

Ref. No. : (20) PSMB/1/14/13 Kulit 3

Date : 04 August 2021

TRAINING PROVIDERS' CIRCULAR NO. 07/2021

ENHANCEMENT OF TERMS AND CONDITIONS FOR THE ALLOWABLE COST MATRIX

1.0 PURPOSE

The purpose of the circular is to inform all training providers registered with the Human Resource Development Corporation (HRD Corp) about the enhancement the terms and conditions for the Allowable Cost Matrix (ACM).

2.0 BACKGROUND

2.1 In line with the expansion of the PSMB Act 2001 in March 2021, HRD Corp undertook a comprehensive review of the ACM to ensure its relevance and adequacy to all registered employers.

2.2 The COVID-19 pandemic has changed the training landscape and affected businesses adversely. Upskilling and reskilling during this tough time have become crucial to employers in order to keep up to date with the latest industry developments while meeting employee expectations. Realising this, HRD Corp is ramping up our efforts to support employers in carrying out high and advanced technology training for their workforce.

2.3 Based on industry feedback, the HRD Corp Board of Directors has approved enhancements to the terms and conditions of the ACM, which is geared at simplifying the application and claim processes.

3.0 REVISED TERMS AND CONDITIONS

3.1 The enhanced ACM is divided into two (2) segments; HRD Corp Focus Area Courses and Employer-Specific Courses.

The details are as follows:-

- i. **HRD Corp Focus Area Courses** are related directly to supporting Government initiatives towards nation building, based on the nine (9) priority areas stated in the table below. As such, the courses offered under HRD Corp Focus Areas are expected to equip the workforce with the skills required for the jobs of today and those of tomorrow. The nine (9) HRD Corp priority areas that have been identified are as follows:-

No.	Priority Area
1	Industry 4.0
2	Green Technology / Renewable Energy
3	Fintech
4	Smart Construction
5	Smart Farming
6	Aerospace industry
7	Block chain
8	Micro Credential
9	Future Technology

- ii. **Employer-Specific Courses** refer to all courses that are not under the stated priority areas above and are typically conducted to meet the employers' specific training requirements.

3.2 The implementation of the enhancement to the terms and conditions are to be done over three (3) phases.

i. Phase 1:

a. Implementation Date: **15 September 2021**

b. The enhanced terms and conditions are as below:

Types of Training	HRD Corp Focus Area Courses	Employer-Specific Courses
Course Fee Public: Face-to-Face	Max RM3,000/day/pax	Max RM1,300/day/pax (as per current term)
Course Fee Public: Remote Online Training (ROT)	Max RM2,000/day/pax	Max RM700/day/pax (as per current term)
Course Fee In-House: Face-to-Face and Remote Online Training	Max RM8,000/group/day • Prorated if less than 5 pax	Max RM6,000/group/day • Prorated if less than 5 pax for face-to-face and RM700/day/pax or whichever lower for ROT
Fee for Certification Courses	As Quoted	As Quoted (as per current term)
Item	Current Term	New Term
Scheme Name	SBL Khas	HRD Corp Claimable Courses

ii. Phase 2:

a. Implementation Date: **25 October 2021**

b. The enhanced terms and conditions are as below:

Item	Current Term	New Term
ROT internal Trainer's Allowance	Nil	RM1,000/day/group
Training Allowances	6 allowances: 1. Meal Allowances 2. Overseas trainee daily allowances 3. Daily Allowance 4. Rental of Hotel 5. Rental of Training Premises 6. Transportation	Consolidated into 4 allowances: 1. Meal Allowances 2. Overseas trainee daily allowances 3. Trainee Allowance 4. Transportation
Distance criteria (one way trip)	Training within 70km & training more than 70km	Training within 100km & training more than 100km

Note:

- As part of the improvement, HRD Corp has consolidated 6 allowances into 4 allowances only. The Trainee Daily Allowance, Rental of Hotel and Rental of Training Premises will be consolidated into Trainee Allowance.
- HRD Corp has also revised the distance criteria from 70 km to 100 km for a one way trip after taking into consideration current improvements to the nation's transportation system and network.

iii. Phase 3:

a. Implementation Date: **7 December 2021**

b. The enhanced terms and conditions are as below:

Item	Current Term	New Term
Upfront Payment to Registered Training Providers	Nil	Subject to the consent from the Registered Employer, the Training Provider may request for an upfront payment of a maximum of 30% based on the total course fee approved.

Note:

- Any request for upfront payment must be made during the Grant application process by the registered employer. The employer and training provider are to take full responsibility to ensure that the training is completed.
- HRD Corp will pay the requested upfront payment directly to the Registered Training Provider.
- In the event that the training was cancelled or could not be completed for any reason, the Training Provider is required to refund to HRD Corp the upfront payment paid to them within one (1) month from the date that HRD Corp was notified. HRD Corp at its absolute discretion may take necessary actions to recover the payment disbursed.
- The Claim for the balance payment can only be made after the completion of the training.

3.3 Employers may claim for **e-Learning programmes** based on training hours. All other terms and conditions for e-Learning remain unchanged. Employers are required to follow the method prescribed below during the grant application process.

The financial assistance offered is as per table below:-

Training Hour	Number to key in the Estimated Cost Table in e-Tris	Financial Assistance (Maximum allowed)
1 hour	0.1	RM70/pax
2 hours	0.2	RM140/pax
3 hours	0.3	RM210/pax
4 hours	0.5	RM350/pax
5 hours	0.7	RM490/pax
6 hours	0.8	RM560/pax
≥7 hours	1.0	RM700/pax

Note:

- The above calculation is applicable for e-Learning training **ONLY** where the total training hours is less or equal to 7 hours. Training arrangements of more than 7 hours shall be indicated based on an additional half day (4 hours /0.5) or full day (7 hours/1.0).
- The training duration for e-Learning must be a minimum of one (1) hour with at least 1 complete module.

- 3.4 As part of training, employers can claim for Coaching & Mentoring based on the in-house rate under the Employer-Specific Courses stated below:
- A maximum of RM6,000/group/day.
 - The financial assistance to be granted to each employer is subject to a maximum of 10% of total levy balance as of 1st January in the year that the application was submitted.
 - All other terms and conditions will remain unchanged.

4.0 DATE OF IMPLEMENTATION

- 4.1 The implementation date of this circular would be according to three (3) phases:

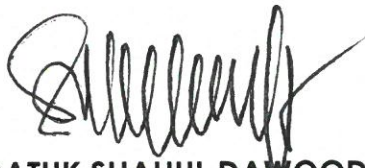
Implementation Date	Item
15 September 2021	Phase 1
	Item 3.3
	Item 3.4
25 October 2021	Phase 2
7 December 2021	Phase 3

5.0 CLOSING

- 5.1 For further clarification and assistance on these enhancements, kindly contact our Call Centre at 1800-88-4800 or email to support@hrdcorp.gov.my.

'Delivering Quality, Developing Excellence'

'Pembudayaan Norma Baharu dalam Dunia Pekerjaan Sejagat'



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Human Resource Development Corporation