

**KEYNOTE ADDRESS BY YB TUAN BARU BIAN,
MINISTER OF WORKS AT**

**VIP LUNCHEON WITH YB TUAN BARU BIAN, MINISTER OF
WORKS**

**ICW: NEW CONSTRUCTION TECHNOLOGIES & ITS
POTENTIAL APPLICATION IN MALAYSIA**

17th OCTOBER 2019

**Doubletree by Hilton KL
KUALA LUMPUR**

Mr Roberto Benetello,
CEO of the EU-Malaysia Chamber of Commerce & Industry
(EUMCCI)

Mr Ronan Collins,
Head of the EUMCCI Construction Committee

Distinguished EUMCCI Board of Directors, Members and
Partners,

Your Excellencies, honoured guests, ladies and gentlemen.

Good afternoon.

1. I am very glad to be among all exceptional audience today especially those of you from the construction industry itself. It is my honour to deliver this afternoon's keynote address.

2. I kindly thank the EU-Malaysia Chamber of Commerce and Industry (EUMCCI) for their stewardship of this luncheon and inviting me to deliver today's speech. Your service to Malaysia in the form of strengthening relationships between the European and Malaysian business communities, spurring industry growth for our various key sectors is nothing short of impeccable. With that in mind, I hope this momentum can be sustained and further amplified for the benefit of the country.

Ladies and Gentlemen,

3. The Department of Statistic Malaysia reported that the value of construction work done in the first quarter 2019 recorded a growth of 0.8 per cent year-on-year to record RM35.9 billion (Q1 2019: RM37.4 billion). The expansion in value of construction work done was driven by positive growth in civil engineering sub-sector with 8.2 per cent and special trades' activities sub-sector with 5.9 per cent. However, the non-residential and residential buildings sub-sector decline to 1.1 per cent and 9.3 per cent respectively.

4. Despite the positive record of the whole industry, the Ministry needs to deliberate on a few on-going issues and challenges in increasing the people's standard of living by embracing the 4.0 Revolution and adopting the latest technology in developing the nation's infrastructure.

5. There are a variety of motivations for the business community to venture into new technologies, such as to upscale the value chain management, minimize overall costs and create competitive advantages among industry players.

Digitalising Construction Industry

6. Ministry of Works are moving towards "digitalising the construction industry" which is to focus on upgrading and to optimise productivity in construction industry through technology to push forward the initiatives of technology advancement, digitalisation and innovation. It is not merely just about the development of mechanism, software and robotic but as well as to provide data, real-time information, more efficient system that will connecting the Ministry and its agencies also other related stakeholder to bridge the aspiration of transparency, connectivity between ministries, stakeholders and also the end-users.

7. In recent years, more emphasis is being placed on the digital economy as part of Malaysia's development. However, this should not come at the expense of the improvement of basic infrastructure and facilities for the people of Malaysia. One of our mega project, the Pan Borneo Highway is a 2,300 km highway projects linking Sarawak and Sabah for better road connectivity between the cities, towns and villages projected to benefit up to a million users and aims to enhance its connectivity in the East Malaysia region. The link shall be a new turbine to generate income for local industries, ultimately contributing to the growth of Malaysian economy.

8. It is these kinds of projects and developments with which we as a nation can achieve greater heights of a new Malaysia. In Ministry of Works, we have adopted Building Information Modelling also known as BIM. BIM in Malaysia is not something that we just started, but it is already implemented in the Pan Borneo Highway that was announced winner of Bentley System's 'Year in Infrastructure 2018' award for Roads and Highways, presented in London on 18 October 2018. The use of BIM in the Pan Borneo Highway also received the "Public Services Construction Application Award" at the Building Smart Hong Kong 4th International BIM Awards Conference held on 15 October 2018 at Hong Kong. As you can see, Malaysia is well on its way to achieving its goal of a digitalised economy.

Ladies and Gentlemen,

Building Information Modelling (BIM)

9. Malaysia is currently in the midst of experiencing a shift towards technology-centric trends for the construction sector. In this regard, allow for me to share with you some developments within our construction sector.

10. BIM involves the process of developing and managing digital information based on 3D model involving analysis of design collision, construction simulations, and automation of coordination drawing preparation, readymade drawings and integrated databased systems.

11. Under the Construction Industry Development Programme (CITP), BIM ecosystem has been developed to set up a sustain environment to maximise the use of technology, optimise mechanization, increase skilled workforce in BIM which will reduce the cost of construction industry and prolonged the life cycle of infrastructure.

12. In order to support the development and adoption of BIM and modern methods, 7 BIM training modules were developed and endorsed by a panel of industry experts in 2016. Training

courses currently offered by myBIM Centre and 12 satellite centres including 6 Akademi Binaan Malaysia and 6 universities

13. This year through CIDB, the government also had allocated around RM1.5million to support the integration of BIM technologies for a number of 36 companies, which were mostly SME's.

Ladies and Gentlemen,

Industrialised Building Systems (IBS)

14. In 2018, the Ministry of Works made it mandatory for private infrastructure projects to implement IBS technology with a minimum score of 50 for those that are worth more than RM 50 million and/or above 50, 000 sqm to encourage its utilisation among industry players.

15. We launched an IBS Centre, also established by the CIDB for the purpose of expansion of awareness towards IBS utilisation. The centre features a Component Gallery, an IBS Show Village featuring home structures that have been built using IBS components as well as a testing facility managed by the Construction Research Institute of Malaysia (CREAM), the research and development (R&D) arm of CIDB.

16. Apart from that, CIDB has also introduced the IBS Manufacturer and Product Assessment and Certification (IMPACT) programme, a system that covers verification, validation, testing and certification of IBS products and components based on CIDB standardisation.

17. While BIM and IBS are among the initial focuses for development on this sector, the government is also keen to identify Malaysia's feasibility of other types of technologies. According to the World Economic Forum (WEF), the top 10 disruptive technologies in construction, including Building Information Modelling (BIM), prefabrication, wireless sensors, 3D printing and automated and robotic equipment are affecting the entire industry. Apart from that, WEF has also listed cloud and real time collaboration, augmented reality and visualization, advanced building materials, big data and 3D scanning as the contributing disruptive technologies.

Closing

18. Understanding the importance IR4.0, the government through the recently announced Shared Prosperity Vision 2030 (SPV2030), has assured that a comprehensive ecosystem will be established in order to facilitate manufacturers, suppliers and

service provider to apply IR4.0 in penetrating domestic and ASEAN market.

19. I have faith that we are in unison on the idea of pushing the construction sector to greater heights, and those heights can be reached when we take breave decision to venture onward to new technologies.

20. Before I conclude my address this afternoon, allow me to reiterate my sincere appreciation towards the EUMCCI for their grit in holding this luncheon. I would also like to thank the Irish Chamber of Commerce in Malaysia (ICCM) for co-organising this event along with the EUMCCI and also the Construction Industry Development Board (CIDB) for their support of this event.

21. On that note, Ladies and Gentlemen, with honour, I would like to wish all the best and I hope all of you enjoy the event!

22. Thank You.