

# Suara PERUNDING



## Exchange 106



ASSOCIATION OF  
CONSULTING ENGINEERS MALAYSIA



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## MESSAGE FROM THE PRESIDENT

Dear Members, friends and colleagues,



It is one year since we started experiencing the series of MCOs imposed in our fight against the Covid-19 pandemic. Many of us have experienced tremendous pressures on our cashflow and have had to reduce staffing, overheads and expenses. However, we have not received any report of ACEM panel member firms having to wind-up businesses due to the economic stress. This indicates that our members have reacted prudently to the situation and have the resilience to survive. With the Government's emphasis on the construction industry as one of strategic the sectors for economic revival, our engineering consultancy service sector should recover gradually. Let's work hard so that this recovery is accelerated. Nonetheless, the challenges of Covid-19 continue. We need to be alert and have to continue building up our level of preparedness and resilience by developing appropriate risk management plans. In the meantime, we shall all continue to observe the SOPs diligently and adapt well to the new normal. ACEM is adapting well too. Many of our training and education programs are virtual and our Council and Standing Committee meetings in the hybrid format. I wish to record my appreciation to the Council Members as well as other members who continued to spare their time during the MCO to actively represent ACEM in the various committees formed by other organisations such as BEM, ST, CIDB, MPC, DBKL, JSM and BOMBA. To all members, we look forward to your participation in all the webinars that we have planned for this year. Do visit our ACEM website regularly and also BEM's and FIDIC's to keep in touch with our business and industry developments and opportunities. Best wishes to all ACEM Members and friends.

To all our Muslim members and friends, Selamat Berpuasa.

Thank you

**Datuk Ir Mohd Adnan bin Mohd Nor**

*President*



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New Members (January - March 2021)		Cessation of Membership (January - March 2021)	
Individuals		Individuals	
<u>January 2021</u>		<u>January 2021</u>	
Name	Date	Name	Date
Ir. Taofig bin Samat	4 January 2021	Ir. Athirah bt Mustamir Dt. Bandharo	11 January 2021
Ir. Low Hin Foo	11 January 2021	Ir. Tan Siak Kwang	26 January 2021
Datuk Ir. Ravindran Mogana	21 January 2021		
Ir. Ponnusamy A/L Periannan	21 January 2021	<u>March 2021</u>	
<u>February 2021</u>		Name	Date
Name	Date	Ir. Peter Tang Sing Wuong	1 March 2021
Ir. Mohd Najib bin Basiran	15 February 2021	Ir. Dr. Te Seng Bee	11 March 2021
		Ir. Ng Lay Keong	16 March 2021
<u>March 2021</u>		Ir. Ong See Yen	24 March 2021
Name	Date	Panel Member Firms	
Ir. Ahmad Nazari bin Ashari	5 March 2021		
Ir. M. Kumaran a/l Marimuthu	8 March 2021	<u>January 2021</u>	
Ir. Chong Weng Ho	8 March 2021	Name	Date
Ir. Chong Chien Hwa	9 March 2021	DR C C Wong Jurutera Perunding	2 January 2021
Ir. Lim Chin Kia	18 March 2021		
Ir. Jasvinder Singh A/L Karam Singh	24 March 2021		
Ir. Lim Hock Choon	24 March 2021		
Panel Member Firms			
<u>February 2021</u>			
Name	Date		
KLCA Design Sdn Bhd	22 February 2021		



# HALF-DAY ONLINE FORUM ON SOIL INVESTIGATION PRACTICE IN MALAYSIA

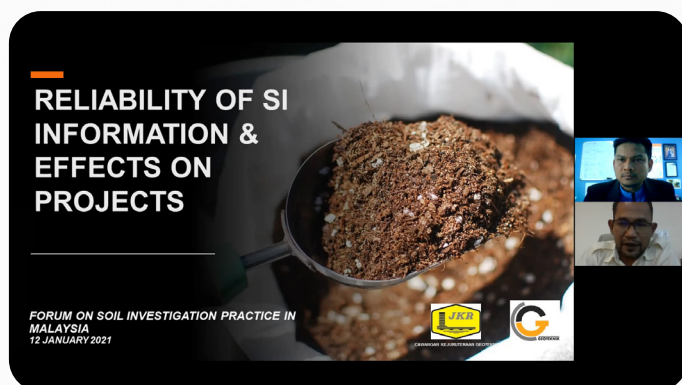
The online forum was attended by Tan Sri Dato' Ir. Jamilus b. Md. Hussin (Moderator) with the panelist, Ir. Som Pong a/l Pichan (Jabatan Kerja Raya), Dr. Wong Kim Yuen (Malaysia Site Investigation Association), Ir. Liew Shaw Shong (G&P Geotechnics Sdn Bhd and Ir. Shaik Abdul Wahed (Jurutera GEA(M) Sdn Bhd. The forum was held on 12 January 2021. A total of 70 participants attended the online forum.

The focus of this forum is Soil Investigation (SI) plays an important role in Civil Engineering Projects especially in Geotechnical Engineering design. With the SI results, the engineers will be able to assess the subsoil profile and the engineering properties of subsoil and rock for a project site. The understanding and proper analysis of these subsoil properties will help to have an efficient geotechnical engineering design and to prevent potential failure of geotechnical works.

However, the reliability of the SI results is very much depending on the SI work carried out at site. Without proper implementation of the SI work, the results may not be able to reflect the actual subsoil properties at site which resulted an ineffective design and potential of failure. Currently the SI practice in Malaysia is mostly carried out in accordance with BS 5930: Code of Practice for Ground Investigation and/or MS 2038: Site Investigation: Code of Practice.



From left, Tan Sri Dato' Ir. Jamilus, Ir. Shaik, Ir. Liew Shaw Shong. Below from left Dr Wong Kim Yuen and Ir. Dr Muhammad Arkam.



Ir. Som Pong presenting his lecture.



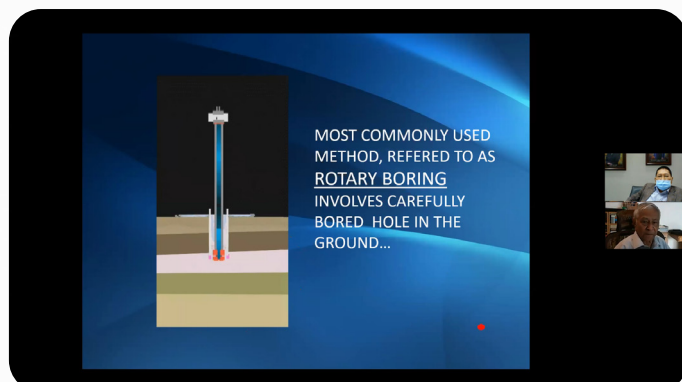
From left Tan Sri Dato' Ir. Jamilus, Ir. Shaik and Ir. Liew Shaw Shong having Q&A session with the participants.



Dr. Wong Kim Yuen presenting his paper



Ir. Liew Shaw Shong presenting his paper.



Ir. Shaik presenting his paper.



## ABMS Workshop on MS ISO 37001:2016 Anti-Bribery Management Systems(ABMS) & Corruption Risk Management



The workshop, held at ACEM, was scheduled on 8 & 9 Mac 2021. The workshop was the continuation from the ABMS Workshop last year which has been postponed due to Conditional Movement Control Order (CMCO) by the government of Malaysia. The training is conducted by The Malaysian Institute of Integrity. There are eleven participants in total and to date, they have completed Workshop One on Understanding of ABMS and Workshop Two on Corruption Risk Assessment / Bribery Risk Assessment.



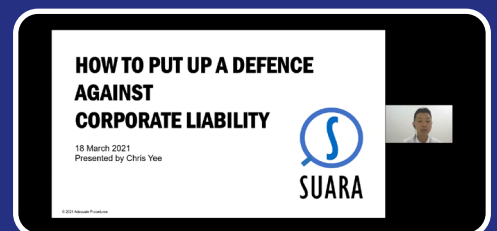
*Participants doing their task during the workshop.*



*Participants listening to their lecture*

## Webinar On Corporate Liability For Consulting Engineers

The webinar was presented by Mr. Chris Yee, certied lead ISO 37001 auditor on Anti-Bribery Management Systems, the international standard on anti-bribery and anti-corruption control frameworks on 18 Mac 2021. A total of 42 participants attended the webinar. The focus of this talk is on necessary steps that an organisation needs to consider putting in place to defend against this liability. The objective of the brieng is provide an understanding to participants in building such defence. The brieng shall begin with a short discussion on the reason or the need for building such a defence. After which, the TRUST framework illustrated in the Guidelines of Adequate Procedures will be discussed, including the necessary steps to be considered each of the pillars within the framework. Armed with the understanding on the requirements from the TRUST framework, participants should be able to get a glimpse of the eorts required to be set up the defence.



*Mr. Chris Yee presenting his lecture.*



*From left, Ir. Chong Chew Fan and Mr. Chris Yee*



## Mesyuarat Semakan Deraf Undang-Undang Kecil Bangunan Seragam Sabah organised by MLGH Sabah

Date : 4 March 2021 (Thursday)  
 Venue : MLGH Sabah Office, Wisma Innoprise  
 Organised by : ACEM Sabah  
 Attended by : Ir. Lee Tet Fon, Ir. Joe Primus, Ir. Razalie Sindong, Ir. Wah Kheng Haw, Ir. Benny Song, Ir. Yong Lip Bing, Datuk Ir. Chin Shu Ying, Ir. Amirul Hisham, Ir. Tan Koh Yon, Ir. Fung Yin Khun



The ACEM Sabah delegates comprising its Branch Chairman, Ir. Lee Tet Fon, and 9 exco members made a courtesy call on YB Datuk Seri Panglima Masidi Manjun, in particular to his office in the Ministry of Local Government and Housing. The engineering consultants in Sabah are disappointed and surprised when various local authorities reject development plans submitted by them. The visit to the minister highlighted the Sabah Town and Country Planning Ordinance that has been in use all along has no statutory restriction on who should be rightful submitting person. Historical cases of engineers submitting, managing projects and successfully obtaining certificate of occupations were emphasized. The engineering consultants were happy with the outcome of the meeting with the minister assuring the fairness according to the law. The ACEM Sabah delegates thanked the minister and congratulated him on his COVID-19 vaccination earlier that day.

## Courtesy Call to the Ministry of Local Government & Housing, Sabah



Date : Currently ongoing  
 Venue : ZOOM Online Meeting  
 Organised by : Ministry of Local Government and Housing Sabah  
 Attended by : Ir. Lee Tet Fon

ACEM Sabah and IEM Sabah are actively working alongside MLGH Sabah on the draft of Undang-undang Kecil Bangunan Seragam Sabah 2021 (UBBL 2021). Daily meetings were held to ensure the smooth process of finalizing the UBBL 2021.





# **An Integrated Insurance Solution Structured Engineers Professional Indemnity Programme**

A collaboration between



## **GUIDELINE ON PII FOR ENGINEERS**

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*Know what to look out for when it comes to professional indemnity insurance for Engineers*

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Professional Indemnity (PI) Insurance is essential in today's litigious business environment and forms an important part of any business risk management strategy. It is designed to protect the professional person or firm from damages and legal costs as a result of an act, error or omission in their professional capacity.

For many engineering consultants, PI can be one of their highest operating costs, so it may seem tempting to try to cut costs by limiting your amount of cover. Engineers who try to reduce premiums by either limiting their scope of cover or not holding PI cover at all, are dabbling in a false economy.

Average project values have gone up by 22% from 2017 to 2020 and the fee amount by as much as 50%. This demonstrates a significant increase in an engineer's risk profile and Professional Indemnity cover limits need to reflect this to avoid serious exposures.

A claimant's loss may be material, financial or physical. Professional Indemnity Insurance is designed to cover the costs and expenses of defending a legal claim, as well as any damages payable. It is important to consider that the costs of defending a negligence allegation can be huge. A Professional Indemnity Insurance policy can also pay legal costs necessary to defend a spurious claim.



We list out 4 key elements that you should be looking for during your next PI renewal.

#### KEY ELEMENTS:

- ❖ ACCURATE DISCLOSURE OF BUSINESS ACTIVITIES
- ❖ ENSURING YOUR RETROACTIVE DATE IS IN PLACE
- ❖ DETERMINING THE RIGHT LIMIT OF LIABILITY
- ❖ KNOW YOUR POLICY EXCLUSIONS

### 1. ACCURATE DISCLOSURE OF BUSINESS ACTIVITIES

It is important to accurately disclose to the Insurer the scope of Cover / Business Activities. Failing to adequately disclose the extent of your business activities can affect your cover in an insurance claim. At any time, if there is a change in your business activities or in a potential claim, let your insurer know. If you do not disclose potential claims or key changes in the scope of your business activities to your insurer, you could be left without cover in a claim.

### 2. ENSURING YOUR RETROACTIVE DATE IS IN PLACE

If you plan to change your insurer, ensure the Retroactive Date matches with the expiring policy.

What is Retroactive Date?

It's a date from which your PII is covered in the past even if you have changed insurer during the period. Any claims that arise from events prior to this date is not covered by your insurance. If the retroactive date on the current policy differs from the expiring policy, it simply means there is a gap in cover for your business activities.

### 3. DETERMINING THE RIGHT LIMIT OF LIABILITY

How do you know if the limit of liability requested is adequate for your business?

Whether a particular limit is adequate for you depends on a number of facts and circumstances, including the nature, scale and complexity of your business and your other financial resources. Determining the appropriate Professional Indemnity Insurance (PI) limit is not a straightforward calculation. There are several factors that should be considered when setting a limit that is right for your business:

- Statutory requirements
- Contractual requirements
- Fee Income

The selection of the most appropriate limit should be driven by your desire to protect your business and personal assets. Many firms simply purchase the minimum (PI) limit possible in order to satisfy their statutory or contractual obligations. Utilising this approach may leave businesses dangerously underinsured and is not recommended. Come claim time, when the financial and legal implications of underinsurance manifest into a harsh reality, it will be too late to make any increases or changes to the level of insurance.

## Quick Hand Washing Method

A simple hand wash for  
a lifetime of health





#### 4. KNOW YOUR POLICY EXCLUSIONS

The PII Policy is designed to protect the policyholder against claims arising from a breach of professional duty, but it contains exclusions as well. The Standard Exclusions within the PII Policy are:

- Fraud & Dishonesty
- Fees and Commission
- Other Insurance
- War & Terrorism
- Nuclear
- Asbestos
- Communicable Disease
- Coronavirus and/or Pandemic

Speak to your broker to get more clarity on the above.

#### NO PII COVER IN PLACE

What happens if you do not have a PII policy in place? What are the consequences? If you don't have this protection then you could be liable for any costs relating to a claim made against

you. This could include legal costs and compensation.

To find out more on how we can help you with your insurance arrangement, please contact our dedicated team at AON Insurance Brokers (M) Sdn Bhd for further details and assistance.

Important Note: The guidelines on PII & description of the 4 elements in this document are only summaries. Policy coverage are

subject to the full terms and conditions detailed in the policy wordings. For additional information on policy coverage, please do not hesitate to contact our dedicated Aon PII service team:

Ms Kavita Kaur  
Ms Lilianna Baharudin

TEL: 03 - 2773 7078  
TEL: 03 - 2773 7079

Email: [kavita.kaur@aon.com](mailto:kavita.kaur@aon.com)  
Email: [lilianna.baharudin@aon.com](mailto:lilianna.baharudin@aon.com)

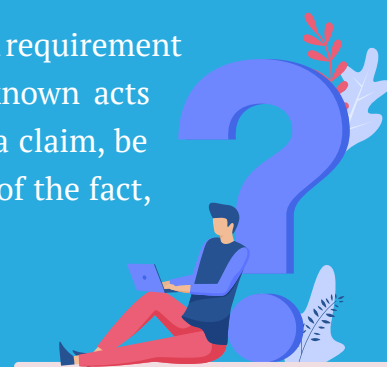
### INSURANCE FAQ

#### 3. What protection does PII provide?

Professional Indemnity Insurance is a product specially designed to protect you and your company from liability risks associated with the provisions of your scope of services. Provides financial protection that will cover legal fees and damages that you and your company may become legally liable to pay for breach of duty.

#### 4. What is a 'claims made' policy?

Professional Indemnity insurance is a 'claims made' policy. This means that is a requirement of the policy that any fact, situation or circumstance (including unknown acts retroactively that may surface during the policy period) that may result in a claim, be notified to the insurer within the period of insurance. Any prior knowledge of the fact, situation or circumstance before the period of insurance will not be covered.







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