Construction Productivity & Capability Fund (CPCF)

The Construction Productivity and Capability Fund (CPCF) covers three key areas:
(a) Workforce development and skills upgrading;
(b) Technology adoption; and
(c) Capability building.

2. To help firms in coping with the changes in manpower policy, BCA has reviewed the various schemes under the CPCF and is enhancing the schemes to (a) extend the funding support to cover more stakeholders in the industry, (b) expand the scope of funding, and (c) raise the funding support levels to give a stronger push for firms to make the swift switch to technology in place of labour. The table below shows the enhancement to the various schemes and the take-up rate:-
## Enhancement to Construction Productivity and Capability Fund (CPCF)

<table>
<thead>
<tr>
<th>Type of Fund</th>
<th>What is Funded?</th>
<th>How Much is the Existing Funding?</th>
<th>What are the Enhancement? (Highlighted in bold)</th>
<th>Who is Eligible?</th>
</tr>
</thead>
</table>
| (i) Workforce Development | Workforce Training and Upgrading (WTU) | Cost of selected skills assessment and training courses for tradesmen, foremen and supervisors | • Up to 80% of the fees of selected trainings courses at supervisory level  
• Up to 80% of the fees of training courses and skills assessments for CoreTrade registration | Funding support has been extended to cover a total of 33 training courses, including PMET training. Co-funding amount will be up to 80% of the cost of training and assessment for workers and up to 50% for PMET courses. Please refer to Appendix 3 to Annex A for the list of supported courses.  
• Funding support will be extended to cover the additional 10 trades under CoreTrade, which will be introduced in 1H2011. With this, the Fund will support the training courses and skill assessments of 48 relevant skill qualifications associated with the 17 trades recognized under CoreTrade. Please refer to Appendix 1 to Annex A for the list of supported skills qualifications. | Industry firms |
| | | | | |
| | BCA-Industry Built Environment Scholarship | Sponsorship of scholarship for undergraduate study in built environment courses | 50% of the annual scholarship sum, capped at $7,000 for each scholar who is either a Singaporean or a Singapore Permanent Resident | No change. | Industry firms |
| (ii) Technology Adoption | Mechanisation Credit (MechC) | Cost of purchasing or leasing of equipment that improves productivity of the specific work process by at least 20% | • Up to 50% co-funding for equipment purchase, capped at $20,000, whichever is lower  
• Up to 50% co-funding for equipment leasing, capped at $5,000, whichever is lower  
• A cap of $25,000 will be applied for leasing and a cap of $100,000 for purchase of equipment for each company. | Purchase Co-funding  
1. For equipment purchase cost ≤ $100k, up to 50% co-funding or capped at $20,000, whichever is lower.  
2. For equipment purchase cost > $100k, up to 20% co-funding or capped at $100,000, whichever is lower.  
Leasing Co-funding  
1. For equipment purchase cost < $30k, up to 50% co-funding or capped at $6,000, whichever is lower.  
2. For equipment purchase cost > $30k, up to 20% co-funding or capped at $30,000, whichever is lower.  
A cap of $50,000 will be applied for leasing and $200,000 | Contractors, specialist contractors & subcontractors |
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</tr>
</thead>
</table>
| Productivity Improvement Project (PIP) | Cost of undertaking projects which involve the application of technology and re-engineering of work processes to improve productivity by at least 20% | Firm Level  
• Up to 50% co-funding of project cost, capped at S$100,000 per application  
• Prefabricator - Up to 50% co-funding of project cost, capped at S$500,000 per application generally (May raise the cap to $1mil for high impact PIPs. E.g. mechanisation/ automation of precast concrete production)  
Group Level (A group of at least 2 unrelated companies)  
• Up to 50% co-funding of project cost, capped at S$500,000 per application  
Industry – To be led by public agency with a group of at least 2 unrelated companies.  
• Up to 70% co-funding, capped at S$1 million per application  
Supportable cost  
1. Manpower cost;  
2. Equipment cost (about 20% of the equipment cost)  
3. Material cost (about 50% of the extra cost over conventional materials);  
4. Consultancy service cost; and  
5. Intellectual property acquisition cost | Key Target Groups of the Scheme  
• Firm level PIP: Main contractors and subcontractors.  
• Group level PIP: All stakeholders - main contractors, subcontractors, developers, consultants, suppliers, etc.  
• Industry level PIP: Public sector agencies, contractors, subcontractors, developers, consultants, suppliers, etc.  
Supportable cost  
1. Manpower cost  
2. Equipment cost (up to 50% co-funding for cost of selected equipment)  
3. Material cost (up to 80% co-funding for selected materials on the extra cost over conventional materials)  
4. Consultancy service cost  
5. Intellectual property acquisition cost | Developers, Consultants, Contractors, Suppliers and other construction related companies |
| BIM Fund                    | Cost of adopting BIM technology into work processes                           | Training Scheme  
• Up to 50% co-funding for training cost, capped at $7,000 per firm, whichever is lower. Firms can apply once only.  
Project Collaboration Scheme (involving more than 1 discipline)  
• Up to 50% co-funding for training, consultancy, software and hardware acquisition costs, capped at $70,000 per project, whichever is lower. Firms can apply once only. | Firm Level Scheme  
• Up to 50% co-funding for training, software and hardware acquisition/leasing costs, capped at $20,000 per discipline, whichever is lower. Firms can apply maximum 3 times.  
Project Collaboration Scheme (involving more than 1 discipline)  
• Up to 50% co-funding for training, consultancy, software and hardware acquisition/leasing costs, capped at $210,000 per project, whichever is lower. Firms can apply maximum 3 times and with a cap of $35,000 per discipline. | Consultancy and construction firms |

*Firms applying for the funds above should be registered and operating in Singapore.*
## CPCF Take-Up Rate (as at 1 March 2011)

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total amount committed</th>
<th>No. of application approved/committed</th>
<th>No. of Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Training and Upgrading</td>
<td>$ 0.38 mil</td>
<td>1,448</td>
<td>123 (30%)</td>
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<td></td>
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<td>277 (70%)</td>
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<tr>
<td>BCA-Industry Built Environment Scholarship</td>
<td>$ 0.32 mil</td>
<td>22 scholarship recipients</td>
<td>N.A.</td>
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<td></td>
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<td></td>
<td>N.A.</td>
</tr>
<tr>
<td>Mechanisation Credit (MechC)</td>
<td>$ 2.6mil</td>
<td>180</td>
<td>40 (38%)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>66 (62%)</td>
</tr>
<tr>
<td>Productivity Improvement Project (PIP)</td>
<td>$ 2.6 mil</td>
<td>10</td>
<td>6 (55%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 (45%)</td>
</tr>
<tr>
<td>BIM Fund</td>
<td>$ 1.1 mil</td>
<td>23</td>
<td>22 (85%)</td>
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<td>4 (15%)</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$ 7.0 mil</strong></td>
<td></td>
<td><strong>191 (35%)</strong></td>
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<td></td>
<td></td>
<td><strong>352 (65%)</strong></td>
</tr>
</tbody>
</table>

[1] Big firms refer to Contractor firms registered with BCA-Contractor Registry (CRS) A1, A2, B1, L6 and L5. For consultants, firms registered in the top 2 tiers (e.g. AR01, AR02) of PSPC panel are considered as big firms.

[2] Small firms refer to firms registered with BCA-CRS B2/L4 and below and all other firms not registered under BCA-CRS. For consultants, firms registered in the lower 2 tiers (e.g. AR03, AR04) of PSPC panel are considered as small firms.