# CODE OF CONDUCT & ETHICS

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**Chairman**
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## What is Ethics ?

- <u>Ethics</u> → Major branch of philosophy → encompassing proper conduct and promoting good living in a community

- Synonym for "morally correct" or justified → set of justified moral principles of obligation, rights and ideals

- Ethics → can be applied to many areas/fields/industries → engineering ethics, medical ethics, business ethics, religious ethics, political ethics

- Professional Ethics → concerns the moral issues that arise because of the specialist knowledge that professionals attain, and how the use of this knowledge should be governed when providing a service to the public

# What is Ethics ?

Example :

- Engineer → possess specialist knowledge and training
- Client → places trust in the Engineer that the service provided will be to the client's best interest
- Engineer → must not use the specialist knowledge and training to exploit the Client e.g. incorporating overly high factor of safety in his designs

# What are Values ?

- Ethics → is about <u>Values</u>
- Concise Oxford Dictionary → principles or standards of behaviour
- Values → A principle, standard or quality considered worthwhile or desirable
- Our values guide us on what is an appropriate course of action or what is the <u>right</u> thing to do
- Values reflect a person's perception/sense of right and wrong, or what 'ought' to do
- As a Professional, we are governed by a set of basic values
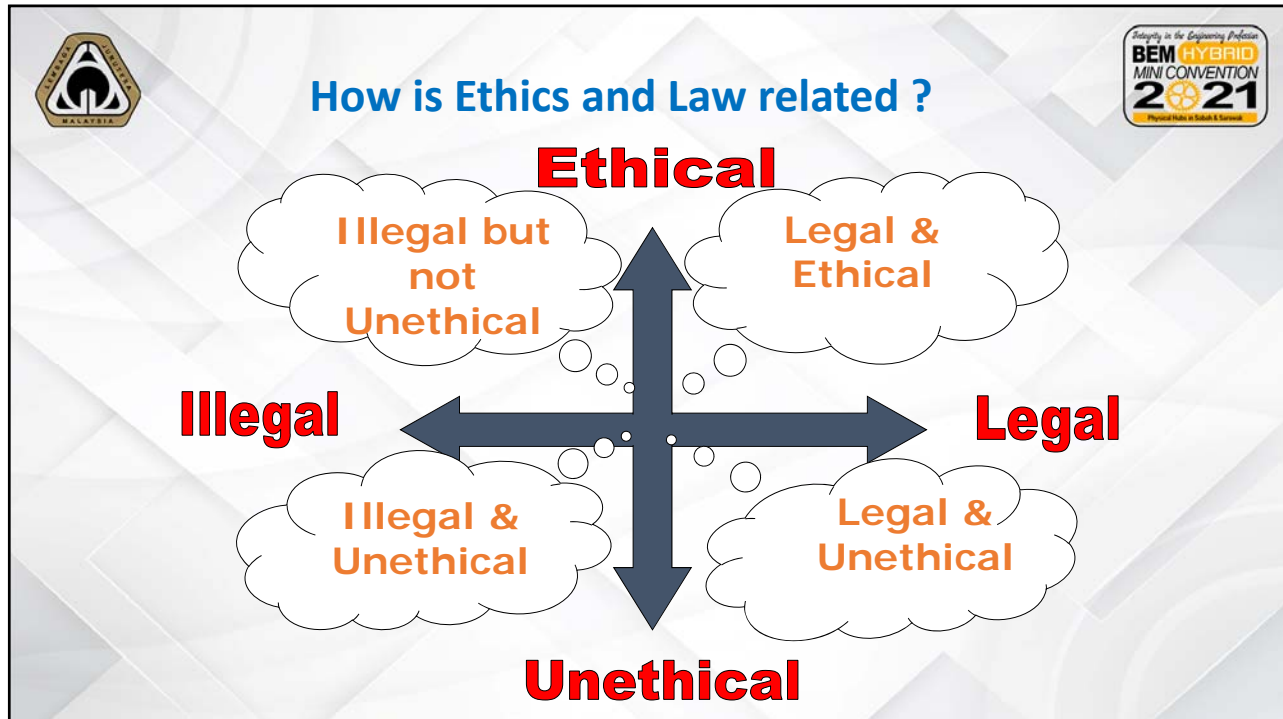
## 10 Basic Values for Professionals

i.   *Honesty* → tell the truth

ii.  *Legality* → obey the law

iii. *Privacy* → respect others' rights

iv.  *Quality* → strive for quality products and services for your clients

v.   *Teamwork* → work together to meet mutual objectives

vi.  *Avoid Conflict of Interest* → be loyal to your Employer/Client and observe fair play

vii. *Cultural Sensitivity* → blend with diverse cultures in the workplace

## 10 Basic Values for Professionals

viii. *Social Responsibility* → preserve and protect the public good

ix.   *Professional Growth* → develop and maintain our skills

x.    *Advancing the Profession* → respect and assist our colleagues/ juniors and enhance the reputation of our profession

## How is Ethics and Law related ?

**Ethical**

Illegal but not Unethical

Legal & Ethical

**Illegal**

**Legal**

Illegal & Unethical

Legal & Unethical

**Unethical**

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## Ethics

- All Professional bodies have a Code of Ethics
- However, Ethics → relates to morality → is abstract and difficult to determine
- For purpose of enforcement → Professional bodies set out a Code of Conduct
- Conduct → how we behave

## What is a Code of Conduct ?

- A set of internally enforced rules or regulations that members of a Profession must follow

- The main intention is to ensure public safety, prevent exploitation of the Client, and preserve the integrity of the Profession

- A Code of Conduct → **may or may not** have the same status as a Law

- However, the Code of Conduct as set out in Part IV of the Registration of Engineers Regulations 1990 → is a subsidiary legislation enacted under the Registration of Engineers Act 1967

## Power to make Regulations

- Section 26 of the Registration of Engineers Act 1967

- The **Board** may with the approval of the Minister **make regulations** to prescribe anything which may be prescribed or is required to be prescribed under the Act or to enable it to perform any of its functions or to exercise any of its powers set out in the Act

- The Regulations are binding on all registered Persons and ECPs

## History of the Regulations

1972    The REGISTRATION OF ENGINEERS REGULATIONS 1972 was enacted (P.U.(A) 290/72)

    (Date of operation  -  1972)

1990    The REGISTRATION OF ENGINEERS REGULATIONS 1990 was enacted (P.U.(A) 128/90)

    (Date of operation  -  1990)

2015    Revised to be REGISTRATION OF ENGINEERS REGULATIONS 1990 (Revised 2015) (P.U.(A) 173/2015)

    (Date of Operation  -  31st July 2015)

PART IV → Code of Professional Conduct

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# Registration of Engineers Regulations 1990
# Part IV
# Code of Professional Conduct

## Regulation 23 to Regulation 33

## Regulation 23

- *Conduct of Registered Person*

- **Every registered Person shall conduct himself <u>honourably</u>, <u>responsibly</u>, <u>ethically</u> and <u>lawfully</u>**

- **honourably → in a way that is honest and fair, or that deserves praise and respect**
- **responsibly → in a way that shows good judgement and the ability to act correctly**
- **ethically → in a way that is morally right or that relates to moral principles**
- **lawfully → in a way that is allowed by law**

## Regulation 24

- *Responsibility to employer, client or profession*
- **A registered Person shall -**
  - **(a) discharge his professional duties with due <u>skill</u>, <u>care</u>, <u>diligence</u> and <u>good faith</u>;**
  - **(b) at all times hold <u>paramount</u> the safety, health and interest of the public; and**
  - **(c) take <u>reasonable</u> steps to reduce foreseeable adverse effects of professional engineering services on the environment.**

## Regulation 24

- skill → do it well
- care → pay serious attention especially to the details
- diligence → work carefully to ensure it is safe
- good faith → done in an honest and sincere way
- paramount → more important than anything else
- reasonable → based on good judgement and fair and practical

## Regulation 25

- *Discharge of duties with fidelity*
- A registered Person shall discharge his duties to his employer or client, as the case may be, with complete <u>fidelity</u>.

- fidelity → honest and full support, or loyalty
    → doing the work as if you are doing for yourself
    → not accepting payment from other party

## Regulation 26

- *Reputation etc. of a registered Person not to be injured*

- A registered Person shall not <u>maliciously</u> injure or attempt to maliciously injure whether directly or indirectly, the professional <u>reputation</u>, prospects or business of another registered Person.

- maliciously → in a way that is intended to cause harm, upset or damage, bad intention

- reputation → the opinion people have about someone, the good name of a person

## Regulation 27

- *Canvassing and advertising prohibited*

- A registered Engineer shall not -

  (a) <u>canvass</u> or <u>solicit</u> professional employment;

  (b) offer any gift or other valuable consideration, or pay a commission or brokerage fee in order to secure professional employment;

  (c) except as permitted by the Board, advertise in any manner or form in connection with his profession; or

- canvass → try to get support

- solicit → to ask for something in a persuasive and determined way

## Regulation 27

- *Canvassing and advertising prohibited*
- A registered Engineer shall not -

(d) provide engineering services to any person, unless the scope of such services are clearly defined in a written agreement between both parties; or

(e) offer, give, solicit or receive, either directly or indirectly, any contribution which may be reasonably construed as having the effect of intent to influencing the award of a contract.

## Circular No. 005

Rev. No.: 2
Date: 25.5.2017

**BOARD OF ENGINEERS MALAYSIA**

CIRCULAR NO. 005

ADVERTISING BY REGISTERED ENGINEERS

In exercise of the powers conferred by paragraph 4(1)(f) of the Registration of Engineers Act 1967 [Act 138], the Board of Engineers Malaysia (the Board) hereby determines as follows:

I.  **INTRODUCTION**

1.  Recognising the need for the public to have easy access to information on what engineering consultancy services are available and from whom, the Board in pursuance of Regulation 27(c) of the Registration of Engineers Regulations 1990 hereby permits a Professional Engineer or an Engineering Consultancy Practice (ECP) to:

(i)      make known to the public the services offered by him or the ECP, and

(ii)     seek engagement from potential Clients.

## Regulation 27A

- *Canvassing and advertising by an ECP*

- An **Engineering consultancy practice** shall not -

(a) canvass or solicit to provide professional engineering services except as permitted by the Board;

(b) offer any gift or other valuable consideration, or pay a commission or brokerage fee in order to provide professional engineering services;

(c) except as permitted by the Board, advertise in any manner or form any advertisement in connection with the engineering profession;

## Regulation 27A

- *Canvassing and advertising by an ECP*

- An **Engineering consultancy practice** shall not -

(d) provide professional engineering services to any client, unless the scope of the services are clearly defined in a written agreement between both parties; or

(e) offer, give, solicit or receive, either directly or indirectly, any contribution which may be reasonably construed as having the effect of intent to influencing the award of a contract.

## Regulation 31

- *A registered Engineer or an ECP is not to intervene or to take over the work of another*

- A registered Engineer or an ECP shall not directly or indirectly -
  - (a) <u>supplant</u> or attempt to supplant another registered Engineer or an ECP;
  - (b) <u>intervene</u> or attempt to intervene in or in connection with engineering work of any kind which to his knowledge has already been entrusted to another registered Engineer or an ECP; or

- supplant → to replace, to take over the job, '*potong jalan*'
- intervene → to intentionally become involved

## Regulation 31

- *A registered Engineer or an ECP is not to intervene or to take over the work of another*

- A registered Engineer or an ECP shall not directly or indirectly -
- (c) take over any work of that other registered Engineer or an ECP acting for the same client unless he has -
- (i) obtained the consent of that other registered Engineer or an ECP; or

> 2.1 The reference to <u>consent</u> of that other registered Engineer or an Engineering consultancy practice in Regulation 31(c)(i) <u>means</u> a letter from an existing registered Engineer or an Engineering consultancy practice ("First Engineer" or "First Engineering consultancy practice") agreeing to another registered Engineer or an Engineering consultancy practice ("Second Engineer" or "Second Engineering consultancy practice) taking over his or its work ("<u>Letter of Release</u>").

## Regulation 31

- *A registered Engineer or an ECP is not to intervene or to take over the work of another*

- A registered Engineer or an ECP shall not directly or indirectly -

(c) take over any work of that other registered Engineer or an ECP acting for the same client unless he has -

(ii) been formally notified by the client that the <u>services</u> of that other registered Engineer or an ECP have been <u>terminated</u> in accordance with the provisions of any contract for professional engineering services entered into between that other registered Engineer or an ECP and the client, provided always that in the case of <u>dispute over non-payment of fees</u> or quantum of any outstanding fees under the contract, the <u>client may request</u> the <u>Board</u> to be the <u>stakeholder.</u>

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## Circular No. 008

Rev. No.: **4**
Date: 9.4.2019

**BOARD OF ENGINEERS MALAYSIA**

CIRCULAR NO. 008

**PROCEDURE FOR A REGISTERED ENGINEER OR AN ENGINEERING CONSULTANCY PRACTICE TAKING OVER THE WORK OF ANOTHER REGISTERED ENGINEER OR AN ENGINEERING CONSULTANCY PRACTICE**

In exercise of the powers conferred by paragraph 4(1)(f) of the Registration of Engineers Act 1967 [Act 138], the Board of Engineers Malaysia hereby set out the procedure for taking over the work of a registered Engineer or Engineering consultancy practice by another registered Engineer or Engineering consultancy practice in accordance to Regulation 31 of the Registration of Engineers Regulations 1990 (Revised 2015).

This Circular supersedes Circular No. 1/2006, Guidelines for An Engineer Taking Over the Work of Another (BEM/RD/PPC/02).

1. Regulation 31 of the Registration of Engineers Regulations 1990 (Revised 2015) states:

   *A registered Engineer or an Engineering consultancy practice shall not directly or*

# Regulation 32

- *Restrictions on being a director, member or shareholder of contracting and manufacturing company, etc*

(1) Except with the prior approval of the Board, a registered Engineer in an ECP shall not be a director or executive of or substantial shareholder in or agent for any contracting or manufacturing company or firm or business related to building or engineering.

(2) If such approval is given, such registered Engineer shall not undertake any contract work wherein he is engaged to provide professional engineering services in such project unless it is in respect of a "design and build" project.

# Regulation 33

- *Disclosure of interest*

- Every registered Engineer while acting in his professional capacity shall disclose in writing to his client of the fact if he is a director or member of or substantial shareholder in or agent for any contracting or manufacturing company or firm or business or has any financial interest in any such company or firm or business, with which he deals on behalf of his client.

## Circular No. 001

Rev. No.: 1
Date: 27.10.2016

**BOARD OF ENGINEERS MALAYSIA**

**CIRCULAR NO. 001**

**CODE OF CONDUCT
OF REGISTERED PERSON**

In exercise of the powers conferred by paragraph 4(1)(f) of the Registration of Engineers Act 1967 [Act 138], the Board of Engineers Malaysia hereby determines the Code of Conduct of registered Person as stated herein below.

This Circular supersedes Circular No. 3/2005, Guidelines for Code of Professional Conduct (BEM/RD/PPC/08).

This Code of Conduct is in addition to Part IV, Code of Conduct of the Registration of Engineers Regulations 1990.

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## Circular No. 001

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|---|---|
| 1.0 | **PROFESSIONAL ENGINEER WITH PRACTISING CERTIFICATE** |
| 2.0 | **PROFESSIONAL ENGINEER** |
| 3.0 | **GRADUATE ENGINEER** |
| 4.0 | **ENGINEERING TECHNOLOGIST** |
| 5.0 | **INSPECTOR OF WORKS** |

5.1 **Registered Inspector of Works not to falsify qualification, etc.**

5.1.1 A registered Inspector of Works shall not falsify his qualifications or permit misrepresentation of his qualifications. He shall not misrepresent or exaggerate his responsibility in or for the subject matter of previous assignments. He shall not misrepresent pertinent facts concerning employers, associates or past accomplishments.

5.1.2 A registered Inspector of Works shall respond, within reasonable time, to

## Infringement of the Regulations

- Any infringement of the Regulations is punishable under Part IV of the Registration of Engineers Act 1967

- The penalties under Subsection 15(1A) are any or any combination of the following :

(a) the issuance of a written warning or reprimand;

(b) the imposition of a fine not exceeding fifty thousand ringgit;

(c) the suspension of registration for a period not exceeding two years;

(d) the cancellation of registration.

## Summary

- A Code of Conduct is a set of rules or regulations that members of a Profession must follow

- The main intention is to ensure public safety, prevent exploitation of the Client, and preserve the integrity of the Profession

- Failure to comply with the Code of Conduct as set out in Part IV of the Registration of Engineers Regulations 1990, brings with it severe consequences

- To assist registered Persons to better understand the Code of Conduct, BEM has issued several Circulars and conducted roadshows on a regular basis

# Q & A

# THANK YOU

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