

## **SECTION 3      RULES FOR ADMINISTRATION OF THE LIST OF APPROVED SUPPLIERS OF MATERIALS AND SPECIALIST CONTRACTORS FOR PUBLIC WORKS**

### **3.1    General**

3.1.1            The List of Approved Suppliers of Materials and Specialist Contractors for Public Works (the Specialist List) shall comprise contractors who are approved for carrying out public works in one or more of the categories listed in **Appendix 3A**. Some Works Departments also administer their own contractor/supplier/acceptable material lists and the concerned information can be found in the web site of the Development Bureau.

3.1.2            Same as paragraph 2.1.2 above.

3.1.3            Same as paragraph 2.1.3 above except that the references to Group A, B or C and Sub-section 2.5 should be changed to Group I, II or III and Sub-section 3.5 respectively. Some contractors within a category are further divided into classes according to the type of works within that particular category and groups according to the value of contracts for which they are normally eligible to tender.

3.1.4            Same as paragraph 2.1.4 above except that the reference to the List should be changed to the Specialist List.

3.1.5            Same as paragraph 2.1.5 above except that the reference to the List should be changed to the Specialist List.

3.1.6            Same as paragraph 2.1.6 above except that the reference to the List should be changed to the Specialist List.

3.1.7            Same as paragraph 2.1.7 above except that the reference to the List should be changed to the Specialist List.

3.1.8            Same as paragraph 2.1.8 above except that the reference to the List should be changed to the Specialist List.

3.1.9            Same as paragraph 2.1.9 above except that the reference to the List should be changed to the Specialist List.

3.1.10           Same as paragraph 2.1.10 above except that the reference to paragraph 2.1.9 should be changed to paragraph 3.1.9.

### **3.2 Group Tender Limits**

3.2.1 Group Tender Limits are applicable to 8 categories of works in the Specialist List. They are periodically adjusted and are currently set as shown in **Appendix 3A**.

### **3.3 Eligibility to Tender for Term Contracts**

3.3.1 Same as paragraph 2.3.2 above.

### **3.4 Admission**

3.4.1 Same as paragraph 2.4.1 above except that the reference to the List should be changed to the Specialist List.

3.4.2 Same as paragraph 2.4.2 above except that some categories in the Specialist List do not have probationary status as shown in **Appendix 3C**.

3.4.3 Same as paragraph 2.4.3 above except that the Managing Department shall submit a recommendation to the Secretary for Development within three calendar months from the date of referral to the Managing Department. If the applicant does not return the completed questionnaire or the required information to the Managing Department within 6 weeks, it may mean that the applicant is not ready for admission and the Managing Department shall inform the Development Bureau (Attn.: SEO(PS)) to terminate the processing of application. In addition, the financial criteria and the minimum technical and management criteria of the Specialist List are included in **Appendices 3B & 3C** respectively.

3.4.4 All applicants must submit a copy of his business registration certificate in his application for admission onto the Specialist List. In the case of partnerships, applicants must supply a certified true and complete copy of the partnership agreement signed by all partners in submitting their applications. The contractors who are admitted on the Specialist List must also submit updated partnership agreements to the Development Bureau whenever there are changes in their partnerships. Contractors who are required to employ top management and/or technical personnel as specified in **Appendix 3C** shall keep the Managing Department informed of any changes of such personnel. The contractor shall be removed from the Specialist List or demoted to a lower group if he fails to comply with this requirement.

3.4.5 Same as paragraph 2.4.5 above except that only those contractors requiring to comply with the top management and/or technical staff requirements as specified in **Appendix 3C** are required to produce evidence of their management and/or technical capabilities.

3.4.6 Financial checking is not required for applicants of the following 16 categories but shall be subject to review from time to time (see paragraph 3.9.2 below):

- (a) Broadcast Reception Installation

- (b) Catering Equipment Installation
- (c) Fabrication of Steel Pipe Specials
- (d) Fabrication of Unfired Pressure Vessels
- (e) Land, Engineering and Hydrographic Survey Services
- (f) Liquefied Petroleum Gas Installation
- (g) Motor Vehicle Body-building and Painting
- (h) Radio Electronics Installation
- (i) Repair and Restoration of Historic Buildings
- (j) Repair of Motors, Transformers and Switchgear
- (k) Soil and Rock Testing
- (l) Space Frame Systems
- (m) Survey of Government Land Pressure Receivers subject to Steam and Air Pressure (but excluding Steam Boilers)
- (n) Survey of Government Land Steam Boilers
- (o) Survey of Lifting Appliances and Lifting Gear
- (p) Uninterruptible Power Supply Installation

3.4.7 Same as paragraph 2.4.7 above except that the reference to the List should be changed to the Specialist List.

3.4.8 Same as paragraph 2.4.8 above except that the reference to the List should be changed to the Specialist List.

### **3.5 Probationary Status**

3.5.1 Some categories of works have probationary status. Probationary contractors are eligible to tender and for the award of contracts in each of the categories, classes and/or groups to which they have been admitted on probation, subject to the rules set out in **Appendices 3B & 3C** and paragraphs 3.5.2 to 3.5.4 below. In checking against the maximum number of contracts and total value of works that a probationary contractor is eligible to tender and for award of the contracts in a particular category, class and group, the contracts that the probationary contractor already holds and the contract being procured in the same category, class and group shall be counted. For the avoidance of doubt, the limits for award of contracts as specified in Appendix 3C are equally applicable for checking

probationary contractor's eligibility to tender. For the further avoidance of doubt, the rules in this paragraph 3.5.1 shall be read together with paragraph 3.5.1A.

3.5.1A For the purpose of eligibility checking in accordance with paragraph 3.5.1:

- (a) Same as paragraph 2.5.1A(a) above;
- (b) Same as paragraph 2.5.1A(b) above;
- (c) Same as paragraph 2.5.1A(c) above;
- (d) whether a contract is a Group I contract, Group II contract or Group III contract shall be determined by reference to the relevant group tender limits prevailing at the first publication date of tender invitation or, where the tender invitation is not published, the date of issuance of the tender invitation for the contract;
- (e) notwithstanding (d) above, in counting the number of contract(s) that a probationary contractor already holds in a certain group, only contract(s) in that group with a contract value falling within the group tender limits current at the date set for close of tender in the tender documents for the contract being procured or, if this has been extended, the extended date, or in the case of the highest group, only contracts in that group with a contract value exceeding the maximum value specified for the immediately lower group at such time shall be counted.

3.5.2 For the purpose of checking the contracts which a probationary contractor already holds under the rule in paragraph 3.5.1 above, the contracts which are completed shall not be counted. In this regard, a contract is considered completed when the certificate of completion of the works or the last completed section of the works is issued or, for term contracts, upon the issue of completion certificate for the last completed works order.

3.5.3 Same as paragraph 2.5.3 above, without the phrase "except as provided in paragraph 2.5.4 below" at the end of the paragraph.

3.5.4 Same as paragraph 2.5.5 above except that:

- (a) the total value of works in the relevant category, class and/or group of contracts that a probationary contractor already holds is described in Appendix 3C;
- (b) the references to "paragraph 2.5.1" and "paragraph 2.5.1A(b)" in the second and last sentences of paragraph 2.5.5 should be changed to "paragraph 3.5.1" and "paragraph 3.5.1A(b)" respectively.

3.5.5 Same as paragraph 2.5.6 except that the references to "same category and group" and "paragraph 2.5.1" should be changed to "same category, class and group" and "paragraph 3.5.1" respectively.

### **3.6 Confirmation**

3.6.1 Same as paragraph 2.6.1 above except that the length of probationary period for each category, if any, and the confirmation criteria are set out in **Appendix 3C**.

### **3.7 Promotion**

3.7.1 Same as paragraph 2.7.1 above.

### **3.8 Tendering**

3.8.1 Same as paragraph 2.8.1 above.

3.8.2 Same as paragraph 2.8.3 above.

3.8.3 Same as paragraph 2.8.4 above except that contractors should observe the Rules for Administration of the Specialist List.

3.8.4 Same as paragraph 2.8.5 above.

3.8.5 Same as paragraph 2.8.6 above.

### **3.9 Award of a Contract**

3.9.1 Same as paragraph 2.9.1 above.

3.9.2 Same as paragraph 2.9.2 above. Financial checking is also required on the tenderers for contracts under the categories listed in paragraph 3.4.6 above if the contract is of a value exceeding \$15,000,000.

3.9.3 Same as paragraph 2.9.3 above except that the financial requirements of the Specialist List are included in **Appendix 3B**.

### **3.10 Submission of Accounts**

3.10.1 All contractors except those under the 16 categories of works as listed in paragraph 3.4.6 above, shall submit a copy of their unconsolidated audited accounts annually to the Secretary for Development. In respect of the contractors who are also Group C contractors on the List of Approved Contractors for Public Works, they shall also submit half-yearly accounts. The accounts shall be certified by their auditors but, if this is not feasible, by the directors, partners or the sole proprietor of the company.

3.10.2 Same as paragraph 2.10.2 above.

### **3.11 Holding Companies and Subsidiaries**

3.11.1 Same as paragraph 2.11.1 above except that the reference to the List should be changed to the Specialist List.

### **3.12 Regulating Actions**

3.12.1 Please refer to Section 5 below.

### **3.13 Change of Company Name, Substitution and Transfer of Benefits and Obligations of Contracts**

3.13.1 Please refer to Section 6 below.

### **3.14 Quality Management System Certification**

3.14.1 Please refer to WBTC No. 13/2001 and ETWB TCW No. 13/2001A.

### **3.15 Changes in Company Structure**

3.15.1 Same as paragraph 2.15.1 above except that the reference to the List should be changed to the Specialist List and the reference to paragraph 2.4.4 should be changed to paragraph 3.4.4.

3.15.2 Same as paragraph 2.15.2 above.

3.15.3 Same as paragraph 2.15.3 above except that the financial and personnel requirements are set out in **Appendices 3B** and **3C** respectively.

3.15.4 Same as paragraph 2.15.4 above except that the reference to the List should be changed to the Specialist List, and that the financial, management & technical and personnel requirements are set out in **Appendices 3B** to **3C**.

3.15.5 Same as paragraph 2.15.5 above except that the financial requirements and the management, technical and personnel requirements are set out in Appendices 3B and 3C respectively.

3.15.6 Same as paragraph 2.15.6 above except that the reference to the List should be changed to the Specialist List.