed in previous claim periods.

The procedures as listed above from (a) to (l) should cover at least 85% of the value claimed in the statement.

2. The auditors shall check that qualifying cost items supported under the Grant are used exclusively for the project. Otherwise, the qualifying costs shall be suitably pro-rated.
3. Enquire and report on any sale/lease/disposal/transfer of the equipment, software or intellectual property rights, if applicable, that is funded by BCA under the Grant during the execution of the project.
4. The auditors shall highlight any going concern issues raised in the latest audit report of the Grantee.
5. In the event that there are errors and deviations found, the auditors shall report accordingly and provide details.
6. The Grantee shall comply with the conditions prescribed in the Letter of Acceptance.

Annex E: Format for Progress and Final Report

Note: Progress reports shall be submitted to BCA at half-yearly intervals and a final report within six months from the Completion Date in accordance to this document.

BI-YEARLY PROGRESS REPORT NO. (____)

Date:

Grantee Name (Service Buyer):			
Grantee Name (Service Provider):			
IFM and AFM Reference No.:			
IFM and AFM Project Title:			
Project Period:		to	
Percentage completed	%		
Brief description of project. (Project title, location, etc)			
Current status / Milestones achieved.			
<ul style="list-style-type: none"> Please describe with details, current status of Project and milestones achieved to date. Where applicable. The updates should made reference to the key milestones and deliverables indicated in application form. 			
Description of Progress Made in the Project			
<ul style="list-style-type: none"> Is the Project progressing according to the schedule? If not, provide reasons for the variation including remedial actions and next step actions for catching up with the progress clearly explained with details given. For final report, please attach product/ process/ service/ applications specification, brochures and photographs where available. 			
Problems / difficulties encountered.			
<ul style="list-style-type: none"> Please describe the problems encountered at any stage of the Project. <i>(e.g. initial stage when identifying type of solution to implement, development/ implementation stage, post-implementation/ fine-tuning stage etc.)</i> Please also describe the technical challenges faced at any stage of the Project. 			
Development of Capabilities under the Project			
<ul style="list-style-type: none"> Please provide details of capabilities developed to date as a result of the Project. <ul style="list-style-type: none"> This must be in terms of new technology adopted by the Grantee, expertise acquired and/or jobs created (e.g. managerial, technical, etc), and manpower training (i.e. number of people trained, type of training, skills learnt, etc). For final report, please provide summary of the overall capability developed in the course of the Project. 			
Type of data collected.			

Benefits of Project (for final report only)

- Please describe benefits to the Grantee as a result of the Project.
(e.g. energy efficiency improvement, new design tools introduced, new services introduced.)
- Please describe what the Project can contribute to the industry, if any.

Future Plans for Project (for final report only)

- Please describe any future plans the parties involved in the Project (building owner or solution provider etc) may have to develop upon the results of the current Project.
(e.g. the additional investments to be carried out, further enhancements intended, scaling up or replication of the proposed solution in other portfolio/ cluster of buildings, and any changes to be made to the buildings' current operations, etc.)

Lessons Learnt (for final report only)

- Please describe lessons learnt from the Project that:
 - can help refine the planning, development/ implementation or post-implementation process in the future; and/or
 - can be taken note of in the future for other projects.
- Please also describe how the proposed solution can be scaled up and replicated for other projects.

Attachments:

- **Proposed IFM and AFM Grant schedule**
- **Actual project schedule**
- **Progress photos/videos/records/test reports etc.**
- **Others:** _____

I declare that the information of the IFM and AFM grant project as described in the above report is true and to the best of my knowledge.

Signature of Chairman/Director (Service Buyer)

Date

Signature of Chairman/Director (Service Provider)

Date