

SINGAPORE CONSTRUCTION LAW NEWSLETTER



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Newsletter

Chief Editor:	Mohan Pillay
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CHAIRMAN'S MESSAGE

The first three months of 2006 has seen a marked increase in the level of orders in the construction industry. While many of the new orders derive from the revitalized residential sector and, in particular, the construction of high-end homes, other sectors have also contributed to the sense of activity felt across the industry. Notable among these are, firstly, the large commercial projects such as Orchard Turn and, of course, the Integrated Resorts and, secondly, the considerable streams of orders from abroad. One local contractor, for example, secured a \$1.8 billion contract in one of the Gulf states while at least three Singapore architectural firms are now involved in the largest construction malls ever developed in that part of the world.

Against this backdrop, the Society's decision to launch the inaugural International Conference of Societies of Construction Law is clearly timely. The conference is expected to bring together representatives from at least a dozen countries. It is intended to serve as a major platform for exchange and deliberations of developments which affect this subject across the world. We are honoured to secure the agreement of the member SCLs in Europe, New Zealand and elsewhere to be the first country to host the conference. I look forward to members of the Society supporting this important event.

Meanwhile, it is also pertinent to report that three adjudications have now been conducted under the Building and Construction Industry Security of Payments Act 2004 which came into force on 1 April 2005. While it is too early to suggest that the adjudication regime has been fully tested, initial feedback suggests that the regime has so far worked well. By the time this issue of the Newsletter is in circulation, the Society would have held its briefing seminar on the first adjudications. I am pleased to be able to participate in this seminar together with Christopher Chuah and Michael Chia.

Chow Kok Fong
Chairman, Society of Construction Law

Contributions

We welcome observations and comments from members on matters relevant to the construction industry. If you wish to submit a contribution, please email it to the Chief Editor at mohan.pillay@wongpartnership.com.sg. The submission deadline for the next issue is **10 July 2006**. Contributions should not exceed 500 words in length. If you would like to submit an article for publication, please contact the Chief Editor to discuss the proposed subject and length of the article.

ADVANCE NOTICE

The Society of Construction Law (Singapore) Proudly Presents the Inaugural SOCIETY OF CONSTRUCTION LAW INTERNATIONAL CONFERENCE 2006 16-17 October 2006, Grand Copthorne Waterfront Hotel, Singapore

This 2-day Conference brings together leading construction experts from around the world including Australia, China, Hong Kong, India, New Zealand, United Arab Emirates, United Kingdom and Singapore, and inaugurates a possible annual conference to be rotated amongst the various international Societies of Construction Law.

Conference Sessions will include:

1. A Comprehensive Examination of the Application of FIDIC Contracts
2. The Issues and Challenges of "Mega Projects"
3. Developments in China, India and the Middle-East
4. Insurance Challenges in the Construction Industry
5. Issues in the Oil and Gas Industry
6. Professional Negligence

Your Investment:

S\$1,075.00	All Society of Construction Law Members
S\$475.00	Full-time Students
S\$1,275.00	Others

Society of Construction Law Members who register and pay on or before 14 July 2006 enjoy attractive discounted registration fees of **S\$975.00!**

Call 65-65572750 or email scl@intellitrain.biz for enquiries or **fax back the form below** (to 65-65572751) to register your interest today!

SOCIETY OF CONSTRUCTION LAW INTERNATIONAL CONFERENCE 2006 - INDICATION OF INTEREST

I am interested in attending the Conference. Please send me more information when available.

Fax:+65-65572751

Name (Dr/Mr/Mrs/Miss/Mdm): _____

Name and Address of Organisation: _____

Designation: _____

Member of Society of Construction Law in: _____ (pls specify country)

*Membership No. _____ NRIC/Passport No. _____

*(Mandatory field for Society of Construction Law members) (Non-members of Society of Construction Law)

Tel number: _____ Fax number: _____

*Email: _____

*(Email required for confirmation of registration)

Please note that this form serves as a request for more information and not as a registration form or a reservation of a place at the Conference. Early bird rates apply only where duly completed Conference registration forms and payments are received on or before Friday, 14 July 2006, 10:00 (GMT) (6pm, Singapore time).

INVITATION TO JOIN AS MEMBER

If your work is directly or indirectly connected with the construction industry and the law relating to it and you have a serious and active interest in construction law, why not consider being a member of the Society of Construction Law (Singapore).

Just fill up the Membership Form (available at our website: www.scl.org.sg or by fax/mail from SCL membership Administration) and mail it with your cheque for the Membership Administration Fee and First Subscription Fee (for year 2006) to:

SCL Membership Administration
Karen Fletcher
141 Cecil Street
#05-00 Tung Ann Association Building
Singapore 069541
Tel: 65-6226 4317
Fax: 65-6226 4231

For Full Membership, the Membership Administration Fee is S\$120.00. First Subscription Fee for year 2006 is S\$150.00 if you join in January 2006 or pro-rated @ S\$12.50 per month if you join after January 2006.

For Full-time Student Membership, the Membership Administration Fee is S\$60.00. First Subscription Fee is S\$72.00 if you join in January 2006 or pro-rated @ S\$6.00 per month if you join after January 2006.

Cheques are to be made payable to the "Society of Construction Law (Singapore)".

SCL(S) CALENDER OF EVENTS 2006 — Karen Fletcher

DATE	VENUE	EVENT DETAILS
21 January Saturday	Capital Tower 9:20pam – 12:30pm	Programme Management and Evaluation of EOT Claims for Construction Projects Land Transport Authority
22 February Wednesday	The Executives' Club, OCBC Centre 6:00pm	Arbitration in India Mohan Pillay
29 March Wednesday	The Executives' Club, OCBC Centre 6:00pm	The First Adjudication in Singapore Chow Kok Fong & Christopher Chuah
10 May Wednesday	Upstairs @ Harry's 28 Boat Quay 6.15pm	Members' Networking Evening
24 May Wednesday	The Executives' Club, OCBC Centre 6:00pm	How to Avoid & Defend Prosecution for Noise Pollution Joseph Liow & guest speaker
23 August Wednesday	To be advised 6:30pm	Wine, Cheese & AGM
16 to 17 October	Grand Copthorne Waterfront Hotel	Society of Construction Law International Conference Speakers to be confirmed

THE WORKPLACE SAFETY & HEALTH ACT 2006 IN A NUTSHELL

The Workplace Safety & Health Act 2006 ("the Act"), which came into effect on 1 March 2006, repealed the Factories Act and embodies the reform of safety and health legislation in Singapore.

The Act is intended to encourage proactive measures to prevent accidents by expanding both responsibility and accountability for safety and health risks at all levels and by instituting higher penalties.

Legal responsibility will be directly imposed on those who create and have control over safety and health risks. These include occupiers, employers, self-employed persons, principals, employees or persons at work, manufacturers and suppliers and persons who erect, install or modify machinery or equipment.

Accountability will be expanded to include risks posed by employers, not only to their employees, but also to members of public.

In place of the prescriptive approach under the Factories Act, this Act has adopted a performance-based approach. To that extent, it allows the party responsible for creating safety and health risks

to discharge their obligations under the Act by proving that he has taken reasonably practicable measures towards ensuring safety.

For non-compliance, corporate offenders can be fined up to a maximum of \$500,000. For individuals, the maximum penalty is a fine of up to \$200,000 and/or imprisonment for a term not exceeding two years.

However, apart from prosecution, there are various other modes of enforcement for non-compliance, including composition fines, remedial or stop-work orders and suspension of certificates.

In the light of the new provisions, it can be anticipated that all stakeholders will be sufficiently motivated to ensure that occupational safety and health are always of paramount importance in the building and construction industry.

— Dr Anne Netto

NOTICES

MSC IN CONSTRUCTION LAW & DISPUTE RESOLUTION: 4th Intake, 2006-2007

The MSc (Construction Law & Dispute Resolution) programme is jointly offered by the National University of Singapore (NUS) and King's College London. This two-year part-time programme is intended for those professionally linked with the construction industry, both lawyers and non-lawyers. Students study part-time (three intensive teaching weekends each semester) in parallel with their normal professional responsibilities and attend a London study visit in the second year.

Applications for August 2006 Entry

The Prospectus and Application Package are available at <http://www.bdg.nus.edu.sg/mclldr/>. For further information, please contact the programme manager: Ms Anita Teo-Russell (6516 5115 / bdgthla@nus.edu.sg).

RECENT EVENTS

Talk on Programme Management and Evaluation of EDT claims — Joseph Liow

The SCL organised a talk which was presented by the Land Transport Authority on Saturday 21 January 2006. The talk was well attended by over 70 participants and held at the STI Auditorium at Capital Towers.

Participants heard from Mr Low Tien Sio, the Deputy Chief Executive of the Land Transport Authority that LTA would handle over 150 projects each year with each project producing over 100 claims. He explained that through a sophisticated methodology of managing its projects as well as evaluation of extension of time (EOT) claims, LTA has never been involved in any arbitration on issues relating to claims on extension of time in the many years since its inception.



Three various concepts of assessing Extension of Time claims were discussed, namely the 'Impacted As-planned', 'Collapsed As-Built' and the 'Time Impact Analysis' method of assessment. Participants heard that in the right circumstances, LTA would adopt the Time Impact Analysis method which had the distinct advantage over the other two methods of assessment by reflecting efforts to mitigate the delay and by being more accurate as it reflected concurrency of delays. The Time Impact Analysis required a pre-determined as-planned programme as well as an accurate updated information as to progress of works, hence explaining LTA's approach to its contractors requiring frequent and accurate reporting of progress of works.



Participants during the three hour event heard from various experienced project managers from LTA as to how LTA develops its master programme schedules for its often complex and extensive engineering works by collaborating with its various prime contractors at early stages. Its contractors are required to provide detailed construction method submissions, methods of progress measurement, identifying critical paths, program logic and with detailed completion dates for various parts of its work.



SCL Website News

Our SCL website is currently being revamped. We intend to upgrade the website in tandem with the preparatory work for the forthcoming SCL International Conference 2006 so as to meet the needs of the conference. It will have a new look with enhanced features to it and certainly, a segment on up-to-date details of

the conference. So, if you experience problems logging into our website during this period please bear with us as we push for the revamped website to be ready by end of April 2006.

— *Brendon Choa, SCL (Singapore) website coordinator*

SOCIETY OF CONSTRUCTION LAW (SINGAPORE) NETWORKING EVENING

Wednesday 10 May 2006

from

6:15pm

at

"Upstairs @ Harry's"

28 Boat Quay

A brief address will be made by our Chairman, Chow Kok Fong, outlining forthcoming events for the Society this year. However, the main aim is for this to be an informal evening allowing members to mingle and to meet the Committee Members.

Cost

Members \$20

Guests/ Non Members \$50

This price includes 3 house pour drinks*
and a selection of finger food.

Cash bar available at "Happy Hour" prices all evening.

R.S.V.P. by Wednesday 3 May 2006

* Half pint beer, glass of wine, house pour spirit, juices or soft drinks

REGISTRATION FORM: Networking Evening 10 May 2006

I will be attending the members networking evening and include payment for \$20

I will be bringing _____ guest(s) and include payment of \$ _____. Guest's names _____

Name: _____ Member No. _____ email: _____

I am not a member of the SCL but would like to attend and find out more about the Society. I enclose payment of \$50.

Name: _____ Company: _____

Tel: _____ email: _____

Cheques are to be made payable to "The Society of Construction Law (Singapore)" and forwarded by post with completed application form to: SCL Administration, 141 Cecil Street, #05-00 Tung Ann Association Building, Singapore 069541.

For enquiries please contact Dorothy Chan or Karen Fletcher, Tel: 6226 4317.

Places are limited and can only be allocated in order of priority upon receipt of payment. We regret that we are unable to issue an invoice and cannot accept payment at the event. Refunds for cancellation are not possible after 3 May 2006.

SCL (S) NEW MEMBERS

We are pleased to welcome the following new members to our Society:

Winston Hauw
Teoh Wooi Sin
Lee San San
Lim Tze Sin
Mak Weng Cheong
Rajan K. George
Irene Low Poo Noi
Jonathan Choo Yu Jin

Stuart Warren
Christopher Paul Redfearn
Robert Simmons
Justyn Jagger
Chong Sim
Kent A. Boswell
Ho Kong Mo

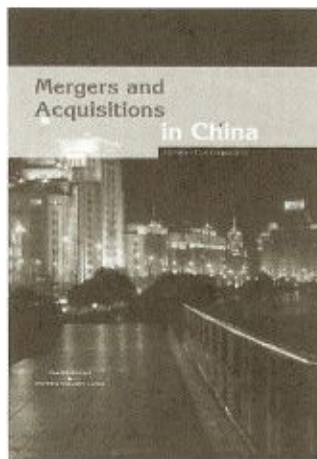
THOMSON
*
SWEET & MAXWELL ASIA

Mergers and Acquisitions in China

Stamford Law Corporation

Mergers and acquisitions, which were uncommon in China in the past, have surged dramatically over the last few years. This has been due to a combination of factors - the encouragement of the Chinese government for smaller state-owned enterprises to consolidate into larger conglomerates, the response of the Chinese industries to the need to remain globally competitive, as well as the recognition of foreign investors of the expediency of acquiring and restructuring businesses in China. At the same time, Chinese laws are being overhauled and regulations issued to liberalise the terms for mergers and acquisitions by foreign investors.

In this ever-changing political, social and economic landscape, this book provides a reliable source of information on the legal framework, forms and structures of mergers and acquisitions transactions, government approval and due diligence processes, as well as alternative dispute resolutions - all of which should be understood before one enters the China market.



Specific topics included in the book are:

- Political and Economic Overview
- Free Trade and its Impact on Mergers and Acquisitions in China
- Foreign Investment Enterprises
- Types of Acquisitions in China
- Due Diligence in Mergers and Acquisitions in China
- Approvals and Consents
- Documentation and Negotiation in Merger and Acquisition Transactions
- Employment Issues in Merger and Acquisition Transactions
- Tax Implications of Mergers and Acquisitions in the PRC
- Exchange Control
- Intellectual Property
- Post-Acquisition Issues
- Mergers and Acquisitions of Listed Companies
- Mergers and Acquisitions of State-Owned Enterprises
- Civil Litigation
- Arbitration and Alternative Dispute Resolution

About the authors

Established in 2000, Stamford Law Corporation provides comprehensive legal services in all areas of corporate law. In the area of M&A work, the practice advises in all aspects and variants of M&A activity. Stamford Law Corporation is involved in many mandatory, voluntary, as well as partial offers under the Code of Take-overs and Mergers and schemes of arrangements undertaken pursuant to Section 210 of the Companies Act. It has advised on competitive bid processes (for both vendors as well as purchasers) which precede many major acquisitions or disposals. It has also advised in the sale and purchases of shares, businesses, assets and undertakings in many industries, both locally and regionally.

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