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The following Act was passed by Parliament on 2 October 2018 and assented to by the President on 31 October 2018:—

REPUBLIC OF SINGAPORE

No. 47 of 2018.

I assent.



HALIMAH YACOB,
President.
31 October 2018.

An Act to amend the Building and Construction Industry Security of Payment Act (Chapter 30B of the 2006 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Building and Construction Industry Security of Payment (Amendment) Act 2018 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Amendment of section 2

2. Section 2 of the Building and Construction Industry Security of Payment Act (called in this Act the principal Act) is amended —

(a) by deleting the definition of “adjudicator” and substituting the following definition:

““adjudicator” means a person appointed under this Act to determine a payment claim dispute that has been referred for adjudication, and includes —

(a) a replacement adjudicator appointed under section 14A(3);

(b) a review adjudicator or a panel of review adjudicators appointed under section 18(5)(b); and

(c) a replacement review adjudicator or a replacement member of a panel of review adjudicators appointed under section 18A(3);”;

(b) by inserting, immediately after the words “supply contract” in the definition of “contract”, the words “, and includes a construction contract or a supply contract that has been terminated”;

(c) by inserting, immediately after the definition of “owner”, the following definition:

““patent error”, in relation to a payment claim, means an error that is obvious, manifest or otherwise easily recognisable on the face of the claim;”;

- (d) by inserting, immediately after the word “payment” in paragraph (a) of the definition of “progress payment”, the words “(including a final payment)”; and
- (e) by inserting, immediately after the word “date” in paragraph (b) of the definition of “progress payment”, the words “(including a final payment)”.

Amendment of section 4

3. Section 4 of the principal Act is amended —

- (a) by deleting the word “and” at the end of subsection (2)(b)(ii);
- (b) by deleting paragraph (c) of subsection (2) and substituting the following paragraphs:

“(c) any terminated contract to the extent that —

- (i) the terminated contract contains provisions relating to termination that permit the respondent to suspend progress payments to the claimant until a date or the occurrence of an event specified in the contract; and
 - (ii) that date has not passed or that event has not occurred;
- (d) any contract for the prefabrication, in Singapore, of components intended for construction work to be carried out on a construction site outside Singapore, where any one of the parties to the contract is not —
- (i) a body corporate incorporated under any written law in Singapore;

- (ii) a limited partnership registered under the Limited Partnerships Act (Cap. 163B); or
 - (iii) a person carrying on a business that is registered under the Business Names Registration Act 2014 (Act 29 of 2014); and
- (e) such other contract or class of other contracts as may be prescribed.”; and
- (c) by inserting, immediately after subsection (2), the following subsection:

“(2A) To avoid doubt, this Act —

- (a) applies to a contract that deals with the prefabrication (whether in or outside Singapore) of components that will form part of any building, structure or works, where the contract is for the supply of these prefabricated components for construction work to be carried out on a construction site in Singapore; and
- (b) does not apply to claims made between former parties to a contract in relation to any construction work that is carried out, or goods or services that are supplied, at the time of or after the termination of the contract.”.

Amendment of section 8

4. Section 8 of the principal Act is amended by deleting subsection (5) and substituting the following subsection:

“(5) The interest payable on the unpaid amount of a progress payment that has become due and payable is at the higher of the following rates:

- (a) the rate specified in or determined in accordance with the terms of the contract;

- (b) the rate prescribed in respect of judgment debts under the Supreme Court of Judicature Act (Cap. 322).”.

Amendment of section 10

5. Section 10 of the principal Act is amended —

- (a) by deleting subsection (2) and substituting the following subsections:

“(2) A payment claim must be served —

(a) not later than —

(i) the date, or the last day of a period, specified in, or determined in accordance with, the terms of the contract relating to the purpose of this subsection; or

(ii) the date prescribed for the purpose of this subsection if the contract does not contain such terms; and

(b) not later than 30 months after the following, whichever is applicable:

(i) the date on which the goods and services to which the amount in the payment claim relates were last supplied;

(ii) the latest of the following dates:

(A) the date on which the construction work to which the amount in the payment claim relates was last carried out;

(B) the issuance date of the last document, as at the time the payment claim is served, certifying the completion of