

**SPEECH BY DR JOHN KEUNG, CEO OF BCA AT THE  
LAUNCH OF THE SINGAPORE CONSTRUCTION  
ADJUDICATION REVIEW ON MONDAY, 30 AUGUST 2010  
AT 5.00 PM, SUPREME COURT ACADEMY BISTRO**

Ms Serene Wee,  
Chief Executive, Singapore Academy of Law

Mr Loong Seng Onn,  
Executive Director, Singapore Mediation Centre

Distinguished guests

Ladies and gentlemen

Good Evening.

**Introduction**

1. I am pleased to be here today at the official launch of the Singapore Construction Adjudication Review. I congratulate the Singapore Mediation Centre for proactively taking this step to collate useful adjudication determinations that could be used by adjudicators and relevant parties as reference.

**Raising Construction Productivity**

2. As you are aware, the Government has embarked on a new national productivity drive to transform our economy for sustained growth in the long term. In particular for the construction sector, a \$250 million Construction Productivity and Capability Fund has been set up to enhance productivity and build capability.

3. While raising productivity can be expressed in different forms such as manpower development, skills upgrading and technology adoption, procurement methods can pose an impact on productivity too. If we adopt procurement models that facilitate more teamwork, trust and collaboration by consultants and builders at the upstream design phase, disputes and delays can be minimised downstream to achieve optimization of the construction phase and contributing to productivity gains.

4. Hence, professionals from the legal and contractual fraternity should actively promote procurement models that encourage an early integration of design and construction inputs from the builders and consultants at the design stage, for example the Design and Build (D&B) framework, or such variants.

5. While there is no one best procurement model for all projects, our local construction industry should remain open-minded and receptive to any new and effective procurement model, which could achieve better integration of design and construction and improve our productivity. Going forward, BCA is studying new procurement approaches such as the Integrated Project Delivery approach, the Alliance Contract approach and others that are being tried out in other countries.

#### **Increasing the Pool of Adjudicators**

6. The Building and Construction Industry Security of Payment (SOP) Act gave parties the right to seek progress payment for work done and providing fast and low-cost adjudication to resolve payment disputes. Since the implementation of the SOP Act in April 2005, we have observed an approximate two-fold increase in adjudication applications year-on-year.

7. As the Authorised Nominating Body under the SOP Act, the Singapore Mediation Centre plays an important role to attract and encourage more private sector individuals from the industry to join as adjudicators to cater to the mounting interest in the SOP regime.

8. The adjudication mechanism will continue to be an important feature to facilitate cash-flow between various stakeholders. By reducing the occurrence of firms facing financial difficulties which could lead to construction projects being disrupted and delayed, it will contribute towards a more healthy and productive industry.

#### **Congratulating the Authors**

9. Finally, I would like to congratulate the authors of this book, Mr Chow Kok Fong, Mr Christopher Chuah and Mr Mohan Pillay. They are highly experienced adjudicators who have been generous in giving their time to collate and arrange each determination that will no doubt be a valuable asset for the development of the adjudication process in Singapore.

Thank you.