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Certificate of Fitness for Occupation (CFO): Towards Self-Certification, with Certificate of Completion and Compliance (CCC)

By: Ir. Chen Thiam Leong

INTRODUCTION

In June 2004 Prime Minister Datuk Seri Abdullah Ahmad Badawi announced the Government's proposal to substitute the Certificate of Fitness for Occupation (CFO) issued by Local Authorities with self-certification by the professionals.

Following the announcement, all relevant players of the industry, led by the Ministry of Housing and Local Government (KPKT – Kementerian Perumahan & Kerajaan Tempatan) had proceeded to work towards achieving the desired objectives.

The Ministry of Works (KKR – Kementerian Kerja Raya), being responsible for the three professional boards, held two dialogue sessions in July 2004 to deliberate this issue. Representatives from Lembaga Jurutera Malaysia, Lembaga Akitek Malaysia, Lembaga Juruukur Bahan Malaysia, Jabatan Kerja Raya, Dewan Bandaraya Kuala Lumpur, Lembaga Juruukur Tanah Semenanjung Malaysia, Lembaga Penilai Pentaksir Dan Ejen Hartanah Malaysia, Pertubuhan Akitek Malaysia, Institution of Engineers Malaysia, Institution of Surveyors Malaysia, Penasihat Undang-undang Kementerian Kerja Raya, and ACEM attended. There was common consensus for self-certification of CFO by the professionals.

KPKT ON PRIVATE CERTIFIERS AND RELEVANT ISSUES

KPKT organised a working visit to Australia with representatives from ACEM, PAM and REHDA to study their private certification system, delivery process, and the role of other industry players.

Subsequently, the KPKT Working Group (WG) on CFO, made the following main recommendations;

- Self-certification shall be done by the

professional architect or professional engineer;

- Other industry players must also be regulated;
- Improvement of CFO should also consider improving the existing delivery process for Building Plan approval;
- The One Stop Centre (OSC) for Building Plan approval remains relevant.

The KPKT WG noted that;

- The 3-year old self-certification practice of issuing CCC for bungalows by the professional architects has been successfully implemented to-date.

BEM'S WG ON CFO

To prepare engineers for the imminent implementation of CCC, BEM formed a WG to study the details. The WG, recommended the following;

1. Professional Engineers are **ready and capable of self-certification** of CFO;
2. BEM **disciplinary action and procedure** against errant Professional Engineers are already **in place**;
3. **Other relevant parties** in the construction industry must be **regulated and/or licensed** to ensure delivery of the end products. They are the Builders, Tradesmen and Resident Site Supervisory Staff;
4. The **building delivery system** must be **drastically improved** to expedite the process. This encompasses the design approval process and external infrastructure provisions;
5. Professional **fee** must be properly and **promptly disbursed**;
6. The **Professional Engineers' own delivery system** must be proper.

Explanatory Notes

1. Professional Engineers are **ready and capable of self-certification** of CFO.
 - Under the current practice with the Local Authority issuing CFO, a professional engineer is already held fully liable as the submitting person under the UBBL for both design and supervision of the project. In fact, the professional engineer is required to sign Form E to declare his responsibility before applying for the CFO.
 - Hence, in essence, Form E can now literally be the professional engineer's Certificate of Completion and Compliance.
2. BEM **disciplinary action and procedure** against errant Professional Engineers are already **in place**.
 - Professional Engineers are regulated by the Board of Engineers, Malaysia and disciplinary action and procedures are already in place.
 - The additional need is to establish a disciplinary panel dedicated to deal promptly with unsatisfactory professional conduct and professional misconduct relating to CFO matters. A combined BAM/BEM CFO Disciplinary Board will need to be established.
 - Professional Engineers are also subject to professional liabilities for their work under existing law.
3. **Other relevant parties** in the construction industry must be **regulated and/or licensed** to ensure delivery of the end products. They are the Builders, Tradesmen and Resident Site Supervisory Staff.

- The Professional Architects and Engineers are already well regulated. However, the other major players directly responsible for delivery of the end products are not regulated or licensed. These weak links need to be addressed to realise the delivery of proper end products.
 - These parties are the Professional Engineer's Resident Site Staff (viz resident engineers, site supervisors and clerk-of-works); the Builders or Contractors; and the specialist Tradesmen. Licensing should be on an individual basis and not a firm to avoid abuse of the system.
 - Whilst the Professional Engineers are responsible for compliance to the UBBL in terms of health and safety issues, Builders/Contractors and Tradesmen are responsible for the quality of workmanship.
- Resident Site Staff represent the Professional Engineers at the site to ensure compliance are met, and should therefore, be made accountable as well for the system to work.
4. The **building delivery system** must be **drastically improved** to expedite the process. This encompasses the design approval process and external infrastructure provisions.
 - Delay to the CFO process is not limited to the last stage of issuing the certificate. In fact, the major delays (bottlenecks) occur at the various (earlier) stages of design approval process by the relevant authorities including external infrastructure agencies. Therefore, it is of paramount importance that the relevant part of the delivery system be improved. The flow chart of this process is being developed by KPKT.
 5. Professional **fee** must be properly and **promptly disbursed**.
 - A system need to be instituted to ensure professional fee is paid in a timely manner to avoid professional engineers being pressured by clients to act otherwise.
 - Fortunately, the revised Letter of Release is now in place which will serve to prevent owners from replacing consulting engineers without settling the professional fees.
 6. The Professional **Engineers' own delivery system** must be proper.
 - Professional Engineers must deliver their full scope of work to ensure a proper delivery system. The prevailing practice of reduction in scope of works to suit reduced professional fee (which is akin to lowering the benchmark of performance) should be stopped. ■