

MEDIA RELEASE

ADDITIONAL MEASURES TO SUPPORT THE CONSTRUCTION SECTOR

26 April 2021, Singapore – The Multi-Ministry Taskforce has announced further tightening of our border measures with India last week due to the rapidly deteriorating COVID-19 situation in the country. This move impacts the flow of Indian workers into Singapore as well as companies in the construction sector that are dependent on them.

2 As part of our continued effort to support the industry through this period as well as to mitigate the impact from the latest development, the Government will provide the following support measures to help the construction sector:

A) Provide a time-limited flexibility to recruit workers from the People’s Republic of China (PRC) without having to enrol in Overseas Testing Centres (OTCs) for skill certification

3 From 7 May 2021, the Building and Construction Authority (BCA) and Ministry of Manpower (MOM) will introduce a temporary scheme for six months to allow new PRC Work Permit Holders (WPHs) to obtain their skills certification in Singapore. As some OTCs in PRC have not resumed operations, prospective workers have not been able to obtain their skills certification to qualify as basic-skilled construction workers in Singapore. Upon implementation of this temporary scheme, employers will be permitted to bring in PRC WPHs without skills certifications, but they must comply with the other prevailing entry approval and work pass requirements. Employers can submit their applications to BCA’s Approved Training and Testing Centres (ATTCs) from 7 May 2021. The list of ATTCs accepting applications will be made known to the construction sector within the **next two weeks**.

B) Public sector to grant additional 49-day Extension of Time (EOT) to eligible construction contracts for delays due to COVID-19

4 To help ease contractors' cashflow and relieve anxiety on being unable to meet project timelines, government agencies will be granting a 49-day EOT to eligible public sector construction contracts that are delayed due to loss of productivity for the period from 7 August 2020 to 31 December 2020. This is in addition to the earlier 122 days of EOT provided under Part 8A of the COVID-19 (Temporary Measures) Act (COTMA). **No claim for this EOT is required from contractors.**

C) Public sector to provide 0.1% of awarded contract sum for every month of delay as payment for cost sharing of non-manpower related cost increases under Part 8B of COTMA

5 To facilitate quicker disbursement of cost sharing of non-manpower related costs increase under Part 8B of COTMA¹ for eligible contracts up to awarded contract sum of \$100 million, the public sector will provide 0.1% of the awarded contract sum for every month of delay (i.e. 50% of the monthly cap of 0.2%) as payment for qualifying costs. There is no need for contractors to put up detailed substantiation on qualifying cost incurred for this 0.1%. Contractors who wish to claim beyond the 0.1% can continue to submit claims with substantiation, through a simplified computation method developed by the Trade Associations and Government agencies.

6 Details on the above measures will be shared with the construction sector once ready.

7 BCA will continue to study additional measures to help the construction sector cope with rising costs arising from the tight labour situation. These will be rolled out progressively.

¹ Part 8B requires the co-sharing of additional non-manpower-related qualifying costs between contracting parties due to delays caused by COVID-19 during the period between 7 April 2020 and 30 September 2021 (both dates inclusive), subject to a cap of 0.2% of the contract sum per calendar month and overall cap of 1.8% of the contract sum.

8 Those who require clarifications may contact BCA at www.bca.gov.sg/feedbackform/. Latest updates from BCA will also be made available on BCA's COVID-19 webpage (www1.bca.gov.sg/COVID-19) and through BCA's Telegram channel (<https://t.me/BCASingapore>).

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About Building and Construction Authority (BCA)

The Building and Construction Authority (BCA) champions the development and transformation of the Built Environment sector, in order to improve Singapore's living environment. BCA oversees areas such as safety, quality, inclusiveness, sustainability and productivity, all of which, together with our stakeholders and industry partners, help to achieve our mission to transform the Built Environment sector and shape a liveable and smart built environment for Singapore. For more information, visit www1.bca.gov.sg.