

MEDIA RELEASE

\$184 MILLION TO ACCELERATE INDUSTRY TRANSFORMATION TOWARDS A MORE RESILIENT AND FUTURE-READY BUILT ENVIRONMENT

Singapore, 8 Mar 2022 – Several key initiatives were announced to accelerate the transformation of the Built Environment sector at the Ministry of National Development Committee of Supply debate today. These include the new **Integrated FM/Aggregated FM Grant**, an enhanced **Green Mark Incentive Scheme for Existing Buildings**, and additional funding for the **Green Buildings Innovation Cluster Programme** and **Cities of Tomorrow Programme**. Existing schemes such as the **Productivity Innovation Project Incentive Scheme** and the **iBuildSG Joint Scholarship and Sponsorship Scheme** have also been extended.

2 The Built Environment (BE) sector has been hard hit by the COVID-19 pandemic, especially during the Circuit Breaker period in 2020 when firms had to suspend work. However, the sector is seeing signs of recovery. Construction output has now recovered to close to pre-COVID levels, and construction work is progressing at a steady pace. The manpower situation has also steadily improved. Our industry partners have been spearheading efforts to implement a tightened end-to-end process to bring in migrant workers in a safe manner. On 6 Mar 2022, the Government announced that there will be new streamlined entry requirements, riding on the industry-led process, for vaccinated new Work Permit Holders (WPHs) with in-principle approval (IPA) in the Construction, Marine Shipyard and Process (CMP) sectors from source countries. This will help facilitate the inflow of more migrant workers for firms to complete ongoing projects.

3 Some challenges still remain, but the industry has recognised the need to accelerate ongoing transformation efforts to enhance business resilience. The Government stands ready with various initiatives to support willing and progressive firms in their transformation journey, and help them enhance their capabilities and capacity for a future-ready BE sector.

Stepping up efforts for a more sustainable and climate-resilient built environment

4 BCA launched the Singapore Green Building Masterplan (SGBMP) last year, under the Energy Reset pillar of the Singapore Green Plan. The SGBMP has three ambitious targets, or “80-80-80 in 2030”, to push for a more sustainable and low-carbon built environment. The new initiatives announced in Parliament today will further accelerate the decarbonisation of the built environment, in support of Singapore’s net zero aspirations.

5 To date, 49% of Singapore’s buildings (by Gross Floor Area, or GFA) have been greened. BCA has launched the \$63 million **Green Mark Incentive Scheme for Existing Buildings (GMIS-EB) 2.0** to help building owners undertake retrofits to raise the sustainability standards of their buildings and contribute towards the first SGBMP target of greening 80% of our buildings by 2030. Under GMIS-EB 2.0, owners of privately owned buildings can receive grants based on the reduction in emissions achieved through retrofitting. Building projects that pursue higher standards of energy performance, such as Green Mark Super Low Energy or Zero Energy, will be eligible for higher funding support. The scheme will be available from 2Q2022.

6 The second target of the SGBMP is for 80% of new developments to be Super Low Energy (SLE) buildings from 2030. Over the past year, close to 7% of new buildings (by GFA) have been certified as SLE buildings. To encourage more new developments to achieve SLE standards, BCA and URA introduced the Built Environment Transformation GFA Incentive Scheme¹ in September last year. Under the scheme, private sector developments on non-Government Land Sales (GLS) sites

¹ More information on Built Environment Transformation GFA Incentive Scheme is at: <https://go.gov.sg/bca-circular-be-transformation-gfa-incentive-scheme>

can receive bonus GFA if they attain Green Mark Platinum SLE certification, among other requirements. The requirements for GLS sites will also be enhanced for sites launched from 2Q2022.

7 The third SGBMP target aims for best-in-class buildings to achieve at least 80% improvement in energy efficiency over the 2005 baseline by 2030.² As announced under the Joint Segment for the Singapore Green Plan on 8 Mar 2022, an additional \$45 million of funding support has been committed from the Research, Innovation and Enterprise (RIE) 2025 for the enhanced **Green Buildings Innovation Cluster (GBIC) 2.0 programme**. GBIC 2.0 will support the development, test-bedding³ and deployment of green technologies and solutions for buildings, with a focus on alternative cooling technologies, data-driven smart building solutions and next-generation building ventilation systems.

8 Taken together, the above efforts will help us reach the SGBMP goals of “80-80-80 in 2030” and transition to a more sustainable and climate-resilient built environment.

(Details on SGBMP, GMIS-EB 2.0, and GBIC 2.0 are at Annex A)

Raising the adoption of advanced technologies in facilities management

9 In addition to transforming the way we build, we also need to change the way we maintain our buildings through Facilities Management (FM). Not only does optimising building performance at the FM stage helps foster better sustainability outcomes, it also reduces maintenance workload for FM teams, and enhances their productivity. The adoption of Smart FM technologies to achieve these outcomes also

² Currently, our best-in-class buildings can achieve around 65% - 70% improvement in energy efficiency over 2005 baseline levels.

³ The Built Environment Living Laboratory Framework (BE LLF), launched by BCA in September 2020, facilitates the test-bedding of new innovations in government living laboratories (e.g. designated areas within Punggol Town and Jurong Lake Gardens). BCA’s ZEB at its Braddell Campus is a fully functional R&D and education facility that provides a living lab for testing and showcasing innovative technologies. SkyLab (also at BCA Braddell Campus) is an advanced test facility that allows the testing of energy-efficient technologies under real-world conditions at different building orientations.

creates good jobs for our locals, in areas such as integrated facilities management, digital systems, and data analysis.

10 For the next phase of FM transformation, BCA will work with industry stakeholders to promote the adoption of advanced technologies including Integrated FM and Aggregated FM (IFM/AFM). This involves harnessing efficiencies from managing different FM services on an integrated platform, and aggregating FM services across many different buildings. For FM companies and service buyers, IFM/AFM can create up to 20% productivity improvements, cost savings, and even reduce demand on resources such as electricity and water.

11 As the adoption of IFM/AFM remains nascent, especially for existing buildings given the high retrofitting costs, BCA will be committing \$30 million for a new **IFM/AFM Grant**. The grant will fund up to 70% of the initial capital investment and retrofitting costs for the adoption of IFM/AFM technologies. To qualify for the grant, FM companies and service buyers will need to transform their procurement models, and build capabilities in their workforce for IFM/AFM. BCA will begin accepting applications for the grant in 3Q2022.

(Details on the IFM/AFM Grant are at Annex B)

Technology adoption, localisation, and innovation as key enablers for a more productive and manpower-lean built environment sector

12 BCA will continue to support BE firms to localise their workforce, and become more productive and manpower-lean. The extension of the schemes under the Construction Productivity and Capability Fund (CPCF) announced in Parliament today will help firms to make the transition in light of the workforce moves announced at Budget 2022.⁴ First, BCA is extending the **Productivity Innovation Project (PIP) Incentive Scheme**⁵ by another two years, to **31 March 2024**. The PIP Incentive

⁴ More information on removal of Man-Year Entitlement (MYE) Framework and reduction in Dependency Ration Ceiling (DRC) is at: <https://www.mom.gov.sg/newsroom/press-releases/2022/0218-supporting-transformation-in-the-process-and-construction-sectors>

⁵ More information on the Productivity Innovation Project (PIP) Incentive Scheme is at <https://go.gov.sg/bca-productivity-innovation-project-scheme-pip>

Scheme has helped many firms, including SMEs, adopt Design for Manufacturing and Assembly (DfMA) and Integrated Digital Delivery (IDD) technologies that have made construction work more productive. During this two-year extension, firms will continue to receive support of up to 70% of the qualifying costs for the adoption of DfMA and IDD technologies.

13 The PIP Incentive Scheme has benefited companies such as Unison Construction Pte Ltd, a SME specialising in private residential projects. With support from the PIP, Unison has leveraged a Common Data Environment (CDE) digital platform to share project information such as drawings and BIM models to various project stakeholders. The adoption of the platform has enhanced collaboration and decision making for project stakeholders, allowing Unison to achieve productivity savings of more than 30%.

14 BCA will also extend **the iBuildSG Joint Scholarship and Sponsorship Scheme** by a year to **31 March 2023**. The iBuildSG scholarship and sponsorship programme⁶ has seen good success, benefiting more than 3,700 young Singaporeans to date in helping them pursue fulfilling careers in the BE sector. The extended programme will only apply to joint scholarships and sponsorships with industry firms. In addition, the co-funding quantum by firms will also be increased from 30% to 50%. The intent is to further encourage firms to groom and retain their scholars.

15 Among them is Mr Teh Ming Xuan, who first started as an intern at Kimly Construction Pte Ltd (Kimly) and became interested in areas such as DfMA and IDD. He applied for the iBuildSG Undergraduate Scholarship programme in 2020, and was supported by Kimly and BCA for his studies. Today, Mr Teh is working as a planning engineer at Kimly, pursuing his interest in DfMA and IDD and even contributing to Kimly's R&D efforts.

16 The Government will continue to leverage Research and Development (R&D) to push the boundaries for industry transformation through innovation. Hence, a **\$46 million funding enhancement to the Cities of Tomorrow (CoT) programme** will be

⁶ More information on iBuildSG scholarship and sponsorship programme is at:
<https://go.gov.sg/ibuildsgprogrammes>

made available for BE firms and research communities to support R&D efforts and capability building in areas of advanced construction and facilities management.

(Details on the CoT programme are at Annex C)

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Annex A: Update on Singapore Green Building Masterplan (SGBMP); Green Mark Incentive Scheme for Existing Buildings (GMIS-EB) 2.0; and Green Buildings Innovation Cluster (GBIC) 2.0

Annex B: Integrated FM (IFM) and Aggregated FM (AFM) Grant

Annex C: Cities of Tomorrow (CoT) Programme

About 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 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.