

Our ref: BCA ID 86.10.18

Procurement Policies Department
Business Development Group

28 June 2022

Dear Sir/Madam,

APPLICATION FOR ASSESSOR'S DETERMINATION UNDER PART 10A OF THE COVID-19 (TEMPORARY MEASURES) ACT FOR CONSTRUCTION CONTRACTS IN THE BUILT ENVIRONMENT SECTOR

Objective

This circular reminds the Built Environment ("BE") sector that the application period for an Assessor's determination under Part 10A of the COVID-19 (Temporary Measures) Act ("COTMA") will end on 31 August 2022.

Background

2 COTMA Part 10A was passed in the Parliament on 11 May 2021 to provide an additional legislative relief. This allowed contractors to seek a determination from an Assessor to adjust the contract sum to address the increase in foreign manpower salary costs due to the COVID-19 pandemic. This was to ensure that everyone along the value chain stepped up to co-share the increase in foreign manpower salary costs due to the COVID-19 pandemic.

3 The COTMA relief is meant to be temporary. However, in view of the continued impact of COVID-19 on the BE sector, the Government has extended COTMA Part 10A relief three times from the original end date of 30 September 2021. This has provided firms with additional time and support to negotiate amicable outcomes between parties.

4 In March 2022, COTMA Part 10A was extended for another three months till 30 June 2022 in view that the BE sector was still recovering from the manpower shortage. The last day to apply for a determination from an Assessor to adjust the contract sum for the increase in foreign manpower salary costs has also been extended to 31 August 2022. Since then, the foreign construction manpower inflows have steadily increased to meet the numbers required by the industry. The entry requirements for Construction, Marine Shipyard and Process (CMP) sectors Work Permit Holders (WPHs) have also been progressively eased¹.

Application for an Assessor's Determination under COTMA Part 10A

5 Contractors are encouraged to continue to negotiate amicable outcomes between parties. If contracting parties are unable to come to an agreement, contractors may apply for an Assessor to seek a determination to adjust the contract sum for the increase in foreign manpower salary costs, in

¹ For example, see: MOM Press Release dated 22 April 2022 on *Removal of Entry Approval Requirement for All Work Permit Holders and Launch of Onboard Booking System*; and BCA-MOM-EDB Joint Industry Circular dated 10 June 2022 on *Revised Entry Requirements for Construction, Marine Shipyard and Process (CMP) Sectors Work Pass Holders (WPHs)*.

respect of WPHs, due to COVID-19 for the period between 1 October 2020 and 30 June 2022. **Contractors may submit an application for an Assessor's determination by 31 August 2022.** The application for an Assessor's determination can be made at <https://go.gov.sg/cotma10a>.

Public Sector Approach

6 ***Main contractors involved in eligible public sector construction contracts can request for further adjustment to their contract sum beyond any base adjustment², provided the necessary substantiation is submitted by 31 August 2022³. Subcontractors likewise should negotiate with their main contractors for adjustment of contract sum with respect to COTMA Part 10A.*** For further details on the negotiation process, please refer to BCA circular dated 27 October 2021 on Clarifications on Public Sector Approach for COTMA Part 10A (accessible at <https://go.gov.sg/bca-circular-cotma-10a-clarifications>). For avoidance of doubt, main contractors or subcontractors involved in public sector construction contracts may still apply for a Part 10A Assessor's determination if attempts to negotiate with the other party of the contract are unsuccessful.

Further information

7 More details on COTMA Part 10A can be found at <https://go.gov.sg/cotma10a>. Please direct your queries to <https://www.bca.gov.sg/feedbackform/> if you have any clarifications on this circular.

Thank you.

Yours faithfully

ANG LIAN AIK
GROUP DIRECTOR
BUSINESS DEVELOPMENT GROUP
for CHIEF EXECUTIVE OFFICER
BUILDING AND CONSTRUCTION AUTHORITY

(Transmitted via email)

² Refer to: BCA circular dated 18 August 2021 on the *Public Sector Approach for COVID-19 (Temporary Measures) Act 2020 Part 10A – Relief for Construction Contracts affected by Increase in Foreign Manpower Salary Costs*; and BCA circular dated 27 October 2021 on *Clarifications on Public Sector Approach for COTMA Part 10A*

³ This will supersede the last day previously indicated for contractors to put up claims, i.e. 28 February 2022, in paragraph 3b of BCA circular dated 27 October 2021 on *Clarifications on Public Sector Approach for COTMA Part 10A*.

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All companies registered or listed in BCA's Builders Licensing Scheme (BLS), Contractors Registration System (CRS) and Public Sector Panels of Consultants (PSPC)

All Part 10A assessors (through the Part 10A Registrar)