

AIAC CIPAA CIRCULAR 07

COMPETENCY STANDARD AND CRITERIA OF ADJUDICATORS UNDER THE CONSTRUCTION INDUSTRY PAYMENT AND ADJUDICATION ACT 2012

Section 32(a) of the Construction Industry Payment and Adjudication Act 2012 (the "CIPAA") provides that the Asian International Arbitration Centre ("AIAC") shall be responsible for the setting of the competency standard and criteria of an adjudicator. This responsibility is, however, subject to the competency standard and criteria of an adjudicator as prescribed in Regulation 4 of the Construction Industry Payment and Adjudication Regulations 2014 (the "Regulations").

Specifically, Regulation 4(a) of the Regulations contains the requirement that an adjudicator shall have "*working experience of at least seven years in the building and construction industry in Malaysia or any other fields recognized by the AIAC*".

In assessing whether an adjudicator satisfies Regulation 4(a), consideration will hereon be given to an adjudicator's experience in the building and construction industry acquired *both within Malaysia and overseas* over at least seven years. This means that adjudicators can be considered for empanelment and appointment where they possess fewer than seven years' experience in the building and construction industry in Malaysia. However, the adjudicator's cumulative experience in this industry, both within Malaysia and overseas, must total at least seven years.

In interpreting the phrase, "*or any other fields recognized by the AIAC*", it is clarified that adjudicators will be considered for empanelment even where they predominately work in a field other than building and construction, provided they can demonstrate having acquired practical or theoretical experience related to the building and construction industry to some degree of significance. Adjudicators who fall within this category are not exempt from the requirement to have acquired at least seven years of experience in Malaysia as defined above.

For the avoidance of doubt, the duration and nature of an adjudicator's experience in Malaysia cannot be insignificant. The Director of the AIAC retains the discretion to refrain from the empanelment and appointment of adjudicators who fail to demonstrate sufficient experience within Malaysia.

This Circular 07 will take effect on 1st December 2020.

Dated this 1st December 2020.



Tan Sri Datuk Suriyadi Bin Halim Omar
Director