

# Suara

# PERUNDING



**ASSOCIATION OF  
CONSULTING ENGINEERS MALAYSIA**

INDUSTRY PARTNERS



INTERNATIONAL FEDERATION OF  
CONSULTING ENGINEERS (IFDIC)



FEDERATION OF ASEAN  
CONSULTING ENGINEERS (FACE)

BUILDING TRUST



<http://mys.sika.com>



T&T Pacific Sdn. Bhd.

Second Quarter 2020



ASSOCIATION OF CONSULTING ENGINEERS MALAYSIA

## 2019/2020 SESSION

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**INDUSTRY PARTNERS****MESSAGE FROM THE PRESIDENT**

Dear ACEM Members and Readers,

Welcome back Suara Perunding and thanks are due to the special efforts by Publication Committee. They are also taking initiative to refresh our ACEM website to have a new and interesting look. Suara Perunding is our newsletter for members and readers to catch up on our activities and for information on matters of interests and future events.

In this issue of Suara Perunding, focus is given to the activities and contributions by ACEM to the government and construction industry. ACEM has been a bridge and played important role between construction industry in general and engineering consulting in particular with government and the relevant agencies during the COVID-19 pandemic.

ACEM website has been an important reference by fellow members during the MCO, to keep abreast with the current instructions given by various government agencies.

Look out for a series of workshop developed under a collaborative effort between the Malaysian Institute of Integrity (INTEGRITY) and ACEM on the guidelines for installing "Adequate Procedures" to protect firms against prosecution under Section 17(A) of the MACC Act 2018 that will come to force as of 1 June 2020. Under this Section, the management of a firm (consulting firms included) can be held liable if any of its employee commits a corrupt act unless adequate procedures are put in place. For a start the workshops will be for firms with ISO Certification or in the process of obtaining one. This is so that those Adequate Procedures could be incorporated into the ISO processes and procedures.

Let us keep ACEM strong always and to continue being **"the Voice of the Consulting Business and Industry"**.

Happy reading,

**Datuk Ir Mohd Adnan**

President, ACEM

**New Members**

(March, May &amp; June 2020)

**Individuals****March 2020**

Name	Date
Ir. Chow Kok Sun	9 March 2020
Ir. Burhanuddin Bin Abu Bakar	12 march 2020

**June 2020**

Name	Date
Ir. Phan Yong Ee	3 June 2020
ir. Wong Toi Jun	3 June 2020
ir. Salim Bin Tupaat	5 June 2020
ir. Lui Man Leong	11 June 2020

**July 2020**

Name	Date
Ir. Lim Chong Seng	1 July 2020
Ir. Dr. Tan Kuang Leong	3 July 2020

**Panel Member Firms**

Name	Date
Perunding KYS Sdn bhd	15 May 2020
Angkasa Jurutera Perunding Sdn Bhd	15 May 2020
Jurutera CSD Sdn Bhd	15 May 2020

**June 2020**

Name	Date
WPA Partners Sdn Bhd	20 June 2020

**Cessation of Membership**

(March, June &amp; July 2020)

**Individuals****March 2020**

Name	Date
Ir. Baljit Singh A/L Rattan Singh	4 March 2020

**June 2020**

Name	Date
Ir. Chong Sin Nin	5 June 2020

**July 2020**

Name	Date
Ir. Fu Chee Hung	1 July 2020

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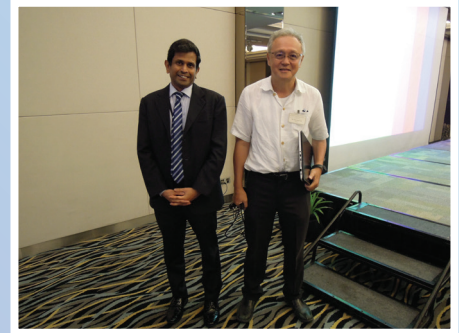
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- Inputs from ACEM to CIDB - Considerations for the Post-MCO immediate reactivation of construction activities through the full and partial opening of sites
- Submitted by ACEM to Malaysian International Trade and Industry (MITI) Issues Faced By Professional Services (PS) When Commencing Business
- Wage Subsidy Programme
- Feedback from the Association of Consulting Engineers Malaysia (ACEM) to the Construction Industry Development Board (CIDB) on the relaxation for Professional Services(Engineers) to operate during MCO
- ACEM Response to EPU Issues Faced By Professional Services (PS) When Commencing Business
- Prosedur Operasi Standard (SOP) - Perintah Kawalan Pergerakan Bersyarat (PKPB)

## Half-day Talk on Stability of Cut Slopes, Uncertainties, Liabilities and Risk Management

The half-day talk was held on 13 January 2020 at Hotel Armada Petaling Jaya. A total of 57 participants attended the talk.

The speakers were Ir. Dr. Toh Cheng Teik of Dr. Toh Associates Sdn Bhd and Mr. Yatiswara Ramachandran of Azman Davidson & Co. Lectures presented were on:

- The Influence of Relict Discontinuities on Cut Slope Instability.
- Landslide Risk Assessment.
- A Consultant's Duties with regard to Landslide Risks Encountered in Development Projects.



## ACEM Talk for Practising Engineers 2020

The half-day talk was held on 15 February 2020 at Sunway Hotel Seberang Jaya, Penang. The speakers were Encik Azman b. Hussain from Department of Occupational Safety and Health (DOSH), Ir. Liew Shaw Shong from ACEM and Encik Noriman bin Muhamad from Ministry of Housing and Local Government. Lectures presented were on:

- OSHCIM Guidelines for Designers.
- Geotechnical Failures: Is It a Good Companion or a Curse to Engineers?
- Further updates on OSC 3.0 PLUS



## Half-day Seminar on Corporate Liability : Section 17(A) of MACC Act

*Date : 19<sup>th</sup> February 2020 • Location: The Malaysian Institute of Integrity*

The half-day seminar was presented by speakers from The Malaysian Institute of Integrity, Malaysian Anti-Corruption Commission and ACEM. A total of 64 participants attended the event. Topics covered were The National Anti-Corruption Plan 2019-2023; Introduction to Section 17(A) of the MACC Act, 2009; Guidelines on 'Adequate Procedures'; and The Way Forward.



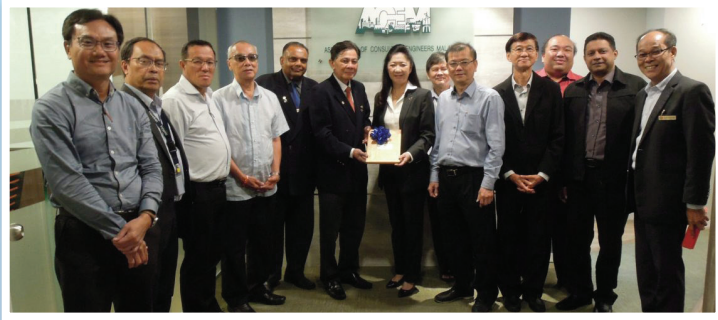
Group photo of speakers and participants



The speakers, from left SAC Mohd Nur Lokman (MACC), Pn. Nor'afiza Saim (IIM), Pn. Shuhairoz Bt. Mohamed Shukeri (IIM) and Ir. K Sundraraj (ACEM)

# Courtesy Visit by The Malaysian Fire Protection Association(MFPA)

Date : 21<sup>st</sup> February 2020 • Location: ACEM Office



Group Photo, Datuk Ir. Mohd Adnan gave a token of appreciation to the President of MFPA



Meeting in progress

# ACES – ACEM Interim Dialogue, Sharing Experiences from Both Sides of the Border on Covid-19 Pandemic

Date : 25<sup>th</sup> June 2020  
Location: Video Conference



# Meeting with YB Minister, Dato’ Sri Mustapa bin Mohamed at Prime Minister Office

Date : 23<sup>rd</sup> April 2020  
Location: Prime Minister Office (PMO), Putrajaya  
Attended by ACEM President Datuk Ir. Mohd Adnan bin Mohd Nor to discuss matters affecting construction industry in general and engineering consulting in particular.



# BEM, IEM, ACEM at MITI discussion on COVID-19 Temporary Measures Bill

Date : 3<sup>rd</sup> June 2020  
Location: Ministry of International Trade and Industry (MITI)



# Coronavirus (COVID-19): FIDIC Guidance for Global Consulting Engineering Business

Date : 8<sup>th</sup> April 2020



**International Federation of Consulting Engineers**  
The Global Voice of Consulting Engineers

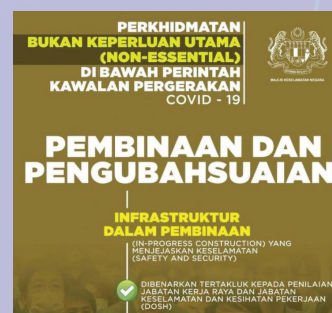
**Coronavirus (COVID-19):**  
FIDIC Guidance for Global Consulting Engineering Businesses

FIDIC guidance document

This guidance can be download in ACEM

# Perkhidmatan Bukan Keperluan Utama (Non-Essentials) Di Bawah Perintah Kawalan Pergerakan COVID - 19

Date : 8<sup>th</sup> April 2020



**PERKHIDMATAN BUKAN KEPERLUAN UTAMA (NON-ESSENTIAL) DI BAWAH PERINTAH KAWALAN PERGERAKAN COVID - 19**

**PEMBINAAN DAN PENGUBAHSUAIAN**

**INFRASTRUKTUR DALAM PEMBINAAN**  
(IN-PROGRESS CONSTRUCTION) YANG MENJELASKAN KESELAMATAN (SAFETY AND SECURITY)

DIBENARKAN TERTAKLUK KEPADA PENILAIAN JABATAN NEGARA BAWA DAN JABATAN KESELAMATAN DAN KESIHATAN PEKERJAAN (DOSH)

Hebahan kepada ahli acem di dalam website ACEM bagi mereka yang ingin memulakan aktiviti

Approval from JKR & DOSH required even for emergency works. Consulting Engineers to email to this address [sarimaha.jkr@1govuc.gov.my](mailto:sarimaha.jkr@1govuc.gov.my)

## Courtesy Call to Jabatan Air Sabah

Date : 2<sup>nd</sup> July 2020

Location: Jabatan Air Headquarters, Kota Kinabalu

Attended by: Ir. Lee Tet Fon, Ir. Joe Primus, Ir. Wah Kheng Haw, Ir. Razalie Sindong, Ir. Yong Lip Bing, Ir. Amirul Hisham, Ir. Heng Aik Sin, Ir. Joe Chow and Ir. Fung Yin Khun.

### Remarks

The main purpose of the courtesy call is to introduce the ACEM Sabah committee and to establish close cooperation between Jabatan Air Sabah and ACEM Sabah. It was mentioned in the visit that the Director may seek ACEM Sabah for support to conduct public awareness talks on the technical aspect of the purpose of water Dams and its environmental impact and mitigation measures.



## Courtesy Call to Kota Kinabalu China Consulate

Date : 21<sup>st</sup> February 2020

Location: Kota Kinabalu China Consulate Office

Attended by: Ir. Lee Tet Fon, Ir. Kenny Lo and Datuk Ir. Chin Shu Ying

### Remarks

The courtesy call was jointly organised by three engineers' associations namely, Sabah Engineers Association, The Institution of Engineers, Malaysia, Sabah Branch (IEM Sabah) and Association of Consulting Engineers Malaysia Sabah Branch (ACEM Sabah). The purpose of the visit was to extend assistance to China in the form of protective masks, gloves and thermometer scanner in their battle with Covid 19.



## Courtesy Call to Sabah Lands & Survey

Date : 4<sup>th</sup> February 2020

Location : Sabah Lands & Survey Office

Attended by: Ir. Kenny Lo, Ir. Wah Kheng Haw, Datuk Ir. Chin Shu Ying, Ir. Heng Aik Sin, Ir. Lo Chong Chiun and Ir. Joe Chow.

### Remarks

The purpose of the visit is to introduce the ACEM Sabah committee, exchange of views and ideas between the department and ACEM Sabah and establishing close cooperation between both parties on matters of common interests. ACEM Sabah also congratulated the new director who replacing the former director effective in November 2019.



## Courtesy Call on Permanent Secretary of Sabah Ministry of Local Government and Housing

Date : 24<sup>th</sup> February 2020

Location : MLGH Sabah Permanent Secretary Office

Attended by: Ir. Lee Tet Fon, Ir. Wah Kheng Haw, Ir. Benny Song, Ir. Razalie Sindong, Ir. Yong Lip Bing, Ir. Heng Aik Sin, Ir. Amirul Hisham and Ir. Fung Yin Khun.

### Remarks

Among the purpose of the courtesy call was to discuss on the issue of submitting persons, DP submissions and other related issues.



# External Plate Reinforced Steel-Concrete Composite Bridges

## PROFILE

**Ir. Patrick C AUGUSTIN** is a Director with **Perunding FAISAL, ABRAHAM dan AUGUSTIN Sdn Bhd**. He received his first degree from Lancaster University and his Masters from Imperial College of Science and Technology, University of London. His professional qualifications are FIEM, PEng, FICE, CEng, FStructE, Chartered Structural Engineer. His main area of practise in recent years has been in bridge design although he has several high rise projects to his credit.

## Abstract

Externally bonded steel plates to the soffit of reinforced concrete beams by adhesive and mechanical means have been reported for repairs (4,5,6,7).

Externally bonded steel plates with adhesive were initially investigated for strengthening structurally damaged reinforced concrete (RC) beams. The advantage of adhesive is that it permits bonding with relative ease which require surface cleaning of the soffit and steel plates before bonding. Bonding to soffit using expanding or resin adhesive bolts requires mapping of the beam soffit to avoid internal existing reinforcement in the form of main reinforcement and stirrups.

Repairs are successful when the externally bonded steel plates can participate as reinforcement. In some instances the original structure is still in good condition however bridge or building loadings have to be increased. When the original shear capacity is adequate to resist the new loading conditions, the use of externally bonded steel plates is successful as the sections lose capacity rapidly when the plates delaminate from the parent concrete beam.

The advantage of externally bonded steel plates is that it increases the lever arm, "z" of a reinforced concrete beam.

Preco-Beam is a development under the auspices of the European Commission (EC) which has taken the concept to another level. The European Union has access to numerous types of prefabricated steel beams with flange thickness up to 64mm and associated thick webs. The beams are cut along the centre line of the web according to preferred profiles. This has conferred EC countries the ability to produce new innovative bridge beams such as the "VFT (Verbund-Fertigteile-Träger) prefabricated composite beam. The prefabricated composite beams consist of a steel beam with a concrete flange, which serves as a compressive chord and formwork element for the site-mixed concrete deck. (2)".

"A contemporary state of the art report by Paul Christophe (1902) shows a number of slab and beam-and-slab systems with steel sections available on the European market at that time. For example, the Steinbalkenkonstruktion of Fritz Pohlmann, formed by a T-beam over a perforated, asymmetric rolled section, the iron bulb beam, with flat iron hoops forming a shear-resistant connection to the concrete compression zone (Emperger 1904) (Fig. 3) (8)." This design in 1901 would not be out of place in the Preco-Beam family, as the very strong steel concrete composite dowel action is evident in the bonding of the concrete to the steel tension member via the perforations in the steel web.

The Australian experience (1) was to adopt the concept of the composite dowel that connects the steel flange plate to the soffit of the web within the limitations of Australian manufacturing capability. This technical note proposes that like the Australian experience, we advance the composite dowel concept to suit

Malaysian manufacturing capacity. Shear studs by itself can perform as the composite dowel.

## Introduction

Bonding of steel flange to a RC to act as a bridge beam confers a lot of advantages with reduction in cost. The concept is looked at using the standard I2-beam as the RC portion for spans up to 24m. The beams could be cast as a single beam. If transportation is a problem it could be cast in segments and joined by splicing the flange plates and introduced web plates. It would be greatly advantageous to cast the top flange wider and thinner.

To design a I2-beam as RC member would be untenable as the amount of reinforcement required, 15T32, will render the section unworkable as the reinforcement will make the section excessively congested. Couplers would be required and curtailment at bearings would add to further congestion.

About 22 12.7 diameter strands would be required when constructed as a prestressed beam. Prestressing would require a casting yard that has facilities for a stressing bed.

## Preco-Beam - Composite Dowel

Only one aspect of preco beam will be discussed, the pattern of cutting an I-beam along the middle to a pattern that results in the dowel.

Cutting I-beams along the middle to a preset shape has been utilised for the fabrication of castellated girders and latterly by the patented Westok cellular beams to form two Tees. The Tees are then welded along the middle to form a deeper beam.

Preco beams when cut along the middle to a pre-set pattern is used as individual Tees, where the pattern in the web is embedded in concrete and the flange of the Tee is used as the external reinforcement. The projections above the web centre line acts as Composite Dowels which form the bond between the Tees and concrete web.

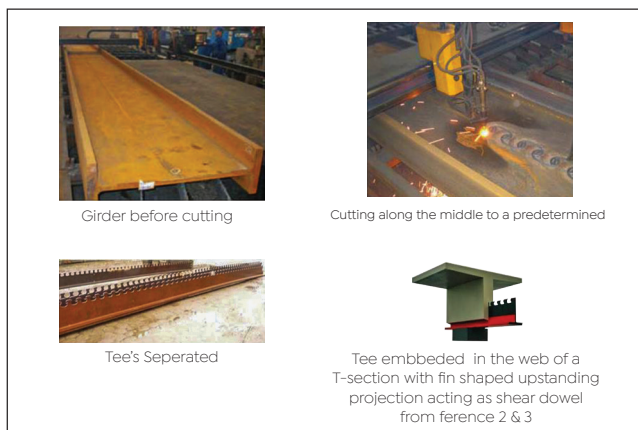


Figure 1

## AUSTRALIAN Preco-Beam Tee

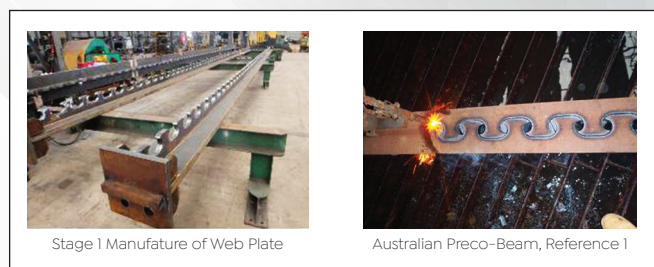


Figure 2

Unlike the EU countries, Australia does not have local access to the vast range of steel beams to fabricate the Preco-Beam Tees. The first Australian bridge of its type involves a two stage manufacturing process. At Stage 1 a wide steel flat is cut along the middle to the predetermined pattern of the preferred steel dowel shape to form the web of the Tee. Stage 2 involves welding the web to a thick flange plate to form the Tee. Thus is a Preco-Beam Tee is formed.

### Proposed Malaysian Adaptation

Externally reinforced concrete beams can be bonded to the parent concrete beam with steel shear studs of the type commonly used in steel concrete composite bridges and in buildings. The rules are well developed in BS5400 Part 3, Part 4 and Part 5. They can be used to calculate the number of shear studs required as well as the shear reinforcement in the web, serviceability and ultimate conditions.

The concept can be built around the I-Beams which was developed by Prestressed Concrete Development Group (PCDG) and information released in 1964. The I-beam is very light and and the I-12 profile is used to assess the requirements of for a 24m span bridge deck with a width of 6.9m to R1a / U1a standard. One of the limits that will govern the design is the maximum shear that the section can accommodate.

A feature that makes Preco-beam very effective is casting a thin top concrete flange that reduces the need for deck form-work while increasing the beam stiffness and stability during construction. This lesson can be brought over.

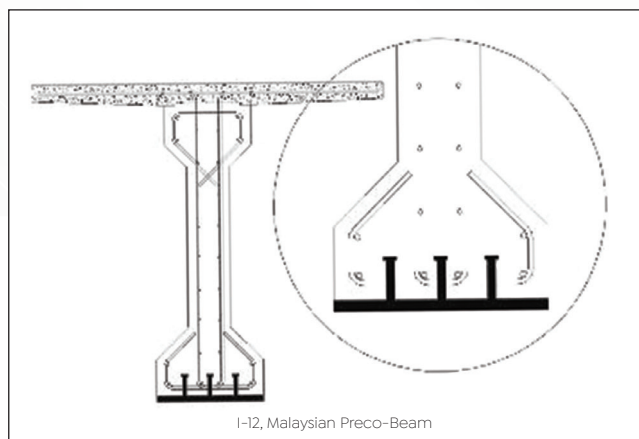


Figure 3

The advantage of I-Preco Beam is that it can be fabricated in three segments of 8m each for the 24m bridge span. This makes transportation to remote sites easier. A standard I-12 beam weighs approximately 1.05 tons/m. With an extended flange the overall beam weight is approximately 1.41 tons/m. An 8m segment is therefore easily handled and transported with small lorries and handled with light cranes

The pre-cast sections can be bolted together with flange splices at the bottom steel plate and web splice and section concreted. Unlike prestressed concrete, the preco beam extremal reinforcement will have to be pre-cambered to a shape that will account for the beam deflection during construction.

### SUMMARY

Adapting Preco-Beam engineering to Malaysia, provides us with an additional design tool for the design and construction of lightweight bridge beams that can be constructed without sophisticated tools and casting yard. It opens another avenue to make rural connectivity more accessible to a greater number of communities.

### REFERENCES

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- 2) *Prefabricated enduring composite beams based on innovative shear transmission (Preco-Beam)*  
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- 3) *Design Guide ; Prefabricated Enduring Composite Beams based on innovative Shear Transmission, Research Association for Steel Application (FOSTA) ArcelorMittal Belval & Differdange, et al 2012*
- 4) *Strengthening Existing Reinforced Concrete Beams for Flexure Using Bolted External Structural Steel Channels* by Christopher M. Foley and Evan R. Buckhouse January 1998
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- 7) *Load-carrying capacity of reinforced concrete beams with adhesively bonded steel plates*  
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- 8) *ON THE EVOLUTION OF STEEL-CONCRETE COMPOSITE CONSTRUCTION* Dipl.-Ing. Eberhard Pelke1, Dr.-Ing. Karl-Eugen Kurrer2  
5th International Congress on Construction History June 2015



# List of Additional Sectors Allowed to Operate Subject to Conditions

Date : 12<sup>th</sup> April 2020

Downloadable from ACEM website.

**LIST OF ADDITIONAL SECTORS ALLOWED TO OPERATE SUBJECT TO CONDITIONS**

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

**Aerospace industry**

**Automotive industry**  
(limited to exports of CBU, parts and components, as well as after-sale services, e.g., repair and maintenance)

**Construction projects and services related to construction works:**

- Projects whereby the main contractors are G1-G2
- Projects that have achieved physical progress of 90% and above
- Tunneling works
- Maintenance works
- Sloping works
- Emergency works that are consequent to contractual obligations
- Maintenance, cleaning and drying of stagnant water, spraying of pesticides at construction sites which prevent the breeding of Aedes mosquitoes and other pests

**Machinery and equipment industry**

- Other works that if left incomplete may result in danger
- Building projects with 70 IB5 score and above
- Construction projects with accommodation facilities for workers, such as centralised quarters for workers or workers' camp
- Professional services related to the construction industry including architects, engineers, town-planners, land surveyors, quantity surveyors, project managers, facility managers as well as other relevant services.

MIDA, MPC, midf, MARI, MITIMalaysia, MITIMalaysiayoutube

**LIST OF ADDITIONAL SECTORS ALLOWED TO OPERATE SUBJECT TO CONDITIONS**

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

**Science, professional and technical services, including R&D** (limited to legal services, services incidental to oil and gas, R&D activities related to COVID-19, and testing labs for the sectors allowed to operate)

**Social health services** including registered traditional and complementary medicine (TCM) practitioners

**Hardware shops, electrical and electronic (E&E) shops and optometrists** in the wholesale and retail industry

**Hairdressing** (offering haircuts only) and **laundry services** (only those offering full-service and does not include self-service laundrettes)

MIDA, MPC, midf, MARI, MITIMalaysia, MITIMalaysiayoutube

# What are the Details Information Companies need to Prepare before Applying to MITI for Approval to Operate ?

Date : 12<sup>th</sup> April 2020

Downloadable from ACEM website.

**WHAT ARE THE DETAILS INFORMATION COMPANIES NEED TO PREPARE BEFORE APPLYING TO MITI FOR APPROVAL TO OPERATE?**

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

- Company registration details including its SSM number, priorities license number and local authorities license number.
- Company's correspondence and operation address. For the latter, companies are allowed to list up to 10 locations.
- Company's estimated revenue for the year 2017, 2018 and 2019.
- Company's total number of permanent employees. The details of each employee, including name, NRIC or other identification details, nature/scope of work in the company and contact details must be submitted.

**No hard copies, all digital!**

MIDA, MPC, midf, MARI, MITIMalaysia, MITIMalaysiayoutube

**APAKAH MAKLUMAT YANG PERLU DISEDIAKAN SYARIKAT SEBELUM MEMBUAT PERMOHONAN UNTUK BEROPERASI?**

KEMENTERIAN PERDAGANGAN ANTARABANSA DAN INDUSTRI

- Maklumat pendaftaran syarikat termasuk nombor SSM, nombor lesen keutamaan dan nombor lesen Pihak Berkuasa Tempatan.
- Alamat korespondensi dan operasi syarikat. Bagi alamat operasi, syarikat dibenarkan membuat senarai maksimum sebanyak 10 lokasi.
- Anggaran pendapatan syarikat untuk tahun 2017, 2018 dan 2019.
- Bilangan pekerja tetap syarikat, maklumat setiap pekerja, termasuk nama, kad pengenalan, nombor telefon atau maklumat pengenalan lain serta sifat / skop kerja di syarikat.

**Tiada kertas, semua digital!**

MIDA, MPC, midf, MARI, MITIMalaysia, MITIMalaysiayoutube

# Companies in the Additional Sectors Allowed to Operate Can Only Start Their Operation after Approval is Given by MITI

Date : 14<sup>th</sup> April 2020

Downloadable from ACEM website.

**NOTICE**

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

**Companies in the additional sectors allowed to operate can only start their operation after approval is given by MITI.**

MIDA, MPCA, MIDP, MIDP, MARi, MITIMalaysia, MITIMalaysiayoutube

**SENARAI SEKTOR TAMBAHAN YANG DIBENARKAN BEROPERASI MENGIKUT SYARAT-SYARAT YANG DIPERKETATKAN**

KEMENTERIAN PERDAGANGAN ANTARABANGSA DAN INDUSTRI

**Industri Aeroangkasa**

**Industri Automotif**  
(terhad kepada eksport unit siap pasang sepenuhnya – CBU, peralatan dan komponen, serta perkhidmatan selepas jualan contohnya penyelenggaraan)

**Industri Mesin dan peralatan**

**Projek-projek pembinaan dan perkhidmatan berkaitan pembinaan**

- Projek di mana Kontraktor G1-G2 sebagai kontraktor utama
- Projek yang telah disahkan mencapai kemajuan fizikal 90% ke atas
- Kerja-kerja terowong
- Kerja-kerja penyelenggaraan
- Kerja-kerja cerun
- Kerja-kerja kecemasan yang termaktub dalam perjanjian kontrak
- Kerja-kerja penyelenggaraan, pembersihan dan pengeringan air bertakung, penyemburan racun serangga di tapak bina bagi mengelakkan pembiakan nyamuk Aedes dan lain-lain haiwan perosak
- Kerja-kerja lain yang jika tidak disempurnakan boleh mendatangkan bahaya
- Projek bangunan dengan 70 IBS store ke atas
- Projek pembinaan dengan fasiliti/ kemudahan tempat tinggal untuk pekerja seperti Kwarters Pekerja Berpusat atau kem pekerja
- Perkhidmatan profesional yang terlibat dalam industri pembinaan termasuk arkitek, jurutera perancang bandar, juru-ukur tanah, juru ukur bahan, pengurus projek, pengurus fasiliti dan lain-lain berkaitan.

MIDA, MPCA, MIDP, MIDP, MARi, MITIMalaysia, MITIMalaysiayoutube

**APAKAH MAKLUMAT YANG PERLU DISEDIAKAN SYARIKAT SEBELUM MEMBUAT PERMOHONAN UNTUK BEROPERASI?**

KEMENTERIAN PERDAGANGAN ANTARABANGSA DAN INDUSTRI

- Maklumat pendaftaran syarikat termasuk nombor SSM, nombor lesen keutamaan dan nombor lesen Pihak Berkuasa Tempatan.
- Alamat korespondensi dan operasi syarikat. Bagi alamat operasi, syarikat dibenarkan membuat senarai maksimum sebanyak 10 lokasi.
- Anggaran pendapatan syarikat untuk tahun 2017, 2018 dan 2019.
- Bilangan pekerja tetap syarikat, maklumat setiap pekerja, termasuk nama, kad pengenalan, nombor telefon atau maklumat pengenalan lain serta sifat / skop kerja di syarikat.

**Tiada kertas, semua digital!**

MIDA, MPCA, MIDP, MIDP, MARi, MITIMalaysia, MITIMalaysiayoutube

**WHAT ARE THE DETAILS INFORMATION COMPANIES NEED TO PREPARE BEFORE APPLYING TO MITI FOR APPROVAL TO OPERATE?**

KEMENTERIAN PERDAGANGAN ANTARABANGSA DAN INDUSTRI

- Company registration details including its SSM number, priorities license number and local authorities license number.
- Company's correspondence and operation address. For the latter, companies are allowed to list up to 10 locations.
- Company's estimated revenue for the year 2017, 2018 and 2019.
- Company's total number of permanent employees. The details of each employee, including name, NRIC or other identification details, nature/scope of work in the company and contact details must be submitted.

**No hard copies, all digital!**


MIDA, MPCA, MIDP, MIDP, MARi, MITIMalaysia, MITIMalaysiayoutube



# Letter from ACEM to YAB Perdana Menteri Malaysia 'Surat Rayuan Supaya Kerajaan Malaysia Dapat Membantu Syarikat-Syarikat Perunding Kejuruteraan Yang Menghadapi Masalah Aliran Tunai Dalam Keadaan Pandemik Covid-19'

Date : 7<sup>th</sup> April 2020

Downloadable from ACEM website.



**THE ASSOCIATION OF CONSULTING ENGINEERS MALAYSIA**  
Company No.: 19630100185 (S07M-0)  
(Established 25 June 1963)

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**PERSATUAN JURUTERA PERUNDING MALAYSIA**  
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Rujukan Tuan: Tarikh: 29 Mac 2020  
Rujukan Kami: DMA/R/2020/30881

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**2019/2020 SESSION**  
President: Dato' Ir. Mohd Adnan bin Mohd Nor  
Deputy President: D. K. Sudarshan  
Honorary Secretary: D. R. Ahmed Rashed bin Zaidun  
Honorary Treasurer: D. Ahmed Rashed bin Zaidun  
Immediate Past President: D. Ch. Hong Chee Fun  
Council Members: Dato' Ir. Mustafa Mohamed, D. K. Sudarshan, D. R. Ahmed Rashed bin Zaidun, D. Ch. Hong Chee Fun, D. Lee Shee Shing, D. Lee Tei Fong, D. Liew Ah Loo, D. Sharifah Adina bt Raja Kamal Panniah, D. Ramani Ramani  
CHAIRS OF STANDING COMMITTEES  
Corporate & Communication: D. Sharifah Adina bt Raja Kamal Panniah  
Finance & Administration: D. Ahmed Rashed bin Zaidun  
Information & Communication Technology: D. Kuan Han Hong  
Infrastructure: D. Lee Shee Shing  
Memberships: Dato' Ir. Mustafa Mohamed  
Practice: D. K. Sudarshan  
Publication: D. Ramani Ramani  
Training & Education: D. Chong Chee Fun

---

**YAB Tan Sri Dato' Haji Muhyiddin bin Haji Mohd. Yassin Perdana Menteri Malaysia**  
Jabatan Perdana Menteri  
Setia Perdana 8, Kompleks Setia Perdana  
Pusat Pentadbiran Kerajaan Persekutuan  
62502 Putrajaya, Malaysia

Assalamualaikum YAB Tan Sri,

**Rayuan supaya Kerajaan Malaysia dapat membantu syarikat-syarikat perunding kejuruteraan yang menghadapi masalah aliran tunai dalam keadaan pandemik Covid-19**

Terlebih dahulu, kami berdo'a agar YAB Tan Sri diberi kesihatan dan afiyah dan diberi kekuatan untuk terus menerajui negara menghadapi pandemik Covid-19 yang kini melanda negara dan seluruh dunia.


Dengan segala hormatnya kami daripada Persatuan Jurutera Perunding Malaysia (ACEM), the Association of Consulting Engineers (Malaysia) dengan ini memohon pertimbangan YAB Tan Sri untuk Kerajaan Malaysia membantu syarikat-syarikat perunding kejuruteraan yang sudah mula menghadapi masalah aliran tunai untuk bayaran gaji pekerja mereka dalam keadaan pandemik covid-19 ini.

Lanjutan daripada Perintah Kawalan Pergerakan (PKP), kebanyakan aktiviti pembinaan dan pembangunan terpaksa dihentikan. Ini bermakna syarikat tidak dapat membuat tuntutan kemajuan kerja dan klien pula tidak akan membayar jika kerja-kerja tidak disiapkan mengikut perjanjian kerja. Syarikat-syarikat jurutera perunding terpaksa teruskan bayaran gaji pekerja dan kos-kos lain daripada rezab tunai mereka.

Memandangkan kebanyakan daripada syarikat-syarikat jurutera perunding adalah dalam kategori Perusahaan Kecil dan Sederhana (PKS) dan tidak mempunyai aliran tunai yang kukuh maupun simpanan, mereka akan terpaksa menghentikan pekerjaan kakitangan atau terpaksa memberi cuti tanpa gaji dalam tempoh sebulan dua ini.

Semua ahli-ahli ACEM berasa amat berat untuk mengambil tindakan seumpama itu. Lebih-lebih lagi mereka adalah pekerja mahir dan aset untuk pembangunan Negara.

1 of 2



**THE ASSOCIATION OF CONSULTING ENGINEERS MALAYSIA**  
Company No.: 19630100185 (S07M-0)  
(Established 25 June 1963)

---

**PERSATUAN JURUTERA PERUNDING MALAYSIA**  
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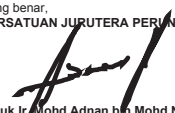
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Tanpa bantuan, kami kluar banyak syarikat-syarikat jurutera perunding akan menghadapi kesukaran untuk terus beroperasi.

YAB Tan Sri, Justeru, ACEM ingin mencadangkan dan merayu kepada YAB Tan Sri supaya Kerajaan Malaysia dapat, dengan segera, menghulurkan bantuan secara geran sekurang-kurangnya 60% daripada gaji pekerja syarikat-syarikat jurutera perunding untuk memastikan kesinambungan industri perunding kejuruteraan. Kami bersedia untuk berjumpa dengan pihak YAB Tan Sri untuk memberi keterangan lanjut berkaitan perkara ini.

Di atas pertimbangan dan kelulusan YAB terhadap rayuan kami ini didahului dengan ucapan ribuan terima kasih.

Yang benar,  
**PERSATUAN JURUTERA PERUNDING MALAYSIA (ACEM)**



**Datuk Ir. Mohd Adnan bin Mohd Nor**  
PRESIDEN  
DMA/R/

S.K:


- YB Dato' Sri Mustafa Mohamed Menteri di Jabatan Perdana Menteri (Ekonomi)**  
Jabatan Perdana Menteri,  
Aras 6, Setia Perdana 5, Kompleks Setia Perdana,  
Pusat Pentadbiran Kerajaan Persekutuan,  
62502 Putrajaya, Malaysia
- YB Senator Dato' Sri Tengku Zafrul Tengku Abdul Aziz Menteri Kewangan**  
Kementerian Kewangan Malaysia  
Aras 12 Blok Tengah,  
No. 5 Persiaran Perdana, Presint 2,  
Pusat Pentadbiran Kerajaan Persekutuan,  
62592 Putrajaya, Malaysia.

2 of 2

# Inputs from ACEM to CIDB - Considerations for the Post-MCO immediate reactivation of construction activities through the full and partial opening of sites

Date : 8<sup>th</sup> April 2020

Downloadable from ACEM website.



**Considerations for the post-MCO immediate reactivation of construction activities through the full and partial opening of sites**  
Suggestions by the Association of Consulting Engineers Association (ACEM)

---

**A. Introduction**

- This is the response by ACEM to the request by CIDB for the construction industry stakeholders to forward ideas and suggestions for the immediate reactivation of construction activities either by full or partial opening of sites upon lifting the Movement Control Order (MCO).
- ACEM looks forward to all efforts to the reactivation the construction activities as its members and all other Engineering Consulting (ECN) especially since the closure of sites has resulted effectively to zero productivity for their construction supervision services deliveries.
- ACEM is very much aware that similar situation is also faced by all other stakeholders of the industry and therefore the survival and sustainability of the respective businesses, big or small.
- This ACEM the industry looks forward to the immediate yet systematic reactivation of the construction industry not only for the benefits of the stakeholders but towards revitalisation of the economy as a whole.

**B. Considerations for reactivating construction sites either fully opened or partially**

- A sudden reactivation of construction activities is not practical as it will trigger a big surge on demands for materials, equipment, transportation, human resources and financing across the full spectrum of the supply chain. Chain could prevail as the supply chain would not meet the capacity to supply all the demands.
- This, assessing and managing the capacity of the supply chain to be within its limits is an important criteria.
- Next, within the limits of the supply chain capacity, some order of priority for the selection of project and site reactivation is necessary from the perspective:
  - National interests and security
  - Social needs and well-being
  - Balance distribution of work opportunity across construction industry sectors and regions
  - Opportunity for speedy opening and revitalizing other businesses and industries
- Equally important, the decision to fully or partially open a construction site would also have to seriously consider the need to manage the risk of covid-19 spread as well as the capability and achievable level of discipline of all personnel across the supply chain and on-site to adhere strict safe practices.
- It is also important on the nature and discipline of the construction works and the site.
- In addition, for all sites fully opened to partially, project owners shall have to provide all necessary equipment for checks and personal protective equipment to all site personnel.

**C. Types construction sites that can be fully opened or partially opened**

- Whether fully or partially opened, the principle to apply under the covid-19 situation shall be in consideration of the need for safe distancing (social distancing) between all site staffs and workers, hygiene practices, the limits on total size of work teams and the total number of site personnel at any one time and the population density (urban/rural) of the immediate vicinity of the site.
- The level of demand on resources is also an important consideration. Those project at early stage or end stage will impose less pressure on the need of resources. Also highly mechanised work operations (less labour intensive).

**C1. Fully opened site**

- Linear projects located in sparsely populated areas. Examples are roads and highways, water supply pipelines, sewerage pipelines, telecommunication cables, irrigation canals, drains and powerlines. Sections passing through urban or rural settlement could be reactivated later when the covid-19 situation improves.
- Buildings and structures in sparsely populated locations and low human traffic.
- Residential and commercial developments in sparsely populated locations.
- Sites where works at early stages or end stages, low workforce and manual requirement.

**C2. Partially opened site**

- No work in confined areas. Only in well ventilated areas and in open spaces (e.g. infrastructure works in open spaces).
- Sites in highly populated locations. To limit the size of workforce and selected nature of works.

**D. SOP for the personnel and workforce**

- There are already guidelines by the Kementerian Kesihatan Malaysia on hygiene practices under covid-19 situation. This can be reviewed to suit the construction site practices.
- In addition there are also references from other countries that could be referred to in developing an SOP for workers.

**Additional Notes**

A. This section looks at the impact on COVID of opening up sites and what effects these works would have.

The importance of the project would be one of the criteria for it to continue. Types of such project to continue will be dependent on how it affects the country's economic growth immediately post the MCO and in a short and long term run as well as recover from the pandemic. Consider the multiplier effect that the construction sector has on the economy, the government and other organizations representing the construction industry (including professional services like engineering consultants) can drive fairly quickly opening of all construction works and related activities bearing in mind that there are 2 major crisis we are facing now: the COVID-19 pandemic and the economy. Phase 1: the primary criteria for continuing the construction is the contribution of the project to the economy but in the heavy set of managing and controlling the spread of the COVID-19 virus. Phase 2 of the phased opening up of the construction sites must still predominantly consider its economic contribution whilst leading the development of the virus as a secondary consideration. Phase 3 will eventually be the total opening up.

To facilitate and achieve this phased approach effectively, formulating measurable variables relating to the spread/control of the disease and the contribution of the implemented construction to the economy to trigger Phases 2 & 3 would be necessary which must be reviewed as it progresses.

The effect on each of the contractor's supply chain is another consideration. Of immediate need will be the supply of cement, steel, aggregates, fuel and provision and maintenance of construction equipment and machineries.

Malaysia is blessed with sunshine which can potentially retard the spread of the virus. Given above, the construction of open space linear infrastructure where workers are not crowded should be recommended to proceed. High-density sites might not be initially suitable to be open unless the sites limit the number of workers at any one time. It may be necessary for each site to be given a certain quota of persons to work to contain any potential release of the pandemic.

Manufacturing of construction materials like steel, rebar, frames, etc. should also be on people's quota initially, with an expectation to increase to cater for growing demand over time as the nation regains its stability from the pandemic effects.

A lot of construction works is still on-going in other countries where it is sited at non-crowded locations but under stringent SOP. For example, in India highways outside metropolitan areas are progressing but not in cities. The same applies to China, South Korea & Taiwan.

In addition to linear construction projects, other infrastructure such as hospitals, residential and healthcare facilities must also be considered. Maintenance of such facilities is also still needed and many of such cannot afford to be put on hold for too long.

**B. Other physical considerations on the type of projects to be allowed to operate either partially or fully**

- Projects that are related to the provision of essential infrastructure e.g. water supply, telecommunications, power, water services should be allowed to be fully completed.
- Projects that are already in the advanced construction stages and leaving them incomplete for long may endanger public safety e.g. road construction in built-up areas or urban areas should be allowed fully operational. Other than are contractually separated into packages. The ideal situation is where each package starts or terminates at or near an existing road or a proposed interchange/overpass. At both at gate terminal parts of each package, traffic may be diverted from the proposed highway into the existing road. This partial completion may be related to progress for each package until the project is completed in its entirety.
- Projects that affect the operational side of a facility e.g. port upgrading, railway track upgrading should be fully allowed otherwise there will be disruption to the operations of the facilities.
- Partially completed or completed works related to exposed earthworks such as embankment filling and cut slopes need to continue after MCO is lifted. Exposure to heavy rain over a prolonged period will eventually lead to embankment & slope failures if measures are not in place to protect any exposed surface.

**C. What are the criteria needed to allow the site to operate partially or fully?**

- Impact on the spread or containment of the virus.
- Impact on the economy and its recovery.
- Impact on immediate public safety.
- Ability to impose phased construction.
- Its end-users of importance to end-users.

**D. Supporting for SOP from submission of application until approval as well as monitoring of activities. SOP needs to address health issues such as social distancing, hand washing, etc.**

- First, two weeks to allow only safety and procurement to check for safety and review of material condition (affected of prolonged exposure to the elements).
- Once this is complete, a stipulated workforce according to the quota should be allowed to be mobilised but under strict social distancing. Project Manager to decide works to be carried out based on allowable workforce.
- No external supplies such concrete or sub-con to be allowed until another 2 weeks.
- Screening of all construction personnel to be made mandatory daily to check their health, body temperature, etc.
- Facilities to disinfect workers including PPE (masks etc) to be provided and all personnel to be disinfected upon entering and leaving the site.
- All staff to be briefed on an orientation/training session performed to make all staff aware of the procedures to maintain cleanliness.
- Social distancing to be maintained as much as the construction activities allow.

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# Submitted by ACEM to Malaysian International Trade and Industry (MITI) Issues Faced By Professional Services (PS) When Commencing Business

Date : 11<sup>th</sup> April 2020

Downloadable from ACEM website.



SUBMITTED BY ACEM TO MALAYSIAN INTERNATIONAL TRADE AND INDUSTRIES (MITI)

## ISSUES FACED BY PROFESSIONAL SERVICES (PS) WHEN COMMENCING BUSINESS

Name of PS Bodies/Association: **Association of Consulting Engineers Malaysia (ACEM)**  
Sub Sector: **Engineering Consultancy Practices (ECP)/Construction**

### A ISSUES

- i) **Cash Flow** (Only 50% of ECP can sustain the business for 1-2 months from March 2020 under the current scenario)
- Many face difficulties in paying employees' wages
  - Many has imposed salary cut, some only remit a bare minimum of RM2,000/employee per month since March and some as low as RM 1,200/staff all throughout the company as 'subsistence allowance'. This is to stretch cashflow reserves by 4 to 6 months during early recovery period;
  - Some have embarked on retrenchment exercise, no new appointments, no new opportunities for university trainees and practical attachment programs;
  - Reduction of corporate tax & individual tax; waiver or reduction of SST or retention of part of SST payment are much sought after;
  - Some have resorted to financial loan for survival;
  - ECP are appealing for wage subsidy for all employees for 6 months (40-60%);
  - And to subsidize EPF employer's contribution rate (subsidy of 5-7%);
  - In addition to full exemption from contributing to EIS and SOCSO until December 2020.
  - Clients too (including the Government) are just beginning to restart. This will affect claims processing, tender evaluation and award, signing of Memorandum of Agreement.
  - Payments and claims for work done before MCO were also interrupted. There is a need to review processes and procedures to expedite and catch-up.
  - There are concerns that there will be a severe shortage of new job opportunities from the Government and private sector.
  - Inability to pay taxes. To defer tax payments up to 12 months – Tax Instalment, Custom Tax, Income Tax

Azi\_ACEM [11052020]

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### ii) Human Resource

- Working offline/online will be the new norm and aids are required to establish dependable facilities for staff
- Staff are encouraged to work from home (WFH) and new targets (KPI) for WFH are formulated. Better network / cloud-based system for data transfer and savings within controlled environment will be required urgently;
- Telecommunication and internet facilities must be upgraded to support this.
- Companies are also responsible to ensure facilities to WFH as well as even safety of staff when WFH.
- Staffs with children unable to find care (childcare services, schools, Taska) as these are still under the negative list. Thus there is reluctance to Work In Office.
- Also many (15%) of staff are still reluctant to start work under the pandemic situation.
- Hari Raya Aidilfitri is also coming close and this is also a factor for some staff reluctance to start work and expose their family to the virus.

### iii) Regulation / SOP

- SOP and regulations vary according to States, and some vary from version to version albeit from the same authority; can be very confusing. There are apprehension and concerns on compliance to various and rapidly changing federal and state regulations /SOP.
- There is a lack of understanding on any legal impact on the employer if an employee contracts the Virus. In some SOP the company is deemed fully responsible if any of the staff contracts the virus. This is unfair and not encouraging from companies to participate fully in early economic recovery.
- ECP can only ensure compliance of SOP for their own supervising staff at site and issue cautionary advice or reminder to Contractors to adhere to their mandatory construction SOP requirements. Enforcement must come from CIDB onto the contractors as the project site 'owner'. Unbalanced and unclear responsibility matrix between contractor and consulting engineers

### iv) Health Screening

- On the last MITI FAQ dated 8 May 2020, item 17 states that companies can commence operations on May 4, 2020 and staff screening is not mandatory, except for foreign workers through Socso Program of Covid-19 tests. However, there are conflicting requirements by States authorities.

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- Rather difficult to obtain appointment at the screening centers and queue can be long for walk-in.
- Unaffordable for most SMEs

### v) Supply Chain (Supply Chain Sustainability/Self Sufficiency)

- Manufacturing of construction materials like tiles, roofs, frames, etc should also be allowed to resume operations perhaps on 'people' quota initially, with expectation to increase to cater for growing demand over time as the nation regains its stability from the pandemic effects.

### vi) Any other Issues (related to business operations, e.g. inter-state travel restriction, etc)

- Circular for projects under Kementerian Pendidikan Malaysia states that KPM will not honour site supervision fees during the MCO which is punitive to the ECP. Whilst ongoing construction activities cease during the MCO, that led to site supervision services stalled, ECP could not terminate their site staff as required by the Government during the MCO. In addition, there are no instruction from clients to demobilise site supervision staff. Companies also cannot terminate services of the supervision staff during this period as there were uncertainties to the total duration of the MCO and that there is a need to be ready as site activities will resume once allowed which will entail immediate re-mobilisation of the staff. ECP must supervise these construction activities and recruitment of any new workforce will impact timeline and contractual obligations.
- ACEM also looks forward to a 'new normal' in terms of fair terms and fair condition of contract as well as active Government-Industry engagement before introducing punitive unilateral decisions by the Government.
- SOP on interstate travelling varies between states and areas. Some were informed that police permits are not required when they approached the authorities. Many consultants have projects in various States and a simple procedure is necessary to facilitate inter-State travel.
- ECP requires more specific and focused economics recovery plans to facilitate getting new projects and getting back on our feet. Many are currently surviving on their existing reserves due to absence of new projects. Current projects for most are at the tail end, and prospects of sustainable projects for survival are nowhere in the horizon.
- There is a need to renegotiate certain terms and conditions of the contract to account for the MCO impact as well as the SOP compliance upon restart.
- ACEM is concerned that based on the recent experience in applying for permit to work during MCO, red tapes could stifle rapid revitalisation of the construction industry and the economy as a whole.
- Construction Industry is not just about construction works but the feasibility studies, planning and design aspects are integral.

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- In fact this is very important for the sustainability of the revitalisation efforts. There cannot be construction works without designs and tender. Thus every effort should be given to expedite "tender readiness" to sustain subsequent construction works.
- Therefore this aspect of activities should also be allowed even during MCOs. Moreover ECPs are concern that deliverables be met on time to avoid penalties.
- Clients (including Government sector) too are concern as delays will affect project deliveries and e.g. for the private developers, penalties from house buyers.

### B. COMPANIES IMPACTED

#### i) Activities that have yet to restart/commence

- For Planning and Design: Feasibility Studies
  - Soil Investigation Works (SI)
  - Ground/topographical survey
  - Utility services survey
  - Public and stakeholder's engagement programs
  - Traffic surveys and studies
  - Coastal data collection
  - Data and site investigation

#### ii) Number or percentage (%) of companies yet to commence these activities

- No feedback yet but could be as high as 90% and even more as these could involve inter-State travel and on-the-ground interaction with stakeholders.

Datuk Ir Mohd Adnan bin Mohd Nor  
President,  
ACEM  
11052020

Please submit your feedback by PS bodies/association via WhatsApp at 012-3620844 or email to [ravi@miti.gov.my](mailto:ravi@miti.gov.my).


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Page 4 of 4

# Wage Subsidy Programme

Date : 21<sup>st</sup> April 2020







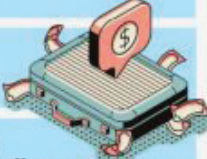

Downloadable from ACEM website.





## PrihatinPKS+

Pakej Rangsangan Ekonomi Prihatin Rakyat


# WAGE SUBSIDY PROGRAMME EXPANSION

<b>SIZE OF ENTERPRISE</b>	 <b>75</b> employees or fewer	 <b>76 - 200</b> employees	 <b>201</b> employees and above
<b>SUBSIDY AMOUNT</b>	<b>RM1,200</b> per employee per month	<b>RM800</b> per employee per month	<b>RM600</b> per employee per month
<b>NUMBER OF ELIGIBLE EMPLOYEES</b>	<b>75</b>	<b>200</b>	<b>200</b>
<b>PROGRAMME DURATION</b>	<b>3 months from 1 April 2020 until 31 December 2020.</b> Subject to fund availability and government decisions. Closing date: <b>15 September 2020</b> 		
<b>ELIGIBILITY</b>			
<b>DECLINE IN REVENUE OR INCOME</b>	<b>No condition</b>	<b>50% or more</b> decline in revenue or income compared to January 2020 or the subsequent months.	
<b>EMPLOYER REGISTRATION</b>	<ul style="list-style-type: none"> <li>➔ Registered with or contributing to SOCSO or Employment Insurance System (EIS), before 1 April 2020.</li> <li>➔ Registered with Companies Commission of Malaysia (SSM) or relevant local authorities (PBT) before 1 January 2020</li> <li>➔ Operational before 1 January 2020</li> </ul>		
<b>EMPLOYEE WAGES</b>	 Employees earning <b>RM4,000 and below</b>		
<b>OTHER CONDITIONS</b>	Employers opting for the Wage Subsidy is subject to the condition of <b>retaining</b> their employees for <b>at least 6 months</b> , which includes 3 months during the subsidy period and 3 months post-subsidy. *Subject to the terms and conditions stated in the Employer Circular No.5/2020		
<b>PAYMENT METHOD</b>	The Wage Subsidy payment shall be credited to the employers' accounts within <b>7-14 days</b> upon approval of applications. 		
<b>HOW TO APPLY</b>	 Applications can be submitted by employers through <b>prihatin.perkeso.gov.my</b> starting from <b>9 April 2020</b> .		


Infographic updated: 10th April 2020


https://eisjobs.perkeso.gov.my



@eisperkeso



perkeso@perkeso.gov.my



03-4264 5555 / 03-8091 5100 / 1-300-22-8000



PERSATUAN JURUTERA PERUNDING MALAYSIA  
THE ASSOCIATION OF CONSULTING ENGINEERS MALAYSIA

## Feedback from the Association of Consulting Engineers Malaysia (ACEM) to the Construction Industry Development Board (CIDB) on the relaxation for Professional Services (Engineers) to operate during MCO

### 1. Purpose

This feedback aims to provide the status of Engineering Consulting Practices (ECPs/firms) particularly under the Movement Control Order (MCO) period as well as suggestions for improvements in the procedures and processes of applications and approval for permission to operate under MCO. The authority for approvals is Ministry of International Trade and Industry (MITI) and CIDB is the authority to process applications related to the Construction Industry.

### 2. Background and Status of ECPs

- 1) Of the total number of 2,662 ECPs registered with the Board of Engineers Malaysia (BEM),
  - a. 45% (1,200) are Body Corporates (Sdn. Bhd. and Multi-Disciplinary)
  - b. the remainder 55% (1,462) are partnerships (230) and sole proprietorships (1,232)
  - c. Of the Body Corporates, only 1 is Public Listed and about 15 can be considered as large companies.
  - d. Thus 99% of the ECPs are in the SME category.
- 2) ACEM carried out an online rapid survey recently to gauge the impact of the MCO on ECPs in Malaysia. The survey was also intended to gauge the impact of covid-19 pandemic and readiness of the engineering consultancy business and industry to resume and sustain business post the MCO with the following returns:
  - a. The MCO has imposed various magnitudes of disruptions to the Engineering Consultancy Practices (ECP) with more than 85% associated with late fees collection and billings. This has the most adverse impact as it diminishes the ability of the ECP employer to pay wages.
  - b. 29.4% of the practices has zero income since March 2020 and 50% can only sustain their business for 1-2 months under the current scenario. Ultimately, pay cut and/or staff retrenchment become inevitable.
  - c. One of the main reasons for the non and late payment is that projects especially construction are stalled, resulting in productivity falling below 30% among 60% ECP (0% productivity for construction supervision works).
  - d. Non-execution of consultancy agreement is another reason for non-processing and remittance of payment despite deliverables and services rendered by the ECP.
  - e. Low productivity is also prevalent due to the lack of support system and limited working space to efficiently work from home.
  - f. 40% of the respondents has 50% of their workforce prepared to resume work during the MCO but regulated under stringent safety environment, in order to increase productivity.
  - g. 50% of their workforce are not prepared to return to work just yet for fear of contracting covid-19 and passing it on to their families especially their small children.
  - h. The survey has also indicated that 53% will require more than 6 months to arrive to the pre-MCO working situation, with close to 30% requiring financial aid in the form of loan or borrowings.

- p) Staffs are also limited in terms of a conducive working environment due to many living in homes with limited space. There are also family disruptions are inevitable under such circumstances.
- q) Thus back to work in office is necessary.
- r) The Kementerian Kesihatan is concern that mass return to work would jeopardise existing efforts to control covid-19. This is understandable and ACEM supports this concern. ACEM is confident that all ECPs will abide by the SoPs especially with those conditions that exposes ECPs to high risks.
- s) In any case ACEM survey indicates that only 50% of the staffs are prepared to travel and work under covid-19 environment. In fact most ECPs would work on a minimum team size on rotation daily.
- t) Thus for Studies, Planning and Design works in office, a simpler procedure would be for the project owners to apply and submit together with the list of ECPs involved. For Government projects, the project owners include JKR, JPS, Local Authorities, DOE and other project implementing agencies.

Datuk Ir Mohd Adnan bin Mohd Nor  
President  
ACEM  
26042020

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## Feedback from The Association of Consulting Engineers Malaysia (ACEM) to The Construction Industry Development Board (CIDB) on The Relaxation for Professional Services (Engineers) to Operate During MCO

Date : 26<sup>th</sup> April 2020

Downloadable from ACEM website.

### 3. Feedbacks and Suggestions

- a) ACEM is concerned that based on the recent experience in applying for permit to work during MCO, red tapes could one of the major factors stifling rapid revitalisation of the construction industry and the economy as a whole.
- b) The procedure should be simplified.
- c) There is a need to appreciate the supply chain (Professional Services) of the construction industry.
- d) For construction, the input for Professional Services are mandatory for the Contractors to work. This is because the works need to be supervised by the PSPs (Engineers and Architects) and subsequently to obtain the CCCs.
- e) Thus a faster way is for the contractor to apply and include in their applications the names of the PSPs and other Professional Services related to the project. The approvals shall then cover for all firms involved in specific construction sites.
- f) The idea for this relaxation to work during MCO is to have an early start to revitalise the construction industry. This is one of the main strategies to revitalise the economy as construction has a high economic multiplier effect within and across economic sectors.
- g) However the process and procedures are onerous with conditions imposed on the firms that exposes them to high risk e.g. Item 19 of the MITI SoP. This dampens the enthusiasm shown by the Professional Services to apply.
- h) The application procedures could be simplified if the Ministries and Departments could give a higher degree of trust and confidence that the Professional Services would not deviate from their expected roles and responsibilities. Most of the firms are well established and the professionals experienced. All are licensed and regulated by their respective Professional Bodies and would not do anything to jeopardise their registration.
- i) Construction Industry is not just about construction works but the feasibility studies, planning and design aspects are integral.
- j) In fact this is very important for the sustainability of the revitalisation efforts. There cannot be construction works without designs and tender. Thus every effort should be given to expedite "tender readiness" to sustain subsequent construction works.
- k) Therefore this aspect of activities should also be allowed during MCOs. Moreover ECPs are concern that deliverables be met on time to avoid penalties.
- l) Clients (including Government sector) too are concern as delays will affect project deliveries and e.g. for the private developers, penalties from house buyers.
- m) 99% of ECPs are SMEs with 55% proprietorships and partnerships. All are vulnerable to fluctuations in cashflow. They therefore need to start work soonest. No work, No income, payouts and staff cuts will be inevitable.
- n) Thus the Government should allow them to go work under MCO. This is the same principle applied to the smaller G1 and G2 contractors.
- o) From feedback and experience during MCO, the full design works cannot be achieved when Working From Home (WFH). Heavy duty software are mostly stand-alone and located in the office. Staffs have no or limited access to these from home. There are also the limitations on the capacity of the computers and stability of the internet network.

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### ACEM's Response to EPU for onwards submission to the Majlis Tindakan Ekonomi on:

1. Data atau survei kesan Covid-19 MCO terhadap badan professional industri pembinaan
2. Isu & cabaran yg dihadapi oleh badan professional dalam sektor pembinaan
3. Moving forward atau cadangan daripada badan professional dalam menghadapi situasi semasa

#### i. Data atau survei kesan Covid-19 MCO terhadap badan professional industri pembinaan

An online rapid survey was formulated by ACEM to study the impact of the Movement Control Order (MCO) to contain the spread of COVID-19 on Professional Engineering Services in Malaysia. The survey was intended to gauge the impact of covid-19 pandemic and readiness of the engineering consultancy business and industry to resume and sustain business post the MCO.

The MCO has imposed various magnitudes of disruptions to the Engineering Consultancy Practices (ECP) with more than 85% associated with late fees collection and billings. This has the most adverse impact as it diminishes the ability of the ECP employer to pay wages. 29.4% of the practices has zero income since March 2020 and 50% can only sustain their business for 1-2 months under the current scenario. Ultimately, pay cut and/or staff retrenchment become inevitable. One of the main reasons for the non and late payment is that projects especially construction are stalled, resulting in productivity falling below 30% among 60% ECP. Non-execution of consultancy agreement is another reason for non-processing and remittance of payment despite deliverables and services rendered by the ECP. Low productivity is also prevalent due to the lack of support system to efficiently work from home. 40% of the respondents has 50% of their workforce prepared to resume work during the MCO but regulated under stringent safety environment, in order to increase productivity.

The survey has also indicated that 53% will require more than 6 months to arrive to the pre-MCO working situation, with close to 30% requiring financial aid in the form of loan or borrowings.

#### ii. Isu & cabaran yg dihadapi oleh badan professional dalam sektor pembinaan

- 1) Of the total number of 2,662 Consultancy Companies, 1,200 are Body Corporates (Sdn. Bhd. and Multi Disciplinary) the remainder 1,462 are partnership (230) and sole proprietorship (1,232). Of the Body Corporates, only 1 is Public Listed and about 15 can be considered as large companies. Thus 99% of the ECPs are in the SME category.
- 2) As SMEs, especially the small sized firms, are very vulnerable to fluctuations in cashflow. The situation of declining job opportunities has in fact occurred over the last 3-4 years and many, including the large sized firms have begun cost cutting exercises over the last 2-3 years to manage their cashflows.
- 3) The covid-19 pandemic has exacerbated the cashflow issues. Again many have even terminated staff employment, stopped recruitment and invoke pay cuts.
- 4) The recent Stimulus Package 2 has helped the SMEs especially the wage subsides for those earning RM 4,000 and below. However, one of the main characteristics of Consultancy Companies is that they are "top heavy" with highly skilled and experienced Engineers and Technical staffs comprising up to 50% of the total staffs with salaries above RM 4,000 per month. Thus the companies are not able to sustain the employment and salaries of this major "assets" of the company.
- 5) Under the MCO, companies are not able to work at full capacity and productivity has dropped to 50% for office works (studies, planning and design) and 0% for site

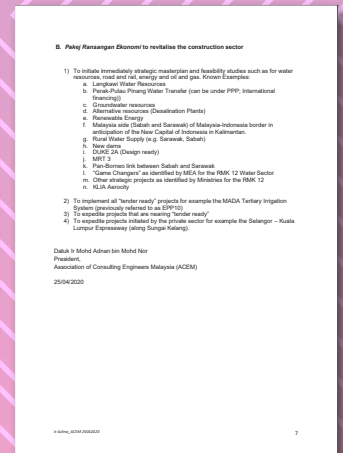
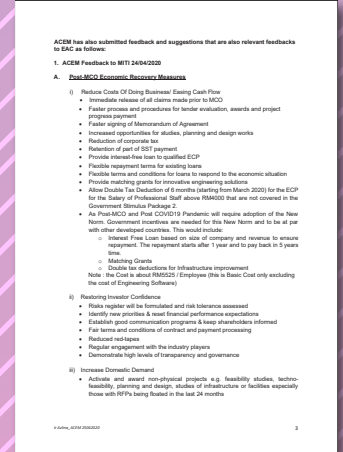
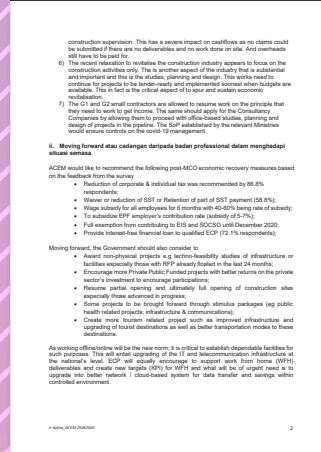
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# ACEM Response to EPU Issues Faced by Professional Services (PS) When Commencing Business

Date : 11<sup>th</sup> May 2020

This document can be download in ACEM website.



Please refer to the ACEM website for more details

