

BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT ACT SMC COVID-19 PROTOCOL

DEPOSITS FOR CLAIMED AMOUNTS BETWEEN \$200,000 AND \$700,000

1. Covid-19 has severely impacted the construction industry in Singapore. As the Authorised Nominating Body appointed to administer cases lodged under the Security of Payment Act (“SOPA”), the Singapore Mediation Centre (“SMC”) has received feedback on the challenges faced by the industry in using SOPA adjudication. As part of SMC’s continuing efforts to review its adjudication services, the SMC has taken steps to ensure that the heightened cash flow challenges faced by parties in the current circumstances do not hinder accessibility to adjudication. This protocol sets out one of the steps taken for this purpose.
2. Currently, upon lodgement of an Adjudication Application or Adjudication Review Application or Remission Applications at SMC, a party pays the following fee components:
 - (i) Application Fee; and
 - (ii) Deposit for the Adjudicator Fee amounting to:
 - a. SGD2,400 where the claimed amount is SGD24,000 and below; or
 - b. 10% of the claimed amount or SGD33,600 (whichever is lower), where the claimed amount exceeds SGD24,000.

Typically, a party lodging a case at SMC will therefore pay either 10% of the claimed amount or a maximum of SGD33,600 as deposits for the Adjudicator Fee.

3. To support the industry, SMC will , reduce the collection of the quantum of the Deposit for the Adjudicator Fee to a **flat sum of SGD20,000** for all Adjudication Applications, Adjudication Review Applications and Remission Applications where the **claimed amount is between SGD200,000 and SGD700,000**.
4. This Protocol will remain in effect until **31 March 2023**.

Issued by:
Singapore Mediation Centre
1 January 2023