Selasa 14 Mei 2019



# LAPORAN PROSIDING

# MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA (PAC)

Mengenai:

# Pembangunan Projek Air Mobility

# Kementerian Pembangunan Usahawan:

- (i) YB Datuk Seri Mohd Redzuan bin Md Yusof, Menteri Pembangunan Usahawan
- (ii) YBhg Datuk Wan Suraya Wan Mohd. Radzi, Ketua Setiausaha

PARLIMEN KEEMPAT BELAS
PENGGAL KEDUA

## MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA BILIK MESYUARAT JAWATANKUASA 1, TINGKAT 2 BLOK UTAMA BANGUNAN PARLIMEN, PARLIMEN MALAYSIA SELASA, 14 MEI 2019

# **AHLI-AHLI JAWATANKUASA**

#### Hadir

YB. Dato' Dr. Noraini Ahmad [Parit Sulong]

YB. Tuan Wong Kah Woh [Ipoh Timur]

YB. Tuan Wong Chen [Subang]

YB. Puan Nurul Izzah binti Anwar [Permatang Pauh]

YB. Datuk Haji Hasanuddin bin Mohd Yunus [Hulu Langat]

YB. Puan Wong Shu Qi [Kluang]

YB. Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]

YB. Tuan Robert Lawson Chuat [Betong]

YBhg. Datuk Roosme binti Hamzah

- Setiausaha

- Pengerusi

- Timbalan Pengerusi

## Tidak Hadir [Dengan Maaf]

YB. Tuan William Leong Jee Keen [Selayang]

YB. Tuan Steven Choong Shiau Yoon [Tebrau]

YB. Tuan Wong Hon Wai [Bukit Bendera]

YB. Tuan Muslimin bin Yahaya [Sungai Besar]

YB. Dato' Takiyuddin bin Hassan [Kota Bharu]

#### **URUS SETIA**

Encik Ahmad Johan bin Mohd Affandi [Ketua Sekretariat Jawatankuasa Kira-kira Wang Negara, Parlimen Malaysia]

Encik Rosli bin Aw Ahmad [Juruaudit Pejabat Jawatankuasa Kira-kira Wang Negara, Parlimen Malaysia]

Cik Siti Hajar binti Mohd Taib [Jurubahasa Serentak (Jurubahasa dan Terjemahan, Pengurusan Dewan Rakyat), Parlimen Malaysia]

#### HADIR BERSAMA

#### Jabatan Audit Negara

Puan Yusnani binti Zakaria [Pengarah Audit (Bahagian Audit Prestasi III)] Puan Mahiran binti Abdul Aziz [Timbalan Pengarah Audit (Bahagian Audit Prestasi III)]

## Kementerian Kewangan (MOF)

Puan Azreen binti Awang [Ketua Penolong Setiausaha Kawalan Pemantauan] Encik Mohammad Adam Danial bin Hafiz Goh [Penolong Setiausaha Kawalan Pemantauan]

samb/-

#### HADIR BERSAMA (samb/-)

Jabatan Peguam Negara

YBhg. Datuk Amirudin Abd Rahman [Timbalan Ketua Bahagian Penasihat] Encik Mohd Farid Huzaimi bin Mohd Baderudin [Peguam Persekutuan]

Suruhanjaya Pencegahan Rasuah Malaysia (SPRM)

YBhg. Datuk Abd. Aziz bin Aban [Pengarah]

Jabatan Perkhidmatan Awam (JPA)

Puan Noor Aini Ahmad [Timbalan Pengarah Kanan (Perkhidmatan)]

Jabatan Akauntan Negara

Puan Maslina binti Kamarudin [Timbalan Pengarah (Perkhidmatan Operasi Pusat dan Agensi)]

Kementerian Hal Ehwal Ekonomi

Encik Ahmad Salwadi bin Salleh [Ketua Penolong Pengarah (Infrastruktur)]

#### SAKSI

Kementerian Pembangunan Usahawan

YB. Datuk Seri Mohd Redzuan bin Md. Yusof [Menteri Pembangunan Usahawan]

YBhg. Datuk Wan Suraya binti Wan Mohd Radzi [Ketua Setiausaha]

YBrs. Dr. Salahudin bin Dato' Hidayat Shariff [Penasihat Undang-undang]

Encik Mas Affendi bin Masarudin [Pegawai Khas Ketua Setiausaha]

Encik Sharhan Shokery [Ketua Penolong Pengarah (Pembangunan Kapasiti)]

Puan Rahidah binti Mohd [Pegawai Tugas-tugas Khas 2 Pejabat Menteri]

Encik Muhammad 'Arif bin Ya'kub [Penolong Pengarah (Khidmat Pengurusan dan Kewangan)]

### LAPORAN PROSIDING

## MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA PARLIMEN KEEMPAT BELAS, PENGGAL KEDUA

Selasa, 14 Mei 2019

Bilik Jawatankuasa 1, Tingkat 2 Blok Utama, Parlimen Malaysia, Kuala Lumpur

Mesyuarat dimulakan pada pukul 10.31 pagi

[Yang Berhormat Dato' Dr. Noraini Ahmad mempengerusikan Mesyuarat]

Tuan Pengerusi: Bismillahir Rahmanir Rahim. Assalamualaikum warahmatullahi wabarakatuh dan salam sejahtera terutamanya kepada semua Yang Berhormat Ahli PAC Parlimen. Kita juga Datuk Seri, berada dengan kita pada hari ini adalah Yang Berbahagia Datuk Roosme Hamzah selaku Setiausaha PAC Parlimen yang juga merupakan Setiausaha Dewan Rakyat. Saya hendak mengucapkan selamat datang juga kepada ex-officio PAC Parlimen yang berada di barisan belakang ini yang terdiri daripada Kementerian Kewangan, kita ada Kementerian Hal Ehwal Ekonomi, Jabatan Perkhidmatan Awam, kita ada juga Jabatan Audit Negara, Jabatan Peguam Negara, selepas itu kita juga ada SPRM dan kita ada juga Jabatan Akauntan Negara. Jadinya, terima kasih semua kepada yang hadir. Kepada yang berpuasa, selamat berpuasa, yang tidak berpuasa bolehlah kalau hendak teruskan minum, tiada masalah.

Pada hari ini PAC Parlimen akan mengadakan sebenarnya dua mesyuarat prosiding back-to-back. Pertama ini yang membabitkan tajuk prosiding, "Projek Pembangunan Air Mobility" di bawah Kementerian Pembangunan Usahawan. Hadir di hadapan jawatankuasa ini adalah Yang Berhormat Datuk Seri Mohd Redzuan bin Md. Yusof selaku Menteri Pembangunan Usahawan, Yang Berbahagia Datuk Wan Suraya binti Wan Mohd Radzi selaku Ketua Setiausaha Kementerian Pembangunan Usahawan. Jadinya, saya hendak ucapkan terima kasih. Terima kasih kepada kedua-duanya dan kita ada yang ketiga, Yang Berusaha Dr. Salahudin bin Dato' Hidayat Shariff yang juga merupakan Penasihat Undang-undang. Jadinya, saya hendak mengucapkan selamat datang dan juga terima kasih kerana sudi hadir untuk memberikan kerjasama penuh kepada jawatankuasa ini bagi kita mengadakan prosiding pada hari ini.

Sebenarnya Yang Berhormat Datuk Seri dan semua ahli jawatankuasa, isu projek pembangunan *air mobility* ini tidak dilaporkan dalam Laporan Ketua Audit Negara. Namun, ia membabitkan kepentingan negara dan rakyat secara keseluruhannya. Malah, menjadi perdebatan hangat antara Ahli-ahli Parlimen di dalam sesi Dewan Rakyat yang lepas. Jadinya

pada masa itu, ia juga mengundang rasa resah kepada rakyat terhadap projek ini memandangkan ia didakwa tidak memberi manfaat secara langsung mungkin dalam tempoh terdekat, memandangkan rakyat mahu kerajaan memberikan tumpuan kepada usaha untuk meningkatkan sumber pendapatan serta mengurangkan kos kenaikan sara hidup yang tinggi ketika ini.

Jadinya berikutan itu, PAC Parlimen di bawah Peruntukan 77(1)(d) Peraturan-peraturan Majlis Mesyuarat Dewan Rakyat yang memperuntukkan kuasa untuk jawatankuasa ini memeriksa "apa-apa perkara lain yang difikirkan oleh kementerian ini patut diperiksa, atau apa-apa perkara yang diserahkan oleh Majlis kepada Jawatankuasa ini", mengambil keputusan sebulat suara dalam mesyuarat kami untuk mendengar penjelasan serta keterangan daripada Kementerian Pembangunan Usahawan terutamanya daripada Yang Berhormat Datuk Seri Mohd Redzuan sendiri berhubung dengan projek pembangunan air mobility atau lebih kerap disebut sebagai projek kereta terbang oleh Yang Berhormat Menteri sendiri.

Jadinya, saya tanpa membuang masa Yang Berhormat, saya menjemput Yang Berhormat untuk memberikan penjelasan dan keterangan berhubung isu ini. Jadinya, dipersilakan. Terima kasih. Silakan Yang Berhormat Menteri.

Datuk Seri Mohd Redzuan bin Md. Yusof [Menteri Pembangunan Usahawan]: Bismillahir Rahmanir Rahim. Assalamualaikum warahmatullahi wabarakatuh. Terima kasih Tuan Pengerusi. Hendak panggil Yang Berhormat Parit Sulong-kah? Ini sebab ini bukan... [Ketawa] Terima kasih Ahli-ahli PAC. Saya teruskan dengan sedikit memberi keterangan— the initiative by MED. Sebenarnya secara keseluruhan kalau tengok keadaan semasa hari ini dan apa kita lihat atas pimpinan Yang Amat Berhormat Perdana Menteri, kita kena lebih pandang ke hadapan. Apa yang kita lihat hari ini, always negara kita ini —kita manage situation by crisis, we don't plan ahead. Innovation for example, move so fast and we are not ready with the regulation, with the ecosystem dan sebagainya.

Projek air mobility ini adalah antara inisiatif kita melihat ke hadapan. Ini kalau kita lihat di mana-mana negara sekalipun, projek seperti ini membuatkan kenderaan— the people movers. We may become obsolete, but we are not ready. Saya beri contoh, negara Jepun akan melancarkan flying vehicle or commercialisation of flying vehicle 2025. Dubai or Emirates is launching the flying taxi from Dubai Airport to the various five stars hotels as an executive transport to carry people to the airport. But they started three years ago with the right regulation, with the right ecosystem, with the latest innovations either by themselves or by acquiring technologies that have been developed. So, the question is now, why we initiated this idea?

Rata-rata orang kata ini projek yang membazir, ada maklum balas. Ada yang menyebut kenapa tidak pakai buluh. Usaha kita adalah hendak *tweak the brain of the youth to think ahead.* 

So, kita membuat satu penekanan yang berbeza. If you notice today, even the kindergarten people, the kindergarten, nurseries are start drawing what the flying car looks like. So, ini dipanggilkan hendak membangunkan satu budaya. It is more than just saying it is flying car or air mobility or air mobility melibatkan interest ataupun kita membawa pendekatan kepada the industry.

Tuan Pengerusi: Minta maaf Yang Berhormat Datuk Seri...

Datuk Seri Mohd Redzuan bin Md. Yusof: Ini introduction.

**Tuan Pengerusi:** Ya-lah. Tadi Yang Berhormat Datuk Seri ada *mentioned* mengenai you said why we initiated this idea. When you say "we", "we" itu siapa?

Datuk Seri Mohd Redzuan bin Md. Yusof: Within the ministry.

Tuan Pengerusi: Within the ministry?

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes.

Tuan Pengerusi: So, the idea came from the ministry itself? From the ministry?

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes.

Tuan Pengerusi: Okay. Proper planning, proper proposal, semua melalui ministry?

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes. Pencetusnya tadi disebutkan bila kita mendapat maklumat Osaka 2025, ini secara spontan. Dalam Majlis Pembangunan Negara, bila kita memutuskan di mana Cyberjaya hendak diwujudkan semula ataupun dikembalikan semula fungsinya sebagai the test bed for invention innovations. Di situlah saya cuma sebutkan di mana saya sebagai ahli tetap menyebutkan why not we go ahead ataupun we stay abreast with a plan by a successful economy like Japan.

### **■1040**

So, Majlis bersetuju antara innovation yang kita bawa ke Cyberjaya to test inventions, which is not new really is using Cyberjaya. So that's when it started. So, we brought back the idea that one of the first thing that we need to do, to test this so-called innovation in terms of air mobility in Cyberjaya. So then we initiated various discussions among industry players so to speak which is already now operating in 26 countries around the world, which are Malaysians. But they're not operating here because we don't have the ecosystem.

So, bila kita lihat begitu memandang ke depan, kita tidak tentu merancang untuk mewujudkan satu industri yang kita lihat dalam slaid ini yang saya tidak mahu hendak go through one by one, for example pasaran air mobility bila kita buat research melalui institusi tertentu di dunia, USD500 billion kajian asal McKinsey November 2018 for example. Hari ini sahaja rakyat Malaysia yang beroperasi di 26 negara telah pun menarik pelabur contohnya. Hari ini, setakat ini telah mengumpulkan dana lebih kurang RM650 juta untuk beroperasi dengan strategic partners

dalam negara yang saya sebutkan tadi dan Malaysia tidak pun mahu melibatkan diri, jadi kita hendak merangsang minda kita, budaya kita.

Ini melengkapi apa yang disebutkan oleh kerajaan untuk menjadikan negara kita sebagai negara pengeluar dan juga menjadi negara keusahawanan. Ini melibatkan banyak. Kalau kita lihat hari ini dengan cetusan the word flying car, not only it has generated interest within the school kids, but Singapore has launched their air mobility and Thailand is moving ahead. But we don't want to be left behind, that is our first thought. So, kita masih lagi bila ada situation yang disebutkan tadi we are managing in crisis. So, we are looking ahead by having this. There are so many other initiatives that we are in discussion to look at how we can forecast, where we will be in five to ten years time.

Tuan Pengerusi: Okey, you have done with your presentation?

Datuk Seri Mohd Redzuan bin Md. Yusof: That just orang kata sedikit mukadimahlah...

Tuan Pengerusi: Oh, okey.

Datuk Seri Mohd Redzuan bin Md. Yusof: ... Then we open to question if you want.

Tuan Pengerusi: Okey, mungkin sebelum saya buka kepada Ahli-ahli PAC yang lain, kita memanggil— apabila Yang Berhormat Menteri menyatakan ataupun memberi idea mengenai kereta terbang ini, ia banyak didebatkan di dalam social media especially. Saya melihat bila perkara ini dilakukan secara tidak langsung, yang pertamanya mungkin ia akan memberi impak kepada kerajaan sekarang. Maknanya the perception given to the present government. But what the kereta terbang is all about, itu yang pertamanya.

Sebentar tadi saya sudah mulakan dengan soalan mengenai where did you— whether how the idea of the kereta terbang or the air mobility came about. At the same time saya juga hendak bertanya kepada Yang Berhormat Menteri sama ada this idea was ever brought up dalam Mesyuarat Kabinet? Did you ever brought this matter into the Cabinet Meeting and being approved and being discussed and approved by the Cabinet and what's the Prime Minister's view on this? Ya, thank you.

Datuk Seri Mohd Redzuan bin Md. Yusof: Perkara ini di bincang dalam ataupun disebut secara— tidak secara detail inisiatif ya, di Majlis Pembangunan Negara. Di situ kita berbincang adakah perlu kita bawa ke Kabinet. Kita belum bawa ke Kabinet lagi. Dalam usaha kita, kita hendak mendapatkan maklumat-maklumat sebelum kita bawa ke Kabinet.

Di situlah kita telah pun bermula mengadakan mesyuarat contohnya baru-baru ini dengan various government agencies termasuk Civil Aviation Authority of Malaysia (CAAM) untuk mendapat maklum balas dari segi mewujudkan undang-undang contohnya. Apakah kita boleh adakan industri air mobility? Apakah undang-undang yang patut kita wujudkan untuk kita

mengadakan industri *air mobility? So,* bila ada maklumat itu nanti dan kita— yang ini tidak melibatkan perbelanjaan negara kecuali melibatkan secara tidak langsung *man-hours if you want to say that's cost. You* panggil pelbagai agensi adakah melibatkan masa untuk mereka berbincang tetapi ini adalah satu perkara *we have to sit in, in order for us to move forward.* 

So, jadinya belum— kita belum pun— kita ada berbincang dari segi orang kata itu perutusan Pengerusi dalam mesyuarat, dalam Kabinet. Tidak ada spesifik *Cabinet Paper* yang kita hendak bincang di Kabinet, belum lagi.

Tuan Pengerusi: Maknanya belum lagilah masuk dalam Kabinet.

Datuk Seri Mohd Redzuan bin Md. Yusof: Ya.

**Tuan Pengerusi:** Jadinya idea ini tadi kata cetusan semasa dalam *discussion*, dalam *discussion* Majlis dalam...

Datuk Seri Mohd Redzuan bin Md. Yusof: Dalam mesyuarat official meeting Majlis Pembangunan Negara.

Tuan Pengerusi: ... Official meeting, sorry. Dalam official meeting.

Datuk Seri Mohd Redzuan bin Md. Yusof: Dalam Majlis Pembangunan Negara di situ kita berbincang macam-macam perkara.

Tuan Pengerusi: Okey, sure.

Datuk Seri Mohd Redzuan bin Md. Yusof: Sama ada kita hendak bawa itu menjadi satu dasar yang kita kena bawa ke Kabinet atau satu agenda pembangunan yang tidak melibatkan dasar.

**Tuan Pengerusi:** Do you have any lead promoter that you are discussing with when it comes to developing the air mobility or the kereta terbang that you mentioned? The lead promoter.

Datuk Seri Mohd Redzuan bin Md. Yusof: Lead promoter. As I said we have not structured as such, we have not brought to the Cabinet. It is purely initiative from the ministry and by having horizontal discussion dengan various units that are thought to be involved in rules and regulation. Also, we do engage private sectors, the potential investors yang sudah pun— untuk makluman hari ini sedang pun membina prototaip untuk dilancarkan dalam hujung tahun ini and this is being built in Japan.

It's a Malaysian initiative, private, being built in Japan and to be launched as a prototype, Malaysian innovations. Kenapa ia dibuat di Jepun? Sebabnya Malaysia tidak ada ekosistem untuk membangunkan air mobility ataupun prototaip tadi. Jadi di situlah kita rasakan kenapa setiap kali kita hendak membuat sesuatu, even the new national car project. We have expertise but we don't use our indigenous invention, instead we are importing technologies from abroad.

So, ini pendekatan yang kita bawa to maximise the potential as I said today, the top ten even rank number three in the world by PriceWaterhouse is Malaysians and they are controlling the air mobility market right now or rather they're not control, they are very active in the international arena in air mobility industry in 26 countries. So, why are we not being the 27<sup>th</sup> country? So, this is pendekatan yang kita bawa.

Tuan Pengerusi: Before I open and give floors to the rest of team members, you did mention that you are still developing or you— the Japanese is— being developing in Japan mengenai the prototype but during the LIMA, masa pameran LIMA apa— what was that— I thought that one was being introduced as a prototype. So, what's the difference of that and the one being developed in Japan and any cost you mentioned did not— tidak ada government fund or public fund being involved in developing this air mobility. So, where do you get the fund from?

Datuk Seri Mohd Redzuan bin Md. Yusof: It is a private initiative.

Tuan Pengerusi: Okey. Sorry, Yang Berhormat Menteri. When— ya true private initiative but which private initiative? Is it their ideas or they approached you or anything being discussed in detail on the agreement after they initiate this programme? What in return will the government give to this company? Benda macam itu ada tidak being discussed in detail?

Datuk Seri Mohd Redzuan bin Md. Yusof: What should we enter into an agreement? Kita sebagai kementerian adalah pemudah cara. We want to create an environment for people to grow. Why should we enter into an agreement for something that will tie you down and become a liability. We don't do that. What we do is we are trying— that is why I said you try to stimulate not only from the industry, from the younger generation to think about innovations, to think about the future.

#### **■1050**

So, we're not entering any agreement with anybody. Tidak akanlah, kalau seseorang itu, when we say about kereta terbang, I have done it here, I have the technology but I cannot do it. Thank you very much. Can you help us or facilitate for us to bring it back to Malaysia? Alright?

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara]

Tuan Wong Kah Woh [lpoh Timur]: Ya, Tuan Pengerusi?

Datuk Wan Suraya binti Wan Mohd Radzi [Ketua Setiausaha, Kementerian Pembangunan Usahawan]: Tuan Pengerusi, can I just add on that. Yeah, sorry. Just to give the perspective because one, our participation in LIMA is part of the SME Corp punya program with regards to lead. I think, Tuan Pengerusi, you were aware, kita ada the lead programme with aerospace industry, our vendors. So, they and this —they happened to be the new players in the

aerospace and as in the company, Aerodyne Group. In fact, we do not just only zero in on one company, Fofang Aviation was there, Strand Aerospace Malaysia and the other players.

So, kita –they brought in their One-Seat Model. It's not a prototype. That's why, saya pun tidak, you know we never said it was it was a prototype. I think they never said it was prototype.

Datuk Seri Mohd Redzuan bin Md. Yusof: It's a representation.

Datuk Wan Suraya binti Wan Mohd Radzi: One-Seat Model and they were good enough. They said and it was not the only model. Strand Aerospace Malaysia pun bawa dia punya model. Fofang Aviation bawa bigger model but I supposed everybody was zeroing in on Aerodyne Group punya—they had a video and all that. So, the idea is that this is part of kita punya on-going programme. We will support any players atau new technology players and even the preparation of One-Seat Model was all done by the companies individually. The only thing that the ministry did was to provide them the space dekat LIMA.

I can just say, safely say that was the only pavilion that showcase...

Datuk Seri Mohd Redzuan bin Md. Yusof: Malaysia.

Datuk Wan Suraya binti Wan Mohd Radzi: Malaysian punya driven technology. Thank you.

Datuk Seri Mohd Redzuan bin Md. Yusof: Just to add, for example, when you see what happened in LIMA, there are Malaysian investors now discussing on similar project with the Cranfield Institute of Technology. They're talking about RM200,000 to RM500,000 million investment out because they realise in 2030, the air mobility will have to come.

We've got Malaysian private, high net worth you know. I know in discussion with Samad Aerospace of the Cranfield Institute just to move the air mobility. So, we are now getting people out rather than they don't see Malaysians are being serious about going into futures. This is where we are coming from. We, as I said, I would like to make the statement. Innovation are moving so fast, yeah, that we're not prepared for it.

I'll give you an example, in 2017, we lost seven, well —Ali Baba for example, transacted USD17 trillion and part of it are transaction from Malaysia that we do not benefit because we didn't have the right ecosystem at that time to facilitate payment gateways. So —and I said, the government wants to be producing nation, the government don't want to continue or knowing ourselves to become consuming nation, so we have to move this. That's the valid, the reason why— it's a long-term project. It's not like tomorrow I will have the bamboo flying car, no, but just to talk about bamboo, this is where the R&D comes from.

Bamboo will be use in automobile. Property like HEMS, yeah because they provide for example a thousand degrees of insulating property against heat, fire resistance, bamboo if it is

engineered through proper R&D. So, just to give a bit more so that we understand why we are doing this. Malaysia spent 15 percent in R&D, whereas Japan of their total KDNK, they've spent 50 percent in R&D. Kita, as we spent 15 percent R&D towards getting PhD, R&D towards commercialisation or applied research.

If you look at other country, R&D for commercialisation of innovation, they spent like Korea and Japan, spent 60 percent. So, that brings people ahead of us. So, the tweaking...

Tuan Wong Chen [Subang]: Minister...

Datuk Seri Mohd Redzuan bin Md. Yusof: For example, the tweaking on like I say, I give you an example, just to give you the entire system that we have, so we have to address it bit by bit. For example, we have a lot of criticism on what we want to spend R&D on the new national car project with regards to having platform so other system within the car. We've got a lot criticism. That's the situation we have in this country. We don't want to spend money on R&D.

Tuan Wong Chen: Minister before you continue, I would like to ask a question regarding your R&D spending. Are you sure we've spending 15 percent of the GDP on R&D? Maybe your assistant or your –Datuk, what's her name?

Tuan Pengerusi: Datuk Wan Suraya binti Wan Mohd Radzi.

Tuan Wong Chen: Datuk Wan Suraya binti Wan Mohd Radzi can explain.

Datuk Seri Mohd Redzuan bin Md. Yusof: I think total, I think we do because you're talking about R&D at the universities and education, I think that's about the number. We can't confirm that numbers but I think when I looked at it, we spent less on R&D compared to other nation.

Tuan Wong Chen: I think you said R&D as a percentage of the KDNK.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yeah.

Tuan Wong Chen: Which is not 16 percent or 15 percent-lah, it cannot be that high.

Datuk Seri Mohd Redzuan bin Md. Yusof: No, I didn't say 60 percent.

Tuan Wong Chen: 16 percent, 15 percent right?

Datuk Seri Mohd Redzuan bin Md. Yusof: 15 percent.

Tuan Wong Chen: Yeah, but it's not that high. Cannot be.

Datuk Seri Mohd Redzuan bin Md. Yusof: Okay, as for RM330 billion, how much you spend on education? I'm just looking at the —we can't confirm that numbers but whatever it is, to represent how little we've spend from the KDNK, yeah, it's not the accurate number, I'm just trying to represent that we've spend very little on the KDNK from...

**Tuan Wong Chen:** No, no, we do. We've spent very, very little because other countries spent three percent on –about three percent. We've spent 0.6 percent not 15 percent.

Datuk Seri Mohd Redzuan bin Md. Yusof: Could be, could be, yeah.

Tuan Wong Kah Woh: Yeah, Yang Berhormat Menteri...

Datuk Seri Mohd Redzuan bin Md. Yusof: That one we can confirm, maybe 1.5 percent, I'm just...

**Tuan Wong Kah Woh:** Okay, Yang Berhormat Menteri. Terima kasih Tuan Pengerusi. Allow me to ask a few things to Yang Berhormat Menteri berkenaan. So, mungkin kita balik kepada isu topik pokok yang kita bincangkan pada hari ini berkenaan dengan pembangunan air mobility. I think the committee members we wish to know as to the whole chronology as to:

- (i) when was the idea initiated? The date and so on:
- (ii) when did the ministry start to call off players or ideas to come in which has eventually brought into this syarikat called Syarikat Aerodyne Group and so on; and
- (iii) what are the works currently being done by the ministry towards realisation of the whole project?

This is because, there's a high I can see in slide A [Merujuk kepada slaid] yang mana adalah dijangka pada bukan Disember ini akan...

Puan Nurul Izzah binti Anwar [Permatang Pauh]: [Bercakap tanpa menggunakan pembesar suara] Mengadakan demonstrasi.

**Tuan Wong Kah Woh:** Akan mengadakan satu demonstrasi bersama dua penumpang di Cyberview.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yeah.

Tuan Wong Kah Woh: The issue as to law, the issue as to insurance, the issue as stated in some part of your presentation, I think the whole chronology, we need to know the whole chronology. Of course, just now, my second question is, apabila Yang Berhormat Menteri menyatakan berkenaan dengan inisiatif ini adalah daripada MED. So, MED was the first one who brought up the idea. So—tetapi in the later part, Yang Berhormat Menteri did say that the initiative came from the private sector. So, which is which? So, we need to understand that part as well.

Datuk Seri Mohd Redzuan bin Md. Yusof: Okay. The initiative on the idea came through MPN when we talk about rejuvenation of Cyberjaya, okay, as the test bed for invention and the innovation. So, following that statement met during MPN, then we start to explore this industry. What can we bring to Cyberjaya as part of the plan to rejuvenate Cyberjaya as the test field.

What so what are the project initiate before, we thought is very interesting we can start this air mobility project. So, we start measuring the industry response. In fact, there were presentations made by various people from China, mostly from China. I think two companies from

China, they want to introduce flying drone or you would rather drone with pilot in it. So, then that's why we've said this is no longer a drone. You can't use drone technology to re-engineer to make a car.

#### **■1100**

So, when you talk about drone is a flying dummy basically a small one but if you scale it up where you have pilot or passenger and then you just cannot call. Drone you can always call it unmanned vehicle which is not new or manned vehicle which is not new. So, people know about unmanned vehicle (UAV)— unmanned aerial vehicle. People know about drone. But that does not excite the industries so to speak. So, we tweak the industry by saying flying car. Because Middle East are calling it flying taxi. Japan are calling flying vehicle in 2025 to commercialise it.

So, that how we came about in reaching out to people, people like Aerodyne, the FourFang and then the MUDA. In facts MUDA, the associations of young entrepreneurs through their association with universities in UK has created their own community to move the air mobility.

**Tuan Pengerusi:** Datuk Seri, sebelum itu. Kenapa kementerian Datuk Seri? Bukannya MITI yang selepas idea itu di-*discuss* ataupun dibentangkan dalam Majlis Pembangunan Negara. *Why your ministry and not MITI to be in charge?* 

Datuk Seri Mohd Redzuan bin Md. Yusof: Okey. Kalau kita lihat dari segi fungsi-fungsi kementerian, ini diputuskan di Kabinet. Di mana segala bentuk *SME industry* melibatkan MMC menyumbang kepada 37 peratus KDNK negara *just* letakkan di bawah Kementerian Pembangunan Usahawan. Ini kementerian baharu. *So*, itu keputusan Kabinet. Dia segala bentuk kita lihat industri ini kita bangunkan sebagai industri *small and medium enterprise*.

Puan Nurul Izzah binti Anwar: Terima kasih Yang Berhormat Datuk Seri, boleh saya tanyakan soalan susulan? Are you done?

Datuk Seri Mohd Redzuan bin Md. Yusof: Boleh. Boleh.

Puan Nurul Izzah binti Anwar: Thank you. That's a good explanation in term of peranan kementerian. Saya ingin tanyakan memandangkan Aerodyne ini merupakan syarikat yang dah berpangkalan di 24 negara. Very impressive. Dia the fifth ranked syarikat dari segi providing technology. Akan tetapi dia telah meraih RM650 juta. Jadi, dalam klasifikasi ini adakah ia masih lagi...

Datuk Seri Mohd Redzuan bin Md. Yusof: Market cap?

Puan Nurul Izzah binti Anwar: ... Market cap yakni market capitalisation. Sorry. You are not clear just now but is it considered as an SME then? Because in that sense they are very established company. Itu satu. Let me just ask the rest. Itu satu.

Jadi, berbalik ke soalan Tuan Pengerusi tadi. Kita lihat pengumuman oleh Menteri lain termasuk MITI dan juga Yang Berhormat Menteri Kewangan berkait dengan the third national car, contohnya. Disebut ada pelaburan oleh kerajaan untuk research and development tetapi memandangkan sekarang 49.9 peratus dimiliki oleh Geely iaitu saham PROTON. Maka, mereka menerima pakai 21 lagi proposal ataupun paperwork yang akan diterima daripada syarikat tempatan dan juga luar negara.

Jadi, maksudnya agak jelas dan persoalan saya yakni saya setuju sekiranya kita mahu memberikan ruang ekosistem yang lebih mendukung inovasi. Akan tetapi kenapa tidak dirangkumkan? Boleh sahaja usaha sama antara kementerian MED dan juga MITI untuk menunjukkan one aspect of this national car development ataupun dalam holistically, the holistic plan itu adalah kereta yang menggunakan air mobility. Itu satu.

Terakhir yang juga berkait, kenapakah perkara yang sepenting ini yang akan didemonstrasikan Disember 2019 tidak dikepilkan dalam kertas Kabinet? *Because* dalam perbincangan kami contohnya, *it's an amazing effort. I like to hear today* dan sudah tentu kita hendak bersaing dengan negara-negara lain, *but why is it not presented through a Cabinet paper?* 

Datuk Seri Mohd Redzuan bin Md. Yusof: Itu sebutkan tadi kalau— perkara ini akan dibawa di Kabinet. Ini kita cerita merancang Disember 2019 untuk showcase subject to the ecosystem that available. If the rule does not allow us, the insurances are not there for example for us to fly, then we cannot fly. So basically, we are suppressing inventions. I mean the issue of whether the SME— okay the market capitalisation this company reportedly heading towards the New York Stock Exchange. They are still private entity. Interestingly, even before we engage their kepakaran ini, we know their kepakaran before even they promoted themselves. So soon after we discussed this, they actually already got a small flying bike in Japan.

So, this company in a small scale they have developed that. So, when we talk about expanding or enhance what they should do because the excitement the fact that we are looking forward to create the environment in this country. Because they are not basically doing flying cars anywhere else. But they are providing artificial intelligence everywhere else in the other country. So, soon after we talked about this, soon after we have that excitement in the Malaysian industry so to speak, they went for a roadshow. Even showcasing what they want to do and that's the time when they managed to raise capital from the other countries. In Japan, for example. They have—they created what they call a drone fund. Managed to raise 150 million, roughly.

So, therefore we are now facilitating to make that more visibility in term of future market. To enhance what they can do, not only to the countries they are operating now but hopefully in the future in this country. So, we must be ready.

Puan Nurul Izzah binti Anwar: So, they consider as an SME-lah?

Datuk Seri Mohd Redzuan bin Md. Yusof: When they started, yes. When they started out.

Puan Nurul Izzah binti Anwar: When they started out and then, started to move to get market capitalisation raise.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes, yes.

Datuk Wan Suraya binti Wan Mohd Radzi: Can I just add Yang Berhormat ya. Further to what— in fact flying air mobility is not a new technology. It's already there in national automotive policy, which is under MITI. But somehow, I think it does not— the surface has not been scratched so far and what happened was that, bila Yang Berhormat Menteri mentioned, we were approached by some of these players and Aerodyne, for example told us...

**Tuan Pengerusi:** Datuk minta maaf. You said that you were approached or the ministry was approached?

Datuk Wan Suraya binti Wan Mohd Radzi: We are— ya. We engaged to some of the players.

Tuan Pengerusi: Maknanya ini private initiative-lah? Private yang approach.

Datuk Wan Suraya binti Wan Mohd Radzi: Well, we spoke to some of them and said are there any of them doing this and Aerodyne was one of those who said, you know the technology is there, this is nothing.

Datuk Seri Mohd Redzuan bin Md. Yusof: Nothing new.

Datuk Wan Suraya binti Wan Mohd Radzi: Nothing new, ya and they can do it. Pakai duit dia sendiri. So, we said why not. It's a good endeavour and kita pun memang— we don't have the resources but if they are willing to do it, we will be happy to...

Puan Nurul Izzah binti Anwar: Promote.

Datuk Wan Suraya binti Wan Mohd Radzi: Yes. Bring them. Visualise them. Because all along, when they moved into the 24 countries, it was not without any government support. We were the first ministry and you can attest to that. You can ask them. We were the first minister—Minister was the first minister to talk to them, to engage with them and they were very happy.

So, the idea is that, walaupun dia based in Malaysia, tetapi dia tidak ada production facility in Malaysia. They still have to do in whatever production in Japan because the regulatory, environment, support them there. So, now we want to facilitate the industry. Baru-baru ini, early this month, I also called in all the kementerian yang berkaitan termasuk MITI dan juga MOT, CAAM dan sebagainya to bridge that gap. Because we found that in India, they already starting

a digital initiative. In of course Japan and in other countries. If we don't do anything now, we will be left out.

So, the idea is that, this is the role of the government as a facilitator. The programme in September is actually, you know something that they said they can do it, they want to visualise it. It's not— it's a prototype. Now, this time it's a prototype. Saya pun bukannya ahli sains or what. If they say it's a prototype but the one in September will not be with passenger. In December it will be with a passenger. So, we'll see. But we bring everybody there so that they can see this is the Malaysian technology company. Terima kasih.

Tuan Pengerusi: Jadi, apa kaitan dia dengan keusahawanan dalam negara? Datuk, if you don't mind.

Datuk Wan Suraya binti Wan Mohd Radzi: Because they are part of the aerospace sector and drone is a subset of the aerospace sector. You can talk to—and even within the sector, they are very happy to see Aerodyne. Because Aerodyne ini selama ini have been so much under the radar that even now Strand they are now talking to MAIA, the Malaysia Aerospace Industry Association.

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So, the idea is that we want to...

Datuk Seri Mohd Redzuan Yusof: To...

Wan Suraya Wan Mohd Radzi: Yes, and we want to showcase that Malaysians can do this.

Puan Nurul Izzah binti Anwar: Can I just follow up? So, if so crucial to get the regulatory framework before December, then why do you not prepare a Cabinet Papers to convince Cabinet.

Datuk Seri Mohd Redzuan Yusof: We are because we had the first meeting with the so called regulatory early this month, on 6<sup>th</sup> May and once we got the first draft, understanding this space that will be provided for the air mobility, they will table to the Cabinet Paper. My Cabinet Paper is going to be complete. I cannot say I'll give you information later on subject to, but we've got to be complete.

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara]

**Wan Suraya Wan Mohd Radzi:** Yang Berhormat, we have presented this as a game changer to Majlis Pembangunan Negara on the 18<sup>th</sup> March. So, that was you know, it was noted, it was acknowledged, endorsed so, the next step usually after MPN is that you prepare a Cabinet Paper but we are in the process because September is quite some time, you know.

But the regulatory framework will not come from MED. We will have the vendors, the SME's but the regulatory framework will have to come from CAAM, MOT dan sebagainya. So

that, the conversation has already started, so we are basically pushing the envelope. I mean even MOT pun kata they will do the engagement possibly next year. So, now what we have done is that you can meet them already because they are in front of you. So that is what we are doing as facilitator.

Datuk Seri Mohd Redzuan Yusof: Tambah yang Yang Berhormat Permatang Pauh katakan tadi fasal MITI dengan MED, fasal new national car. If you remember, when we announced a new national car project, we are taking a different approach. This is the idea that I brought to the Prime Minister.

Dahulu kita sebutkan kita buat kereta dan kita bangunkan vendor. Vendor sudah sedia ada, jadi kita ada vendor dan usahawan, now 149. We want to consolidate the vendor effort to develop a car, itu sahaja. So, question of marketing it will be the role of MITI, expanding the market. We are still connected with MITI. So, we are using the expertise to make an object, that is basically the concept. So, not forcing the industry okay, this is the sort of car, you built it. So, it'll be expensive affair if we start try to tailor made or get the vendor to tailor to your requirement. Now, I got to tailor to the capabilities that we have.

So, we got 149 vendors on our— of course there are proposal that wanting to build a complete car that was coming as an initiative to MITI, you know. So, that information we do share with MITI. By the way, the national car basically is driven through a secretariat called MIGHT.

**Tuan Wong Kah Woh**: Ya, Datuk Wan Suraya has said just now that one of the segments in the National Automotive Policy is actually air mobility and I think that is the part that is confusing, endearing the people out there when the announcement of flying cars was made.

So, while we now, we understand that this is a private initiative and without involving any government money at this juncture. Would the whole idea be eventually goes within the embed of National Automotive Policy and where from there, would there be a possibility of the government fund being used at that particular time.

So, perhaps Yang Berhormat Minister can clarify with us, what is the relation between your idea with the air mobility segment within the National Automotive Policy as said by Datuk Wan Suraya or both ideas are actually not related at all and eventually that will not fall into the National Automotive Policy.

Datuk Wan Suraya Wan Mohd Radzi: The National Automotive Policy is currently being reviewed. I think they are currently talking to all the players. But you know policy is policy. Usually policy will try to catch up with technology. So, for us this is what the industry is already doing and we can't stop their stance. When we talk about usahawan, I can tell you that Aerodyne want to bring in their Japanese partner into the country.

So, if the regulatory environment is already there, so we will facilitate that because if you bring in the investment then we have the vendors already. The vendors that already producing for the automotive sector can also, you know, produce for this new air mobility. So, we just to us if it doesn't involve any government funding, is part of our programme to menjawab Datuk, you know as I mentioned just now the programme— we are involved in aerospace sector through the programme that we have under SME Corp.

We have the Global Aerospace Manufacturing Industry Project. This is still within our plate and we are you know that is why we have to talk about the aerospace. We have interest in ensuring that this aerospace sector continues to be viable. So, in that sense that is why we will contribute inputs to the NAP and if the industry wants us to help in terms of the regulatory environment and I think it is part of our responsibility, so long it doesn't involve government funding. If Aerodyne brings in their investor, then you know, it is a private initiative we will support, facilitate but that's it. I think that's all as it goes. I think that is what the Ministry is trying to facilitate the industry because the industry is also waiting for somebody to do that facilitation initiative.

Datuk Seri Mohd Redzuan Yusof: Just to add, if in time to come the focus becomes clearer – and the policy now the new automotive policy includes aerospace, right? So, if there's a need for air mobility, if we have to segregate, to redefine the policy, we will, but as it is now we don't need it because we don't have a situation probably without getting inputs from the Ministry.

With regard to some confusion, I think it's a period of adjustment MED is new and previously SME Corp was under MITI. By the definition of role and function of the Ministry by taking over the kawal seliaan SME Corp ke bawah MED, they are definitely duplicating function yang bertindih dan benda itu kita akan tambah baik dan people has got to take into account alignment. As it is now, public perceive there seems to be duplication as you said, the new national car, MITI versus MED then we have to keep saying it is a vendor bottoms up to develop a car.

Puan Nurul Izzah binti Anwar: Can we just asked your opinion Datuk Seri Minister, what do you think because right now you mentioned Aerodyne, they have to operate in ecosystem that is supportive which is Japan, meaning the technology will be shared between them of course because Japan is not just going to— I mean the main company in Japan will definitely also want to read the benefits.

As per expected from any company, so how do you feel, I just want to know your opinion in terms of allowing ease of which for them to invest in Malaysia, to be more at ease in operating and expanding operation, I would say we should be open to it. So, I just like to hear out you know, your views on this. Because like it or not Aerodyne should be grateful to the ecosystem in Japan. If not, they will not be able to develop this said prototype or model.

Datuk Seri Mohd Redzuan Yusof: They evolved by excelling themselves into artificial intelligence to start with. They are in service in Malaysia in specific industry. For example, Aerodyne is servicing Petronas to put surveillance on the petrol chemical complex, for example, to do mapping on the complex. They are also doing we call it mapping for our train, for example. They are also giving services to news agent for example, if there is a situation of flood, they flow their drone and give the latest information.

#### **■1120**

So, they expanding into search and rescue using drone to identify objects for example.

Datuk Seri Haji Ahmad bin Haji Hamzah: High wave.

Datuk Seri Mohd Redzuan bin Md. Yusof: High wave, ya. So therefore, when you talk about collaborating with the Japanese, no. They are not. They are Malaysian incorporated company in Malaysia, they are Malaysian incorporated company in Japan but because the ecosystem is available. So, what they have done is they open up the eyes of the Japanese, the Russian for example, in Japan, they have tied up with NTT group, NTT Docomo. So, these are the success story that we want to bring back and they are actually bulk of the soft skills in Malaysia, in Damansara.

Tuan Wong Chen: Minister, I have few questions to ask regarding Aerodyne. First question is can you tell us a little bit about the founder? Usually in tech companies, the founder is a scientist or an engineer or something like that. There is always a person that is fronting the company that talks about this kind of thing. So, we have no idea who Aerodyne is. Is he a professor? Is he a famous engineer? What does he do? That is a first question.

Second question, have you look at their financial numbers? You say that they've got lot of inventors and all this kind of things. Do you look at their audited accounts? What did their sales like? What is their profitability level? They've a lot of customers I understand, Axiata and also PETRONAS and all this kind of things. It is because we are undertaking— whether you like it or not, your ministry is promoting them, right. So, we want to make sure that you are promoting genuinely strong company.

Number three, what are their IP rights? Do they own anything? Do they manufacture their goods or they using drones manufactured by someone else to provide solution for other things? I mean these three basic things is what we do and we audit companies that we want to champion from Malaysia. So, those are my three questions. The founder; historical background, a bit about their technical ability; their financial position; and also, the IP rights that they owned.

Datuk Seri Mohd Redzuan bin Md. Yusof: First of all, we don't promote, we facilitate. Nombor dua, you asked me the background of the founder, yes we can find at Wikipedia pun

boleh. But when we talk about invention innovation, it doesn't have to be— he could be orang kampung, can even be someone that wants to invent buluh. We don't do forensic on their account because they are private. The fact that they have demonstrated, where they are on the global index, give us enough confidence that they can be the leader that we can facilitate the growth of the industry in this country. I don't have to go into the books of private company. It is not our jurisdiction. But we evaluate in basis of feedback from PriceWaterhouse.

Tuan Wong Chen: No. That is fine. It is very basic audit. It is not even inclusive.

Datuk Seri Mohd Redzuan bin Md. Yusof: No, no...

Tuan Wong Chen: You just...

Datuk Seri Mohd Redzuan bin Md. Yusof: But we are not qualifying any open tender. Why should I? They are there, they volunteer. They don't have to be there. They don't have to be with us.

Tuan Wong Kah Woh: But again, what Yang Berhormat Subang...

**Tuan Wong Chen:** No, no. You promoting the flying car of Malaysia. I mean you must do very basic audit...

**Datuk Seri Mohd Redzuan bin Md. Yusof:** No. This is—we are—remember what I said, we are stimulating the brains of the people in this country. So that...

Tuan Wong Chen: No, no. You- mean like...

Datuk Seri Mohd Redzuan bin Md. Yusof: We can help to bring out people...

**Tuan Wong Chen:** Minister, you are here to face the PAC and to justify Aerodyne, and you are telling me you don't know the basic thing of Aerodyne. Who is the owner...

Datuk Seri Mohd Redzuan bin Md. Yusof: We have. Just I said just now, number one which we can run...

Tuan Wong Chen: The account, the IP rights.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes. We can run those facts. That is not an issue at all. We can run those facts. But I think you are missing the point here. We are facilitating the industry. It can be four other companies for that matter. They want to build their own vehicle, then why don't you— and try into use the test bed in Cyberjaya to fly your car. It could be five others from China, two others from China. We are not soliciting anything from them.

**Tuan Wong Chen:** I know you are not. But they are the Malaysian company that your ministry rightfully very proud of. A little bit of background information about them is important for the PAC, right. You agree that? So, it is a straight focus who are these people. Are they...

Datuk Wan Suraya binti Wan Mohd Radzi: Yes, yes. Of course, we have done due diligence.

Datuk Seri Mohd Redzuan bin Md. Yusof: Of course we have.

Datuk Wan Suraya binti Wan Mohd Radzi: Because they were part of the companies that participated in our LIMA pavilion. So, I don't have it with us. And in fact, we are in constant contact. We visited their premise and all that. We've seen their numbers, it's in their books. So, we'll be happy to provide and I am sure if I tell him that PAC wants to meet him, he will be very happy as long as if he's around. Just to highlight that we are not just talking about one company, we are talking to the whole industry. So, even FourFang and some of the others. We are open to support the industry. But of course, we do our due diligence because we just want to make sure that this is real Malaysian company...

Tuan Wong Chen: Yes, precisely.

Datuk Wan Suraya binti Wan Mohd Radzi: Yes and you know, they are financially stable and all that.

Tuan Wong Chen: Alright. Please do the due diligence. But most important is in this kind of issue is about manufacturing facilities. You are talking about ecosystem, bringing the technologies back here. First, before you can do that, you need to know what technologies that they actually owned. A lot of drone companies operate by buying drones from other companies. Right? So, if you are trying to say that Malaysia is going to develop their first flying car— you know Uber I know is developing their flying car, but Uber you don't question because it is multibillion-dollar company. You know they can deliver.

In this case, you are saying RM1 million to invest in the prototype, I don't think— I think you have to spend a lot more than that in my just normal opinion. I am not an expert, but you know, a flying drone with two passengers will cost a lot more than RM1 million. But having said that, I need to know, the PAC needs to know, what are the technological advantages they have? Do they have vertical take-off and landing system that is proprietary to them? What is it that got you all so excited as a ministry to fully support them?

You know, we in Pakatan had a lot of comments, rain negative comments from the public. So, this is your chances to clarify once and for all that these guys are genuine and they are financially stable and they have rights, intellectual property rights and also, they actually can manufacture here. They are doing the prototype in Japan, which is mean they may not—not likely to manufacture here. Simple question, have you been to their— do they have a plant here? Do they actually install the drones here? Have you seen it?

Datuk Wan Suraya binti Wan Mohd Radzi: Yes.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes. We have seen it. But point I am trying to make as you asked the question on this promoting at the end on Aerodyne in term of RM1

million as you said, there are companies from China, who has partnership in Malaysia has proposed to us, for one unit, I think about RM500,000, some RM250,000 for one man...

Tuan Wong Chen: Because...

Datuk Seri Mohd Redzuan bin Md. Yusof: Nanti sekejap. One man. It is very subjective when you talk about RM1 million. We have not spent anything yet and they have offered us for nothing. They've offered us support for nothing. What we need to do is to facilitate.

Tuan Wong Chen: No, no. It means that they have said that they could spend RM1 million, right? Unless is misreported in the news. They said they are going to spend RM1 million to make a prototype. Chinese company depends— what are you building. You are building a flying car, a full-size flying car that can seat two persons, I think RM1 million a bit cheap. Okay, a bit cheap. You are talking the Chinese company that like DJI, they manufacture drone, the biggest player drone makers, they are going to sell your prototype for RM500,000, we cannot compare, apple and orange, cannot compare properly. So, I just need some assurance before we blow this up bigger, that this is the best company Malaysia, this is the next innovation. The ministry takes a bit more precaution to double check everything, make sure— so that it doesn't become another issue for us politically.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes, we do. As I said, the cost you are talking about is pretty subjective. They have demonstrated to us. It doesn't cost as what you said or rather it cost what you said. Not more than a RM1 million.

So, on the other hand, people from China in partnership, they proposing for us to pay for it up to RM500,000 for one unit. So, I said no. We will not spend any government money just to buy. So, we don't. So, these people are saying that they are going to build this for less than a RM1 million for themselves and they will give it to us to showcase. It still theirs, not ours. It just for showcase. So, the liabilities are on them whether RM1 million, RM2 million, RM500,000. But yes, I must say, I can confidently say, after looking at the various models in the Middle East, which they are launching of this year, services from Dubai Airport to the various hotels, they are inviting us to witness or to participate in the launching, perasmian in November I believe. We received official invitation in Dubai.

#### **■1130**

So, their cost of building that is not more than a million too, so we have comparison that we can look at. Of course, they will not reveal the right data but here we've got a vendor, Aerodyne, they said we can build it. So, how do I compare with no people that's already flying with spend less than a million. The Chinese- we are not soliciting for any pricing and the liabilities on them. The responsibility to build that car as their said now being built is on them not us.

**Tuan Wong Chen:** I know, I know. I just want to get us into another political issue, you understand right?

Datuk Seri Mohd Redzuan bin Md. Yusof: I understand.

Tuan Wong Chen: You know, I mean let's be very frank here. Let's think the example Uber. Uber is a giant company. They can built a taxi, air mobility taxi. They have billions droning, they get all the technology in the world and they're only launching in 2023. Minister you realise, right?

Datuk Seri Mohd Redzuan bin Md. Yusof: Ya.

Tuan Wong Chen: Development takes a long time. You cannot come here today and say that they announce this flying car project within a year they can built one. I am a little bit sceptical.

Datuk Seri Mohd Redzuan bin Md. Yusof: Okey.

Tuan Wong Chen: That's all I am saying.

Datuk Seri Mohd Redzuan bin Md. Yusof: They are ...

Tuan Wong Chen: We've better be careful before we go too far into this matter.

Datuk Seri Mohd Redzuan bin Md. Yusof: Okey.

Tuan Wong Chen: I would highly suggested the government in particular that—I don't mean the minister himself take the plate, take the flying car right but...

Datuk Seri Mohd Redzuan bin Md. Yusof: In fact I...

Tuan Wong Chen: Let see those...

Datuk Seri Mohd Redzuan bin Md. Yusof: ...I'll be flying, I'll be flying that car.

Tuan Wong Chen: You'll be flying first.

Datuk Seri Mohd Redzuan bin Md. Yusof: Yes.

Tuan Wong Chen: Okay, congratulations to you.

Datuk Seri Mohd Redzuan bin Md. Yusof: I say that to the Prime Minister provided the insurance are the return and provided it is over Cyberjaya Lake. I did say that, seriously I said I will fly by myself. [Ketawa]

Tuan Wong Chen: I think... [Ketawa]

Datuk Wan Suraya binti Wan Mohd Radzi: That is why we must also be in the regulatory record.

Tuan Pengerusi: Tidak ada insurans dalam industri ini.

Tuan Wong Kah Woh: Yang Berhormat Menteri...

Datuk Seri Mohd Redzuan bin Md. Yusof: To answer to Yang Berhormat Subang ya, they are various. Look, I can always talk about eVTOL, I can always talk private business chaired by Cranfield, okay. Their doing the prototype half skills in Cranfield for Euro 50 million. It's a

running prototype but it's a half skill so to speak. It's eVTOL. They design it again the infrastructure that they have but we have a very open infrastructure, free that we have not regulated.

Now, you can have a permission to fly for example drone in Putrajaya. They have an area where you can train people to fly drone in Putrajaya with specific permits for example ya. On, orang kata itu on the need basis. There is no rules to it. They can seek permission to fly for training in Putrajaya, certain area allocated for just training to fly drone. So, the case of Uber, we don't know what shape and form of their cars, could be a four-passenger car. Ours we know is going to be two-seater, drone technology where I can fly and very define on the specification.

So, at the case of when you talk about flying to showcase, for the case of Uber they might be thinking, we don't know from Singapore to Penang, eVTOL.

Tuan Wong Chen: No. no.

Datuk Seri Mohd Redzuan bin Md. Yusof: So that will involve a lot of...

Tuan Wong Chen: Uber actually has a real prototype, already built. They already launched it. They just have to test it very well before they go into fully operational, I mean in 2023. That's the issue. I am just a little bit— you know Uber is a giant lah. Aerodyne, we have no idea what they are but they are small company compared to that. So, before we leap too far into this issue, I just want the ministry to access a little bit more caution before we get another publicity problem later. That's all. I just— you know for us, many of us while we were in PAC, we are also politicians, right.

So, I take off my PAC hat now, which I supposed to be independent, I put off my politician hat. You know we had a lot of problems with this issue as you know, minister. I am sure you at the forefront kena banyak jugalah ya. So, I really hope that we in this second round that we do better. Ya, that's all.

Datuk Seri Mohd Redzuan bin Md. Yusof: I don't know. I would like to receive the feedback because all I must say 55:45 from my side. Number one, the Japanese encouraged us. Personally, the Ambassador congratulated us for thinking ahead. The Middle East dia kata, what they said, the Ambassador said, "I am glad you have moved it. We have moved it three years ago, we are launching it already". The Singaporeans are launching it. The industry feedback whoever involved in the drone is all thumbs-up. The only negative criticism— student thumbs-up, university student thumbs-up. The only negative criticism is coming from politicians I must say when we mete it out. That's all.

So, I don't see any severe comments from anybody that will suppress our effort in terms of trying to move this industry.

Tuan Pengerusi: Akan tetapi Yang Berhormat Menteri saya still merasakan bahawa it's a very important for the ministry to table a paper, a proper paper to the Cabinet. Jadinya semua orang pun tahu and then tidaklah menjadi apa yang terjadi sekarang ini. Jadinya semuanya di dalam makluman. Macam saya, merasakan bahawa sepatutnya bawah kementerian lain, MITI. Oleh sebab itulah kita merasakan pada hari ini kita cukup bertuah mempunyai Yang Berhormat Menteri untuk memberi maklum balas kepada segala persoalan kita pada hari ini dan kita tahu apa the subject matter under your ministry dan segala-galanya. Anymore question daripada semua?

Datuk Haji Hasanuddin bin Mohd Yunus [Hulu Langat]: Okey saya dulu ya.

Tuan Pengerusi: Okey Yang Berhormat dulu Yang Berhormat.

Datuk Haji Hasanuddin bin Mohd Yunus: Saya dulu.

Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]: Tuan Pengerusi...

Tuan Pengerusi: Okey, Yang Berhormat Jasin dululah.

Datuk Seri Haji Ahmad bin Haji Hamzah: ...Tadi Yang Berhormat Menteri ada sebut tadi, Yang Berhormat Menteri ada sebut tadi kata innovation moves very fast but not our people. You have to accept the fact. Don't say this is political or anything. To the extent they are making a joke out of it now.

Datuk Seri Mohd Redzuan bin Md. Yusof: That's okay.

Datuk Seri Haji Ahmad bin Haji Hamzah: Ya. But what we actually know this is supposed to be a private initiative. Eventually government will have to come out with something. The infra or legal matters, that means it's going to be huge investment. Unless or otherwise we are very sure that it is not only the one who is going to start off but our market, the users, who are the users. This is the most important.

Sorry, another one I want to say this is not political, this is from public itself. Because, maybe we are lacking behind compared to them but what can we say. You see the present government now they even batalkan, tangguhkan, kurangkan tiba-tiba kita hendak berbelanja dengan kereta inikan. Ini satu perkara yang kita tidak dapat terima lagi.

Datuk Seri Mohd Redzuan bin Md. Yusof: First of all, I think because it is new, the information will be progressive. This simulation information to get a better understanding perhaps is slow and forthcoming, we must admit. The narrative has got to be right. For example, when people think, they are start saying they're going to buy a car. We haven't structured as such that for example. This air mobility is for transportation industry not for individual ownership.

You just imagine when you talk about infrastructure. If we can have in the interior— we don't have to build roads for the interior of Sarawak and Sabah or anywhere else in Malaysia, we

provide a mass mover, connectivity, that will reduce your infrastructures expenditure tremendously, you don't have to maintain road and bridges, you have these services. In 2020 cars will become secondary, people are talking about air mobility. This is what we have discovered or rather our finding through the global network.

I don't think any of the air mobility as it is now. That is why we are engaging various units to make sure we are using the existing infrastructure. Can we land the flying vehicle or the eVTOL or the aero car on the top of the building? So, when we design something, we design around existing infrastructure, tidak melibatkan perbelanjaan negara dari sudut infrastruktur. Jadi tadi, maklumat itu akan sampai secara progresif untuk lebih— we cannot expect people to understand overnight. When we tweak this, when we tease the brain so to speak it creates a lot of interest, it creates a lot of question from you. So, then we will try to formulate a structure and a policy whereby the industry can accept it.

Datuk Seri Haji Ahmad bin Haji Hamzah: This is definitely is a good start. What my friend, Yang Berhormat Subang was saying just now unless we are very careful in looking into all this area.

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What will happen? Eventually the government will have to come up with something. Definitely the government will have to come up with something. Maybe they will be asking for matching grant or something like that.

Tuan Wong Chen: Tax holiday.

Datuk Seri Haji Ahmad bin Haji Hamzah: There's a lot of thing.

Tuan Wong Chen: Biasalah.

Datuk Seri Mohd Redzuan bin Md. Yusof: Tax holiday, pioneer status, reduce tax, capital allowance is a norm for us to encourage investment. So, we have to look on case-to-case basis what they bring in. So, even one of the areas we're still considering, we may not have a blanket policy on capital allowance or tax exemption for certain. We have to look at specific industry or even specific project to give those incentive for people to invest.

So, I don't think at this point of time a hint of any government expenditure other than providing the ecosystem for the industry to go. It will not be put under so-called matching grant, no. That's why we're very careful as you said Yang Berhormat Subang. We'll look at the capability of the company and we have all the data with us, like Aerodyne group. Ia tidak melibatkan sumbangan ataupun matching grant. They're independent.

So, we want to use that to be private initiative as we always say we want to bring again the Malaysian incorporated concept. So, I don't see a hint of us putting in any money with the infrastructure. If anything, it will benefit the rakyat. Contohnya, we already started talking to Aerodyne and also the partnership in China, the Strand also. We want them to look at, move that into for example, drones that are heavy enough in terms of payload to supply blood. Today, we're losing lives because we don't get the blood supply to the area that we cannot reach by the normal transport, for example.

So, we're not talking about I will own the drone. It's talking first— it's for the masses, for the public service, for the industry. JD.com in China now, online and offline, they're using drone to deliver goods up to 300 pounds I think from distribution centre. So, we have to create that ecosystem to stimulate the growth in the air mobility.

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara]

Datuk Haji Hasanuddin bin Mohd Yunus: Tuan Pengerusi? Sebenarnya kami anggota PAC ini sudah terlalu banyak menyiasat projek-projek kerajaan yang gagal. Oleh sebab itu, kami mengharapkan janganlah kami disibukkan tengok yang gagal, gagal tetapi kami juga hendak supaya projek akan datang tidak akan gagal. Kalau tanya pada saya, saya masih nampak bahawa projek yang besar ini sepatutnya di bawa MITI. Sebab disebutkan kita contohnya justifikasi industri, kita hendak membuka peluang untuk usahawan muda menceburi industri yang belum diterokai. Ia memerlukan kepada tenaga-tenaga pegawai yang memang sepatutnya menguasai bidang ini dan Kementerian Pembangunan Usahawan untuk membuka peluang-peluang untuk vendor-vendor kecil daripada orang tempatan.

Akan tetapi projek besar ini sepatutnya dikendalikan oleh kementerian yang memang ada pakar dalam bidang itu. Akan tetapi kami bukanlah hendak memaksa. Kami cuma nampak kebimbangan di situ dan saya juga melihat beberapa kenyataan Yang Berhormat Menteri yang dipertikaikan orang. Antaranya, kita mengatakan bahawa kita menggunakan teknologi tempatan. Akan tetapi pada waktu yang sama, kita masih lagi mengejar Jepun dan China, *players* yang besar dan saya percaya ada perjanjian MOU dengan Samad Aerospace kan dengan SAM itu? Jadi, timbul rasa kebimbangan.

Adakah kalau kita tengok pada bulan September nanti, kita hendak lancarkan yang tanpa penumpang, kemudian Disember. Seolah-olah benda itu macam sudah ada, sudah siap. Saya sangat berbangga kalau sudah ada. Akan tetapi waktu yang sama kebimbangan daripada statements yang seperti itu, yang menunjukkan macam benda ini baru hendak dirancang, baru hendak ini. Saya tidak pasti, adakah tujuan kita bawa pelabur luar dan besar itu untuk memperkemaskan lagi apa yang telah ada ataupun bagaimana? Sebab perkataan prototaip itu sendiri pun dipertikaikan kalau kita tengok dalam komen-komen masyarakat sama ada dia hanya

sekadar *mock-up* ataupun model? Ini disebabkan kalau prototaip itu ia sudah skala yang besar kalau kita tengok.

Jadi, benda-benda macam ini menimbulkan kebimbangan kami. Tidak nampak kejelasan sebab itu sebahagian daripada anggota PAC tadi minta supaya dibentangkan di Kabinet supaya kita nampak teratur. Janganlah *last minute* nanti kita kata, oh projek ini akan gagal kalau kerajaan tidak *inject* duit dan kerajaan perlu *inject* duit untuk menjayakannya. Akhirnya, bukan hanya RM1 juta yang kita kata kita hendak ini tetapi melibatkan wang yang besar. Minta maaf Yang Berhormat Menteri.

Datuk Seri Mohd Redzuan bin Md. Yusof: Nombor satu, Cabinet Paper tadi— dibawa ke Jemaah Menteri. Dalam Jemaah Menteri, saya tidak nampak ada unsur kewangan pun melibatkan perbelanjaan kerajaan.

Kedua, disebutkan tadi, kita tidak ada perjanjian dgn Samad Aerospace. Cuma kita menyaksikan private initiative, two companies among them. So, we're just so happened to be there. They want us to witness that they are a private company that wants to be involved.

As I said again, nombor tiga, the narrative as you said correctly got to be right. Nombor satunya, I think it was wrongly reported. It was not a prototype. It was a model. A scale down model to show what the shape and form of the car will be. Not exactly but the actual prototype as I said is being built now. Kita...

Datuk Haji Hasanuddin bin Mohd Yunus: [Bercakap tanpa menggunakan pembesar suara] Sorry, masih pakai lagi perkataan prototaip dalam page yang kelima. [Merujuk kepada slaid]

Datuk Seri Mohd Redzuan bin Md. Yusof: Okay, okay. Scale down, scale down we mentioned...

**Tuan Pengerusi:** *No, no.* Ini *you* letak dalam muka surat sembilan [*Merujuk kepada slaid*] ada anggaran kos prototaip RM500,000?

Datuk Seri Mohd Redzuan bin Md. Yusof: Okay, tolong jawab.

Tuan Pengerusi: Page sembilan, page nine, yeah. [Merujuk kepada slaid]

Datuk Wan Suraya binti Wan Mohd Radzi: Yang ini, page sembilan ini [Merujuk kepada slaid]. Ini adalah prototaip pada bulan September dan Disember nanti. Sebenarnya pada—semasa LIMA itu, kita ada keluarkan Q&A, semua maklumat-maklumat itu, FAQ. Terima kasih Yang Berhormat. Akan tetapi, ya lah, apa yang dipetik dan apa yang tidak dipetik itu is something altogether. Kalau saya boleh Yang Berhormat?

Regards to the point made earlier about production. Sebenarnya apa yang kita buat ini hanyalah hala ke arah mefasilitasikan sahaja. Final production kalau adapun it will— that will

involve the relevant ministries. Itu kita tidak pertikaikan. Oleh sebab itu,apa yang kita bawa adalah keinginan dan hasrat industri yang mana kalau jadi investment ini, FDI ini, it will take about two to three years. This technology will only will be full-blown in about two to three years. It's up to the industry but at least kita mencetus idea seperti mana yang Yang Berhormat Menteri ada sebut dan juga ia mencetus minat daripada kalangan vendor-vendor. That's what we are after, my sense is that after the launch of the prototype, we will leave that to the industry to take care of its own. Terima kasih.

**Puan Nurul Izzah binti Anwar:** *Just want to ask.* Bila sudah ada perancangan untuk beri kepada Kabinet, memandangkan di dalam banyak negara termasuk yang disebut Yang Berhormat Menteri tadi, sudah diwujudkan *these innovation hubs.* Ada juga yang wujudkan *the Ministry of Acceleration precisely because they want to prepare for the future.* 

Boleh tidak dikongsikan kalau bukan 100 peratus kertas Kabinet tetapi at least PAC would have a model of what you meant to be a promoter or to be— to ensure more feasible environment exist for technology to thrive. So, then senang, you know kita boleh measure of course as you mentioned Yang Berhormat Datuk Wan Suraya kata, dalam dua atau tiga tahun kan? Then, it could also be something that other ministries can refer to when we want to promote, not to ensure the government spends the money but the right way to do so.

Datuk Seri Mohd Redzuan bin Md. Yusof: [Bercakap tanpa menggunakan pembesar suara] Ya.

Datuk Wan Suraya binti Wan Mohd Radzi: [Bercakap tanpa menggunakan pembesar suara] Ya.

Tuan Pengerusi: Yang Berhormat Menteri juga masukkan bagaimana...

Datuk Seri Mohd Redzuan bin Md. Yusof: Saya hendak melengkapi jawapan yang ditanyakan kenapa kita dengan Jepun, dengan China walaupun— dia tadi itu sebab kita kena wujudkan ekosistem. The innovation by Malaysians cannot thrive here. We have MaGIC of course, but the take up itu not in Malaysia. That's why we've lost Grab for example.

I must say, middle of the year, they've got a company called I think Gigalink has signed a contract with Emirates to provide a comprehensive tourist information system that covered e-hailing, for example, but what we don't have the environment for them to— it is product for MTDC, the Gigalink-MTDC is a private and public initiative but we cannot do it here. Innovations but we have to bring it to the Middle East in Dubai to launch it, the comprehensive tourist information system that covers e-hailing and the taxis in Dubai and provided by Malaysian who are innovative enough to explore beyond where the ecosystem allows it. So, teknologi macam disebutkan tadi, Aerodyne is the soft skills are from here.

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It is their own but they go to the place where they are allowed to thrive. Contoh, kalau mereka beroperasi di Australia, they go to the internet, on the laptop. They apply to fly say to do surveillance for certain areas, for some investigating work. Within 15 minutes, they can fly. In Malaysia, either you don't get a respond or probably it takes you probably two to three months before they can fly. So, this is the situation where I try to address.

In Australia, they put in— they go through the payment gateway, they pay 10 dollars to pay the insurance, they fly in the next 15 minutes or 20 minutes instant. So, this is what I said, things are moving so fast but we are not prepared for it.

Tuan Pengerusi: Okey, Datuk Seri. Saya sambung tadi. Dalam apa pun pada sayalah apa juga yang dibuat oleh kementerian sebab Yang Berhormat adalah Menteri Pembangunan Usahawan. So, when it comes to you preparing the Cabinet Paper I would, we would advise that masukkan sekali how this industry can help because you mentioned about the youth dan segalanya dan macam mana ia membantu mereka dari segi pembangunan usahawan itu sendiri. Because we need to see how, we need to make sure that at the end of the day ini nanti ataupun industri ini nanti boleh membantu merancakkan lagi pembangunan usahawan dalam negara.

Kita tidak hendak macam orang luar merasakan *as if* seolah-olahnya Yang Berhormat Menteri yang Yang Berhormat Menteri masuk ke kementerian yang lain. Itu tidak — seolah-olah. *That's the perception*. Seolah-olah. *It is not because when it comes to air mobility because mentioned people were saying about* pengangkutan. *People were* kenapa pengangkutan itu tidak *involve*. Kenapa MITI tidak *involve*. Itu sahaja. *Any more questions from?* Ya, *please.* 

**Tuan Wong Chen:** Ya, I just to remind Yang Berhormat Datuk to supply to PAC the profile of Aerodyne Chief Technical, Scientist or whatever you want to call it. Then, their latest audited account. Just very simple, that save me six dollars I have to go and get from ROS. [Ketawa]

So, the third one, the most important one is the Intellectual Property (IP) rights. That one—I mean even you claim it is a Malaysian thing, then we need to have those IP rights. Betul tidak? That's the most important-lah. So, please ask from Aerodyne to supply you and then can you give us a copy to the PAC. Thank you.

Datuk Wan Suraya binti Wan Mohd Radzi: In fact Yang Berhormat, I will go one step further. I mean if you want us to arrange for you to visit their premise. I think it will be good also to see first-hand what... [Disampuk]

Tuan Wong Chen: Maybe not. I mean get us the document first and then, because we got so many hearings. Penat tahu? Even though I tidak puasa pun penat. [Ketawa]

Datuk Seri Mohd Redzuan bin Md. Yusof: Just tadi you're asking Yang Berhormat, sorry. Is the decimal place was the wrong place-lah I mean puasa kan? When I said the R&D portion it. They are closed to, not 15. It is closed to 1.5 percent.

Tuan Wong Chen: It's 1.3-lah? Right? One point three.

Datuk Seri Mohd Redzuan bin Md. Yusof: About 1.3 to 1.4. around that.

Tuan Wong Chen: That's right. Okey.

Datuk Seri Mohd Redzuan bin Md. Yusof: Decimal place tidak nampak bulan puasa. [Ketawa]

Tuan Wong Chen: Okey.

Tuan Pengerusi: Anyone else have any questions? Kalau tidak ada terima kasih banyak kami ucapkan kepada Yang Berhormat Menteri di atas kesudian untuk hadir pada hari ini di hadapan kami dan good luck with the Cabinet Paper. Good luck with the—your project dan insya-Allah kita harap ia akan memberi manfaat kepada rakyat Malaysia keseluruhan. Terima kasih very much.

Datuk Seri Mohd Redzuan bin Md. Yusof: Dalam ucapan terima kasih balik secara general-lah. Saya lihat sendiri sebab kita kerajaan baharu dan Kementerian Usahawan adalah kementerian yang baharu. So, you will see a lot of overlapping functions. That's why kita dah seolah-olah wujud. So kita redefine this by having various committees, jawatankuasa dan sebagainya untuk kita bekerja sebagai satu pasukan melibatkan berbagai-bagai kementerian yang lain. Terima kasih.

Tuan Pengerusi: Sama-sama. Terima kasih.

[Majlis mesyuarat ditangguhkan pada pukul 11.54 pagi ]