



PRESS RELEASE

CIDB LAUNCHES CONSTRUCTION DISPUTES SERIES TO SHORE UP INDUSTRY PROFESSIONALISM

PUTRAJAYA, June 4, 2015: In a pioneering initiative, the Construction Industry Development Board (CIDB) Malaysia and judiciary have joined hands to launch a compilation of construction disputes to boost knowledge and best practices in the fastest growing industry in the country..

The inaugural publication of “Learning from Decided Construction Cases and Commentaries” provides details of 22 selected cases that were tried by the Construction Court between its establishment in April 2013 and December 2014.

Set to be an annual series by CIDB, it provides insights into how the cases have been interpreted by the courts, and supplemented with views from industry and construction law experts.

At its launch ceremony here today, Works Minister Datuk Fadillah Yusof and Chief Justice of Malaysia Tun Arifin Zakaria lauded the CIDB’s latest effort to transform the construction industry that hit a value of RM136 billion last year.

“With the publication we are launching today, the industry players can now gain insight into the various types of construction cases brought to court, the decisions, and the basis of those decisions made by the specialised Construction Court judges,” said Fadillah.

He is confident that industry players would make full use of the publication to improve their practices for a healthy and vibrant construction industry and rid the perception that the industry was laden with disputes.

Construction disputes can vary based on the complexity of projects including owner and contractor-related issues and design specifications, all of which can hinder the completion of projects punctually and within budget, added Fadillah.

He urged CIDB to advance another step by producing a report based on the analysis of court cases and make recommendations on industry practices, law amendments or to minimise the number of disputes for the smooth implementation of construction projects.

Arifin hailed the publication as a new milestone in the partnership between the judiciary and CIDB, describing it as a beneficial reference material for the construction industry and legal fraternity.

“I believe construction industry players, members of the judiciary and also the legal practitioners will be able to use the information provided from decided cases to enhance their own understanding of the nature of litigation related to the construction industry,” he said.

For the judiciary, the cases featured can be referred to as precedence for judgement in similar cases while legal practitioners can better advise clients on the preparation of contractions and documentations needed in cases of dispute, he added.

He urged all parties to work together to reduce conflicts and disputes as it would not only enhance industry performance but also save costs in terms of project delays and court proceedings.

Since the establishment of the Construction Court, one each in Kuala Lumpur and Shah Alam respectively, a total of 831 disputes were filed up to December 2014 and most of

the cases were disposed within nine months. Construction court cases are specially coded "C".

The construction industry continues to outpace all other sectors with 11.6% growth in 2014 with 6,927 projects valued at RM136 billion, up from 10.9% in 2013 with RM131 billion from 8,042 projects.

About CIDB

The Construction Industry Development Board was established under the Construction Industry Development Act (Act 520) to develop the Capacity and Capability of the Construction Industry Through Enhancement of Quality and Productivity by Placing Great Emphasis on Professionalism, Innovation and Knowledge in the Endeavour to Improve the Quality of Life.

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