



THE CONSTRUCTION DEVELOPMENT REFORM: SHARING & LEARNING

THE MPW INDONESIA DELEGATION
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Benchmarking Construction Policy, Hong Kong

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THE PRESENTATION OUTLINE

- **THE PURPOSE OF OUR VISIT**
- **THE CONSTRUCTION PROFILE**
 - **THE DEVELOPMENT REFORM**
 - **THE GDP CONTRIBUTION**
 - **THE MARKET**
 - **THE PLAYERS**
 - **THE POLICIES**
- **THE CONSTRUCTION POLICY DEVELOPMENT ISSUES**
- **THE FUTURE DIRECTION**

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THE PURPOSE OF OUR VISIT

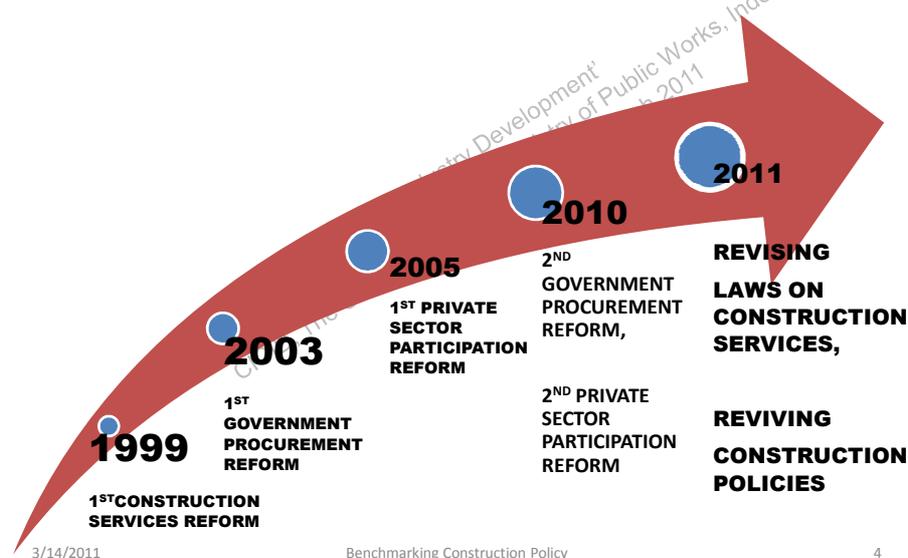
- **TO GET A COMPARATIVE ASSESSMENT FROM THE HONG KONG CONSTRUCTION INDUSTRY DEVELOPMENT REFORM**
 - **THE NATIONAL INTEREST,**
 - **THE DEVELOPMENT REFORM,**
 - **THE CHALLENGES AND RESPONSES,**
 - **THE FUTURE DIRECTION,**
 - **THE INSTITUTIONS SETTING,**
 - **THE POLICIES AND IMPLEMENTATION.**

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THE DEVELOPMENT REFORM



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THE GDP CONTRIBUTION AND MARKET

▪ ITS CONTRIBUTION TO GDP

- 2008 : 7.31%**
- 2009 : 7.10%**
- 2010 : 7.30%**
- 2011 : 8.00% (ESTIMATED)**

▪ ITS POTENTIAL MARKET

- USD 200 BILLION FOR THE NEXT 5 YEARS**
- USD 20 BILLION GOVERNMENT SPENDING FOR BASIC INFRASTRUCTURE DEVELOPMENT IN 2011 FISCAL YEAR**

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THE INDONESIAN CONSTRUCTION

▪ ITS PLAYERS

- 160,405 CONTRACTING COMPANIES,**
- 7,359 ENGINEERING CONSULTING FIRMS,**
- 110,000 PROFESSIONALS**
- 5,300,000 WORKERS**

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THE INSTITUTIONS

– GOVERNMENT INSTITUTION

- **DIRECTORATE GENERAL FOR CONSTRUCTION DEVELOPMENT, MINISTRY OF PUBLIC WORKS,**
- **INSTITUTE FOR GOVERNMENT PROCUREMENT POLICY**

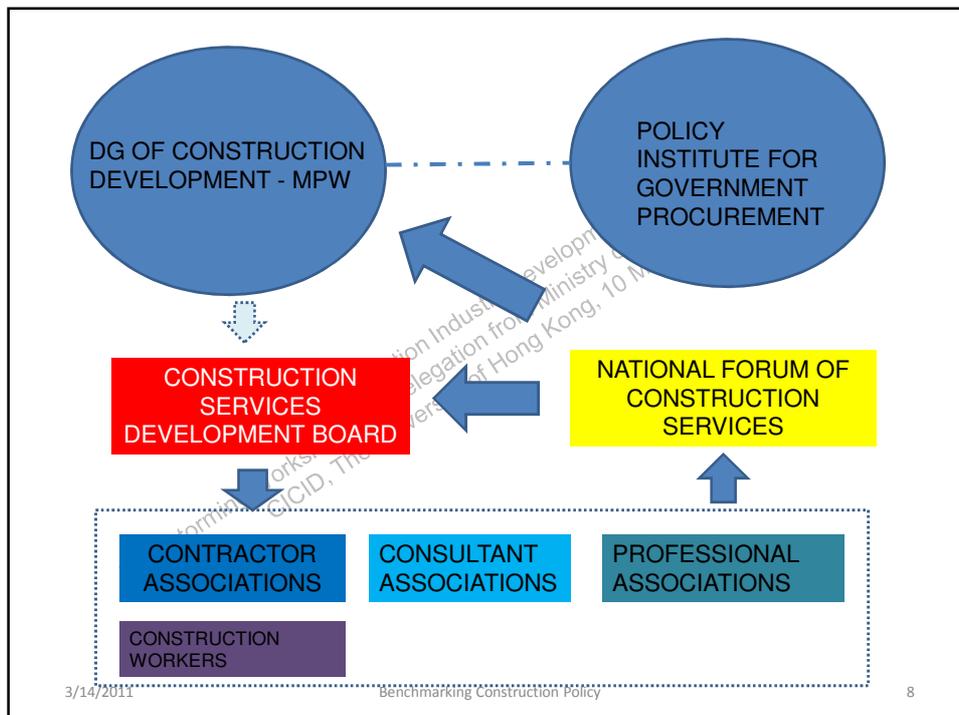
– NON-GOVERNMENT INSTITUTIONS

- **NATIONAL FORUM OF CONSTRUCTION SERVICES**
- **1 NATIONAL CONSTRUCTION SERVICES DEVELOPMENT BOARD,**
- **37 REGIONAL CONSTRUCTION SERVICES DEVELOPMENT BOARD,**
- **35 CONTRACTORS ASSOCIATIONS**
- **3 CONSULTING COMPANY ASSOCIATIONS**
- **41 PROFESSIONAL ASSOCIATIONS**
- **2 CONSTRUCTION WORKER ASSOCIATIONS**
- **1 REAL ESTATE DEVELOPER ASSOCIATIONS**

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THE CONSTRUCTION SERVICES DEVELOPMENT BOARD

- **DUTY AND RESPONSIBILITY**
 - **RESEARCH & DEVELOPMENT**
 - **EDUCATION AND TRAINING**
 - **CERTIFICATION OF CONSTRUCTION PROFESSIONALS AND WORKERS**
 - **REGISTRATION OF CONTRACTORS AND CONSULTANTS**
 - **MEDIATION AND ARBITRATIONS**
- **THE NATIONAL BOARD**
 - **8 PEOPLE FROM GOVERNMENT INSTITUTION**
 - **8 PEOPLE FROM CONTRACTOR AND CONSULTANT ASSOCIATION,**
 - **8 PEOPLE FROM UNIVERSITY AND PROMINENT EXPERT**
 - **8 PEOPLE FROM PROFESSIONAL ASSOCIATIONS**

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THE CURRENT POLICIES

- **LIBERALISATION ONTRADE IN SERVICE**
 - **55:45 FOREIGN EQUITY PARTICIPATION FOR CONTRACTING COMPANY,**
 - **49:51 FOREIGN EQUITY PARTICIPATION FOR CONSULTING COMPANY,**
 - **PARTICIPATION ON ASEAN MRA ON ENGINEERING AND ARCHITECTURE**
- **FOREIGN COMPANY PARTICIPATION IN THE GOVERNMENT PROCUREMENT**
 - **CONSTRUCTION WORKS FOR MORE THAN IDR 100 BILLIONS**
 - **CONSULTING WORKS FOR MORE THAN IDR 10 BILLIONS**

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THE CURRENT POLICIES

- **CERTIFICATION AND REGISTRATION**
 - **CONTRACTORS AND CONSULTANTS**
 - **ENGINEERS AND ARCHITECTS**
 - **SKILL WORKERS**
- **CERTIFICATION BY COMPANY AND PROFESSIONAL ASSOCIATIONS ACCREDITED BY CONSTRUCTION SERVICES DEVELOPMENT BOARD**
- **REGISTRATION BY CONSTRUCTION SERVICES DEVELOPMENT BOARD**

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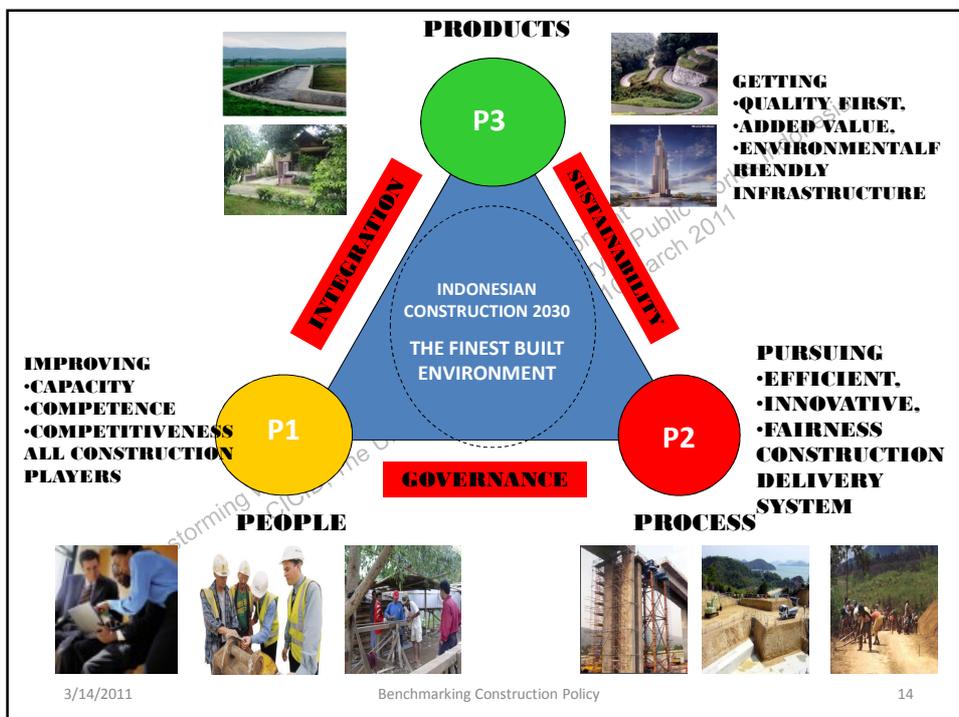
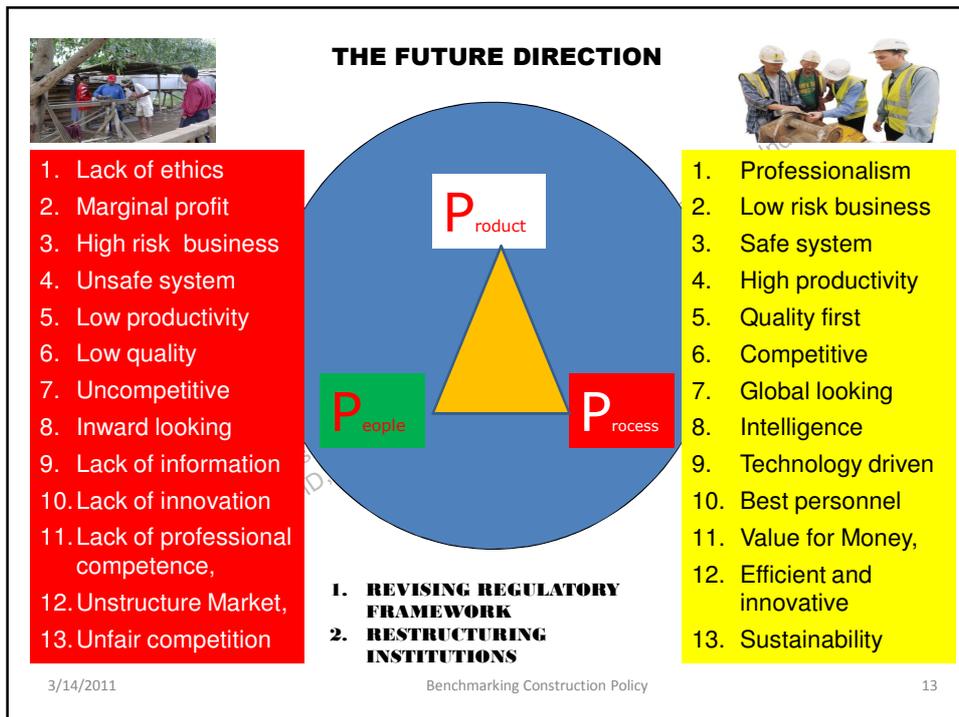
THE CONSTRUCTION DEVELOPMENT POLICY ISSUES

- **FREE MARKET VS COORDINATED COMPETITION**
 - **PROCUREMENT EFFECTIVENESS**
 - **LIBERALISATION ON TRADE IN SERVICES - COMPETITIVENESS**
 - **PLAYING FIELD STRATIFICATION**
- **IMPROVING QUALITY OF INFRASTRUCTURE**
 - **QUALITY ASSURANCE,**
 - **CONSTRUCTION SAFETY,**
 - **SUSTAINABLE CONSTRUCTION,**
 - **CONSTRUCTION INNOVATION**
- **THE CONSTRUCTION DEVELOPMENT**
 - **THE PLAYERS ORGANISATION,**
 - **GOVERNMENT ROLE,**
 - **CONSTRUCTION DEVELOPMENT BOARD FORMAT,**
 - **CLASSIFICATION AND QUALIFICATION,**
 - **CERTIFICATION, REGISTRATION AND LICENSING,**
 - **CAPACITY BUILDING,**

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THANK YOU FOR LISTENING