



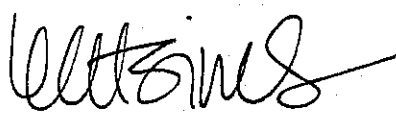
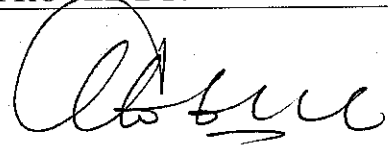
SARAWAK ECONOMIC DEVELOPMENT CORPORATION

QUALITY PROCEDURE

APPOINTMENT OF CONSULTANT

DOCUMENT NO.: QP-SEDC-04

CONTROLLED COPY

	PREPARED BY:	APPROVED BY:
SIGNATURE		* 
NAME	Nelson Raon Kebing	Haji Abdul Hadi Datuk Haji Abdul Kadir
DESIGNATION	Acting Director, Property Division	General Manager, SEDC
DATE	24 August 2021	24 August 2021

ISSUED TO	IQD		
REVISION NO.	4	DATE	24 August 2021



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1. OBJECTIVE

The objective of this procedure is to provide guidelines on the appointment of consultant.

2. SCOPE

This procedure is applicable for appointment of consultant for physical development works, research / studies and others professional services.

3. DEFINITION

- a) Physical Development Work - Physical Development work scope covers technical services related to engineering and/or construction such as architecture, civil & structural engineering, mechanical and electrical engineering and quantity surveying.
- b) Research / Studies - Type of research/study are as follows:
 - (i) Physical Study are engineering works and / or construction project such as feasibility study / preliminary engineering works / flood mitigation study / slope / environment impact assessment study and other related studies.
 - (ii) Non-Physical Study including feasibility study, socio-economic study, quality management, information technology and communication and other related services.
- c) Others Professional Services - Other Professional Services are financial / accounting, human resources, auditing, legal, medical and other related services.
- d) Approving Authority - Approving Authority refer to MEC, CCM, SEDC Board, SFS, and Federal Tender Board.
- e) Jawatankuasa Penilaian Perunding (JPP) - Jawatankuasa Penilaian Perunding is the committee to evaluate and recommend for the appointment of consultant by the Approving Authority.
- f) Chairman's Committee Meeting (CCM) - Chairman's Committee is the highest management committee in SEDC established under Regulation 10B of SEDC Financial & Accounting Procedure Regulations 1980. This committee is chaired by the Chairman and its other members consist of GM, DGM and Director of Corporate Finance Division.
- g) Management Executive Committee (MEC) - Management Executive Committee established under Regulation 10 of SEDC Financial & Accounting Procedure Regulations 1980. This committee is chaired by General Manager and members consists of all the Divisional Directors.
- h) SEDC Board - A body whose members are appointed by the Minister under Section 4 of the SEDC Ordinance 1971 (Sarawak Cap 35).
- i) State Financial Secretary (SFS) - SFS is the state financial authority under "Akta Acara Kewangan Negeri Tahun 1957" and responsible to all financial affairs for the Sarawak Government.



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4. ABBREVIATIONS

DIR(PHY)	-	Director, Property Division
DIR(ID)	-	Director, Initiating Division
AO(ID)	-	Administrative Officer (ID)
JPP	-	Jawatankuasa Penilaian Perunding
CCM	-	Chairman's Committee Meeting
MEC	-	Management Executive Committee
SFS	-	State Financial Secretary
CONS	-	Consultant
ID	-	Initiating Division

5. QUALITY RECORD

ATTACHMENT	TYPE	RETENTION	LOCATION
1	<u>Basic Guidelines for the Appointment of Consultants</u>	Latest Version	ID
2	<u>MEC Decision or Information Paper</u>	5 Years	ID / Secretariat
3	<u>CCM Decision or Information Paper</u>	5 Years	ID / Secretariat
4	Board Decision or Information Paper	5 Years	ID / Secretariat
-	Manual Perolehan Perkhidmatan Perunding Kerajaan Negeri	Latest Version	ID / Secretariat
-	Letter of Appointment / Acceptance	5 Years	ID

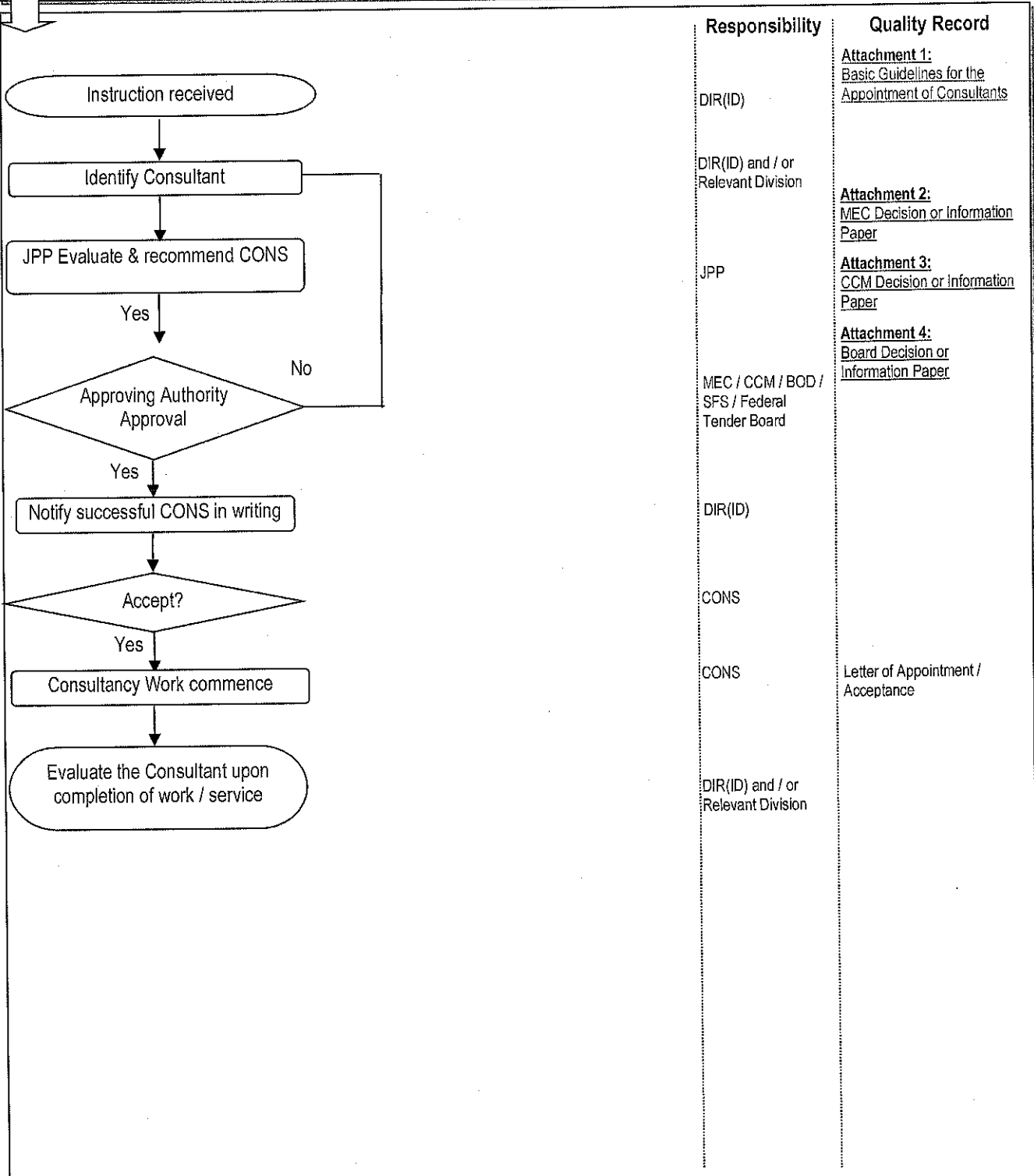


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IN-PUT

- Instruction from Management to engage Consultant (CONS)

P R O C E S S



O U T P U T

PROCESS OUTPUT:

- Suitable consultant appointed

REFERENCE DOCUMENTATION:

- Attachment 1 (Basic Guidelines for the Appointment of Consultant)
- Manual Perolehan Perkhidmatan Perunding Kerajaan Negeri



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REVISION HISTORY SHEET

Rev. No.	Document History	
0	Newly established.	
1.	Cover Page – Change Director's name from Siti Hajar Abg Mon to Nelson Raon Kebing - Change of General Manager's name from Haji Soedirman Haji Aini to Haji Abdul Hadi Datuk Haji Abdul Kadir	
2.	Page 2	Item 3: Definition 3(b) a) Research / Studies: Change the definition from "Physical Development work scope covers technical services related to engineering and/or construction such as architecture, civil & structural engineering, mechanical and electrical engineering and quantity surveying" to "Type of research/study are as follows: (i) Physical Study are engineering works and / or construction project such as feasibility study / preliminary engineering works / flood mitigation study / slope / environment impact assessment study and other related studies. (ii) Non-Physical Study including feasibility study, socio-economic study, quality management, information technology and communication and other related services."
	Page 2	Item 3: Definition 3(c) b) Other Professional Services: Change the definition from "Physical Development work scope covers technical services related to engineering and/or construction such as architecture, civil & structural engineering, mechanical and electrical engineering and quantity surveying" to "Other Professional Services are financial / accounting, human resources, auditing, legal, medical and other related services"
	Page 2	Item 3(d) Definition a) Add definition for Approving Authority: Approving Authority refer to MEM, CCM, SEDC Board, SFS, and Federal Tender Board.
		Item 3(e) Definition b) Add definition for Jawatankuasa Penilaian Perunding (JPP): Jawatankuasa Penilaian Perunding is the committee to evaluate and recommend for the appointment of consultant by the Approving Authority.
		Item 3(h) Definition c) Add definition for SEDC Board: A body whose members are appointed by the Minister under Section 4 of the SEDC Ordinance 1971 (Sarawak Cap 35).
		Item 3(i) Definition d) Add definition for State Financial Secretary (SFS): SFS is the state financial authority under "Akta Acara Kewangan Negeri Tahun 1957" and responsible to all financial affairs for the Sarawak Government.
	Page 3	Abbreviation a) Add JPP – Jawatankuasa Penilaian Perunding b) Add SFS - State Financial Secretary
	Page 3 & 4	Quality Record <ul style="list-style-type: none"> • Delete Attachment 2: Summary of Consultant Profile / Decision Paper • Delete Attachment 6: Consultant Survey Form • Attachment 3 MEM Decision or Information Paper become Attachment 2 • Attachment 4 CCM Decision or Information Paper become Attachment 3 • Attachment 5 BOARD Decision or Information Paper become Attachment 4
	Page 4	Process Flow Amend the process flow as follows: - a) "Evaluate & recommend CONS" change to "Identify Consultant" b) "MEM/CC/BOD Decision" change to "JPP Evaluate & recommend CONS" c) "Need State/Federal Government Approval?" change to "Approving Authority Approval" d) "Fill in Consultant Survey & Evaluation Form after: 1. Issuance of "Certificate of Making Good Defect" for Physical Development Work; 2. Professional service provided change to "Evaluate the Consultant upon completion of work / service"
	Page 4	Responsibility Column a) Add "and/or Relevant Division" b) Add JPP c) Add SFS & Federal Tender Board
3.	Page 2 – 4 Attachment 2	Change Management Executive Meeting (MEM) to Management Executive Committee (MEC) Change Management Executive Meeting (MEM) to Management Executive Committee (MEC)
4.	Page 3	Quality Record Add Manual Manual Perolehan Perkhidmatan Perunding Kerajaan Negeri in Item 5: Quality Record
	Page 4	– Add Manual Perolehan Perkhidmatan Perunding Kerajaan Negeri in the Reference Documentation column

BASIC GUIDELINES FOR THE APPOINTMENT OF CONSULTANTS

1. APPROVAL FOR ENGAGEMENT OF CONSULTANTS

1.1 The approval of the Corporation shall be obtained prior to the engagement of Consultants [if their consultancy fees/charges exceed the sum of Ringgit Malaysia Fifty Thousand Only (RM50,000.00)].

1.2 In addition pursuant to Section 9 (1) of the Statutory Bodies (Financial & Accounting Procedure) Ordinance 1995 the prior written approval of the State Financial Secretary has to be sought if :-

(a) For Implementation of projects

The project estimated total cost exceeds RM2 million. The services covered includes architectural, engineering, surveying (quantity survey and land survey).

(b) For Feasibility Studies, EIA Studies, Management, etc.

The total estimated payment payable to the consultant exceeds RM500,000.

(See Pekeliling PKP 1/96 ref. C/SFS/626 dated 26 February 1996 issued by the State Financial Secretary).

2. ENGAGEMENT OF FOREIGN CONSULTANTS

Where possible the engagement of foreign consultants should be avoided. Where their engagement is necessary e.g. due to lack of local expertise, their engagement should be made through a local Consultant, unless the Corporation decides to the contrary.

3. SCOPE OF SERVICES

The Consultant's scope of services shall be clearly spelt out.

4. ENGAGEMENT ON "NO COMMITMENT" BASIS

4.1 Consultants shall be engaged on a "no commitment" basis until and unless their conceptual plans/drawings/designs have been approved and accepted by the Corporation.

ATTACHMENT 1

- 4.2 If the project is abandoned or aborted or suspended by the Client at any time before acceptance and approved by the Corporation of the Consultant's proposal/conceptual plans/designs, the Consultant shall not be entitled to be paid his fees/charges. However, he will still be entitled to be paid his out-of-pocket expenses/disbursements subject to proof thereof (through an itemized statement of account supported by bills, receipts, invoices, etc.) that the cost/expense has been reasonably incurred for the purpose of the project.
- 4.3 Every effort shall be made to ensure that the Corporation obtains the best services at the lowest possible price without any compromise on quality service, accountability, etc.

5. PAYMENT OF FEE

- 5.1 The Consultant shall not be paid any fee (agreed or otherwise) unless the provisions of Paragraph 4 hereof has been fulfilled.
- 5.2 Subject to Paragraph 5.1, the Consultant's fees/charges shall be paid upon completion of his service or completion of each stage or phase, in the event the services are to be performed in phases or stages.
- 5.3 If the Consultant's fee are calculated based on a percentage of the project/construction cost, an estimate of that project/construction cost must first be prepared and submitted to the Corporation for the Corporation's approval and agreement.
- 5.4 Once the Consultant's fee had been ascertained in accordance with the approved and agreed project/construction cost, the fee shall not be varied notwithstanding an increase in the project/construction cost subsequently, except if such cost decrease.
- 5.5 Provisions for reimbursable expenses shall be clearly spelt out with appropriate and reasonable rates e.g. in respect of airfare – whether business or economy class,
- 5.6 Payment for reimbursable expenses shall only be allowed if supported by relevant bills and receipts.
- 5.7 If requested by the Corporation, the Consultant shall furnish an estimated sum for reimburseable expenses and such sum shall not be exceeded without the approval in writing of the Corporation, first had and obtained.

6. FIXED CONTRACT PRICE/PROJECT COST

- 6.1 The Consultant shall be required to submit a total project cost and he shall undertake and use every mean and method to ensure that the project cost stays in that sum and that there is no project cost overrun and there are no variation orders.
- 6.2 Provisions are to be incorporated into the Consultant's Letter of Engagement/Appointment reserving to the Corporation the right to withhold and/or deduct any sum from the Consultant's bill/fees in the event of a cost overrun/variation orders not otherwise occasioned by the Client.

7. TAXES CONTRACT PRICE/PROJECT COST

Any tax or duty payable in consequence of the Consultant's engagement or appointment is to be borne solely by the Consultant, unless otherwise provided by law to the contrary.

8. PROJECT ABANDONED/ABORTED/SUSPENDED

- 8.1 As time, effort and funds have been expended on the project; every effort should be made to implement the project expeditiously.
- 8.2 However, if the project is abandoned, aborted or suspended by the Client for any reason whatsoever, after the Consultant's proposals/conceptual plans/drawings/designs have been accepted by the Client timely notice of the fact should be given to the Consultant who has to take immediate steps to stop work/terminate any services being provided. The Consultant will still be entitled to payment of his fee/charges up to the date of the notice. The Consultant shall not be entitled to any further payment in respect of the balance of his fees.

9. TERMINATION/EXIT CLAUSE

All consultancy contracts should incorporate an exit/termination clause by the Client – 30 days notice without the need to assign any reason whatsoever for the termination.

10. DUE CARE, DILIGENCE, ETC.

The Consultancy Contract should also incorporate :-

ATTACHMENT 1

- (a) a provision requiring the Consultant to take all due care, attention and diligence in the execution of the services and to at all times protect the interest of the Client;
- (b) an indemnity clause for the Consultant to indemnify the Client/SEDC for any loss or damage occasioned by the Client's breach of duty of care, negligent act or omission.

11. INCORPORATION AS SPECIAL CONDITIONS

- 11.1 These Guidelines shall be incorporated as Special Conditions in the contract with the Consultant.
- 11.2 In the event of any inconsistency between any provision in such contract and these Guidelines, the provisions herein contained shall prevailed.

Re-issued by the Corporation this 22nd day of June 2009.

.....
YB DATUK HJ TALIB ZULPILIP
Chairman
SEDC Sarawak

MANAGEMENT EXECUTIVE COMMITTEE (MEC)

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Decision or Information Paper No.....

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MEC**

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JUSTIFICATION (UPPERCASE & BOLD)

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Prepared by :
(NAME)
(Designation)
(DIVISION)

Date :



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Prepared by:
(Name)
(Designation)
(Sector/SBU)

Date:



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To : YB CHAIRMAN & BOARD MEMBERS

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BACKGROUND (UPPERCASE, BOLD & UNDERLINED)
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RECOMMENDATION (UPPERCASE, BOLD & UNDERLINED)
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Name & Signature of Head of Sector/SBU

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Date: Date of Preparartion

ATTACHMENT 4

NOTES:

1. Font Type : Time New Roman
2. Font Size for Title is 14. The rest of the paper including headings is at font size 12.
3. The recommendation and objective should be similar. For Information Paper, the "Recommendation" heading should be changes to "Conclusion".
4. Supporting documents/data should be properly identified and annexed to the paper as appendices e.g. Project Cost, Financial Plan, Profit & Loss Statements, plans etc.
5. Paper to be signed in the manner as shown in the format.
6. This is a general format for Board Paper. The format may be modified based on the particular facts/circumstances of the subject.