**Section I Standard Amendments to NEC ECC HK Edition**

[**Note to project office**:

(i) only the “Clause No.”, “Item No.” and “Details” columns should be incorporated as part of the contract,

(ii) the other columns are for project office’s reference only during tender/contract preparation and should not be incorporated as part of the contract, and

(ii) the use of text in blue in “Details” column is for reference only, to highlight the differences from the original text. All text in “Details” column should be converted to black.]

**I:1 Amendments to Core Clauses**

| **Clause No.** | **Applicable main Option(s)** | **Details** | **Rationale** | **Reference** |
| --- | --- | --- | --- | --- |
| 11.2 | A, B, C & D | **Replace** the two references to “government” in sub-clause (2) with “Government”.  | The term “Government” should be capitalised.  | N.A. |
| 11.2 | C and D | **Replace** the whole sub-clause (30) by the following:“Disallowed Cost is cost which• is not justified by the *Contractor*’s accounts and records,• should not have been paid to a Subcontractor or supplier in accordance with its contract,• was incurred only because the *Contractor* did not─ follow an acceptance or procurement procedure stated in the contract,─ give any early warning which the contract required it to give,─ give notification to the *Project Manager* of the preparation for and conduct of an adjudication, a mediation, an arbitration or proceedings of a tribunal between the *Contractor* 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 Subcontractand the cost of• correcting Defects after Completion,• correcting Defects caused by the *Contractor* not complying with a constraint on how it is to Provide the Works stated in the Scope,• Plant and Materials not used to Provide the Works (after allowing for reasonable wastage) unless resulting from a change to the Scope,• resources not used to Provide the Works (after allowing for reasonable availability and utilisation) or not taken away from the Working Areas when the *Project Manager* requested and• preparation for and conduct of an adjudication,Mediation or proceedings of an arbitration or other tribunal between the Parties.” | Add “, a mediation, an arbitration” after “give notification to the *Project Manager* of the preparation for and conduct of an adjudication” in the third sub-bullet point of the third main bullet point in sub-clause (30).RationaleTo modify the definition of Disallowed Cost to suit the use of mediation or arbitration as options for settlement of disputes. | N.A. |
| Replace “or” at the end of the second sub-bullet point of the third main bullet point in sub-clause (30) with a comma.Add “or” to the end of the third sub-bullet point of the third main bullet point in sub-clause (30).Add the following as a new fourth sub-bullet point of the third main bullet point in sub-clause (30):“• pay its Subcontractor or supplier in accordance with the subcontract in a timely manner,”RationaleTo define Disallowed Cost which was incurred due to the *Contractor* not paying its Subcontractor or supplier in a timely manner. | DEVB Technical Circular (Works) (“**TCW**”) No. 6/2021 |
| Add the following as a new main fourth bullet point after the third main bullet point under sub-clause (30):“• 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”.RationaleTo 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. |  |
| 11.2 | A | Replace the whole sub-clause (32) by the following:“The Price for Work Done to Date is the total of• the Prices for each group of completed activities which is not in Schedule Nr. \*[X / Y / X or Y] Note of the Activity Schedule• the Prices for each completed activity which is not in a group and is not in Schedule Nr. \*[X / Y / X or Y] Note of the Activity Schedule \*[and]• \*[a proportion of the total of the Prices of Schedule Nr. [X] of the Activity Schedule Note which is assessed in accordance with ACC Clause IV:[*Insert clause number of the ACC for Assessment of the Price for Work Done to Date for each Stage of MiC Works*]] \*[. / and]• \*[a proportion of the total of the Prices of Schedule Nr. [Y] of the Activity Schedule Note which is assessed in accordance with ACC Clause IV:*[Insert clause number of the ACC for Assessment of the Price for Work Done to Date for each Stage of MiMEP Works*].]A completed activity is one without notified Defects the correction of which will delay following work.”[Note: Schedule Nr. X and Y of the Activity Schedule contains activities relating to MiC and MiMEP works respectively.]\* Delete/revise as appropriate | To enable milestone payment for modular integrated construction works and multi-trade integrated mechanical, electrical and plumbing works for capital works contracts | SDEV’s memo ref. DEVB(PSGO)100/1 dated 18.3.2024 |
| 11.2 | B | Replace the whole sub-clause (33) by the following: “The Price for Work Done to Date is the total of• the quantity of the work which the *Contractor* has completed for each item in the Bill of Quantities (excluding Bill Nr. \*[X / Y / X and Y] Note) multiplied by the rate • a proportion of each lump sum which is the proportion of the work covered by the item which the *Contractor* has completed (excluding items in Bill Nr. \*[X / Y / X and Y] of the Bill of Quantities Note) \*[and]• \*[a proportion of the total of the Prices of Bill Nr. [X] of the Bill of Quantities Note which is assessed in accordance with the provisions of ACC Clause IV:[*Insert clause number of the ACC for Assessment of the Price for Work Done to Date for each Stage of MiC Works*]] \*[. / and]• \*[a proportion of the total of the Prices of Bill Nr. [Y] of the Bill of Quantities Note which is assessed in accordance with the provisions of ACC Clause IV:[*Insert clause number of the ACC for Assessment of the Price for Work Done to Date for each Stage of MiMEP Works*].]Completed work is work which is without notified Defects the correction of which will delay following work.”[Note: Bill Nr. X and Y of the Bill of Quantities contains items relating to MiC and MiMEP works respectively.]\* Delete/revise as appropriate” | To enable milestone payment for modular integrated construction works and multi-trade integrated mechanical, electrical and plumbing works for capital works contracts | SDEV’s memos ref. DEVB(PSGO)100/1 dated 18.3.2024 |
| 11.2 | B and D [**Optional**] (common in building lump sum contracts with firm BQ)[\*select sub-clause (30) for Option B, (38) for Option D] | **Replace** the first bullet point in the sub-clause \*(33)/(38) 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\*(33)/(38), 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 \*(33)/(38). |
| 11.2 | A and B  | **Add** a new sub-clause \*(37)/(38) after sub-clause \*(35)/(36) as follows:“Imported Items are Plant and Materials imported from any place outside Hong Kong.” | N.A. | SDEV’s memo ref. DEVB(W) 510/33/02 dated 8.7.2022 and 22.11.2023 |
| 12.6 to 12.11 | A, B, C & D | **Add** new sub-clauses 12.6 to 12.11 after sub-clause 12.5 as follows:12.6 All references to “this contract” or “the contract” are to the contract as supplemented or amended from time to time.12.7 All references to the “*conditions of contract*” are to the *conditions of contract* described in Part One of the Contract Data and as supplemented or amended from time to time.12.8 All references to the “*additional conditions of contract*” are to the *additional conditions of contract* described in Part One of the Contract Data and as supplemented or amended from time to time.12.9 All references to a condition, clause, sub-clause or provision of the *conditions of contract* or *additional conditions of contract* are to the condition, clause, sub-clause or provision of the *conditions of contract* or *additional conditions of contract,* and as supplemented or amended from time to time.12.10 Headings are inserted for ease of reference only and shall not affect construction of the contract.12.11 References in the contract to a document shall:* include all schedules, appendices, annexures and other materials attached to such document, and
* mean the same as supplemented or amended from time to time.”
 |  |  |
| 14.1 | A, B, C & D | **Add** “, nor do the *Project Manager*’s or the *Supervisor’s* assessments, certificates or other acts or omissions” at the end of the clause. | To widen the scope of activities of the *Project Manager* and the *Supervisor* that are expressed not to change the *Contractor*’s responsibility for the *works* in order to retain the *Contractor*’s liability despite the administrators’ acts. | GCC 2(4), GCC 7(5), GCC 16(2), SCC73(2) |
| 14.3 | A, B, C & D | **Add** “, provided that, following Completion, the *Project Manager* may only give an instruction to change the Scope if such change is in the opinion of the *Project Manager* desirable for the satisfactory functioning of the *works*.” to the end of the clause. | To limit the *Project Manager*’s power to change the Scope after Completion. |  |
| 16.1 | A, B, C & D | **Add** a new sub-clause 16.1A after sub-clause 16.1 as follows:“If the *Contractor*’s proposal contains or amounts to a Cost Savings Design as defined in ACC Clauses VII:1 and VII:2, this clause [\*and NEC Clause 63.12] does not apply to such proposal and the *Contractor* complies with the relevant requirements set out in the *additional conditions of contract* including but not limited to ACC Clause VII:3.”[\*insert NEC Clause 63.12 for Option A and B] | To clearly delink the Cost Savings Design as set out under ACC VII:1 and VII:1 from the *Contractor*’s proposals under this clause 16. |  |
| 19.1 | A, B, C & D | **Replace** the first and second bullet points by the following:“• stops the *Contractor* completing the *works* or • stops the *Contractor* completing the *works* by the date for planned Completion shown on the Accepted Programme,” | To revert to NEC3 position by deleting the phrase “the whole of”. |  |
| 21.1 | A, B, C & D | **Replace** the whole clause 21.1 by the following new clause 21.1“The *Contractor* designs the parts of the *works* which thecontract states the *Contractor* is to design.” | To align with DEVB TCW No. 3/2014 for alternative designs and Cost Savings Designs.  |  |
| 24.1 | A, B, C & D[**Optional**] | **Replace** the whole clause 24.1 by the following new clause 24.1“Subject to ACC Clause II:2(3), the *Contractor* provides the team structure and staff including *key persons* as identified in the Tender Submissions or necessarily inferred therefrom.” | This is only used when tenders are evaluated using a **marking scheme**, i.e. **ACC II:2 is adopted**.The project office should list out the *key persons* in the Contract Data Part two for the *Contractor* to input where appropriate. |  |
| 24.3 | A, B, C & D[**Optional**] | **Add** a new clause 24.3 as follows:“If any *key person* is not identified in the Contract Data, the *Contractor* submits the name, relevant qualifications and experience of each *key person* to the *Project Manager* for acceptance within [two weeks] of the Contract Date.” | This is only used when tenders are evaluated using a **formula**, i.e. **ACC II:2 is NOT adopted**.The project office should list out the *key persons* in the Contract Data Part two for the *Contractor* to input where appropriate. The project office should update the time in square bracket to suit their projects. | SDEV’s memo ref. DEVB(W) 510/17/01 dated 16.7.2010SCC68 SCC 68A |
| 25.3 | A, B, C & D[**Optional**]  | **Delete** the whole clause 25.3. | To provide an alternative approach for the project office to use for actions to be taken by the *Project Manager* on **imposition of delay damages when the Condition stated for a Key Date by the date stated is not met** by the *Contractor*. If this optional amendment is adopted to suit the need of individual projects, the project office should amend core clause 30.3 and NEC Clause X7 accordingly.  | 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 *Contractor s*ubmits the name of each proposed Subcontractorwith the relevant information on the proposed subcontract to the *Project Manager* for acceptance. A reason for not accepting the Subcontractor is that * its appointment will not allow the *Contractor* 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 *Contractor* does not appoint a proposed Subcontractor until the *Project Manager* has accepted it.”  | To take into account ICAC's concern on the potential erratic pricing issue in subcontracts. | N.A. |
| 26.2 | C and D**[with** **pre-bid** arrangement] | **Replace** the whole clause 26.2 by the following new clause 26.2:“(a) The *Contractor* submits the name of each proposed Subcontractor, except those whom the *Contractor* has already proposed via pre-bid arrangement on or before the close of tender for the works/items stipulated in **Appendix** [*insert reference*] to the *additional conditions of contract*, with the relevant information on the proposed subcontract to the *Project Manager* for acceptance. A reason for not accepting the Subcontractor is that * its appointment will not allow the *Contractor* to Provide the Works,
* the proposed prices and 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.

(b) If prior to the Contract Date, the *Contractor* 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** [*insert reference*] to the *additional conditions of contract* and the *Client* considers the requirements in Special Conditions of Tender Clause SCT [18] are satisfied, the *Contractor* 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 *pricing information*, to the *Project Manager* for acceptance. A reason for not accepting the Subcontractor is that * its appointment will not allow the *Contractor* to Provide the Works,
* the proposed prices or rates or the proposed payment schedule for the subcontract deviate from the relevant *pricing information*, 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 *Client* to an unacceptable level of financial risk,
* the 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.

The *Contractor* does not appoint a proposed Subcontractor until the *Project Manager* has accepted it.” | To take into account ICAC's concern on the potential erratic pricing issue in subcontracts. | N.A. |
| 26.3 | A, B, C & D | **Replace** “.” At the end of the second bullet with “or”; **Add** the following new bullet point after the second bullet point as follows:“they do not require a Subcontractor to comply with the relevant subcontracting requirements set out in the contract.” | To supplement potential reasons of withholding an acceptance to the *Contractor*’s proposed conditions of subcontracts. | N.A. |
| 29 | A, B, C & D | **Delete** the whole clause 29  | Relevant provision is set out in ACC Clause II:3.  | N.A. |
| 30.3 | A, B, C & D[**Optional**] | **Add** the following sentences at the end of the clause:“The *Project Manager* decides the date when the Condition is met. The *Project Manager* 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 office should amend core clause 25.3 and NEC Clause X7 accordingly. | N.A. |
| 32.2 | A, B, C & 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:“if there is outstanding work after Completion, at interval notified by the *Project Manager* from Completion until the earlier of which the outstanding work is complete or when the *Project Manager* decides no further revision is required.” |
| 33.1 | A, B, C & D | **Replace** the last sentence by the following:“The *Contractor* takes over the part of the Site on the later of its *access date* and the date for access shown on the Accepted Programme.” | To clarify that the *Contractor* **must take over** the part of the Site **on the *access date*** or, if a later date is accepted by the *Project Manager*, on such later date. No access is allowed before that. |  |
| 50.2 | A, B, C & D | **Replace** the first sentence of the clause by the following:“The *Contractor* submits an application for paymentin the form of a payment claim compliant with SOP Clause 5 to the *Project Manager* two weeks before each assessment date setting out the amount the *Contractor* considers will be due at the assessment date.”  | To specify the requirement that the *Contractor*’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 |
| 50.2A | A | **Add** a new clause 50.2A after clause 50.2 as follows:“The *Contractor* may in an application for payment referred to in clause 50.2 apply for payment of Plant and Materials which* 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

(“**Relevant Plant and Materials**”).The *Contractor* 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 *Project Manager* all relevant supporting documents.If on the assessment date to which the application for payment relate, the *Project Manager* is satisfied that the Relevant Plant and Materials* 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,

the *Project Manager* may assess the amount due to the *Contractor* for such Relevant Plant and Materials by reference to rates and lump sums of the Relevant Item (“**Advance Payment for Plant and Materials**”).” | 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** a new clause 50.2A after clause 50.2 as follows:“The *Contractor* may in an application for payment referred to in clause 50.2 apply for payment of Plant and Materials which* 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

(“**Relevant Plant and Materials**”).The *Contractor* 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 *Project Manager* all relevant supporting documents.If on the assessment date to which the application for payment relate, the *Project Manager* is satisfied that the Relevant Plant and Materials* 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,

the *Project Manager* may assess the amount due to the *Contractor* for such Relevant Plant and Materials by reference to rates and lump sums of the Relevant Item (“**Advance Payment for Plant and Materials**”).” | To enable payment for **materials on site**. This amendment should be made in conjunction with clause 50.3. | GCC Cl. 79(1)(c) |
| 50.2B | A | **Add** a new clause 50.2B after clause 50.2A as follows:“The *Contractor* may in an application for payment referred to in clause 50.2 apply for payment of an Imported Item which is* 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 *Contractor* to the Site, and
* clearly demarcated from any other materials at the Premises.

(“**Relevant Imported Item**”)The *Contractor* 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 *Project Manager* 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 *Project Manager* 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.If on the assessment date to which the application for payment relate, the *Project Manager* is satisfied that the Relevant Imported Item is* 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 *Contractor* to the Site, and
* clearly demarcated from any other materials at the Premises,

the *Project Manager* shall assess the amount due to the *Contractor* for such Relevant Imported Item by reference to the rates and lump sums of the Related Item (“**Special Payment**”).” | 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 memo ref. DEVB(W) 510/33/02 dated 8.7.2022 and 22.11.2023 |
| 50.2B | B | **Add** a new clause 50.2B after clause 50.2A as follows:“The *Contractor* may in an application for payment referred to in clause 50.2 apply for payment of an Imported Item which is* 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 *Contractor* to the Site, and
* clearly demarcated from any other materials at the Premises.

(“**Relevant Imported Item**”)The *Contractor* 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 *Project Manager* 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 *Project Manager* 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.If on the assessment date to which the application for payment relate, the *Project Manager* is satisfied that the Relevant Imported Item is* 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 *Contractor* to the Site, and
* clearly demarcated from any other materials at the Premises,

the *Project Manager* shall assess the amount due to the *Contractor* for such Relevant Imported Item by reference to the rates and lump sums of the Related Item (“**Special Payment**”).” | 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 memo ref. DEVB(W) 510/33/02 dated 8.7.2022 and 22.11.2023 |
| 50.3  | A and B | **Replace** the whole clause 50.3 by the following new clause 50.3:“If the *Contractor* 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 *Project Manager*’s assessment for each of the following items: • 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 *Contractor*,• 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, retained from or deducted from the *Contractor*.The actual amount due shall be certified by the *Project Manager* and paid in accordance with clause 51.” | Add the 2nd, 3rd and 5th 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. RationaleTo 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** a fourth bullet point as follows:“• less the *Project Manager*’s interim assessment of the *Contractor*’s *share deduction* as at the *share assessment date*.” | To cater for payment deduction, if any, before arriving at the amount due, and avoid overpayment by specifying the *Project Manager*’s **right to deduct the *Contractor*’s pain share** assessed during the contract period. This should be read in conjunction with clauses 53.1 to 53.4.Also to standardise the calculation on payment deduction. | N.A. |
| 51.1 | A, B, C & D | **Replace** the first sentence of the clause by the following:“If the *Contractor* submitted an application for payment in the form of a payment claim compliant with SOP Clause 5 two weeks before the assessment date, the *Project Manager* 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 *Project Manager* 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 *Contractor*’s application for payment in the form of a payment claim compliant with the security of payment provisions. Only when the *Contractor* 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 *Project Manager* 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 *Project Manager*’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 |
| 51.3 | A, B, C & D | **Delete** the first and second bullet point.  | To omit the *Client*’s liability to pay interest if the *Project Manager* corrects in a later certificate due to compensation events or other reasons. | GCC 79(4) |
| 53.1 | A, B, C & D | **Add** “in the form of a payment claim compliant with SOP Clause 5” after “submits a final application for payment” in the first sentence of clause 53.1. | To specify the requirements that the *Contractor*’s application for final paymentshould be in the form of a payment claim as stipulated under the security of payment provisions. | DEVB TCW No. 6/2021 |
| 53.2 | A, B, C & D | **Add** “in the form of a payment response compliant with SOP Clause 6(2) within the period set out in SOP Clause 7” after “certifies a final payment” in the first sentence of clause 53.2.  | To specify the requirements that the *Project Manager*’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. | DEVB TCW No. 6/2021 |
| 54.2A54.6A | C and D[\*select sub-clause (54.2) for Option C, (54.6) for Option D] | **Add** a new clause \*54.2A/54.6A after clause \*54.2/54.6 as follows:“The *Project Manager* makes interim assessments of the *Contractor*’s share on each *share assessment date* using its forecast of the final Price for Work Done to Date and its forecast of the final total of the Prices. The *Project Manager* informs the *Contractor* of its interim assessment of the *Contractor*’s *share deduction*.” | To specify the *Project Manager*’s **right to make interim assessment of the *Contractor*’s share** and the *Project Manager*’s obligation to inform the *Contractor* of its assessment. This clause should be read in conjunction with clause 50.2. Also to standardise the calculation on payment deduction. | N.A.  |
| 60.1 | A, B, C & D[**Optional**]It should be used when tenders are evaluated using a marking scheme.  | **Replace** the second bullet of sub-clause (1) by the following new bullet:“a change to the Tender Submissions which is made” | The coverage of Tender Submissions is wider than “Scope provided by the *Contactor* for its design”.  | ETWB TC(W) No. 8/2004 Appendix C and SDEV’s memo ref. DEVB(W)546/84/01 of 30.10.2009 |
| 60.1 | A, B, C & D[**Optional**]**Choice 1** 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 of the following weather conditions or its consequences affecting the Site* the hoisting of a tropical cyclone warning signal number 8 or above,
* a Black Rainstorm Warning
* a Red Rainstorm Warning
* an Amber Rainstorm Warning or
* an *additional weather condition* after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*].”
 | **Choice 1** - when the *Contractor* is **not entitled** to the compensation events for the cause of delay which is **inclement weather** or its consequences affecting the Site occurring **before the *completion date****.* 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 office. The “*completion date*” refers to the *completion date* stated in the Contract Data Part one. The sentence in **square bracket** “but before the *Client* is entitled to recover delay damages in respect of the *works*” should be inserted after the “*completion date*” **only if NEC Clause X7 - Delay damages is selected** in the contract. | GCC clause 50(1)(b)(i), (ii) and (iia) |
| 60.1 | A, B, C & D[**Optional**]**Choice 2**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 of the following weather conditions or its consequences affecting the Site1. the hoisting of a tropical cyclone warning signal number 8 or above,
2. a Black Rainstorm Warning
3. a Red Rainstorm Warning
4. an Amber Rainstorm Warning after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*] or
5. an *additional weather condition* after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*].”
 | **Choice 2** - when the *Contractor* is **not entitled** to the compensation events for the cause of delay which are **Amber Rainstorm Warning or inclement weather** or its consequences affecting the Site occurring **before the *completion date****.*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 office. The "*completion date*" refers to the *completion date* stated in the Contract Data Part one. The sentence in **square bracket** “but before the *Client* is entitled to recover delay damages in respect of the *works*” should be inserted after the “*completion date*” **only if NEC Clause X7 - Delay damages is selected** in the contract.  | GCC clause 50(1)(b)(i), (ii) and (iia) |
| 60.1 | A, B, C & D[**Optional**]**Choice 3** 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 of the following weather conditions or its consequences affecting the Site1. the hoisting of a tropical cyclone warning signal number 8 or above,
2. a Black Rainstorm Warning
3. a Red Rainstorm Warning after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*]
4. an Amber Rainstorm Warning after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*] or
5. an *additional weather condition* after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*].”
 | **Choice 3** - when the *Contractor* is not entitled to the compensation events for the cause of delay which are **Red Rainstorm Warning, Amber Rainstorm Warning or inclement weather** or its consequences affecting the Site occurring **before the *completion date****.* 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 office. The "*completion date*" refers to the *completion date* stated in the Contract Data Part one. The sentence in **square bracket** “but before the *Client* is entitled to recover delay damages in respect of the *works*” should be inserted after the “*completion date*” **only if NEC Clause X7 - Delay damages is selected** in the contract.  | GCC clause 50(1)(b)(i), (ii) and (iia) |
| 60.1 | A, B, C & D[**Optional**](**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 of the following weather conditions or its consequences affecting the Site after the *completion date* [but before the *Client* is entitled to recover delay damages in respect of the *works*]1. the hoisting of a tropical cyclone warning signal number 8 or above,
2. a Black Rainstorm Warning
3. a Red Rainstorm Warning
4. an Amber Rainstorm Warning or
5. an *additional weather condition*.”
 | **Choice 4** - when the *Contractor* 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, Black Rainstorm Warning, Red Rainstorm Warning, Amber Rainstorm Warning or inclement weather** or its consequences affecting the Site occurring **before the *completion date****.* 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 office. The “*completion date*” refers to the *completion date* stated in the Contract Data Part one. The sentence in **square bracket** “but before the *Client* is entitled to recover delay damages in respect of the *works*” should be inserted after the “*completion date*” only **if NEC Clause X7 - Delay damages is selected** in the contract.  | GCC clause 50(1)(b)(i), (ii) and (iia) |
| 60.1 | A, B, C & D | **Replace** the first and second bullet points of sub-clause (19) by the following:“• stops the *Contractor* completing the *works* or • stops the *Contractor* completing the *works* by the date for planned Completion shown on the Accepted Programme,” | To revert to NEC3 position by deleting the phrase “the whole of”. |  |
| 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 |
| 60.5 | 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 60.6 by the following:“The *Project Manager* 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 clauses 60.8, 60.9, 63.1 and 63.2.  | N.A. |
| 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 *Project Manager* 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 clauses 60.8, 60.9, 63.1 and 63.2. | N.A. |
| 61.4 | A, B, C & D | **Replace** the first bullet point by the following:“three weeks after the *Contractor*’snotification or, if confirmation of no objection is required from the *Client*, six weeks after the *Contractor*’s notification or” | To impose specific time limit for the *Project Manager* to notify its decision on compensation events to the *Contractor.* 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.  | N.A. |
| 61.4 | A, B, C & D | **Replace** the 2nd and 3rd sentences by the following:“If the event* arises from a fault of the *Contractor*,
* has not happened and is not expected to happen,
* has not been notified within the timescales set out in these *conditions of contract*,
* has no effect upon Defined Cost, Completion or meeting a Key Date,
* is an instruction given by the *Project Manager* or the *Supervisor* which has effect upon Defined Cost, Completion or meeting a Key Date or an instruction given by the *Project Manager* to stop or not start any work, provided that these instructions are necessary for the safety and health of any person or the safety of any property on or adjacent to the Working Areas and such necessity does not arise from:
	+ a fault of the *Client* or any person employed by or contracted to it, except the *Contractor*,
	+ a fault in the design contained in the Scope provided by the *Client*,
	+ a fault in the design contained in an instruction from the *Project Manager* changing the Scope,
	+ war, civil war, rebellion, revolution, insurrection, military or usurped power,
	+ strikes, riots and civil commotion not confined to the *Contractor’s* employees,
	+ radioactive contamination, or
* is not one of the compensation events stated in the contract,

the *Project Manager* notifies the *Contractor* that the Prices, the Completion Date and the Key Dates are not to be changed and states the reasons in the notification. Otherwise, the *Project Manager* notifies the *Contractor* that the event is a compensation event and includes in the notification an instruction to the *Contractor* to submit quotations.” | To avoid any ambiguities in interpretation of the contract provisions in respect of the safety and health of any person or the safety of any property on or adjacent to the Working Areas. | SDEV’s memo ref. DEVB(W) 546/83/01 dated 9.5.2024 |
| 62.2 | A, B, C & Dunless comments/ endorsement have been sought for the deviation from this standard amendment from the Inter- departmental Working Group and/or the Steering Committee. | **Replace** clause 62.2 by the following new clause 62.2:“Quotation for a compensation event comprise proposed changes to the Prices and any delay to the Completion Date and Key Dates assessed by the *Contractor*. If a compensation event is stated in clause 63.6, its quotations exclude proposed changes to the Prices. The *Contractor* submits details of the assessment with each quotation. If the programme for remaining work is altered by the compensation event, the *Contractor* includes the alterations to the Accepted Programme in the quotation.” | 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. |
| 62.3 | A, B, C & D | **Replace** the second sentence of clause 62.3 by the following:“The *Project Manger* replies within three weeks of the submission or, if confirmation of no objection is required from the *Client*, six weeks of the submission.” | To impose specific time limit for the *Project Manager* to reply to the *Contractor* 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.  | N.A. |
| 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 *fee percentage.”* | **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 *fee percentage.”* | **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. |
| 63.6 | 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. | **Replace** clause 63.6 by the following new clause 63.6:“The rights of the Client and the Contractor to changes to the Prices, the Completion Date and the Key Dates are their only rights in respect of a compensation event.Notwithstanding the foregoing, for compensation events under clauses 60.1(5), 60.1(13), 60.1(19) or 60.1(21), the *Contractor* has no rights to changes to the Prices. Nor will the assessment of changes to the Prices for other compensation events be affected by any concurrent compensation event under clauses 60.1(5), 60.1(13), 60.1(19) or 60.1(21).” | 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. | **Replace** clause 63.6 by the following new clause 63.6:“The rights of the *Client* and the *Contractor* to changes to the Prices, the Completion Date and the Key Dates are their only rights in respect of a compensation event. Notwithstanding the foregoing, for compensation events under clauses 60.1(5), 60.1(13)(iv) &(v), 60.1(19) or 60.1(21), the *Contractor* has no rights to changes to the Prices. Nor will the assessment of changes to the Prices for other compensation events be affected by any concurrent compensation event under clauses 60.1(5), 60.1(13)(iv) &(v), 60.1(19) or 60.1(21).” | 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 office 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. |
| 83.4 | A, B, C & D | **Add** a new clause 83.4 as follows:“If the *Contractor* cannot provide an insurance required by the contract in the form specified in the Scope, the *Contractor* submits proposal for changes to the form for providing insurance as close as practically possible to the form to the *Proj*ect Manager for acceptance. The *Contractor* includes in the proposal a quotation for reduced Prices as a result of the changes. A reason for not accepting the proposal is that the insurance does not provide cover for the events stated in the *insurance table*. The *Project Manager** notifies the *Contractor* of its acceptance of the proposal and quotation or
* if it does not agree with the *Contractor*’s quotation, notifies the *Contractor* of an assessment of the reduced Prices made by it.

The *Project Manager* changes the Scope and the Prices accordingly.” | To impose specific requirements for procurement of construction related **insurance** according to ETWB TCW No. 7/2005. The project office should include the relevant form in the Scope.  | ETWB TCW No. 7/2005 SCC 11SCC 12 |
| 90.2 | A, B, C & D | **Replace** “R1-R15, R18 or R22” by “R1-R15, R18, R22 or R23” in the first line of the Termination Table. | To align with Stores and Procurement Regulations (SPR) requirements on safeguarding **national security** interests. Amendment to 90.2, 90.3 and 91.9 should be made together.  | SDEV’s memo ref. DEVB(W) 510/30/01 dated 31.8.2022 |
| 90.3 | A, B, C & 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. |
| 91.9  | A, B, C & D | **Add** a new clause 91.9 after clause 91.8 as follows:“The *Client* may terminate if the *Contractor* 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 *Contractor* or the continued performance of the contract is contrary to the interest of national security (R23).” |

**I:2 Amendments to Secondary Option Clauses**

| **Clause No.** | **Applicable main Option(s)** | **Details** | **Rationale** | **Reference** |
| --- | --- | --- | --- | --- |
| X1.5 | A, B, C & D | **Replace** “base date” by “*base date*” in the first bullet. | The term “*base date*” should be in italic. | N.A. |
| X7.1 | A, B, C & D[**Optional**]  | **Add** a new sub-clause X7.1A after sub-clause X7.1 as follows:“X7.1A The *Contractor* pays delay damages at the rate stated in the Contract Data from a Key Date for each day until the earlier of* the date certified by the *Project Manager* as the date on which the Condition is met and
* the date on which the *Client* takes over the *works* and
* the date on which the *Project Manager* issues a termination certificate.”
 | If this optional amendment is adopted to suit the need of individual projects, the project office should amend core clauses 25.3 and 30.3 accordingly. | N.A. |
| X7.2 | A, B, C & 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 office should amend core clauses 25.3 and 30.3 accordingly. | N.A. |
| X11 | A, B, C & D | **Replace** the whole clause X11 by the following:“X11.1 The *Client* may terminate the *Contractor*’s obligation to Provide the Works for a reason not identified in the Termination Table by notifying the *Project Manager* and the *Contractor*.X11.2 Without prejudice to the generality of clause X11.1, if the *Project Manager* certifies to the *Client* that in its opinion Completion will be delayed by a period of not less than one year due to interfacing problems or programme slippages of associated works outside the scope of the contract, the *Client* may terminate the *Contractor*’s obligation to Provide the Works for convenience and thereafter Provide the Works itself or arrange for another contractor to Provide the Works.X11.3 If the *Client* terminates for a reason not identified in the Termination Table (including without limitation the reason stated in clause X11.2), the termination procedures followed are P1 and P2 and the amounts due on termination are A1 and A2. Payment to the *Contractor* under clause 53.1 shall be in full and final settlement of all claims, costs and charges incurred by the *Contractor* as a result of the contract. X11.4 The *Contractor* includes provisions equivalent to this clause in its subcontracts and supply contracts to reserve its power to terminate such subcontract or supply contract in the event of the termination by the *Client* under this clause. The *Contractor* is not entitled to compensation for any expenditure, liability and/or loss resulting from non-compliance with this requirement.” | To effect the right of the Government to terminate for convenience under ETWB TC(W) No. 23/2004.X11 and this amendment are to be included **in all contracts**.  | ETWB TC(W) No. 23/2004 SCC 59 |
| X16.2 | A, B, C & D | **Replace** the whole clause X16.2 by the following:“(1) The amount retained is halved* in the next assessment made after the Completion of the whole of the *works* or
* in the next assessment after the *Client* has taken over the whole of the *works* if this is before Completion of the whole of the *works*.

(2) The remaining amount retained following reduction in accordance with clause X16.2 (1) (“the halved retained amount”) is further reduced in the next assessment following the *defects date* by the halved retained amount minus the anticipated cost of rectification of the Defects requiring for correction as at the *defects date* as assessed by the *Project Manager*.(3) The remaining amount retained following reduction in accordance with clause X16.2 (2) 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 |

**I:3 Amendments to Schedule of Cost Components**

| **Item No.**  | **Applicable main Option(s)** | **Details** | **Rationale** | **Reference** |
| --- | --- | --- | --- | --- |
| 41 | C and D | **Replace** the whole item 41 by the following:“Payments to Subcontractors accepted by the *Project Manager* for work which is subcontracted without taking into account any amounts* paid to or retained from the Subcontractor by the *Contractor* or
* deducted by the *Contractor* 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 *Client* 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 *Project Manager*.To avoid double deduction from the *Contractor*’s account. In the situation where the *Contractor* 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 |

**I:4 Amendments to Short Schedule of Cost Components**

| **Item No.**  | **Applicable main Option(s)** | **Details** | **Rationale** | **Reference** |
| --- | --- | --- | --- | --- |
| 41 | A and B | **Replace** the whole item 41 by the following:“Payments to Subcontractors for work which is subcontractedwithout taking into account any amounts deducted by the *Contractor* for any direct payment for settlement of an Adjudicated Amount under Relevant Subcontract pursuant to SOP Clause 43(4)(e) for Relevant Subcontracts as incorporated in the Relevant Subcontract.” | To avoid double deduction from the *Contractor*’s account. In the situation where the *Contractor* 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 |