Your ref.: DEVB(PS) 111/10/07

31 August 2012

By Fax (2521 9682) & Post

Mr NG Kai Ming, Helius Team Leader (Mainland Affairs) Works Branch Works Policies and Infrastructural Projects Division Works Policies 2 Section Development Bureau 15/F., West Wing, Central Government Offices 2 Tim Mei Avenue, Tamar, Hong Kong

Dear Sirs, Helius,

Re: Qiaлhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen (Qianhai)

I refer to your letter dated 23 August 2012, and wish to thank you for inviting us to suggest ways that members of the Hong Kong Institute of Surveyors (HKIS) can contribute and participate in the development of Qianhai.

On behalf of HKIS, I have much pleasure in consolidating and submitting the following suggestions from our various divisions:

A. Professional Practice in Qianhai

HKIS considers Qianhai development is a collaboration project between Shenzhen and Hong Kong and expects inter alia that our professional surveyors can be able to participate in and contribute to the Qianhai development with our expertise. However, under the existing CEPA framework, HKIS members still encounter difficulties and limitations concerning registration procedures in the mainland China when we come to practise, even though some HKIS members of different divisions do possess professional qualifications which are mutually recognized.

We believe that co-operation between Hong Kong and Shenzhen could not be optimized without direct participation of the Hong Kong professionals under the current registration requirements and procedures in the mainland China. Considering Qianhai as a modern service industry cooperation zone, HKIS would suggest simplify or



modify the registration procedures for individual practice and company in order to allow more Hong Kong professional surveyors to practice in various stages of development of Qianhai.

HKIS has established, and continues to expand, its presences in the international scene through reciprocity relationships with other national surveying bodies, and through membership in relevant world bodies and international organizations. HKIS membership is a widely recognized qualification by public and private sectors locally and internationally. We would like to propose recognition of the HKIS membership in Qianhai, thus allowing individual corporate members of HKIS to practise in Qianhai.

Apart from individual qualification, HKIS concerns about the company registration in Qianhai. We hope that, in Qianhai, flexibility of company registration will be higher, by allowing surveying firms to be set up in the form of limited companies, and/or admitting them to be held by shareholders who are local and overseas' legal entities.

Professional surveyors are the best in dealing with intelligence gathering, systematically analyzing, projecting property market moves, as well as planning, implementing and managing projects. If professional surveyors are granted with formal permission to practise in Qianhai, HKIS believes our members can contribute and participate meaningfully in various stages of the development.

B. Scope of Services of HKIS members

I would like to present the scope of services that HKiS members of various divisions are able to participate in and contribute at different stages of development in Qianhai as follows:

Start-up Stage

According to Qianhai's investment guide, Qianhai aims to transform itself into a world-class modern service industry cooperation zone by piloting new institution and policies and establishing a fair and efficient management and public service system at the start-up stage of the development. Hong Kong is a world city, and has demonstrated a successful model in construction and real estate industry. Surveying professionals are key players in the industry. Apart from contributing through business investments and operations in Qianhai, relevant experience in China practice and international standard allows our professional members to play an advisory role in the development of Qianhai. We can make contribution through sharing and contributing

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our professional knowledge and valuable experience at various advisory teams/ units for international standard to the district committee for project and development, which helps the Authority of Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen (Qianhai's Authority) to formulate a practical and effective system which is able to balance the needs between the government's supervision and business operations of local as well as overseas corporations.

Besides, HKIS members may give advice in the course of formulating law and regulations of Qianhai, in particular to the aspects relating dispute resolution, property and facilities management etc. We strongly suggest, with the active participation of our members, to introduce dispute resolution and mediation mechanism in real estate and construction industry, which will help to settle arguments between related parties within the industry by reducing the spending time and resources in the judiciary system.

Building Surveying Division

- Development project and program management
- Development strategy planning
- Property positioning
- Advisory on international standard in building regulation and control mechanism

General Practice Division

- Feasibility & viability studies
- Marketing of sites and development opportunities
- Valuation services
- Development consultancy services

Land Surveying Division

- Land and seabed topographical analysis
- Survey for geological analysis
- Preparation of preliminary design drawings
- Earthworks volume estimation
- 3D visualisation for consultation study

Property and Facility Management Division

- Provision of in-depth expert opinion on security, functional, space management, human resources planning of single and/or multi-development projects in Qianhai.

Quantity Surveying Division

- Preliminary cost advice
- Cost planning

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- Value engineering
- Preparing tender documents and negotiating contract prices
- Preparing contract documents and participating in contract administration
- Preparing cashflow forecasts and exercising cost control over the project and preparing final accounts
- Project management
- Life cycle costing
- Giving expert evidence in arbitrations, mediations, legal proceedings and disputes
- Acting as dispute avoidance advisors and dispute resolution advisors
- Acting as arbitrators and mediators.
- Assessing replacement values for insurance

Consolidation Stage

Building Surveying Division

- Development project and program management
- Development strategy planning and operation
- Property positioning monitoring
- Project and consultancy team organization and management
- Advisory on international standard in design vetting and management
- Property enhancement feasibility
- Advisory on good practice and provision in property enhancement with design and material selection
- Advisory and enforcement on international standard in building regulation and control mechanism
- Property quality assessment scheme
- Project audit

General Practice Division

- Development consultancy services
- Valuation services
- Pre-leasing or pre-sale of projects
- Management consultancy services

Land Surveying Division

- Initial topographic survey
- Detailed alignment design and computation
- Multibeam bathymetry for reclamation and coastal infrastructures construction
- Land boundaries definition
- Preparation of engineering drawings and 3D models
- Earthworks volume calculation



Property and Facility Management Division

 Bringing in experience and expertise on green management on energy savings/air quality improvement/environmental education/ sustainable development and control, etc.

Quantity Surveying Division

- Preliminary cost advice
- Cost planning
- Value Engineering
- Preparing tender documents and negotiating contract prices
- Preparing contract documents and participating in contract administration
- Preparing cashflow forecasts and exercising cost control over the project and Preparing Final Accounts
- Project management
- Life cycle costing
- Giving expert evidence in arbitrations, mediations, legal proceedings and disputes
- Acting as Dispute Avoidance Advisors and Dispute Resolution Advisors
- Acting as Arbitrators and Mediators.
- Assessing replacement values for insurance

Expansion Stage

Building Surveying Division

- Development project and asset enhancement management
- Advisory on international standard in managing and vetting design and change of use
- Property enhancement feasibility and implementation
- Project and consultancy team organization and management
- Advisory on good practice and provision in property enhancement with design change and building diagnosis
- Advisory and enforcement on international standard in building regulation and control mechanism
- Property quality assessment scheme
- Property performance audit

General Practice Division

- Valuation services
- Agency services
- Asset management services

Land Surveying Division

- Disputes resolution on earthworks volume
- Deformation monitoring



- Internal floor area measurement
- Disputes resolution on boundaries
- Survey for asset management, maintenance and improvement works

Property and Facility Management Division

- Provision of a platform for education, ideas and good practice exchange for green management initiatives and demonstration of a world class green/ sustainable cooperation zone.

Quantity Surveying Division

- Preliminary cost advice
- Cost planning
- Value engineering
- Preparing tender documents and negotiating contract prices
- Preparing contract documents and participating in contract administration
- Preparing cashflow forecasts and exercising cost control over the project and preparing final accounts
- Project management
- Life cycle costing
- Giving expert evidence in arbitrations, mediations, legal proceedings and disputes
- Acting as dispute avoidance advisors and dispute resolution advisors
- Acting as arbitrators and mediators.
- Assessing replacement values for insurance

We are more than pleased to share our proposals with you Should you require more information or would like to set up a brief discussion meeting on the above proposals, kindly contact Ms Natalie Yu at 2526 3679.

Thank you for your attention.

Yours sincerely,

President