

Construction Industry Security of Payment Ordinance (Hong Kong)
Claim and Adjudication Process

Applicable from 28 August 2025

→ Indicates mandatory process

--- Indicates optional / possible process

Payment Claim:

The claimant serves a payment claim under the Construction Industry Security of Payment Ordinance (Hong Kong) on the party who is liable to make a payment (**payment party / respondent**). This can be done from the billing date; or, if earlier, will be taken to have been served on the billing date [s. 18(2)].

The payment claim must comply with the formalities set out in s.18(3) – (6), or else it will be taken to not have been served.

Payment Response:

Payment party must respond to (or pay the full amount stated in) the payment claim in the **'Response Period'**, being the earlier of:

- The payment deadline of the progress payment; or
- 30 days after the date the payment claim was served (**'30 day period'**) [s. 20(1)].

If the parties have agreed on another date that payment response is due, and the specified date is earlier than the 30 day period, the earlier date applies [s. 20(2)].

Payment party pays in full by the end of the Response Period.

Payment has occurred. No further action on this matter.

Payment party serves a Payment Response in the Response Period which admits less than the claimed amount.

Payment party serves a Payment Response in the Response Period which disputes the amount in full.

Payment party fails to serve a Payment Response in the Response Period.

Payment party serves a Payment Response which admits an amount is to be paid but fails to pay the amount in full by the payment deadline of the progress payment.

A payment dispute arises on the day after the payment response deadline [s. 23(3)(a)].

A payment dispute arises on the day after the progress payment deadline [s. 23(3)(b)].

A claimant's right to delay work or supply: After the payment deadline of the progress payment and at least 5 working days before the intended starting date, the claimant's rights arise once they serve the paying party a notice of intention that complies with s. 59(3) and notify the owner of their intention to delay work or supply. Unless specified in the notice of intention, the intended start date is taken to be the 5th working day after the notice of intention is served [s. 59(4)].

Initiating proceedings:

Within 28 days from the date the payment dispute arises, the claimant may initiate adjudication proceedings [s. 24]. To initiate proceedings, the claimant must serve a written adjudication notice on the respondent in line with the formalities of the notice stated in s. 25(2).

If the claimant withdraws the adjudication proceedings, the claimant can initiate fresh proceedings for the payment dispute within 28 days of the payment dispute arising (see above for process) [s. 25(5)].

Withdrawal: A claimant may withdraw proceedings at any time [s. 40].

Selecting a nominating body and serving the adjudication notice

Termination: If only one nominating body is specified in the construction contract, or a nominating body is selected, and adjudication proceedings are terminated on grounds specified in s. 41(a), (e), (f) or (g), the claimant may initiate fresh proceedings within 28 days of termination [s. 25(6) – (7)].

If one nominating body is specified in the construction contract, the body must be served on the same date the respondent is served [s.25(3)(a)].

If no nominating body is specified in the construction contract, the claimant must nominate 2 nominating bodies to the respondent [s. 27(2)(a)], the respondent must select one of those nominating bodies within 5 working days after service of the adjudication notice on the respondent [s. 27(3)(a)], and the claimant must serve the selected body within 8 working days of serving the respondent [s. 25(3)(b)].

If more than one nominating body is specified in the construction contract, the claimant must nominate 2 nominating bodies from the contract [s. 27(2)(b)], the respondent must select a nominating body and serve a written notice on the claimant to inform them of their choice within 5 working days of serving the adjudication notice on the respondent [s. 27(3)(b)], and the claimant must serve the chosen nominating body within 8 working days of serving the respondent [s. 25(3)(b)].

The claimant must resume carrying out work or supplying goods within 5 working days after they receive the amount [s. 59(5)(e)].

If the respondent fails to inform the claimant of their nominating body selection, the claimant must, within 3 working days of expiry of the deadline, select a nominating body from the claimant's nomination and serve written notice on the respondent informing them of the selection [s. 27(4)].

Appointment of an adjudicator: Within 7 working days of service of the adjudication notice on the nominating body, the nominating body must appoint an adjudicator and inform the claimant and respondent in writing of the appointment [ss. 26(2)(b) and 27(5)].

Adjudicator discloses conflicts: When an individual is approached by a nominating body in connection with possible appointment as an adjudicator, the individual must declare that they have no conflicts of interest in respect of the appointment, and whether there are circumstances likely to give rise to justifiable doubts as to the individual's independence or impartiality [s. 29(1)].

Claimant to serve adjudication submission: The submission (including supporting documents and evidence) must be served on the adjudicator and respondent within 1 working day from the date the claimant was informed of the adjudicator's appointment [s. 30(2)].

Respondent to serve adjudication response: The response (including supporting documents and evidence) must be served within:

- 20 working days after the date the adjudication submission is served on the respondent; or
- A longer period if the adjudicator specifies [s. 31].

Claimant to serve reply to adjudication response: The reply (including supporting documents and evidence) must be served within:

- 2 working days after the date the adjudication response is served on the claimant; or
- A longer period if the adjudicator specifies [s. 32].

Adjudicator's determination: The adjudicator must make a determination and serve it on the nominating body within:

- 55 working days after the date the adjudicator is appointed; or
- A longer period if agreed by the parties [s. 42(5)].

Resignation of adjudicator: If the adjudicator considers it is not possible to make a determination fairly within the period required, they may resign by serving written notice on each party on the same date; and serving written notice of resignation on the nominating party that appoints the adjudicator [s. 39(1)].

Claimant's right to delay work or supply: After the payment deadline for the adjudicated amount and at least 5 working days before the intended starting date, the claimant may serve the respondent a notice of intention to delay work or supply [s. 60(2)].

Unless specified in the notice of intention, the intended start date is taken to be 5 working days after the notice of intention is served [s. 60(4)].

Application for setting aside: A set aside application can be made within 14 days after the date that the adjudication determination is served on the parties [s. 48(3)].

Application to enforce determination as judgment: An application may be made by a party to the adjudication to the proceedings after the expiry of the payment deadline of the adjudicated amount under the determination ([s. 49(2)].

The CFI or District Court will decide whether to grant or refuse an enforcement application within 14 days (or a longer period that the Court considers appropriate) from the date of the application unless any of the specified requirements is not complied with [s. 49(5)-(6)].

Party does not pay adjudicated amount

Service of determination on parties: As soon as reasonably practicable after the determination is served on the nominating body, the nominating body must serve the determination on the parties [s.42(7)].

Payment of adjudicated amounts: If the adjudicator determines that one party is liable to pay an amount to the other party, the party must make that payment:

- Within the period specified in the determination; or
- If no period is specified, within 30 days after the determination is served on the parties [s. 43(1)].

Contact us if you have any questions:



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