

**Model Clauses  
for Engagement of Subcontractors registered from the  
Registered Specialist Trade Contractors Scheme  
of the Construction Industry Council**

**Oct 2023**

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2023 Construction Industry Council

## **Introduction**

Launched in 2019, the Registered Specialist Trade Contractors Scheme (RSTCS) was an industry-wide driven and recognised registration scheme in Hong Kong for sub-contractors established by the Construction Industry Council (CIC). The RSTCS aims to build up a pool of professional and committed trade contractors with specialised skills through a recognised registration system for development of the construction industry.

The RSTCS comprises of two registers namely the Register of Specialist Trade Contractors and the Register of Subcontractors. Registered Specialist Trade Contractors (RSTCs) are applicable for the latest fourteen Designated Trades of Concreting(S01), Concreting Formwork(S02), Curtain Wall(S03), Demolition(S04), Erection of Concrete Precast Component(S05), Reinforcement Bar Fixing(S06), Scaffolding (S07), Plastering (S08), Suspended Ceiling(S09), Tower Crane (Erecting, Dismantling and Altering Height)(S10), Building Drainage Installation(S11), Levelling , Setting Out (S12), Building Maintenance (S13) and Interior Fitting-out (S14). All RSTCs are accredited by fulfilling a set of comprehensive registration requirements in terms of safety, management, job experience, execution, finance and integrity management and they are further classified into Group 1, Group 1 (Advanced) (For S13 and S14 only) and Group 2 subject to different tender limits as tabulated below and as announced in the Scheme Website. The Registered Subcontractors (RSs) are applicable for other common civil, building, electrical and mechanical trades. For more details of the RSTCS, please browse the Scheme Website at [www.rstc.cic.hk](http://www.rstc.cic.hk).

Designated Trades		Tender Limit for Group 1 Registered Specialist Trade Contractors ** (RSTCs) (HK\$)	End date of the Grace Period for implementation of the Tender Limit (i.e., applicable for main contracts tendered out on or after the date below)
S01	Concreting	5,000,000	1 October 2020
S02	Concreting formwork	40,000,000	
S03	Curtain wall	40,000,000	
S04	Demolition	5,000,000	
S05	Erection of concrete precast component	3,000,000	
S06	Reinforcement bar fixing	20,000,000	
S07	Scaffolding	5,000,000	
S08	Plastering	10,000,000	1 January 2022
S09	Suspended ceiling	7,000,000	1 January 2023
S10	Tower crane (erecting, dismantling and altering height)	2,000,000	
S11	Building Drainage Installation	10,000,000	1 June 2023
S12	Levelling and Setting Out	2,000,000	1 December 2023
S13	Building Maintenance	1,500,000 8,000,000 <sup>#</sup>	1 July 2024
S14	Interior Fitting-out	2,000,000 10,000,000 <sup>#</sup>	

\*\*No tender limit for Group 2 RSTCs

<sup>#</sup> Tender Limit for Group 1 (Advanced)

The Development Bureau and the Housing Authority strongly support the CIC on implementation of the RSTCS and fully mandated the engagement of registered companies and imposed tender limits arrangements on subcontracts in all public works contracts in accordance with the RSTCS. To promote and facilitate the adoption of the RSTCS in quasi-public/private sector projects, the CIC publishes this set of model clauses for ease of engagement of subcontractors registered from the RSTCS.

This set of model clauses may serve as useful reference for client organisations for adoption of the RSTCS in their construction contracts, but it may be amended to suit the terminology and project practices of the client organisations.

**Model Clauses for Engagement of Subcontractors registered from  
the Registered Specialist Trade Contractors Scheme  
of the Construction Industry Council**

**(FOR STANDARD FORM OF BUILDING CONTRACT)**

The following sections shall be included in tenders for all capital works and maintenance works.

**NOTES TO TENDERERS**

**SPECIAL CONDITIONS OF CONTRACT**

SCC 19 – Assignment and sub-letting

**PRELIMINARIES (OPTIONAL)**

Registered Specialist Trade Contractors Scheme

## **NOTES TO TENDERERS**

Tenderer's attention is drawn to the Clause [X] of the Special Conditions of Contract requiring the engagement of subcontractors who are registered under the respective trades and groups available in the Registered Specialist Trade Contractors Scheme of the Construction Industry Council.

## **SPECIAL CONDITIONS OF CONTRACT<sup>(1)</sup>**

### **SCC 19 – Assignment and sub-letting**

Add the following clause 19.2(g) to the Standard Conditions of Contract by the following:

- 19.2 (g) he submits to the Architect for prior approval the Registered Specialist Trade Contractors to be engaged for those Designated Trades under the Registered Specialist Trade Contractors Scheme managed by the Construction Industry Council before the commencement of such Designated Trades in accordance with clause 19.3.

Add the following clauses 19.3<sup>(2)</sup> after clause 19.2(f)<sup>(2)</sup> of the Standard Conditions of Contract:-

- 19.3<sup>(2)</sup> *Registered Specialist Trade Contractors Scheme*  
(1) For the purpose of this sub-clause, the following words and expressions shall have the definition hereby assigned to them:

“RSTCS” means Registered Specialist Trade Contractors Scheme managed by the Construction Industry Council and as referred to in the Rules and Procedures applicable to the aforesaid Registered Specialist Trade Contractors Scheme.

“Group 1”, “Group 1 (Advanced)” and “Group 2” mean the classification of contractors into Group 1, Group 1 (Advanced) and Group 2 under each Designated Trade of the Register of Specialist Trade Contractors which is subject to prescribed tender limit as set out in the RSTCS.

“Designated Trade(s)” means a trade for specialised work set out in the Rules and Procedures under the RSTCS as promulgated by the Construction Industry Council from time to time.

“Scheme Website” means the website managed by the Construction Industry Council providing public access to the Registration Particulars of Registered Specialist Trade Contractor and Registered Subcontractors and other announcements related to the Scheme.

### 19.3 (Cont'd)

“Grace Period” herein means the period allowed for the implementation of the prescribed tender limit for Designated Trades as announced on the Scheme Website from time to time. As such, the requirement to engage Group 2 Registered Specialist Trade Contractors when the tender limits of Group 1 and Group 1 (Advanced) are exceeded shall be adopted for tenders to be invited on or after the implementation date as announced. In other words, no tender limit in respect of the engagement of Registered Specialist Trade Contractors under RSTCS will be imposed on tenders to be invited prior to the implementation date as announced.

(2) Where the Contractor is to sub-let part of the Works involves Designated Trades and/or other trades where registers are available under RSTCS, the Contractor shall only engage, for the purpose of the execution of such part the Works, a sub-contractor (whether nominated, specialist or domestic and irrespective of tier) of the respective Designated Trades and/or other trades who has satisfied the following criteria:-

- (a) the sub-contractor has completed registration under the relevant Designated Trade(s) and/or other trades available in the RSTCS before the commencement of the works under the relevant sub-contract; and
- (b) if the sub-contractor is registered under a Designated Trade, except for those Designated Trades' Grace Period has not expired, in the Register of Specialist Trade Contractors and if the value of relevant sub-contract exceeds the tender limits of Group 1 and Group 1 (Advanced), the sub-contractor has been admitted into Group 2 before the commencement of the works under the relevant sub-contract.

The Contractor shall not engage a sub-contractor who is suspended or in the process of an appeal against his suspension from registration in the RSTCS unless the suspension is lifted before the commencement of the works under the relevant sub-contracts.

### **Notes**

- (1) These “Special Conditions of Contract are to be read in conjunction with the “Standard Conditions of Contract”.

The “Standard Conditions of Contract” means the Agreement & Schedule of Conditions of Building Contract for use in the Hong Kong Special Administrative Region, Private Edition – **[With Quantities together with its Appendix and Schedules 2005 Edition/ Without Quantities together with its Appendix and Schedules 2006 Edition]\*** issued under the sanction of The Hong Kong Institute of Architects, The Hong Kong Institute of Construction Managers and The Hong Kong Institute of Surveyors.

- (2) The numbering of this added sub-clause may vary depending whether there are other SCCs in the contract which also amend clause 19 of the Standard Conditions of Contract.

\* Delete as appropriate

**[BILL NO. / SPECIFICATION SECTION] 1<sup>(1)</sup>**

**PRELIMINARIES (OPTIONAL)**

**[X].0<sup>(2)</sup>      SUB-CONTRACTS**

[X].[xx] <sup>(2)</sup>Engagement of subcontractor registered from the Registered Specialist Trade Contractor Scheme of the Construction Industry Council (See also Clause SCC19 of the Special Conditions of Contract)

In the event of sub-letting any part of the Works involving respective Designated Trades and/or other trades available in the RSTCS managed by Construction Industry Council, the Contractor shall only engage subcontractor (whether nominated, specialist or domestic and irrespective of tier) registered under the relevant Designated Trades and/or other trades available in the latest updated version of registers under RSTCS.

The Contractor shall engage Group 1, Group 1 (Advanced) and Group 2 Registered Specialist Trade Contractor ("RSTC") as required pursuant to the prescribed tender limit under RSTCS.

The Contractor shall make himself thoroughly acquainted with the details and classification of Designated Trades, groupings and/or other trades set out in the Rules and Procedures under RSTCS as promulgated by the Construction Industry Council on the Scheme Website from time to time.

**Notes**

- (1) The 1<sup>st</sup> and 2<sup>nd</sup> set of wordings in brackets [ ] are for use in "Contract With Quantities" and "Contract Without Quantities" respectively. Delete where appropriate.
- (2) The numbering of this added sub-clause may vary as appropriate.