CADANGAN TATAAMALAN INDUSTRI BAHARU:

TATAAMALAN INDUSTRI PENGURUSAN KONTRAK KKP

INDUSTRY CODE OF PRACTICE ON OSH CONTRACT MANAGEMENT

Bahagian Dasar Antarabangsa dan Pembangunan Penyelidikan, Jabatan Keselamatan dan Kesihatan Pekerjaan, Malaysia

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PENGENALAN

PURPOSE OF ICOP:

1. Provide guidance to employers or clients and contractors in managing OSH in contract situation; and
2. Recommends minimum OSH requirements for various stages of contract.

SCOPE:

This ICOP applies to all workplaces covered under Occupational Safety and Health Act 1994.

ENABLER:

Section 37, AKKP 1994

RINGKASAN TATAAMALAN INDUSTRI

Part 1. Objectives and Scope

OBJECTIVES:

1) Explain the importance of OSH requirements in contract;
2) Define minimum OSH requirements including OSH plan at each stage of a contract; and
3) Define the roles and responsibilities of employer or client and contractor on OSH management.

SCOPE OF ICOP:

The contract process consists of several stages but not limited to:

1) Planning
2) Tender Documentation
3) Tender Evaluation and Award
4) Commencement
5) Execution
6) Completion

Part 2. Process Overview

STAGE	CLIENT	CONTRACTOR
1. Planning	Identify Scope of work Initial Risk Assessment Establish Contract of Period	
2. Tender Documentation	Prepare Tender Documentation OSH Capabilities Assessment OSH Bill of Quantity	Submit Tender Proposal
3. Tender Evaluation & Award	Tender Evaluation Tender Award	
4. Commencement	Pre-Commencement Meeting Commencement Audit	OSH Preparation Rectify Findings
5. Execution	Monitoring OSH Performances i.e.: Audit, Insp. Meeting, etc.	Implement OSH Plan, Provide Information & Documentation Submit OSH report regularly
6. Completion	Incorporate OSH Close-Out Report in New Contract	Submit Close Out Report

Part 3. Planning

1. To assess the OSH risks associated with the scope of the contracted work and to ensure mitigations were incorporated into the overall contract strategy.
2. It is the duty of client to provide information related to the hazards and risks associated with the contract works to all the bidders to ensure that they understand and address the hazards and risks that may arise during execution of the contract.
3. The activities at this stage are development of:
    a. **Scope of work** (including; design specifications, standards, drawings, duration of work, applicable Legal requirements, logistics, and requirements related with pre-work information). Refer **Appendix I**
    b. **Foreseeable hazard** (include working in confined space, drowning, working at height, working near public area). Refer **Appendix II**
    c. **Development of contract schedule**; and
    d. **Estimation of OSH cost.**

Part 4.
Tender Document

Tender Documentation by Client

1. Tender document shall contain the requirements that contractor has an OSH Management System which is in line with the client's management system. Site visit and/or briefing of project are advisable to be carried out for all bidding contractors before submission of tenders.
2. To ensure the contractor understand their expectations clearly, the client shall provide documents such as:
    a. Client OSH policy;
    b. Client OSH goals and objectives;
    c. Scope of work, foreseeable hazards and contract period;
    d. Site OSH requirements;
    e. OSH training and induction that proportionate to the nature of the work;
    f. Specifications of minimum client pre-commencement and commencement requirements; and
    g. Pre-works Information (refer Appendix I).

Part 4.
Tender Document

3. In addition, client may also include following requirements in their tender documents:
    a. Contractor shall establish and implement an OSH management system and the client has the right to verify this;
    b. Provisions for suspending contractor's works by the client if contractor does not comply with OSH plan and requirements as per the contract. However, client shall inform the contractor and given them reasonable time to rectify the non-compliances;
    c. If there is a need for special OSH provisions, the party who shall bear the costs shall be determined;
    d. Contractor shall be responsible for the effective implementation of their sub-contractors' OSH management system;
    e. Contractor OSH capabilities assessment (as per 4.1.1); and
    f. OSH cost.

Part 4.
Tender Document

4. Contractor shall provide detailed information in their tender proposal to the client. One of the main documents is OSH plan (Appendix V), which cover all contract phases from commencement to completion and shall provide a clear indication of the policies, procedures, standards, etc. to be adopted during each phase of the contract. Contractor shall demonstrate their capability in the following areas:
    a. Response/comply to OSH requirements requested by client;
    b. Development and implementation of OSH plan with its person in charge, targets and timeline;
    c. Availability of specific procedures for specialized tasks;
    d. Hazard identification, risk assessment and risk control (HIRARC) including consequences to people and property for each contracted work with preventive and mitigation measures identified: and
    e. Clear delineation of roles and responsibilities for the execution of contract including implementation and maintenance of control measures for all hazards and risks identified.

Part 5. Tender Evaluation and Award

1. Client should evaluate each tender submitted by contractor, which consider:
   a. OSH capability assessment results of contractors; and
   b. Contractor's ability to implement OSH plan and manage the risk. (for example; past OSH performance, site assessment and so on).

2. Client has a right to obtain further explanation and clarification from contractors on information provided in their tender proposal. Client also has a right to seek agreement with the contractor especially on change of OSH plan and requirements.

3. Once the tender has been awarded, joint meetings should/shall be held as soon as possible to agree on the final details of the OSH Plan, OSH requirements and its implementation. The agreed documentations on the OSH plan and other related requirements should/shall be part of the contractual agreement.

Part 6.
Commencement

1. A pre-commencement meeting and/or site visit shall be carried out as it provides an opportunity for the contractor(s) to become familiar with the location, facility, personnel, and other related specific site requirements.
2. The meeting is generally recognized as an important interfacing step in enhancing common understanding and working relationship before execution of contract. The meeting shall be held before the execution of any work.
3. The topics to be covered in the meetings might include, but not limited to:
    a. Review of associated hazards and control measures;
    b. Confirmation of activities/deliverables described in the OSH plan have been clearly defined and understood;
    c. Verification of personnel competence.
    d. Confirmation of OSH Objectives.
    e. Dissemination and communication of the OSH policy statement.
    f. Confirmation of the scope and schedule of OSH plan.
    g. Integration of client's and contractor's emergency plans and procedures.

Part 6.
Commencement

g. Integration of client's and contractor's emergency plans and procedures.
h. Confirmation of contacts of third parties and communication protocol.
i. Confirmation that OSH induction and training plans.
j. Briefing of sub-contractor's management and personnel on OSH plan and requirements;
k. Incident reporting and investigation procedures;
l. Process for reporting, tracking and closing out of non-compliances.
m. Compliance plan of OSH regulatory requirements; and
n. Mobilization plans and activities.

4. The meeting may be structured as an OSH workshop, with participation of both client's project management and contractor's management.

5. During the commencement phase, audits or reviews against the OSH plan may be conducted to determine whether the objectives are being met. This can be accomplished by a joint client/contractor OSH field review or audit.

Part 7. Executions

Inspection and OSH Audits/Reviews

1. Regular joint inspections by client and contractor representatives provide a means of compliance and performance verification against contract requirements. Joint inspection/audit program have the advantage of aligning objectives, enhancing common understanding and promoting constructive participation.

2. The frequency of such inspections/audits depends on the levels of risks involved. Findings and recommendations from inspections and audits shall be shared to encourage commitment from both parties to close the gaps identified.

3. The client shall obtain contractor's assurance on:
    a. Contractor's management commitment to OSH issues;
    b. Compliance with all OSH related clauses in the contract and the OSH plan;
    c. Performance achieved against agreed OSH objectives;
    d. The availability of contractor's OSH management systems and procedures;

Part 7. Executions

e. The contractor's monitoring of the quality, conditions and integrity of its OSH processes, equipment and tools;
f. Competence assurance and management of change of key personnel;
g. The contractor's toolbox and regular OSH meetings;
h. The contractor's implementation and participation in emergency exercises and drills;
i. Proper management of OSH risks which may arise from changes to the contractual scope of work;
j. Compliance with incident and non-conformance reporting, investigation and follow-up;
k. Contactor's compliance to OSH regulatory requirements;
l. Management of change procedures and implementation; and
m. All required contract documentation has been provided to the client.

OSH Regular Report

4. Contractor shall submit the OSH report regularly to the client. Refer Appendix VI as a guide. The frequency of submission shall be determined by the client.

Appendix 1. Example of Pre-Work Information

Appendix 1

Pre-Work Information

Description of Job	Details
1. Job description and intended use of work/services.	
2. Job description and program details including:	
a) Important dates (including planned start and finish of the job)	
b) Client's Brief.	
3. Extent and location of existing records and plans (such as relevant information from existing safety and health file).	
Client's considerations and management requirements	
1. Arrangements for:	
a) Planning and managing the job, including health and safety goals for the job.	
b) Communication and liaison between client and others.	
c) Time allocated for each stage of the job.	
2. Requirements relating to the safety and health of the client's employees or customers, or other people involved in the project, such as:	
a) Security of the job area	
b) Job area transport arrangements or restriction on vehicle movements	
c) Client permit-to-work systems	
d) Fire precautions	
e) Emergency procedures and means of escape	
f) 'no-go' areas designated as a confined space by the client	
g) Any areas designated as a confined space by the client	
h) Smoking and parking restrictions	
i) Welfare provisions	

Environmental restrictions and existing on-site risks	
1. Safety hazards, including:	
a) Boundaries and access, including temporary access (for example, narrow streets, lack of parking, turning or storage space)	
b) Any restrictions on deliveries, waste collection or storage	
c) Adjacent land uses (such as schools, railway lines or busy roads)	
d) Existing storage of hazardous materials	
e) Location of existing services particularly those that are concealed – water, electricity, gas, and so on	
f) Ground conditions, underground structures or water courses where this might affect the safe use of plant (such as cranes, or the safety of groundworks)	
g) Information on existing structures – stability, structural form, fragile or hazardous materials, anchorage points for fall-arrest systems (particularly where demolition is involved)	
h) Previous structural modifications, including weakening or strengthening of the structure (particularly where demolition is involved)	
i) Fire damage, ground shrinkage, movement or poor maintenance, which may have adversely affected the structure	
j) Any difficulties relating to plant and equipment in the premises (such as overhead gantries whose height restricts access)	
2. Health hazards, including:	
a) Existing storage of hazardous materials	
b) Existing structures containing hazardous materials	
c) Health risks arising from the client's work.	
Significant design and work hazards	
1. Significant design assumptions and suggested work methods, sequences or other control measures.	
2. Arrangements for co-ordination of ongoing design work and handling design changes.	
3. Information on significant risk identified during design.	
4. Materials requiring precautions.	
Comments	

Appendix 2. Example of Foreseeable Hazards

Example of Foreseeable Hazards

Foreseeable Hazards of a job may come from broad groupings of hazards. The following list may be used to assist in identifying hazards and controlling foreseeable hazards associated with the nature of work.

Electrical safety

- Earthing of electrical installations
- Location of underground and overhead power cables
- Protection of leads/cables
- Number and location of power points

Fire and emergencies

- Fire risks
- Fire detection and fire fighting
- Emergency routes and exits
- Access for and structural capacity to carry fire tenders
- Other emergency facilities

Movement of people and materials

- Safe access and egress, including for people with disability
- Traffic management
- Loading bays and ramps
- Safe crossings
- Exclusion zones
- Site security

Working environment

- Ventilation for thermal comfort and general air quality and specific ventilation requirements for the work to be performed on the premises
- Temperature
- Lighting including that of plant rooms
- Acoustic properties and noise control, for example, noise isolation, insulation and absorption
- Seating
- Floor surfaces to prevent slips and trips
- Space for occupants

Plant

- Tower crane locations, loading and unloading
- Mobile crane loads on slabs
- Plant and machinery installed in a building or structure
- Materials handling plant and equipment
- Maintenance access to plant and equipment
- The guarding of plant and machinery
- Lift installations

Amenities and facilities

- Access to various amenities and facilities such as storage, first aid rooms/sick rooms, rest rooms, meal and accommodation areas and drinking water

Noise exposure

- Exposure to noise from plant or from surrounding area

Earthworks

- Excavations (for example, risks from earth collapsing or engulfment)
- Location of underground services

Structural safety

- Erection of steelwork or concrete frameworks
- Load bearing requirements
- Stability and integrity of the structure

Manual tasks

- Methods of material handling
- Accessibility of material handling
- Loading docks and storage facilities
- Workplace space and layout to prevent musculoskeletal disorders, including facilitating use of mechanical aids
- Assembly and disassembly of prefabricated fixtures and fittings

Substances

- Exposure to hazardous substances and materials including insulation and decorative materials

Appendix 3. Example of OSH Capabilities Questionnaires

Questions	Description	YES	NO	N/A	Remarks
A. Occupational Safety & Health (OSH) policy					
1. Does OSH committee meeting promote safe and healthy working culture?	* Please provide evidence of a periodically review OSH Policy endorsed by the chief executive.				
2. Do the managers and supervisors receive formal OSH training in their responsibilities towards OSH?	If YES, please provide the names of personnel and training attended				
3. Does the company has competent personnel for the job tendered?	Please provide the names, positions and their respective specialization/competency/experience				
4. Does the company have OSH Committee?	*If yes, please provide the OSH committee organization chart*				
5. Do the employees receive OSH program/training that is related to the job tendered?	*If yes, please provide/attached the evidence*				
B. Organization, Responsibilities, Resources, Standard and Documentation					
1. Does OSH committee meeting promote safe and healthy working culture?	*Please provide the company OSH committee minutes of meeting as evidence of promotion of safety and healthy working culture*				
2. Do manager and supervisor received formal OSH training in their responsibilities towards OSH?	*If yes, please provide the competencies and schedule training attended*				
in place such as ISO, OSHMS, etc.?					
C. Planning and Implementation					
1. Does the company conduct Hazard Identification, Risk Assessment and Risk Control (HIRARC)?	Please briefly describe the methodology used and provide evidence of the HIRARC				
2. Does the company conduct health risk assessment?	Please briefly describe the health hazards identified				
Questions		***YES***	***NO***	***N/A***	***Remarks***
3. Does the company has SOPs (e.g. Work at Height, Lifting, Confined Space, etc.) that are associated with the scope of your service?	Please list the safety hazards associated with your scope of service, and provide the list and copies of SOPs				
4. Does the company has standard Emergency Response Plans (ERPs)?	If YES, please provide the list and copies of the ERPs				
D. Occupational Safety and Health (OSH) Performance					
1. Does the company perform the investigation for incidents?	Please list the incidents investigated				
2. Does the company has standard investigation procedure?	If YES, please state the methodology of the investigation process and provide copy of the procedure				
3. Does the company has a dedicated investigation team/organization?	If YES, please provide the chart				
4. Does the company communicate the findings/results of the investigation to relevant parties?	If YES, please briefly describe the way that you communicate the findings/results and to who				

Appendix 4. Example of OSH Bill of Quantities

Appendix 4

EXAMPLE OF BILL OF QUANTITIES FOR OSH

Item	Description	Unit	Qty	Rate (RM)	Amount (RM)
1	**Occupational Safety And Health Plan (OSH Plan)** Preparation and submission of Occupational Safety and Health Plan.				
2	**Hazards Identification, Risk Assessment And Risk Control (HIRARC)** Preparation of Hazards Identification, Risk Assessment and Risk Controls (HIRARC) for all works activities. Review, update and submit before commencement of each works throughout the contract period.				
3	**OSH Committee Meetings & Workplace Inspections** Conduct OSH meetings and inspections during the duration of the contract as below: a) OSH committee meetings (at least once in every 3 months) for the duration of the contract. b) Workplace inspections by OSH Committee.				
4	**OSH Personnel @ Competent Person** To supply and maintain where applicable: a) Safety and Health Officer b) Site Safety Supervisor c) Scaffolding Erector d) Crane Operator e) Authorized Gas Tester (for confined space works) f) CHRA Assessor g) Charge-man h) etc				
5	**Safety and Health Induction & Training** Conducting training and induction course to each worker and any related courses that required for the entire project. a) OSH induction course b) Tool box meetings/briefing c) OSH Act and Regulation for OSH Committee members d) Safe Operating Procedure e) Working at Height				
	f) Emergency preparedness, respond and evacuation g) Fire fighting h) Chemical Safety i) Others; please specify.				
6	**Temporary Plant and Machinery** Provision for the submission of design of any temporary structures by a competent person / professional engineer of the following to the DOSH (where applicable) a) Scaffolding b) Catch platform c) Construction rubbish/debris disposal chute d) Support for stability of structure where adjoining area to be excavated or piled e) Loading platform f) Material and passenger hoist g) Gondola h) Tower crane i) Hoarding j) Others; please specify.				
7	**Inspection Record for Plant** Compile and maintain on a regular basis all inspection records for plants but not limited to: a) Tower crane and rigging equipment b) Mobile / crawler crane and rigging equipment c) Material hoist d) Passenger hoist e) Power operated elevating work platform f) Bar bending and cutting machines g) Prime mover h) Mechanical cutting operations i) Gondola or suspended platform j) Electrical tools and equipment k) Scaffold l) Compressor and Pressure Vessel m) Others; please specify.				
8	**Personal Protective Equipment** Provide, maintain and replace any damage personal protective equipment as per specification to all employees and visitors a) Goggles/ Face Protection b) Fall protection (Harnesses, lanyards, lifeline, safety belt) c) Safety shoes/boots				

Appendix 5. Example of OSH Plan Content

Example of OSH Plan Content

Company name	
Description of project	**Details**
1. Project description and programme details including any important dates	
2. Details of the project team, including:	
a) Client	
b) Principal designer	
c) Designer(s)	
d) Principal contractor	
e) Contractor(s)	
f) Other consultants	
3. Extent and location of existing records and plans which are relevant to safety and health on site, including information on existing structures when appropriate.	
Management of the work	
1. Management structure and responsibilities	
2. Safety and health goals for the project and arrangements for monitoring and review of safety and health performance	
3. Safety and health arrangements for the construction phase.	
4. Site rules.	
5. Arrangements for:	
a) Co-operation between the project team on site and co-ordination of their work	
b) Consultation with the workforce	
c) The exchange of design information between the client, designers, principal designers and contractors on site	
d) Handling design changes during the project	
e) The selection and control of contractors	
f) The exchange of safety and health information between contractors	
Management of the work (*continued*)	**Details**
g) Site security	
h) Site induction	
i) On-site training	
j) Welfare facilities and first aid	

Appendix 6. Example of OSH Regular Report

EXAMPLE OF OSH REGULAR REPORT

Company Name:	
Date:	

Description	Last Month	This Month	Cumulative
No. Of Employees			
Total Nab Hours Worked			

1. Active Indicators	Last Month Total	This Month	Total to Date
1.1 Risk Management (HIRARC)			
1.2 Risk Management Review (HIRARC)			
1.3 OSH Meetings / OSH Coordination Meeting			
1.4 Workplace Safety Inspections			
1.5 OSH Audits			
1.6 Management Safety Walkabout			
1.7 Safety Observation Reports			
1.8 Toolbox Meetings			
1.9 Emergency Response Drills			
1.10 OSH Training			
1.11 Inductions / OSH Orientation			
1.12 Drug & Alcohol Test			

2. Reactive Indicators	Last Month Total	This Month	Total to Date
2.1 Incidents			
2.2 Fatality			
2.3 Permanent Disabilities			
2.4 Non-Permanent Disabilities			
2.5 Lost Time Injury (LTI)			
2.6 Medical Treatment Injuries			
2.7 First Aid			
2.8 Near Miss			
2.9 Unsafe Act			
2.10 Unsafe Condition			
2.11 Property Damage			
2.12 Emergency Response Incidents			

3. Action to be taken by employer to comply OSHA/FMA & Regulations.
4. Method to establish and maintain safety & health working condition.
5. Accident / Incident occurred at workplace.
   Note: *Please provide brief report status and attach pictures and supporting documents*
6. List of machinery, plant, equipment, process which have potential to cause injury.
7. List of machinery, plant, equipment, appliance or PPE required to minimize risk.
8. Recommendation to the structure or layout of workplace to improve safety & health.
9. Safety promotion activities.

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