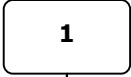
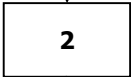
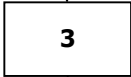
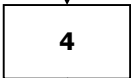
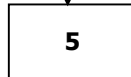
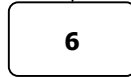


Flowchart 14.1 – Delay

Flowchart	Description	Action By	Reference
	1. Warning letter / notice to contractor on issuance of Certificate of Non-Completion, and intention to impose Liquidated and Ascertained Damages.	SOR	(26)dIm.JKR.KPKR: 020.050/03 Kit.7
	2. Prepare Certificate of Non-Completion	SOR	Refer : Checklist for Preparation of Certificate of Non-Completion
	3. Verify the Certificate of Non-Completion for completeness and issuance is valid	CAO	
	4. Issue Certificate of Non-Completion and issue letter on intention to impose LAD	SOR	Refer : Form JKR 203X
	5. Impose LAD	SOR	
	6. Inform Contractor on amount of deduction of LAD; if necessary	SOR	

Flowchart 14.2 – Non-Completion Procedure

## 14 NON-COMPLETION

### 14.1 INTRODUCTION

This chapter provides:

- An overview of the non-completion provisions and procedure for works contracts

### 14.2 PROCEDURES

Please refer to Flowchart 14.1 – Delay and Flowchart 14.2 – Non-Completion Procedure.

Step	Procedures / Tasks	Action By / Reference
1	<p><b>Warning letter / notice to contractor on issuance of Certificate of Non-Completion (CNC) and LAD</b></p> <p>To issue warning letter to Contractor that Certificate of Non-Completion will be issue due to the late completion, and that Liquidated and Ascertained Damages will be imposed.</p>	Action by: SOR
2	<p><b>Prepare CNC</b></p> <p>Ensure that the latest Form JKR 203X is used.</p> <p>Complete the form, and make sure that all the particulars are correct. Refer Section 14.4</p>	Action by: SOR
3	<p><b>Verify the CNC</b></p> <p>Before issuance of the CNC, CAO to check on the completeness and that the reasons for the issuance is valid.</p>	Action by: CAO
4	<p><b>Issue CNC</b></p> <p>When Date for Completion is due and the Works has not reached practical completion, issue Certificate of Non-Completion to avoid time at large.</p> <p>Ensure that all related Insurance Policies and Performance Bond are submitted accordingly, and still valid.</p> <p>Issue instruction to Contractor to extend the validity of the Insurance Policies and Performance Bond, if necessary.</p>	Action by: SOR

Step	Procedures / Tasks	Action By / Reference
5	<p><b>Impose LAD</b></p> <p>The Government shall impose LAD when Certificate of Non-Completion is issued.</p> <p>Ensure that the LAD is deducted in the next Interim Payment Certificate.</p> <p>If there is insufficient payment due to the Contractor to cover the amount of LAD, then consider recovering the LAD from the Performance Bond.</p> <p>Consider whether there are sufficient grounds to determine the employment of the Contractor. If yes, go the Chapter 16 – Determination.</p>	Action by: SOR
6	<p><b>Inform Contractor on amount of deduction of LAD</b></p> <p>When LAD is imposed, then inform the Contractor in writing on the amount of deduction of LAD.</p>	Action by: SOR

### 14.3 NON-COMPLETION

If the Contractor fails to complete the Works by the Date for Completion stated in the Contract Document or within any extended time under Clause 43 (delay and extension of time), then the S.O shall issue the Certificate of Non-Completion.

Due to the delay of completing the Works, the Contractor bears the loss or damage suffered by the Government. Government has the right to impose liquidated and ascertained damages. Liquidated damages are intended to be the estimated damages that would be incurred as a result of delay to the Works for which the Contractor is responsible.

#### **14.4 PREPARATION AND SUBMISSION OF CERTIFICATE OF NON-COMPLETION**

Some basic rules must be complied with in the preparation of the Certificate of Non-Completion as follows:-

- a) All particulars in the Certificate must be correctly inserted. Particulars of the Contract and the Contractor inserted in the Certificate must be the same as those in Contract Document. No space allowed for insertions in the Certificate, except the date of the same, shall be left blank. The date of the Certificate shall be the date on which the officer empowered to do so signs the Certificate.
- b) The periods of coverage of the insurance policies must be extended to the expected date of completion of the Work.

When submitting the Certificate of Non-Completion for approval, particulars of the Contract and other information must be provided on a standard form. In addition, the following must be submitted together:-

- a) A statement by the recommending officer as to whether he has studied the circumstances of the case in depth and assessed the ability of the Contractor to proceed and complete the Work; and whether in his opinion, imposition of LAD will ensure completion of work the soonest and his reasons for thinking so.
- b) A description of the progress of work achieved by the Contractor and the work programme of the balance of work may be completed.
- c) Information whether there has been any cause of delay for which Government to be responsible for and if so, whether a reasonable extension of time has been granted and whether there is any foreseeable cause of delay for which the Government may be responsible.

Only the officers empowered can approve the Certificate of Non-Completion. After approval, the original copy must be sent to the Contractor by A.R Registered post. A copy of the CNC must also be distributed to the parties listed for distribution in the Certificate.

#### **14.5 REFERENCE DOCUMENTS**

Please refer to Volume 10A for the standard reference or sample documents mentioned in the procedures or processes outlined in this Chapter.

- Sample of Warning Letter
- (Form JKR 203X - Pind .2/2008) : Certificate of Non-Completion
- Ringkasan Ke Atas Kontrak Yang Akan Dikeluar "Perakuan Kerja Tidak Siap"

## 14.6 REFERENCES

Please refer to the latest Treasury Circulars and DID Circulars on the administration of delays and issuance of certificate of non-completion.

### Treasury Circular

(Surat Pekeliling Perbendaharaan)

- Nil

### Treasury Instructions

(Arahan Perbendaharaan)

- Nil

### DID Circulars

(Surat Pekeliling / Edaran JPS)

[1] SPJPS Bil. 3/2009 - Perlantikan Pegawai Penguasa (P.P), Perwakilan Kuasa Pegawai Penguasa (Wakil P.P) Dan Pegawai-Pegawai Yang Diberi Kuasa (PYDK) Dalam Urusan Pentadbiran Kontrak. (Pembatalan kepada Surat pekeliling SPJPS Bil. 1/2003)

**DID MANUAL  
Volume 10  
Contract Administration**

**Chapter 14  
– Non- Completion**

**APPENDIX 14A**

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**Checklist for the Preparation of  
Certificate of Non-Completion**

**[Form JKR 203X]**

**(Senarai Semakan Penyediaan  
Perakuan Kerja Tidak Siap)**

Revision Number :	Revision 0
Revision Date :	March 2009

APPENDIX 14A CHECKLIST FOR THE PREPARATION OF CERTIFICATE OF NON-COMPLETION (SENARAI SEMAKAN PENYEDIAAN PERAKUAN KERJA TIDAK SIAP)

TAJUK PROJEK					
Untuk Tindakan	Nama Pegawai	Tarikh Diberi Kepada	Tarikh Diterima Oleh	Tarikh Siap Semakan	
PMK 1					
PMK 2					
AK*					
BIL.	KETERANGAN	PMK1	PMK2	AK*	ULASAN
1	<u>Notis untuk Mengenakan Ganti Rugi</u>				Tindakan (✓) selepas semakan
1.1	Sila pastikan surat-surat amaran telah dikeluarkan. Untuk surat amaran terakhir, sila pastikan format yang ditetapkan digunakan.				
2	<u>Penyediaan dan Mengemukakan Perakuan untuk Kelulusan</u>				
2.1	Pastikan borang yang digunakan adalah borang JKR 203X yang terkini.				
2.2	Cara-cara pengisian borang, sila rujuk kepada perkara 5.				
2.3	Pastikan semua polisi Insuran, Bon Pelaksanaan serta Gerenti untuk bayaran Pendahuluan (sekiranya recoument belum habis dibuat) telah dilanjutkan oleh kontraktor. Sekiranya kontraktor gagal melanjutkan polisi Insuran, PMK hendaklah menguruskan pelanjutan (hendaklah ditolak daripada wang yang kena bayar kepada kontraktor).				
2.4	Perakuan Kerja Tidak Siap yang dimajukan hendaklah dikepilkan bersama-sama borang ringkasan maklumat piawai. Maklumat- maklumat tambahan berikut hendaklah disertakan :				
	2.4.1 Huraian mengenai kemajuan kerja yang telah dicapai oleh kontraktor dan baki kerja yang akan dilaksanakan dan perkiraan bila baki kerja tersebut boleh dilaksanakan				



BIL.	KETERANGAN	PMK1	PMK2	AK*	ULASAN
	<u>Penyediaan dan Mengemukakan Perakuan untuk Kelulusan (Samb.)</u>				
	2.4.2 Butir-butir bayaran interim kepada Kontraktor dan sebab-sebab sebarang kelambatan bayaran dan bayaran tidak dibuat.				
3	<u>Kuasa Untuk Meluluskan Perakuan</u>				
3.1	Pastikan Perakuan ini diluluskan oleh Pihak Berkuasa yang dinamakan dalam Kontrak.				
4	<u>Cara-cara Pengisian Borang Perakuan Tidak Siap Kerja</u>				
4.1	Kerajaan - Masukkan Malaysia bagi projek Persekutuan dan Kerajaan Negeri bagi Projek Negeri.				
4.2	Rujukan - Isikan No. Rujukan Fail.				
4.3	Pejabat - Pastikan alamat pejabat adalah alamat pejabat Pegawai Penguasa yang akan menandatangani Perakuan ini.				
4.4	Tarikh - Tarikh perakuan ini ditandatangani oleh Pegawai Penguasa.				
4.5	Kepada - Catitkan Nama dan Alamat kontraktor. Pastikan Nama dan Alamat kontraktor adalah sama seperti tercatat dalam dokumen kontrak.				
4.6	Pastikan kelas pendaftaran Kontraktor dengan PKK dicatitkan.				
4.7	No. kontrak - Masukkan no. kontrak. Pastikan nombor kontrak adalah sama seperti tercatat dalam dokumen kontrak.				
4.8	Kontrak Untuk - Masukkan tajuk kontrak dan pastikan ianya adalah sama seperti yang tercatat dalam dokumen kontrak.				

BIL.	KETERANGAN	PMK1	PMK2	AK*	ULASAN
	<u>Cara-cara Pengisian Borang Perakuan Tidak Siap Kerja (Samb.)</u>				
4.9	Bahagian - Masukkan bahagian kerja sekiranya "Sectional Completion" ada diperuntukkan dalam kontrak.				
4.10	Para 1  – Sila potong bahagian yang tidak berkenaan samaada kerja atau sebahagian kerja-kerja.  – Masukkan tarikh siap sebenar atau tarikh siap yang dilanjutkan yang sepatutnya kontraktor menyiapkan projek tersebut.				
4.11	Para 2  – Masukkan jumlah denda LAD bagi setiap hari seperti yang tercatat dalam dokumen Kontrak.				
4.12	Tandatangan, Nama dan Jawatan Pegawai Peguasa.				
4.13	Tandatangan, Nama dan Jawatan Pegawai Yang Diberikuasa Menandatangani Perakuan Tidak Siap Kerja.				
<p>Tandatangan Pegawai Semakan Tarikh Selesai Tugasan:      Tandatangan Pegawai Pengesahan Tarikh Selesai Tugasan:      Tandatangan Kualiti Audit Tarikh Selesai Tugasan:</p>					

\* Audit Kualiti; Jika berkenaan