

Core Clauses (Updated as at 5.2.2024)

In the contract, the core clauses are the ECC core clauses and the clauses set out in the ECC as main Option clauses for the respective main Options.

Remarks : Standard Amendments to be applied to the stated main Option(s), unless otherwise specified below or vetted by LAD(W) and commented/endorsed by the Inter-departmental Working Group and/or the Steering Committee.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
11.2	A, B, C and D	Delete	the whole sub-clause (5).	To align with relevant provisions of such in Hong Kong, e.g. Prevention of Bribery Ordinance, rather than the Corrupt Act.	N.A.
11.2	A, B, C and D	Add	the following after the end of the sub-clause (9): “Equipment also includes Constructional Plant as defined in clause [D19] of the <i>additional conditions of contract</i> .”	To enhance clarity by specifying that “Equipment” covers “Constructional Plant” as defined in GCC 1. GCC’s definition of “Constructional Plant” is provided in the <i>additional condition of contract</i> clause "Hired and Hire-Purchase Constructional Plant". The Project Offices should update the clause no. in square bracket.	GCC 1
11.2	A, B, C and D	Delete	“or a member of the Dispute Avoidance Board” in the second line of the sub-clause (12).	To align with the practice in Hong Kong.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
11.2	C and D	Replace	<p>the whole sub-clause (26) by the following:</p> <p>“Disallowed Cost is cost which</p> <ul style="list-style-type: none"> • is not justified by the <i>Contractor</i>’s accounts and records, • should not have been paid to a Subcontractor or supplier in accordance with its contract, • was incurred only because the <i>Contractor</i> did not <ul style="list-style-type: none"> — follow an acceptance or procurement procedure stated in NEC Clause 26, the <i>additional conditions of contract</i> or the <i>Scope</i>, — give any early warning which the contract required it to give, — give notification to the <i>Project Manager</i> of the preparation for and conduct of an adjudication, a mediation, an arbitration or proceedings of a tribunal between the <i>Contractor</i> and a Subcontractor or supplier or — pay its Subcontractor or supplier in accordance with the subcontract in a timely manner, • was incurred due to a Subcontractor suspending or reducing the rate of progress of its work pursuant to clause 37 of the Security of Payment Provisions for Relevant Subcontracts as incorporated in the Relevant Subcontract <p>and the cost of</p> <ul style="list-style-type: none"> • correcting Defects after Completion, • correcting Defects caused by the <i>Contractor</i> not complying with a constraint on how it is to Provide the Works stated in the <i>Scope</i>, • Plant and Materials not used to Provide the Works (after allowing for reasonable wastage) unless resulting from a change to the <i>Scope</i>, • resources not used to Provide the Works (after allowing for reasonable availability and utilisation) or not taken away from the Working Areas when the <i>Project Manager</i> requested and • preparation for and conduct of an adjudication or a mediation or proceedings of the <i>tribunal</i> between the Parties.” 	<p>Add “NEC Clause 26, the <i>additional conditions of contract</i> or” before “the <i>Scope</i>” in the first sub-bullet point of the third main bullet point in sub-clause (26).</p> <p><u>Rationale</u> To modify the definition of Disallowed Cost to suit the acceptance or procurement procedures in NEC contracts in Hong Kong.</p> <p>Add “, a mediation, an arbitration” after “give notification to the <i>Project Manager</i> of the preparation for and conduct of an adjudication” in the third sub-bullet point of the third main bullet point in sub-clause (26).</p> <p><u>Rationale</u> To modify the definition of Disallowed Cost to suit the use of mediation or arbitration as options for settlement of disputes.</p> <p>Replace “or” at the end of the second sub-bullet point of the third main bullet point in sub-clause (26) with a comma. Add “or” to the end of the third sub-bullet point of the third main bullet point in sub-clause (26). Add the following as a new fourth sub-bullet point of the third main bullet point in sub-clause (26):</p> <p>“• pay its Subcontractor or supplier in accordance with the subcontract in a timely manner,”</p> <p><u>Rationale</u> To define Disallowed Cost which was incurred due to the <i>Contractor</i> not paying its Subcontractor or supplier in a timely manner.</p> <p>Add the following as a new main fourth bullet point after the third main bullet point under sub-clause (26):</p> <p>“• was incurred due to a Subcontractor suspending or reducing the rate of progress of its work pursuant to clause 37 of the Security of Payment Provisions for Relevant Subcontracts as incorporated in the Relevant Subcontract”.</p> <p><u>Rationale</u> To define Disallowed Cost which was incurred due to a Subcontractor suspending or reducing the rate of progress of its work pursuant to clause 37 of the Security of Payment Provisions for Relevant Subcontracts.</p> <p>Replace the whole eighth main bullet point in sub-clause (26) by the following:</p> <p>“• preparation for and conduct of an adjudication or a mediation or proceedings of the <i>tribunal</i> between the Parties.”</p> <p><u>Rationale</u> To modify the definition of Disallowed Cost to suit the use of mediation or arbitration as options for settlement of disputes.</p> <p>Also to remove Dispute Avoidance Board which is not applicable in Hong Kong.</p>	<p>N.A.</p> <p>N.A.</p> <p>DEVB TCW No. 6/2021</p> <p>DEVB TCW No. 6/2021</p> <p>N.A.</p>

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
11.2	A and B	Delete	the whole sub-clause (28).	“People Rates” are used with the cost component of people under Short Schedule of Components Item 11. To avoid erratic pricing for rate only items in Contract Data Part two, and reduce practical difficulty in assessing tenders, the use of People Rates under SSCC 11 under NEC4 ECC is not recommended. As a reference, standard NEC3 ECC rate only items (e.g. “% for people overheads” under NEC3 ECC SSCC41) are not adopted as per the PN.	N.A.
11.2	C and D	Replace	“before” by “up to one week after” in sub-clause (31).	To improve cashflow.	N.A.
11.2	B and D [Optional] (common in building lump sum contracts with firm BQ) (select sub-clause (30) for Option B, (35) for Option D)	Replace	the first bullet point in the sub-clause *(30)/(35) by the following: “● a proportion of the Price of each item with quantity in the Bill of Quantities which is the proportion of the work covered by the item which the Contractor has completed”	Commonly used in building lump sum contracts, to modify the BQ from remeasurement to firm BQ, applicable for contracts with detailed design. This amendment should be made in conjunction with clause 11.2*(30)/(35), 60.4, 60.5 and 60.6.	Cl.59(3) of GCC for Building Works
	Add	a new bullet point after the first bullet point and before the last bullet point as follows: “● the quantity of the work which the Contractor has completed for each item with provisional quantity in the Bill of Quantities multiplied by the rate and”			
	Add	“Any quantity included in the Bill of Quantities is not changed unless it is stated as provisional in the Bill of Quantities or it is changed to accommodate implemented compensation events.” to the end of the sub-clause *(30)/(35).			
11.2	A and B [interim measure until further notice]	Add	a new sub-clause *(33)/(34) after sub-clause *(32)/(33) as follows: “Imported Items are Plant and Materials imported from any place outside Hong Kong.”	To enable special payment for Imported Items. This amendment should be made in conjunction with clause 50.2A, 50.2B and 50.3.	SDEV’s memos ref. DEVB(W) 510/33/02 dated 8.7.2022 and 22.11.2023
14.1	A, B, C and D	Add	“, nor do the <i>Project Manager’s</i> or the <i>Supervisor’s</i> assessments, certificates or other acts or omissions” at the end of the clause.	To widen the scope of activities of the <i>Project Manager</i> and the <i>Supervisor</i> that are expressed not to change the <i>Contractor’s</i> responsibility for the <i>works</i> in order to retain the <i>Contractor’s</i> liability despite the administrators’ acts.	GCC 2(4), GCC 7(5), GCC 16(2), SCC73(2)
16.1	A, B, C and D (Optional) if the <i>Contractor’s</i> Cost Savings Designs are allowed	Add	a new sub-clause 16.1A after sub-clause 16.1 as follows: “If the <i>Contractor’s</i> proposal contains or amounts to a Cost Savings Design as defined in clause [F3] of the <i>additional condition of contract</i> , this clause 16 [*and clause 63.12] does not apply to such proposal and the <i>Contractor</i> complies with the relevant requirements set out in the <i>additional conditions of contract</i> including but not limited to clause [F4] of the <i>additional conditions of contract</i> . [insert clause 63.12 for Option A and B]	To clearly delink the Cost Savings Design as set out under ACC F3 and F4 from the <i>Contractor’s</i> proposals under this clause 16.	
18	A, B, C and D	Delete	the whole clause 18.	To avoid conflicts with other probity clauses, such as <i>additional conditions of contract</i> Clauses D14, D15 etc.	N.A.
19.1	A, B, C and D	Replace	“the <i>Project Manager</i> gives an instruction to the <i>Contractor</i> stating how the event is to be deal with” at the end of clause 19.1 by “the <i>Contractor</i> and the <i>Project Manager</i> notify the other as soon as either becomes aware of such event. Either the <i>Project Manager</i> or the <i>Contractor</i> may instruct the other to attend an early warning meeting normally arranged under clause 15.2. Each of them may instruct other people to attend if the other agrees. At the meeting, those who attend co-operate in making and considering proposals for how the effects of the event can be reduced, seeking solutions that bring advantage to all those who will be affected, and deciding on the proposed actions which will be taken and who, in accordance with the contract, will take them. The <i>Project Manager</i> provides the decision to the <i>Contractor</i> within six weeks after the meeting.”	To encourage the <i>Contractor</i> to resolve the problems rather than automatically looking to the <i>Project Manager</i> for an instruction.	N.A.
21.1 and 21.2	A, B, C and D if the <i>Contractor’s</i> design, alternative	Replace	the words “the Scope” by “the Scope and/or the <i>additional conditions of contract</i> ” in the clauses.	To align with DEVB TCW No. 3/2014 for the alternative designs and Cost Savings Designs.	N.A.

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22.1	designs or Cost Savings Designs are <u>allowed</u> .	Replace	the whole clause 22.1 by the following new clause 22.1: “The <i>Contractor</i> shall comply with the requirements on the intellectual property rights in relation to the design and other materials and things provided by them as detailed in clause [F8] of the <i>additional conditions of contract</i> .”	To refer to the <i>additional conditions of contract</i> clauses aligned with DEVB TCW No. 3/2014. The Project Offices should update the clause no. in square bracket.	DEVB TCW No. 3/2014
21, 21.1 to 21.3, 22 and 22.1	A, B, C and D if the Contractor's design, alternative designs or Cost Savings Designs are <u>not</u> allowed.	Delete	the whole clauses 21, 21.1 to 21.3, 22 and 22.1	If the Contractor's design, alternative designs and Cost Savings Designs are not allowed.	N.A.
23.1		Replace	“,” by “ or” at the end of the first bullet point.		
		Delete	the whole second bullet point.		
24.3	A, B, C and D	Add	a new clause 24.3 as follows: “If any <i>key person</i> is not identified in the Contract Data, the <i>Contractor</i> submits the name, relevant qualifications and experience of each <i>key person</i> to the <i>Project Manager</i> for acceptance within [two weeks] of the Contract Date.”	The Project Offices should list out the <i>key persons</i> in the Contract Data Part two for the <i>Contractor</i> to input where appropriate. The Project Offices should update the time in square bracket to suit their projects.	SDEV's memo ref. DEVB(W) 510/17/01 dated 16.7.2010 SCC68 SCC 68A
25.3	A, B, C and D [Optional]	Delete	the whole clause 25.3.	To provide an alternative approach for the Project Offices to use for actions to be taken by the <i>Project Manager</i> on imposition of delay damages when the Condition stated for a Key Date by the date stated is not met by the <i>Contractor</i> . If this optional amendment is adopted to suit the need of individual projects, the Project Offices should amend core clause 30.3 and secondary option X7 accordingly.	N.A.
26.1	C and D	Add	a new paragraph after the end of clause 26.1 as follows: “The <i>Contractor</i> complies with the requirements on subcontracting as detailed in clause [C9, C9A and C11] of the <i>additional conditions of contract</i> .”	To refer to the <i>additional conditions of contract</i> clauses on tendering requirements on subcontracting. The Project Offices should update the clause no. in square bracket. Clause C9A is applicable only if post-tender interview is adopted.	N.A.
26.2	C and D [without pre-bid arrangement]	Replace	The whole clause 26.2 by the following new clause 26.2: “The <i>Contractor</i> submits the name of each proposed Subcontractor with the relevant information on the proposed subcontract to the <i>Project Manager</i> for acceptance. A reason for not accepting the Subcontractor is that <ul style="list-style-type: none"> • its appointment will not allow the <i>Contractor</i> to Provide the Works, • the proposed prices or rates for the subcontract submitted by the proposed Subcontractor are not competitive or at open market prices or rates, or its proposed terms for the subcontract contain activities or items which are substantially over or under-priced, or erratically priced, or • its appointment/selection does not comply with any provision relating to sub-contracting in the contract. The <i>Contractor</i> does not appoint a proposed Subcontractor until the <i>Project Manager</i> has accepted it.”	To take into account ICAC's concern on the potential erratic pricing issue in subcontracts.	N.A.

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26.2	C and D [with pre-bid arrangement] The Project Offices should update the Appendix and clause numbers in square brackets.	Replace	<p>The whole clause 26.2 by the following new clause 26.2:</p> <p>“(a) Save as provided in paragraph (b) below, the <i>Contractor</i> submits the name of each proposed Subcontractor with the relevant information on the proposed subcontract to the <i>Project Manager</i> for acceptance. A reason for not accepting the Subcontractor is that</p> <ul style="list-style-type: none"> its appointment will not allow the <i>Contractor</i> to Provide the Works, the proposed prices or rates for the subcontract submitted by the proposed Subcontractor are not competitive or at open market prices or rates, or its proposed terms for the subcontract contain activities or items which are substantially over-priced or under-priced, or erratically priced, or its appointment/selection does not comply with any provision relating to sub-contracting in the contract. <p>(b) If prior to the Contract Date, the <i>Contractor</i> has pursuant to Special Conditions of Tender Clause SCT [18] proposed a Subcontractor for the item(s) stipulated as subject to pre-bid arrangement in Appendix [S] to the <i>additional conditions of contract</i> and the <i>Client</i> considers the requirements in Special Conditions of Tender Clause SCT [18] are satisfied, the <i>Contractor</i> submits the proposed Subcontractor with the relevant information on the proposed subcontract, in which the proposed prices and rates as well as the proposed payment schedule for the subcontract shall tally with the relevant <i>pricing information</i>, to the <i>Project Manager</i> for acceptance. A reason for not accepting the Subcontractor is that</p> <ul style="list-style-type: none"> its appointment will not allow the <i>Contractor</i> to Provide the Works, the proposed prices or rates or the proposed payment schedule for the subcontract deviate from the relevant <i>pricing information</i>, and (i) such deviation will lead to an increase in the total Defined Cost of such item(s) or (ii) the proposed prices and rates are not competitive or at open market prices or rates or (iii) the proposed payment schedule will expose the <i>Client</i> to an unacceptable level of financial risk, its proposed terms for the subcontract contain activities or items which are substantially over-priced or under-priced, or erratically priced, or its appointment/selection does not comply with any provision relating to sub-contracting in the contract. <p>The <i>Contractor</i> does not appoint a proposed Subcontractor until the <i>Project Manager</i> has accepted it.”</p>	To take into account ICAC's concern on the potential erratic pricing issue in subcontracts.	N.A.
26.3	A, B, C and D	Delete	the first bullet point.	To delete the standard exemption (i.e. an NEC contract is proposed) for obtaining the Project Manager's acceptance on the proposed conditions of subcontracts, which is to avoid the inclusion of subcontract terms that may be contrary to the contract terms between the <i>Client</i> and the <i>Contractor</i> .	N.A.
		Replace	“or” at the end of the third bullet point with a comma.	To supplement potential reasons of withholding an acceptance to the <i>Contractor's</i> proposed conditions of subcontracts.	
		Replace	the full-stop at the end of the fourth bullet point with a comma.		
		Add	<p>two bullet points to the end of clause 26.3 as follows:</p> <p>“•they do not require a Subcontractor to comply with the relevant subcontracting requirements set out in the contract or</p> <p>• they do not require a Subcontractor to be registered under the Registered Specialist Trade Contractors Scheme.”</p>		
27.1	A, B, C and D	Replace	“its design” by “its submission, proposal, design and work” in the clause.	To specify that it is the <i>Contractor's</i> responsibility to obtain approval from Others whenever necessary	N.A.
27.4	A, B, C and D	Add	“and the <i>additional conditions of contract</i> ” to the end of the clause before the full-stop.	To suit the Government practice with certain health and safety requirements covered in the <i>additional conditions of contract</i> .	N.A.
28.1	A, B, C and D	Replace	<p>the whole clause 28.1 by the following new clause 28.1:</p> <p>“The <i>Contractor</i> shall not assign the contract or any interest in the contract without the written consent of the <i>Client</i> and any assignment shall be in a form accepted by the <i>Client</i>”</p>	Reference made to GCC Clause 3.	N.A.
29, 29.1 and 29.2	A, B, C and D	Delete	the whole clauses 29, 29.1 and 29.2	This new NEC4 clause on Disclosure not applicable to Hong Kong. Relevant provisions are set out in clause A3, A4 and A5 of the <i>additional conditions of contract</i> .	N.A.

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30.2	A, B, C and D	Replace	“within one week of the date” by “within [three weeks] of the date” in the clause.	To allow sufficient time to seek any further comments from the operation and maintenance parties before certifying Completion. The Project Offices should update the time in square bracket to suit their projects.	N.A.
30.3	A, B, C and D [Optional]	Add	the following sentences at the end of the clause: “The <i>Project Manager</i> decides the date when the Condition is met. The <i>Project Manager</i> certifies the Condition being met within three weeks of the Condition being met.”	If this optional amendment is adopted to suit the need of individual projects, the Project Offices should amend core clause 25.3 and secondary option X7 accordingly.	N.A.
31.2	A, B, C and D	Delete	the first sub-bullet point of the seventh main bullet point.	To impose specific requirement of not allowing the <i>Contractor</i> having discretion on the time to take over a part of the Site if later than its access date. Amendments to clauses 31.2, 33.1 and 60.1(2) are required if this amendment is adopted.	N.A.
		Replace	“and” at the end of the eighth main bullet point with a comma.	To impose specific programming requirements. The Project Offices may amend the list of items after the ninth main bullet point to suit their projects.	N.A.
		Replace	the full stop at the end of the ninth main bullet point with a comma.		
		Add	the following main bullet points after the ninth main bullet point: “•comments and/or requirements provided by the <i>Project Manager</i> in the most recent programme.”		
32.2	A, B, C and D	Replace	the full-stop at the third bullet point by a comma.	To impose specific programming requirements.	N.A.
		Add	a new bullet point after the third bullet point as follows: “•where there are outstanding work after Completion, at interval as decided by the <i>Project Manager</i> from Completion until completion of the outstanding work or, as the case may be, when the <i>Project Manager</i> has decided that no further revision is required, whichever is earlier.”		
33.1	A, B, C and D	Replace	the whole clause 33.1 by the following new clause 33.1: “The <i>Client</i> allows access to and use of each part of the Site to the <i>Contractor</i> which is necessary for the work included in the contract on its <i>access date</i> .”	To impose specific requirement of not allowing the <i>Contractor</i> having discretion on the time to take over a part of the Site if later than its access date. Amendments to clauses 31.2, 33.1 and 60.1(2) are required if this amendment is adopted.	N.A.
35.1	A, B, C and D	Replace	“two weeks” by “[three] weeks” in the clause.	To impose contract specific requirement on the time limit for the <i>Client</i> to take over the completed works from the <i>Contractor</i> . The Project Offices should update the time in square bracket to suit their projects.	N.A.
50.2	A, B, C and D	Replace	the first sentence of the clause by the following: “The <i>Contractor</i> submits an application for payment in the form of a payment claim compliant with SOP Clause 5 to the <i>Project Manager</i> two weeks before each assessment date setting out the amount the <i>Contractor</i> considers is due at the assessment date.”	To specify the requirement that the <i>Contractor</i> 's application for payment should be in the form of a payment claim stipulated under the security of payment provisions.	DEVB TCW No. 6/2021
				To specify the requirement of submitting the application for payment two weeks before each assessment date to facilitate smooth operation.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
50.2A	A	Add	<p>a new clause 50.2A after clause 50.2 as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in clause 50.2 apply for payment of Plant and Materials which</p> <ul style="list-style-type: none"> • are not individually itemised in the Activity Schedule, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site <p>(“Relevant Plant and Materials”).</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment the amount claimed and the item in the Activity Schedule to which the Relevant Plant and Materials will be included (“Relevant Item”), and submit to the <i>Project Manager</i> all relevant supporting documents.</p> <p>If on the assessment date to which the application for payment relate, the <i>Project Manager</i> is satisfied that the Relevant Plant and Materials</p> <ul style="list-style-type: none"> • are not individually itemised in the Activity Schedule, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site, <p>the <i>Project Manager</i> may assess the amount due to the <i>Contractor</i> for such Relevant Plant and Materials by reference to rates and lump sums of the Relevant Item (“Advance Payment for Plant and Materials”).”</p>	To enable payment for materials on site. This amendment should be made in conjunction with clause 50.3.	GCC Cl. 79(1)(c)
50.2A	B	Add	<p>a new clause 50.2A after clause 50.2 as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in clause 50.2 apply for payment of Plant and Materials which</p> <ul style="list-style-type: none"> • are not individually itemised in the Bill of Quantities, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site <p>(“Relevant Plant and Materials”).</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment the amount claimed and the item in the Bill of Quantities to which the Relevant Plant and Materials will be included (“Relevant Item”), and submit to the <i>Project Manager</i> all relevant supporting documents.</p> <p>If on the assessment date to which the application for payment relate, the <i>Project Manager</i> is satisfied that the Relevant Plant and Materials</p> <ul style="list-style-type: none"> • are not individually itemised in the Bill of Quantities, • have not been included in any completed work, and • are not prematurely delivered to and not improperly stored on the Site, <p>the <i>Project Manager</i> may assess the amount due to the <i>Contractor</i> for such Relevant Plant and Materials by reference to rates and lump sums of the Relevant Item (“Advance Payment for Plant and Materials”).”</p>		

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50.2B	A	Add	<p>a new clause 50.2B after clause 50.2A as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in clause 50.2 apply for payment of an Imported Item which is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at a premises in Hong Kong (“Premises”) but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises. <p>(“Relevant Imported Item”)</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment of the Relevant Imported Item the amount claimed and the item in the Activity Schedule to which the Relevant Imported Item relate (“Related Item”) and submit to the <i>Project Manager</i> all relevant supporting documents, including but not limited to evidence of purchase or importation of the Relevant Imported Item, evidence of supply shortage or logistic disruptions, the original date agreed by the <i>Project Manager</i> for delivery of the Relevant Imported Item to the Site (if applicable), the address of the Premises, and photographs showing the condition of the Relevant Imported Item and the manner in which it is stored.</p> <p>If on the assessment date to which the application for payment relate, the <i>Project Manager</i> is satisfied that the Relevant Imported Item is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at the Premises but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises, <p>the <i>Project Manager</i> shall assess the amount due to the <i>Contractor</i> for such Relevant Imported Item by reference to the rates and lump sums of the Related Item (“Special Payment”).”</p>	To enable special payment for Imported Items. This amendment should be made in conjunction with clause 11.2, 50.2A and 50.3.	SDEV’s memos ref. DEVB(W) 510/33/02 dated 8.7.2022 and 22.11.2023
50.2B	B	Add	<p>a new clause 50.2B after clause 50.2A as follows:</p> <p>“The <i>Contractor</i> may in an application for payment referred to in clause 50.2 apply for payment of an Imported Item which is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at a premises in Hong Kong (“Premises”) but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises. <p>(“Relevant Imported Item”)</p> <p>The <i>Contractor</i> shall clearly identify in the application for payment of the Relevant Imported Item the amount claimed and the item in the Bill of Quantities to which the Relevant Imported Item relate (“Related Item”) and submit to the <i>Project Manager</i> all relevant supporting documents, including but not limited to evidence of purchase or importation of the Relevant Imported Item, evidence of supply shortage or logistic disruptions, the original date agreed by the <i>Project Manager</i> for delivery of the Relevant Imported Item to the Site (if applicable), the address of the Premises, and photographs showing the condition of the Relevant Imported Item and the manner in which it is stored.</p> <p>If on the assessment date to which the application for payment relate, the <i>Project Manager</i> is satisfied that the Relevant Imported Item is</p> <ul style="list-style-type: none"> • purchased or imported into Hong Kong ahead of time due to supply shortages or logistics disruptions; • properly and securely stored at the Premises but is not yet due to be delivered by the <i>Contractor</i> to the Site; and • clearly demarcated from any other materials at the Premises, <p>the <i>Project Manager</i> shall assess the amount due to the <i>Contractor</i> for such Relevant Imported Item by reference to the rates and lump sums of the Related Item (“Special Payment”).”</p>		

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
50.3	A and B	Replace	the whole clause 50.3 by the following new clause 50.3: “If the <i>Contractor</i> submits an application for payment two weeks before the assessment date, the amount due at the assessment date is the amount calculated in the manner below based on the <i>Project Manager</i> ’s assessment for each of the following items: <ul style="list-style-type: none"> • the Price for Work Done to Date, • plus Advance Payment for Plant and Materials, • plus Special Payment, • plus other amounts to be paid to the <i>Contractor</i>, • in respect of any item included in the assessment of the Price for Work Done to Date, less Advance Payment for Plant and Materials and Special Payment already made in respect of that item, if any, • less amounts to be paid by or retained from or deducted from the <i>Contractor</i>. The actual amount due shall be certified by the <i>Project Manager</i> and paid in accordance with clause 51.”	Add “two weeks” after “an application for payment” in the first sentence. <u>Rationale</u> To specify the requirement of submitting the application for payment two weeks before each assessment date to facilitate smooth operation.	N.A.
				Add “or deducted from” before “the <i>Contractor</i> .” in the last bullet point. <u>Rationale</u> To cater for payment deduction, if any, before arriving at the amount due.	N.A.
				Add the 2 nd , 3 rd and 5 th bullet points as appropriate if Advance Payment for Plant and Materials and / or Special Payment is executed in accordance with 50.2A and 50.2B respectively. <u>Rationale</u> To enable payment for materials on site and / or special payment for Imported Items. This amendment should be made in conjunction with clause 11.2, 50.2A and 50.2B as appropriate.	GCC Cl. 79(1)(c)
50.3	C and D	Add	“two weeks” after “an application for payment” in the first sentence.	To specify the requirement of submitting the application for payment two weeks before each assessment date to facilitate smooth operation.	N.A.
		Replace	“the <i>Contractor</i> .” by “or deducted from the <i>Contractor</i> .” in the third bullet point.	To cater for payment deduction, if any, before arriving at the amount due, and avoid overpayment by specifying the <i>Project Manager</i> ’s right to deduct the <i>Contractor</i> ’s pain share assessed during the contract period. This should be read in conjunction with clauses 53.1 to 53.4.	
		Add	a fourth bullet point as follows: “•less the <i>Project Manager</i> ’s interim assessment of the <i>Contractor</i> ’s share deduction as at the share assessment date.”	Also to standardise the calculation on payment deduction.	
50.4	A, B, C and D	Add	“two weeks” after “an application for payment” in the first sentence.	To specify the requirement of submitting the application for payment two weeks before each assessment date to facilitate smooth operation.	N.A.
51.1	A, B, C and D	Replace	the first sentence of the clause by the following: “If the <i>Contractor</i> submitted an application for payment in the form of a payment claim compliant with SOP Clause 5 two weeks before the assessment date, the <i>Project Manager</i> certifies a payment in the form of a payment response compliant with SOP Clause 6(2) within two weeks of each assessment date. Otherwise, the <i>Project Manager</i> certifies a payment within two weeks of each assessment date.”	To allow sufficient time for vetting payment applications. To differentiate the two scenarios with and without the <i>Contractor</i> ’s application for payment in the form of a payment claim compliant with the security of payment provisions. Only when the <i>Contractor</i> submitted an application for payment in the form of a payment claim compliant with the security of payment provisions two weeks before the assessment date, will the <i>Project Manager</i> be required to certify a payment in the form of a payment response compliant with the security of payment provisions. To specify the requirement that the <i>Project Manager</i> ’s certificate should be in the form of a payment response stipulated under the security of payment provisions.	N.A. DEVB TCW No. 6/2021
51.2	A, B, C and D	Replace	the first word “Each” by “Subject to the <i>Client</i> ’s rights of set-off in law or equity, each” in the clause.	To reserve the <i>Client</i> ’s rights of set-off in law or equity when certifying payments	N.A.
51.3	A, B, C and D	Delete	the first and second bullet point.	To omit the <i>Client</i> ’s liability to pay interest if the <i>Project Manager</i> corrects in a later certificate due to compensation events or other reasons.	GCC 79(4)
		Delete	“, or a recommendation of the Dispute Avoidance Board” in the third bullet point.		
51.4	Options A, B, C and D	Replace	the whole clause 51.4 by the following new clause 51.4: “Interest is calculated on a simple interest basis at the <i>interest rate</i> .”.	To follow GCC 79 that the interest to be paid by the <i>Client</i> on any late payment should be on simple interest basis. Also, the High Court Ordinance (Cap. 4) Section 49 stipulates that judgment debts shall carry simple interest.	GCC 79

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
53.1	A, B, C and D	Replace	<p>the whole clause 53.1 by the following:</p> <p>“The <i>Contractor</i> submits an application for final payment in the form of a payment claim compliant with SOP Clause 5 to the <i>Project Manager</i> no later than</p> <ul style="list-style-type: none"> • four weeks after the <i>Supervisor</i> issues the Defects Certificate or a longer period to which the <i>Project Manager</i> has agreed; or • thirteen weeks after the <i>Project Manager</i> issues a termination certificate or such longer period as may reasonably be necessary as determined by the <i>Project Manager</i>. <p>The <i>Project Manager</i> makes an assessment of the final amount due and certifies a final payment in the form of a payment response compliant with SOP Clause 6(2) within the period set out in SOP Clause 7.</p> <p>The <i>Project Manager</i> gives the <i>Contractor</i> details of how the amount due has been assessed. The final payment is made within three weeks of the assessment or, if a different period is stated in the Contract Data, within the period stated.</p>	<p>To retain the <i>Contractor</i>'s obligation to submit payment applications similar to GCC 78 and to effect the right of the Government to terminate for convenience under ETWB TC(W) No. 23/2004.</p> <p>To specify the requirements that the <i>Contractor</i>'s application for final payment should be in the form of a payment claim and that the <i>Project Manager</i>'s certificate of final payment should be in the form of a payment response and within the timescale as stipulated under the security of payment provisions.</p>	<p>GCC 78 ETWB TC(W) No. 23/2004 SCC 59</p> <p>DEVB TCW No. 6/2021</p>
53.3	A, B, C and D	Delete	The whole clause 53.3.	This new NEC4 clause is not applicable to Hong Kong.	N.A.
53.4	A, B, C and D	Replace	<p>the second bullet point of the clause by the following:</p> <p>“• a decision of the <i>Adjudicator</i> which has not been referred to the <i>tribunal</i> within four weeks of that decision.”</p>	To align with the practice in Hong Kong.	N.A.
		Delete	<p>The last paragraph:</p> <p>“A change assessment becomes conclusive evidence of the final amount due under or in connection with the contract.”</p>	To prevent the Government from being debarred from initiating legal action after assessment of the final amount due.	N.A.
54.2A	C and D	Add	<p>a new clause 54.2A after clause 54.2 as follows:</p> <p>“The <i>Project Manager</i> makes interim assessments of the <i>Contractor</i>'s share on each <i>share assessment date</i> using its forecast of the final Price for Work Done to Date and its forecast of the final total of the Prices. The <i>Project Manager</i> informs the <i>Contractor</i> of its interim assessment of the <i>Contractor</i>'s share deduction.”</p>	<p>To specify the <i>Project Manager</i>'s right to make interim assessment of the <i>Contractor</i>'s share and the <i>Project Manager</i>'s obligation to inform the <i>Contractor</i> of its assessment. This clause should be read in conjunction with clause 50.2. The Project Offices should update the clause no. in square bracket.</p> <p>Also to standardise the calculation on payment deduction.</p>	N.A.
60.1	A, B, C and D	Replace	<p>sub-clause (2) by the following new sub-clause (2):</p> <p>“The <i>Client</i> does not allow access to and use of a part of the Site by its <i>access date</i>.”</p>	To impose contract specific requirement of not allowing the <i>Contractor</i> having discretion on the time to take over a part of the Site if later than its access date. Amendments to clauses 31.2, 33.1 and 60.1(2) are required if this amendment is adopted.	N.A.
60.1	A, B, C and D (Choice 1)	Replace	<p>sub-clause (13) by the following new sub-clause (13):</p> <p>“One or more of the following weather conditions affecting the Site:</p> <p>(i) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(ii) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(iii) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(iv) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(v) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i>.”</p>	(Choice 1 - No weather conditions are removed from the compensation events.) To modify weather-related compensation events similar to those being adopted under GCC.	GCC clause 50(1)(b)(i), (ii) and (iia)
60.1	A, B, C and D (Choice 2) It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	<p>sub-clause (13) by the following new sub-clause (13):</p> <p>“One or more of the following weather conditions affecting the Site:</p> <p>(i) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(ii) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(iii) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(iv) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i>, or</p> <p>(vA) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>]”</p>	(Choice 2 - when the <i>Contractor</i> is not entitled to the compensation events for the cause of delay which is inclement weather and/or its consequences adversely affecting the progress of the works occurring before the <i>completion date</i> .) To modify weather-related compensation events similar to those being adopted under GCC, taking into account the policy on "Deletion of Extensions of Time for Inclement Weather" per paragraph 9.18 of Chapter 5 of the PAH and WBTC No. 18/2000 in circumstances which are to be determined by project offices. The " <i>completion date</i> " refers to the <i>completion date</i> stated in the Contract Data Part one. The sentence in square bracket "but before the <i>Client</i> is entitled to recover delay damages in respect of the <i>works</i> " should be inserted after the " <i>completion date</i> " only if Secondary Option Clause X7 - Delay damages is selected in the contract.	GCC clause 50(1)(b)(i), (ii) and (iia)
60.1	A, B, C and D	Replace	sub-clause (13) by the following new sub-clause (13):	(Choice 3 - when the <i>Contractor</i> is not entitled to the compensation events	GCC clause

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
	(Choice 3) It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.		“One or more of the following weather conditions affecting the Site: (i) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i> , or (ii) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (iii) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (ivA) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (vA) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>]”	for the cause of delay which are (Amber Rainstorm Warning or inclement weather) and/or its consequences adversely affecting the progress of the works occurring before the <i>completion date</i> .) To modify weather-related compensation events similar to those being adopted under GCC, taking into account the policy on "Deletion of Extensions of Time for Inclement Weather" per paragraph 9.18 of Chapter 5 of the PAH and WBTC No. 18/2000 in circumstances which are to be determined by project offices. The " <i>completion date</i> " refers to the <i>completion date</i> stated in the Contract Data Part one. The sentence in square bracket "but before the <i>Client</i> is entitled to recover delay damages in respect of the <i>works</i> " should be inserted after the " <i>completion date</i> " only if Secondary Option Clause X7 - Delay damages is selected in the contract.	50(1)(b)(i), (ii) and (iia)
60.1	A, B, C and D (Choice 4) It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	sub-clause (13) by the following new sub-clause (13): “One or more of the following weather conditions affecting the Site: (i) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i> , or (ii) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> , or (iiiA) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (ivA) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (vA) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>]”	(Choice 4 - when the <i>Contractor</i> is not entitled to the compensation events for the cause of delay which are (Red Rainstorm Warning or Amber Rainstorm Warning or inclement weather) and/or its consequences adversely affecting the progress of the works occurring before the <i>completion date</i> .) To modify weather-related compensation events similar to those being adopted under GCC, taking into account the policy on "Deletion of Extensions of Time for Inclement Weather" per paragraph 9.18 of Chapter 5 of the PAH and WBTC No. 18/2000 in circumstances which are to be determined by project offices. The " <i>completion date</i> " refers to the <i>completion date</i> stated in the Contract Data Part one. The sentence in square bracket "but before the <i>Client</i> is entitled to recover delay damages in respect of the <i>works</i> " should be inserted after the " <i>completion date</i> " only if Secondary Option Clause X7 - Delay damages is selected in the contract.	GCC clause 50(1)(b)(i), (ii) and (iia)
60.1	A, B, C and D (Choice 5) It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	sub-clause (13) by the following new sub-clause (13): “One or more of the following weather conditions affecting the Site: (iA) the hoisting of tropical cyclone warning signal No. 8 or above and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (iiA) Black Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (iiiA) Red Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (ivA) Amber Rainstorm Warning and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>], or (vA) inclement weather and/or its consequences adversely affecting the progress of the <i>works</i> after the <i>completion date</i> [but before the <i>Client</i> is entitled recover delay damages in respect of the <i>works</i>]”	(Choice 5 - when the <i>Contractor</i> is not entitled to the compensation events for the cause of delay which are (the hoisting of tropical cyclone warning signal No. 8 or above or Black Rainstorm Warning or Red Rainstorm Warning or Amber Rainstorm Warning or inclement weather) and/or its consequences adversely affecting the progress of the works occurring before the <i>completion date</i> .) To modify weather-related compensation events similar to those being adopted under GCC, taking into account the policy on "Deletion of Extensions of Time for Inclement Weather" per paragraph 9.18 of Chapter 5 of the PAH and WBTC No. 18/2000 in circumstances which are to be determined by project offices. The " <i>completion date</i> " refers to the <i>completion date</i> stated in the Contract Data Part one. The sentence in square bracket "but before the <i>Client</i> is entitled to recover delay damages in respect of the <i>works</i> " should be inserted after the " <i>completion date</i> " only if Secondary Option Clause X7 - Delay damages is selected in the contract.	GCC clause 50(1)(b)(i), (ii) and (iia)
60.1	A, B, C and D	Replace	Sub-clause (21) as follows: “A Change in Law as defined in clause [A1] of the <i>additional conditions of contract</i> .”	To adopt an approach of introducing Change in Law as a compensation event under Clause 60 rather than adopting Option X2.	ETWBTCW No. 23/2004 SCC 60(5)
60.1	A, B, C and D	Add	Sub-clause (22) after sub-clause (21) as follows: “A shortage of labour which would have been unreasonable for an experienced contractor to have allowed for at the tender closing date.”	To address the mandatory policy of entitling the <i>Contractor</i> to claim extension of time due to shortage of labour.	DEVB TCW No. 5/2013
60.1	A, B, C and D	Add	Sub-clause (23) after sub-clause (22) as follows: “A suspension or reduction in the rate of progress of the carrying out of construction work or the supply of related goods and services under the contract by the <i>Contractor</i> pursuant to SOP Clause 37.”	To address the entitlement of the <i>Contractor</i> to claim extension of time under specific situations in relation to security of payment matters.	DEVB TCW No. 6/2021

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
60.1	A, B, C and D [Optional] only applicable to public works contracts with works within the Railway Protection Area.	Add	Sub-clause (24) after sub-clause (23) as follows: “Subject to any default by the <i>Contractor</i> under sub-clause (4)(e) of Clause D26 of <i>additional conditions of contract</i> , cancellation or alteration by MTRCL at short notice of the date or timing of any Restriction, Possession or Isolation set out in the contract or previously agreed to by MTRCL.”	To address the compensation event in relation to cancellation or alternation of Restrictions, Possession or Isolations at short notice by MTRCL as originally set out in the contract or previously agreed to by MTRCL.	DEVB TCW No.1/2019
60.4	B and D [Optional] (common in building lump sum contracts with firm BQ)	Add	the word “provisional” before “quantity stated for an item” in the first sentence.	Commonly used in building lump sum contracts, to modify the BQ from remeasurement to firm BQ, applicable for contracts with detailed design. This amendment should be made in conjunction with clause 11.2*(30)/(35), 60.4, 60.5 and 60.6.	Cl.59(4)(b) of GCC for Building Works
60.4	B and D [Optional] The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications	Add	“or [\$800,000], whichever is the largest” at the end of the third bullet point.	To impose contract specific requirement in relation to substantial change in the quantity of the work. The Project Offices should update the figure in square bracket to suit their projects.	N.A.
60.5	B and D [Optional] (common in building lump sum contracts with firm BQ)	Add	the word “provisional” before “quantity stated for an item” in the first sentence.	Commonly used in building lump sum contracts, to modify the BQ from remeasurement to firm BQ, applicable for contracts with detailed design. This amendment should be made in conjunction with clause 11.2*(30)/(35), 60.4, 60.5 and 60.6.	Cl.59(4)(b) of GCC for Building Works
60.6	B and D [Optional] (common in building lump sum contracts with firm BQ)	Replace	the whole clause by the following: “The <i>Project Manager</i> corrects: (i) mistakes in the Bill of Quantities which are departures from the rules for item descriptions and for division of the work into items in the method of measurement, or are due to ambiguities or inconsistencies; or (ii) errors in quantities other than provisional quantities. Each such correction is a compensation event which may lead to reduced Prices.”	Commonly used in building lump sum contracts, to modify the BQ from remeasurement to firm BQ, applicable for contracts with detailed design. To allow correcting errors in the BQ quantities. This amendment should be made in conjunction with clause 11.2*(30)/(35), 60.4, 60.5 and 60.6.	Cl.59(4)(a) of GCC for Building Works
60.8	Options A [Optional] Applicable to D&B contracts. The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications	Add	a new clause 60.8 as follows: “A difference between the final total quantity of work done and the provisional quantity for an item stated in the Activity Schedule which delays Completion or the meeting of the Condition stated for a Key Date is a compensation event.”	To add new compensation event for the contract requiring re-measurement of provisional quantities. This amendment should then be made in conjunction with clause 60.8, 60.9, 63.1 and 63.2.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
60.9	Options A [Optional] Applicable to D&B contracts. The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications	Add	a new clause 60.9 as follows: “The <i>Project Manager</i> corrects mistakes for items with provisional quantities in the Activity Schedule which are departures from the rules for item descriptions and for division of the work into items in the preambles and method of measurement or are due to ambiguities or inconsistencies. Each such correction is a compensation event which may lead to reduced Prices.	To add new compensation event for the contract requiring re-measurement of provisional quantities. This amendment should then be made in conjunction with clause 60.8, 60.9, 63.1 and 63.2.	N.A.
61.4	A, B, C and D	Replace	“one week after the <i>Contractor</i> 's notification” with “[six weeks for events requiring to obtain confirmation of no objection from the <i>Client</i> in accordance with clause [B1] of the <i>additional conditions of contract</i> , or three weeks for other events] after the <i>Contractor</i> 's notification” at the first bullet point of the first paragraph in the clause.	To impose specific time limit for the <i>Project Manager</i> to notify its decision on compensation events to the <i>Contractor</i> . Approval should be sought from the relevant authorities in accordance with the Stores and Procurement Regulations (SPR) 520 and Appendix V(B) and the consultancy agreement terms where appropriate. The Project Offices should update the time in square bracket to suit their projects and clause no. of the <i>additional conditions of contracts</i> on the <i>Project Manager</i> 's powers.	N.A.
62.2	A and B unless comments/ endorsement have been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. Applicable to Choices 1 to 5 of weather-related compensation events	Replace	the first sentence by the following: “Quotations for compensation events comprise, where applicable, proposed changes to the Prices, and/or any delay to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> . For the avoidance of doubt, quotations for compensation events under clauses 60.1(5), 60.1(13), 60.1(19) and 60.1(22) only comprise proposed changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> , but not changes to the Prices.”	To impose specific conditions where the <i>Contractor</i> is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6.	N.A.
62.2	C and D unless comments/ endorsement have been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 1 of weather-related compensation event is used.	Replace	the first sentence by the following: “Quotations for compensation events comprise, where applicable, proposed changes to the Prices, and/or any delay to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> . For the avoidance of doubt, quotations for compensation events under clauses 60.1(5), 60.1(13)(iv)&(v), 60.1(19) and 60.1(22) only comprise proposed changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> , but not changes to the Prices.”	To impose specific conditions where the <i>Contractor</i> is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clauses 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
62.2	C and D unless comments/ endorsement have been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 2 of weather-related compensation event is used. It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	the first sentence by the following: “Quotations for compensation events comprise, where applicable, proposed changes to the Prices, and/or any delay to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> . For the avoidance of doubt, quotations for compensation events under clauses 60.1(5), 60.1(13)(iv)&(vA), 60.1(19) and 60.1(22) only comprise proposed changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> , but not changes to the Prices.”	To impose specific conditions where the <i>Contractor</i> is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clauses 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB.	N.A.
62.2	C and D unless comments/ endorsement have been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 3, 4 or 5 of weather-related compensation event is used. It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	the first sentence by the following: “Quotations for compensation events comprise, where applicable, proposed changes to the Prices, and/or any delay to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> . For the avoidance of doubt, quotations for compensation events under clauses 60.1(5), 60.1(13)(ivA)&(vA), 60.1(19) and 60.1(22) only comprise proposed changes to the Completion Date and/or Key Dates assessed by the <i>Contractor</i> , but not changes to the Prices.”	To impose specific conditions where the <i>Contractor</i> is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clauses 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB. As clause 60.1(13)(iii) is not included in Choice 4 and clauses 60.1(13)(i) to (iii) are not included in Choice 5 which involved monetary compensation, Project Offices may need to take note of the cost implication on returned tender prices when choosing Choice 4 or 5 .	N.A.
62.3	A, B, C and D	Replace	“The <i>Project Manager</i> replies within two weeks of the submission.” by “The <i>Project Manager</i> replies within six weeks for events requiring to obtain confirmation of no objection from the <i>Client</i> in accordance with clause [B1] of the <i>additional conditions of contract</i> , or three weeks for other events after receiving the submission.” in the second sentence of the clause.	To impose specific time limit for the <i>Project Manager</i> to reply to the <i>Contractor</i> for its quotation for compensation events. Approval should be sought from the relevant authorities in accordance with the Stores and Procurement Regulations (SPR) 520 and Appendix V(B) and the consultancy agreement terms where appropriate. The Project Offices should update the time in square bracket to suit their projects and clause no. of the additional conditions of contracts on the <i>Project Manager's</i> powers.	N.A.
62.6	A, B, C and D	Replace	“a further two weeks” by “a further two weeks or a longer period to which the <i>Contractor</i> has agreed” in the last sentence of the clause.	To impose specific time limit for the <i>Project Manager</i> to reply to the <i>Contractor</i> for its quotation for compensation events.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
63.1	A [Optional] The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications.	Replace	the first word “The” by “Subject to the provisions of clause 63.2, the”.	To follow the generic NEC principle in assessing compensation events based on Defined Cost plus the resulting Fee basis, this amendment should be avoided as far as practicable. Only if the specific contract requires, this amendment is made in conjunction with clause 63.1 and 63.2 to impose specific conditions that compensation events are primarily based on rates and lump sums in the Activity Schedule.	N.A.
63.1	B [Optional] The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications.	Replace	the first word “The” by “Subject to the provisions of clause 63.2, the”.	To follow the generic NEC principle in assessing compensation events based on Defined Cost plus the resulting Fee basis, this amendment should be avoided as far as practicable. Only if the specific contract requires, this amendment is made in conjunction with clause 63.1 and 63.2 to impose specific conditions that compensation events are primarily based on rates and lump sums in the Bill of Quantities. This amendment is made in conjunction with clause 63.1 and 63.2.	N.A.
63.2	A [Optional] The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications.	Replace	the whole clause 63.2 by the following new clause 63.2: “Where the effect of a compensation event is changes to the Prices, the assessment of the compensation event will be based on the rates and lump sums in the Activity Schedule, instead of the Defined Cost and the resulting Fee, under the scenarios specified in sub-clauses (i) to (iii) below: (i) Any item of work omitted is assessed at the rate or lump sum set out in the Activity Schedule except that in the absence of such a rate or lump sum in the Activity Schedule, the assessment of the item of work omitted is at a rate or price based on Defined Cost and the resulting Fee. (ii) Any work carried out which is the same as or similar in character to and executed under the same or similar conditions and circumstances to any item of work priced in the Activity Schedule is assessed at the rate or lump sum set out in the Activity Schedule for such item of work. (iii) Any work carried out which is not the same as or similar in character to or is not executed under the same or similar conditions or circumstances to any item of work priced in the Activity Schedule is assessed at a rate or lump sum based on the rates or lump sums in the Activity Schedule so far as may be reasonable, failing which, at a rate or lump sum based on Defined Cost and the resulting Fee. For the avoidance of doubt, any assessment based on rates or lump sums in the Activity Schedule is not subject to adjustment of the <i>fee percentage</i> .”	To follow the generic NEC principle in assessing compensation events based on Defined Cost plus the resulting Fee basis, this amendment should be avoided as far as practicable. Only if the specific contract requires, this amendment is made in conjunction with clause 63.1 and 63.2 to impose specific conditions that compensation events are primarily based on rates and lump sums in the Activity Schedule.	N.A.
63.2	B [Optional] The Project Office shall seek approval from a public officer of D2 rank or above for use of this clause and document the justifications.	Replace	the whole clause 63.2 by the following new clause 63.2: “Where the effect of a compensation event is changes to the Prices, the assessment of the compensation event will be based on the rates and lump sums in the Bill of Quantities, instead of the Defined Cost and the resulting Fee, under the scenarios specified in sub-clauses (i) to (iii) below: (i) Any item of work omitted is assessed at the rate or lump sum set out in the Bill of Quantities except that in the absence of such a rate or lump sum in the Bill of Quantities, the assessment of the item of work omitted is at a rate or price based on Defined Cost and the resulting Fee. (ii) Any work carried out which is the same as or similar in character to and executed under the same or similar conditions and circumstances to any item of work priced in the Bill of Quantities is assessed at the rate or lump sum set out in the Bill of Quantities for such item of work. (iii) Any work carried out which is not the same as or similar in character to or is not executed under the same or similar conditions or circumstances to any item of work priced in the Bill of Quantities is assessed at a rate or lump sum based on the rates or lump sums in the Bill of Quantities so far as may be reasonable, failing which, at a rate or lump sum based on Defined Cost and the resulting Fee. For the avoidance of doubt, any assessment based on rates or lump sums in the Bill of Quantities is not subject to adjustment of the <i>fee percentage</i> .”	To follow the generic NEC principle in assessing compensation events based on Defined Cost plus the resulting Fee basis, this amendment should be avoided as far as practicable. Only if the specific contract requires, this amendment is made in conjunction with clause 63.1 and 63.2 to impose specific conditions that compensation events are primarily based on rates and lump sums in the Bill of Quantities. This amendment is made in conjunction with clause 63.1 and 63.2.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
63.6	A and B unless comments/endorsement has been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. Applicable to Choices 1 to 5 of weather-related compensation events.	Replace	the whole clause 63.6 by the following new clause 63.6: “The rights of the <i>Client</i> and the <i>Contractor</i> to changes to, where applicable, the Prices and/or the Completion Date and/or the Key Dates are their only rights in respect of a compensation event. For compensation events under clauses 60.1(5), 60.1(13), 60.1(19) or 60.1(22), the <i>Contractor</i> is only entitled to changes to the Completion Date and/or the Key Dates but not changes to the Prices. For other compensation events, the assessment of changes to the Prices, if any, is not affected by any concurrent compensation event under clause 60.1(5), 60.1(13), 60.1(19) or 60.1(22).”	To impose specific conditions where the Contractor is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6.	N.A.
63.6	C and D unless comments/endorsement has been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 1 of weather-related compensation event is used.	Replace	the whole clause 63.6 by the following new clause 63.6: “The rights of the <i>Client</i> and the <i>Contractor</i> to changes to, where applicable, the Prices and/or the Completion Date and/or the Key Dates are their only rights in respect of a compensation event. For compensation events under clauses 60.1(5), 60.1(13)(iv)&(v), 60.1(19) or 60.1(22), the <i>Contractor</i> is only entitled to changes to the Completion Date and/or the Key Dates but not changes to the Prices. For other compensation events, the assessment of changes to the Prices, if any, is not affected by any concurrent compensation event under clause 60.1(5), 60.1(13)(iv)&(v), 60.1(19) or 60.1(22).”	To impose specific conditions where the Contractor is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clause 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
63.6	C and D unless comments/endorsement has been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 2 of weather-related compensation event is used. It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	the whole clause 63.6 by the following new clause 63.6: “The rights of the <i>Client</i> and the <i>Contractor</i> to changes to, where applicable, the Prices and/or the Completion Date and/or the Key Dates are their only rights in respect of a compensation event. For compensation events under clauses 60.1(5), 60.1(13)(iv)&(vA), 60.1(19) or 60.1(22), the <i>Contractor</i> is only entitled to changes to the Completion Date and/or the Key Dates but not changes to the Prices. For other compensation events, the assessment of changes to the Prices, if any, is not affected by any concurrent compensation event under clause 60.1(5), 60.1(13)(iv)&(vA), 60.1(19) or 60.1(22).”	To impose specific conditions where the Contractor is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clause 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB.	N.A.
63.6	C and D unless comments/endorsement has been sought for the deviation from this standard amendment from the Inter-departmental Working Group and/or the Steering Committee. If Choice 3, 4 or 5 of weather-related compensation event is used. It should only be used when approval by Head of Department and endorsement by DEVB have been obtained.	Replace	the whole clause 63.6 by the following new clause 63.6: “The rights of the <i>Client</i> and the <i>Contractor</i> to changes to, where applicable, the Prices and/or the Completion Date and/or the Key Dates are their only rights in respect of a compensation event. For compensation events under clauses 60.1(5), 60.1(13)(ivA)&(vA), 60.1(19) or 60.1(22), the <i>Contractor</i> is only entitled to changes to the Completion Date and/or the Key Dates but not changes to the Prices. For other compensation events, the assessment of changes to the Prices, if any, is not affected by any concurrent compensation event under clause 60.1(5), 60.1(13)(ivA)&(vA), 60.1(19) or 60.1(22).”	To impose specific conditions where the Contractor is only entitled for extension of time due to certain compensation events. This amendment should be made in conjunction with clause 62.2 and 63.6. The Project Offices may add any of the items under sub-clause 60.1(13) after reviewing their project specific situations and such proposal or other amendments shall be approved by DEVB. As clause 60.1(13)(iii) is not included in Choice 4 and clauses 60.1(13)(i) to (iii) are not included in Choice 5 which involved monetary compensation, Project Offices may need to take note of the cost implication on returned tender prices when choosing Choice 4 or 5 .	N.A.
63.16	A and B	Delete	the whole clause 63.16	“People Rates” are used with the cost component of people under Short Schedule of Components Item 11. To avoid erratic pricing for rate only items in Contract Data Part two, and reduce practical difficulty in assessing tenders, the use of People Rates under SSCC 11 under NEC4 ECC is not recommended. As a reference, standard NEC3 ECC rate only items (e.g. “% for people overheads” under NEC3 ECC SSCC41) are not adopted as per the PN.	N.A.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
70	A, B, C and D	Add	a new clause 70.3 after clause 70.2 as follows: “The <i>Contractor</i> procures that the title passed to the <i>Client</i> pursuant to this clause 70 is full unencumbered title.”	To promote clarity in respect of the <i>Client</i> 's title to Plant and Materials being full unencumbered	N.A.
80.1	A, B, C and D	Delete	“strikes,” in the second sub-bullet point of the fifth main bullet point.	To omit “strikes” from the <i>Client</i> 's risks so as to follow the scope of excepted risks under GCC 21(4)	GCC 21(4)
		Replace	“before the issue of the Defects Certificate ... on the Site after take over” by “which is due to breach of the contract or other default of the <i>Contractor</i> ” in the sixth main bullet point.	To ensure that the <i>Client</i> 's risks do not cover loss, wear or damage to the <i>works</i> occurring which is due to breach of the contract or other default of the <i>Contractor</i>	N.A.
		Replace	“activities of the <i>Contractor</i> on the Site after the termination” by “breach of the contract or other default of the <i>Contractor</i> ” in the seventh main bullet point.		N.A.
		Delete	The last bullet.	Remove the default allowance on additional input of <i>Client</i> 's liability in the Contract Data.	N.A.
81.1	A, B, C and D	Delete	“unless they are stated as being <i>Client</i> 's liabilities” in the first sentence of the clause.	To clearly demarcate <i>Contractor</i> 's liabilities from <i>Client</i> 's.	N.A.
		Add	a new fifth bullet to the end of the clause as follows: “Events resulting from the <i>Contractor</i> 's breach of the contract or other default.”	To hold the <i>Contractor</i> liable, after the issuance of the Defect Certificate, for the risks resulting from its breach of the contract or other default.	
		Add	a new sixth bullet to the end of the clause a follows: “Any other liabilities not stated as being <i>Client</i> 's liabilities.”	To clearly demarcate <i>Contractor</i> 's liabilities from <i>Client</i> 's.	
82.2	A, B, C and D-	Delete	the whole clause 82.2	To promote clarity in liabilities from the <i>Contractor</i> to the <i>Client</i> under Clause 82.	N.A.-
82.3	A, B, C and D	Replace	the whole clause 82.3 by the following new clause 82.3: “The right of the <i>Client</i> to recover these costs is reduced if an event for which the <i>Client</i> was liable contributed to the costs. The reduction is in proportion to the extent that event for which that the <i>Client</i> is liable contributed, taking into account each Party's responsibilities under the contract.”	To tally with the amendments made to clause 82.2	N.A.
83.1	A, B, C and D	Delete	the whole clause 83.1.	To promote clarity in insurance provision.	N.A.
83.2	A, B, C and D	Add	a new sentence after the first sentence as follows: “The <i>Contractor</i> provides such insurance(s) for at least the amount(s), with deductibles (if any) specified in the Contract Data, and in the form(s) (if applicable) specified in the Scope.”	To impose specific requirements for procurement of construction related insurance according to ETWB TCW No. 7/2005. The Project Offices should include the relevant form in the Scope.	ETWB TCW No. 7/2005 SCC 11 SCC 12
83.3	A, B, C and D	Replace	“the Parties except the fourth insurance stated” by “the <i>Client</i> , the <i>Contractor</i> together with its subcontractors of all tiers” in the first line of the clause.	To impose specific requirements for procurement of construction related insurance according to ETWB TCW No. 7/2005. The Project Offices should conduct assessment in accordance with the systematic risk management (SRM) process promulgated in ETWB TCW No. 6/2005 and other relevant guidelines to determine the types and coverage of the insurances required for the contract and then update the information in square bracket accordingly.	ETWB TCW No. 7/2005 SCC 11 SCC 12
		Delete	the [first, second, third] and fourth row (or insurance) in the Insurance Table.		
		Add	“or its subcontractors” after the works “not an employee of the <i>Contractor</i> ” in the third row of the insurance table.		
83.4	A, B, C and D	Add	a new clause 83.4 after clause 83.3 as follows: “The <i>Contractor</i> provides the insurance against liability for death of or bodily injury to employees of the <i>Contractor</i> , and its subcontractors of all tiers if applicable, arising out of and in the course of their employment in connection with the contract to comply with the applicable law.”	Under section 40(1B) of the Employees' Compensation Ordinance, Cap. 282, the main contractor is permitted but not obliged to take out EC insurance to cover EC claims by employees of its subcontractors.	N.A.
85.2	A, B, C and D	Add	the following new clause 85.2 after clause 85.1: “If through no fault of the <i>Contractor</i> or for reasons not attributable to the <i>Contractor</i> or its past records it becomes impracticable for the <i>Contractor</i> to provide the insurance(s) in form(s) specified in the Scope, the <i>Contractor</i> proposes to the <i>Project Manager</i> for acceptance any necessary change to the Scope for providing insurance(s) as close as practically possible to the form(s) specified. The <i>Contractor</i> submits with the proposed change a quotation for a reduction to the Prices as a result of the proposed change. If the <i>Project Manager</i> accepts the proposed change, it gives an instruction to change the Scope accordingly and the Prices are reduced as quoted.”	To impose specific requirements for procurement of construction related insurance according to ETWB TCW No. 7/2005. The Project Offices should include the relevant form in the Scope.	ETWB TCW No. 7/2005 SCC 11 SCC 12
86	A, B, C and D	Delete	the whole clause 86.	To promote clarity in insurance provision.	N.A.
86.1		Delete	the whole clause 86.1.		

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
86.2		Delete	the whole clause 86.2.		
86.3		Delete	the whole clause 86.3.		
90.2	A, B, C and D	Replace	“R1-R15, R18 or R22” by “R1-R15, R18, R22 or R23” in the first line of the table.	To align with Stores and Procurement Regulations (SPR) requirements on safeguarding national security interests. This amendment should be made in conjunction with clause 90.3 and clause 91.9.	SDEV’s memo ref. DEVB(W) 510/30/01 dated 31.8.2022
90.3	A, B, C and D	Replace	“R1 to R15, R18 or R22” by “R1 to R15, R18, R22 or R23” in the first line of second paragraph in this clause.	To align with Stores and Procurement Regulations (SPR) requirements on safeguarding national security interests. This amendment should be made in conjunction with clause 90.2 and clause 91.9.	SDEV’s memo ref. DEVB(W) 510/30/01 dated 31.8.2022
90.5	A, B, C and D	Add	a new clause 90.5 as follows: “Termination is without prejudice to any other rights and remedies of the Parties.”	To reserve the rights of the Parties	ETWB TC(W) No. 23/2004 SCC 59
91.8	A, B, C and D	Replace	the whole clause 91.8 by the following new clause 91.8: “The <i>Client</i> may terminate if any of the <i>Contractor’s</i> directors, employees, agents, Subcontractors or suppliers is convicted of an offence against any provision of the Prevention of Bribery Ordinance, Cap. 201 when conducting business in connection with the contract, unless the <i>Contractor</i> has taken all necessary measures (including by way of contractual provisions and/or providing training workshops where appropriate) to ensure that its directors, employees, agents, Subcontractors and suppliers are aware of the prohibition on offering, soliciting or accepting any advantage as defined in the Prevention of Bribery Ordinance when conducting business in connection with the contract (R22).”	To align with relevant provisions of such in Hong Kong, e.g. Prevention of Bribery Ordinance (POBO), rather than the Corrupt Act.	N.A.
91.9	A, B, C and D	Add	a new clause 91.9 after clause 91.8 as follows: “The <i>Client</i> may terminate if the <i>Contractor</i> has engaged or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security, or the continued engagement of the <i>Contractor</i> or the continued performance of the contract is contrary to the interest of national security (R23).”	To align with Stores and Procurement Regulations (SPR) requirements on safeguarding national security interests. This amendment should be made in conjunction with clause 90.2 and clause 90.3.	SDEV’s memo ref. DEVB(W) 510/30/01 dated 31.8.2022
93.1	Option A, B, C and D	Replace	“advanced payment” by “advance payment” in the last bullet point.	To align with the amendment in X14	N.A.

Secondary Options (Updated as at 10.8.2022)

Remarks : Standard Amendments to be applied to the stated main Option(s), unless otherwise specified below or vetted by LAD(W) and commented/endorsed by the Inter-departmental Working Group and/or the Steering Committee.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
X1	A, B, C and D, if contract price fluctuation is applicable.	Replace	the word “index” by “ <i>index figure</i> ” wherever it appears in all sub-clauses of this Option.	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines. “ <i>index figure</i> ” should be well defined in the Contract Data Part two.	DEVB TC(W) No. 4/2021
X1.1		Replace	the whole sub-clause X1.1(a) by the following new sub-clause X1.1(a): “The Base Date Index (B) is the latest available <i>index figure</i> applicable to the <i>base date</i> .”		
X1.1		Replace	the whole sub-clause X1.1(b) by the following new sub-clause X1.1(b): “The Latest Index (L) is the latest available <i>index figure</i> applicable to the date 42 days before the date of assessment of an amount due.”		
X1.1	A, B, C and D For non-building contracts, if contract price fluctuation is applicable.	Replace	the whole sub-clause X1.1(c) by the following new sub-clause X1.1(c): “The Price Adjustment Factor (PAF) is the total of the products of each of the calculated proportions stated in the Schedule of Proportions in the Contract Data multiplied by (L – B)/B for the <i>index figure</i> linked to it. Differences between the actual proportions of the <i>works</i> and the calculated proportions stated in the Schedule of Proportions in the Contract Data shall not constitute a compensation event.”	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines. “ <i>index figure</i> ” should be well defined in the Contract Data Part two.	DEVB TC(W) No. 4/2021
X1.1	A, B, C and D For building contracts, if contract price fluctuation is applicable.	Replace	the whole sub-clause X1.1(c) by the following new sub-clause X1.1(c): “For each Schedule of Proportions in the Contract Data (i.e. Table A for the <i>works</i> other than Building Services Works and Table B for Building Services Works), the Price Adjustment Factor (PAF) is the total of the products of each of the calculated proportions stated in that Schedule of Proportions multiplied by (L – B)/B for the <i>index figure</i> linked to it. Differences between the actual proportions of the <i>works</i> and the calculated proportions stated in these Schedule of Proportions in the Contract Data shall not constitute a compensation event.”		
X1.2	A, B, C and D, if contract price fluctuation is applicable.	Replace	the first sentence of the clause by the following: “If an <i>index figure</i> is changed after it has been used in calculating a PAF, the calculation is repeated and a correction included in the next assessment of the amount due.”	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines, and tally with the amended clauses X1.3 & X1.4. The calculation of PAF should be changed if an index is changed after it has been used in calculating PAF.	DEVB TC(W) No. 4/2021
X1.3	A and B, if contract price fluctuation is applicable.	Delete	the word “and” at the end of the first bullet point.	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021.	DEVB TC(W) No. 4/2021
X1.3		Replace	the full stop at the end of the second bullet point by “and”.		
X1.3	A and B For non-building contracts, if contract price fluctuation is applicable.	Add	a new bullet point and a paragraph to the end of clause X1.3 as follows: “● correcting amounts, not included elsewhere, which arise from changes to <i>index figures</i> used for assessing previous amounts for price adjustment. For the purpose of this sub-clause only, the reference to “Price for Work Done to Date” shall exclude any payment for items not subject to price adjustment for inflation.”	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines. “ <i>index figure</i> ” should be well defined in the Contract Data Part two. The Project Office should review and update/delete the information in square bracket if appropriate.	DEVB TC(W) No. 4/2021
X1.3	A and B For building contracts, if contract price fluctuation is applicable.	Add	a new bullet point and a paragraph to the end of clause X1.3 as follows: “● correcting amounts, not included elsewhere, which arise from changes to <i>index figures</i> used for assessing previous amounts for price adjustment. For the purpose of this sub-clause only, the reference to “Price for Work Done to Date” shall exclude any payment for items not subject to price adjustment for inflation. Further, the price adjustment shall be separately calculated for each Schedule of Proportions in the Contract Data (i.e. Table A for the <i>works</i> other than Building Services Works and Table B for Building Services Works).”		
X1.4	C and D For non-building contracts, if contract price fluctuation is applicable	Replace	the whole sub-clause X1.4 by the following new sub-clause X1.4: “Each time the amount due is assessed, an amount for price adjustment is added to the total of the Prices which is the sum of ● the change in the Price for Work Done to Date since the last assessment of the amount due multiplied by (PAF/(1+PAF)) and ● correcting amounts, not included elsewhere, which arise from changes to <i>index figures</i> used for assessing previous amounts for price adjustment.”	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines. “ <i>index figure</i> ” should be well defined in the Contract Data Part two.	DEVB TC(W) No. 4/2021

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
X1.4	C and D For building contracts, if contract price fluctuation is applicable	Replace	the whole sub-clause X1.4 by the following new sub-clause X1.4: “Each time the amount due is assessed, an amount for price adjustment is added to the total of the Prices which is the sum of <ul style="list-style-type: none"> the change in the Price for Work Done to Date since the last assessment of the amount due multiplied by (PAF/(1+PAF)) and correcting amounts, not included elsewhere, which arise from changes to <i>index figures</i> used for assessing previous amounts for price adjustment. Further, the price adjustment shall be separately calculated for each Schedule of Proportions in the Contract Data (i.e. Table A for the <i>works</i> other than Building Services Works and Table B for Building Services Works).”	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021 and associated guidelines. "index figure " should be well defined in the Contract Data Part two.	DEVB TC(W) No. 4/2021
X1.5	A, B, C and D, if contract price fluctuation is applicable	Delete	The first bullet point.	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021. No rate for people and Equipment are stated in Contract Data normally.	DEVB TC(W) No. 4/2021
X1.5		Delete	“, for other amounts” in the second bullet point.	To match with the price fluctuation mechanism promulgated through DEVB TC(W) No. 4/2021.	DEVB TC(W) No. 4/2021
X7.1	A, B, C and D [Optional]	Add	a new sub-clause X7.1A after sub-clause X7.1 as follows: “X7.1A The <i>Contractor</i> pays delay damages at the rate stated in the Contract Data from a Key Date for each day until the earlier of <ul style="list-style-type: none"> the date certified by the <i>Project Manager</i> as the date on which the Condition is met and the date on which the <i>Client</i> takes over the <i>works</i> and the date on which the <i>Project Manager</i> issues a termination certificate. 	If this optional amendment is adopted to suit the need of individual projects, the Project Offices should amend core clauses 25.3 and 30.3 accordingly.	N.A.
X7.2	A, B, C and D [Optional]	Add	“or Key Date” after “the Completion Date” in the first sentence.	If this optional amendment is adopted to suit the need of individual projects, the Project Offices should amend core clauses 25.3 and 30.3 accordingly.	N.A.
X7.3	A, B, C and D	Replace	the whole of clause X7.3 by the following: “X7.3 If the <i>Client</i> takes over a part of the <i>works</i> before Completion, the daily rate of delay damages is reduced from the date on which the part is taken over. The <i>Project Manager</i> assesses the benefit to the <i>Client</i> of taking over the part of the <i>works</i> as a proportion of the benefit to the <i>Client</i> of taking over the whole of the <i>works</i> , or as the case may be, the relevant <i>section</i> as stated in the Contract Data, not previously taken over. The daily rate of delay damages is reduced in this proportion.”	To match with the delay damages assessment mechanism promulgated through ETWB TCW No. 4/2003 and associated guidelines.	ETWB TCW No. 4/2003 SCC 27
X7.4	A, B, C and D	Add	the following clause X7.4: “Notwithstanding clause X7.3, the resulting rate for each day of delay damages for the <i>works</i> or any <i>section</i> after the reduction under clause X7.3 shall not be less than the minimum rate per day of delay damages for the <i>works</i> , or as the case may be, the relevant <i>section</i> as stated in the Contract Data.”	To match with the delay damages assessment mechanism promulgated through ETWB TCW No. 4/2003 and associated guidelines.	ETWB TCW No. 4/2003 SCC 27
X11.2	Options A, B, C and D	Replace	“A1, A2 and A4” by “A1 and A2” in the clause.	To effect the right of the Government to terminate for convenience under ETWB TC(W) No. 23/2004.	ETWB TC(W) No. 23/2004 SCC 59
X14	Options A, B, C and D	Replace	the title and sub-title of “Advanced payment” to “Advance payment”	Interim relief measure to assist the construction industry in the midst of economic downturn by introducing “advance payment” mechanism in	DEVB memo ref.

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
X14.1	Options A, B, C and D	Replace	the whole X14.1 by the following: “The <i>Contractor</i> may request the <i>Client</i> to make an advance payment to the <i>Contractor</i> of the amount stated in the Contract Data.”	capital works contracts which adopted selective tendering. The mechanism is extended until further notice. If a performance bond is required, the use of this Secondary Option Clause on advance payment will need to be reviewed in consultation with DEVB.	DEVB(W) 510/33/02 dated 14.2.2020, 5.3.2021 and 10.3.2022
X14.2	Options A, B, C and D	Replace	the whole X14.2 by the following new clause X14.2(a) to (d): “(a) The <i>Contractor</i> submits to the <i>Project Manager</i> a statement requesting payment of the advance payment after execution of the Articles of Agreement (“Advance Payment Statement”). (b) The <i>Project Manager</i> certifies payment within one week of the date of receipt of the Advance Payment Statement if the <i>Project Manager</i> is satisfied that the <i>Contractor</i> has duly executed the Articles of Agreement. (c) The <i>Client</i> pays the advance payment to the <i>Contractor</i> within three weeks from the date the <i>Project Manager</i> certifies the Advance Payment Statement for payment. If a certified payment is late, or if a payment is late because the <i>Project Manager</i> does not certify payment which he should certify, no compensation event arises and no interest is payable on such late payment. (d) The Advance Payment Statement shall be submitted together with a declaration signed by the <i>Contractor</i> in a form prescribed and accepted by the <i>Client</i> to confirm compliance with the provisions on ethical commitment and confidentiality in Clauses [A3 and D15]. If the <i>Contractor</i> fails to submit the duly signed declaration with the Advance Payment Statement, the <i>Client</i> shall be entitled to withhold payment until such declaration is submitted and the <i>Contractor</i> shall not be entitled to interest in that period.”	Interim relief measure to assist the construction industry in the midst of economic downturn by introducing “advance payment” mechanism in capital works contracts which adopted selective tendering. The mechanism is extended until further notice If a performance bond is required, the use of this Secondary Option Clause on advance payment will need to be reviewed in consultation with DEVB.	DEVB memo ref. DEVB(W) 510/33/02 dated 14.2.2020, 5.3.2021 and 10.3.2022
X14.3	Options A, B, C and D	Replace	“advanced payment” by “advance payment”.		
X15	A, B, C and D	[Default not to use the secondary Option X15]	N/A	To suit the application in Hong Kong where the <i>Contractor's</i> Design details are stipulated under Section F of the <i>additional conditions of contract</i> and to avoid conflicts with the relevant clauses, such as <i>additional conditions of contract</i> clauses F1, F2, F3 & F4 etc.	N.A.
X16.1	A, B, C and D [Optional]. The Project Office shall seek approval from a public officer of D2 rank or above for use of this amendment and document the justifications	Add	“but in any case not exceeding the <i>limit of amount retained</i> set out in the Contract Data” before the full-stop in the last sentence of the clause.	To match with the retention mechanism promulgated through WBTC No. 10/97, GCC79 and associated guidelines.	GCC 79
X16.2	A, B, C and D	Replace	the whole clause X16.2 by the following: “(i) The amount retained is halved • in the next assessment made after the Completion of the whole of the <i>works</i> or • in the next assessment after the <i>Client</i> has taken over the whole of the <i>works</i> if this is before Completion of the whole of the <i>works</i> . (ii) The remaining amount retained following reduction in accordance with sub-clause (i) above (“the halved retained amount”) is further reduced in the next assessment following the <i>defects date</i> by the halved retained amount minus the anticipated cost of rectification of the Defects requiring for correction as at the <i>defects date</i> as assessed by the <i>Project Manager</i> . (iii) The remaining amount retained following reduction in accordance with sub-clause (ii) remains unaltered until the Defects Certificate is issued. No amount is retained in the assessments made after the Defects Certificate has been issued.”	To match with the retention mechanism promulgated through WBTC No. 10/97, GCC79 and associated guidelines.	GCC 79

NEC4 ECC Clause No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
X16.3	A, B, C and D	Delete	the whole clause X16.3.	To match with the retention mechanism promulgated through WBTC No. 10/97, GCC79 and associated guidelines.	GCC 79

Schedule of Cost Components (Updated as at 30.9.2023)

Remarks : Standard Amendments to be applied to the stated main Option(s), unless otherwise specified below or vetted by LAD(W) and commented/endorsed by the Inter-departmental Working Group and/or the Steering Committee.

Item No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
13	C and D	Add	“but excluding the <i>Contractor</i> ’s mandatory contribution under the Mandatory Provident Fund Schemes Ordinance (Cap. 485) and contribution under the Occupational Retirement Schemes Ordinance (Cap. 426)” at the end of Item 13(i)	To clearly express <i>Contractor</i> ’s contribution to different retirements schemes for its employees as Fee.	N.A.
13	C and D	Replace	“pensions and life assurance” by “life assurance” in item 13(j).	Pensions is considered more appropriate to be covered in the Fee rather than in the Defined Cost..	N.A.
24	C and D unless comments/end orsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole item 24.	To delete this cost component since no special Equipment is listed in the Contract Data normally.	N.A.
41	C and D	Replace	the whole item 41 by the following: “Payments to Subcontractors accepted by the <i>Project Manager</i> for work which is subcontracted without taking into account any amounts <ul style="list-style-type: none"> paid to or retained from the Subcontractor by the <i>Contractor</i> or deducted by the <i>Contractor</i> for any direct payment for settlement of an Adjudicated Amount under Relevant Subcontract pursuant to clause 43(4)(e) of the Security of Payment Provisions for Relevant Subcontracts as incorporated in the Relevant Subcontract, which would result in the <i>Client</i> paying, retaining or deducting the amount twice.”.	To promote clarity on the cost component item where the Subcontractor being paid must have been accepted by the <i>Project Manager</i> . To avoid double deduction from the <i>Contractor</i> ’s account. In the situation where the <i>Contractor</i> makes direct payment to a lower-tier subcontractor (as a claimant) for an unpaid adjudicated amount and then deducts such sum from any payment owed to his Subcontractor (first tier) under a Relevant Subcontract, such deduction in payment made to his Subcontractor (first tier) under that Relevant Subcontract should not be taken into account in the “Payments to Subcontractors for work which is subcontracted”.	N.A. DEVB TCW No. 6/2021
52	C and D	Delete	the full-stop at the end of item 52.	To overcome the issue of duplicate of payment on levies and align with different forms of NEC contracts.	N.A.
		Add	“, but excluding the <i>Contractor</i> ’s payment of levies to the Pneumoconiosis Compensation Fund Board under the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360), and that to the Construction Industry Council under the Construction Workers Registration Ordinance (Cap. 583) and Construction Industry Council Ordinance (Cap. 587).” at the end of item 52.		
53	C and D if accommodation for the <i>Project Manager</i> ’s and <i>Supervisor</i> ’s offices and contract transport for the <i>Project Manager</i> and the <i>Supervisor</i> are required.	Delete	the full-stop at the end of item 53(h).	To match with the approach to reimburse the <i>Contractor</i> for the payments for accommodation for the <i>Project Manager</i> ’s and <i>Supervisor</i> ’s offices and contract transport for the <i>Project Manager</i> and the <i>Supervisor</i> .	N.A.
		Add	new items 53(i) and (j) after item 53(h) as follows: “(i) Accommodation for the <i>Project Manager</i> ’s and <i>Supervisor</i> ’s offices (j) Contract transport for the <i>Project Manager</i> and the <i>Supervisor</i> .”		
6 and 61	C and D unless comments/end orsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole items 6 and 61.	To delete this cost component since manufacture and fabrication of Plant and Materials which are wholly or partly designed specifically for the <i>works</i> and manufactured or fabricated outside the Working Areas is normally not required. Also, the work is always delivered through subcontracting.	N.A.

Item No.	Applicable main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
7, 71 and 72	Options C and D unless comments/endorsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole items 7, 71 and 72.	To delete this cost component since design of the <i>works</i> and Equipment outside the Working Areas is normally not required. Also, the service is always delivered through subcontracting.	N.A.
8A	C and D	Add	<p>a new item 8A entitled "Insurance premium" as follows:</p> <p>"The cost of premiums for the following insurances:</p> <ul style="list-style-type: none"> [• insurances against loss of or damage to the <i>works</i>, Plant and Materials] [Optional item] [• insurances against loss of or damage to Equipment] [Optional item] [• insurances against liability for loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i> or its subcontractor) arising from or in connection with the <i>Contractor</i> Providing the Works] [Optional item] [• professional indemnity insurances for (<i>Please insert the appropriate description of the parts of the works requiring PII.</i>)] [Optional item] • insurances against liability for death of or bodily injury to employees of the <i>Contractor</i> and its subcontractors arising out of and in the course of their employment in connection with the contract." 	<p>Premiums for insurances are generally covered under the Fee except for the listed insurances which are reimbursed via Defined Cost . The purpose of this amendment is to assist cashflow of the <i>Contractor</i> in procuring the required insurances subject to their substantiations and supporting documents. The Project Offices should conduct assessment in accordance with the systematic risk management (SRM) process promulgated in ETWB TCW No. 6/2005 and other relevant guidelines to determine the types and coverage of the insurances required for the contract and then add new items or delete item(s) from the list accordingly.</p> <p>For example, for the contract requiring third party insurance only, the three items in square brackets may not be required.</p>	N.A.

Short Schedule of Cost Components (Updated as at 30.9.2023)

Remarks : Standard Amendments to be applied to the stated main Option(s), unless otherwise specified below or vetted by LAD(W) and commented/endorsed by the Inter-departmental Working Group and/or the Steering Committee.

Item No.	Applicable to main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
11	A and B	Replace	the whole item 11 by the following: “Amounts paid by the <i>Contractor</i> including those for meeting the requirements of the law but excluding the <i>Contractor</i> ’s mandatory contribution under Mandatory Provident Fund Schemes Ordinance (Cap. 485) and contribution under the Occupational Retirement Schemes Ordinance (Cap. 426).”	“People Rates” are used with the cost component of people under Short Schedule of Components Item 11. To avoid erratic pricing for rate only items in Contract Data Part two, and reduce practical difficulty in assessing tenders, the use of People Rates under SSCC 11 under NEC4 ECC is not recommended. As a reference, standard NEC3 ECC rate only items (e.g. “% for people overheads” under NEC3 ECC SSCC41) are not adopted as per the PN.	N.A.
21	A and B unless comments/endorsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole item 21.	To delete this cost component since no published list of Equipment is stated in the Contract Data for compensation events normally.	N.A.
22	A and B unless comments/endorsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole item 22.	To delete this cost component since no list of Equipment is provided in the Contract Data for compensation events normally.	N.A.
23	A and B unless comments/endorsement has been sought for the use of this item from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole item 23.	To delete this item if both items 21 and 22 are deleted.	N.A.
24 and 25	A and B	Replace	“Unless the item is in the published list and the rate includes the cost component” by “If not included in the competitively tendered or open market rates under item 27”	To take into account ICAC’s comments on some pilot projects and items 21 and 22 normally deleted.	N.A.
26	A and B	Replace	“Unless included in the rate in the published list” by “If not included in the competitively tendered or open market rates under item 27”	To take into account ICAC’s comments on some pilot projects and items 21 and 22 normally deleted.	N.A.
27	A and B	Delete	“which is neither in the published list stated in the Contract Data nor listed in the Contract Data,” after “Amounts for Equipment.	To delete the text if items 21 & 22 are deleted.	NA.
41	A and B	Replace	the whole item 41 by the following: “Payments to Subcontractors for work which is subcontracted without taking into account any amounts deducted by the <i>Contractor</i> for any direct payment for settlement of an Adjudicated Amount under Relevant Subcontract pursuant to clause 43(4)(e) of the Security of Payment Provisions for Relevant Subcontracts as incorporated in the Relevant Subcontract.”	To avoid double deduction from the <i>Contractor</i> ’s account. In the situation where the <i>Contractor</i> makes direct payment to a lower-tier subcontractor (as a claimant) for an unpaid adjudicated amount and then deducts such sum from any payment owed to his Subcontractor (first tier) under a Relevant Subcontract, such deduction in payment made to his Subcontractor (first tier) under that Relevant Subcontract should not be taken into account in the “Payments to Subcontractors for work which is subcontracted”.	DEVB TCW No. 6/2021
52	A and B	Delete	the full-stop at the end of item 52.	To overcome the issue of duplicate of payment on levies and align with different forms of NEC contracts.	N.A.
		Add	“, but excluding the <i>Contractor</i> ’s payment of levies to the Pneumoconiosis Compensation Fund Board under the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360), and that to the Construction Industry Council under the Construction Workers Registration Ordinance (Cap. 583) and Construction Industry Council Ordinance (Cap. 587).” at the end of item 52.		

Item No.	Applicable to main Option(s)	Action	Details	Rationale	Related GCC / SCC / TC / Memo
6 and 61	A and B unless comments/endorsement has been sought for the use of these items from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole items 6 and 61.	<p>To delete these items since manufacture and fabrication of Plant and Materials which are wholly or partly designed specifically for the <i>works</i> and manufactured or fabricated outside the Working Areas is normally not anticipated for compensation events.</p> <p>Also, “rates for people in the Contract Data” are used under SSCC Item 61. To avoid erratic pricing for rate only items in Contract Data Part two, and reduce practical difficulty in assessing tenders, the use of SSCC 61 is not recommended.</p>	N.A.
7, 71 and 72	A and B unless comments/endorsement has been sought for the use of these items from the Inter-departmental Working Group and/or the Steering Committee.	Delete	the whole items 7, 71 and 72.	<p>To delete these items since design of the works and Equipment outside the Working Areas is normally not anticipated for compensation events.</p> <p>Also, “rates for people in the Contract Data” are used under SSCC Item 71. To avoid erratic pricing for rate only items in Contract Data Part two, and reduce practical difficulty in assessing tenders, the use of SSCC 71 is not recommended.</p>	N.A.
8A	A and B	Add	<p>a new item 8A entitled “Insurance premium” as follows:</p> <p>“The cost of premiums for the following insurances:</p> <ul style="list-style-type: none"> • insurances against loss of or damage to the <i>works</i> , Plant and Materials] [Optional item] • insurances against loss of or damage to Equipment] [Optional item] • insurances against liability for loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i> or its subcontractor) arising from or in connection with the <i>Contractor</i> Providing the Works] [Optional item] • professional indemnity insurances for (<i>Please insert the appropriate description of the parts of the works requiring PII.</i>)] [Optional item] • insurances against liability for death of or bodily injury to employees of the <i>Contractor</i> and its subcontractors arising out of and in the course of their employment in connection with the contract.” 	<p>Premiums for insurances are generally covered under the Fee except for the listed insurances which are reimbursed via Defined Cost. The purpose of this amendment is to assist cashflow of the Contractor in procuring the required insurances subject to their substantiations and supporting documents. The Project Offices should conduct assessment in accordance with the systematic risk management (SRM) process promulgated in ETWB TCW No. 6/2005 and other relevant guidelines to determine the types of the insurances suitable for the potential compensation events and then add new items or delete item(s) from the list accordingly.</p> <p>For example, for the contract requiring third party insurance only, the three items in square brackets may not be required.</p>	N.A.