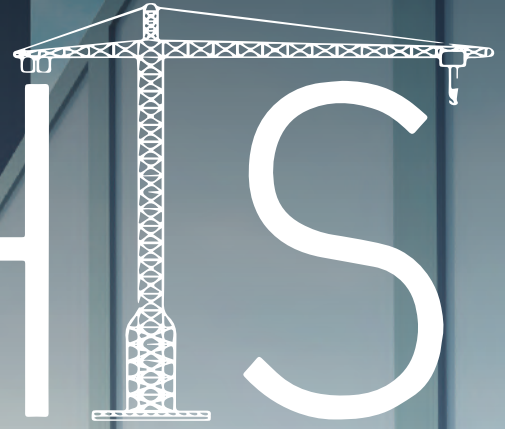


# HEIGHTS



CONSTRUCTION FROM A NEW ANGLE

ISSUE 1 • JAN - MAR 2021



## CONTRACTORS OF CALIBRE

**CSP Peneraju Industri Pembinaan**

**Mendorong Kontraktor Berintegriti**

**Covid-19**

Time & Monetary Claims, Entitlement  
and Evaluation

**Paramit:**

Maximising Contact with Nature  
While at Work

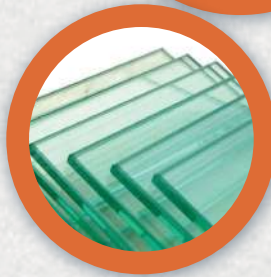
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## It's Time To Rise Up

It has been a year since the first Movement Control Order (MCO) was enforced and we are still reeling from the setbacks encountered. In these times, the enforcement role that CIDB plays is a crucial one to prevent the spread of Covid-19 at construction sites, as well as protect contractors and clients from losses in the long run. Our Special Feature discusses the role of the enforcer and the other hats CIDB put on, as well as our initiatives to help ease the financial burden of contractors. The opinion article on whether Covid-19 will trigger a force majeure clause and the current initiative to legalise undocumented migrant workers will also give you food for thought.

All of us can agree that construction is a tough industry where only the tough can survive. But being 'tough' does not have to mean being overly aggressive or competitive to the detriment of others. What sets contractors of calibre apart is their tough-mindedness while remaining optimistic thinkers, hardworking problem solvers, and true professionals. This issue of HEIGHTS highlights two award-winning contractors who are the pinnacle of their field - Tan Sri Sufri Haji Mhd Zin and Mahanom Mohammad.

Most of all, I am delighted to share my thoughts on the CIDB Strategic Plan (CSP) special feature. The 5-year strategic plan from 2021 to 2025 aims to position CIDB as a leader in developing a more caring and socially and environmentally responsible construction industry. CIDB is uniquely positioned to be the leading voice and problem solving agent of the construction industry and it is my greatest hope that we will all rise to the occasion to bring our beloved sector to truly greater heights - for the sake of the nation and all Malaysians.

**Datuk Ir. Ahmad 'Asri Abdul Hamid**  
*Chief Executive, CIDB Malaysia*

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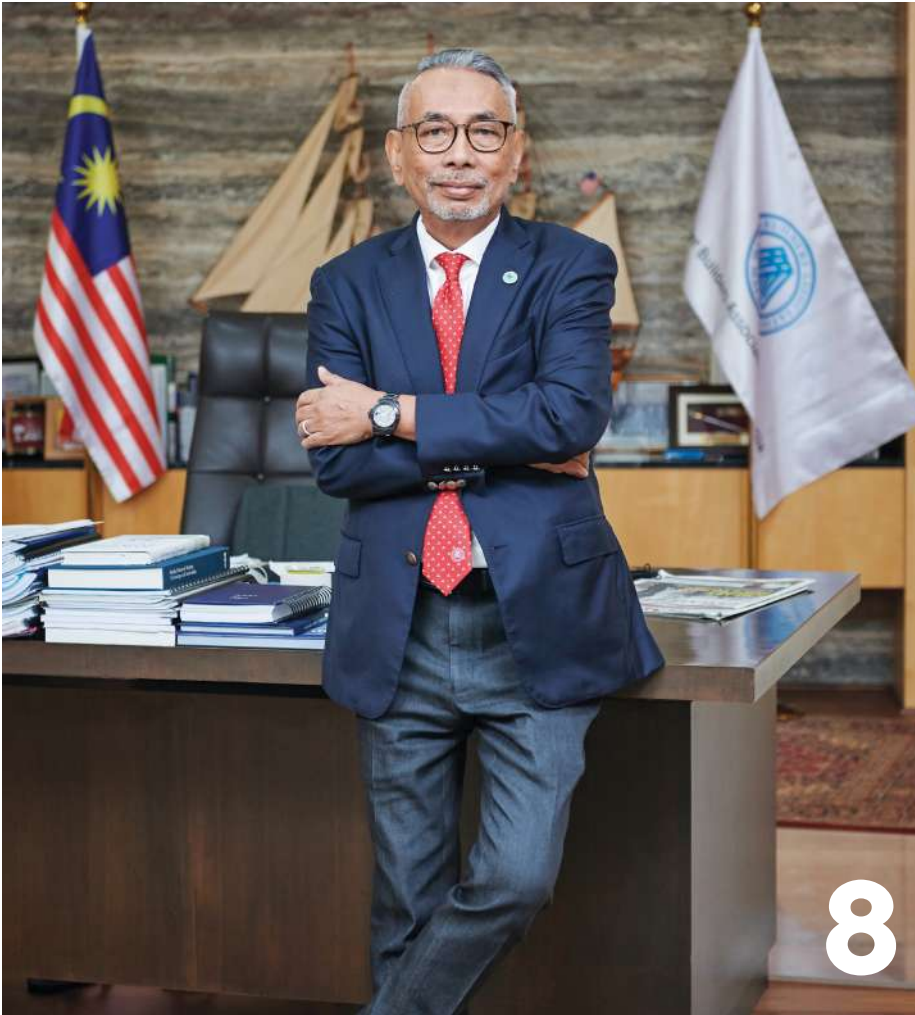
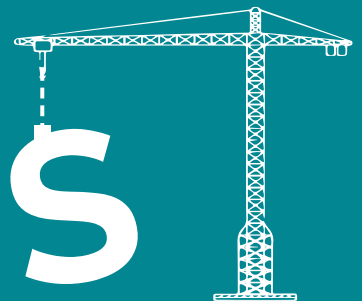
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# China Launches Prototype of the International Travel "Gauge Change" Train



 A bullet train in China

China has unveiled a train prototype that can operate on any gauge of railway track.

The 400 km/h engine has "gauge-changing bogies", which can theoretically speed up rail transportation through foreign railways. Trains are currently either halting at a gauge break or waiting for new bogies to be fitted.

The train was built by CRRC Changchun Railways, a subsidiary of CRRC, the largest rolling stock manufacturer in the world. The project was financed by the Chinese government's \$5.2 billion research grant.

The company claimed that the train could be manufactured at temperatures of -50 to 50°C, use various power sources and comply with railway standards of different countries.

Plans to build the cross-border train were first unveiled in June 2016 by Jia Limin, a professor at Beijing Jiaotong University and Leader of the Chinese High Speed Rail Innovation Programme. Jia told China Daily then the train will make its international debut on the 770-km Moscow-Kazan high-speed line in Russia.

CRRC's railway vehicles are available for orders with the introduction of the prototype.

The Jilin-based company manufactures about 190 electric locomotives per year, as well as 4,000 urban mass-transit vehicles and 600 mainline passenger vehicles. It has around \$12 billion in sales and exports to 20 countries.

Source: [www.globalconstructionreview.com](http://www.globalconstructionreview.com)



Apartment under construction in London, UK

## UK construction sector loses 46% of skilled EU workers due to Brexit and Covid-19

The UK's construction sector has lost 46 percent of its skilled EU workers, a study by the Migration Observatory at the University of Oxford revealed.

The research showed that a total of 113,000 EU-born professionals were employed in British building and construction industry in 2019. This is 46% less than the previous Office for National Statistics (ONS) data of 208,000 skilled EU workers.

Construction experts have now cautioned that Brexit and Covid-19 have resulted in the loss of skilled EU workers and needs the government to take urgent measures to prevent further shortages.

Additional research published by the ONS in June 2020 showed that the non-British resident population decreased by 135,000, signifying the largest drop in EU8 citizens. Migrants in the UK from Poland, Estonia and Slovakia form 26 per cent of the construction industry.

According to Jason Tema, director of property developer Clearview Developments, the exodus of EU-born construction professionals may open up only limited job opportunities for some British workers, and such a drastic drop of qualified industry personnel will inevitably lead to severe staff shortages and significant delays in project completion.

"It's yet another hurdle for the UK's construction sector to overcome at a time when the industry is already behind target to build new private market as well as affordable homes," he said.

The Migration and Construction Report published by Construction Industry Training Board (CITB) previously cautioned that the UK's new, point-based immigration system will lead to a 40% decline in skilled construction workers in the country. The report also forecasted a 58% decrease of 'low skilled' construction staff in the UK.

"The industry is preparing for this challenge by training more home-grown workers," Steve Radley, the CITB policy director commented. The hope is that by 2025, an additional 44,000 British citizens will be groomed for the industry.

"This will be achieved through a mix of growing apprenticeships and widening the pool of talent, retaining more workers in the sector for longer, and exploiting technological advances."

Jason Tema concluded, "The government needs to reconsider the newly proposed visa process and allow construction workers a concession, given the characteristics of the sector.

"For example, staff are self-employed or paid under CIS, and given the nature of project-based positions, the need for spoken and written English does not need to be on par with sectors that are delivering a professional service or are people-facing," he added.

"For years, thousands of temporary EU workers have shaped construction sites with the provision of their labour and the government needs to recognise and give support to that for the sector to continue."

Source: [www.pbctoday.co.uk](http://www.pbctoday.co.uk)



Bahrain International Airport's new terminal

## How Phase 1 of Bahrain International Airport's expansion was completed despite Covid-19

After more than a year's delay, Bahrain has opened its new passenger terminal building on 28 January 2021. This is the first phase of Bahrain International Airport's (BIA's) \$1.1bn modernisation programme. The programme will expand the airport's capacity to handle 14 million passengers a year, compared with 9 million passengers a year before.

The project manager is Hill International while clients for the programme are the Ministry of Transportation and Telecommunications (MTT) and the Bahrain Airport Company (BAC).

The first of two phases delivered a new 210,000-sq-m terminal with premium-class check-in halls, check-in desks, passport control booths, E-gates, security lanes, a 9,000-sq-m retail space, lounges, food and beverage zones, 24 departure gates, and 7,000 new parking spaces both at-grade and in multi-story facilities.

Though Covid-19 did cause a setback to the original schedule, the project manager Hill International worked with the entire team to quickly and effectively address these issues.

From the start, a project steering committee was formed to coordinate among the various stakeholders including government ministries, authorities, ground handlers, operators, airlines, duty free among others to ensure that things are implemented as planned. The procurement of construction and engineering speciality

packages were prioritised and five packages were considered vital.

These packages were Baggage Handling System (BHS), Information and Communication Technology (ICT), Security and Screening Equipment (SSE), Passenger Loading Bridges (PLB), and Horizontal/Vertical Transportation Systems (HVTs). They were procured on a design-build basis.

The early procurement efforts gave greater control of the project's schedule. There was also a high level of coordination among the stakeholders throughout the project. Hill codified the stakeholders' requirements, expectations, timelines, challenges and expectations in the initial stages of the project and used it in making decisions and driving the project forward. Hill's workshops in claims avoidance and contractor claims resolution managed to mitigate the marginal cost overruns.

When Covid-19 hit, the team hit the ground running by availing proper personal protection equipment (PPE) at all times and ensuring that they were used on site. Workers were screened for symptoms daily before the start of work. In terms of management and planning, Hill worked with the MTT, BAC, contractors and vendors to work around supply chain bottlenecks. The end result was a satisfying conclusion for all parties.

*Photo credits: Bahrain Airport Company*

*Source: [www.globalconstructionreview.com](http://www.globalconstructionreview.com)*

# Singapore's Public Sector Construction Demand to Support Sector's Recovery

The coronavirus pandemic caused a 36.5% decrease in demand for construction in Singapore last year, according to Singapore's Building and Construction Authority (BCA).


However, public sector orders are projected to drive a recovery this year to between S\$23bn and S\$28bn. That would be a boost from the preliminary estimate of S\$21.3bn in demand, which was seen in 2020. Public sector orders are expected to contribute some 65% of the total new demand this year while private sector construction demand is projected to remain suppressed at between S\$8bn and S\$10bn.

Singapore's Building and Construction Authority (BCA) expects a steady improvement in construction demand

over the medium term. The public sector is predicted to lead by contributing S\$14bn to S\$18bn per year from 2022 to 2025. The private sector is expected to rally in the medium term to reach between S\$11bn and S\$14 billion per year between 2022 and 2025.

The total nominal construction output in 2021 is projected to increase to between S\$24bn and S\$27bn, from the estimated S\$19.5bn in 2020. The Alliance for Action on Digitalising Built Environment has identified digitalisation as an essential enabler to help the industry build smarter.

Source: [www1.bca.gov.sg](http://www1.bca.gov.sg)

 Singapore skyline





# FROM THE GROUND UP

Tan Sri Sufri Bin Haji Mhd Zin is indisputably the epitome of excellence in his profession. The down-to-earth Group Managing Director, Trans Resources Corporation Sdn. Bhd. shares his journey and thoughts on the construction industry and how it can be elevated to greater heights through education and digital disruption.



**“**  
*Contractors are good at getting our hands dirty because we simply do not mind the hard work building that shelter to place a roof over all our heads*  
**”**

There has never been a greater correlation between business and construction than in the case of Tan Sri Sufri Bin Haji Mhd Zin. Once a banker and now construction industry stalwart, Sufri is the founder of Trans Resources Corporation Sdn Bhd (TRC), not to mention the President of Master Builders Association Malaysia



*Sufri believes that with the current challenging environment, the companies themselves should spearhead the industry transformation.*

(MBAM) and recipient of numerous industry awards.

Born in Jeram, Selangor and raised in Ipoh, Perak, Sufri learned the art of leadership and negotiation skills early being the eldest with eight siblings to look after. "Ever since I was still a kid, I've been helping out with the house chores, taking care of my younger siblings, being a good example to my siblings and sometimes being their protector. I was also the coordinator of family activities and despite our differences, we will always try to find something that we could all enjoy doing together." Little did he know that these precious childhood lessons would set the foundation of his future success.

Sufri started his career as a banker before he was gripped with a vision to establish his own specialist

construction company, TRC, in 1984. He had absolutely no qualms in switching industries, stating, "Contractors are good at getting our hands dirty because we simply do not mind the hard work building that shelter to place a roof over all our heads. It's a tough job but someone's got to do it!"

With that, TRC began as a small-time contractor undertaking road, infrastructure and building works for the public sector, to meet the growing demand for high calibre Bumiputra contractors to support our country's rapid economic growth. After a decade, the company began to take on major projects.

"In 1996, one of our most major projects at the time was the Railway Turnkey Project West Port at Pulau Indah, which was valued at RM383m



◀ Sufri loves listening to ideas as it is the start of other great things unfolding on a personal and organisational level

“  
There really is no  
shortcut to my  
success as I've  
worked hard ever  
since the  
establishment of  
the company  
”

and took about three years to complete.” The second major project, Construction and Completion of Facilities Works (Package A) for the Kelana Jaya (KLJ) Line Extension Project, began in January 2011, which was valued at RM1.197b (billion) and completed in June 2016.

### A natural leader

Under Sufri's capable leadership, TRC has undertaken an extensive list of other major projects that include the Mass Rapid Transit (MRT) from Sg. Buloh - Kajang and the Build Depot & Administration Building (2016), the modernisation of the Brunei International Airport Terminal (2015), the Samalaju Construction Interim Port (2014), the Universiti Kuala Lumpur Campus

and surrounding landscape at Pasir Gudang, Johor (2010). TRC currently has three major on-going projects on its plate. In 2002, the holding company, TRC Synergy Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad.

Sufri, through TRC, was instrumental in overseeing multiple projects in Putrajaya, that included several Putrajaya landmarks - the BR4 Bridge, the Pedestrian Bridge in Precinct 5, the Government Quarters in Precinct 11 and the R11 Road package. TRC also carried out the construction of the Bentong Prison in 2008, the runway extensions of the Kuala Terengganu in 2008, access roads in Gua Musang in 2003, the Police Headquarters Complex

in Dang Wangi, Kuala Lumpur, the Bukit Jalil Hockey Stadium in 2002 and the design/upgrade exercise for the Labuan Airport in 1999.

“There really is no shortcut to my success as I've worked hard ever since the establishment of the company,” he said.

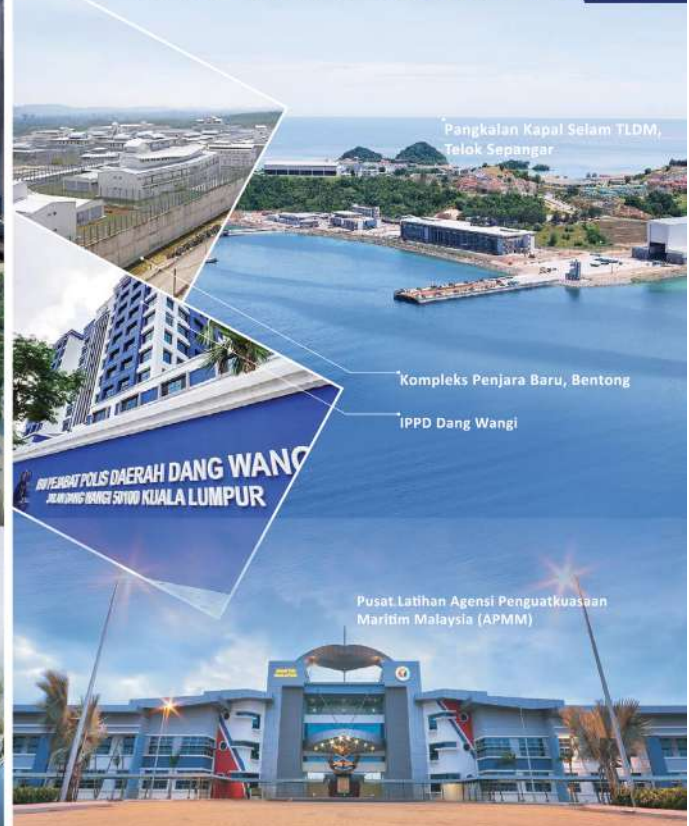
As a Group Managing Director of a company in a continuously evolving industry, Sufri has faced many a challenge. “But the biggest challenge is the hard work we need to put in to build and sustain a brand where clients and stakeholders can go to and trust,” Sufri remarked. “This did not happen overnight. Rather, it evolved over the span of three decades by consistently delivering results that our stakeholders expected, and more often than not, going above and beyond their expectations.” To achieve this, he emphasised, the team had to work as one to understand the things that matter to the organisation, and it is his job to provide them with clear goals, objectives and direction.



## COMMERCIAL &amp; RESIDENTIAL



## SECURITY COMPLEXES



Under Sufri's leadership, TRC has handled many high-profile projects for the past three decades

“

*Being the voice of the construction industry, MBAM has been working closely with the Government and its various agencies including CIDB, together with other industry stakeholders, to minimise the impact of the Covid-19 pandemic*

”

In recognition of his stellar achievements, he was selected as the winner of the Outstanding Entrepreneurship Award organised by Enterprise Asia in August 2009. Another personal milestone was when he was honoured as CEO of the Year by the Construction Industry Development Board (CIDB) Malaysia that same year. In 2011, he was named Contractor of the Year at CIDB's Malaysian Construction Industry Excellence Awards.

If you wonder what a day in his life is like, it is actually very normal. "Being me is just like any other ordinary person but with an extraordinary job," he said. No matter how busy life can get, Sufri makes sure that he spends quality time with his twins every day amidst his daily routine of prayer, exercise (walking, cycling or golfing) and recreation (TV shows or light reading).



*With more than 35 years of experience in the industry, Sufri is glad to witness and be a part of the exponential growth of Malaysia's infrastructure development*

### **Elevating construction through education**

With more than 35 years of experience in civil and building industry, Sufri is glad to witness and be a part of the exponential growth of Malaysia's infrastructure development. He attributes education to the success of his business and the industry as a whole. "I always believe that it is important to have a strong and solid foundation and education paves the way to that. Education shows us the importance of hard work and, at the same time, helps us

grow and develop. To be relevant in our industry, we need to learn and educate ourselves daily," he said.

"What sets TRC apart from the rest is our people who are always up to any challenge that is thrown to them. We have a good mix of people of different sets of competencies, skill and talents that complement each other and can be counted upon to ensure a successful delivery," he continued. These good personnel attributes need to be developed and retained at all times so that successes



TRC completed the construction of the Sungai Buloh Maintenance MRT Depot on September 2016

can be repeated over and over again. As such, he has always urged the senior management to keep an eye out for talents within the organisation and to nurture them so that business continuity is safeguarded.

### **Good things happen to those with an open mind**

For someone so accomplished, it is refreshing to note that Sufri always keeps an open ear and mind to whomever he talks to. He has always welcomed fresh ideas as he believes listening to ideas is the start of other great things unfolding on a personal and organisational level. "Also, I prefer having everyone in the team participate actively and being an open-minded person helps encourage that. For

example, with my fellow MBAM Council and Secretariat, we would come together to present problems and issues for discussion and then work among ourselves to reach a final decision. Since day one in my tenure as MBAM's President, I've always emphasised that we have to work together to move the Association forward with one voice and one mind."

Commenting on his appointment as MBAM's President, Sufri said, "In this modern age of fair treatment, I believe that anyone regardless of their skin colour, ethnicity, religion or even gender could be given the same opportunity to lead such established and impeccable Association. I am just humbled to be given the heavy responsibility to

spearhead MBAM as its President and endeavour to give it my very best effort."

Possessed with a passion to impart his knowledge and develop his staff and also the construction industry employees at large, he is thrilled that his role as an Industry Committee Member at Politeknik Ungku Umar, Ipoh for 2018 to date has enabled him to do just that. "In fact, I was also the CEO of the Faculty and served on the Industry Advisory Council (IAG) at the Politeknik Education Department from 2017 to 2019. In March 2017, I was appointed as the Industry Panel Advisor to the Polytechnic Civil Engineering Technology degree programme by the Ministry of Higher Education. Additionally, I am also a Trustee of

Yayasan TRC." To him, these are his lasting legacies that will continue impacting the construction industry for a long while.

### Surviving the pandemic and beyond

Sufri acknowledges that the pandemic and MCO restrictions have definitely created a great amount of issues and difficulties for contractors to sustain and revive the construction economy at large, especially small time contractors. "However, being the voice of the construction industry,

**“**  
*New technologies will not only improve productivity and reduce project delays, but can also enhance the quality of buildings and improve safety, working conditions and environmental compatibility. Therefore, industry players must bite the bullet and brave through this tough situation that we are all in now*  
**”**



**▲** TRC was awarded the runway extension of the Kuala Terengganu Airport on April 2008 and completed the project on January 2010.



**▲** The Pedestrian Bridge in Precinct 5, Putrajaya was completed in 2005

MBAM has been working closely with the Government and its various agencies including CIDB, together with other industry stakeholders, to minimise the impact of the Covid-19 pandemic. We must move forward as an industry while forgetting our differences," said Sufri.

He believes that with the current challenging environment, the companies themselves should spearhead the industry transformation.

"Surviving now is tough but tremendous opportunities are available through the application of new technologies, materials and tools. New technologies will not only improve productivity and reduce project delays, but can also enhance the quality of buildings and improve safety, working conditions and environmental compatibility. Therefore, industry players must bite the bullet and brave through this tough situation that we are all in now. Have faith that we will come out stronger and more resilient."

A CIDB enforcement officer issuing a stop work order at a construction site at Jalan UThant for not getting approval from the local authorities for the construction of their workers' accommodation.



# CIDB: THE FRONTLINERS DURING THE COVID-19 MCO

The role of an enforcement officer is a crucial one to prevent the spread of Covid-19 at construction sites. Whether we acknowledge it or not, the fact remains: SOP compliance is not only vital to flatten the curve, it can also help to protect contractors and clients from losses in the long run.

The World Health Organisation (WHO) officially declared Covid-19 as a global pandemic on 11 March 2020. WHO was quick to outline measures and Standard Operating Procedures (SOP) for combating the virus, and every nation was placed on high alert to tackle this new pandemic.

With the increase in the number of cases of Covid-19 in Malaysia, the Malaysian Government enforced the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 when the government announced on 16 March 2020 that a Movement Controlled Order (MCO) would be imposed nationwide beginning 18 March 2020.

## Impact of Covid-19 MCO on the Construction Industry

Site progress for ongoing construction projects came to a standstill during the first MCO which started in 18 March 2020 and was extended until 9 June 2020. The government only allowed the operation of 13 types of construction works that were considered critical. These critical works were classified as those which would cause harm and danger to the public or the environment if not carried out. However, the construction sites were allowed to be open after 14 April 2020, followed by the other industries.

MCO 2.0, which began on 13 January 2021 until 4 March 2021, had Standard Operating Procedures (SOP) formulated by CIDB Malaysia that only allows the activities listed in Table 1 as long as the SOP is adhered to. To date, the Construction Industry Development Board (CIDB) has drafted five versions of the SOP.

The construction industry suffered significant revenue losses as a result of the halt in operations, with the exception of some areas of the construction sector. It was estimated that it lost around RM11.6

billion from 18 March to 14 April 2020, and a further RM6.9 billion was lost following the opening of revised sub-sectors from 15 April to 1 May 2020.

According to CIDB's records, the value of construction projects awarded decreased by 28% from

**Table 1**

**1. Critical maintenance and repair work whereby if not continued can lead to danger or harm to employees, the public or the environment.**

Among the works allowed are:

- a) Slope repair;
- b) Road repair;
- c) Bridge repair and maintenance;
- d) Repair of commercial / office buildings;
- e) Repair of individual residences;
- f) Traffic management control;
- g) Periodic inspections and repairs of elevators / travelers / escalators and others critical mechanical and electrical equipment;
- h) Repair, maintenance and upgrading of critical facilities in service outlets;
- i) Traffic lights repair;
- j) Construction of Bailey Bridge at the site of the collapsed bridge;
- k) Tunneling construction works;
- l) Renovation work;
- m) Emergency work as stated in the contract agreement;
- n) Maintenance, cleaning and drying of stagnant water, spraying of

pesticides on construction sites to prevent the breeding of the Aedes mosquito and other pests;

- o) Other works that can pose a danger if left uncompleted

**2. Main public infrastructure construction works; work that utilises a lot of machinery or not involving a lot of workers gathering in one place or at an isolated location away from the public.**

Among the works allowed are:

- a) Highways and Roads;
- b) Bridges and Viaduct;
- c) Railways including MRT, LRT, Commuter, Single / Double Track;
- d) Electrical related infrastructure;
- e) Telecommunication-related infrastructure;
- f) Infrastructure related to dams, drainage and sewerage;
- g) Oil and gas related infrastructure.

**3. Building construction works; allowed for projects providing on-site worker accommodation or Centralised Labour Quarters (CLQ) whereby employers provide transportation for workers to and fro**

the CLQ to the construction site. Both types of accommodation must comply with the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446).

**4. Professional and consultancy services can only be rendered for work related to points 1 to 3. The professional or consultant is responsible for fully complying with the prescribed SOP. The firms must ensure a minimal workforce and only perform tasks that are considered critical when dealing with construction sites.**

**5. Other services within the supply chain such as the supply of building materials, delivery of materials and such is allowed but limited to the construction site approved to operate based on the works listed in points 1 to 3. All parties involved in the supply chain are responsible to fully comply with the prescribed SOPs such as ensuring the transportation used and the materials shipped were sanitised, the recording of temperatures at site entry and the recording of site entry and exit movements.**

**“Regulatory compliance has become a critical factor in deciding whether the contractor is allowed to continue to operate during the pandemic. If the construction site is forced to close due to non-compliance with the SOP, the project will face delays, and the losses and costs will continue to mount with each unproductive day”**

January to December 2020, totalling just RM77.95 billion, compared to RM108.29 billion in the same timeframe in 2019.

### SOP Compliance is Vital

“Regulatory compliance has become a critical factor in deciding whether the contractor is allowed to continue to operate during the pandemic. If the construction site is forced to close due to non-compliance with the SOP, the project will face delays, and the losses and costs will continue to mount with each unproductive day.

The project will end up stalled or abandoned. As such, CIDB plays an essential role to ensure regulatory compliance in the pandemic,” CIDB Chief Executive Datuk Ir. Ahmad 'Asri Abdul Hamid explained.

Unfortunately, in spite of the stringent SOPs, construction sites still report an alarming number of Covid-19 cases daily, running neck and neck with the manufacturing sector.

In a media statement by the Ministry of Works dated 12 January 2021, the Covid-19 positive cases at construction sites were revealed to be mainly due to the movement of workers from one construction site to another and unsatisfactory worker accommodations (CLQ).

“To prevent the spread of the virus from one construction site to another, all construction workers are not allowed to move from one construction site to another during the MCO period,” said Senior Minister (Infrastructure Cluster) Dato' Sri Haji Fadillah Yusof in the media statement. “Contractors must also ensure that all the daily needs of workers at the construction site, including food and personal hygiene necessities are fully provided to

prevent their employees from having to go to grocery stores or food stalls which will cause them to mix with the local residents.”

The pandemic has served as a wake-up call for the industry. For years, foreign construction workers have been living in cramped and unhygienic quarters to keep costs down. These are excellent conditions under which the SARS-CoV-2 virus thrived and spread rapidly and was a major factor in the transmission of the virus. It is obvious that raising standards at worker dormitories is the right thing to do, for the safety and interest of all.

Contractors are urged to provide decent and safe accommodation and facilities to employees in accordance with the Minimum Standards for Housing and Employment Facilities (Amendment) Act 2019 (Act 446) and Centralised Labour Quarters (CLQ) SOP. The SOP contains guidelines for the minimum sleeping space per occupant, ratio of occupants and bathrooms and basic amenities that should not be shared among the housemates.



Melaka State CIDB Director, Pn Alinda Puteh (front and centre) posing with Melaka State CIDB enforcement members and Melaka state government department agency enforcement members in conjunction with the CIDB Melaka Construction Site Special Enforcement Operation with Melaka State Government Department Agencies

## MCO SOP Development

CIDB is the de facto reference point for all agencies and stakeholders for the construction industry during the commencement of the MCO, the Conditional MCO (CMCO) and the Recovery MCO (RMCO) from 18 March 2020 to date.

As the front liner of the construction industry, CIDB has provided SOPs and guidelines for the construction sector, enforced them at construction sites, and proposed recommendations and solutions to the Government to mitigate the effects of the pandemic on the industry.

In carrying out these responsibilities, CIDB was appointed by the government to serve in the Covid-19 Pandemic Management Strategic Committee under Working Group 5 (Development and Infrastructure), and was tasked to prepare the Construction Sector Pandemic Management Strategic Action Plan (SPP) for the industry's reference. A total of seven strategies had been proposed to be implemented covering 53 initiatives and 155 programs for the short, medium and long term.

Furthermore, CIDB was also appointed as a member of the Pandemic Management Technical Working Group Committee under the National Security Council (MKN), and was tasked to provide up-to-date information on enforcement activities at worksites, compliance with SOPs, and provide solutions to address issues raised by the industry.

CIDB was also a member of the Coordinating Committee for the List of Necessary Services under the Ministry of International Trade and Industry (MITI). CIDB's responsibilities in this Committee included providing insights and advice on the impact of the MCO implementation on the

construction industry. Among the advice and suggestions given to MITI by CIDB was the gradual opening of the construction sector at the start of the MCO to prevent the sudden rise in demand for goods and services. As demand stabilised, the government completely opened the construction sector on 1 May 2020.

### Stepping Up on Advisory Role

The reopening of the construction industry is important because it is regarded as a catalyst for the country's overall economic growth. Every year, on average, RM140 billion is spent on construction, and the construction industry has multiplier effects that affect approximately 120 other sectors that depend on construction for growth and sustainability. This includes the financial sector, as well as manufacturing, transportation, and other closely related industries.

To ensure that best practices and SOPs were followed as the sector gradually opened up, CIDB drafted and implemented the Preventive Measures Guidelines at Construction Sites and the Centralised Labour Quarters and Workers' Accommodation Guidelines.

The key points in the guidelines include:

- Covid-19 Preventive Measures Guidelines at Construction Sites
- Worksites must receive prior approval from authorities before resuming operations
- Only worksites with the minimum number of workers are allowed to operate
- Daily temperature and health check records for workers

- Strict management and periodical sanitisation of workers' accommodations and workplace
- Adherence to social distancing and the wearing of masks at all times

In order to provide additional advice, guidance, and answer questions from construction industry participants, CIDB established a 24-hour Hotline at 03-5567277, which was manned by CIDB Corporate Communications staff on rotation while working from home.

CIDB had also gathered resources from all its divisions to form a team of 116 staff to swiftly process industry players applications' from the MITI Covid-19 Intelligent Management System (CIMS) from 9am to 10pm daily, including weekends. By the time all business sectors were allowed to open on 29 April 2020, the team had processed 41,758 applications. Out of these operating permit applications, 10,435 (25%) were approved, 21,591 (52%) failed, 5,838 (14%) were still being processed while 3,894 (9%) fell in the appeal category.

In addition, CIDB conducted a total of 11 studies and surveys from 9 April to 10 November 2020 on the various impacts of the Covid-19 pandemic on the construction industry players; issues revolving the challenges they faced in re-starting operations, financial challenges, work schedules and construction workers issues. The data was compiled and submitted to the Economic Action Council (MTE) chaired by the Prime Minister, and became the basis of formulating action plans to mitigate the negative impact on the industry.

## Intensifying Construction Site Inspection Activities

Ever since the MCO took effect early last year, the SOP mandates that every worker and visitor must register their details and have their temperatures taken before entering the construction site. In addition, workers, particularly foreign ones, are required to take the Covid-19 test before they are permitted to work at the construction site upon receiving a negative result. Everyone on-site must maintain the required physical distance from each other, be it in the break room, canteen and transport vehicle, as well as have good hygiene practices while at work. The workers' movements are also monitored and no one is allowed to go from one construction site to another.

CIDB has increased construction site inspection activities through collaboration with other agencies such as the Labour Department, the Department of Occupational Safety and Health (DOSH), MKN and local authorities. If a site is found to be non-compliant with the SOP, action may be taken against the contractor, including issuing a stop-work order for the project site. CIDB has also increased site inspections. Since the MCO 2.0 was implemented from 13 January to 14 March 2021, CIDB has inspected 2,055 construction sites, of which, 2,032 were found to adhere to the SOP and 21 sites were not in operation. The errant 2 construction sites were ordered to close immediately for failure to comply with the SOP and have been issued with notices for non-compliance in terms of workers' accommodation, wearing of face mask and physical distancing.

Recent inspections of several construction sites nationwide including those located in Kuala Lumpur, Kelantan and Terengganu



*CIDB Kuala Lumpur enforcement officers interrogating contractor representatives during a special enforcement operation on a construction site at Jalan Ampang*



*Dato' Sri Haji Fadillah and the CIDB team during a surprise site inspection in Kuala Lumpur*

found that they complied fully with the SOP. The workers' accommodations were well-designed with adequate facilities and could accommodate the appropriate number of residents based on the local authorities' recommendations. This gives us hope that with the increase of compliant contractors and their cooperation with the relevant government bodies and local authorities, the number of Covid-19 cases will be effectively reduced in the near future.

## Extension of Selected Prihatin Initiatives to 31 March

In order to facilitate the survival of the construction industry during this critical time, particularly for small and medium-sized contractors, CIDB launched the "CIDB Prihatin Initiative" last year comprising CIDB Prihatin Package 1 and 2. The Prihatin packages comprise schemes that include the deferral of levy payment, deferral of the training of construction workers and payment of fees for the evaluation of skills.

CIDB Prihatin Package 1, which was launched on 7 May 2020 and ended on 31 December 2020, involved an allocation of RM8.7 million. CIDB Prihatin Package 2 was launched on 10 July 2020 and ended on 31 December 2020. This package focused on re-skilling and up-skilling existing construction personnel in the construction sector, and involved an expenditure of RM55.5 Million, of which RM49.8 Million or 90% of the allocation was for Apprenticeship and Re-Training, RM3.9 Million or 7% allocation was for Technology Development, and RM1.8 Million or 3% of the allocation was meant for Contractor Development.

In terms of Covid-19 testing for SOCSO contributors, the employer only needs to finance the cost of the clinic's service charge because the RTK Antigen test kit is supplied by SOCSO to panel clinics.

Upon examining the impact of the third wave of the pandemic and the current MCO, CIDB has extended the period of several PRIHATIN initiatives

until 31 March 2021 to relieve the burden of contractors in registering or renewing their registration. Datuk 'Asri said the decision was made after taking into account feedback from industry players, including the Master Builders Association Malaysia (MBAM) and the Malaysian Malay Contractors Association (PKMM).

"The Prihatin initiatives are still needed by the industry players affected by the MCO enforced this year due to the Covid-19 situation," he said.


The Prihatin initiatives that were extended include the points exemption for contractor registration renewal for CCD (Continuous Contractor Development), the Management Efficiency Certificate (SKP) and Business/Facility and Integrity Course. In addition, CIDB will introduce a 50% CCD point deduction for contractor registration renewal.

## Alleviating Financial Burden of Local Contractors

CIDB recently announced that it has allocated RM7 million in subsidies for the Covid-19 screening test for registered foreign workers. Every foreign worker with a valid CIDB Construction Personnel Registration is eligible for a subsidy of RM50.00 to undergo the Covid-19 screening test administered by CIDB Holdings Sdn Bhd (a subsidiary of CIDB) through a listed panel clinic.

This subsidy is intended to relieve the financial pressure on local construction industry players. It is also in line with the Malaysian government's plan to disrupt the Covid-19 transmission chain and enable employers to send their workers for Covid-19 screening tests. CIDB also hopes that this incentive will encourage more unregistered construction personnel to come forward to register voluntarily with CIDB. Interested parties can register for the Covid-19 screening test at <https://www.cswms.com.my/>.

The various versions of the MCO and SOP that stemmed from it have prepared the construction industry players on what they need to do to prevent the spread of Covid-19. CIDB's roles as the industry's front liner, advisor and enforcer are vital in ensuring compliance to the SOP in order to bring the number of infections down to the point where the construction sector can operate without further disruptive lockdowns. Only then will the industry players, especially the smaller contractors will be able to survive beyond the pandemic.

 Kedah CIDB Director Encik Mohd Azmi bin Dzulkifli being interviewed by reporters during an active enforcement operation





# CSP PENERAJU INDUSTRI PEMBINAAN

CIDB menerusi program CSP berhasrat untuk menjadi pemimpin industri pembinaan dengan menawarkan komitmen yang menyeluruh.

Status industri pembinaan yang tidak banyak berubah atau berkembang sejak beberapa dekad yang lalu ternyata satu fenomena yang menggosokkan. Ekoran itu, Ketua Pegawai Eksekutif Lembaga Pembangunan Industri Pembinaan (CIDB), Datuk Ir. Ahmad 'Asri Abdul Hamid mahu membawa perubahan menerusi pelbagai pelan utama yang mampu mengubah hala tuju industri pembinaan secara lebih mampan dan realistik.

"Kita tidak boleh buat perkara yang sama tetapi mengharapkan keputusan yang berbeza, sebaliknya kita perlu berubah pada dasar dan rentetan itu akan memperoleh keputusan yang berbeza," petik kata Datuk 'Asri merujuk kepada kata-kata saintis terulung dunia, Albert Einstein.

Sambungnya, cara kerja industri pembinaan masih konvensional, melibatkan kerja-kerja *wet trades* yang banyak justeru menyebabkan persekitaran dan mod kerja yang kurang kondusif. Perubahan yang berlaku pun agak perlahan sehingga jauh ketinggalan dari negara-negara jiran.

Mengimbas tahun 2015, kepimpinan CIDB melancarkan Program Transformasi Industri Pembinaan (CITP) sebagai usaha fasa awal mentransformasi industri pembinaan yang mana turut menjadi agenda kebangsaan ketika itu. Ia meliputi tempoh lima tahun, 2015-2019, memfokuskan kepada perubahan dalaman industri dan cara kerja pembinaan dilakukan.

Ketika itu, teknologi diilhamkan sebagai strategi utama pelan transformasi. Penglibatan dan komitmen dari setiap pihak khususnya pemain industri dari

semua lapisan, agensi kerajaan dan ahli akademik dikumpul bersama untuk mengimplementasi program transformasi secara tersusun dan sistematik.

Pada 2020, program CITP menemui titik tamat dan Datuk 'Asri akui, ia sebagai satu kejayaan yang besar di mana pihak CIDB berjaya menggariskan peraturan, undang-undang dan prosedur kerja yang telus dalam mengubah perspektif industri pembinaan kepada yang lebih kukuh.

Banyak pembangunan berjaya dilakukan, walaupun masih

memerlukan pbaikpulihan tetapi industri pembinaan dilihat mara ke arah positif sejak CITP diperkenalkan.



*Datuk 'Asri mahu membawa perubahan menerusi pelbagai pelan utama yang mampu mengubah hala tuju industri pembinaan secara lebih mampan dan realistik*



Namun, beliau menggambarkan ia sebagai sebuah perjalanan yang jauh. Ketika di penghujung fasa CITP, tatkala Kementerian Kerja Raya memutuskan untuk tampil dengan Polisi Pembinaan Kebangsaan untuk mengintergrasi sektor pembinaan, di pihak CIDB pula tampil dengan Pelan Strategi atau CSP (*CIDB Strategy Plan*) bagi menggariskan hala tuju dan inisiatif-inisiatif yang perlu dilaksanakan oleh CIDB untuk menjadi peneraju industri pembinaan yang berkesan dalam tempoh 5 tahun akan datang iaitu 2020 hingga 2025.

"Ia adalah fasa terakhir dalam perjalanan tranformasi selepas Pelan Strategik Pembinaan 4.0, Pelan Strategik ICT, Pelan Antirasuah Organisasi (OACP) dan kini CSP bagi mencapai dasar pembinaan negara.

Dibentang pada bulan Januari 2020, CSP bagaimanapun diubah pada Mac 2020 berikutan pandemik Covid-19. "Ketika itu kami sedar, CSP diformulasi pada masa yang tepat. CSP menggunakan teknologi untuk



*Datuk 'Asri menekankan objektif CSP diaplikasi untuk menyeimbangkan keperluan dari sudut negara, pemain industri dan rakyat*

menjana transformasi dari perspektif CIDB," tambah Datuk 'Asri yang mahu melihat CIDB sebagai pemimpin sebenar industri pembinaan selari dengan inisiatif CSP ini.

Sebaik Perintah Kawalan Pergerakan (PKP) diperkenalkan pada 18 Mac 2020, CIDB adalah badan yang didekati untuk mencari penyelesaian bagi industri pembinaan. Dengan maklumat lengkap seperti data para kontraktor pembinaan dan kakitangan dalam sektor tersebut ternyata CIDB mempunyai simpanan data terurus justeru tidak mahu melepaskan

peluang untuk menempatkan diri selaku pemimpin industri.

### Agen Penyelesai Masalah

CIDB tidak pernah gagal mengadakan sesi libat urus dengan penggiat industri pembinaan bagi mengenal pasti isu-isu yang membelenggu dan memastikan ia disemak dan diberikan cara penyelesaian terbaik. Perkara-perkara ini seterusnya diambil kira dan dimasukkan dalam pelan strategik untuk dilaksanakan.

"Kita kena jadi agen penyelesai masalah. Apabila kita didekati untuk solusi, gunakan peluang itu sebaiknya dan tonjolkan tanggungjawab kita sebagai pemimpin," kata beliau. Datuk 'Asri menekankan objektif CSP diaplikasi untuk menyeimbangkan keperluan dari sudut negara, pemain industri dan rakyat.

“

*CSP diformulasi pada masa yang tepat. CSP menggunakan teknologi untuk menjana transformasi dari perspektif CIDB*

”

**Pelan Strategik ini disusun mengikut kepentingan seperti berikut:-**

- a) Perspektif Kapasiti Organisasi;**
- b) Perspektif Proses Dalaman;**
- c) Perspektif Pelanggan; dan**
- d) Perspektif Pihak Berkepentingan.**



Tiga asas yang ditekankan dalam CSP berkaitan kapasiti organisasi iaitu pembangunan sumber manusia, kelestarian kewangan dan ICT bertujuan mengukuhkan CIDB sebagai organisasi yang terunggul

**“** Kita kena jadi agen penyelesaian masalah. Apabila kita didekati untuk solusi, gunakan peluang itu sebaiknya dan tonjolkan tanggungjawab kita sebagai pemimpin **”**

“Kita kena pastikan kerja-kerja dilakukan secara produktif demi melonjakkan ekonomi negara dalam masa yang sama mengutamakan pembinaan lestari seperti mengurangkan emisi karbon dan pencemaran.

“Dari sudut pemain industri pula, keutamaan untuk menjana pendapatan dan keuntungan dengan persekitaran perniagaan yang kondusif. Oleh itu kita kena bantu mereka melaksana projek secara baik dalam tempoh masa yang ditetapkan agar mengelak kerugian. Ini termasuk juga kepentingan pihak perunding, perancang dan para pekerja.”

Manakala, dari sudut kepentingan rakyat atau pengguna, Datuk 'Asri akui CSP harus digunakan sebaiknya untuk memanfaatkan peluang kerja yang masih belum diteroka sepenuhnya. Beliau menggesa ia dilakukan secepat mungkin menerusi latihan dan penambahbaikan ilmu teknologi. “Rakyat Malaysia tidak minat kerja di sektor pembinaan kerana sindrom 3D (kotor, bahaya, susah), maka kita latih mereka untuk dapatkan kerja dalam persekitaran yang menarik tanpa terlibat dalam sindrom 3D. Contohnya, kerja reka bentuk yang boleh dilakukan di luar kawasan tapak di mana gajinya juga lumayan.

“Selain itu, kita juga harus memastikan rakyat ditawarkan dengan harga hartanah khususnya rumah yang mampu milik, dengan menawarkan

bantuan yang diperlukan untuk mengawal kos bahan mentah pembinaan, misalnya," kata beliau.

Dalam usaha mengembangkan tenaga kerja, CSP mengutamakan aspek teknologi sebagai faktor terpenting. Datuk 'Asri akui beliau berpuas hati apabila aspek ini sememangnya sudah digunapakai oleh CIDB dalam pelbagai jabatan seperti kewangan, sumber manusia, pentadbiran dan sebagainya. Ia bukan sahaja memudahkan malah membantu menyimpan rekod dengan tepat dan sistematik.

#### Tiga strategi utama CSP:

- a) Mengurangkan kesan negatif terhadap alam sekitar hasil daripada industri pembinaan;
- b) meningkatkan prestasi industri pembinaan; dan
- c) Menyediakan peluang pekerjaan bernilai tinggi untuk warga tempatan.

Di samping itu, sistem CIMS iaitu mengintegrasikan proses operasi dan transaksi di CIDB bagi memudahkan perkongsian data dan proses membuat keputusan. Para kontraktor, kakitangan didaftarkan dalam CIMS bagi memudahkan sebarang data diproses secara cepat, cekap dan telus. Ia membantu CIDB beroperasi seperti biasa termasuk sewaktu PKP. Namun, beliau berhasrat untuk mengembangkan pengumpulan data pada tahap yang lebih meluas agar dapat menepati kriteria sebenar pemimpin industri pembinaan.

#### Transformasi Dalaman

Tiga asas yang ditekankan dalam CSP berkaitan kapasiti organisasi iaitu pembangunan sumber manusia, kelestarian kewangan dan teknologi maklumat & komunikasi (ICT) bertujuan mengukuhkan CIDB sebagai organisasi yang terunggul.

Untuk itu, pelbagai strategi disusun dan diselaraskan bagi meningkatkan prestasi industri pembinaan seperti meningkatkan produktiviti syarikat pembinaan; meningkatkan perkhidmatan semasa dengan penanda aras dan teknologi baharu serta menyampaikan penyelesaian, produk dan perkhidmatan yang berkesan kepada pelanggan.

Bagaimanapun, cara pemikiran dan kaedah kerja dilihat sebagai cabaran besar yang mungkin akan mengambil sedikit masa. Oleh itu Datuk 'Asri tidak menolak CIDB akan terus melabur dalam menyediakan kakitangannya menghadapi cabaran dan lebih berinovasi.

"Sekiranya pola pemikiran mereka dapat diubah menjadi lebih inovatif, kita mampu menjadi kuasa kepimpinan utama dalam industri ini. CIDB perlu menerima teknologi baru, mengaplikasi dalam bidang penyelidikan dan pembangunan serta memasarkan secara meluas," katanya lagi.

**“ Kita mampu menjadi kuasa kepimpinan utama dalam industri ini. CIDB perlu menerima teknologi baru, mengaplikasi dalam bidang penyelidikan dan pembangunan serta memasarkan secara meluas ”**

Setakat ini, CIDB telah melatih lebih 400,000 orang melibatkan nilai pelaburan RM58 juta untuk tujuan *re-skill* dan *upskill* menerusi program PRIHATIN. Program ini menawarkan perantisan selama 3 bulan sebelum diserap bekerja.

Bagi mencapai perubahan dari aspek teknologi mahupun pemikiran, Datuk 'Asri menjangka tempoh masa tiga hingga lima tahun diperlukan. Apapun, beliau selesa apabila generasi muda yang bakal menjadi pelapis CIDB lebih celik teknologi dan ia akan memudahkan capaian.

Datuk 'Asri berharap, dengan pelan dan perancangan yang jitu, program CSP ini dapat dijayakan. Tambah beliau, pelan strategik ini merupakan hak milik bersama, maka, setiap warga CIDB perlu memberi perhatian yang serius terhadap 4 tonggak strategik iaitu inovasi (innovation), penyampaian penyelesaian (solutioning), pengurusan perhubungan (relationship management) dan kepimpinan (leadership) yang tentunya menyentuh setiap peringkat pekerjaan dalam CIDB.

"Melalui pelaksanaan CSP, saya berharap agar pemegang taruh industri pembinaan akan mengiktiraf CIDB sebagai pihak berkuasa yang menerajui penyediaan penyelesaian untuk membangunkan industri pembinaan yang bertanggungjawab secara sosial dan mesra alam," ujar beliau.



# FINAL REPORT CONSTRUCTION INDUSTRY TRANSFORMATION PROGRAMME (CITP) 2016 - 2020

*Driving Construction Excellence Together*



Quality, Safety  
& Professionalism



Productivity



Environmental  
Sustainability



Internationalisation  
& Competitiveness

## CONSTRUCTION INDUSTRY TRANSFORMATION PROGRAMME 2016 - 2020 REPORT CARD

The five-year transformation plan brought about significant positive changes in the areas of productivity, safety and health, quality, and professionalism.

The Construction Industry Transformation Programme (CITP) 2016 – 2020 was set up to elevate the construction industry in the areas of professionalism, competitiveness, sustainability, and productivity. With the programme's conclusion on December 2020, the Construction Industry Development Board Malaysia (CIDB) presented the CITP's report card to the Ministry of Works recently. The report card revealed that the five-year programme had resulted in significant positive changes occurring in the industry across the CITP's four strategic thrusts; namely Quality, Safety and Professionalism; Environmental Sustainability; Productivity; and Internationalisation & Competitiveness, with significant gains in productivity.

With construction as the nation's key economic sector with far reaching multiplier effects, the government through the Ministry of Works established the CITP to help the industry achieve national strategic objectives.

### A Significant Achievement

CITP achieved an overall success rate of 91% across in the numerous initiatives under its four strategic thrusts from January 2016 to December 2020 from January 2016 to December 2020. The Quality,

Safety and Professionalism strategic thrust achieved 90% of its initiatives, the Environmental Sustainability strategic thrust achieved 90%, the Productivity strategic thrust achieved 93%, while the Internationalisation & Competitiveness strategic thrust achieved 91%.

"The CITP is a detailed programme driven by the Ministry of Works through CIDB Malaysia. The ambitious five-year plan was introduced to transform the Malaysian construction industry into one that is highly productive, sustainable and world-class by 2020. Throughout the five-year plan, CIDB collaborated closely with all industry stakeholders in the private and public sectors to address the industry's issues to approach transformation holistically. CIDB worked closely with 17 ministries, 20 government agencies and 20 construction industry associations in a coordinated effort," said Datuk Ir. Ahmad 'Asri Abdul Hamid, Chief Executive of CIDB Malaysia.

It costs a total of RM706.6 million to implement the CITP where the bulk of which was spent on initiatives under the Productivity strategic thrust. CIDB contributed RM699 million or 92%, and the Economic Planning Unit (EPU) contributed RM61.6 million or 8% of the total cost.

### Productivity a Key Priority

When it comes to increasing the construction industry's productivity, technology is the primary catalyst of change. At the end of the five-year CITP, the general construction workers' productivity increased from RM27,000 per worker in 2014 to RM45,000 in 2020.

CITP has introduced several measures to accelerate the industry's transformation from being labour-intensive to a technology-based sector to increase the industry's productivity rate. One of the measures is to encourage the usage of the Industrialised Building System (IBS), which promotes shorter project delivery times and higher work quality. The usage of IBS has increased from 24% in public sector projects in 2014 to 87% in 2020, and from 14% in private sector projects in 2014 to 41% in 2020.

Building Information Modelling (BIM) is a crucial building technology to help achieve reliable and sustainable life-cycle maintenance of the built



Figure 1 - CITP achieved an overall success rate of 91% across in the numerous initiatives under its four strategic thrusts from January 2016 to December 2020

*“Throughout the five-year plan, CIDB collaborated closely with all industry stakeholders in the private and public sectors to address the industry's issues to approach transformation holistically”*



 While Datuk 'Asri is pleased with the CITP's achievements, he stressed that CIDB will to continue its efforts to elevate construction industry through other on-going and future initiatives

environment. Several initiatives, such as the setting up of CIDB's myBIM Centre as a one-stop reference, support, services and capacity building centre, have been taken to facilitate the adoption of BIM in the industry. Under the CITP, the National BIM e-submission (NBeS) was established, which shortened the approval of building plans from 7 to 14 days to a mere 24 to 48 hours in 2020.

### **Achievements in Quality, Safety & Professionalism**

To create a more quality-conscious culture in the construction industry, CIDB introduced several measurements for Quality, Safety and Professionalism which were developed in collaboration with industry stakeholders. One of them is the Quality Assessment System in Construction (QLASSIC), which assesses contractor workmanship, as well as provide broader quality assurance for the construction of buildings. The average QLASSIC score of construction projects rose from 69% in 2014 to 72% in 2020 after the CITP, with the highest score being 90% - the highest ever achieved since QLASSIC was introduced.

The numerous game-changing policies and regulations introduced under the CITP include the National Affordable Housing Policy launched by the Ministry of Housing and Local Government which requires QLASSIC certification for projects under its banner, Act 446 (Amendment) 2019 on Workers' Minimum Standards of Housing and Amenities, as well as two new regulations - the Solid Waste and Public Cleansing Management Act 2007 (Act 672) and the soon-to-be-gazetted Guidelines on Occupational Safety and Health in Construction Industry (Management) (OSHCIM). The National Affordable Housing Policy also incorporates the CIDB-developed Standard Perumahan Kebangsaan (CIS 26:2019).

Many other policies, standards, guidelines, tools, and regulations, were introduced under the CITP which brought in much-needed improvements in standards and practices of the construction sector across the four strategic thrusts of the CITP. Additionally, CIDB created numerous measures to further facilitate the industry players' participation in the transformation process. These include databases,

**“** While the CITP has achieved significant results, CIDB is now looking forward to the future to ensure that the Malaysian construction industry continues to adapt to the times **”**

websites and other digital tools, courses and certifications, as well as industry transformation incubators such as CIDB's myBIM Centre, the country's first one-stop resource hub to promote the use of BIM systems amongst construction industry players.

### **The Journey is Far From Over**

The systematic and comprehensive approach brought about by the CITP initiatives has helped the overall construction sector and sets the stage for a longer-term transformation.

"While the CITP has achieved significant results, CIDB is now looking forward to the future to ensure that the Malaysian construction industry continues to adapt to the times. Post CITP, CIDB will be focusing our efforts on several areas to further improve as part of our overall strategy to remain at the forefront," explained Datuk 'Asri.

Though the CITP chapter has concluded, CIDB endeavours to continue its efforts to enhance construction quality, working environment standards, including

### The construction industry has undergone significant changes over the past 5 years

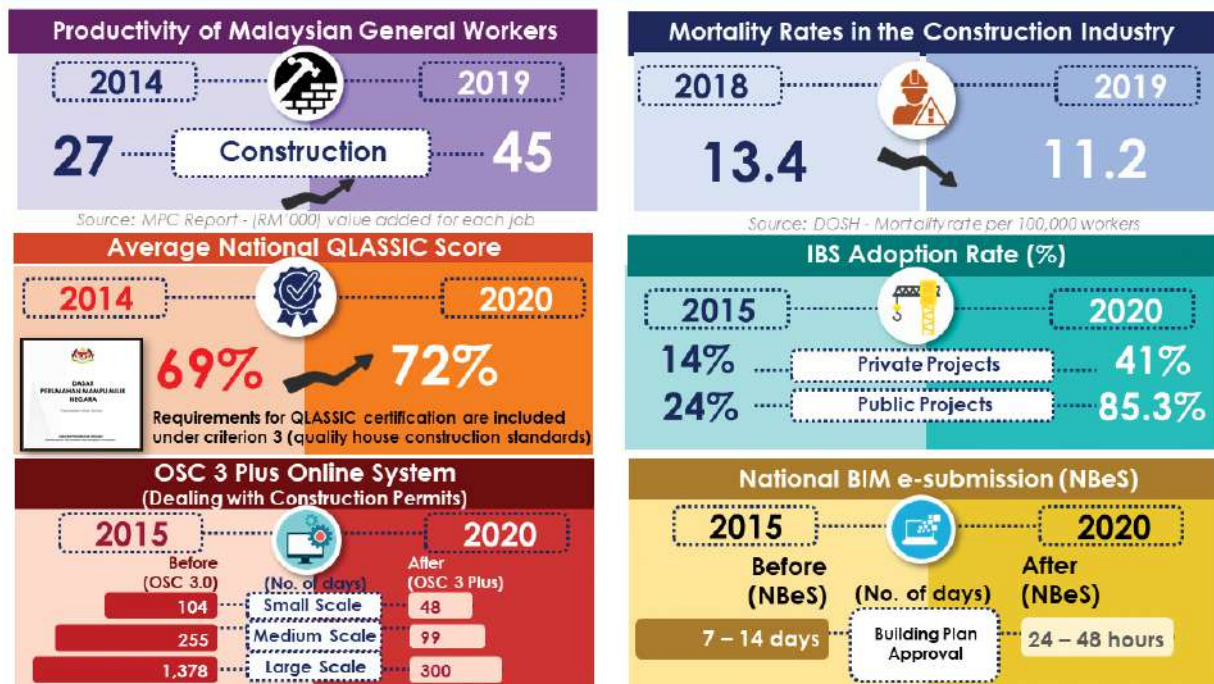


Figure 2 – The CITP has achieved significant results over the past five years

workplace safety and health (OSH) and worker facilities, and to monitor the rate of construction and demolition (C&D) waste materials produced.

The construction industry's productivity rate will remain a key focus area for CIDB as it is still lagging behind other sectors in the nation. IBS adoption has been identified as a game-changer in this effort as it is estimated to boost industry productivity rates from 2.3 sq. ft. per man-day with conventional methods compared to 10.4 sq. ft. per man day with IBS.

Other priorities include reducing the carbon footprint of construction projects, and growing local talent in the construction industry, which requires shifting certain negative views of the industry.

"The CITP had set the platform for transforming the Malaysian construction industry until 2020. However, as the body mandated to transform the construction industry in Malaysia, CIDB cannot rest on our

laurels. We are constantly reviewing the issues in the construction industry that still needs to be addressed. Post-CITP, these issues are comprehensively addressed in the 12th Malaysia Plan, the National Construction Policy (NCP) 2030, and the Shared Prosperity Vision 2030, which will provide the framework for our efforts moving forward," said Datuk 'Asri.

According to Datuk 'Asri, CIDB is mindful of the recent socio-economic developments including the impact from the COVID-19 pandemic. All the external challenges and new economic reality that are occurring in the construction industry globally underscore the importance for the construction industry players to step up their game including embracing digital and new technologies.

"CIDB is committed to continue working closely with industry stakeholders to continue the transformation process and instil a future-proof culture in the Malaysian construction industry. Ultimately, our goal is to elevate the Malaysian construction industry into

one that is more competitive, productive and resilient beyond 2020," Datuk 'Asri concluded.

**“Post-CITP, these issues are comprehensively addressed in the 12th Malaysia Plan, the National Construction Policy (NCP) 2030, and the Shared Prosperity Vision 2030, which will provide the framework for our efforts moving forward”**



*Paramit Factory stands as an arresting and functional symbol that nature can truly coexist with a thriving manufacturing facility*

# PARAMIT: MAXIMISING CONTACT WITH NATURE WHILE AT WORK

Paramit Factory gives pause for thought in Penang Science Park with its iconic “Factory in the Forest” design.



*The Paramit Factory car park is surrounded by lush greenery*

Those who have an idyllic vision of being surrounded by nature on a typical workday at the office will love the Paramit Factory. Known as the "Factory in the Forest", the 162,000-square-foot plant is the brainchild of John Bulcock and Chin Kuen Cheng of Design Unit Architects Sdn. Bhd., who won an architectural competition for the design. Together with environmental specialists IEN Consultants Sdn. Bhd., they crafted a truly breathtaking, sustainable and functional factory at the heart of Penang Science Park, Bukit Minyak on the island's mainland.

The inspiration behind Paramit was simple, yet required a powerful vision to accomplish. "We want to encourage maximum contact with nature throughout the working day for all employees from the aspects of the greenery, scent, touch, natural light and trees," said RIBA Architect John Bulcock, Director at Design Unit.

### Design and form

With a capacity to house 800 employees, Paramit comprises four main elements: car park, office, courtyard and production. An over-sailing canopy, supported by a 'forest' of slender columns creates unity to office, courtyard and car park while giving protection to these spaces from the tropical sun.

First-time visitors who arrive in front of the building would have a hard time believing that it is a factory. "They are not sure what it is or think it's a resort or conference centre. However, we believe this is simply our 'conditioning' of what a factory should look like. All buildings should be questioned as to what they are and what they could be," said Bulcock.

The irregular, triple height glass office entrance lobby gives access to the production plant at ground level through the courtyard, the first and second floor levels to the office spaces, cantilevered boardroom and

roof gardens. All office levels have direct access to the green roof gardens. The staff are encouraged to step out to the roof gardens for breaks, meetings or whenever they need to contemplate.

A green courtyard, which is shaded by the over-sailing canopy, separates the office and production plant affording views and access from both. The naturally ventilated cafeteria is located at the east end of the courtyard and expands out for meal breaks under the trees. A bridge over the courtyard, with coffee bar, links the office and production and this circulation route becomes a space in its own right for meetings, breaks and lectures.

In addition to the gorgeous views of the courtyard, the manufacturing plant also affords views to the dense landscape and the skies through full height glazing along both side elevations. The glazing is protected from direct sunlight by free-standing off-form concrete fins and roof



*All office levels have direct access to the green roof gardens*

louvers running the complete length of the building. Rainwater cascades down from roof spouts to catchment sumps, heightening awareness to the tropical storms, to storage tanks for landscape irrigation.

### Construction and challenges

The structure and materials comprise off-form reinforced concrete and steel structure, as well as glazing and landscape features. "Working with a small palette of materials, we could create an 'honest' building that clearly portrays what it is, what it is made of and how it is put together," Bulcock explained.

The main challenge, according to Bulcock, was the workmanship relating to the fair faced concrete walls and slabs as the contractor had no prior experience of this type of construction. A number of mock-ups of various elements of the building were undertaken by the main contractor until they achieved an acceptable level of work. "In the end, it worked out as the contractor had a very good attitude and was prepared to do what was required of him to achieve the desired results."

It also helped that the client extended their full support for the project. "From the onset, Paramit readily accepted the design and was determined to build the plant as designed and first presented to them. This made the project a joy to work on as we did not have to constantly justify the design and resist client changes as is sometimes the case," he said.



*The natural diffused north light across the factory floor reduces dependency on artificial lighting*

*"We want to encourage maximum contact with nature throughout the working day for all employees from the aspects of the greenery, scent, touch, natural light and trees"*

*"*

### Significance

As industrial parks tend to be soulless places, the approach was to create a meaningful and stimulating working environment for the company and all their employees – and for the forest to be the face of the building and company. Forests, said Bulcock, are critical not only for the world macro-climate but also vital for the micro-climate, and for healthy and sustainable living, which are critical for our psychological well-being.

Hence the building incorporates many passive design features that reduce energy consumption and increase user comfort. These include a large sunshade canopy over office and roof gardens, skylights allowing natural diffused light across the factory floor, concrete fins shielding against the low east and west sun and the 'forest' to provide shade to the building and recreation space for building users.

The natural diffused north light across the factory floor reduces dependency on artificial lighting. When combined with the chilled water floor slab cooling and cutting edge air-conditioning technology, it reduces energy consumption to around half that of a conventional plant of similar size.

Conceptual design took place on July 2014 and the detailed design period was from October to December 2014. The plant construction began on June 2015 and was completed in 18 months on January 2017. To this day, Paramit Factory stands as an arresting and functional symbol that nature can truly coexist with a thriving manufacturing facility.

“

*All buildings should be questioned as to what they are and what they could be*

”



The staff are encouraged to step out to the roof gardens for breaks, meetings or whenever they need to contemplate



Paramit Factory is truly an 'honest' building which is rich in character and constructed with a small palate of materials

#### PROJECT DETAILS:

Client: **Paramit Malaysia Sdn Bhd**

Architectural Practice: **Design Unit Architects Sdn Bhd**

Lead Architects: **John G N Bulcock RIBA, Chin Kuen Cheng APAM**

Environment Consultants: **IEN Consultants Sdn Bhd**

Engineering & Construction: **Web Structures Sdn Bhd**

Mechanical & Electrical Engineer: **Perunding Eagles Engineers Sdn Bhd**

Project Management: **JLL Sdn Bhd**

Main Contractor: **South Island Building Sdn Bhd**

# MENDORONG KONTRAKTOR BERINTEGRITI



*Integriti adalah prinsip Mahanom dalam kerjayanya sebagai kontraktor*

Soal perbezaan gender tidak pernah diangkat sebagai suatu 'kelebihan mahupun kekurangan' dalam kerjayanya sebagai seorang kontraktor. Bagi wanita bernama Mahanom Mohammad, ada 'isu' yang sepatutnya lebih diutamakan dalam memastikan tugasnya berjalan secara berhemah, iaitu 'integriti'.

Bagi Mahanom, selagi berpegang kepada nilai integriti dan sikap yang baik diserasikan dengan disiplin, maka apa sekalipun bidang yang diceburi pasti membuahkan hasil. Jelas dan telus, setiap kata-kata yang dilemparkan oleh Mahanom bukan sahaja menampakkan kematangan pengalaman dalam bidang kontraktor malah, sebagai seorang ikon wanita yang berkeperibadian tinggi.

Berusia 53 tahun, Mahanom mula melibatkan diri dalam bidang kerja kontraktor sejak berusia 20an lagi iaitu pada awal tahun 1990an. Bayangkan, tatkala negara menyaksikan pembangunan pesat dalam bidang binaan dan arkitektur, Mahanom menjadi salah seorang saksi penting di sebalik kepesatan, lebih-lebih lagi berdiri dalam bidang yang menyumbang kepada kemajuan tersebut.

Pada awal penglibatan, Mahanom akui banyak memperoleh pendedahan mengenai pengurusan kontrak dan mula berkecimpung secara serius dalam perniagaan sebagai kontraktor penyaman udara pada tahun 2000.

## **Terus mengembangkan perniagaan**

Seperti air yang mengalir deras, Mahanom enggan duduk selesa dengan empayar kecil yang dibinanya pada peringkat awal, walhal beliau yang masih muda dalam bidang tersebut mula menyedari potensi perniagaan kontraktor dari pelbagai sudut. Seiring dengan saiz tenaga kerja yang semakin berkembang, wanita ini meluaskan skop perkhidmatan kepada sistem mekanikal bangunan, sistem elektrik dan dengan pengalaman yang ada, pasukannya mampu menawarkan pakej penyelenggaraan untuk membaiki kerosakan bangunan, sistem mekanikal dan elektrik sehingga terkini, projek membina



Mahanom percaya bahawa kontraktor harus terus berusaha untuk kekal relevan

kediaman banglo. Kini beliau menjadi imej yang di sebalik syarikatnya, Emartech Resources Sdn Bhd, kontraktor kelas G1 yang berpusat di Wilayah Persekutuan.

"Memulakan perniagaan bukanlah satu perkara yang mudah. Ia memerlukan kecekalan dan semangat yang tinggi," kata beliau. Bagi Mahanom, seorang kontraktor boleh terdiri daripada seorang yang kurang pandai atau kurang berpengalaman memandangkan kedua-dua kekurangan itu masih boleh diasah. Namun, apa yang lebih penting ialah sikap dan disiplin. Bagi Mahanom, terdapat lima kriteria utama yang diamalkan untuk menjadi seorang kontraktor yang berkaliber.

"Kemahiran dalam bidang yang dipilih adalah sangat penting dalam menyampaikan kerja secara berhemah. Kemahiran yang dimiliki perlu diiktiraf oleh industri melalui sistem pentauliahkan," kata beliau. Kriteria berikut yang dikongsi ialah berkenaan cara berfikir. Jelas

beliau, penting bagi memastikan kontraktor bijak dalam memikul tanggungjawab dalam pelaksanaan kerja. Memandangkan hasil kerja kontraktor berkait rapat dengan keselamatan pengguna, beliau menekankan kepentingan pelaksanaan kerja yang baik mengikut piawaian industri. Ia bagi mengelak risiko kerosakan harta benda dan nyawa manusia.

"Sistem kerja yang padu, antara kriteria yang tidak sepatutnya ditinggalkan. Seorang kontraktor perlu tahu selok-belok mengurus kerja dari mula hingga akhir. Sistem kerja yang cekap lebih bernilai apabila didokumentasikan sebagai SOP," ujar Mahanom. Beliau menambah, kegagalan mendokumentasi sistem kerja boleh merugikan ekoran ketiadaan sistem rujukan dalam menguruskan perniagaan.

Kriteria keempat adalah pemikiran strategik yang membolehkan rancangan dan keputusan diambil menerusi penganalisaan data dan

peristiwa secara cekap. Ia sekali gus dapat menguruskan risiko dan menilai peluang yang ada dari setiap masalah atau krisis yang timbul dalam rancangan awal.

Terakhir sekali, adalah daya kepimpinan yang ditambah baik supaya selari dengan cara kerja masa kini terutama dari sudut mendorong, IQ, EQ dan banyak lagi.

### **Terus berusaha untuk kekal relevan**

Mahanom turut ditanya mengenai cara mengekalkan kemahiran dan kesesuaian seseorang kontraktor. Beliau berkata, jika belakang parang sekalipun, bila diasah akan tajam juga, maka serupa dengan manusia yang sentiasa peka untuk memajukan diri.

Berusaha selalu, bantu masyarakat dan komuniti setempat dengan menyediakan peluang pekerjaan, rancakkan rantai ekonomi dalam industri, antara yang disenaraikan Mahanom.

Beliau berharap, setiap kontraktor yang terlibat dalam kerjaya tersebut bukan atas dasar 'terpaksa' atau sebagai bidang terjun, sebaliknya mempunyai niat untuk membantu menyelesaikan masalah pelanggan dan meringankan beban mereka. Hasrat tersebut juga harus diserasikan dengan cara penyampaian kerja dan pengurusan kos kerja yang sewajarnya agar tidak memakan diri sendiri.

"Jika letak harga murah semata-mata mahu mendapatkan sesuatu projek, ia akan merisikokan kita pada kerugian. Tanamkan integriti sebagai satu nilai berharga dalam perniagaan dan terapkannya sebagai aset yang perlu sentiasa dibelai, bukan untuk digadai," tegas beliau.

Menyambung mengenai integriti, Mahanom berkata beliau terus bertahan dalam bidang ini untuk membuktikan integriti selaku satu nilai yang harus dibela. Ujar beliau, sepanjang berada dalam industri, Mahanom sememangnya tidak senang hati dengan amalan rasuah. Beliau mengambil iktibar untuk memastikan segala dasar dan prinsip perniagaan di syarikatnya dijalankan secara telus dengan menolak projek yang mengamalkan rasuah. Rentetan itu, ketika berada dalam kontraktor Kelas E dan atasan beliau melihat amalan rasuah sebagai cabaran besar memandangkan ia melibatkan beberapa pihak. Perkara itu menyebabkan pihaknya kekal di Kelas F sehingga ditukarkan kepada Gred G1, di mana beliau turut menyaksikan penyalahgunaan lesen merebut tender dan salah guna lesen-lesen tambahan melalui proksi untuk digunakan atas nama orang lain yang berleluasa.

"Benci dengan amalan ini, saya tetap yakin dengan sistem undang-undang dan peraturan sehingga membentuk pemikiran berintegriti dalam kalangan pelapis industri. Ia menjadi satu dorongan baru untuk terus berada dalam industri ini," kata beliau.

"Atas dasar itu saya terpanggil untuk memberi semula kepada pelapis industri dalam bentuk berkongsi pengalaman dan menghidupkan motivasi. Ini bagi memastikan pelapis baharu tidak berhenti setiap kali menghadapi cabaran dan halangan dalam menguruskan perniagaan kontraktor mereka," ujar beliau.

Selain menjalankan perniagaan kontraktor, Mahanom turut terlibat secara aktif selaku seorang penulis dan usahawan yang berjaya.

### Memberi semula kepada pelapis baru

Inisiatif untuk 'memberi semula' kepada pelapis baharu disampaikan secara bertulis dalam buku beliau. Antara buku beliau adalah; "77 Langkah - Tekal Berdiri Terus Mendaki (2020), "77 Langkah - Dilihat Kecil, Langkahnya Gergasi (2018), "Kontraktor Jalanan - Bangkit Berani Terbang Tinggi" (2017) dan beberapa lagi. Selain itu, bagi berkongsi pelbagai pengalaman secara bersemuka, beliau turut menerima pelawaan untuk memberi ceramah motivasi, antaranya bertajuk, "Bukan Sekadar Mimpi Pendaftaran Kontraktor G1 Bumiputera" (Disember

2019), "A Hero In Me" (Oktober 2018), Skil Kemahiran 4K Untuk Kekal Hebat Di Era Digital (November 2018) dan banyak lagi.

Katanya, beliau terdorong menulis buku-buku bergenre motivasi selepas pengalaman pertamanya menerima anugerah khas CIDB pada tahun 2016. "Saya bukukan pengalaman dan kejayaan itu di bawah tajuk 'Budak Kecil Gigih Berlari'. Kandungan buku itu mengisahkan bagaimana saya melalui fasa-fasa memulakan perniagaan, membangun dan mengembangkan perniagaan hingga kemuncak, menerusi pengiktrahan pencapaian tertinggi dalam industri.



Mahanom tetap yakin dengan sistem undang-undang dan peraturan sehingga membentuk pemikiran berintegriti dalam kalangan pelapis industri.

Saya turut berkongsi cara membuat pelan perniagaan ketika perniagaan mengalami kejatuhan dan strategi bangun semula," katanya.

Walaupun buku tersebut diterbitkan sebagai satu memori untuk koleksi peribadi, tetapi ekor permintaan memberangsangkan, Mahanom mencetak semula untuk diedar kepada rakan-rakan media sosial.

Dari situ, lahir inspirasi Mahanom untuk membukukan ilmu dan pengalaman beliau berkaitan bisnes kontraktor selaku rujukan kepada pelapis industri yang mahu menjadikan bidang kontraktor sebagai satu pilihan perniagaan.

Tidak lengkap sekiranya kontraktor di tangga berjaya seperti Mahanom tidak berkongsi cabaran dan detik perit yang dihadapi ketika pandemik Covid-19. Namun, cara beliau menghadam situasi tersebut agak berbeza apabila beliau mengakui sedia menerima virus itu dalam kehidupan seperti virus selsema yang lain. "COVID-19 tidak akan hilang dari kehidupan kita. Ia seperti virus selsema yang pernah menjadi wabak suatu ketika dahulu. Kini kita hidup dalam keadaan virus selsema berada di mana-mana. Begitu juga virus Covid-19," katanya.

Beliau akui mana-mana kontraktor sekalipun pasti akan berdepan cabaran besar ketika pandemik ini dan beliau menyenarai tiga isu sebagai masalah paling besar. Kelewatan, kerugian dan kehilangan kerja merupakan antara cabaran besar dihadapi pihak kontraktor termasuk Mahanom sendiri.

"Apabila berlaku kelewatan dalam tempoh masa menyiapkan projek, tentu sekali pelanggan rasa tidak puas hati. Bagaimanapun, kita masih ada peluang apabila bekerja dengan

kerajaan memetik Klausa 43 dalam Dokumen Kontrak yang membenarkan kelewatan dalam menyiapkan kerja," katanya. Namun, bagi pelanggan di pasaran swasta sememangnya satu isu yang perlu dikendalikan secara bijaksana dan diplomatik.


Oleh kerana pergerakan di tapak kerja yang terhad, projek bukan sahaja lewat disiapkan tetapi Mahanom akui margin keuntungan turut terkesan secara drastik. "Sudah pasti kos akan bertambah apabila ada kos penyewaan peralatan dan gaji pekerja. Pertambahan kos ini perlu diserap oleh kontraktor. Bagi yang mendapat kerja dengan margin nipis sebelum MCO, sudah pasti akan rugi," ujarinya.

Akhir sekali, masalah kehilangan kerja yang berlaku apabila pelanggan sendiri menghadapi masalah ekonomi sehingga projek terpaksa dibatalkan. Pada waktu krisis seperti pandemik ini, Mahanom tidak dapat mengelak niat pelanggan yang lebih memilih untuk menyimpan wang dan bukan berbelanja.

Mengambil kira semua cabaran dan kemungkinan yang tidak terduga ini, Mahanom berkata, selaku kontraktor, pihaknya harus lebih intuitif dalam memikirkan risiko kerugian apabila pelanggan membatalkan niat walaupun kerja sudah separuh jalan. Ini termasuk mengubah model perniagaan agar tidak terlalu bergantung dengan satu pasaran sahaja.

"Misalnya, Emartech sendiri mula menolak kerja-kerja yang melibatkan luar dari sempadan negeri supaya tidak berhadapan dengan masalah rentas sempadan andai kes menjadi tinggi semula," kata beliau memberi contoh syarikat beliau.



 Mahanom di tapak kerja pembinaan

### Bersedia hadapi Industri 4.0

Sungguhpun begitu, beliau berkata krisis seperti ini tidak sepatutnya dijadikan alasan malah kita harus berfikir secara inovatif dalam memastikan survival perniagaan. Memandangkan negara mengejar revolusi Industri 4.0 yang semakin mencabar, bukan sahaja kepada satu bidang tertentu tetapi sebagai keseluruhan aspek kerja, maka wajar bagi ahli perniagaan khususnya kontraktor menimba ilmu dan memajukan kepakaran sedia ada dengan peredaran masa.

"Kita sebenarnya sudah tertinggal di belakang jika dibandingkan dengan negara Asia yang lain terutama negara jiran Indonesia. Untuk bertahan dalam situasi sekarang, sekiranya model perniagaan sedia ada tidak sesuai, maka kontraktor perlu menukar model tersebut mengikut permintaan dalam pasaran dan mencari peluang baru yang lahir dari krisis yang ada," ujar beliau.

Kata beliau, kontraktor tiada pilihan tetapi harus menitikberatkan secara

serius perkembangan revolusi Industri 4.0 jika mahu kekal lama dan relevan dalam industri ini. Mahanom menambah, seiring dengan masa, para kontraktor sudah sepatutnya melengkapkan diri dengan ilmu AI iaitu *Artificial Intelligence* dan bukan lagi bekerja secara tradisional seperti 20 tahun dahulu.

"Sekiranya kita mengikuti perubahan dalam Industri 4.0, kita akan

mendapat dedahan mengenai VUCA (*Volatility, uncertainty, complexity and ambiguity*), yang mana menekankan perubahan berlaku dengan cepat, flip-flop, kompleks dan tidak jelas. Dengan mengadaptasi VUCA dalam pekerjaan seharian, ia menuntut kontraktor bukan sahaja menjadi pintar dan bijaksana tetapi cergas dan tangkas dalam membuat keputusan," jelas beliau.

Katanya, jika selama ini kita dibantu kerajaan lebih-lebih lagi pada musim pandemik dan Perintah Kawalan Pergerakan (PKP), kini sudah tiba masanya untuk mengetepikan kepentingan dan konflik peribadi, dan membantu kerajaan dan industri untuk membina semula negara.



Adalah menjadi hasrat Mahanom untuk membimbing kontraktor muda menjadi kontraktor yang berkaliber untuk masa depan yang lebih cerah bagi negara

### Jalan untuk Menjadi Kontraktor Berdaftar

Usahawan tempatan yang ingin memulakan perniagaan pembinaan di Malaysia perlu memohon lesen CIDB. Mereka perlu memiliki diploma, ijazah atau sijil dalam bidang berkaitan dengan pembinaan yang diiktiraf oleh kerajaan Malaysia atau CIDB.

Permohonan lesen pembinaan di Malaysia hanya boleh diisi oleh pemilik syarikat atau oleh pengarah syarikat. Kontraktor tempatan boleh mendaftar dalam pelbagai kategori seperti Pembinaan Kejuruteraan Awam, Pembinaan Bangunan dan

Mekanikal dan Elektrikal, untuk tempoh minimum 1 tahun tetapi tidak melebihi 3 tahun untuk melaksanakan kerja-kerja pembinaan di Malaysia. Kontraktor tidak boleh melaksanakan kerja pembinaan di luar kategori yang didaftarkan.

Peraturan ini juga perlu dipatuhi oleh kontraktor asing, dengan perbezaan bahawa mereka hanya dapat menyelesaikan projek pembinaan di mana mereka mempunyai lesen. Oleh itu, mereka tidak dapat mengendalikan projek lain tanpa lesen.

Terdapat tujuh gred pendaftaran yang ditentukan untuk setiap kategori seperti yang dinyatakan di bawah:

#### Kapasiti Gred:

- Tender G1 tidak melebihi RM 200,000
- Tender G2 tidak melebihi RM 500,000
- Tender G3 tidak melebihi RM 1 Juta
- Tender G4 tidak melebihi RM 3 Juta
- Tender G5 tidak melebihi RM 5 Juta
- Tender G6 tidak melebihi RM 10 Juta
- Amaun tender G7 - Tiada Had

Selain mendapatkan lesen CIDB di Malaysia, kontraktor harus mendapatkan sijil lain yang wajib untuk syarikat pembinaan di negara ini: Sijil Status Bumiputera untuk mengambil bahagian dalam projek kerajaan dan Sijil Perolehan Kerja Kerajaan untuk projek pembinaan yang diperuntukkan.



# 2021 MALAYSIAN CONSTRUCTION MARKET OUTLOOK & SALARY SNAPSHOT



By Pep Chia,  
Associate Director, Construction, Property & Engineering,  
Randstad Malaysia

**During the MCO that lasted from 18 March to 28 April in 2020, the construction industry reported RM18.5 billion in losses.**

Senior Minister of Works Minister Dato' Sri Haji Fadillah Yusof shared in September 2020, "The most significant impacts to the construction industry were caused by financial issues, project delivery and labour constraints. These include the loss of workforce and labour wages at a rate of 30%, which was worth RM3.3 billion, and the decline in the use of construction materials by 42% worth RM4.6 billion."

Following MCO, organisations are more prepared on what to expect during lockdowns and have developed multi-pronged business continuity plans in response to Covid-19.

Businesses are also ready and eager to return to pre-Covid-19 outputs. While construction output has contracted by 13.1% year-on-year in Q3 of 2020, it is a positive recovery from the record contraction of 44.9% in Q2 of 2020.

## **Budget Injects Glimmer of Hope**

The outlook for the construction industry seems more optimistic after the proposed 2021 Budget was unveiled on 6 November 2020.

With positive progress in vaccine development, Malaysia's economy is confidently projected to rebound

with a growth between 6.5% and 7.5% in 2021. The construction industry is expected to expand by 13.9% in 2021, as major infrastructure and affordable housing projects are revived and accelerated to meet deadlines.

To support this growth, the government has allocated RM322.5 billion to the 2021 Budget, focusing on operating expenditure, development expenditure (RM69 billion) and the Covid-19 fund.

From the development expenditure, RM15 billion may be allocated to infrastructure projects like Mass Rapid Transit Line 3 (MRT3), Gemas-

Johor Double Tracking Project, Rapid Transit System from Johor Bahru to Woodlands, Klang Valley First Phase Double Tracking Project and the Pan Borneo Highway. The government also plans to continue with the High-Speed Rail Project with Singapore.

The 2021 Budget brings a much-needed boost to the construction industry, as government spending on large infrastructure projects will drive business recovery and growth more quickly.

The annual Budget has always been the driving force for the construction industry. National infrastructure projects will also steer state governments and local businesses to focus their investments and resources on the development of business hubs and townships, lifting the construction industry as a whole.

Most of the growth is expected to be fuelled by domestic investments. State investments and developments

in Penang, Johor and Negeri Sembilan will help boost the construction industry in 2021.

### Extension of Time Gives Companies Breathing Space

Local construction companies welcomed the Extension of Time clause which allows developers to extend the scheduled completion date, many of which were pushed back due to MCO, without financial penalties.

Now that project deadlines are being pushed back, companies have more leeway to complete their projects to align with market demands and requirements.

However, this has slowed down hiring activities. Employers are no longer under pressure to expand their headcount to complete their projects urgently. Furthermore, companies are not able to activate their entire workforce due to safe distancing measures that limit the

number of people at worksites at any one time.


### Benefits of Technology for the Construction Industry

Led by the Construction Industry Development Board (CIDB Malaysia), the Construction Industry Transformation Plan drives the implementation of building information modelling (BIM) across the project life-cycle to induce higher productivity in the industry. Through various training programmes and incentives, CIDB Malaysia also promotes the use of industrialised building systems (IBS) to increase productivity and quality at construction sites.

Construction firms are leveraging government grants to explore the use of technology to increase revenue performance and be more cost efficient.

There is also an increasing focus on using technology to design and construct green, sustainable



 Construction firms are leveraging government grants to explore the use of technology to increase revenue performance and be more cost efficient.

buildings that reduce our carbon footprint. Developers are using BIM and IBS to map such designs to attain a favourable Green Building Index (GBI) that is used as a property value measurement.

These new technologies and accreditations have motivated many project managers, engineers and architects to get themselves certified so as to meet new market and employer requirements.

Besides the above, we can expect more construction companies to start looking at the benefits of using drones to map land areas for large-scale infrastructure projects such as solar farms and agriculture, further driving the need for digitally-adept professionals in the construction industry.

### **Talent Trends in the Malaysian Construction Sector for 2021**

Until a widely accessible viable vaccine is available, companies in Malaysia will likely remain conservative in their hiring activities in 2021.

#### **• In-demand Tech Skills and Jobs in 2021**

Hot jobs in the construction industry in 2021 are in contract management, tender management, quality assessment and control as well as project management.


These roles have a crucial part in ensuring cost efficiency and profitability throughout the project lifecycle. For example, the most in-demand contract managers are typically those with a large network

of external partners whom they can negotiate and secure price-efficient contracts with.

Common technical skills that employers look for include BIM, IBS, Quality Assessment System in Construction (QLASSIC) and the Construction Quality Assessment System (CONQUAS).

Other in-demand soft skills would include stakeholder management, time management and vendor negotiation. Those who can communicate fluently and present themselves well during the job interview will stand a higher chance of securing the job.

On the other hand, design-related jobs in the construction industry will decrease in 2021 due to the

 *Employees with updated qualifications are very attractive in the job market.*



decrease in the number of new projects in the market.

#### •Improving Employer Brand through Training & Development

It's no secret that employees with updated qualifications are very attractive in the job market. Employers who do not have these highly-skilled professionals will be actively looking to hire them, and companies that have the talent will be working hard to retain them.

Companies that offer a robust training roadmap to upskill employees will be able to access a larger pool of candidate and secure good talent. Skilled employees will also help increase the human capital in the company as they are able to expand their portfolio or take on more specialised roles, which would

further strengthen the employer brand of the company in the market.

#### •Digital Interviews are Here to Stay

We anticipate more employers to conduct job interviews over video conferencing or phone calls in 2021 and even after the Covid-19 crisis is over.

After experiencing the benefits of virtual interviews during MCO, both employers and candidates have reportedly favoured digital interviews over the face-to-face format.

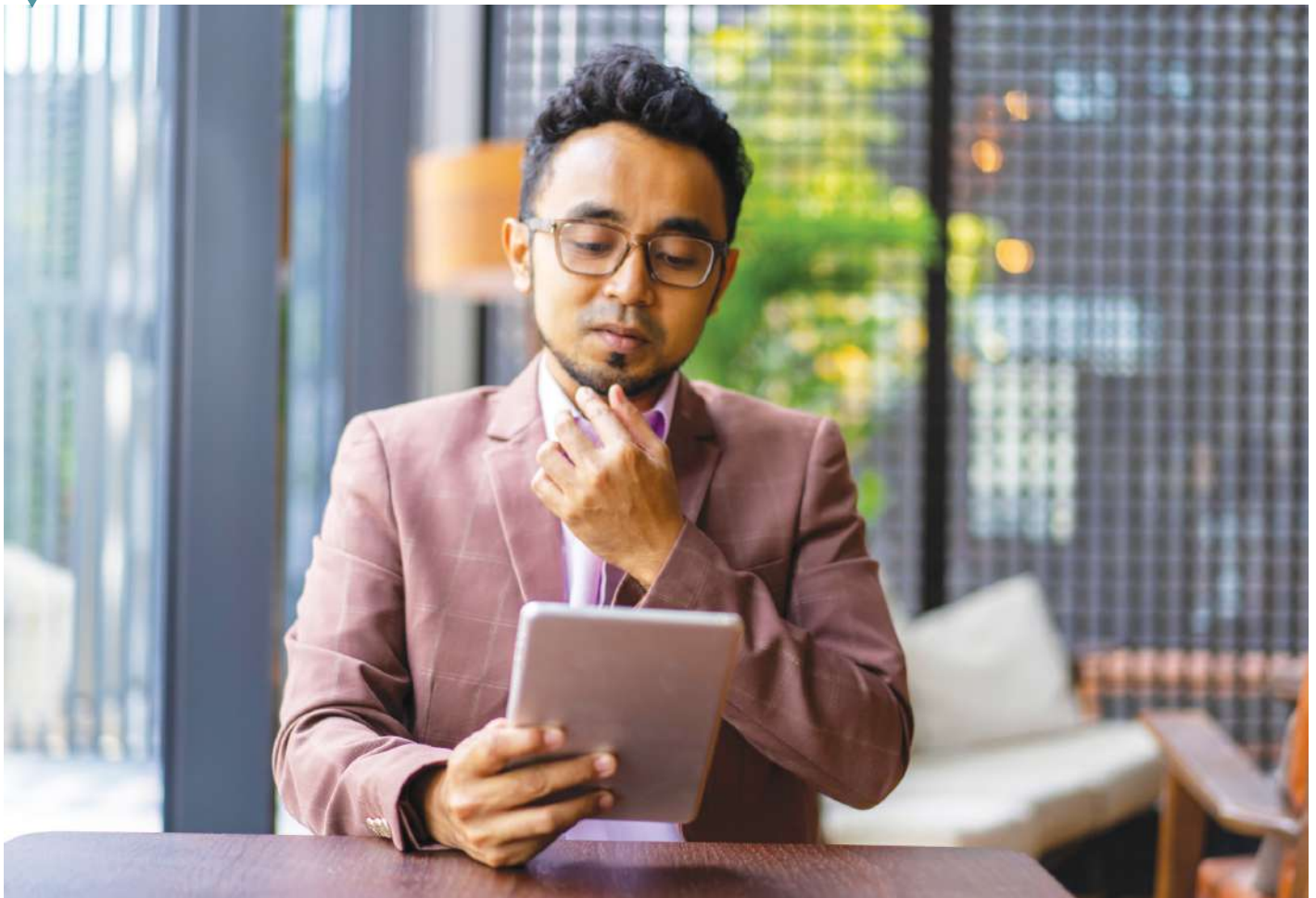
Instead of applying for annual leave to attend job interviews, candidates can schedule them before work or during lunch breaks.

“

*Hot jobs in the construction industry in 2021 are in contract management, tender management, quality assessment and control as well as project management.*

”

After experiencing the benefits of virtual interviews during MCO, both employers and candidates have reportedly favoured digital interviews over the face-to-face format.



Employers also prefer to conduct interviews over video or phone, as they tend to be more structured and quick to process. Video interviews are better for evaluating candidates' communication and presentation skills. The recording function also allows recruiters and hiring managers to share the interview with other decision makers to determine if the candidate is a good fit, which helps speed up the hiring process.

#### • Candidates' Appetite for Changing Jobs

As hiring remains quite active in the construction industry due to a scarcity of good talent in Malaysia, more candidates are expected to switch employers in 2021.

However, the 'pull' factors have to be very compelling to job seekers, especially passive candidates who will have a long wish list. For example, these candidates would seek to work with companies that have a strong project pipeline, good financial performance during Covid-19, no recent record of retrenchments or pay cuts as well as a strong management team that is capable of leading the organisation through the pandemic.

With lower hiring budgets during the pandemic, in-demand candidates who switch employers in 2021 can negotiate for a 10% to 15% salary increment, a downward trend from the 20% to 25% offered pre-Covid-19.

**“**  
As hiring remains quite active in the construction industry due to a scarcity of good talent in Malaysia, more candidates are expected to switch employers in 2021.  
**”**

Salary Snapshot				
Roles	Experience	Low	Medium	High
Chief Executive Officer / Director	20-30	\$30,000	\$40,000	\$50,000
Chief Operating Officer / General Manager	15-25	\$25,000	\$30,000	\$35,000
Project Director	15-25	\$20,000	\$25,000	\$35,000
Contract Director	15-25	\$20,000	\$25,000	\$35,000
Design / Technical Director	15-25	\$20,000	\$25,000	\$35,000
Project Manager	5-15	\$13,000	\$16,000	\$20,000
Planning Manager	5-15	\$10,000	\$14,000	\$18,000
Contract Manager	5-15	\$10,000	\$14,000	\$18,000
Technical Manager	5-15	\$10,000	\$14,000	\$18,000
QAQC Manager	5-15	\$10,000	\$14,000	\$18,000
Safety Manager	5-15	\$8,000	\$12,000	\$15,000
Construction Manager	5-15	\$8,000	\$12,000	\$15,000
Project Engineer	2-7	\$4,000	\$6,500	\$8,000
Quantity Surveyor	2-7	\$4,000	\$6,500	\$8,000
Design Engineer	2-7	\$4,000	\$6,500	\$8,000

Figures are in MYR and based on a basic monthly salary of a permanent role (not including fixed/variable bonus)

Source: randstad.com.my, 2021 Market Outlook & Salary Snapshot Malaysia



# COVID-19 - TIME AND MONETARY CLAIMS, ENTITLEMENT AND EVALUATION

Will Covid-19 trigger a force majeure clause?



By Sr HT Ong,  
Director of BK Entrust

On 30 Jan 2020, World Health Organization (WHO) has declared the Coronavirus outbreak in Wuhan, China a Public Health Emergency of International Concern (PHEIC), "*an extraordinary event which is determined to constitute a public health risk to other States through the international spread of disease and to potentially require a coordinated*

*international response*". WHO subsequently updated the Coronavirus (named as Covid-19 on 11 February 2020) in the list of "Pandemic, epidemic diseases", and called such an outbreak a pandemic.

The magnitude of freeze or lockdown in operation, production and logistics, including residents'

quarantine, delays or failures to fulfil commercial and/ or contractual obligations amongst many organisations, were apparent and have impacted global supply chains, economies and people movement extensively, including Malaysia.

In the effort to slow down or flatten and contained the Covid-19 virus

spread nationwide, the Malaysian Government introduced its Movement Control Order (MCO), issued under *Prevention and Control of Infectious Diseases (Declaration of Infected Local Areas) Order 2020 and related Regulations (Measures within the Local Infected Areas) Regulations 2020* and enforced under *Prevention and Control of Infectious Diseases Act 2988 and Police Act 1967* (PCIDA), initially from 18 March 2020 nationwide, then subsequently Conditional Movement Control Order (CMCO) until 9 June 2020. It is then followed by Recovery Movement Control Order (RMCO) up to 31 December 2020.

However, on 7 November, CMCO was reinstated throughout most of Peninsular Malaysia from 9 November to 6 December 2020. Subsequently, the majority of the states was reinstated into RMCO except for a few areas. On 11 January 2021, the Malaysian Government once again implemented MCO in most of the states from 13 January to 5 March 2021, due to spikes in the number of Covid-19 cases. In compliance to these orders, government and private premises were required to close, including construction activities, except those essential services which affected public safety and/or cause public hazards, were allowed to operate but under restrictive conditions.

This article aims to review and discuss the applicability and possibility of the said virus as a Force Majeure event, including any related instruction or order, for time and/or cost claims and their entitlement under FIDIC (Red Book, 2017) and commonly used Malaysian standard forms of contract, in particular PAM (2006/2018) and JKR (2010), to guide readers in their preliminary risk assessment on unprecedented and unfortunate events.

## Force Majeure Definitions and Provisions

Force Majeure is a common clause or provision in construction contracts drafted to protect the parties from liabilities in the event of a party being prevented from performing its contractual obligations by circumstances beyond their control. It must be an event which party is unable to perform its obligations under the contract, either temporary or permanently impossible. In the former, an extension of time for performance delay may be considered, whereas in the latter, the contract may be frustrated and voidable (see Contract Act 1950 Section 57(2) and Section 66).

Therefore, to justify whether Covid-19 is a Force Majeure event in a construction contract, the claiming party first need to prove that the event is within the criteria and/or list of occurring events. Close attention needs to be given to the contractual wordings as its effects and impacts often vary considerably.

'Inclusive Definition' and 'Exclusive Definition' of Force Majeure can be found in FIDIC (Red Book, 2017), PAM (2006/2018) and JKR 203A (2010), as tabulated below:

INCLUSIVE DEFINITION	
FIDIC RED BOOK (2017)	
<b>Clause 8.5 Extension of Time for Completion</b>	
Clause 8.5 (d) 'Unforeseeable shortages in the availability of personnel or Goods (or Employer-Supplied Materials, if any) caused by epidemic or governmental actions.'	
<b>Clause 18 Exceptional Event</b>	
Clause 18.1 - "Exceptional Event" means an event or circumstance which:	
i. is beyond a Party's control,	
ii. the Party could not reasonably have provided against before entering into the Contract,	
iii. having arisen, such Party could not reasonably have avoided or overcome, and	
iv. which is not substantially attributable to the other Party.	
An Exceptional Event may comprise but is not limited to any of the following events or circumstances provided that conditions (i) to (iv) above are satisfied:	
a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies;	
b) rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war;	
c) riot, commotion, disorder by persons other than the Contractor's Personnel and other employees of the Contractor and Subcontractors;	
d) Strike or lockout not solely involving the Contractor's Personnel and other employees of the Contractor and Subcontractors;	
e) encountering munitions of war, explosive materials, ionising radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity, and	
f) natural catastrophes such as earthquake, hurricane, typhoon or volcanic activity.'	

EXCLUSIVE DEFINITION	
Private Sector - PAM (2006/2018)	Public Sector - JKR/PWD 203A (2010)
<b>Clause 23.0 Extension of Time</b>	<b>Clause 43.0 Delay and Extension of Time</b>
Clause 23.8 'The following are the Relevant Event referred to in Clause 23.0:	Clause 43.1 (a) 'force majeure as provided under clause 57'
23.8(a) Force Majeure'	Clause 43.1 (i) 'the Contractor's inability for reason beyond his control and which he could not reasonably have foreseen at the date of closing of tender of this Contract to secure such goods, materials and/ or services as are essential to the proper carrying out of the Works.'
Article 7 (ad) 'Force Majeure means any circumstances beyond the control of the Contractor caused by terrorist acts, governmental or regulatory action, epidemics and natural disasters.'	<b>Clause 57.0 Effect of Force Majeure ('Clause 58 in JKR 203A (2010))</b>
	Clause 57.2 'An "Event of Force Majeure" is an event beyond the control of both Parties which are:
	(a) war (whether declared or not), hostilities, invasion, act of foreign enemies;
	(b) insurrection, revolution, rebellion, military or usurped power, civil war, terrorism;
	(c) natural catastrophe including but not limited to earthquakes, floods, subterranean spontaneous combustion or any operation of the forces of nature against which an experienced contractor could not reasonably have been expected to take precautions;
	(d) nuclear explosion, radioactive or chemical contamination or radiation (unless caused by the negligence act, omission or default of the Contractor, its agents or personnel);
	(e) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds; and
	(f) riot, commotion or disorder, unless solely restricted to employees of the Contractor or its personnel, servants or agents.'

## Applicability of Covid-19 as a Force Majeure Event

WHO's declaration of Covid-19 as a pandemic is more expansive than the term 'epidemic' defined under PAM. Epidemic becomes pandemic when it spreads over a wide geographical areas and affects a large proportion of the population, not only at national level but also globally.

Regrettably, under the JKR form, its Force Majeure events did not include terms like 'outbreak', 'disease', 'epidemic' or 'acts of government'. Hence, it is unlikely for exclusion of liability from non-performance affected by it. Notwithstanding, its *clause 77 – Epidemics and Medical Attendance*, provided for any outbreak of illness of an epidemic nature requiring the Contractor to carry out and comply with the Government's regulations, orders and requirements, including medical or health authorities to deal with and overcome them.

Alternatively, JKR's extension of time clause 43.1(i) '*Contractor's inability to secure such goods, materials and/or services that are essential to the proper carrying out of the Works for reason beyond his control unforeseeable at the date of closing of tender of this Contract*' can be used instead of a direct claim under Force Majeure.

Occurrence of a Force Majeure event usually entitles a party to be excused from performance liability through extension of time, not loss and/or expense entitlement, as it is often considered as a neutral event where both contracting parties bear the cost risk. However, under FIDIC, cost claim is allowed as evident from its cl. 18.4(b) and both EOT (cl. 8.5/8.6) and Exceptional Event (cl. 18.1) provisions. Any preference would depend on contractual and commercial considerations and priority by party relying on them.

## Contract Procedural Compliance

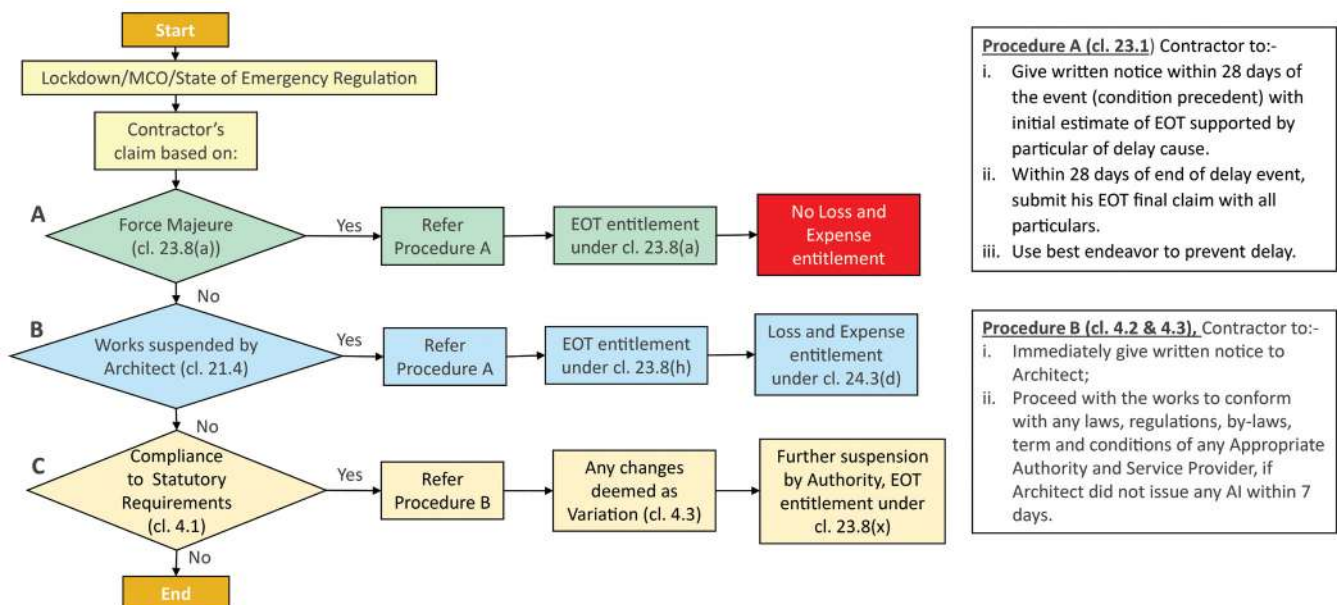
Most Force Majeure provisions have prescribed contractual procedures, often a formal notice to be served by the claiming party or an Architect/S.O. instruction or statutory order, with a duty to mitigate or minimise any impact before exclusion from its contractual liability.

As the Covid-19 pandemic does satisfy the Force Majeure criteria, the party relying on it will need to demonstrate causation and ensuing effect/s as its success depends on its wordings, read in conjunction with other related contract provisions as a whole. Procedural compliance is pertinent, as non-compliance can jeopardise such claims. Relevant provisions for notification and mitigation can be found under the following standard forms of contract.

Description	Relevant Contract Clauses		
	PAM (2006/2018)	JKR 203A (2010)	FIDIC Red Book (2017)
Force Majeure	23.1(a)	58.0*	18
Notice of Claim	23.1	58.3	18.2
Duty to Mitigate/Minimize	23.6	43.1	18.3

\*No event related to epidemic or government action

A claiming party may instead rely on PAM 2006/2018 sub-clause 23.8(w)/(x) and 24.3(n)/(o) for its entitlement to both time and loss/ expense claims respectively, which are more direct events compared to Force Majeure, usually a neutral event for entitlement to extension of time only. The following is a simplified and tabulated flow chart illustrating the relevant events and procedures for Architect's Instruction and/or compliance with statutory laws, regulations and terms and conditions of any Appropriate Authority related to time and loss/expense claims and entitlement under PAM.



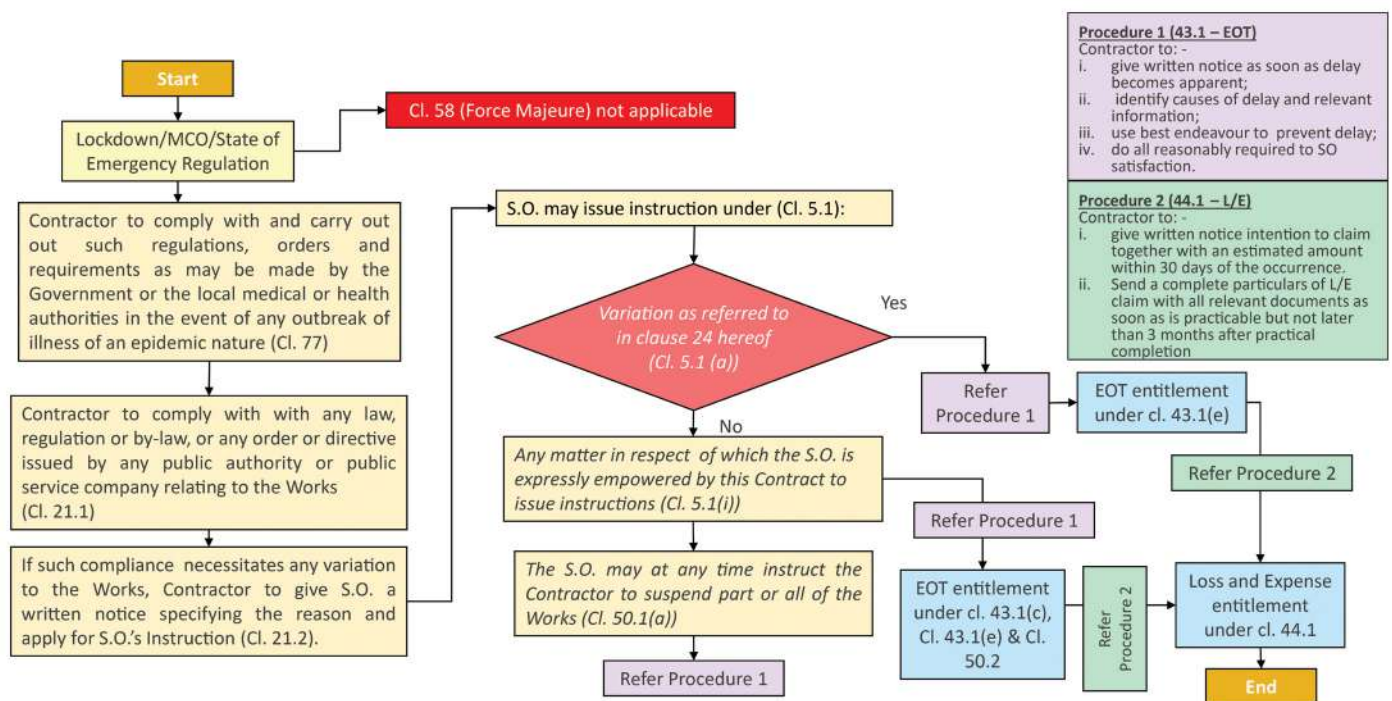
PAM had issued an Advisory Note dated 19 March 2020 to its members appertaining to the MCO and related contract practices. Subsequently PAM issued the PAM Practice Notes on Contract Administration in Relation to Covid-19 Act 2020 on 18 December 2020. Likewise, Kementerian Kerja Raya Malaysia (KKR) also issued its Circular (updated on 24 March 2020, 15 June 2020 and 14 January 2021), to provide answers to frequently asked questions such as critical works and MCO related

claims. Interestingly, in respect of loss/expense claims, the Government expressly stated that it is not responsible for whatever losses as the said virus pandemic is beyond its control. As for extension of time entitlement, it depends on the agreed contract provisions.

Fortunately, on 5 March 2021, the Ministry of Work has announced that projects under the Ministry of Works and Malaysian Highway Authority, which were disrupted due to the

pandemic during the first phase of MCO, are given a 114-day period extension automatically. However, there is no allocation of cost given for the granted time extension (Borneo Post, 2021).

In addition to the aforementioned Circular and Cl.77 – Epidemic and Medical Attendance provision, below is a simplified flowchart showing the relevant events and procedures for time and loss/expense claims and entitlement.



## Temporary Measures For Reducing The Impact of Coronavirus Disease 2019 (Covid-19) Act 2020 (Covid Act)

Covid Act, which was gazetted on 23 October 2020, aims to provide temporary relief to reduce the impact of the Covid-19 pandemic and the effects of MCO. Covid Act provides temporary relief measures in relation to any inability to perform

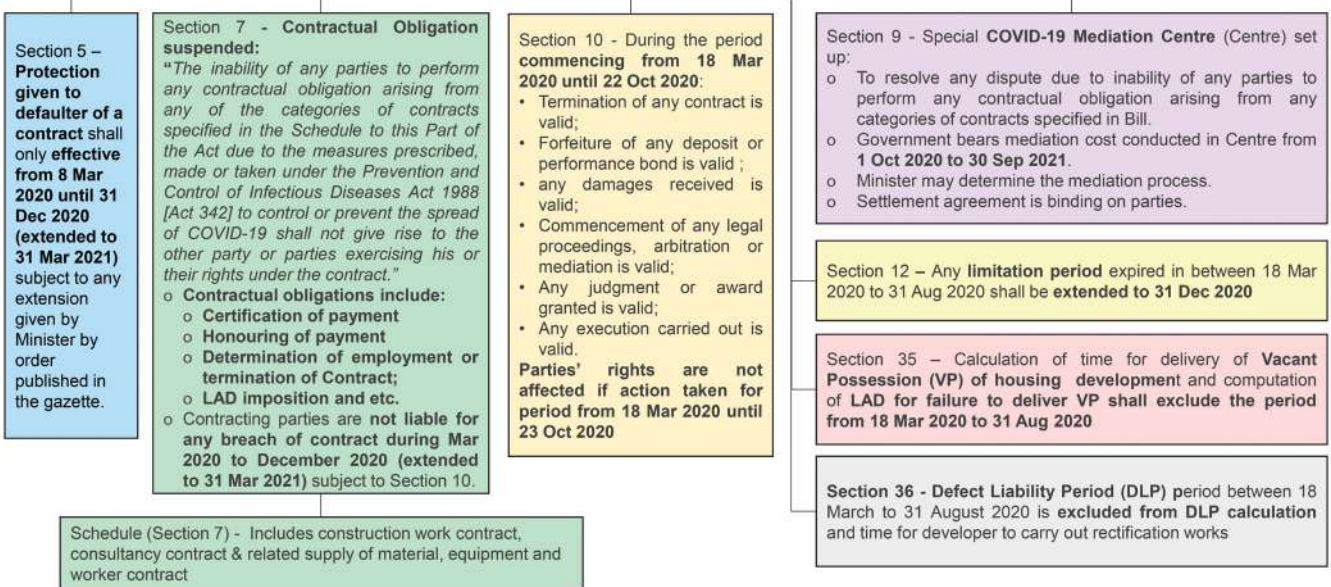
certain contractual obligations as spelt out under Part II. While under Parts III to XVII, Covid Act listed modifications and amendments to certain Acts and Ordinances.

Under Section 5 of Part II, it is expressly stated that Part II is deemed to have come into operation on 18 March 2020 and shall continue to remain in operation until 31 December 2020. The

period is further extended to 31 March 2021 via Temporary Measures For Reducing The Impact Of Coronavirus Disease 2019 (Covid-19) (Extension of Operation) Order 2020 issued by Malaysian Attorney General's Chambers in 29 December 2020.

Below is the summary of some construction related provisions under the Covid Act:

### Temporary Measures For Reducing The Impact of Coronavirus Disease 2019 (Covid-19) Act 2020:



### Conclusion

China and many other countries including Malaysia have introduced drastic measures in overcoming the Covid-19 pandemic, which adversely impacted the global supply chains, economies and people movement extensively.

Force Majeure, an event beyond reasonable control of the contracting parties is not an implied default protection clause to the non-performing party as it is dependent on its definition and specific wordings to excuse a party from liability by relying on the prevention or impossibility to perform its contractual obligations, accordingly.

For Covid-19 related claims, contract provision expressly stating as 'epidemic', 'acts of government' and/or criteria compliance e.g., event beyond the party's control are likely to be admissible. Alternatively, specific provisions such as authority's order may be relied on. In addition, compliance to contractual claim procedures, mitigation and document substantiation to prove a direct causal link between the causal event and its effect/s are pertinent for such

claims to succeed. Consultants who are responsible to assess/evaluate these claims must exercise their professionalism and fairness in determining a fair and reasonable outcome for the contracting parties so as to avoid any unnecessary dispute resolution reference.

(Note: This is an abridged and updated article from the presentation in the RISM Webinar on 27 April 2020 by Sr HT Ong and BK Entrusty's article published in MBAM Journal #119 Volume 2 2020)

“ For Covid-19 related claims, contract provision expressly stating as 'epidemic', 'acts of government' and/or criteria compliance e.g. event beyond the party's control are likely to be admissible. ”



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## About BK Asia Pacific & Entrusty Group

BK Asia Pacific is group of companies incorporated in the Asia Pacific Region providing a comprehensive network of project management, commercial and contract management services to the international construction industry, with offices in China (Hong Kong, Macau and Shanghai), Malaysia, Philippines, Singapore and Vietnam. Entrusty Group is a multidisciplinary group of companies which comprises Entrusty Management Sdn Bhd, Entrusty Consultancy Sdn Bhd, BKAsiaPacific (Malaysia) Sdn Bhd, Pro-Value Management Sdn Bhd, International Master Trainers Sdn Bhd, Agensi Pekerjaan Proforce Sdn Bhd, and Entrusty International Pte Ltd, which provide comprehensive consultancy, advisory and management services in project, commercial, contracts, construction, facilities, risks, quality and value management, cost management, executive search/personnel recruitment and training/seminars/workshops to various industries. For further details, visit [www.bkasiapacific.com](http://www.bkasiapacific.com) and [www.entrusty.com](http://www.entrusty.com).

## Disclaimer

The opinions expressed in this article are the authors' own and do not necessarily reflect the view of CIDB Malaysia.



## CONTRACTORS WHO VIOLATE THE SOP MAY HAVE THEIR LICENSES REVOKED

**In December 2020, construction sites have recorded more than 4,000 positive cases in Kuala Lumpur**

CIDB is urging construction industry players to comply with the current directives and Standard Operating Procedures (SOPs) issued by the National Security Council (MKN) for preventing the transmission of Covid-19 cases at construction sites. This is due to the increased prevalence of Covid-19 positive cases

at construction sites nationwide, particularly in the Klang Valley.

Following the increase in Covid-19 transmission cases at construction sites, CIDB will intensify the implementation of construction site inspection activities. If the construction project is found to be

not compliant with the SOP, the contractor can be prosecuted under Section 34B (1) (c) and Section 34C (1) of the Malaysian Construction Industry Development Board Act 1994 (Act 520), which requires the contractor to ensure the safety of the building and construction work during or after construction. If the



contractor fails to comply with the SOP, CIDB has the right to issue a stop work order on the construction site. In addition, the contractors involved will also face disciplinary action that could result in them being penalised and their registration suspended or revoked.

By the end of March 2021, the number of cases at construction sites has surpassed 18,000 positive cases. Investigations by CIDB and the Ministry of Health (MOH) found that the sharp increase in Covid-19 cases at construction sites was due to close contact with existing clusters and the movement of construction workers from one construction site to another. In addition, the transmission of Covid-19 was also found to stem from overcrowded workers' living quarters, the lack of physical distancing and unsanitary living conditions.

"CIDB views this very seriously because it is a matter of great concern to all. Therefore, we would

like to emphasise that all contractors have a responsibility to ensure that their construction sites and workers' accommodations comply with the SOPs of the Conditional Movement Control Order (CMCO) and the Recovery Movement Control Order (RMCO). This means that every construction project must ensure that all foreign workers undergo the Covid-19 screening test and are certified free from infection," said Datuk Ir. Ahmad 'Asri, Abdul Hamid, Chief Executive of CIDB.

From 13 January to 14 March 2021 during the MCO 2.0, CIDB enforcers conducted a total of 2,055 inspections on construction sites nationwide. Of these, 21 construction sites were not operating. Of the total sites that were operating, a total of 2,032 (99%) were found to comply with the SOP, while 2 were found not to adhere to the SOP and ordered to close.

Covid-19 positive cases have seen an uptick following the MKN's recent directive that declared it compulsory for all foreign construction workers

in the CMCO areas to undergo RTK Antigen testing. Upon detection, the positive cases and their close contacts can be isolated to prevent the spread of the virus.

"Apart from complying with the SOPs set by the MKN, contractors are also urged to comply with the Workers' Minimum Standards of Housing and Amenities Act 446 (Amendment) 2019 in providing accommodation and facilities to employees. Compliance with the SOPs is not only important to prevent the spread of the Covid-19 epidemic, but also to avoid losses to contractors and clients in the long run," Datuk 'Asri added.

The latest SOPs can be viewed on the MKN website <https://www.mkn.gov.my/web/ms/soppkp-pemulihan/>. Further information on the SOPs and Guidelines for the construction industry can be obtained through the official CIDB Malaysia Telegram <https://t.me/cidbmy>, the official CIDB website at [www.cidb.gov.my](http://www.cidb.gov.my) or by calling the CIDB hotline at 03-5567 3300.





# LEGALISING UNDOCUMENTED MIGRANT WORKERS

The challenges of legally integrating undocumented foreign workers into the Malaysian workforce are daunting but we still have to start somewhere, says Construction Labour Exchange Centre Bhd. (CLAB).

The Undocumented Migrant Recalibration Plan (Plan) is an initiative that was launched by the Ministry of Home Affairs on 12 November 2020. The Plan encompasses two special programmes, namely, the Repatriation Recalibration Programme (RP) and the Workforce Recalibration Programme (RTK).

The Repatriation Recalibration Programme allows illegal immigrants to voluntarily return to their country of origin subject to certain conditions. The objective of the second programme, the Workforce Recalibration Programme is to

transform illegal immigrants in the country into foreign workers who are legally employed by qualified employers, subject to strict conditions laid down by the Department of Labour Peninsular Malaysia and the Immigration Department of Malaysia.

The Plan is meant for the following parties:

- Illegal immigrants without employers (with valid passport).
- Employers who need to legalise their illegal workers (with valid passport).
- Employers who need foreign workers

## CLAB's Role

CLAB is responsible for collecting data on undocumented migrants who are unemployed, conducting illegal worker placements in the construction sector that bear the 3D characteristics (*dangerous, difficult and dirty*), processing undocumented migrant inflows from the Immigration Department and helping the government process undocumented migrants who are willing to go back to their home countries.

CLAB's Chief Executive Officer, Abdul Rafik Bin Abdul Rajis said, "It is our hope that all illegal workers can be

*“It is our hope that all illegal workers can be turned into legal workers and continue to work in our country, which will eventually reduce the numbers of illegal workers in Malaysia.”*

turned into legal workers and continue to work in our country, which will eventually reduce the number of illegal workers in Malaysia. Importantly, this would also ease the contractors' difficulties in hiring construction workers because of the ban on foreign workers entering Malaysia at this point of time."

According to Rafik, about 80 per cent of illegal workers have chosen to remain in Malaysia (RTK) instead of returning to their home countries (RP). "This could be due to most of them feeling comfortable working with contractors and they would love to keep working in Malaysia. Also, since the government has already prohibited new foreign workers from coming to Malaysia, they know that it would be hard for them to return and work here once they go back to their home countries."

The Plan, said Rafik, has garnered a good response from the industry thus far.

#### Challenges Abound

However, he stated that the main challenges faced by the Plan stem from the cost, the terms and conditions

for legalising workers and also the limited movement imposed by the Movement Control Order (MCO).

"The cost as we know it is quite high and many of the workers could not fulfil the conditions set by the government. Also, because of the MCO, we faced difficulties when it comes to arranging the workers to be brought to the Immigration for verification purposes."

The fee for legalising a foreign worker is slightly less than RM6,000, and includes a deposit of RM500.

Other payments include a RM1,850 levy for workers in construction, RM60 for a pass, RM125 processing fee, and visa payments ranging from RM13 to RM50.

However, it is a more cost-effective option compared to hiring a person from a source country which will cost anything from RM10,000 to RM15,000. Illegal immigrants who may be hired are those whose work permits or social visit passes have expired, who are found to have breached their permit by working in a different industry, and hail from one of the 15 source countries.

Illegal immigrants who wish to return to their country under the Repatriation Recalibration Programme will require a valid passport or temporary travel document, a one-way ticket, and settle compounds and fees that cost up to RM1,056 to process their application.

As to the possibility of the Plan being extended beyond June 2021, Rafik said it was up to the government to do so. "That said, we hope that the government would extend the Plan as the programmes could not be conducted smoothly because of the MCO."

For more information about the Undocumented Migrant Recalibration Plan, please contact the CLAB Hotline at 010-8959599 or email [rekalibrasi@clab.com.my](mailto:rekalibrasi@clab.com.my).



CLAB chief executive officer Abd Rafik Abd Rajis is hopeful that the recalibration programme will eventually reduce the number of illegal workers in Malaysia

*“The cost as we know it is quite high and many of the workers could not fulfil the conditions set by the government. Also, because of the MCO, we faced difficulties when it comes to arranging the workers to be brought to the Immigration for verification purposes.”*

# CONSTRUCTION SECTOR REPORT DURING MCO 2.0

13 JANUARY 2021 TO 14 MARCH 2021

## 2,055 CONSTRUCTION SITE INSPECTIONS

99%

2,032

COMPLIANT

0%

2


NON-  
COMPLIANT

2

CONSTRUCTION SITES  
**CLOSED**

\***21** CONSTRUCTION SITES NOT IN OPERATION

## SOP THAT SHOULD BE ADHERED TO BY CONSTRUCTION SITES

- 
- 1** Companies should get MITI's approval to operate
  - 2** Foreign workers to be tested negative from Covid-19
  - 3** The creation of a Covid-19 construction site task force
  - 4** The movement of workers should be only from their accommodation/CLQ and construction site
  - 5** Workers cannot move from one construction site to another
  - 6** The movement of workers in and out of the construction site and their living quarters/CLQ is minimised

# CIDB ENFORCEMENT IN NUMBERS

1 JANUARY 2021 - 28 FEBRUARY 2021

## ENFORCEMENT OF ACT 520

SITE INSPECTIONS



2353

INTEGRATED ENFORCEMENT WITH  
OTHER AGENCIES (OPB)



4

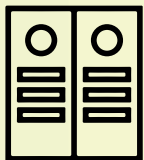
SPECIAL OPERATIONS (OPK)



14

## ACTIONS TAKEN

NOTICES ISSUED



2396

INVESTIGATION  
PAPERS  
OPENED



391

PENALTIES  
ISSUED



2

DISCIPLINARY  
PROCEEDINGS



3

WARNINGS  
ISSUED



0

CONTRACTOR  
REGISTRATIONS  
SUSPENDED



1

CONTRACTOR  
REGISTRATIONS  
CANCELLED



0

CONTRACTOR  
REGISTRATIONS  
RETRACTED



13



CIDB IBS Sdn Bhd is a subsidiary of CIDB Malaysia that provides services to support the government and industry players in addressing gaps in the implementation of IBS initiatives under Construction Industry Transformation Programme (CITP) 2016-2020. Productivity as one of the goals for CITP 2016-2020, can be achieved through implementation of Industrialised Building Systems (IBS). Known as a method of achieving better quality and productivity in construction, a lot of projects had started to implement IBS.

Alongside with the increasing IBS implementation, CIDB IBS Sdn Bhd is here to assist the construction industry players through various programs, training and services we have developed.

#### IBS MANUFACTURER & PRODUCT ASSESSMENT & CERTIFICATION (IMPACT)

Providing Verification, Validation, Testing & Certification (VVTC) services, supported by IBS Manufacturer & Product Assessment & Certification – IMPACT and portal as well as IBS certification to manufacturers of IBS products.

#### TECHNICAL & ADVISORY

Offering IBS-related technical consultancy to project owners, professionals, manufacturers and contractors. Commercialisation of new IBS products (either independent or for the IBS Open System) developed by various R&D centres

#### IBS DESIGN TRAINING

Conducting IBS Training program to introduce accurate, effective and efficient Structural Analysis and design methods using advanced design software and customized Excel sheets for the design processes in the context of Malaysia's Industrialized System (IBS) design environment.

Hands-on approach training will also be provided to develop in-depth knowledge on precast concrete design method.

#### SUPPLY CHAIN MANAGEMENT (SCM)

Providing IBS Open System that caters for the affordable housing and renovation sub-sector ; developing standard components for Pre-Approved Plans (PAP) and offering Supply Chain Management (SCM) through IBS Virtual Warehouse

#### IBS MANUFACTURER PROGRAM (IMP)

IMP is a general IBS training program to develop & establish competitive, sustainable and high performing vendors via a structured capacity & capability program.

IMP is also a program to assist vendors in building the capabilities they need to compete in local and regional markets.

### OUR FACILITIES NEW IBS COMPONENT GALLERY IBS VILLAGE IBS TRAINING ROOM

WE WELCOME VISITORS TO VISIT  
OUR GALLERY & IBS VILLAGE\*

\*APPOINTMENT HAS TO BE MADE  
PRIOR TO VISIT



IBS MANUFACTURER AND PRODUCT ASSESSMENT & CERTIFICATION (IMPACT)

PRODUCT EXHIBIT IN IBS COMPONENT GALLERY

STANDARD DESIGN DEVELOPMENT OF MY IBS OPEN SYSTEM (MYIOS) HOUSE

IBS MANUFACTURER PROGRAM (IMP)

IBS VIRTUAL WAREHOUSE


IBS TECHNICAL ADVISORY

IBS TRAINING

IBS PRODUCT TALK

For More Information  
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 +603 9281 5910

 info@cidbmyibs.com.my



# MAKMAL KERJA RAYA MALAYSIA

Construction Material & Structural  
Engineering Testing Provider

## SERVICES PROVIDED

01. Construction Product Approval (CPA) for IMPACT Certification
02. Testing (Compliance to CIDB Act 520 Fourth Schedule)
03. Sampling & Inspection
04. Technical Opinion
05. Forensic Investigation
06. Training Services



SCAN ME

A Subsidiary of CIDB Malaysia

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creamcidb [www.cream.my](http://www.cream.my)

# CREAM CERTIFICATION SERVICES

“Ensuring Construction Material  
Quality Through Certification”



## Benefits of Product Certification?

- Confirm that the product meets the Regulatory, National and International Quality standards.
- Boost productivity and reduce defects.
- Comply with construction industry standards and Fourth Schedule Act 520, CIDB (Amendment 2011).
- Provide confidence to consumers, CIDB, Industry and other interested parties.
- Facilitate trade, market access, fair competition and consumer acceptance of product on a national, regional and international level



**Ready Mixed  
Concrete**

**Scaffolding**

**Iron and  
Steel Product**

**Precast  
Product**

## Product Certification Process

1. Enquiry
2. Application
3. Document Review
4. Factory/Plant Audit
5. Product Sampling and Testing
6. Recommendation
7. Review and Approval
8. Issuance of Certificate
9. Surveillance Audit
10. Recertification Audit, Additional Scope, Suspension, Withdrawal and Termination

\*For enquiry, potential clients, may contact directly or send email to [ccs@cream.my](mailto:ccs@cream.my)  
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