

30 Oct 2024

To: All firms registered in the Contractors Registration System (CRS) and the Public Sector Panels of Consultants (PSPC)

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## **INTRODUCTION OF ENVIRONMENTAL SUSTAINABILITY CRITERIA IN QUALITY COMPONENT OF THE PRICE QUALITY METHOD (PQM) FRAMEWORK**

This circular informs the Built Environment sector on the introduction of environmental sustainability criteria in the Quality component of the Price Quality Method (PQM) framework for the procurement of construction services. This shall take effect for construction services tenders with estimated construction cost above S\$50 million, called on and after **31 January 2025**.

### **Background**

2 Under the current GreenGov.SG requirements, all new and existing public buildings undergoing major retrofitting must achieve Green Mark Platinum Super Low Energy with Maintainability Badge or equivalent to decarbonise building operations. As the public sector enhances its green procurement initiatives, we are expanding our focus beyond building operations to include sustainability considerations in the evaluation of construction tenders.

3 At the Committee of Supply (COS) Debate 2023, MOF and MSE announced that up to 5% of tender evaluation points will be set aside for environmental sustainability considerations in larger construction tenders.

### **Introduction of environmental sustainability criteria under PQM for construction tenders**

4 For all public construction tenders with estimated construction cost above \$50mil, up to 5% of overall tender evaluation points will be set aside for environmental sustainability criteria. Examples of the environmental sustainability criteria can be found in Table 1. Agencies may include any of the examples in Table 1 below, or any other applicable criteria in tender evaluation.

**Table 1: Examples of the Environmental Sustainability Criteria**

Environmental Sustainability Criteria
<p><b><u>Climate-related disclosure</u></b> Tenderer has published climate-related disclosures in accordance with international standards.</p>
<p><b><u>Decarbonisation of construction processes</u></b> Tenderer has committed to adopt practices that decarbonize the construction work processes such as electrification of construction equipment that are conventionally fuel-powered and has developed a plan to implement them for the project.</p>
<p><b><u>Green certifications and qualifications</u></b></p> <ul style="list-style-type: none"><li>a) Any of the ISO certifications below:<ul style="list-style-type: none"><li>i. ISO14001: Environmental Management Systems; or</li><li>ii. ISO50001: Energy Management Systems; or</li><li>iii. ISO46001: Water Efficiency Management Systems</li></ul></li><li>b) One or more individuals certified GMAP or GMAAP and who are assigned to the project.</li><li>c) Green and Gracious Builder Scheme (GGBS) Merit and above</li></ul>
<p><b><u>Innovation</u></b> Tenderer may propose sustainable construction practices complete with analysis on the environmental benefits and emission impact, for GPE's evaluation. Example of such practice:</p> <ul style="list-style-type: none"><li>• Use of low-carbon materials above and beyond specifications</li><li>• Use of renewable energy to support site operations</li><li>• Use of low-carbon transportation options to site</li></ul>

### **Clarification**

5 Firms can refer to the latest version of the PQM framework at BCA's website.

6 For clarification related to the PQM Framework and this circular, please direct your queries to BCA (Link: <https://www.bca.gov.sg/feedbackform/>).

Thank you.

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