



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA (PAC)

Mengenai:

Pembangunan Projek *Air Mobility*

Jabatan Perdana Menteri:

- (i) YBhg Dato' Haji Hasnol Zam Zam bin Haji Ahmad, Timbalan Ketua Setiausaha Kanan

Malaysian Industry-Government Group for Hight Technology (MIGHT):

- (i) YBhg Datuk Dr Mohd Yusoff Sulaiman, Ketua Pegawai Eksekutif

**PARLIMEN KEEMPAT BELAS
PENGAL KEDUA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1, TINGKAT 2 BLOK UTAMA
BANGUNAN PARLIMEN, PARLIMEN MALAYSIA
RABU, 19 JUN 2019**

AHLI-AHLI JAWATANKUASA

Hadir

YB. Dato' Dr. Noraini Ahmad [Parit Sulong] - *Pengerusi*
YB. Tuan Wong Kah Woh [Ipoh Timur] - *Timbalan Pengerusi*
YB. Tuan Wong Chen [Subang]
YB. Puan Nurul Izzah binti Anwar [Permatang Pauh]
YB. Tuan Steven Choong Shiau Yoon [Tebrau]
YB. Datuk Haji Hasanuddin bin Mohd Yunus [Hulu Langat]
YB. Tuan Wong Hon Wai [Bukit Bendera]
YB. Puan Wong Shu Qi [Kluang]
YB. Tuan Muslimin bin Yahaya [Sungai Besar]
YB. Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]

Tidak Hadir [Dengan Maaf]

YB. Tuan William Leong Jee Keen [Selayang]
YB. Dato' Takiyuddin bin Hassan [Kota Bharu]
YB. Tuan Robert Lawson Chuat [Betong]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

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 Nurul Adila binti Hamdan [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 Hafiza binti Yaakub [Timbalan Pengarah Audit (Bahagian Audit Prestasi III)]

Jabatan Peguam Negara

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

samb/-

HADIR BERSAMA (*samb/-*)**Suruhanjaya Pencegahan Rasuah Malaysia (SPRM)**

Puan Fadzillah binti Shamsuddin [Timbalan Pengarah (Awam) (Pemeriksaan dan Perundangan)]

Kementerian Kewangan (MOF)

YBhg. Dato' Mohd Zafir bin Ibrahim [Timbalan Setiausaha Bahagian (Strategi Korporat dan Komunikasi)]

Puan Azreen binti Awang [Ketua Penolong Setiausaha Kawalan Pemantauan]

Encik Mohammad Adam Danial bin Hafiz Goh [Penolong Setiausaha Kawalan Pemantauan]

Jabatan Akauntan Negara

YBhg. Dato' Haji Ramli bin Chik [Pengarah (Perkhidmatan Operasi Pusat dan Agensi)]

Kementerian Hal Ehwal Ekonomi (MEA)

Y.Bhg. Dato' V. Valluvan a/l Veloo [Pengarah (Industri Pembuatan, Sains dan Teknologi)]

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

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Encik Aznirul Fariz bin Alwi [Ketua Penolong Pengarah (Perkhidmatan)]

SAKSI**Jabatan Perdana Menteri (JPM)**

YBhg. Dato' Haji Hasnol Zam Zam bin Haji Ahmad [Timbalan Ketua Setiausaha Kanan]

Encik Shahrul Kamal bin Osman [Setiausaha Bahagian (Kewangan)]

Puan Inu Baizura binti Mohamad Zain [Timbalan Setiausaha (Bahagian Kewangan)]

Puan Siti Noor Baiti binti Mustafa [Ketua Penolong Setiausaha (Bahagian Kewangan)]

Malaysian Industry-Government Group For High Technology (MIGHT)

Datuk Dr. Mohd Yusoff bin Sulaiman [Presiden & Ketua Eksekutif]

Puan Ida Semurni binti Abdullah Ali [Naib Presiden]

Puan Zeti Akmar binti Tajudin [Penolong Naib Presiden]

Puan Rohaiza binti Muhamad [Pengurus Kanan]

Encik Ahmad Razif bin Mohamad [Pengurus]

LAPORAN PROSIDING

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

Rabu, 19 Jun 2019

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

Mesyuarat dimulakan pada pukul 11.33 pagi

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

Tuan Pengerusi: Kita mulakan ya, kita mulakan. Boleh ya semua? *Bismillahir Rahmanir Rahim, Assalamualaikum warahmatullahi wabarakatuh.* Selamat pagi, salam sejahtera kepada semua, terutamanya Yang Berhormat Tuan Wong Kah Woh selaku Naib Pengerusi Jawatankuasa PAC Parlimen, semua Ahli-ahli PAC, kita ada pegawai-pegawai daripada Kementerian Kewangan, Kementerian Hal Ehwal Ekonomi, JPA, Jabatan Peguam Negara, SPRM dan juga Jabatan Akauntan Negara yang berada di barisan belakang kami.

Terima kasih di atas kehadiran dalam sesi prosiding yang kedua untuk hari ini. So, jadinya Yang Berhormat Ahli-ahli mesyuarat sekalian, kita tadi telah mendengar penjelasan daripada MITI berhubung dengan Dasar Automotif Nasional ataupun NAP sebentar tadi dalam prosiding yang pertama. Jawatankuasa kali ini menyambung dengan prosiding yang kedua mengenai tajuknya adalah mengenai pembangunan *air mobility* dan kali ini kita hendak ataupun kita hendak mendengar penjelasan daripada Jabatan Perdana Menteri yang bertanggungjawab terhadap Kumpulan Industri Kerajaan bagi Teknologi Tinggi ataupun MIGHT.

Jadinya semua Yang Berhormat yang hadir di hadapan PAC, daripada JPM adalah Dato' Haji Hasnol Zam Zam Ahmad selaku Timbalan Ketua Setiausaha Kanan JPM, Timbalan Ketua Setiausaha Kewangan dan Pembangunan JPM, Encik Mohammad bin Ismail. Daripada MIGHT yang hadir adalah Datuk Dr. Mohd Yusoff bin Sulaiman, Presiden dan Ketua Eksekutif MIGHT. Ya, terima kasih datang dan terima kasih datang untuk menghadiri prosiding mengenai projek *air mobility* ini.

Untuk makluman semua, PAC Parlimen sebenarnya sudah memulakan prosiding berhubung pembangunan projek *air mobility* ini pada 14 Mei yang lepas. Kami telah memanggil Yang Berhormat Datuk Seri Mohd Redzuan Md. Yusof selaku Menteri Pembangunan Usahawan yang hadir ketika itu bersama dengan Yang Berbahagia Datuk Wan Suraya Wan Mohd Radzi, selaku KSU Kementerian Pembangunan Usahawan. Dalam prosiding berkenaan, PAC Parlimen

dimaklumkan bahawa projek pembangunan *air mobility* ini masih di peringkat cadangan dan belum mengambil kira pandangan daripada mana-mana kementerian termasuk daripada MIGHT. Jawatankuasa juga dimaklumkan bahawa MITI kini dalam proses menyemak Dasar Automotif Nasional ataupun NAP yang dijangka diumumkan pada tahun ini. Ini berdasarkan pada laporan media massa.

Jadinya selain daripada itu JPM melalui MIGHT juga mempunyai *New National Car Programme* seperti yang dimaklumkan sendiri oleh Menteri dalam prosidingnya kepada PAC Parlimen. Jadinya Yang Berhormat Ahli Mesyuarat semua sekalian, selepas kita mendengar penjelasan daripada Yang Berhormat Menteri Pembangunan Usahawan, PAC Parlimen membuat keputusan untuk Jawatankuasa ini turut mendengar penjelasan daripada MITI dan juga MIGHT berhubung program yang sedang dibangunkan ketika ini. Sama ada terdapat rancangan ataupun pelan mengenai projek *air mobility* ini dalam NAP ataupun dalam NNCP.

Jadinya, saya tidak mahu membuang masa, jadinya eloklah kita teruskan mesyuarat prosiding dengan menjemput Yang Berbahagia Dato' Haji Hasnol Zam Zam dan juga mungkin Datuk Dr. Mohd Yusoff Sulaiman untuk memberikan sedikit sebanyak taklimat. Dia punya cara dia selepas memberi taklimat, dia akan ada soal jawab daripada Ahli-ahli PAC kalau sekiranya masih lagi terdapat kurang ataupun penerangan yang diperlukan oleh pihak PAC. Dipersilakan Dato'.

Dato' Haji Hasnol Zam Zam bin Haji Ahmad [Timbalan Ketua Setiausaha Kanan, Jabatan Perdana Menteri]: Terima kasih Yang Berhormat Dato' Dr. Noraini binti Ahmad, Pengerusi Jawatankuasa Kira-kira Wang Negara, Yang Berhormat Tuan Wong Kah Woh, Naib Pengerusi. *Bismillahir Rahmanir Rahim, Assalamualaikum warahmatullahi wabarakatuh*, salam sejahtera kepada semua Ahli-ahli mesyuarat. Saya Hasnol Zam Zam bin Ahmad, Timbalan Ketua Setiausaha Kanan Jabatan Perdana Menteri. Bersama-sama saya ialah Datuk Dr. Mohd Yusoff Sulaiman, Presiden dan juga Ketua Eksekutif Kumpulan Industri Kerajaan bagi Teknologi Tinggi atau dikenali sebagai MIGHT.

Sedikit latar belakang. MIGHT merupakan sebuah syarikat *company limited by guarantee* di bawah JPM yang ditubuhkan pada tahun 1993 dengan mandat untuk memperkasa industri teknologi tinggi negara. Dalam membangun dan melaksanakan industri teknologi tinggi negara, MIGHT sentiasa mengguna pakai platform kerjasama awam swasta. Antara contoh output kerjasama pintar ini adalah pembangunan *Malaysian Aerospace Industry Blueprint* dan *National Solar Industry Roadmap 2030*.

Dokumen-dokumen strategik ini merangkumi hasrat dan keperluan pemain industri dan intervensi yang diperlukan daripada kerajaan bagi memacu industri tempatan sebagai sumber

ekonomi negara yang mampan. JPM sebagai kementerian sentiasa menyokong usaha dan memantau MIGHT dalam melaksanakan mandat mereka melalui pembabitan sebagai ahli lembaga pengarah dan penyaluran peruntukan operasi dan pembangunan. Sebagai makluman, peruntukan OE sebanyak RM10 juta disediakan untuk MIGHT setiap tahun dan peruntukan DE pula adalah sebanyak RM54 juta setahun. Sektor mobiliti sudah tentu berkait rapat dengan pembangunan industri teknologi tinggi dan melibatkan pelbagai kementerian dan agensi.

Justeru, MIGHT telah dilantik oleh kerajaan sebagai agensi pelaksana bagi projek kereta nasional baharu yang telah dicetuskan oleh Yang Amat Berhormat Perdana Menteri pada bulan Jun 2018 sebagai platform untuk menyemarakkan keupayaan teknologi, kejuruteraan dan perindustrian Malaysia termasuk pembangunan sumber manusia dan pembangunan rantaian vendor tempatan. Untuk taklimat yang lebih detil mengenai projek kereta nasional baharu ini, saya ingin menjemput Yang Berbahagia Datuk Dr. Mohd Yusoff Sulaiman, Presiden dan Ketua Eksekutif MIGHT untuk membentangkan status terkini projek tersebut kepada Jawatankuasa Kira-Kira Wang Negara. Silakan.

Datuk Dr. Mohd Yusoff bin Sulaiman [Presiden & Ketua Eksekutif, Malaysian Industry-Government Group For High Technology]: *Bismillahir Rahmanir Rahim, Assalammualaikum...*

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Tuan Pengerusi: Yang Berbahagia Datuk, saya minta maaf Datuk. Sebelum memulakan *the presentation, I – because it is not really related to what we want because we want to know the tajuk is the project air mobility*. Jadinya, akan tetapi memandangkan telah menyediakan itu tetapi *do a very fast and very brief briefing of what you have done*, sangat ringkaslah. Ini kerana selepas itu kalau macam tidak ada apa-apa kita hendak lebih banyak bertanya mengenai *project kereta terbang*. Terima kasih.

Datuk Dr. Mohd Yusoff bin Sulaiman: *Assalamualaikum warahmatullahi wabarakatuh and a very good morning*. Seperti yang Dato' Dr. telah *stated that the air mobility has nothing to do with the new national car project. The new national car project is very much grounded and on the ground*.

I think if you refer to the slide why this national car project is very important, it is because of the many technological changes that are happening that we need to actually keep up in terms of our competency and capability. So, as you know the car of the future will be very much connected. That is why there is a lot of talk about 5G, how car talks to another car, car talks to building, car talks to pedestrians and etc. It is going to be a very connected car and this will be

represented by what we call a digital cockpit – dalam kereta itu we will be having a digital cockpit that can talk to many things as we want.

Tuan Pengerusi: *This include the kereta terbang? When you said the technology, I mean, it is just a question because you mentioned about ... [Disampuk]*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Connectivity. Yes.*

Tuan Pengerusi: *...Connectivity semua but then you talked about the technology as well.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Pengerusi: *The terbang is technology. Do you consider that as part of the discussion when you derived dengan the policy?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Our discussion is basically on a car that is operating on the ground. But, of course in the future we can talk to a car which is flying – in the future, yes. I think that future is very real.*

Second element is the autonomous capability that means the car can drive by itself. As we know some of the cars have already done that, it can park by itself and etc. But that is level three or level four autonomous as we call it, level five is totally self-driving which is going to be coming up soon.

Then, shared is about ownership. Our young people do not want to own cars anymore. As you know, they prefer to use Grab, Uber and the rest. So, the way the car is going to be owned and bought, is going to be a bit different. Then, of course electric is the future for it costs of environmental and also cost-saving purposes. Of course, in Sarawak, there are already hydrogen-fueled buses and then there will also be fuel-cell and etc. So, these are movements towards running away from fossil fuel which is very environmental unfriendly.

Then, lightweight. Cars will be making used of composite carbon fiber and the rest to make it lighter so that utilisation of energy will be very less. So, this is the way we look at mobility that is shaping-up in the future. So, that is why it is very important that we actually look at the platform that can actually develop our competency and capability in this area. So, when the Prime Minister actually announced this project... [Disampuk]

Puan Nurul Izzah binti Anwar: *Sorry, I am so sorry to disturb but Tuan Pengerusi, I want to ask a follow-up question related to your vision at the beginning. Ini kerana disebut tadi autonomous capabilities, of course 5G. So, we all know a part of the NET developed by MITI also includes air mobility. So, can I know why are you excluding that bit considering that Singapura pun contohnya akan melancarkan air taxies yang menunggu kelulusan American Aviation Authority. Jadi, mungkin saya hendak tahu pandangan Dato' Dr.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *The idea of the new national car project is based on the current competency of what the vendors – local vendors and local companies are capable of. That is a starting point. So, in the future we might be talking about capability to make the car fly and etc. ya Yang Berhormat. So, we ... [Disampuk]*

Tuan Wong Chen [Subang]: *Datuk, let us just be very clear. We are not here to listen to your third national car. It is because the issue of the flying car came out almost at the same time – the time scale as the third national car. So, there is a lot of confusion to the public that the third national car is a flying car. Can we conclusively, you know, your testimony that it has nothing to do with it. Then we can move on to the question regarding the third national car.*

Chairman, otherwise you will spend – I mean I appreciate what you have prepared. But we do have a time constraint and we do want to get down to the issue of the flying car in particular. So, can you tell us that and then we move on to the question from the members.

Datuk Dr. Mohd Yusoff bin Sulaiman: *Thank you Yang Berhormat. I think that was already established that the new national car has nothing to do with the flying car. So, it is very much grounded in every sense.*

Tuan Wong Chen: *In that case Chairman with your permission, I would like to ask the very first question. At any time did Aerodyne Group approached you to talk about their flying car concept under the Prime Minister Department or under MIGHT?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *We have a subsidiary that is called as VentureTech which is investing in new technological areas in local companies and Aerodyne has been evaluated and our company has decided to invest in the company. It is because this is the future. This is the future.*

Tuan Pengerusi: *Minta maaf Datuk, siapa yang decided to invest in that company?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *VentureTech.*

Tuan Pengerusi: *The VentureTech.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes, the VentureTech is a part of the DE that Dato' Hasnol was talking about that is given to MIGHT to invest in local companies with this kind of technologies.*

Tuan Wong Chen: *Okay, so VentureTech is a subsidiary company or Badan under the Prime Minister Department. Is it?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Wong Chen: *How much did they invest in Aerodyne?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *So far it is RM10 million.*

Tuan Wong Chen: *RM10 million invested?*

Datuk Haji Hasanuddin bin Mohd Yunus [Hulu Langat]: Semenjak, semenjak.

Datuk Dr. Mohd Yusoff bin Sulaiman: *It is approved and going to be invested into the company. It is recently being... [Disampuk]*

Tuan Pengerusi: *It means that ... [Disampuk]*

Datuk Haji Hasanuddin bin Mohd Yunus: *Boleh saya tahu bila ... [Disampuk]*

Tuan Pengerusi: *...Ada proposal, kemudian selepas proposal you guys evaluated the proposal and it has been agreed. The proposal was agreed, betul?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Pengerusi: *Cuma duit belum masuk lagi?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Datuk Haji Hasanuddin bin Mohd Yunus: *Tuan Pengerusi, boleh saya tanya bila diluluskan benda itu?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *I do not have the details. Okay, 17th April.*

Tuan Wong Chen: *17th April?*

Tuan Pengerusi: *17th April this year bermaksud selepas ada diutarakan mengenai kereta terbang.*

Tuan Wong Chen: *I think the first time we heard about the flying car was somewhere in February 2019. So, about two months later the Prime Minister Department has proposed or committed to invest RM10 million.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *The VentureTech is a subsidiary under MIGHT but it is also on the board of the VentureTech company, a representative of EPU and Ministry of Science and Technology (MESTECC) and also a few people from Nuclear Malaysia and etc. People who are very much adapted to the technological development. So, this company has its own board and its own investment committee that evaluates some of these investments and it will invest in companies that have potential in the future.*

Aerodyne is in the top seven companies in the world in terms of UAV and also apa ini. So, let's not just talking about flying cars. The capability is also in terms of unmanned area vehicle and drones. That is the one that we are I think...

Tuan Wong Chen: *So, your investment of or potential investment of RM10 million is based on their current existing business of UAV?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Wong Chen: *So, it is not an investment in the flying car.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *No, it is not.*

Tuan Wong Chen: *I see. Okay. That is very important. So, was there an evaluation on the capacity and capability to do a flying car?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Well, that is not specific on the initiative itself. But the company has a track record already in terms of delivering applications in terms of unmanned area vehicle and drones Yang Berbahagia Dato'. That means application in terms of monitoring oil and gas pipeline dan sebagainya.*

Tuan Wong Chen: *We know that they do telco business. That is no disputed. It is the capacity of them to build the flying car. That is the issue here. So, to clarify, your potential investment or the investment by VentureTech – so VentureTech may invest up to RM10 million in Aerodyne but it has nothing to do with the flying car?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *No, I do not think so. Yes.*

Datuk Haji Hasanuddin bin Mohd Yunus: *Chairman, chairman. Saya hendak tanya – saya sudah go through sekejap tadi tentang proposal ini dan saya rasa MIGHT mempunyai kepakaran yang cukup dahsyat dalam dunia teknologi seperti ini.*

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Cuma soalan saya kepada Yang Berbahagia Dato' Haji Hasnol Zam Zam macam mana kepakaran yang ada pada MIGHT ini kita membenarkan pula kementerian lain membuat projek *air mobility* ini sedangkan kementerian ataupun MIGHT ini sudah ada kepakaran itu. Kenapa kita membiarkan kementerian lain membuat kerja yang sepatutnya kepakaran yang telah kita bentuk, telah *invest* ini kita biarkan kementerian lain yang buat.

Dato' Haji Hasnol Zam Zam bin Haji Ahmad: Terima kasih. Maksud membiarkan kementerian lain itu...

Tuan Pengerusi: Idea datang daripada – minta maaf apabila dicakapkan kementerian lain sebab dia ada banyak, ada tiga. Kita *concern*, kita ada MITI, kita ada MIGHT yang memang kalau kita cakap mengenai dua kementerian dan dua agensi ini berkait rapat dengan *the development of automobile especially* dekat Malaysia. Akan tetapi kali ini apa Yang Berhormat tadi maksudkan ada kementerian lain yang kita tengok sangat *raw* yang mungkin kita melihat, kita jangkakan macam tidak ada pengalaman dari segi *the development of automotive*. Itu yang kita hendak tanya, adakah ada perbincangan sebelum itu sebab saya tengok Dato' juga mempengerusikan *NCP coordinating meeting* dan kami mendapat makluman melalui apa yang dimaklumkan oleh Yang Berhormat Menteri sendiri bahawa idea ini datang semasa dia bermesyuarat dalam *National Development Council*. Jadinya minta penjelasan daripada pihak Dato' mengenai perkara ini.

Dato' Haji Hasnol Zam Zam bin Haji Ahmad: Sebelum itu untuk makluman Tuan Pengerusi dan juga Ahli-ahli Yang Berhormat, saya menjawat jawatan ini pada 17 April 2019. Jadi semenjak menjawat jawatan tersebut, saya tidak pernah terlibat dengan apa-apa yang berkaitan dengan perkara yang dibincangkan pada hari ini. Jadi mungkin Datuk Yusoff boleh membantu dalam menjawab soalan itu.

Datuk Dr. Mohd Yusoff bin Sulaiman: *Explain* sedikit ada dalam *slide* berkenaan dengan *governance structure*. Maksudnya apabila bercakap fasal *National Development Council is chaired by PM and also four ministers and then other heads of agencies are there. Our rule in terms of reporting to this council was about the national car, that means the one that is on the ground. But in order for us to create a good ecosystem for industry to prosper, it is very important that ministries work together, that's why there is the committee, connecting committee that is chaired by KSN is actually including the KSU of four ministries and also by ICU.*

This is very important Tuan Pengerusi *because when we talk about industry development it is not just about technology, it is about finance, about regulations dan sebagainya. So, I think that is the reason why this ecosystem was built and it helps a lot in terms of kalau kita hendak bagi insentif. For autonomous car, you need a new regulation, we don't have the regulations yet. So, you know even for electric, full electric car we don't have the regulations yet so we have to get the regulations at par with the technological and product development.*

Datuk Haji Hasanuddin bin Mohd Yunus: *Chairman*, saya menghormati *governance structure* yang ada di sini tetapi dalam kes projek *air mobility*, adakah perbincangan ini berlaku dalam peringkat ini dan *committee* di bawahnya.

Datuk Dr. Mohd Yusoff bin Sulaiman: Setahu saya tidak ada Yang Berhormat.

Datuk Haji Hasanuddin bin Mohd Yunus: Jadi apa maksudnya wujudnya *governance structure* yang begitu cantik, tiba-tiba ada projek yang sedang berlaku tidak dapat diselaraskan?

Datuk Dr. Mohd Yusoff bin Sulaiman: Di peringkat *National Development Council* bukan sahaja *national car* dibincangkan di situ, *Cyberjaya Development* dan sebagainya pun ada di situ juga.

Tuan Pengerusi: Akan tetapi projek Datuk. Akan tetapi projek *air mobility* ataupun kereta terbang ini besar impaknya. *Everyone was talking about it and still talking about it.* Takkanlah ia tidak dibincangkan dalam mesyuarat ini *because we are talking about coordination.* Takkanlah benda besar macam ini boleh terbiar rata sampai dimomok-momokkan oleh orang lain.

Datuk Dr. Mohd Yusoff bin Sulaiman: Ia idea Tuan Pengerusi, *many people can come out with their own idea but we as MIGHT we understand that the air vehicle taxi ataupun air taxi kah is going to be somewhere still in the future. That's why our focus is more on the what's on the*

ground and what we can do to help the vendors yang mana sudah diketepikan sebab syarikat PROTON dah *no longer owned by PROTON itself* dan sebagainya, *is to develop a new ecosystem for these companies to grow*. Jadi pada kita *yes, air mobility but it's something that in the future that we have to work on a lot of more other things*.

Tuan Pengerusi: *In the future* itu bila Datuk? Sebab dalam ini akhir tahun ini sudah hendak terbang ini, kereta terbang ini. Sudah ada *timeline* sudah.

Datuk Dr. Mohd Yusoff bin Sulaiman: *As I said technology no issues tetapi regulations is going to be an issue. And then how do you manage traffic in the air is a very not many countries have solved that problem yet. So, this is not the technological issue, kita boleh – in fact...*

Tuan Pengerusi: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Dr. Mohd Yusoff bin Sulaiman: Tuan Pengerusi, *unmanned air vehicle* ini kita sudah ada sebenarnya. Kita sudah *convert* kita punya *eagle aircraft* dahulu kepada *unmanned remote control*. Sudah ada *what you use it for*, kita pakai untuk *applications in terms of surveillance* dan sebagainya untuk *military application*, kita sudah buat, boleh terbang. *It doesn't matter...*

Datuk Seri Haji Ahmad bin Haji Hamzah [Jasin]: *That was done in Malacca.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes correct* Yang Berhormat.

Datuk Seri Haji Ahmad bin Haji Hamzah: Saya ingat benda itu. Akan tetapi Tuan Pengerusi *what that really surprised me, you are supposed to be in the NACP technical meeting on the governance structure, you are supposed be the chairman of the technical committee. How come that you are not aware of all this?*

Datuk Dr. Mohd Yusoff bin Sulaiman: Saya *aware* Yang Berhormat tetapi saya punya *focus is on the developing of the national car and to contribute to the country's GDP and develop the local vendors, those are my priorities.*

Datuk Seri Haji Ahmad bin Haji Hamzah: Kita tengah bincang tentang kereta terbang ini. Kita bercakap fasal kereta terbang.

Datuk Dr. Mohd Yusoff bin Sulaiman: Betul.

Datuk Seri Haji Ahmad bin Haji Hamzah: *But you are supposed to be the person who is in charge for that matter the chairman of the governance structure on technical.*

Datuk Dr. Mohd Yusoff bin Sulaiman: Yes.

Datuk Seri Haji Ahmad bin Haji Hamzah: *You are supposed to be the person who are here well aware.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Now, dia kalau projek macam ini is initiated by the private sector, fine, they can do it on themselves. But the national car project ini is done by*

private sector, led by private sector but needs the government punya support because of the developmental objective yang kita hendak. Kalau dia buat dia pakai parts daripada negara-negara luar, then it'll defeat the purpose. We have companies in Penang yang membuat digital cockpit, we have companies dekat Kulim yang buat semiconductor chip yang ini yang kita hendak gunakan dalam the new national car supaya the car is national-kan? Ia ada localisation punya objektif.

But kalau orang hendak membuat kereta terbang and then it only involves the four fans and then tidak ada banyak opportunity for us, for the country to benefit, then let the private sector buatlah. But like I said the private sector can do it but it has to also align to the regulations, to all these things.

Datuk Seri Haji Ahmad bin Haji Hamzah: *Even if it is initiated or invested by foreign parties, eventually only infrastructure has got to be on us, you know, because we got to spend a lot of money. That is why we are here for. Itu yang kita hendak cakap sekarang. Kita kata kalau kita hendak bermula dengan kereta terbang ini, are we ready for that?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Certainly not, Yang Berhormat. I mean in our committee there is Ministry of Transport which is in charge of the air space, we don't have anything at all to manage the air mobility or air vehicle to operate. So even in our discussion about the new national car project, when we talk about electric vehicle, we are obvious about the fact that we need to put in the infrastructure charging, infrastructure in place dekat Klang Valley ini adalah 2,000 charging infrastructure but apabila pergi ke Terengganu, apabila pergi ke Kelantan macam mana? And then there is connectivity punya issues kalau katakan we look at autonomous for example, then dia punya broadband tidak cukup and then apabila tidak ada communications they cannot go anywhere. So, this we are very aware, we have been discussing all these issues except for the air mobility which we think 10 years from now only then we can actually look at it in the future.*

Datuk Haji Hasanuddin bin Mohd Yunus: *Chairman...*

Tuan Pengerusi: *Yes, yes.*

Datuk Seri Haji Ahmad bin Haji Hamzah: *Akan tetapi sekarang Datuk, saya bukan bercakap tentang kapasiti, tentang infrastructure that which is required to start off but do you have that kind of money?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *For the production of the new national car it is going to be private sector-led, there are already investors that are going to invest in that project. The infrastructure like charging kalau kita go for full electric which we will not go for a full electric because of the lack of infrastructure— maybe a combination is a hybrid moving towards electric.*

But the most important thing is a localisation of the parts and components made by companies in Malaysia, which are as good as the ones that are from the oversea Yang Berhormat, cuma tidak ada peluang. Tidak ada peluang hendak meletakkan dia punya product into a car because kalau you are going for Toyota for example, you kena bersedia tujuh tahun itu pun dia akan consider bagi you satu part kecil.

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But this is our own decision, this is our own national car. Kita boleh letak whatever you want to put inside there. Make it very competitive.

Datuk Haji Hasanuddin bin Mohd Yunus: Ya, saya masih hendak menjalankan tugas sebagai anggota PAC dalam tajuk kita tentang prosiding berhubung pembangunan projek *air mobility* ini. Saya ingin masih kembali kepada Dato' Haji Hasnol walaupun Dato' masuk 17 April tetapi bagi saya dalam tempoh ini, Dato' sudah boleh mengemaskan segala maklumat yang berkaitan dengan isu ini.

Sudah tentu Dato' mempunyai satu pandangan, apakah komen terhadap projek *air mobility* yang berada di Kementerian Pembangunan Usahawan yang kami sendiri yakin bahawa kementerian ini tidak ada kepakaran sebagaimana kepakaran yang ada di bawah JPM khususnya melalui MIGHT ini. Saya perlukan komen daripada Dato'.

Dato' Haji Hasnol Zam Zam bin Haji Ahmad: Yang Berhormat, pertamanya kalau kita lihat kepada *governance structure* itu, *I'm nowhere to be seen as a person and as a post* ya. Oleh sebab itu saya bantahkan tadi di peringkat permulaannya tanggungjawab saya di JPM ini dalam hubung kait dengan MIGHT ini adalah menyediakan peruntukan yang diperlukan berdasarkan kepada program-program yang dirancang oleh MIGHT sama ada melibatkan *subsidiary companies, ventures companies* dan sebagainya dan sebahagian daripada bajet itu datang disalurkan melalui OE ataupun *operation expenditure* melalui MOF ataupun yang melibatkan projek-projek pembangunan.

Ini termasuklah pembangunan usahawan-usahawan dalam bidang inovasi, *high technology* dan sebagainya akan disalurkan oleh EPU ataupun Kementerian Hal Ehwal Ekonomi. Jadi di situ sahaja sebenarnya ruang lingkup tugas saya dan tanggungjawab terhadap MIGHT. Apa yang berlaku di peringkat MIGHT itu adalah dengan MIGHT dan *board of directors*-nya dan juga pengerusinya yang dipengerusikan oleh Yang Amat Berhormat Perdana Menteri sendiri.

Projek-projek yang diputuskan dan akan dikemukakan kepada JPM *for bidding of expenditure* dan juga bajet itu akan dipertimbangkanlah melalui proses-proses yang ada. Cumanya kalau saya boleh memberi pandanganlah tentang idea *flying car, air mobility* dan sebagainya ini, mungkin atau mungkin tidak ada kaitan dengan projek yang dilaksanakan oleh

MIGHT. Apa yang dilaksanakan oleh MIGHT dalam konteks *new national car* ini adalah lanjutan kepada wawasan Yang Amat Berhormat Perdana Menteri untuk mewujudkan satu lagi industri yang boleh menjadi *catalyst* kepada banyak perkara lain, *vendor development, entrepreneurship, technology, owning the technology itself*.

Saya juga dimaklumkan antara apa yang menyebabkan hasrat untuk meneruskan ataupun memulakan satu projek *new national car* ini adalah kerana PROTON sendiri pernah berusaha untuk menghasilkan kereta sendiri ataupun enjinnya sendiri. Akan tetapi hasrat itu tidak dapat diteruskan disebabkan oleh perubahan *setting up environment* dan sebagainya, *especially* selepas diambil alih oleh syarikat lain.

Jadi Yang Amat Berhormat Perdana Menteri melihat bahawa ada potensi dan ada *opportunity* untuk kita *somehow* menyelamatkan usaha-usaha yang telah dibuat oleh PROTON itu dalam bentuk meneruskannya dan menjadi platform ataupun nukleus kepada pembangunan *the new national car*. Itu yang menyebabkan dan membawa kepada apa yang telah dibentangkan oleh Yang Berbahagia Datuk Yusoff tadi.

Tentang idea daripada kementerian-kementerian lain, di dalam fungsi-fungsi menteri itu ada banyak perkara yang boleh *trigger ideas*. Contohnya *Ministry of Entrepreneur Development*. Dia mungkin melihat *flying car* ini sebagai satu *opportunity* ataupun platform untuk menggalakkan *entrepreneurship* sama ada di kalangan industri ataupun di kalangan *investors* yang mungkin hendak memperkenalkan *flying car* ini kepada pasaran.

Jadi itu mungkin menyebabkan berlakunya cetusan idea bahawa *national flying car* ini *as a platform* dan Menteri yang mungkin mencetuskan idea ini bercakap atas kapasiti beliau sebagai Menteri yang hendak menggalakkan *entrepreneur development*. Mungkin juga Menteri yang hendak menggalakkan *international trade investment* dan sebagainya mungkin boleh bercakap tentang idea yang bersamaan dengan industri mobiliti dan sebagainya. Akan tetapi dalam konteks yang berbeza dan atas melaksanakan fungsi beliau di bawah Akta Fungsi-Fungsi Menteri. Saya lihat itu sebagai kemungkinan Yang Berhormat mengapa ada ini.

Akan tetapi *of course* saya setuju sekiranya sesuatu itu hendak dibuat secara yang serius, maka *coordination* dan penyelarasan itu perlu berlaku. Cumanya pada peringkat ini, memang tidak ada *coordination* sebab mandat yang diberikan oleh *Board of Directors* MIGHT ataupun Yang Amat Berhormat Perdana Menteri sendiri adalah untuk MIGHT untuk membangunkan sebuah kereta yang di bawah tajuk *The New National Car* yang merupakan *a grounded car* walaupun akan ada banyak teknologi yang akan digunakanlah *for the car to top to the outside world* termasuk *car* yang di udara dan sebagainya. Jadi itu pandangan saya. Jadi

pelbagai agensi dalam konteks yang berbeza dan kebetulan idea mereka perlu digabung jalin atau di-*coordinate* dengan usaha-usaha yang lain.

Datuk Haji Hasanuddin bin Mohd Yunus: Baik Dato', terima kasih. Cuma, projek *air mobility* ini adalah merupakan satu projek yang besar seperti yang disebutkan oleh *Chairman* yang lain semua faham. Betul Menteri berhak untuk bagi idea tetapi apabila sampai ke peringkat teknikal yang memerlukan kepakaran dan sebagainya, semua penjawat awam tahu bahawa Kementerian Pembangunan Usahawan tidak ada kepakaran itu dan negara telah ada agensi yang berkaitan MIGHT dan juga bawah MITI paling tidak.

Kenapa kementerian ataupun JPM yang Dato' jaga ini tidak memastikan bahawa idea yang baik daripada Menteri itu disalurkan kepada jabatan atau agensi yang mempunyai kepakaran yang kita telah belanjakan duit untuk itu. Kalau saya tanya Datuk Yusoff, berani ambil alih projek ini untuk diletakkan di bawah MIGHT dengan tenaga dan kepakaran yang ada pada MIGHT sebagai contoh?

Datuk Dr. Mohd Yusoff bin Sulaiman: Malaysia ini Yang Berhormat... ada *limited resources*. *We cannot spend on every single idea. But I think the idea of air mobility will come but like I said it's not now because it's not about technology issues, it's about regulations, it's about the infrastructure, it's about all the others things.*

Kenapa kita hendak *at this time invest on this infrastructure when the basic infrastructure* kita untuk kenderaan yang biasa tidak dibuat dahulu. Jadi *for us, we even have consulted a few people on the air mobility* punya ini, *it's going to come in about 10 years from now. So, kita ada time* untuk *build that product towards that.*

Datuk Haji Hasanuddin bin Mohd Yunus: Okey *Chairman* soalan akhir untuk pusingan ini.

Tuan Pengerusi: Boleh, boleh. Untuk pusingan inilah? *Can, can. Please proceed.*

Datuk Haji Hasanuddin bin Mohd Yunus: Maknanya MIGHT merasakan belum bersedia lagi tetapi tidak mengapalah itu pandangan MIGHT. Akan tetapi apabila MIGHT yang ada kepakaran merasakan belum bersedia lagi, kita benarkan agensi ataupun kementerian lain buat benda yang kita yang pakar ini merasakan belum tetapi seolah-olah negara membenarkan agensi lain untuk buat yang kita sendiri yakin belum bersedia untuk itu.

Datuk Dr. Mohd Yusoff bin Sulaiman: *Like I said just now kita invest in Aerodyne because they are already developing products applications for current use for example monitoring of pipeline, electrical grid dan sebagainya. It's a very good operation at the moment, good business. Yes, they are already done that and they are number seven in the world.*

So that, there is every reason why we should actually make this company much better, much bigger and more visible in the world and they need a little bit of investment to expand their operation. So, we don't think that as a problem. But when they want to actually do air mobility programme, then they will be evaluated by the committee that they have over there, whether they are going to bring return on investment or not. As for my professional opinion, it is not the time yet to do that.

Tuan Wong Kah Woh [Ipoh Timur]: *Chairman, Dato' can I go back to the issue of the RM10 million investment daripada VentureTECH ke Aerodyne. Tadi memang dinyatakan bahawa this investment has nothing to do with the flying vehicle that was mentioned but anyhow sekiranya kita perhatikan timeline of the announcement made by the Minister sometime in February, the investment came in in April. So, that couldn't be a coincidence. So, a few questions perhaps I need to ask.*

Number one, is this the first investment by VentureTECH into Aerodyne? Sama ada ini merupakan investment yang pertama.

Number dua, what is the basis of your investment?

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So, what has made you to make this decision to invest into Aerodyne? Number three, what is the form of the investment? Apakah bentuk investment itu? Capital or whatever. It is because eventually if it is to be connected with Aerodyne and Aerodyne is the company who has approached MED Minister to develop the flying vehicle, it may be seen as an indirect grant from the government through a government arm to actually finance the whole idea. So, perhaps give us some explanation over the whole investment and of course the details as to which Aerodyne company that you have actually injected the investment into.

Datuk Dr. Mohd Yusoff bin Sulaiman: *Firstly Yang Berhormat, is that, this is not a grant. This is an investment. That means it will be required for the company to pay back for that...*

Tuan Pengerusi: *It is a loan?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes. It is an investment. I mean I pay... [Disampuk] It is translated into a share. But it is also something that you have to pay back.*

Tuan Pengerusi: *Okay, within...*

Tuan Wong Chen: *No, no...*

Tuan Pengerusi: *It is not... [Disampuk] It is an investment?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *It is not a grant.*

Tuan Pengerusi: *It is not even a grant...*

Datuk Dr. Mohd Yusoff bin Sulaiman: *It is not a grant at all.*

Tuan Pengerusi: *So, how long are you giving them for them to show some return?*

Tuan Wong Chen: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Wong Kah Woh: *You let us know, what is the form of the investment?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes. It is not a grant.*

Tuan Wong Kah Woh: *It is not a grant. Yes, it is an investment. What is the form of investment?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes. So, the...*

Tuan Wong Kah Woh: *You get a share, become a shareholder or what?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Okay. Like I said, the company is operating as a subsidiary of MIGHT with its own investment committee and board. So, I am not directly involved in the transaction. So, according to this publication by the company, the instrument they used is a renewable convertible preference share. That means there will be a return in terms of their profit and also that is...*

Tuan Wong Chen: *So, the preference share is at what rate? Six percent, eight percent?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Sorry Yang Berhormat, I don't have the information here. We can send you the information later.*

Tuan Wong Chen: *So basically, it is very simple. They're just giving a loan with some fixed return and then with the right to convert into equity later, convert into preference share. So, it is neither here nor there. Just to follow-up on the deputy's questioning, is this normal for VentureTECH to invest in this kind of thing? It is because normally, you'll be like Khazanah or you know, somebody else who is also doing this kind of investment. It is VentureTECH investment you know, like investment shareholding body, how big do they invest? Do they invest a lot or do they invest in a variety of industries?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Now, to answer the earlier question that this is the first investment into Aerodyne. Secondly on your question is that there are a lot of companies that require this kind of investment. So, I promptly think that Khazanah will be looking at a bigger, huge amount that is required by companies. Our focus is more on technology-based companies which is very high-risk, because you may not know whether their investment or their product development is going to be something which is very successful.*

So, this is the idea that I think from the start was to invest in a start-up, to invest in companies with ideas to develop their products. But we found out that it is very challenging for this kind of investment fund to actually invest in a start-up because you need more and more money as you go along. So, the latest is that the investment is based on a matured company that requires a money for expansion and that would actually allow them to go into big other markets

or even into other products. So, that is the— It is based on technology for this company, biotechnology, nanotechnology, green technology and related to that. So, these are the scope that has been given to the VentureTECH to actually invest in some of these companies.

Tuan Pengerusi: Datuk, bila *company* ini mohon untuk mendapatkan bantuan daripada *venture capital* ataupun VentureTECH?

Datuk Dr. Mohd Yusoff bin Sulaiman: *I don't have the details.*

Tuan Pengerusi: Mana yang tadi Datuk tidak dapat bagi *details* ke atas persoalan kami, minta diberikan kepada Sekretariat PAC. Kita minta supaya...

Datuk Dr. Mohd Yusoff bin Sulaiman: Ya. *I will do that.* Yes.

Tuan Steven Choong Shiau Yoon [Tebrau]: Tuan Pengerusi, boleh saya? Okey. *Can I just follow-up like a few questions? The RM10 million, is it an initial investment? Will there be a subsequent investment? First question. Before MIGHT made the decision to invest, what are the criteria used to come to the conclusion that it is a worth of investment?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Right. There are a lot of proposals coming in to VentureTECH Yang Berhormat. They have to evaluate according to the ability of the companies to make a return on the investment. I think that has been the case, but there is also a very developmental objective behind this investment. Hoping that the company that we invest in can become a global player, can become a very significant player in the industry.*

So, we choose company which are dealing with let's say biomass, in medical devices and et cetera. These are the things that the country needs in terms of making it becomes competitive. So, the UAV and drone areas are becoming more important in an automated and also in order to do a lot of functions that can be automated nowadays. So, I guess that is the interesting part of this company. On its detail evaluation, again maybe VentureTECH will be able to give you more details if they were to present here.

Tuan Wong Chen: *Chairman, just a very quick comment on this issue. We definitely have to call VentureTECH to come and explain their evaluation exercise. It is because we need to know - because we know Aerodyne has a group of companies. If they park in the UAV business into one specific company and you invest RM10 millions of preference shares in that convertible preference shares, that is okay. But you invest and they use that money for development of the flying car, that is a big problem because the Minister testified that not a single cent of Malaysian money has been used. So, it is correct. I think we should pursue the matter a bit deeper.*

Tuan Pengerusi: *Anymore question?*

Puan Nurul Izzah binti Anwar [Permatang Pauh]: *He wants to present a national car. We dengarlah.*

Tuan Pengerusi: Okeylah. Nanti, kita tanya dahulu fasal ini. Kita tanya dahulu. Okey Yang Berhormat Tebrau.

Tuan Steven Choong Shiau Yoon: *You see any investments we must foresee just a timeframe, timeline that because as an investor, I must know when the project will become what we call launch commercially, that will be a commercial product. It is because this is a new venture, at the moment you don't have product. But you are tended to develop a product. So, what is the timeframe that is given to this company that they must produce a commercial marketable product?*

Datuk Dr. Mohd Yusoff bin Sulaiman: Yang Berhormat, *I think any investment companies need to have an exit strategy. And I think for every investment, I think it will take about three to five years for them to exit out to allow the company to make that profit at that time. So, I think VentureTECH has the same policy. I think the important thing is this investment I think more towards expending, expansion of Aerodyne's capability and like I mentioned before, its application of the UAV and drones for that kind of industrial application. So, I think this is very— We can consider that as a very growing industry. Most of the utility companies will actually acquire this kind of services. This time I think most of their platforms are imported from China and et cetera. It is the brain, the application that is applied in here. So, that is as far as I can explain to you by think, that is an exit strategy for the company about three to five years and then to invest in other proposals as it comes along.*

Tuan Pengerusi: Maknanya Datuk tidak tahulah bila *this company* masukkan proposal dia untuk apply? *That one you don't have that information?*

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Jadinya, *do you when you said that usually* bila VentureTECH decided to invest dalam any companies yang ini melihat kepada *the application of the potential revenue going to be gotten by the company.* Jadinya pada Datuk lah *personally*, Datuk rasa adakah dia punya *future income* itu termasuk kereta terbang itu sendiri? *The development of kereta terbang.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *I think, this is just my opinion okay. In three to five years-timeline I don't think the flying car would actually be making any kind of an impact in terms of business lah ya.*

Tuan Wong Hon Wai [Bukit Bendera]: Ya, Tuan Pengerusi saya ada soalan. Ya, *from my side.* Sebentar tadi saya mendengar bahawa Menteri membuat kenyataan bahawa tiada *public fund involved.* Kemudian, tadi saya dengar pula ada RM10 juta. So, siapa yang meluluskan...

Puan Nurul Izzah binti Anwar: VentureTECH lah.

Tuan Wong Hon Wai: Ya.

Tuan Pengerusi: VentureTECH, ini VentureTECH, nanti kita panggillah VentureTECH.

Puan Nurul Izzah binti Anwar: *Yes, we have to call the agency separately.*

Tuan Pengerusi: Dia sudah cakap tidak tahu...

Tuan Wong Hon Wai: Oh, dia tidak tahu. Ini kerana *conflicting of testimonials you know.*

Tuan Pengerusi: Ya, ya.

Puan Nurul Izzah binti Anwar: *In the Parliament, it will be asked.*

Tuan Wong Hon Wai: Ya.

Puan Nurul Izzah binti Anwar: *In the Parliament it was answered. So, we'll call later.*

Tuan Wong Hon Wai: Ya, okey.

Tuan Pengerusi: Okey, ada apa-apa lagi soalan sebelum ini ada – *no*, ini dengar dulu *the presentation on the national car. The new national development punya- comes from your side.* Kita dengar ya, boleh ya kalau tidak ada soalan. Ada soalan?

Tuan Wong Chen: Cepat sikitlah.

Tuan Pengerusi: Okey, okey tetapi *a quick one* ini, *a quick one, please.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Thank you. So, if we can move to the next slide please.*

Tuan Pengerusi: Ya.

Datuk Dr. Mohd Yusoff bin Sulaiman: *So, basically the national car would bring a lot of benefits to the country. As what have been shown here in one example in the US industry USD21 trillion was generated by the automotive industry. If I am not mistaken kalau, MITI pun sudah explain, that is about a RM60 billion turnover of automotive industry revenue for the country every year. So, it is a big industry. That is why we are not happy if the players in the automotive industry go down and are not able to do their business if there's no support from the government. Next slide.*

These are some of the objectives to maintain the country as being top in the world in terms of industrial cluster locations, Malaysia rank ten, 25 leading countries' revenues for the future production top 25, 13. So, without this national programme, it is very difficult for us to maintain this kind of standing in the world. Next slide. So, it is a public private partnership as explained by the governance structure just now but a company would actually be leading this. Then, we already have similar organisation like CREST in Penang that is helping us to collect a cluster of automotive players in Penang to become part of the programme.

Then, we hope to also work with the Ministry of Entrepreneur Development to develop other vendors for this programme. So, it's again a knowledge and technology that can be applied beyond the car. It can be applied in the rail industry, can be applied in the aerospace industry,

can be applied in any emerging industry. So, this is very important that we look at the national car project beyond just a car. Next slide. I have already explained on the governance structure; we are reporting to the National Development Council every three weeks with regard to the development in this project. Next slide.

Tuan Pengerusi: *Every three weeks takkan tidak ada dalam discussion tanya fasal kereta terbang?*

Datuk Dr. Mohd Yusoff bin Sulaiman: Tidak ada Tuan Pengerusi. [Ketawa] Kalau tidak ada orang tanya kita, kita takkan hendak bangkitkan. Kita ini pelaksana sahajakan. [Ketawa] So, the idea of the national car implementation is that we need to build a prototype. A prototype that is very different because we are going to work from what local companies have which is very good that can actually be put into the car even the engine would be our own engine, it's not going to be bought from other places.

We think about low volume production because for a start I think we cannot be as big as Toyota or even as Proton but we will cater for the local market and eventually for the ASEAN market. Then, the mass production will happen. Then, to help this project to be implemented smoothly, that's why we have another coordinating committee looking at the policy regulation including MITI, R&D incentive, vendor development, new bidding business, test BIST and human capital. So, kalau kita boleh guna Cyberjaya as the test BIST for kita punya electric vehicle or autonomous vehicle then it can become a very good attraction for companies to invest into Cyberjaya.

Next slide. So, all in all, it is about strengthening the vendor development programme from tier 1 up to tier 3. This tier 1 are very big module companies those who do macam one module like cockpit display, one module like the engine. These are called tier 1 suppliers and tier 2 are those who make up some of the smaller parts and tier 3 smaller parts.

So basically, we are touching even the small medium enterprises that are in this industry. So, this is a very important project. Next slide, please.

Datuk Haji Hasanuddin bin Mohd Yunus: Sorry, yang ini yang dibincangkan dengan Kementerian Pembangunan Usahawan?

Datuk Dr. Mohd Yusoff bin Sulaiman: Yes, Yang Berhormat.

Datuk Haji Hasanuddin bin Mohd Yunus: Terima kasih. [Ketawa]

Tuan Pengerusi: Semasa bincang-bincang ini tidak ada tanyakah? I mean, no because that one is car you know.

Puan Nurul Izzah binti Anwar: [Bercakap tanpa menggunakan pembesar suara]

Tuan Pengerusi: Ya.

Datuk Dr. Mohd Yusoff bin Sulaiman: Tuan Pengerusi, *I have to be focused Tuan Pengerusi. This is a big project on its own. We are also receiving a lot of public enquiries about this project alone.*

Tuan Pengerusi: *Ya, I am sure.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *So, we have to kan? Kalau I masuk the word Air Mobility sahaja sudah jadi lagi kan, but you know it's better that I focus on this and deliver this as soon as possible. So, again, it is a partnership platform, OEM, industry technology providers and the rest. Again, next slide please. It is all about this collaborative effort in terms of investors, R&D centres. But the project will touch even up to the education because as you know the number of sciences– STEM students are now around 20 percent. There's no interest from the young people to go into these studies because there's nothing to look forward to.*

But if they know there is a career location and very interesting that the country is known for its car ini then everybody goes into engineering and et cetera. We also hope to create more R&D centres you know like German-Malaysian Institute dan sebagainya as to become very important institute for R&D and et cetera. Then, contract manufacturing, government facilitation and the rest. So, these are some of the key milestone...

Tuan Wong Kah Woh: *Datuk, just a quick one ya.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Ya.*

Tuan Wong Kah Woh: *Back to page 10, muka surat 10, the key potential partners of SPV are including OEM, MIGHT and industrial technology providers.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Wong Kah Woh: *OEM ini siapa ya?*

Tuan Wong Chen: *Venture.*

Tuan Wong Kah Woh: *That is not a name?*

Tuan Wong Chen: *No, that's not.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes.*

Tuan Wong Kah Woh: *Oh, original equipment manufacturer.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes, yes.*

Tuan Wong Kah Woh: *Okey, okey OEM. OEM, ODM all these things lah?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes, yes.*

Tuan Wong Kah Woh: *Okey, okey. It's because I thought this is a company.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Right, okay. So, two slides forward. These are...*

Tuan Wong Chen: *Datuk, just to sorry ya. Now, you've identified the private company, right?*

Datuk Dr. Mohd Yusoff bin Sulaiman: Yes.

Tuan Wong Chen: *Is there any time you want to disclose to us who are these private companies, what is the size of their investment?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Well, most of the discussion is done at the National Development Council. I've been asked not to say anything outside of it, therefore yes, to be a National Development Council...*

Tuan Wong Chen: *Can you give us an idea how big this investment is?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Well, the investment in the prototype is RM20 million, it is to develop that prototype and the production will be about RM400 million to RM500 million and that will be done by the private sector.*

Tuan Wong Chen: *Now, the government has always maintained and this is my government, we are from Pakatan, okey. [Ketawa] The government has maintained that they will be no expenditure on the part of the government.*

Datuk Dr. Mohd Yusoff bin Sulaiman: Yes.

Tuan Wong Chen: *But obviously we will offer them some tax incentive for those lah. That's normal, that's the final status whatsoever. Are you also giving them free land?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *The current approach to this is to utilise current capacity. That means that I can produce this car let's say in the Sime Darby production plant because they have access capacity. So, we are looking at utilising local infrastructure and local capabilities Yang Berhormat.*

Tuan Wong Chen: *So, they are not building their own plant everything?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *No, not that I know of.*

Puan Nurul Izzah binti Anwar: *Can I ask a follow-up, sorry Tuan Pengerusi. It is quite important because you mentioned many times tadi ya, Datuk Dr. you sebut tentang domestik ataupun local vendors.*

Datuk Dr. Mohd Yusoff bin Sulaiman: Yes.

Puan Nurul Izzah binti Anwar: *That it is important to support them and everyone knows that the entire development Proton, there was really the need to focus, strengthen them and develop them further.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Right.*

Puan Nurul Izzah binti Anwar: *Now, you know I first read on Proton ini because there was an ISIS paper back in 1985. It was a feasibility over national car and the ability of our populist to support it. They were against it. So, sekarang ini memandangkan in terms of Proton, they of*

course have this joint venture, 49.9 percent dengan Geely and they have gotten the approval from the Chinese counterpart for assembly and a new network of dealers in China will take place.

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Jadi, persoalan saya *did MIGHT do a feasibility study? It is because you are venturing into something very important which is to maintain our domestic vendors tetapi why did we choose to do this instead of being content with the slightly majority share that we hold in PROTON. What is our comparative advantage moving forward? It is because was it – I mean again I do not know – I am not privy to the deal dengan Geely ini. Does it mean that our domestic vendors affected kah negatively? Jadi, kalau boleh you explain sikit to show there is a clear-cut plan that is moving forward the local vendors ini. We definitely have a better future with the third national car which will not have a negative impact on our finances.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Right. Again, this is going to be a private sector-led investment. So, the company that is leading this program has to decide what type of car, what kind of market they are talking about. Our job is to facilitate them in order to develop this product and to make sure that another ecosystem is supportive of that.*

Yang Berhormat, since PROTON is bought over by Geely, the local vendor development ecosystem was disrupted because Geely now depends by bringing in their own vendors into Malaysia. As you know the X70 that is produced, that is sold now is actually 100 percent imported. There is no local content. No local content. It is from sana, completely built-up CBU and sold here. That requires MITI punya approval to do that. But that is also against the future that maybe this will also be assembled here and the local contractors.

But as you see the development of the car has gone so many steps ahead. If our vendor is not involved in many of this program they will be left out and they will not be able to secure any kind of business from this company which have a lot of alternatives especially coming from China within economy of scale is very difficult. That is why the new national car project is talking about and OEM that is Malaysian that can decide to actually use our own products or to develop our own local products for our own particular use.

Of course, we have to make sure that these are very good products. As we know, the electronics in electrical industry in Malaysia is one of the advanced in the world. So, there is no reason why we cannot use many of these products into the car.

Tuan Wong Chen [Subang]: *Okay Datuk, while we understand the PROTON experience has been quite negative, I mean in the broad sense for the consumers. We understand you rebuild an entire ecosystem doing spare parts and part components part – that one we appreciate it.*

While the government may not be pumping a single cent into this matter, are you going to still use the excise duty and import duty which punishes the consumers by having a very expensive car in Malaysia to continue to support you third national car project? What I really want to know which is a follow-up from Yang Berhormat Permatang Pauh's question is the macro cost benefit study. Have you done it? Are you willing to share it? It is because there are many people who have a very strong opinion on the third national car. We know the Prime Minister loves this project. We appreciate that. We would like a more open discourse like you know what Yang Berhormat Permatang Pauh said in year 1995, I see a self-recommended not to pursue this proceed PROTON back then. With the hindsight that we have, the ecosystem will be built, I think many of us are a bit sceptical on the third national car.

Datuk Dr. Mohd Yusoff bin Sulaiman: *I think the result of our decision 30 to 40 years ago has actually created an industry which is RM60 billion per year kadar turnover. I think in a way has shown how Malaysia has develop a good strategy compared to other countries which do not want to have their own national car.*

Tuan Wong Chen: *No, no Datuk. It was the back of the Malaysian people having to pay a lot of money for cars. I mean let us not mince around. There are indirect taxes and the direct taxes. A failing educations in system means you have to go to private school. There is indirect tax to consumers. Same with the car issue. What I want to know is where is your latest cost benefit economics study and are you willing to share?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *No, the cost benefit as what that has been done by the private sector – like I said again, this is a private sector investment.*

Tuan Wong Chen: *No, I agree. But are you going to use government excise duty and import tax of cars from Japan or from Germany to artificially create a market for this new national car which costs the consumers a lot of money? That is the broad question that I am trying to drive at.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Yes, but you also know that the imported cars are having their own rebates and et cetera because hybrid car that is sold in Malaysia is actually for every units RM10 million loss. So, even Honda and everything is doing that. So, they are I think at least an equal whatever the other imported cars are getting that the Malaysian cars should actually get. That is the whole is benchmarked.*

I do not think this should be asking for more, I do not think this should be asking for any to make it saleable because I think the idea that this car is going to come in is to meet a certain requirement by Malaysia and other ASIAN region. We think we can compete there. That is why I

said the use of our own engines for this particular purpose that we have developed ourselves is actually a cost saving approach.

Datuk Seri Haji Ahmad bin Hamzah: *You can really know what is the market demand like because otherwise for any new models for that matter unless they will be telling it now, unless you can keep 500,000 to one million then only you can breakeven. That is supposed to be the requirement now.*

Akan tetapi saya sekarang hendak tanya satu sahaja Datuk, saya ucap tahniah kepada sekurang-kurangnya *third national car*, kalau boleh *materialise* itu baik sudah, bagus. *At least now you are ready for that and you have the expertise unlike the kereta terbang yang hendak buat ini, kita sekarang macam angan-angan lah. Kalau kita – if there is a need for it the kereta terbang, why don't we buy the kereta terbang and bring it here. Rather than we manufacture one, we produce one. To produce is not a joke. The capital is one, but the infrastructure is another, we do not have that.* Itu sahaja yang saya hendak cakap.

Tuan Wong Kah Woh: *Just one question, Datuk. Just now you mentioned that the companies have already been identified and of course they are putting-up like RM20 million to do the prototype and the whole investment will come out to RM400 to RM500 billion at the start. I saw the last part of your slide, on the 28 February 2019 MIGHT has received an allocation of RM8 million for development of prototype for NNCP. So, how are we going to explain that the government money is not involved when there is such allocation being put here? Can you explain?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *Well, the allocation is for R&D Yang Berhormat. It is for research and development purposes. That will be also be done by the local institutions and the one that I mentioned like GMI and the... likes where should we get the benefit of this R&D fund.*

Tuan Wong Kah Woh: *So, the R&D will not be done by the company involved?*

Datuk Dr. Mohd Yusoff bin Sulaiman: *It will be done with the company.*

Tuan Wong Kah Woh: *With the company.*

Datuk Dr. Mohd Yusoff bin Sulaiman: *With the company, yes.*

Tuan Pengerusi: Datuk, sebelum kita – kalau tidak ada soalan lagi lah, saya cuma hendak tanya sahaja sama ada *you did the feasibility study* fasal *this car* dan dengan syarikat tersebut. Ini kerana hendak buat kereta terbang, tidak buat. Itu yang saya hendak tanya sama ada *you* buat ke tidak?

Datuk Dr. Mohd Yusoff bin Sulaiman: *For the new national car project, the one that is on ground Yang Berhormat, yes, yes. The company has done dia punya own feasibility study which we have privy to it. Thank you.*

Tuan Pengerusi: *Alright, thank you very much.* Jadi, kita ucapkan terima kasih banyak kepada Datuk Hasnol, Datuk Dr. Yusoff dan semua yang hadir di hadapan PAC pada hari ini. Ada makan sikit juga, dijemput juga untuk makan sekali. Akan tetapi makan ini *for sure* dia okey. *It sticks to the ground as well.* Okey, terima kasih banyak-banyak. *Assalamualaikum warahmatullahi wabarakatuh.*

Hari ini sebenarnya hari ulang tahun kelahiran *Vice Chairman*, masih muda. Jadi, kita ada – *still* muda. *I* tengok perut *you* pun *[Ketawa]* *because we are going to have the cake cutting later.*

Tuan Wong Kah Woh: Okey, *thank you.*

Tuan Pengerusi: Sudah, sudah, dia sudah cakap fasal *feasibility study* tetapi dia cakap untuk mereka punya projek yang kereta *stick to the ground* mereka sudah buat sudah. *[Ketawa]* Mereka sudah buat dengan *companies* itu. *Can we have a copy of your feasibility study? Not the terbang, the one that you* buat tadi yang *the one that sticks to the ground, share* dengan PAC. Boleh bagi pada sekretariat PAC. Terima kasih, terima kasih banyak-banyak.

[Mesyuarat tamat pada pukul 12.40 tengah hari]