



**DR 11 TAHUN 2014
DEWAN RAKYAT YANG KETIGA BELAS
PENGGAL KEDUA**

**LAPORAN
JAWATANKUASA KIRA-KIRA WANG NEGARA
PARLIMEN KETIGA BELAS**

**PROJEK PEMBINAAN KUALA LUMPUR
INTERNATIONAL AIRPORT 2 (KLIA2)**

- KEMENTERIAN PENGANGKUTAN-



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**LAPORAN
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KIRA-KIRA
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Peningkatan kos pembinaan KLIA2 ini disebabkan perubahan dalam reka bentuk lapangan terbang selain pertambahan keperluan KLIA2.

TARIKH JANGKAAN SIAP	LAPORAN DALAM MEDIA
Julai 2007	Kos RM 1.7 billion (Berita Harian)
September 2011	Kos RM 2 billion dan dijangka siap pada September 2011 (Business Time 30 Okt 2009)
Awal 2012	Dijangka siap pada akhir 2011 atau pada awal 2012 (Bernama 1 Sept 2010)
April 2012	Kumpulan UEM & Bina Puri Holdings Bhd memberi jaminan projek akan siap tepat pada masanya (Utusan Malaysia 1 Sept 2010)
Oktober 2012	Semua syarikat penerbangan tambang murah akan berpindah ke Terminal Penerbangan Tambang Murah baru, KLIA2 yang dijadual siap pada Oktober 2012 (Kosmo 25 Januari 2011)
April 2013	Terminal Penerbangan Tambang Murah baru dijangka mula beroperasi menjelang April 2013 dengan kos antara RM3.6 billion hingga RM 3.9 billion, dan dengan kemudahan aerobridges (Business Times 30 November 2011)

1.4 MAHB akhirnya membuat keputusan membina KLIA2 dengan kapasiti yang lebih besar dan kemudahan yang unggul bertujuan untuk menjadi *The Next Generation Hub* di Malaysia yang membolehkan penyambungan yang sempurna bagi sistem penerbangan kos rendah dengan perkhidmatan penuh tempatan dan antarabangsa.

1.5 Terminal KLIA2 ini berkeluasan 257,000 meter persegi dibina dengan sebanyak 68 pintu, 8 *remote stands*, 80 *aerobridges* dan *retail space* 32,000 meter persegi untuk menampung 225 *retail outlets*.

1.6 Dari segi perolehan pembinaan KLIA2 pada peringkat awal, sebanyak 37 pakej perlu dilaksanakan untuk menampung seramai 30 juta penumpang. Ini telah meningkat kepada sebanyak 61 pakej yang melibatkan pelantikan seramai 57 perunding tempatan secara tender terbuka supaya KLIA2 dapat menampung seramai 45 juta penumpang setahun.

1.7 KLIA2 akhirnya siap dibina dan dibuka pada 2 Mei 2014 dengan kos berjumlah RM4 bilion yang direka bentuk untuk menampung seramai 45 juta penumpang setahun.

1.8 Projek dibiayai sepenuhnya oleh Malaysia Airport Holdings Berhad (MAHB) yang diketuai oleh YBhg. Tan Sri Bashir Ahmad bin Abdul Majid sebagai Pengarah Urusan dan YBhg. Dato' Abdul Hamid bin Mohd Ali sebagai Pengarah Projek.

PROSES SEBELUM PEMBINAAN KLIA2 BEROPERASI

1.9 Mengikut ketetapan Pelan Induk KLIA (1992) yang disediakan Anglo-Japanese Corporation Bhd menyatakan bahawa pembesaran lapangan terbang KLIA sepatutnya dibina di kawasan KLIA Utara. Pelan Induk KLIA (1992) telah mendapati bahawa keadaan tanah di KLIA Utara yang kukuh adalah sesuai untuk pembinaan terminal tambahan. Akan tetapi MAHB telah mengambil keputusan untuk membina terminal KLIA2 di kawasan KLIA Barat. Penemuan Pelan Induk KLIA (1992) adalah bahawa kawasan KLIA Barat mempunyai tanah paya gambut yang terlalu lembap dan memerlukan kerja-kerja kejuruteraan yang berat untuk memulihkan keadaan tanah di kawasan tersebut.

1.10 Dalam peringkat awal reka bentuk KLIA2, MAHB sebagai Pengurus Projek melantik sebuah syarikat perunding dari negara Belanda, Netherlands Airport Consultants (NACO) dan KLIA Consultancy Services (KLIACS) Sdn. Bhd. untuk menyediakan pelan induk yang baru. Pelan ini menetapkan kawasan pembinaan terminal yang baru dengan konsep reka bentuk *finger pier* untuk reka bentuk KLIA2. Sebanyak lapan firma arkitek menghantar cadangan reka bentuk KLIA2 yang seharusnya berlandaskan daripada konsep *finger pier* yang ditetapkan NACO. Namun, Lembaga Pengarah MAHB memilih reka bentuk terminal satelit daripada sebuah firma arkitek tempatan, LKMD Architecture (LKMD) Sdn. Bhd. sebagai reka bentuk KLIA2 yang langsung tidak memenuhi ketetapan NACO yang tidak berlandaskan konsep *finger pier*. (LKMD juga merupakan arkitek yang mereka bentuk ibu pejabat MAHB di Sepang). Ia sekaligus mengakibatkan

berlaku pertukaran reka bentuk KLIA2 daripada *finger pier* ke terminal satelit.

1.11 Kerja pembinaan KLIA2 bermula pada bulan Mac 2009 dengan membuat *survey* dan *enabling work* dan MAHB menawarkan kerja tanah bagi kawasan parking apron dan terminal building pada Januari 2010 kepada WCT Engineering.

1.11.1 MAHB juga melantik perunding untuk pakej *earthworks*, *runway* dan *taxiway* iaitu HSSI dan Straits Consultant yang mana kerja pembinaannya dilaksanakan daripada Januari 2010 sehingga Ogos 2012.

1.11.2 Memandangkan tapak yang dipilih adalah tanah jenis lembut, maka Perunding HSSI dan Straits Consultant menganggarkan 90 peratus '*estimated consolidation*' mesti dicapai sebelum tanah tambakan (*surcharge*) ini dibuang di kawasan *runway*, *taxiway* dan *apron* untuk memulakan kerja pembinaan.

1.11.3 Kerja pembinaan untuk parking *apron* bermula pada Januari 2011 apabila tanah sudah mencapai tahap 90 peratus *consolidation* dan tender pembinaan dibahagikan kepada dua iaitu *apron* barat kepada Nippon Road Sdn. Bhd. manakala *apron* Timur diberikan kepada Bayangan Sepadu Sdn. Bhd. dan memulakan kerja setelah mendapati keadaan tanah memuaskan seperti yang dicadangkan oleh pihak juruperunding yang dilantik oleh MAHB.

1.11.4 Kontraktor untuk pembinaan *runway*, KUB Bhd. dipilih melalui pra kelayakan dan memulakan kerja dari bulan November 2012 sehingga Februari 2014 dan kontrak mereka dilanjutkan kerana mengikut MAHB adanya asas yang kukuh untuk mendapatkan lanjutan.

- 1.11.5 Kerja pembinaan Bangunan Terminal dimulakan selepas kerja-kerja tanah kawasan apron siap dan tender ditawarkan kepada konsortium UEM dan Bina Puri pada bulan Ogos 2010.
- 1.11.6 Mengikut MAHB, kerja pembinaan Bangunan Terminal ini, sepatutnya siap pada April 2012 tetapi disebabkan berlaku banyak perubahan ketika perancangan pembinaan termasuk yang utama adalah sistem bagasi daripada *semi automated* kepada *fully automated*, kontraktor bangunan terminal ini, diberikan lanjutan masa sehingga April 2013 sebelum diberikan sekali lagi lanjutan masa sehingga 15 Jun 2013.
- 1.11.7 Konsortium UEM-Bina Puri yang diberikan kontrak pembinaan bangunan terminal dikenakan penalti LAD berjumlah RM199,000 sehari bermula pada 16 Jun 2013. Sehingga Mac 2014, mereka dikenakan penalti LAD berjumlah kira-kira RM49 juta atau kira-kira RM8 juta sebulan tetapi perkara ini, masih belum dipersetujui oleh pihak kontraktor.
- 1.11.8 Mengikut MAHB, KLIA2 mempunyai Menara Kawalan Trafik yang berasingan daripada KLIA berikutan keputusan MAHB bahawa *Runway 3* terpaksa dialihkan sejauh 2.5 kilometer daripada *Runway 2*. Ini menyebabkan Jabatan Penerbangan Awam (DCA) meminta pembinaan Menara Kawalan Trafik baru disebabkan tidak dapat melihat *Runway 3* dan *Runway 4* yang akan dibina pada masa hadapan. Keputusan pembinaan Menara Kawalan Trafik KLIA2 dibuat antara tahun 2011 hingga 2012.
- 1.11.9 Mengikut AirAsia, perubahan konsep dari *finger pier* ke terminal satelit setinggi 5 tingkat menyebabkan Menara Kawalan Trafik sedia ada di KLIA tidak dapat melihat atau berfungsi dengan sepenuhnya disebabkan bangunan terminal yang tinggi.

- 1.11.10 Mengikut AirAsia, perubahan konsep *finger pier* ke terminal satelit yang tinggi juga memerlukan *aerobridge* sekali gus menyebabkan peningkatan kos serta juga mengakibatkan kos operasi syarikat penerbangan tambang murah meningkat.
- 1.11.11 Mengikut AirAsia, perubahan konsep *finger pier* ke terminal satelit juga menyebabkan perubahan dari sistem bagasi separuh automatik (*semi automated handling baggage system*) kepada sistem bagasi automatik sepenuhnya (*fully automated handling baggage system*).
- 1.11.12 Mengikut MAHB, KLIA2 juga mempunyai ruang niaga komersil seluas 51.98 meter persegi yang menempatkan 163 lot niaga yang dikenali sebagai *Integrated Complex* dan ia diswastakan melalui tender terbuka kepada pihak ketiga yang mana MAHB mempunyai kepentingan ekuiti sebanyak 30 peratus dalam konsortium bersama pihak ketiga.

1.12 MAHB memaklumkan bahawa semua operasi penerbangan termasuk operasi Kastam dan Imigresen di LCCT akan berhenti dengan sepenuhnya pada 9 Mei 2014. AirAsia juga memaklumkan kepada MAHB bahawa pihaknya tidak dapat berpindah pada 2 Mei 2014 ataupun seminggu kemudian. Walau bagaimanapun, Kerajaan telah mengeluarkan arahan kepada AirAsia supaya segera berpindah dan menghentikan pemeriksaan Kastam dan Imigresen di LCCT selepas 9 Mei 2014.

1.13 Kerajaan tidak berperanan secara langsung dalam projek pembinaan KLIA2 memandangkan peranan Kementerian Pengangkutan sebagai Pegawai Pengawal tidak wujud. Walau bagaimanapun, Ketua Setiausaha Kementerian Pengangkutan (KSU) adalah wakil Kerajaan sebagai Ahli Lembaga Pengarah dalam Lembaga Pengarah MAHB selain wakil daripada Kementerian Kewangan (MOF) dan Unit Perancang Ekonomi (EPU).

2. OBJEKTIF PERBINCANGAN OLEH JAWATANKUASA KIRA-KIRA WANG NEGARA

Jawatankuasa Kira-kira Wang Negara (PAC) mengambil keputusan membincangkan isu Projek KLIA2 kerana ia menjadi isu yang membabitkan kepentingan awam. Selain itu, KLIA2 sebagai infrastruktur awam akan digunakan oleh berjuta-juta penumpang dari dalam dan luar negara sebagai hab pengangkutan udara di negara ini. Selaras dengan mandat yang diberi di bawah Perkara 77 Peraturan-peraturan Majlis Mesyuarat Dewan Rakyat, PAC telah membuat pemeriksaan terhadap perkara ini dengan tujuan:

- i. memastikan projek yang melibatkan kepentingan awam dilaksanakan mencapai objektif pelaksanaannya;
- ii. tiada pembaziran dan penyelewengan berlaku dalam pelaksanaan projek Kerajaan;
- iii. memastikan kerja yang dilaksanakan mematuhi undang-undang, peraturan dan syarat yang telah ditetapkan oleh pihak berwajib;
- iv. pelan perancangan yang telah ditetapkan dapat dilaksanakan dengan baik;
- v. memastikan imej negara sentiasa dijaga melalui pembinaan projek awam yang berkualiti; dan
- vi. memastikan supaya pembinaan lapangan terbang yang baru akan mencapai matlamat negara untuk menjadi sebagai hub penerbangan tambang murah yang berdaya saing di rantau Asia Pasifik.

3. SKOP DAN METODOLOGI

Skop perbincangan meliputi kelewatan dan peningkatan kos projek. Perbincangan dengan pihak yang terlibat iaitu Kementerian Pengangkutan (MOT), MAHB dan AirAsia diadakan bagi merekodkan keterangan/penjelasan dan juga soalan Jawatankuasa Kira-Kira Wang Negara (PAC). Selain itu, lawatan pemeriksaan Ahli-ahli PAC ke tapak projek juga telah dilaksanakan pada 13 Mac 2014 dengan disertai bersama oleh pegawai-pegawai daripada Kementerian Kewangan, Jabatan Audit Negara, Unit Perancang Ekonomi (EPU) dan Jabatan Akauntan Negara. Pendekatan yang dilaksanakan adalah seperti berikut:

- i. memanggil Ketua Setiausaha Kementerian Pengangkutan Malaysia untuk memberi penjelasan pada 16 Januari 2014;
- ii. mengadakan lawatan tapak projek KLIA2 pada 13 Mac 2014. Taklimat semasa lawatan berkenaan diberi oleh YBhg. Tan Sri Bashir Ahmad bin Abdul Majid selaku Pengarah Urusan MAHB.
- iii. memanggil MAHB iaitu YBhg. Tan Sri Bashir Ahmad bin Abdul Majid (Pengarah Urusan), YBhg. Dato' Abdul Hamid bin Mohd Ali (Ketua Pegawai Operasi) dan pegawai-pegawai kanan MAHB untuk memberi taklimat dan penjelasan pada 1 April 2014.
- iv. memanggil YBhg. Tan Sri Dr. Tony Fernandes selaku Ketua Pegawai Eksekutif Kumpulan AirAsia Berhad bersama YBhg. Tan Sri Jamilus Bin Hussein selaku Ketua Pegawai Eksekutif KLIA Consultancy Services (KLIACS) untuk memberi taklimat dan penjelasan pada 28 April 2014.
- v. memanggil semula YBhg. Datuk Seri Long See Wool Ketua Setiausaha Kementerian Pengangkutan dan YBhg. Dato' Abdul Hamid Ali (Ketua Pegawai Operasi MAHB) serta Encik Ir. Zaifuddin Bin Idris [Pengurus Besar Kanan (Teknikal)] MAHB untuk memberi taklimat dan penjelasan pada 30 September 2014.

4. HASIL PERBINCANGAN

- 4.1 Sebanyak 4 siri mesyuarat Jawatankuasa Kira-kira Wang Negara telah diadakan di Parlimen untuk mendapatkan penjelasan daripada pihak-pihak berkenaan mengenai tujuan pembinaan KLIA2; sama ada KLIA2 merupakan kesinambungan dengan perancangan KLIA yang asal (*Master Plan*); pelantikan kontraktor dan konsultan; perubahan keputusan reka bentuk *finger pier* ke *satellite*; kaedah rawatan tanah yang digunakan untuk KLIA2; tarikh pembukaan KLIA2 yang lewat; peningkatan kos projek daripada RM2 bilion menjadi RM4 bilion; jumlah penumpang bertambah daripada 30 juta menjadi 45 juta penumpang yang mengakibatkan kos meningkat; impak kos KLIA2 kepada *passenger service charge*; impak KLIA2 kepada KLIA; adakah pembinaan KLIA2 mengambil kira persaingan daripada lapangan terbang serantau; peranan Kementerian Pengangkutan dalam pembinaan KLIA2; peranan *National Civil Aviation*; kualiti pembinaan dan pemendapan di tapak terminal KLIA2; dan keselamatan kepada penumpang dan pesawat.
- 4.2 Pihak yang terlibat dengan isu yang dibangkitkan telah dipanggil untuk memberi keterangan. Pihak tersebut adalah Kementerian Pengangkutan Malaysia yang diwakili oleh YBhg. Datuk Seri Long See Wool (Ketua Setiausaha Kementerian Pengangkutan Malaysia), MAHB yang diwakili oleh YBhg. Tan Sri Bashir Ahmad Bin Abdul Majid (Pengarah Urusan), Air Asia Berhad yang diwakili oleh YBhg. Tan Sri Dr. Tony Fernandes (Ketua Pegawai Eksekutif Kumpulan AirAsia Berhad) dan konsultan lapangan terbang iaitu YBhg. Tan Sri Jamilus Hussein (Ketua Pegawai Eksekutif KLIACS Sdn. Bhd) yang dilantik AirAsia untuk menguruskan *Operational, Readiness and Airport Transfer (ORAT)* dan beliau juga bekas konsultan yang mengurus serta terbabit secara langsung dengan pembinaan projek KLIA dan pembinaan awal LCCT2.

4.3 Keterangan Oleh Kementerian Pengangkutan

- 4.3.1 Ketua Setiausaha (KSU) Kementerian Pengangkutan Malaysia menyatakan projek KLIA2 dibiayai sepenuhnya oleh MAHB dan tidak menggunakan peruntukan atau jaminan Kerajaan. Selain itu, MAHB juga membiayai komponen-komponen Kerajaan termasuk akses jalan dan sistem kawalan trafik udara.
- 4.3.2 Pembinaan lapangan terbang perlu mengambil kira keperluan jangka panjang seperti jumlah penumpang dan pembangunan hab kos rendah yang perlu menyediakan kemudahan bagi memenuhi keperluan pihak berkepentingan terutamanya penumpang. KSU memberi contoh lapangan terbang Singapura, Dubai, Beijing dan Hong Kong di mana kapasiti yang dibina mengambil kira unjuran permintaan pada masa depan.
- 4.3.3 KSU seterusnya menjelaskan mengenai Pelan Induk Pelaksanaan KLIA secara keseluruhan dan juga perancangan KLIA2 yang mana berlaku banyak kali perubahan skop kerja yang menyebabkan projek KLIA2 ini bertukar daripada terminal tambang murah kepada terminal hibrid yang jauh berbeza daripada objektif asal pembangunan projek KLIA2.
- 4.3.4 Kabinet telah dimaklumkan dari masa ke semasa tentang perubahan reka bentuk dan kos pembinaan KLIA2.
- 4.3.5 Seterusnya, KSU menjelaskan peningkatan kos dan perpindahan tarikh asal (*shift in time frame*) penyiapan projek pada April 2012 ke 30 April 2014 dan seterusnya ke 2 Mei 2014 seperti berikut:

- i. penambahan skop kerja kerana beberapa keperluan. Piawaian antarabangsa memerlukan pemisahan penumpang antara Domestik-Antarabangsa dan antara Ketibaan-Perlepasan menyebabkan keperluan ruang guna bertambah. Keperluan sistem penerbangan seperti peningkatan kapasiti penumpang kepada 45 juta penumpang, pertambahan daripada 40 kepada 68 *contact stands* dan penukaran sistem bagasi daripada *semi automated* kepada *fully automated Baggage Handling System (BHS)*. AirAsia juga meminta keluasan lantai setiap penumpang supaya tahap keselesaan (*comfort level*) ditambah. Keperluan awam seperti penyediaan *aerobridges* juga menyebabkan saiz terminal yang lebih besar;
- ii. perubahan reka bentuk asal berbanding reka bentuk masa kini yang jauh lebih besar menyebabkan peningkatan kos daripada RM2 billion kepada RM4 billion;
- iii. KSU menjelaskan bahawa kelewatan dalam proses perolehan tender adalah disebabkan MAHB merupakan sebuah syarikat yang disenaraikan di bawah Bursa Saham Kuala Lumpur, dan MAHB perlu mengikut prosedur perolehan Kerajaan dari segi perolehan tender dan pihaknya memutuskan tender terbuka. Oleh itu, keperluan tertentu perlu dipatuhi memandangkan bilangan penyertaan kontraktor dan perunding adalah ramai menyebabkan penilaian yang perlu dibuat mengambil masa yang lama; dan

- iv. berlaku penambahbaikan reka bentuk (*design enhancement*) dari segi landasan yang lebih panjang, saiz bangunan yang lebih besar dan bilangan pintu bagi menampung seramai 45 juta penumpang setahun. Ruang komersial telah ditambah bagi mencari sumber pendapatan yang lain dan ini menyebabkan kontraktor perlu masa tambahan untuk menyesuaikan skop dan jadual masa (*timeline*) yang telah ditetapkan.

4.4 Keterangan Oleh MAHB

4.4.1 MAHB menjelaskan bahawa perolehan kerja telah dibuat secara tender terbuka bagi 61 pakej yang melibatkan 57 perunding tempatan. Lembaga Pengarah telah membuat dasar 1 Kontraktor 1 Pakej. Antara tender yang dikeluarkan adalah melibatkan kerja seperti berikut:

- a. Kajian tanah;
- b. *Survey* dan *enabling work*;
- c. Pembinaan *parking apron, terminal building, runway* dan *taxiway*;
- d. Kerja pembentungan, peparitan dan penambahan *reservoir*;
- e. Penyambungan *electrical supply*;
- f. *District cooling (Air Conditioning System)*; dan
- g. Penyambungan trek ERL dari KLIA ke KLIA2.

4.4.2 YBhg. Dato' Abdul Hamid bin Mohd Ali, Ketua Pegawai Operasi (KPO) projek pembinaan KLIA2 ialah seorang jurutera yang berpengalaman selama 32 tahun dari Jabatan Penerbangan Awam. Bagaimanapun, projek KLIA2 adalah projek pertama yang diuruskan oleh beliau dengan saiz sebegitu besar. Manakala En Ir. Zaifuddin bin Idris yang berlatarbelakangkan jurutera geoteknik adalah di bawah pasukan KPO.

4.4.3 MAHB memaklumkan bahawa Agensi-agensi Kerajaan akan berpindah ke KLIA2 mulai 1 April 2014. Pada 2 Mei 2014, MAHB akan mengadakan mesyuarat dengan syarikat-syarikat penerbangan bagi persediaan berpindah ke KLIA2. Seterusnya, MAHB menjelaskan semua operasi di LCCT akan diberhentikan pada 9 Mei 2014.

4.4.4 Peningkatan Kos Dan Isu Kelewatan

- i. MAHB menjelaskan secara keseluruhannya projek pembinaan KLIA2 telah siap setakat 1 April 2014 kecuali *Terminal Building* yang masih di peringkat kerja akhir. *Terminal Building* adalah pakej yang kritikal bagi KLIA2. Tender telah ditawarkan kepada Konsortium UEM dan Bina Puri pada Ogos 2010 yang dijadualkan siap pada bulan April 2012.
- ii. Bagaimanapun, banyak perubahan yang berlaku semasa perancangan pembinaan awal, maka perubahan demi perubahan berlaku termasuk yang utama iaitu sistem bagasi daripada *semi automated* kepada *fully automated* yang banyak menjejaskan kerja bangunan terminal tersebut. Penalti LAD sejumlah RM199,000 sehari telah dikenakan menjadikan jumlah keseluruhan LAD adalah berjumlah RM49 juta.
- iii. Pertambahan pintu - Permintaan baru memerlukan 68 pintu untuk parkir kapal terbang dan *transfer traffic* dapat dikurangkan. Perubahan model perniagaan AirAsia menyebabkan MAHB perlu menerima dan menyokong serta menyediakan apa yang diperlukannya. Sebagai contoh, pada permulaannya dahulu daftar masuk melalui mesin daftar masuk tapi sekarang penumpang boleh menggunakan telefon pintar untuk *daftar masuk*;

- iv. Perubahan dalam reka bentuk bangunan terminal pada tahun 2009, antaranya bilik VIP seluas 150,000 meter persegi yang mana perancangan awal hanya 60,000 meter persegi, operasi bagasi daripada semi kepada *fully automated*, perubahan pada keluasan lantai dan bilangan pintu. Walau bagaimanapun berdasarkan kos bagi meter persegi antara KLIA2 dan LCCT, KLIA2 adalah lebih murah.

4.4.5 Tahap Keselesaan Penumpang (*Comfort Level of Passengers*)

Tahap keselesaan penumpang adalah ditetapkan oleh standard IATA dan dikategorikan sebagai gred A, B atau C. Pada masa KLIA2 dibuka, tahap keselesaan adalah kira-kira 25 meter persegi untuk seorang penumpang berbanding 55 meter persegi bagi setiap penumpang di KLIA. Tahap keselesaan akan menurun ke 17 meter persegi iaitu hampir gred D apabila KLIA2 mencapai 45 juta penumpang. Oleh itu, KLIA2 adalah tidak besar.

- 4.4.6 MAHB menjelaskan bahawa sebagai pengendali/operator lapangan terbang, MAHB mengambil kira keperluan-keperluan yang dinyatakan oleh syarikat-syarikat penerbangan yang beroperasi di lapangan terbang. Oleh itu, AirAsia adalah tidak dilibatkan secara langsung dalam proses rekabentuk KLIA2.

4.4.7 *Operational Readiness & Airport Transfer (ORAT)*

- a. pengujian kemampuan *Baggage Handling System (BHS)* telah dibuat terhadap 30,000 bagasi;
- b. seramai 228 anggota keselamatan telah ditugaskan untuk kawalan 24 jam;

- c. Jabatan-jabatan Kerajaan telah mula berpindah ke pejabat masing-masing di KLIA2 bermula pada 1 April 2014;
- d. Jabatan Penerbangan Awam (DCA) telah mengesahkan fasiliti seperti lampu landasan dan *navigation system* di *Runway 3* adalah selamat untuk kapal terbang beroperasi;
- e. DCA telah mengambil alih Menara Kawalan Barat sejak 17 Mac 2014;
- f. Simulasi berkaitan operasi melibatkan pihak berkepentingan seperti Jabatan Kastam Diraja Malaysia, Jabatan Imigresen, Malindo Air, Jabatan Kesihatan, Polis Diraja Malaysia dan Suruhanjaya Pengangkutan Awam Darat (SPAD) telah dilaksanakan pada bulan Mac 2014. Walau bagaimanapun, AirAsia masih belum turut serta dalam simulasi yang dilaksanakan;
- g. Simulasi pengangkutan awam bagi pergerakan keluar masuk KLIA2 telah dilaksanakan;
- h. Simulasi Kaunter Daftar Masuk dan mesin pengimbas telah dilaksanakan;
- i. Simulasi untuk 1,200 kamera litar tertutup (CCTV) telah dilaksanakan; dan
- j. Balai Bomba khas untuk *Runway 3* telah siap.

4.4.8 Caj Perkhidmatan Penumpang (*Passenger Service Charge*)

- a. Berdasarkan perjanjian antara MAHB dengan Kerajaan, MAHB hanya boleh memohon kenaikan

Caj Perkhidmatan Penumpang (*Passenger Service Charge*) bagi setiap 5 tahun dan syaratnya mesti mencapai suatu tahap pencapaian dalam perkhidmatan tertentu.

- b. Ketua Pegawai Kewangan MAHB, En. Faizal Bin Mansor juga memaklumkan bahawa MAHB tidak akan menghadapi masalah kewangan jika Caj Perkhidmatan Penumpang (*Passenger Service Charge*) dinaikkan sebanyak 8% hingga 12% mengikut kadar inflasi setiap 5 tahun.

4.4.9 Perkara-Perkara Lain Yang Dijelaskan

- a. Sijil Perakuan Siap Dan Pematuhan (CCC) akan diperoleh dalam minggu pertama dalam bulan April 2014;
- b. Pemilihan 57 perunding yang terpilih untuk KLIA2 adalah perunding yang terlibat dalam projek KLIA;
- c. Jawatankuasa Perolehan adalah terdiri daripada Lembaga Pengarah dari MAHB, Kementerian Kewangan dan Kementerian Pengangkutan. Perolehan adalah secara tender terbuka; dan
- d. *Liquidated Ascertained Damages* (LAD) berjumlah RM199,000 sehari telah dikenakan bagi kelewatan selama 10 bulan menjadikan jumlah terkumpul berjumlah RM49 juta iaitu 1.225% daripada RM4 bilion.

4.5 Keterangan Oleh YBhg. Tan Sri Tony Fernandes

Ketua Pegawai Eksekutif Kumpulan AirAsia Berhad iaitu YBhg. Tan Sri Tony Fernandes menjelaskan bahawa mereka tidak dilibatkan dalam sebarang perubahan konsep atau reka bentuk KLIA2. Seterusnya,

AirAsia memberi keterangan berkenaan isu KLIA2 yang dibangkitkan seperti berikut:

4.5.1 Landasan Kapal Terbang

AirAsia menjelaskan mereka konsisten dengan apa yang diperlukan oleh syarikat penerbangan tambang murah berkaitan pembinaan panjang landasan KLIA2 iaitu 4,000 meter bagi menampung keperluan pesawat A330 dan A320.

- i. Keperluan landasan sepanjang 4,000 meter diminta oleh AirAsia dan Jabatan Penerbangan Awam (DCA) seperti dalam *Statement of Needs (SON)* asal dan jangkaan bajet awal AirAsia untuk pembinaan Lapangan Terbang Tambang Murah (LCCT) yang baru berjumlah RM2 bilion.
- ii. AirAsia menegaskan bahawa landasan KLIA2 yang baru diperlukan kerana lokasi yang dipilih MAHB berada di sebelah Barat KLIA dan ia terlalu jauh untuk ke landasan sedia ada dan memerlukan masa 15 hingga 20 minit yang sekali gus menyebabkan penggunaan minyak yang lebih banyak.
- iii. AirAsia menegaskan bahawa mereka tidak meminta landasan ketiga yang lebih pendek sepanjang 2.5 kilometer yang dirancang oleh MAHB.

4.5.2 Air Asia Meminta Terminal Dengan Kapasiti 45 Juta Penumpang Setahun (MPPA)

- i. AirAsia menegaskan permintaan terminal dengan kapasiti 30 juta Penumpang Setahun (MPPA) adalah konsisten dan tidak berubah. Hanya AirAsia meminta supaya kapasiti ini dapat ditambah pada masa depan;

- ii. AirAsia tidak pernah meminta terminal LCCT2 dibina dengan kapasiti 45 juta penumpang setahun (MPPA); dan
- iii. AirAsia menegaskan bahawa permintaan syarikat berkenaan terhadap reka bentuk terminal berdasarkan bilangan pintu dan saiz bangunan tidak berubah daripada tahun 2011 adalah sama dengan bangunan yang akan dibuka pada tahun 2014. MAHB hanya mengubah tahap keselesaan pengguna untuk menampung 45 juta penumpang setahun.

4.5.3 AirAsia Mohon Sistem Bagasi Manual Kepada *Fully Automated Baggage Handling System (BHS)*

- i. AirAsia telah memilih Option 2 iaitu *semi automated system* yang lebih murah daripada *fully automated system*;
- ii. MAHB juga telah mengakui pilihan AirAsia untuk Option 2 pada 10 Oktober 2011; dan
- iii. Keputusan akhir untuk menggunakan *fully automated system* adalah keputusan MAHB sendiri dan AirAsia tidak terlibat dalam keputusan itu serta tidak dimaklumkan mengenai hal berkenaan.

4.5.4 Jangkaan Peningkatan Kos KLIA2

AirAsia menjangkakan peningkatan kos pembinaan projek antara RM4.5 bilion sehingga RM5 bilion.

4.5.5 *Parking Stands*

Permohonan awal AirAsia untuk 76 *parking stands* masih tidak berubah. Permohonan tersebut adalah dalam kos

pembinaan asal berjumlah RM2 bilion seperti di *Statement of Needs* pada tahun 2009.

4.5.6 Kemudahan Bagi Pesawat Airbus A380

AirAsia tidak pernah memohon untuk diperuntukkan kemudahan bagi pesawat Airbus A380 sebaliknya ia termasuk dalam keperluan MAHB.

4.5.7 Muzium Dan Spa

AirAsia menegaskan mereka tidak pernah meminta perkara ini.

4.5.8 *Passenger Loading Bridges (PLB)*

- i. AirAsia menegaskan mereka tidak pernah memohon untuk menggunakan PLB dan Lembaga Pengarah MAHB juga telah membuat keputusan untuk tidak menyediakan PLB dan hanya *ramps* yang akan dipasang.
- ii. Alasan AirAsia untuk tidak menggunakan PLB di KLIA2 adalah untuk mendapatkan *25 minutes turnaround time* kerana AirAsia mempunyai 400 penerbangan sehari di KLIA2.

4.5.9 Tiada Kontrak Antara AirAsia Dan MAHB

AirAsia telah melabur sejumlah USD20 billion dalam industri penerbangan di Malaysia sejak penubuhannya. Bagaimanapun, tiada kontrak ditandatangani antara AirAsia dan MAHB kerana MAHB menyatakan kontrak adalah tidak perlu sebab *it is not in the industry practice*. Sehubungan itu, tiada perbincangan mengenai keperluan AirAsia sebagai *industry player* antara AirAsia dan MAHB.

4.5.10 Penggunaan Mesin Daftar Masuk

AirAsia telah melabur dalam perolehan sebuah sistem daftar masuk di mana bagasi dapat ditimbang serta dilabel. Mesin tersebut telah diterima dan digunakan di Singapura, Indonesia, London dan sebelum ini di LCCT. Bagaimanapun, mesin tersebut tidak diterima oleh MAHB untuk digunakan di KLIA2.

Sebagai jawapan balas, MAHB menyatakan bahawa ia merupakan bidang kuasa MAHB untuk menentukan sistem daftar masuk yang digunakan di KLIA2.

4.5.11 Polisi Penerbangan Awam Negara

AirAsia membangkitkan isu ketiadaan pengawal selia penerbangan (*aviation regulator*) kerana MAHB kelihatan boleh bertindak sewenang-wenangnya termasuk membuat keputusan meningkatkan pelbagai caj, membina lapangan terbang untuk syarikat tambang murah dan termasuk perpindahan AirAsia dari LCCT ke KLIA2. Sehubungan itu, AirAsia beranggapan bahawa mereka tidak mempunyai ruang untuk membangkitkan keluhan kepada pihak Kerajaan.

4.5.12 Sijil Pertubuhan Penerbangan Awam Antarabangsa (ICAO)

AirAsia mendakwa ICAO hanya mengesahkan KLIA2 telah mematuhi spesifikasi minima tertentu dan tidak melihat kepada aspek operasi. AirAsia menegaskan bahawa ICAO memerlukan 9 bulan untuk memeriksa keseluruhan lapangan terbang adalah teratur dan selamat. Bagaimanapun, ICAO hanya berada di KLIA2 selama 1 minggu.

4.5.13 Perpindahan AirAsia Dari LCCT Ke KLIA2

- i. AirAsia juga menegaskan bahawa MAHB tidak pernah berbincang secara terperinci dengan AirAsia mengenai tarikh pembukaan KLIA2 walaupun syarikat berkenaan adalah pelanggan utama KLIA2.
- ii. AirAsia menjelaskan bahawa masa purata diambil untuk pindah operasi lapangan terbang adalah 8 bulan. Bagaimanapun, AirAsia diminta untuk berpindah ke KLIA2 dalam tempoh 2 minggu.

4.5.14 Mendapan Tanah Dan Banjir Di KLIA2

AirAsia menegaskan bahawa KLIA2 telah dibina terlalu cepat dan mempunyai banyak kelemahan. Sehubungan itu, AirAsia memaklumkan terdapat mendapan dan kawasan *apron* yang lebih rendah daripada sistem perparitan dan menyebabkan banjir sentiasa berlaku selepas hujan.

4.6 Maklum Balas KLIA Consultancy Services Sdn. Bhd.

4.6.1 Konsep reka bentuk awal adalah bagi penerbangan tambang murah dengan konsep *finger pier* dengan nama LCCT2 dan kemudiannya dikenali sebagai KLIA2 dengan konsep bangunan terminal satelit. Perubahan konsep reka bentuk dari *finger pier* ke bangunan terminal adalah disebabkan MAHB tidak memastikan keperluan, kehendak dan kemahuannya sepanjang pelaksanaan projek ini bersama dengan pihak berkepentingan (*stakeholders*).

4.6.2 KLIA Consultancy Services Sdn. Bhd. (KLIA Konsult) dilantik sebagai *project management consultant (PMC)* pada bulan Jun 2009 untuk pembinaan LCCT2 berjumlah RM2 billion. Bagaimanapun perkhidmatan KLIA Konsult tidak diteruskan pada bulan September 2011 kerana KLIA Konsult tidak bersetuju mengenai 2 isu iaitu tempoh masa pembinaan dan perubahan dan pertambahan spesifikasi kerja.

- a) Tempoh Masa Pembinaan – MAHB terburu-buru melaksanakan projek KLIA2 dengan hasrat untuk menyiapkannya dalam tempoh masa 2 tahun.
 - b) Pertambahan spesifikasi kerja – skop kerja asal berubah sehingga mengakibatkan kos meningkat daripada RM2 bilion kepada RM4 bilion.
- 4.6.3 Konsep asal pembinaan LCCT2 yang ditetapkan adalah *finger pier* berasaskan pelan induk keseluruhan lapangan terbang di Malaysia yang dilakukan oleh NACO. Sebanyak 8 reka bentuk telah dikemukakan di mana 7 reka bentuk menggunakan *finger pier concept* manakala 1 reka bentuk menggunakan *satellite concept*. Bagaimanapun akhirnya, reka bentuk *satellite concept* yang tidak mengikut ketetapan asal yang dipilih untuk pembinaan KLIA2.
- 4.6.4 Konsep reka bentuk *satellite* yang dihubungi oleh *skybridge* menyebabkan bangunan dibina cukup tinggi bagi membolehkan pesawat melalui di bawah *skybridge* dan juga pembinaan sebuah *tunnel* untuk sistem pengendalian bagasi automatik sepenuhnya serta lorong bawah tanah bagi pergerakan kenderaan dan manusia antara terminal utama dan bangunan satelit.
- 4.6.5 Banyak kos boleh dijimatkan sekiranya *finger pier concept* telah digunakan untuk projek KLIA2 bagi pembinaan terminal tambang murah yang dibuat oleh NACO dalam kajian Pelan Induk Lapangan Terbang Malaysia. Lokasi KLIA dipilih dalam pelan induk asal kerana pada masa itu tiada keperluan untuk Terminal Lapangan Terbang Murah bagi tujuan pengasingan dengan syarikat penerbangan penuh daripada segi logistik dan perhubungan.
- 4.6.6 KLIA Konsult menjelaskan bahawa keputusan untuk membina KLIA2 di lokasi KLIA Barat dibuat oleh MAHB bersama NACO walau pun tanah di lokasi tersebut adalah

lembut. Menyentuh mengenai pemendapan di KLIA2 yang dibina di atas tanah gambut, pemendapan akan berlaku dan boleh dikawal menggunakan 2 kaedah iaitu *total dig out solution* dan *time dependent geo technical solution*.

4.6.7 KLIA dibina menggunakan kaedah *total dig out solution* manakala KLIA2 menggunakan kaedah *time dependent geo technical solution* di atas kawasan tanah yang sama.

4.6.8 Masalah pemendapan KLIA2 yang dialami pada masa kini adalah disebabkan *removal of surcharge* (beban tambahan) dibuat terlalu awal. *Surcharge* ini diperlukan dalam pembinaan KLIA2 bagi mempercepatkan pemendapan untuk mengeluarkan udara dan air dalam tanah melalui *vertical drains* bagi mencapai sasaran projek pembinaan siap selama dua tahun.

4.6.7 *Removal of surcharge* yang terlalu awal sebelum mencapai pemendapan permulaan seperti yang dihasratkan konsultan reka bentuk (konsultan disiplin) yang dilantik oleh MAHB menyebabkan pemendapan dan pergerakan tanah masih berlaku sehingga kini.

4.6.8 Pembinaan Menara Kawalan Trafik KLIA2 juga menjadi keperluan kerana ketinggian bangunan menghalang pandangan di landasan.

4.7 **Lawatan PAC Ke Tapak Projek KLIA2**

Lawatan PAC ke tapak projek telah dijalankan pada 13 Mac 2014. Hasil lawatan mendapati KLIA2 belum bersedia untuk dirasmikan pada 2 Mei 2014. Ini adalah kerana DCA West Tower belum beroperasi dan berlaku keretakan di *Runway*, longkang tersumbat, tanah mendap dan kerja-kerja di bangunan terminal utama masih dijalankan. Walau bagaimanapun terdapat usaha positif oleh pihak MAHB untuk menyelesaikan kerja pembinaan dengan secepat mungkin.

Semasa lawatan PAC, pihak MAHB sedang melakukan latihan Sistem Pengurusan Bagasi (BHS) yang mana penumpang dengan bagasi terlibat dalam pelaksanaan simulasi menguji sistem daftar masuk KLIA2.

Hanya Malindo Air sahaja yang terlibat dalam pengujian tersebut. Manakala AirAsia yang akan merupakan pengguna terbesar telah tidak menyertai latihan tersebut.

5. RUMUSAN JAWATANKUASA KIRA-KIRA WANG NEGARA

5.1 Projek KLIA2 tidak mengikut perancangan asal untuk membina sebuah Lapangan Terbang Tambang Murah (LCCT) bagi menggantikan LCCT sebelum ini. Sebaliknya, selepas penaiktarafan dan peningkatan kos pembinaan yang tidak dijangka, KLIA2 diubah takrif sebagai Konsep Lapangan Terbang Hybrid. Akibatnya KLIA2 mengancam kedudukan KLIA sebagai Lapangan Terbang Utama Malaysia manakala Malaysia kehilangan satu peluang keemasan untuk membina sebuah hub penerbangan tambang murah yang paling berdaya saing di rantau Asia Pasifik.

5.2 Ini adalah kali pertama MAHB diberikan kontrak membina sebuah lapangan terbang dalam skala pembinaan yang besar. Bagaimanapun, KLIA2 tidak mencapai matlamat sebagai Terminal Tambang Murah (LCCT) seperti yang dimahukan syarikat penerbangan tambang murah yang memerlukan khidmat dan kemudahan terminal itu untuk berkembang. MAHB walaupun sudah diberikan peluang sebegitu lama oleh Kerajaan menguruskan lapangan terbang di Malaysia jelas tidak mementingkan keperluan pelanggannya iaitu syarikat penerbangan tambang murah.

5.3 Projek KLIA2 gagal disiapkan mengikut tempoh masa yang ditetapkan oleh MAHB, di mana ia sepatutnya disiapkan pada bulan September 2011 tetapi telah dipinda beberapa kali sehingga 2 Mei 2014. Kelewatan ini mengakibatkan pelbagai tuduhan dan persepsi negatif dilemparkan

kepada Kerajaan. MAHB terlalu optimistik dengan tarikh pembukaan KLIA2 dengan memberikan janji tidak realistik kepada Kerajaan.

5.4 Kos projek KLIA2 pula telah meningkat beberapa kali daripada RM1.7 billion yang dirancang pada tahun 2007 kepada lebih kurang RM4 billion setakat ini.

5.5 Antara sebab-sebab utama kelewatan dan peningkatan kos pembinaan KLIA2 ialah:

5.5.1 MAHB telah mengubah ketetapan Pelan Induk KLIA (1992) yang disediakan oleh Anglo-Japanese Corporation Bhd. yang menyatakan bahawa pembesaran lapangan terbang KLIA sepatutnya dibina di kawasan KLIA Utara. Pelan Induk KLIA (1992) telah mendapati bahawa keadaan tanah di KLIA Utara yang kukuh adalah sesuai untuk pembinaan terminal tambahan. Akan tetapi MAHB telah mengambil keputusan untuk membina terminal KLIA2 di kawasan KLIA Barat. Penemuan Pelan Induk KLIA (1992) adalah kawasan KLIA Barat mempunyai tanah paya gambut yang terlalu lembap dan memerlukan kerja-kerja kejuruteraan yang berat untuk memulihkan keadaan tanah di kawasan tersebut. Akibatnya kos penambakan dan kerja-kerja tanah (*earthworks*) mencecah kos berjumlah RM860 juta walaupun peruntukan asal adalah hanya sejumlah RM35 juta.

5.5.2 Akibat peruntukan yang tidak mencukupi, MAHB telah memutuskan untuk menggunakan sistem tanaman *vertical drains* berserta kerja tambakan *surcharge* untuk memadatkan tanah longgar dan lembap. Sistem ini boleh digunakan jika masa yang mencukupi diberikan supaya pemadatan tanah (*soil consolidation*) berlaku. Pemadatan tanah dianggar memerlukan jangka masa 3 hingga 5 tahun. Akan tetapi, oleh kerana tempoh asal pembinaan KLIA2 dijangka singkat, pihak MAHB telah membuang *surcharge* atau lebihan tanah daripada tambakan lebih awal, pemendapan tanah terus berlaku semasa pembinaan yang menyebabkan kelewatan projek untuk pembinaan bangunan terminal, *apron*, *taxiway* dan *runway*.

- 5.5.3 Pemendapan di *apron* dan *taxiway* berterusan sehingga kini walaupun KLIA2 telah mula beroperasi pada 2 Mei 2014 mengakibatkan air bertakung apabila hujan lebat. Masalah ini bukan sahaja meningkatkan kos penyenggaraan tetapi juga memberikan imej negatif kepada negara.
- 5.5.4 Mengikut Pelan Induk KLIA (1992), pembesaran lapangan terbang di tapak KLIA Utara akan membolehkan kapal terbang di terminal yang baru berkongsi menggunakan kedua-dua landasan (*runway* 1 dan *runway* 2) yang sedia ada. Akan tetapi oleh kerana tapak KLIA Barat dipilih, sebuah landasan baru *runway* 3 perlu dibina kerana landasan *runway* 1 terlalu jauh daripada bangunan terminal KLIA2. Ini telah menyebabkan perbelanjaan tambahan berjumlah RM270 juta.
- 5.5.5 Berdasarkan Laporan Awal ICAO bertarikh 29 April 2014 dan IKRAM 28 April 2014 telah membolehkan KLIA2 dibuka dan beroperasi. Namun begitu, ICAO menetapkan piawaian mendapan tanah pada kadar maksima 2.5cm ke 3cm.

Walaubagaimanapun, kajian selanjutnya oleh IKRAM pada 19 Jun 2014 memaklumkan bahawa mendapan di *Parking Apron* dan *Taxiway* masih berterusan dan perlunya pemantauan walaupun KLIA2 telah beroperasi kerana mendapan dijangka melebihi tahap piawaian yang ditetapkan.

Segala keretakan di permukaan mesti diperbaiki dengan kadar segera oleh MAHB mengikut piawaian ICAO dan ujian selanjutnya untuk menentukan prestasi jangka panjang juga perlu dilakukan.

Sayugia dimaklumkan Laporan ICAO berdasarkan laporan dan temuduga dengan Jabatan Penerbangan Awam, laporan penilaian perunding bebas yang telah dilantik oleh Kerajaan dan tidak membabitkan ujian teknikal. Sebaliknya, Laporan IKRAM dilaksanakan secara lebih terperinci dalam aspek-aspek teknikal.

Kementerian Pengangkutan dalam sesi taklimat Ketua Setiausaha Negara (KSN) bersama media pada 12 November 2014 dilaporkan telah mengakui berlakunya 10 mendapan di KLIA2 yang sudah dikenalpasti untuk diambil tindakan.

- 5.5.6 Netherlands Airport Consultants (NACO) yang dilantik sebagai jururunding lapangan terbang, telah mencadangkan rekabentuk "*finger-pier*" untuk LCCT2/KLIA2. Akan tetapi MAHB telah mengambil keputusan untuk memilih syarikat arkitek yang mencadangkan konsep satelit. Konsep satelit memerlukan bangunan yang lebih tinggi iaitu 5 tingkat berbanding dengan 2 tingkat untuk merangkumi sebuah *Sky Bridge* untuk menyambung bangunan terminal dengan satelit. Ketinggian tersebut diperlukan untuk membolehkan kapal terbang melintasi bawah *Sky Bridge*. Bangunan yang lebih besar dan luas juga telah menyumbang kepada peningkatan kos pembinaan KLIA2.
- 5.5.7 Mengikut Pelan Induk KLIA (1992), jika KLIA2 ditempatkan di KLIA Utara, Menara Kawalan (*Control Tower*) yang sedia ada dapat dikongsi guna untuk kedua-dua terminal utama dan KLIA2. Dengan pemindahan tapak ke KLIA Barat dan struktur bangunan terminal 5 tingkat menyebabkan Menara Kawalan sedia ada tidak mempunyai penglihatan kapal terbang (*line of sight*) di KLIA2 yang sempurna. Oleh sebab itu, Menara Kawalan kedua terpaksa dibina melibatkan kos tambahan berjumlah RM55 juta.
- 5.5.8 Akibat bangunan terminal yang lebih tinggi, *Passenger Loading Bridge* terpaksa dipasang untuk setiap Pintu. Jika tidak, penumpang kapal terbang akan terpaksa menaiki atau turun menggunakan tangga yang terlalu tinggi. Syarikat penerbangan AirAsia, pengguna utama KLIA2 hanya meminta pembinaan *ramp* untuk penumpang kapal terbang tetapi ia tidak dibina. Pemasangan *Passenger Loading Bridge* melibatkan perbelanjaan sejumlah RM104 juta.
- 5.5.9 MAHB mengambil keputusan untuk membina KLIA2 bagi menampung seramai 45 juta penumpang setahun tanpa

menghiraukan permintaan daripada pelanggan utamanya AirAsia yang mencadangkan 30 juta dengan pilihan pembangunan tambahan secara berfasa pada masa depan. Keputusan membina terminal untuk menampung seramai 45 juta penumpang sekaligus juga telah menyumbang kepada peningkatan kos.

5.5.10 Dengan kapasiti untuk 45 juta penumpang setahun, MAHB memutuskan untuk memasang sistem pengendalian bagasi automatik sepenuhnya. Ini juga mengakibatkan berlakunya peningkatan kos.

5.5.11 Saiz terminal KLIA2 yang terlalu besar juga menyukarkan pergerakan penumpang dan memerlukan perbelanjaan tambahan untuk menyediakan *walkalator* dan sebagainya.

5.6 MAHB telah tidak melibatkan AirAsia dalam merancang rekabentuk KLIA2 *hybrid* untuk mengambilkira keperluan dan permintaan industri syarikat penerbangan tambang murah. MAHB juga tidak mengadakan rundingan secara berkala dengan pihak berkepentingan seperti jabatan dan agensi Kerajaan. Kegagalan mendapatkan persetujuan awal daripada semua pihak berkepentingan ini menyebabkan berlaku perubahan rekabentuk ketika proses pelaksanaan yang menyumbang kepada perubahan kos KLIA2 dan menghasilkan rekabentuk seperti yang sedia ada.

5.7 Pembinaan KLIA2 yang tidak mengambil kira keperluan industri penerbangan tambang murah mungkin menyebabkan peningkatan kos operasi untuk syarikat tambang murah. Kadar pertambahan penumpang di KLIA dan KLIA2 amat bergantung kepada kadar caj yang dikenakan kepada syarikat penerbangan. Pertambahan kos penggunaan *aerobridge* dan caj sistem daftar masuk SITA yang digunakan oleh MAHB boleh meningkatkan kos operasi syarikat penerbangan tambang murah. Ini boleh menjejaskan pertumbuhan KLIA2 sebagai hub penerbangan tambang rendah serantau.

- 5.8 Peningkatan kos operasi syarikat penerbangan tambang murah yang beroperasi di KLIA2 akan memberikan kesan kepada penumpang dari segi kenaikan pelbagai caj yang bakal dikenakan.
- 5.9 Konsep pusat beli belah yang keterlaluan di luar kaunter daftar masuk terminal KLIA2 tidak sesuai dengan pelan perniagaan sebuah terminal tambang murah.
- 5.10 Keputusan MAHB memecahkan banyak pakej untuk projek pembinaan KLIA2 mungkin telah menimbulkan banyak masalah dari segi pemantauan ketika projek sedang dilaksanakan.

6. SYOR JAWATANKUASA KIRA-KIRA WANG NEGARA

Bagi tujuan penambahbaikan akan datang, Jawatankuasa Kira-Kira Wang Negara mencadangkan beberapa perkara seperti berikut:

- 6.1 menggesa Kerajaan mengarahkan Jabatan Audit Negara membuat pengauditan menyeluruh ke atas segala penemuan yang dibuat oleh Jawatankuasa Kira-Kira Wang Negara atas dasar kepentingan Kerajaan;
- 6.2 meminta Jabatan Audit Negara mengenal pasti pihak yang bertanggungjawab dan isu pokok ke atas masalah-masalah yang timbul supaya tindakan susulan dapat diambil oleh pihak berkuasa berkaitan;
- 6.3 meminta Jabatan Audit Negara melakukan audit prestasi kepada MAHB sejak penubuhannya terutama dalam model pembangunan KLIA dan KLIA2 daripada segi perancangan, pelaksanaan dan kewangan.
- 6.4 menggesa MAHB bertanggungjawab terhadap keselamatan pengguna dengan melaksanakan pemantauan secara berterusan untuk membaiki semua keretakan / mendapan mengikut standard Pertubuhan Penerbangan Awam Antarabangsa (ICAO);

- 6.5 menggesa MAHB supaya tidak mengenakan atau menaikkan sebarang kadar atau caj melebihi kadar inflasi di KLIA2 untuk mendapatkan semula pulangan atau hasil yang telah dibelanjakan dalam pembinaan KLIA2;
- 6.6 menggesa Kerajaan supaya memastikan tahap komunikasi dan kerjasama antara MAHB dengan syarikat-syarikat penerbangan tambang murah dieratkan supaya matlamat menjadikan KLIA2 sebagai hub penerbangan tambang murah serantau tercapai; dan
- 6.7 menggesa Kerajaan menubuhkan Suruhanjaya Penerbangan Awam Negara yang benar-benar bebas dan dianggotai individu yang tidak mempunyai kepentingan dalam mana-mana syarikat penerbangan atau pernah menjawat jawatan Kerajaan yang berkaitan dengan industri penerbangan bagi mengelakkan berlaku kepentingan konflik dengan pihak berkepentingan (*stakeholders*).

**Jawatankuasa Kira-kira Wang Negara
November 2014**

**SYOR
JAWATANKUASA
KIRA-KIRA WANG NEGARA**

RUMUSAN & SYOR

JAWATANKUASA KIRA-KIRA WANG NEGARA

PARA	RUMUSAN & SYOR
5.1	Projek KLIA2 tidak mengikut perancangan asal untuk membina sebuah Lapangan Terbang Tambang Murah (LCCT) bagi menggantikan LCCT sebelum ini. Sebaliknya, selepas penaiktarafan dan peningkatan kos pembinaan yang tidak dijangka, KLIA2 diubah takrif sebagai Konsep Lapangan Terbang Hybrid. Akibatnya KLIA2 mengancam kedudukan KLIA sebagai Lapangan Terbang Utama Malaysia manakala Malaysia kehilangan satu peluang keemasan untuk membangun sebuah hub penerbangan tambang murah yang paling berdaya saing di rantau Asia Pasifik.
5.2	Ini adalah kali pertama MAHB diberikan kontrak membina sebuah lapangan terbang dalam skala pembinaan yang besar. Bagaimanapun, KLIA2 tidak mencapai matlamat sebagai Terminal Tambang Murah (LCCT) seperti yang dimahukan syarikat penerbangan tambang murah yang memerlukan khidmat dan kemudahan terminal itu untuk berkembang. MAHB walaupun sudah diberikan peluang sebegitu lama oleh Kerajaan menguruskan lapangan terbang di Malaysia jelas tidak mementingkan keperluan pelanggannya iaitu syarikat penerbangan tambang murah.
5.3	Projek KLIA2 gagal disiapkan mengikut tempoh masa yang ditetapkan oleh MAHB, di mana ia sepatutnya disiapkan pada bulan September 2011 tetapi telah dipinda beberapa kali sehingga 2 Mei 2014. Kelewatan ini mengakibatkan pelbagai tuduhan dan persepsi negatif dilemparkan kepada Kerajaan. MAHB terlalu optimistik dengan tarikh pembukaan KLIA2 dengan memberikan janji tidak realistik kepada Kerajaan.
5.4	Kos projek KLIA2 pula telah meningkat beberapa kali daripada RM1.7 billion yang dirancang pada tahun 2007 kepada lebih kurang RM4 billion setakat ini.

PARA	RUMUSAN & SYOR
5.5	Antara sebab-sebab utama kelewatan dan peningkatan kos pembinaan KLIA2 ialah:
5.5.1	MAHB telah mengubah ketetapan Pelan Induk KLIA (1992) yang disediakan oleh Anglo-Japanese Corporation Bhd. yang menyatakan bahawa pembesaran lapangan terbang KLIA sepatutnya dibina di kawasan KLIA Utara. Pelan Induk KLIA (1992) telah mendapati bahawa keadaan tanah di KLIA Utara yang kukuh adalah sesuai untuk pembinaan terminal tambahan. Akan tetapi MAHB telah mengambil keputusan untuk membina terminal KLIA2 di kawasan KLIA Barat. Penemuan Pelan Induk KLIA (1992) adalah kawasan KLIA Barat mempunyai tanah paya gambut yang terlalu lembap dan memerlukan kerja-kerja kejuruteraan yang berat untuk memulihkan keadaan tanah di kawasan tersebut. Akibatnya kos penambakan dan kerja-kerja tanah (<i>earthworks</i>) mencecah kos berjumlah RM860 juta walaupun peruntukan asal adalah hanya sejumlah RM35 juta.
5.5.2	Akibat peruntukan yang tidak mencukupi, MAHB telah memutuskan untuk menggunakan sistem tanaman vertical drains berserta kerja tambakan surcharge untuk memadatkan tanah longgar dan lembap. Sistem ini boleh digunakan jika masa yang mencukupi diberikan supaya pemadatan tanah (<i>soil consolidation</i>) berlaku. Pemadatan tanah dianggar memerlukan jangka masa 3 hingga 5 tahun. Akan tetapi, oleh kerana tempoh asal pembinaan KLIA2 dijangka singkat, pihak MAHB telah membuang surcharge atau lebih tanah daripada tambakan lebih awal, pemendapan tanah terus berlaku semasa pembinaan yang menyebabkan kelewatan projek untuk pembinaan bangunan terminal, apron, taxiway dan runway.
5.5.3	Pemendapan di <i>apron</i> dan <i>taxiway</i> berterusan sehingga kini walaupun KLIA2 telah mula beroperasi pada 2 Mei 2014 mengakibatkan air bertakung apabila hujan lebat. Masalah ini bukan sahaja meningkatkan kos penyenggaraan tetapi juga memberikan imej negatif kepada negara.

PARA	RUMUSAN & SYOR
5.5.4	<p>Mengikut Pelan Induk KLIA (1992), pembesaran lapangan terbang di tapak KLIA Utara akan membolehkan kapal terbang di terminal yang baru berkongsi menggunakan kedua-dua landasan (<i>runway 1</i> dan <i>runway 2</i>) yang sedia ada. Akan tetapi oleh kerana tapak KLIA Barat dipilih, sebuah landasan baru <i>runway 3</i> perlu dibina kerana landasan <i>runway 1</i> terlalu jauh daripada bangunan terminal KLIA2. Ini telah menyebabkan perbelanjaan tambahan berjumlah RM270 juta.</p>
5.5.5	<p>Berdasarkan Laporan Awal ICAO bertarikh 29 April 2014 dan IKRAM 28 April 2014 telah membolehkan KLIA2 dibuka dan beroperasi. Namun begitu, ICAO menetapkan piawaian mendapan tanah pada kadar maksima 2.5cm ke 3cm.</p> <p>Walaupun bagaimanapun, kajian selanjutnya oleh IKRAM pada 19 Jun 2014 memaklumkan bahawa mendapan di <i>Parking Apron</i> dan <i>Taxiway</i> masih berterusan dan perlunya pemantauan walaupun KLIA2 telah beroperasi kerana mendapan dijangka melebihi tahap piawaian yang ditetapkan.</p> <p>Segala keretakan di permukaan mesti diperbaiki dengan kadar segera oleh MAHB mengikut piawaian ICAO dan ujian selanjutnya untuk menentukan prestasi jangka panjang juga perlu dilakukan.</p> <p>Sayugia dimaklumkan Laporan ICAO berdasarkan laporan dan temuduga dengan Jabatan Penerbangan Awam, laporan penilaian perunding bebas yang telah dilantik oleh Kerajaan dan tidak membabitkan ujian teknikal. Sebaliknya, Laporan IKRAM dilaksanakan secara lebih terperinci dalam aspek-aspek teknikal.</p> <p>Kementerian Pengangkutan dalam sesi taklimat Ketua Setiausaha Negara (KSN) bersama media pada 12 November 2014 dilaporkan telah mengakui berlakunya 10 mendapan di KLIA2 yang sudah dikenalpasti untuk diambil tindakan.</p>
5.5.6	<p>Netherlands Airport Consultants (NACO) yang dilantik sebagai jururunding lapangan terbang, telah mencadangkan rekabentuk "<i>finger-pier</i>" untuk</p>

PARA	RUMUSAN & SYOR
	<p>LCCT2/KLIA2. Akan tetapi MAHB telah mengambil keputusan untuk memilih syarikat arkitek yang mencadangkan konsep satelit. Konsep satelit memerlukan bangunan yang lebih tinggi iaitu 5 tingkat berbanding dengan 2 tingkat untuk merangkumi sebuah <i>Sky Bridge</i> untuk menyambung bangunan terminal dengan satelit. Ketinggian tersebut diperlukan untuk membolehkan kapal terbang melintasi bawah <i>Sky Bridge</i>. Bangunan yang lebih besar dan luas juga telah menyumbang kepada peningkatan kos pembinaan KLIA2.</p>
5.5.7	<p>Mengikut Pelan Induk KLIA (1992), jika KLIA2 ditempatkan di KLIA Utara, Menara Kawalan (<i>Control Tower</i>) yang sedia ada dapat dikongsi guna untuk kedua-dua terminal utama dan KLIA2. Dengan pemindahan tapak ke KLIA Barat dan struktur bangunan terminal 5 tingkat menyebabkan Menara Kawalan sedia ada tidak mempunyai penglihatan kapal terbang (<i>line of sight</i>) di KLIA2 yang sempurna. Oleh sebab itu, Menara Kawalan kedua terpaksa dibina melibatkan kos tambahan berjumlah RM55 juta.</p>
5.5.8	<p>Akibat bangunan terminal yang lebih tinggi, <i>Passenger Loading Bridge</i> terpaksa dipasang untuk setiap Pintu. Jika tidak, penumpang kapal terbang akan terpaksa menaiki atau turun menggunakan tangga yang terlalu tinggi. Syarikat penerbangan AirAsia, pengguna utama KLIA2 hanya meminta pembinaan <i>ramp</i> untuk penumpang kapal terbang tetapi ia tidak dibina. Pemasangan <i>Passenger Loading Bridge</i> melibatkan perbelanjaan sejumlah RM104 juta.</p>
5.5.9	<p>MAHB mengambil keputusan untuk membina KLIA2 bagi menampung seramai 45 juta penumpang setahun tanpa menghiraukan permintaan daripada pelanggan utamanya AirAsia yang mencadangkan 30 juta dengan pilihan pembangunan tambahan secara berfasa pada masa depan. Keputusan membina terminal untuk menampung seramai 45 juta penumpang sekaligus juga telah menyumbang kepada peningkatan kos.</p>
5.5.10	<p>Dengan kapasiti untuk 45 juta penumpang setahun, MAHB memutuskan untuk memasang sistem pengendalian bagasi automatik sepenuhnya. Ini juga mengakibatkan berlakunya peningkatan kos.</p>

PARA	RUMUSAN & SYOR
5.5.11	Saiz terminal KLIA2 yang terlalu besar juga menyukarkan pergerakan penumpang dan memerlukan perbelanjaan tambahan untuk menyediakan <i>walkalator</i> dan sebagainya.
5.6	MAHB telah tidak melibatkan AirAsia dalam merancang rekabentuk KLIA2 <i>hybrid</i> untuk mengambilkira keperluan dan permintaan industri syarikat penerbangan tambang murah. MAHB juga tidak mengadakan rundingan secara berkala dengan pihak berkepentingan seperti jabatan dan agensi Kerajaan. Kegagalan mendapatkan persetujuan awal daripada semua pihak berkepentingan ini menyebabkan berlaku perubahan rekabentuk ketika proses pelaksanaan yang menyumbang kepada perubahan kos KLIA2 dan menghasilkan rekabentuk seperti yang sedia ada.
5.7	Pembinaan KLIA2 yang tidak mengambil kira keperluan industri penerbangan tambang murah mungkin menyebabkan peningkatan kos operasi untuk syarikat tambang murah. Kadar pertambahan penumpang di KLIA dan KLIA2 amat bergantung kepada kadar caj yang dikenakan kepada syarikat penerbangan. Pertambahan kos penggunaan <i>aerobridge</i> dan caj sistem daftar masuk SITA yang digunakan oleh MAHB boleh meningkatkan kos operasi syarikat penerbangan tambang murah. Ini boleh menjejaskan pertumbuhan KLIA2 sebagai hub penerbangan tambang rendah serantau.
5.8	Peningkatan kos operasi syarikat penerbangan tambang murah yang beroperasi di KLIA2 akan memberikan kesan kepada penumpang dari segi kenaikan pelbagai caj yang bakal dikenakan.
5.9	Konsep pusat beli belah yang keterlaluan di luar kaunter daftar masuk terminal KLIA2 tidak sesuai dengan pelan perniagaan sebuah terminal tambang murah.
5.10	Keputusan MAHB memecahkan banyak pakej untuk projek pembinaan KLIA2 mungkin telah menimbulkan banyak masalah dari segi pemantauan ketika projek sedang dilaksanakan.

PARA	RUMUSAN & SYOR
	Bagi tujuan penambahbaikan akan datang, Jawatankuasa Kira-Kira Wang Negara mencadangkan beberapa perkara seperti berikut:
6.1	menggesa Kerajaan mengarahkan Jabatan Audit Negara membuat pengauditan menyeluruh ke atas segala penemuan yang dibuat oleh Jawatankuasa Kira-Kira Wang Negara atas dasar kepentingan Kerajaan;
6.2	meminta Jabatan Audit Negara mengenal pasti pihak yang bertanggungjawab dan isu pokok ke atas masalah-masalah yang timbul supaya tindakan susulan dapat diambil oleh pihak berkuasa berkaitan;
6.3	meminta Jabatan Audit Negara melakukan audit prestasi kepada MAHB sejak penubuhannya terutama dalam model pembangunan KLIA dan KLIA2 daripada segi perancangan, pelaksanaan dan kewangan.
6.4	menggesa MAHB bertanggungjawab terhadap keselamatan pengguna dengan melaksanakan pemantauan secara berterusan untuk membaiki semua keretakan / mendapan mengikut standard Pertubuhan Penerbangan Awam Antarabangsa (ICAO);
6.5	menggesa MAHB supaya tidak mengenakan atau menaikkan sebarang kadar atau caj melebihi kadar inflasi di KLIA2 untuk mendapatkan semula pulangan atau hasil yang telah dibelanjakan dalam pembinaan KLIA2;
6.6	menggesa Kerajaan supaya memastikan tahap komunikasi dan kerjasama antara MAHB dengan syarikat-syarikat penerbangan tambang murah dieratkan supaya matlamat menjadikan KLIA2 sebagai hub penerbangan tambang murah serantau tercapai; dan
6.7	menggesa Kerajaan menubuhkan Suruhanjaya Penerbangan Awam Negara yang benar-benar bebas dan dianggotai individu yang tidak mempunyai kepentingan dalam mana-mana syarikat penerbangan atau pernah menjawat jawatan Kerajaan yang berkaitan dengan industri penerbangan bagi mengelakkan berlaku kepentingan konflik dengan pihak berkepentingan (<i>stakeholders</i>).

AGENDA MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

- Mesyuarat PAC Bil 3/2013 Pada Rabu 20 November 2013
- Mesyuarat PAC Bil 1/2014 Pada Khamis 16 Januari 2014
 - Mesyuarat PAC Bil 9/2014 Pada Selasa 1 April 2014
 - Mesyuarat PAC Bil 12/2014 Pada Isnin 28 April 2014
- Mesyuarat PAC Bil 32/2014 Pada Selasa 30 September 2014

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BIL 3/2013 PADA RABU 20 NOVEMBER 2013
DI BILIK JAWATANKUASA 1, BANGUNAN PARLIMEN**

TARIKH / HARI / MASA	PERKARA	KEMENTERIAN/ JABATAN/ AGENSI TERLIBAT
<p>20 Nov 2013 (Rabu)</p> <p>10.30 pagi</p>	<p>Projek Pembinaan Kuala Lumpur International Airport 2 (KLIA 2) dan Projek Peningkatan Lapangan Terbang Antarabangsa Kota Kinabalu, Sabah</p>	<p>Kementerian Pengangkutan</p>

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BIL 1/2014 PADA KHAMIS 16 JANUARI 2014
DI BILIK JAWATANKUASA 1, BANGUNAN PARLIMEN**

TARIKH / HARI / MASA	PERKARA	KEMENTERIAN/ JABATAN/ AGENSI TERLIBAT
16 Januari 2014 (Khamis) 10.30 pagi	Projek Pembinaan Kuala Lumpur International Airport 2 (KLIA 2)	Kementerian Pengangkutan

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BIL 9/2014 PADA SELASA 1 APRIL 2014
DI BILIK JAWATANKUASA 1, BANGUNAN PARLIMEN**

TARIKH / HARI / MASA	PERKARA	KEMENTERIAN/ JABATAN/ AGENSI TERLIBAT
<p>1 April 2014 (Selasa)</p> <p>11.00 pagi</p>	<p align="center">Projek Pembinaan Kuala Lumpur International Airport 2 (KLIA 2)</p> <p><i>[mesyuarat dijadualkan semula selepas ditunda daripada tarikh asal Selasa, 25 Mac 2014]</i></p>	<p align="center">Kementerian Pengangkutan</p> <p align="center">&</p> <p align="center">Malaysia Airport Holdings Berhad</p>

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BIL 12/2014 PADA ISNIN 28 APRIL 2014
DI BILIK JAWATANKUASA 1, BANGUNAN PARLIMEN**

TARIKH / HARI / MASA	PERKARA	KEMENTERIAN/ JABATAN/ AGENSI TERLIBAT
<p>28 April 2014 (Isnin)</p> <p>10.30 pagi</p>	<p align="center">1. KUALA LUMPUR INTERNATIONAL AIRPORT 2 - Perancangan dan Pelaksanaan Operasi AirAsia</p> <p align="center">2. KOTA KINABALU INTERNATIONAL AIRPORT - Pemindahan Operasi AirAsia dari Terminal 2 ke Terminal 1</p>	<ul style="list-style-type: none"> • AirAsia Berhad • Kementerian Pengangkutan

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BIL 32/2014 PADA SELASA 30 SEPTEMBER 2014
DI BILIK JAWATANKUASA 1, BANGUNAN PARLIMEN**

TARIKH / HARI / MASA	PERKARA	KEMENTERIAN/ JABATAN/ AGENSI TERLIBAT
30 September 2014 (Selasa) 11.00 pagi	Penyambungan Laluan ERL Dari KLIA Ke KLIA2	Kementerian Pengangkutan

LAPORAN PROSIDING

- Mesyuarat PAC Bil 3/2013 Pada Rabu 20 November 2013
- Mesyuarat PAC Bil 1/2014 Pada Khamis 16 Januari 2014
 - Mesyuarat PAC Bil 9/2014 Pada Selasa 1 April 2014
 - Mesyuarat PAC Bil 12/2014 Pada Isnin 28 April 2014
- Mesyuarat PAC Bil 32/2014 Pada Selasa 30 September 2014

Bil.3

**Rabu
20 November 2013**



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

Mengenai:

**Projek Pembinaan Kuala Lumpur International Airport 2
(KLIA 2)**

&

**Projek Peningkatan Lapangan Terbang Antarabangsa
Kota Kinabalu, Sabah**

- Kementerian Pengangkutan

**PARLIMEN KETIGA BELAS
PENGAL PERTAMA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1,
PARLIMEN MALAYSIA
RABU, 20 NOVEMBER 2013**

AHLI-AHLI JAWATANKUASA

Hadir

- YB. Datuk Nur Jazlan bin Mohamed - *Pengerusi*
YB. Dr. Tan Seng Giaw [Kepong] - *Timbalan Pengerusi*
YB. Datuk Seri Reezal Merican [Kepala Batas]
YB. Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]
YB. Tuan Liang Teck Meng [Simpang Renggam]
YB. Datuk Madius bin Tangau [Tuaran]
YB. Tuan Haji Hasbi bin Haji Habibollah [Limbang]
YB. Datuk Wee Jeck Seng [Tanjong Piai]
YB. Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]
YB. Dato' Kamarul Baharin bin Abbas [Telok Kemang]
YB. Tuan William Leong Jee Keen [Selayang]
YB. Dato' Kamarudin bin Jaffar [Tumpat]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

Tidak Hadir [Dengan Maaf]

- YB. Datuk Chua Tee Yong [Labis]
YB. Puan Mas Ermieyati binti Samsudin [Masjid Tanah]

URUS SETIA

- Encik Che Seman Pa Chik [Setiausaha Bahagian Pengurusan Dewan]
Encik Amisyahrizan bin Amir Khan [Ketua Penolong Setiausaha (Perundangan dan Prosiding)]
Encik Nasrul Izani bin Ramli [Penolong Setiausaha I (Perundangan dan Prosiding)]

HADIR BERSAMA

Jabatan Audit Negara

- YBhg. Datuk Haji Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]
Puan Saadatul Nafisah binti Bashir Ahmad [Pengarah Audit Persekutuan]
Encik Raja Sunthara Kannan a/l Dato' Raja Gopal [Timbalan Pengarah Audit Persekutuan
(Pertanian dan Industri Asas Tani)]
Puan Ruhana binti Mohamad Zam [Juruaudit]
Puan Zanariah Hamid [Penolong Juruaudit Kanan]
Encik Abdul Rahman Abdul Hadi [Penolong Juruaudit]

samb/-

HADIR BERSAMA *(samb/-)*

Kementerian Kewangan

Puan Eshah binti Meor Suleiman [Setiausaha Bahagian Pelaburan, MKD dan Penswastaan]
Puan Norazura binti Tadzim [Ketua Penolong Setiausaha Bahagian Pelaburan,
MKD dan Penswastaan]

Jabatan Akauntan Negara

Puan Maslina Kamarudin [Ketua Penolong Pengarah]

Jabatan Perkhidmatan Awam

YBhg. Dato' Amir bin Haji Abd. Hamid [Pengarah Bahagian Khidmat Pengurusan]

Unit Perancang Ekonomi

Encik Hasan Ismail [Timbalan Ketua Pengarah]

SAKSI-SAKSI

Kementerian Pengangkutan

YBhg. Datuk Seri Long See Wool [Ketua Setiausaha]
YBhg. Dato' Yap Kin Sian [Timbalan Ketua Setiausaha (Operasi)]
YBhg. Dato' Haji Azharuddin bin Abdul Rahman [Ketua Pengarah Penerbangan Awam]
Encik Esparan a/l Munusamy [Setiausaha Bahagian (Pembangunan)]
Encik Chandrasekaran a/l Periappan [Setiausaha Bahagian (Udara)]
Encik Ruzain Idris [Timbalan Setiausaha Bahagian (Pembangunan)]
Encik Abd. Halim Abdullah [Timbalan Setiausaha Bahagian (Pentadbiran dan Kewangan)]
Encik Mas Suffian Abdul Karim [BP, MOT]

KLIA Consultancy Services Sdn. Bhd.

Ir. Mohd. Hanaffi Ayob [Naib Presiden]
Sr. Jamiah Jahis [Wakil]

LAPORAN PROSIDING**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
PARLIMEN KETIGA BELAS, PENGGAL PERTAMA****Bilik Mesyuarat Jawatankuasa 1, Parlimen Malaysia, Kuala Lumpur****Rabu, 20 November 2013****Mesyuarat dimulakan pada pukul 10.39 pagi***[Yang Berhormat Datuk Nur Jazlan bin Mohamed
mempengerusikan Mesyuarat]*

Tuan Pengerusi: *Bismillahi Rahmani Rahim. Assalamualaikum warahmatullaahi wabarakaatuh.* Walaupun kita punya Jawatankuasa belum lagi penuh datang, tetapi kita sudah cukup kuorum sebab kuorum minimumnya tiga orang sahaja. Jadi saya hendak cadangkan kita teruskanlah dengan mesyuarat ini untuk menjimatkan masa kerana ada dua isu yang telah diketengahkan.

Saya hendak cadangkan agendanya begini. Pertama sekali kita minta Jabatan Audit Negara untuk memberikan penjelasan kepada laporan NFC kita supaya Ahli-ahli yang baru ini maklumlah mengenai syor yang akan dibuat dalam laporan NFC tersebut. Selepas itu kita akan *endorse* laporan NFC ini untuk dibentangkan kepada Dewan dalam masa dua atau tiga hari nanti. Itu pertama.

Kedua, saya rasa kita boleh terus kepada prosiding kita iaitu untuk memanggil Kementerian Pengangkutan untuk mendapatkan penjelasan Projek Peningkatan Lapangan Terbang Kota Kinabalu dan juga Projek Pembinaan KLIA 2. Cuma saya hendak cadangkan kita *go through* KK punya *airport* dahulu kerana itu adalah merupakan penyiasatan Jabatan Audit Negara yang telah dibukukan dalam Laporan Audit Negara Tahun 2012. Selepas itu baru kita pergi kepada soal KLIA 2.

Cuma, saya hendak minta pandangan daripada Jawatankuasa bahawa kedua-dua perkara ini merupakan perkara yang berat yang saya sudah tengok dan saya rasa ini memerlukan masa sampai lima atau enam jam. Saya rasa mungkin kita pun kesuntukan masa. Kalau hendak habis pun mungkin sampai lima atau enam jam, lama masanya. Saya hendak cadangkan kalau boleh kita buat KK dahulu. Selepas itu kalau ada masa lagi, kita terus kepada KLIA 2, tetapi saya hendak cadangkan pukul 1.30 petang kita tangguhkan mesyuarat. Boleh dapat persetujuan daripada Jawatankuasa?

Terima kasih banyak-banyak. Jadi kita *target* 1.30 petang untuk bersurailah. Kalau ada isu yang tertunggak lagi, kita panggil sekali lagilah mereka yang terlibat untuk memberikan penerangan.

Yang Berhormat Timbalan Pengerusi, Ahli Jawatankuasa PAC, Datuk Anwari, Timbalan Ketua Audit Negara bersama dengan pasukannya. Selamat datang ke *hearing* pertama kita bagi PAC Parlimen Ke-13. Saya minta jasa baik Datuk Anwari untuk terus kepada perkara yang saya minta tadi iaitu penerangan mengenai syor dalam laporan NFC kita nanti. Sila.

Datuk Haji Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]: *Bismillahi Rahmani Rahim. Assalamualaikum warahmatullaahi wabarakaatuh.* Selamat pagi dan salam 1Malaysia. Yang Berhormat Datuk Nur Jazlan, Pengerusi PAC, Yang Berhormat Dr. Tan Seng Giaw, Timbalan Pengerusi PAC, Ahli-ahli-ahli Yang Berhormat, Dato' Sri, Datuk-Datuk, Ahli-ahli PAC sekalian, tuan-tuan dan puan-puan, Yang Berbahagia Datuk Setiausaha PAC, dan juga kakitangan Jabatan Audit Negara. Untuk makluman, Yang Berbahagia Tan Sri Ketua Audit Negara tidak dapat hadir pada hari ini kerana beliau ada tugas rasmi di Sabah.

Untuk laporan NFC, sebenarnya laporan ini telah siap disediakan oleh Jawatankuasa PAC yang lama sebelum pilihan raya dahululah. Jadi saya menjemput pegawai saya untuk meneruskan iaitu membaca laporan yang telah siap disediakan. Mungkin ada penambahbaikan selepas ini. Terima kasih.

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal [Timbalan Pengarah Audit Persekutuan (Pertanian dan Industri Asas Tani)]: Terima kasih Yang Berbahagia Datuk Timbalan Ketua Audit Negara. Saya Raja Sunthara Kannan a/l Dato' Raja Gopal, Timbalan Pengarah Audit Persekutuan Kementerian Pertanian dan Industri Asas Tani yang telah melaksanakan pengauditan berkaitan dengan projek Pusat Fidlot Nasional. Secara *briefnya*, PAC telah pun mengadakan mesyuarat sebanyak 14 kali berkenaan dengan NFC ini di mana tujuh adalah sesi untuk PAC menemu ramah ahli-ahli daripada Kementerian Pertanian dan tujuh lagi adalah perbincangan di antara PAC dengan pihak Jabatan Audit Negara.

Ekoran daripada sesi PAC diadakan ini, terdapat beberapa isu yang telah diketengahkan dan juga telah mendapat persetujuan daripada Ahli-ahli PAC di mana pada akhirnya kita telah pun membuat satu draf laporan supaya pihak PAC dapat mengemukakan laporan ini kepada Parlimen. Izinkan saya untuk memaklumkan isu-isu yang telah dibangkitkan.

Pertamanya, dalam laporan ini kita telah pun menyatakan berkaitan dengan projek Pusat Fidlot Nasional secara keseluruhannya, berkaitan dengan Dasar Jaminan Makanan Negara. Kemudiannya kita telah pun memaklumkan berkaitan dengan perjanjian-perjanjian yang terlibat iaitu lebih kurang tujuh perjanjian yang dibuat bagi projek ini iaitu:

- (i) *loan facility agreement;*
- (ii) *deed of assignment;*
- (iii) *debenture;*
- (iv) *supplemental agreement to the loan facility agreement;*

- (v) *supplemental deed of assignment;*
- (vi) *implementation agreement;* dan
- (vii) *lease agreement.*

Juga, kita telah membentangkan perihal berkenaan dengan pinjaman mudah. Pada asalnya perbincangan PAC adalah lebih berkaitan kepada projek Pusat Fidlot Nasional secara keseluruhan. Akan tetapi dalam perbincangan seterusnya yang keempat, pihak PAC mendapati bahawa PAC perlu menekankan soal RM250 juta sebagai *loan facility* kepada pihak NFCorp. iaitu *integrator* kepada projek PFN. Seterusnya selepas PAC bilangan keempat, kesemua *focus point* adalah kepada RM250 juta ini. So, dari situ kita telah menyediakan laporan ini yang lebih berteraskan kepada RM250 juta.

To recap balik berkenaan dengan RM250 juta ini, ini adalah satu pinjaman mudah di mana ia dibuat secara melalui *loan facility agreement* dan pihak NFCorp. telah pun diberi sejumlah RM250 juta oleh Kementerian Kewangan. Terdapat banyak kelemahan yang berlaku dalam proses pinjaman mudah ini diberi kepada pihak NFCorp.

Pertama sekali adalah berkenaan dengan *supplemental agreement* untuk membatalkan ATC dan digantikan dengan ATO, lewat dimeterai selama lapan bulan. Bagi isu ini, pada asalnya dalam *implementation agreement* telah menyatakan bahawa ATC hendaklah memperakukan segala *withdrawal of* pinjaman ini kepada NFCorp. ATC adalah *Authorize Technical Committee*. ATC ini terdiri daripada beberapa pegawai yang terdiri daripada pegawai dari Kementerian Kewangan, Kementerian Pertanian dan Industri Asas Tani, Jabatan Perkhidmatan Veterinar dan juga universiti. Walau bagaimanapun, mereka mendapati agak sukar untuk mereka bertemu untuk setiap *withdrawal*. Dengan itu, pihak kementerian telah mencadangkan supaya ATO dilantik iaitu *Authorize Technical Officer* di mana seorang pegawai boleh meluluskan.

Dengan itu, Kementerian Pertanian dan Industri Asas Tani telah pun mencadangkan Ketua Pengarah Jabatan Perkhidmatan Veterinar iaitu Datuk Dr. Aziz untuk menjadi sebagai ATO. Jadi, lebih mudah untuk mereka memproses *withdrawal amount* ini kepada pihak NFCorp.

Dato' Abd. Aziz bin Sheikh Fadzir [Kulim Bandar Baharu]: Tidak ada *limit*kah?

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *No. There are no limits.* Dia adalah dalam RM250 juta sahaja. *That means* apabila NFCorp. memohon untuk mengeluarkan RM250 juta kepada akaun operasi NFCorp., ATO hendaklah memperakui dahulu *that* NFCorp. memerlukan *this amount for the project. Then,* Kementerian Kewangan akan melaksanakan proses untuk mengeluarkan cek *and all this thing.*

So what happened is that, dalam perjanjian, ia telah menyebut sebagai ATC. Jadi apabila ada perubahan kepada ATO, dia perlu ada satu perjanjian untuk *to make it legalize that ATO* punya *signature.*

Akan tetapi itu yang kita maklum di sini, dia telah mengambil lapan bulan untuk membuat perjanjian tersebut. *So what happened is that, in between of that eight months*, ada pengeluaran di mana ATO telah menandatangani. *So, legally it is wrong* di mana ATO telah menandatangani untuk mengeluarkan *certain amount of RM113 million, almost RM113 million. So that is the first issue.*

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Dato' Abd. Aziz Sheikh Fadzir: *Can I ask?... Whatever amount yang ATO bayar...*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right.*

Dato' Abd. Aziz Sheikh Fadzir: *...Setelah ATO memperakukan?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Ya.*

Dato' Abd. Aziz Sheikh Fadzir: *...That process happens?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *That process happens.*

Dato' Abd. Aziz Sheikh Fadzir: *Cuma the authorize for ATO to make the payment only.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *To make a signatory of memperakui that pengeluaran itu.*

Dato' Abd. Aziz Sheikh Fadzir: *All those payment was approved by ATO?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *No, it was not approved actually. The first two payments were not approved by the ATO.*

Dato' Abd. Aziz Sheikh Fadzir: *Okay, but I thought you said that apa saja pembayaran, mesti ATO memperakukan dahulu...*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right.*

Dato' Abd. Aziz Sheikh Fadzir: *...Jika perlu?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes.*

Dato' Abd. Aziz Sheikh Fadzir: *Cuma the proses pembayaran itu sahaja ATO boleh buat, bukan?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right.*

Dato' Abd. Aziz Sheikh Fadzir: *So, that never happen?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Which I am coming for the next issue actually. It is okey Yang Berhormat. Mengikut klausa dalam perjanjian, segala pengeluaran, peruntukan amount RM250 juta kepada Akaun Operasi hendaklah diperakui oleh ATC dan kemudiannya ditukar kepada ATO.*

The next issue is that, terdapat dua payment berjumlah RM8 juta di mana ATO tidak memperakui. Ini kerana mengikut ketetapan Kementerian Kewangan, ia dianggap sebagai satu pendahuluan. In the beginning of the project. So, ketetapan Kementerian Kewangan adalah, jika berlaku pendahuluan, di mana bukan withdrawal maka ia dianggap sebagai- it is the prerogative of the Kementerian Kewangan untuk mengeluarkan.

It is because the amount is paid by Kementerian Kewangan. It is not by Kementerian Pertanian dan Industri Asas Tani. So, they felt that- but in our opinion, it is wrong sebab dalam perjanjian telah disebut, segala pengeluaran mestilah mendapat perakuan daripada ATO. So, we stand by the clause in the agreement. Sorry, the ATC, according to the agreementlah. So, that is the first issue about the eight months delayed.

Kedua ialah yang berkaitan dengan *withdrawal* sejumlah RM8 juta yang dianggap sebagai pendahuluan oleh MOF iaitu Kementerian Kewangan. So, itu adalah anggapan MOF di mana kita tidak setuju dengan anggapan tersebut. Ia mestilah melalui proses seperti yang ditetapkan dalam perjanjian iaitu mesti mendapat perakuan daripada kementerian. *I mean* daripada ATC atau ATO dahulu, *right*. So, that is the second issue di mana berlaku pelanggaran dari segi syarat-syarat.

Datuk Seri Reezal Merican [Kepala Batas]: *If I may ask, if I may ask?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Ya.

Datuk Seri Reezal Merican: *At time when RM8 million was advancedly paid by MOF with the deemed to be advanced payment, was ATO has been formalised or not?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *No, ATO was not formalised.*

Datuk Seri Reezal Merican: *Ya. I am asking, ATO. Did ATC or has ATC recommended about the ATO yet or not?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay, now. Alright. Perjanjian untuk memeteraikan ATO dibuat pada 15 Disember 2008. Dua pendahuluan bernilai RM8 juta telah dikeluarkan pada 24 Januari 2008 dan 14 April 2008.*

Datuk Seri Reezal Merican: *Earlier than that?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Ya, no earlier than that. So that means, the ATO dimeterai pada 15 Disember 2008 and pendahuluan adalah sebelum...*

Datuk Seri Reezal Merican: *January 2008.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *January 2008.*

Datuk Seri Reezal Merican: *In other words, the MOF was not in the know that there will have to be ATO?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *They are in the know because in the agreement...*

Datuk Seri Reezal Merican: *There was ATC.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *ATC.*

Datuk Seri Reezal Merican: *They only know about ATC, but they do not know about ATO.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *About ATO. Right, right. They did not know. But, if let's say, if they do not know about the ATO, the process of ATC memperakui mesti ada. That means...*

Datuk Seri Reezal Merican: *It's ultra vires.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes, correct [Disampuk] Ya, which ATC has never met for any of the pengeluaran actually. Even though ATC ada disebut dalam perjanjian...*

Datuk Seri Reezal Merican: *ATC is mentioned as stipulated in the main frame of the loan agreement.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right, right.*

Datuk Seri Reezal Merican: *So, in other words, there must be adherence to that.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Correct.*

Datuk Seri Reezal Merican: *True, right?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay, next, the third one will be on withdrawal yang keenam dan yang ketujuh berjumlah RM64 juta untuk cadangan pembinaan empat bangunan.*

NFCorp telah pun memohon kepada Kementerian Kewangan untuk memperoleh RM64 juta untuk membina empat buah bangunan di Gemas, Negeri Sembilan, di kawasan Projek Pusat Fidlot Nasional. *We are also talking about that process yang involved dalam pengeluaran pinjaman ini di mana RM64 million was paid to NFCorp based on a letter. There was no any proper kind of- like building plan or design. There was no anything of that. It was just a basic letter that NFCorp hendak bina empat buah bangunan. They are the kandang fidlot, loji pemprosesan daging, palm kernel crushing plant and pembinaan loji biogas.*

So, with this, MOF has released that RM64 million. Now basically, in government's procedure, mestilah satu kemajuan kerja yang perlu ada untuk pembayaran. So, they supposed to pay partly first and then on stages, they supposed to go on depending on the kemajuan kerja but that was not done when this... [Disampuk] It is MOF. At that time, ATO has been appointed, but they were not involved in that.

Datuk Seri Reezal Merican: *He has not authorize it?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes, he has not authorized that RM64 million.*

Datuk Seri Reezal Merican: *And he hasn't got any locus standi?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right. It is because the permohonan to get the RM250 million, NFCorp akan buat terus kepada Kementerian Kewangan. Then, Kementerian Kewangan sepatutnya akan hantar kepada Jabatan Perkhidmatan Veterinar (JPV), Ketua Pengarah iaitu sebagai ATO untuk mendapat perakuan. So, setelah dia mendapat perakuan daripada ATO iaitu Ketua Pengarah JPV, then only the Kementerian Kewangan will process back again to issue the cheque and all these things.*

So, apabila permohonan NFCorp kepada Kementerian Kewangan, *if* Kementerian Kewangan *do it by themselves*, ATO would not know what is happening. Unless Kementerian Kewangan hantar kepada ATO, *then only ATO knows that there is a payment going to be done.*

Dato' Abd. Aziz Sheikh Fadzir: *Procedure is that NFC will have to write to Kementerian Kewangan.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes.*

Dato' Abd. Aziz Sheikh Fadzir: *Kementerian Kewangan will then send it to ATO to...*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *For the perakuan.*

Dato' Abd. Aziz Sheikh Fadzir: *Perakuan, baru bayar?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Baru kelulusan akan diberi oleh MOF untuk issue the cheque.*

Dato' Abd. Aziz Sheikh Fadzir: *Kalau logiknya, tidakkah patutnya NFC hantar kepada ATO ini...?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right.*

Dato' Abd. Aziz Sheikh Fadzir: *...For them to confirm and recommend to Kementerian Kewangan? It is go that way.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okey, Yang Berhormat. Actually, because the pinjaman adalah daripada Kementerian Kewangan, so that is why they go direct to the Kementerian Kewangan. That is the reason they went direct to the Kementerian Kewangan.*

Dato' Abd. Aziz Sheikh Fadzir: *That is an area that for future we can look at it for other loans. So that, you know, this kind of mistake will not happen.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Right, but we would prefer that if there is a letter sent to Kementerian Kewangan and s.k. to ATO, that means both of them will know.*

Datuk Seri Reezal Merican: *You know why? Because we have two different parties now. We have one pay master, the other one is, the custodian of the project which is Kementerian Pertanian.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Jabatan Perkhidmatan Verterinar.*

Datuk Seri Reezal Merican: *So, the one know how and the one who is going to pay. So, if the payment is made without the knowledge of the person who is supposed to know, then of course like what you said, whether in the future, the SOP has got to really clearly stipulate that. So that, the more important is not the pay master alone. The more important is the custodian of the project.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Well, that could be some pro and cons over there or on that process. Because, the pay master is Kementerian Kewangan, they hold the amount. So, when you want that amount, you come to me first, then I will send to ATO.*

But in this situation, because of this problem, I do understand YB's concerned, that probability there will be two letters to be sent simultaneously to Kementerian Kewangan and s.k or heading to Kementerian Kewangan dan to JPV. So that both of them could work concurrently, both of them can work together.

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That means JPV can contact, can see with the Kementerian Kewangan saying that, "Okay, there is the letter. So, I want to..." They know each other. Now, ATO does not know because what ATO mention during the PAC meeting before this is that he did not know about the pendahuluan because it was not sent to him. So, that is the things. Probably your concern will be taken care kalau surat itu dihantar simultaneously kepada kedua-dua pihak iaitu pihak Kementerian Kewangan dan ATO sekali.

Tuan Pengerusi: *I just want to interject pasal tidak hendak masa lama sangat. These are all the details issue, we already gone through in the last PAC pun.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes.*

Tuan Pengerusi: *The syor untuk hendak penambahbaikan sudah ada dalam report kita, bukan?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes. Sudah.*

Tuan Pengerusi: *Jadi, apa orang kata- I bukan hendak... [Ketawa] Saya bukan hendak menghalang soalan-soalan tetapi...*

Datuk Seri Reezal Merican: *Sorry. We are freshie... [Ketawa]*

Dato' Abd. Aziz Sheikh Fadzir: *But what I was hoping hari itu as we agreed that today kalau kita awal, we should have got that Executive Summary for us to read. So, at least, what we perakui today, is something that our conscious is clear, I mean we respect the former Members...*

Tuan Pengerusi: *Saya sudah sebut dalam Mesyuarat yang lepas... [Disampuk]*

Seorang Ahli: *...To be equally equitable.*

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: *I agree with that.*

Tuan Pengerusi: *Saya sebut dalam Mesyuarat yang lepas bahawa kalau laporan ini tidak boleh diedarkan dahulu sebelum- walaupun kepada Jawatankuasa. Saya sudah sebut bahawa laporan ini boleh didapati di Pejabat PAC. Kalau hendak, pergi baca di sana. Saya sudah sebut. Dalam Mesyuarat sebelum ini saya sudah sebut [Ketawa] Saya minta maaf kalau ada miscommunication antara Ahli Jawatankuasa mengenai laporan ini tetapi memang laporan ini embargo, tidak boleh diedarkan kepada sesiapa di luar daripada Pejabat PAC pun. Jadi, saya minta maaf. Lain kali, itulah amalan kita yang biasa dalam urusan PAC. Kalau boleh kita cepat sedikit [Ketawa]*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Thank you Tuan Pengerusi. So, can I go to the syor PAC?... Alright, rumusan PAC finally was... [Membaca petikan]*

"PAC berpendapat bahawa semua perkara yang dibangkitkan dalam laporan ini dan pihak-pihak yang berkenaan mengambil inisiatif tindakan yang serius terhadap kesemua syor PAC serta perkara-perkara yang dikenal pasti sebagai punca kepada masalah yang timbul, khususnya dalam pelaksanaan proses pinjaman mudah."

Bagi syor ini, walau bagaimanapun Kementerian Kewangan telah mengambil tindakan untuk memperkemas lagi SOP mereka dalam pinjaman mudah *which was not done before the NFC case. Before it is being discussed- the SOP was very loosed and selepas PAC bincang, and we inform to the Kementerian Kewangan, then mereka telah pun mengambil tindakan untuk memperkemas.*

Dato' Abd. Aziz Sheikh Fadzir: *It is possible Mr. Chairman, kalau kita hendak tahu berapa banyak lagi pinjaman mudah yang masih ada dan berjalan?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Ya. I think Kementerian Kewangan will be able to inform that.*

Dato' Abd. Aziz Sheikh Fadzir: *Can we request for that, Sir?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Ya. We have in the report, we have the statistics.*

Tuan Pengerusi: *Jadi, tolong dapatkan maklumat tersebut dan laporkan kepada Mesyuarat Jawatankuasa akan datang, ya. Terima kasih.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Yes, we have that in the report actually. How many...*

Tuan Pengerusi: *Tidak. I think you should give in-writing to the Yang Berhormat.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay.*

Tuan Pengerusi: *I am just... [Disampuk] You have the figure, then maybe you can photocopy and just maklum to Jawatankuasa.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay. Alright, will do.*

Tuan Pengerusi: *Now, I am trying to speed up. Timbalan Pengerusi pun sudah tunjuk saya jam tadi [Ketawa]*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay. Sorry Tuan Pengerusi. Keduanya ialah Polis Diraja Malaysia dan Suruhanjaya Pencegahan Rasuah Malaysia (SPRM) wajar membuat siasatan rapi untuk mengenal pasti pihak yang terlibat dalam penyelenggaraan polisi.*

Ini disebabkan ada berlakunya *conflict of interests* bagi pegawai yang telah meluluskan bayaran, adalah juga sebagai seorang Ahli Lembaga Pengarah dalam NFCorp. Beliau juga adalah seorang *signatory*, salah seorang *signatory* dalam cek. *So, the process is based on one person where he decides we did not send to the ATO, he decides that and he is the one... [Disampuk] MOF level. That is where* kita hendak memperkemas lagi.

Dato' Abd. Aziz Sheikh Fadzir: Polis Diraja Malaysia, kita syorkan buat siasatan tetapi benda ini sudah lama. Tak kan tak buat siasatan lagi..., sebelum ini kes itu?

Tuan Pengerusi: Saya pun tidak pasti, saya...

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Yes, PDRM, Jabatan Siasatan Jenayah Komersial (JSJK) telah pun melaksanakan siasatan tetapi *they go more on the project. About the conflict of interests, no! I do not think that they have focus on that.*

Tuan Pengerusi: *The syor here is to basically to hold Datuk Manaf, accountable for this kind, bukan? Sudah ada dalam report kita, bukan?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Yes, correct. Betul, betul.

Tuan Pengerusi: *Alright. So, we actually named the person to be taken action against.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Yes, correct.

Tuan Pengerusi: *So, it is in the Syor.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Correct. True. Then, next is on the withdrawal pinjaman mudah, bukan sahaja tidak dibuat dengan teratur, malahan telah menyebabkan wang pinjaman tidak digunakan sepenuhnya untuk pelaksanaan projek. This is because PAC knows that it is because the project was not done actually. Even though RM64 millions telah pun dikeluarkan and there were no any projects. Physically there was no any projects for the RM64 millions. So, this is where the money which has gone to the account without any perbelanjaan. Jadi, kemungkinan mereka telah menggunakan amaun ini untuk hal-hal lain seperti yang telah dibangkitkan dalam media.*

Finally, PAC juga membuat rumusan bahawa mengambil pengajaran, lesson learn daripada punca-punca masalah yang telah berlaku sebagai iktibar untuk proses penambahbaikan yang berterusan dan lain-lain sistem pengurusan projek kerajaan yang masih berkuat kuasa serta yang akan dilaksanakan pada masa akan datang. Punca masalah ini juga hendaklah dikaji secara teliti oleh kerajaan bagi memastikan perkara sama tidak berlaku sama ada dalam lain-lain projek atau lain-lain pinjaman kerajaan. PAC mengambil maklum terhadap beberapa penambahbaikan yang telah diambil oleh Kementerian Kewangan seperti yang saya sebutkan tadi daripada beberapa siri Mesyuarat PAC. So, that is all about.

Tuan Pengerusi: *Thank you very much. So, yang pentingnya daripada segi penambahbaikan, daripada segi prosedur dan dasar kita. Kementerian Kewangan sudah mengambil tindakan tetapi tindakan kepada orang yang membuat kesalahan itu belum dibuat lagi?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Belum dibuat. Kita menghadapi limitation. PAC telah menghadapi limitation yang mana pihak PAC actually telah memanggil pihak NFCorp tetapi Dato' Seri Dr. Mohamad Salleh tidak hadir dan dia telah menghantar peguamnya. This is because he did not want any- because he says that it is already in the court for the case, so he does not want to appear in front of the PAC.*

Dato' Abd. Aziz Sheikh Fadzir: *Tidak bolehkah kita buat police report atas kapasiti PAC kepada Datuk Manaf especially?... Tidak bolehkah Tuan Pengerusi?*

Tuan Pengerusi: *Oleh sebab itu sekarang ini saya hendak bertanya, apakah tindakan selanjutnya? Baru-baru ini ada penubuhan jawatankuasa di bawah Ketua Audit Negara dengan dihadiri oleh wakil-wakil daripada jabatan lain yang tujuan khasnya untuk hendak... [Disampuk] There are two committees. One is Ketua Audit Negara who is supposed to go through our Laporan Audit Negara and then take action. Then, there is Chief Secretary punya committee. Then, there is Perdana Menteri punya super committee. So, there are... Now, three committees. Cuma sekarang ini, saya hendak minta Ketua Audit Negara dahulu to take forward this case, untuk ambil tindakan dalam jawatankuasa yang dipengerusikan oleh beliau dahulu.*

Datuk Haji Anwari bin Suri: *Tuan Pengerusi, saya akan maklumkan kepada Yang Berbahagia Tan Sri.*

Tuan Pengerusi: *Kalau tidak ada tindakan juga, angkat ke jawatankuasa yang KSN punya. Kalau tidak selepas itu pun, angkat ke jawatankuasa super committee yang dipengerusikan oleh Perdana Menteri [Disampuk] Syor kita sudah ada, sekarang ini kita angkat kepada pelaksana untuk melaksanakan tindakan.*

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Dato' Abd. Aziz Sheikh Fadzir: *Tuan Pengerusi, saya cuma menekankan kerana ini contoh yang terbaik. Projek yang difikirkan cukup baik untuk negara tetapi tidak dilaksanakan dengan baik, akhirnya projek ini gagal. So, kita takut esok nanti banyak lagi projek yang kita rasa baik untuk negara gagal kerana pelaksanaan.*

Kedua, tidak adil kepada Kerajaan BN akhirnya- the decision maker ini memikirkan benda baik tetapi executors failed it- at the end, kita yang menerima...

Tuan Pengerusi: *Macam saya katakan tadi, penambahbaikan dari segi prosedur sudah dibuat oleh Kementerian Kewangan.*

Kita belum tahu lagi *feedback* lah sama ada berjaya atau tidak berjaya tetapi yang penting sekarang ini kita minta orang yang bertanggungjawab itu diambil tindakan juga tetapi itu kita serahkan kepada- kita pernah buat syor ini bahawa laporan dibuat ke pihak polis, aduan dibuat kepada pihak polis dan kepada pihak SPRM dan sebagainya.

Akan tetapi saya rasa apa yang penting sekali juga ialah di peringkat eksekutif, di peringkat pegawai tadbir kerajaan. Di situlah tindakan yang perlu diambil dan kita akan membuat syor rasmi ini dan selepas itu kita monitorlah sama ada tindakan telah diambil atau tidak. Boleh kita ambil itu sebagai rumusan terakhir sebelum kita meneruskan...

Dato' Abd. Aziz Sheikh Fadzir: Satu sahaja lagi, soalan terakhir. Saya cuma nak melahirkan kekecewaan saya kepada Yang Berhormat Rafizi dengan Dato' Seri Shahrizat kerana membuat keputusan untuk buat *out of court settlement*. Ini adalah *public- it cannot be a political hype*.

Tuan Tony Pua Kiam Wee: *That is defamation suit lah. I think it is not...*

Dato' Abd. Aziz Sheikh Fadzir: *It is not matter the defamation suit...*

Tuan William Leong Jee Keen [Selayang]: *I think it is separating because there is personal...*

Dato' Abd. Aziz Sheikh Fadzir: *I am just saying this is my opinion. I might be wrong you know...*

Tuan Pengerusi: *We can put it on record. Jadi boleh saya dapat persetujuan daripada Jawatankuasa kita luluskan Laporan NFC ini?... Finally, selepas dua tahun, dan kita boleh endorse dan bantangkan dalam Dewan dalam masa dua, tiga hari lagi. Boleh ya? Okey, terima kasih banyak-banyak.*

Dato' Kamarudin bin Jaffar [Tumpat]: ...Di dalam visi kita selepas ini, *make a big story of this* lah supaya kita *done something* lah. Nanti orang kata tidak ada...

Tuan Tony Pua Kiam Wee: *Perhaps one request – subsequent lah, not now, is a follow up on the story. Sebab perkara ini belum berakhir lagi. Kontrak masih tergendala dan tender pun, who supposed to coming and takeover dah give up, dia kata I won't takeover the debt. The Japanese, yang sebelum ini dikatakan akan mengambil alih projek, telah kata dia tarik balik, dia tidak hendak buat sebab kena tanggung RM250 juta hutang tersebut.*

Juga bahawa kes ini walaupun ada di dalam mahkamah, hanya pengerusinya sahaja yang di *charge* walaupun kesalahan ini kesalahan *entire board of directors*. Yang lain semua tidak di *charge*. Atas perkara lain pun tidak di *charge*. *So, we do a follow up subsequently on the status from the kementerian.*

Tuan Pengerusi: Boleh saya setuju?

Dato' Kamarul Baharin bin Abbas [Telok Kemang]: Tuan Pengerusi, *I think at this time we should know how much has been recovered from this project.*

Tuan Tony Pua Kiam Wee: Jawapan daripada Parlimen, *nothing. I got the answer early this session.*

Dato' Kamarudin bin Jaffar: *To make it our point officially, we ask on the recovery punya aspek.*

Datuk Seri Reezal Merican: *That's why Yang Berhormat Kulim tanya tadi yang dah disbursed, undisbursed and the recovered one.*

Tuan Pengerusi: Itu boleh kita mendapatkan maklumat itu dan kita masukkan di dalam minit mesyuarat. Jadi yang tiga perkara tadi Yang Berhormat Petaling Jaya Utara cakap tadi, satu mengenai masa depan projek ini, apa yang berlaku. Selepas itu yang kedua, berapa banyak wang yang telah dikeluarkan itu, dan telah dapat direcover, diselamatkan semula. Selepas itu satu lagi mengenai...

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Tony Pua Kiam Wee: Lembu sudah tidak adalah. *[Ketawa]*

Tuan Pengerusi: Maknanya hendakkan laporan susulan mengenai projek NFC ini juga.

Tuan Tony Pua Kiam Wee: Tindakan yang diambil ke atas pihak yang bersalah.

Datuk Seri Reezal Merican: Yang Berhormat Petaling Jaya Utara, *you want a conclusiveness.*

Seorang Ahli: *Finalitylah.*

Tuan Tony Pua Kiam Wee: *I don't think you get conclusiveness now lah. I think we need to know the follow up action. Jangan kita buat 'hu ha' semua, selepas 'hu ha' itu, tidak ada lagi. Orang simpan bawah meja sahaja.*

Dato' Abd. Aziz Sheikh Fadzir: Akan menjadi kes contoh *you know, to detail future problem maybe. Hopefully.*

Dato' Kamarudin bin Jaffar: *Legally* Tuan Pengerusi, oleh sebab ini pinjaman, maka *just like a poor graduate with PTPTN, the government should pursue to very end even proceeding to bankruptcy, no passport, cannot go to Qatar with the one, with the Prime Minister and that sort of thing...*

Tuan Pengerusi: Itu hal lain, hal lain *[Ketawa]* Akan tetapi *in my understanding, the loan was actually a grant..*

Seorang Ahli: *No, soft loan, soft loan.*

Tuan Pengerusi: Akan tetapi *it was treated like a grant because there was no record.* Maknanya tidak ada- *company* itu yang jadi *guarantor* untuk *loan* itu, bukan individu. Itu kita kena *clear* kan.

Tuan Tony Pua Kiam Wee: Untuk makluman Ahli, dalam kontrak perjanjian pinjaman, *they can forever extend the loan. No penalty interest.*

Datuk Seri Reezal Merican: *Repayment period?*

Tuan Tony Pua Kiam Wee: Dia ada *repayment period* tetapi kalau sampai boleh *extend* lagi, kalau tidak boleh bayar dengan faedah yang sama tanpa penalti *interest*.

Datuk Seri Reezal Merican: *The interest rate?*

Tuan Tony Pua Kiam Wee: *Two percent.*

Datuk Seri Reezal Merican: *Soft loan*lah.

Tuan Pengerusi: Akan tetapi soalnya sama ada kita boleh *recover* duit itu daripada individu yang menjadi *director* syarikat itu, itu tidak *clear*.

Datuk Seri Reezal Merican: *Loan facility agreement- because I don't know about that. Maybe Yang Berhormat Petaling Jaya Utara can enlighten me. What was the gestation period?*

Tuan Tony Pua Kiam Wee: *Two years grace period. Tidak ada...*

Datuk Seri Reezal Merican: *Another words...*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Yang Berhormat, *three years.*

Tuan Tony Pua Kiam Wee: *Three years* tanpa faedah.

Datuk Seri Reezal Merican: *Another words, there has no any repayment started yet?*

Tuan Tony Pua Kiam Wee: *No, repayment has supposed to start in 2011* tetapi sehingga hari ini satu sen pun belum bayar balik.

Tuan Pengerusi: Saya hendak *clearkan* saya punya *understanding*. Maknanya liabiliti itu kepada syarikat ya, bukan kepada individu.

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *To the NFCorp.*

Tuan Tony Pua Kiam Wee: *Is there personal guarantee?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *No.*

Tuan Tony Pua Kiam Wee: *No personal guarantee?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *There is no any personal guarantor.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *20 years.*

Tuan Tony Pua Kiam Wee: Dia kena mula bayar 2011 dan kalau dia tidak bayar, *never mind*, sebab dia kena teruskan *interest* yang sama sahaja, *no* penalti.

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Tuan Pengerusi, *I could just recap about that question* tadi. Setakat ini Kementerian Kewangan mempunyai lebih kurang 1,199 akaun pinjaman yang bernilai RM65.68 bilion.

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: Yang penting sekarang ini, itu pun satu isu yang saya rasa kita terlepas pandang. Maknanya macam mana hendak *recover* balik duit itu. Pasal apa, tanggungjawab itu terletak kepada syarikat, dan bukan kepada individu tersebut. Selagi syarikat tidak bayar, dan itu ditambah lagi ada komplikasi lain bahawa tempoh bayaran balik itu boleh disambung lagi. Jadi mungkin satu lagi syor tambahan yang kita boleh buat- adalah untuk menyarankan kepada Kementerian Kewangan untuk *recall the loan immediately...*

Datuk Seri Reezal Merican: *You have any record how many has turn to be like that?*

Tuan William Leong Jee Keen: Dan juga maknanya syor untuk mendapat *guarantee* daripada pengarah dari syarikat yang lain ya. *Next time, you must have a personal guarantee. The latest guarantee.*

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *More have Jawatankuasa. They have a bahagian there.*

Datuk Seri Reezal Merican: *No, I think the proving authority, the first layer I think Economic Council. Right me if I am wrong. It was not Cabinet right?*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: Yes.

Datuk Seri Reezal Merican: *It was not cabinet. It was economic council.*

Encik Raja Sunthara Kannan a/l Dato' Raja Gopal: *Okay, that is being decided by the project owner as well as MOF because, dalam kes ini because ia melibatkan ternakan lembu, that is why the grace period is three years because they cannot make- it is an assumption that they cannot make money within the three years period. So after three years period then only they can make money for them to pay. So all those things...*

Tuan Pengerusi: Sekarang ini kita minta Kementerian Kewangan untuk buat penambahbaikan dari segi ini. Jadi, okey, boleh kita terima laporan ini?... Baik, terima kasih.

Jadi sekarang ini kita boleh pergi kepada agenda yang sebenarnya pada hari ini iaitu untuk mendengar testimoni daripada pegawai Kementerian Pengangkutan. Pertama sekali, mengenai projek penambahbaikan *Kota Kinabalu International Airport*.

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Dato' Abd. Aziz Sheikh Fadzir: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: Tidak apalah, ini kira satu mesyuaratlah tetapi nanti kita *clearkan* kita punya agenda dahulu dan hal-hal lain kalau hendak sebut pun.

Dato' Abd. Aziz Sheikh Fadzir: *This Silterra di Kulim Hi-Tech. Now the workers are a bit worried, ada ura-ura untuk Khazanah hendak jual syarikat itu. Saya cuma hendak minta permission daripada PAC Members dan Tuan Pengerusi, kebetulan ianya dalam daerah Kulim walaupun ia di bawah Parlimen Padang Serai, untuk saya berjumpa dengan management ini.*

Just to listen on their views, if I'm allowed to, Silterra- chip wafer. Saya hendak minta kebenaran, nanti kata saya memandai-memandai pula kan.

Tuan Pengerusi: Saya tidak tahu, Jawatankuasa ini setuju? Pasal apa Yang Berhormat Kulim-Bandar Baharu memang bertanggungjawab kepada daerah itu. Jadi, kalau- Silterra pun telah di...

Dato' Kamaruddin bin Jaffar: Sebagai *PAC Member*?

Tuan Pengerusi: Ya, secara rasmi untuk mewakili kita. Kalau tidak kita kena pergi semua. Itu pun hendak kena atur tarikh lagi. Hendak maklumat pun boleh tapi Yang Berhormat Kulim-Bandar Baharu pergi dulu boleh?

Datuk Seri Reezal Merican: Kepala Batas boleh teman, tidak apa [*Ketawa*]

Tuan Pengerusi: Pasal dalam *Malaysian Gazzette* dua hari lepas pun sudah ada keluar mengenai laporan ini bahawa Khazanah hendak jual firma ini. Walaupun firma ini berdaya maju. Nanti saya... [*Disampuk*] Dalam *Malaysian Gazzet*. So, sesiapa berminat, laporan ini ada. Jadi, kita wakikan Yang Berhormat Kulim-Bandar Baharu dan juga Yang Berhormat Kepala Batas untuk berjumpa dahulu dengan pengurusan Silterra, mendapatkan maklumat supaya dilaporkan balik kepada Jawatankuasa PAC kita. Pasal ini ada hubungan dengan Khazanah Nasional Berhad. Terima kasih.

Jadi, kita akan buat *briefing* dan dengar testimoni daripada Kementerian Pengangkutan mengenai *KK Airport* dulu. Selepas itu, kalau ada masa kita akan sambung dengan KLIA2. Kalau tidak, kita tangguh KLIA2 itu kepada satu tarikh yang akan datang. Jadi, *target* kita hendak habis dalam pukul 1.30 petang. Sebelum itu, saya rasa elok kalau Timbalan Ketua Audit Negara, Datuk Haji Anwari untuk memberi sedikit *briefing*lah mengenai isu-isu. Terus kepada isu-isulah, Datuk.

Datuk Haji Anwari bin Suri: Terima kasih Tuan Pengerusi. Sebagaimana taklimat saya yang terdahululah. Kajian kita ini ikut standard yang telah ditetapkan. *Next slide*.

So, latar belakang projek KKIA terletak di daerah Penampang, Sabah. Merupakan projek peningkatan lapangan terbang. Pegawai Penguasa (SO) bagi projek KKIA ini adalah Ketua Setiausaha Kementerian Pengangkutan. Ini pentinglah. Manakala KLIA Konsultasi Service Sdn. Bhd. (KLIACS) telah dilantik sebagai perunding projek. So, perolehan bagi projek ini untuk kedua-dua pakej adalah secara rundingan terus. Di situ disebut nama-nama syarikat. So, surat setuju terima bagi pakej satu - 21 April 2006, pakej dua - 21 April 2006. Perunding 29,1007. So, konsep reka dan bina. So, nilai kontrak kedua-duanya RM720 juta. Tempoh kontrak sebagaimana disebut di situ, 36 bulan, kedua-duanya.

Objektif auditan sebagaimana disebut, kita terus kepada isulah. So, pengauditan dijalankan antara bulan Jun hingga Ogos 2012 mendapati secara keseluruhan projek peningkatan kurang memuaskan...

Datuk Madius bin Tangau [Tuaran]: Boleh saya tanya satu? Skop pengauditan. Kenapa tidak dimasukkan peranan Majlis Daerah dalam pengauditan?

Datuk Haji Anwari bin Suri: Majlis Daerah?

Datuk Madius bin Tangau: Ya, sebab ia melibatkan *liberal plan*. Kenapa tidak dimasukkan di situ?

Datuk Haji Anwari bin Suri: So, kita ada pergi ke pihak berkuasa negerilah. So, kita tidak pergi ke PBT. Dalam skop.

Datuk Madius bin Tangau: Sebab saya difahamkan keputusan Majlis Daerah dalam hal-hal berkenaan dengan KKIA juga telah mengubah pelan projek ini *in the big way, substantial way*. Jadi, ia juga telah mengakibatkan kos akhirnya. Contohnya, ia punya pengurusan trafik. Dia punya *flyover*, dua *flyover* itu. *Initially* tidak ada di dalam *plan*. Akan tetapi kerana Majlis Daerah telah meminta, jadi akhirnya diletakkan di situ. Sepatutnya dimasukkan dalam skop pengauditan.

Datuk Haji Anwari bin Suri: Kita ada ke Jabatan Tanah dan Ukur Sabah. So, Puan Ruhana ada apa-apa hendak tambah?... Puan Ruhana, sila.

Tuan Pengerusi: Begini, begini. Hendak potong cerita ia.

Puan Ruhana binti Mohamad Zam [Juruaudit Jabatan Audit Negara]: Okey, Tuan Pengerusi, untuk itu kami pergi ke Jabatan Pengairan Alam Sekitar, Sabah. Kita tidak pergi ke Majlis Daerah seperti Yang Berhormat cakap. Akan tetapi *when we are doing auditing*, kami pergi ke peringkat Alam Sekitar Sabah dan juga Jabatan Tanah Sabah.

Datuk Madius bin Tangau: Tuan Pengerusi, saya hendak sebut ini sebab ada dua perkara. Pada ketika itu saya pun di Dewan. Saya telah bertanya satu soalan spesifik kepada Menteri Alam Sekitar Persekutuan, pada ketika itu Dato' Seri Azmi bin Khalid. Saya bertanya dalam soalan saya, adakah EIA untuk projek ini sudah diluluskan? Beliau mengatakan belum lulus. Saya mengatakan kalau belum lulus, kenapa projek sudah mula? Beliau mengatakan ini kerja pihak berkuasa tempatan, dia memberi arahan. Saya masih ingat lagi jawapan beliau. Jadi, saya cakap, apa pula kuasa pihak berkuasa tempatan untuk memberi arahan? Itu satu.

Kedua, saya sendiri telah bertanya kepada Ahli-ahli Majlis Daerah di Penampang. Pada ketika itu ada seorang Ahli Majlis Daerah yang, *he is a Town Planner because he is a Town Planner-he can see the whole picture*. Kalau hendak bina lapangan terbang, nombor satu kita tengok trafik. Trafik kapal terbang, selepas itu trafik kereta. Apabila tengok trafik keretanya, dengan unjuran penumpang dan sebagainya, memang tidak ada dalam pelan.

Akhirnya, Majlis Daerah telah meminta supaya dibina *flyover* itu yang sekarang ini *very ugly structure*. Sebab memang tidak ada dalam pelan pada mulanya. Akhirnya, peruntukan yang RM700 juta lebih itu diambil sedikit dan bina *flyover* ini. Akhirnya, tidak cukup juga. Sepatutnya peranan Majlis Daerah di situ dimasukkan dalam skop pengauditan.

Tuan Pengerusi: Saya setuju dengan pandangan Yang Berhormat Tuaran kerana dalam skop audit Jabatan Audit Negara pun memang dalam hal pembinaan dan juga hal pembangunan, PBT memainkan peranan untuk meluluskan apa-apa pelan. Walaupun projek itu adalah projek jabatan Persekutuan tapi persetujuan daripada PBT memang diperlukan sebelum projek boleh berjalan. Jadi, saya rasa satu penambahbaikan juga, *lesson learn*, dalam apa-apa pengauditan oleh Jabatan Audit Negara pada masa akan datang, tengok juga kepada peranan PBT dalam meluluskan pelan pembangunan.

Dato' Abd. Aziz Sheikh Fadzir: Pelan sebelum memulakan projek mesti datang daripada PBT.

Datuk Haji Anwari bin Suri: So, *next*. Prestasi fizikal keseluruhan projek bagi Pakej 1 adalah mengikut jadual setelah mengambil kira tiga lanjutan masa selama 290 hari. Bagi Pakej 2, prestasi fizikal sebenar setakat 31 Mei 2012 ialah 94.3% berbanding dengan jadual, 94.2%, setelah mengambil kira lima lanjutan masa selama 1,106 hari dan perjanjian tambahan selama lapan bulan. So, antara kelemahan yang diperhatikan adalah seperti berikut:

- (i) ketidakpatuhan undang-undang alam sekitar serta terdapat masalah pengambilan tanah sebelum projek dimulakan, pengambilan tanah persendirian, pengambilan tanah bukan persendirian, EIA tambahan dan kajian hidraulik;
 - (ii) kegagalan kontraktor mematuhi syarat tambahan, kesan terhadap kelewatan penyelesaian masalah EIA, isu *inter-phasing* antara kontraktor Pakej 1 dan Pakej 2 dalam menjalankan kerja menaik taraf;
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- (iii) kerja naik taraf yang tidak mengikut *specification* dan tidak berkualiti, pemasangan *Instrument Landing System* (ILS) tidak mengikut jadual, pembaikan *runway* dan *taxiway* tidak mengikut jadual;
 - (iv) sebahagian komponen kerja Pakej 2 tidak siap, terbengkalai bilik *substation* selatan, *apron taxiway*, longkang konkrit jenis *U shape*; dan
 - (v) sebahagian kemudahan yang siap dibina tidak digunakan, keengganan AirAsia berpindah dari Terminal 2 ke Terminal 1, operasi dan kos penyelenggaraan Terminal 1 dan Terminal 2, penutupan landasan KKIA akibat masalah teknikal pada 25 dan 26 Oktober 2012.

So, itulah isu-isu yang kritikal saya telah saya bentang pada sesi yang lepas.

Tuan Pengerusi: Jadi, ada lagi maklumat tambahan yang Ahli Jawatankuasa perlukan daripada Jabatan Audit Negara sebelum kita panggil wakil kementerian, tidak ada? Yang Berhormat Petaling Jaya Utara? [Disampuk]

Okey, kalau tidak ada lagi apa-apa maklumat tambahan yang kita perlukan daripada Jabatan Audit Negara, saya rasa kita boleh panggil wakil dari kementerian untuk memberikan keterangan sekarang. Minta panggil ya. Terima kasih.

[Saksi-saksi dari Kementerian Pengangkutan mengambil tempat di depan Jawatankuasa]

Tuan Pengerusi: Datuk, selamat datang ke Mesyuarat PAC kita ini. Pada hari ini kita hendak mendengar keterangan daripada Datuk serta pegawai-pegawai mengenai isu penambahbaikan *KK Airport* dulu. Kalau kita selesai *KK Airport*, ada masa kita pergi ke KLIA2 pula kerana *KK Airport* ada dalam Laporan Audit Negara pada tahun 2012 yang lepas. Jadi, kita selesaikan perkara itu dulu, selepas itu baru pergi ke KLIA2.

Saya rasa sebelum kita mulakan prosiding ini, saya hendak maklumkan bahawa segala percakapan kita direkod secara verbatim. Kalau tidak hendak apa-apa komen direkodkan, jangan pakai *microphone*. Itu satu.

Kedua, saya hendak bagi amaran bahawa keterangan ini perlu diberikan secara telus dan kalau tidak dijawab, itu akan nanti dianggap sebagai satu keingkaran kepada Jawatankuasa PAC kita. Bukan apa, saya dan Jawatankuasa memandangkan perkara yang kita hendak bincangkan ini merupakan perkara yang berat, yang telah memberikan masalah di kalangan rakyat. Kita hendak jelaskan kepada rakyat bahawa isu ini ada jawapannya dan bukan tidak ada penyelesaiannya.

Jadi, sebelum Datuk mulakan, saya berharap Datuk dapat perkenalkan diri Datuk serta pegawai-pegawai Datuk supaya kita senang dapat berurusan dengan nama. Jadi, saya minta Datuk teruskan. Terima kasih.

11.38 pg.

Datuk Seri Long See Wool [Ketua Setiausaha Kementerian Pengangkutan]: Terima kasih. Selamat pagi, salam sejahtera dan salam 1Malaysia. Yang Berhormat Datuk Nur Jazlan bin Mohamed, Pengerusi PAC, Yang Berhormat Dr. Tan Seng Giaw, Naib Pengerusi dan semua Ahli-ahli Jawatankuasa Kira-kira Wang Negara yang saya hormati sekalian. Saya sertai sesi pada pagi ini dengan beberapa orang pegawai daripada kementerian dan juga agensi di bawah kementerian.

Kalau saya dibenarkan, *saya would like to introduce the members*. Saya ialah Long See Wool, Ketua Setiausaha dari Kementerian Pengangkutan. Di sebelah kiri saya ialah Dato' Yap Kin Sian, Timbalan Ketua Setiausaha Operasi Kementerian Pengangkutan. Di sebelah kanan saya ialah Dato' Haji Azharuddin bin Abdul Rahman, Ketua Pengarah Jabatan Penerbangan Awam, *which is the regulatory authority for civil aviation*.

Saya juga ada pegawai Encik Esparan iaitu Setiausaha Bahagian *in charge of* pembangunan di Kementerian Pengangkutan. Semua projek-projek pembangunan di bawah kawalan beliau.

Saya juga ada pegawai yang di belakang, tidak nampak iaitu Setiausaha Bahagian Udara *in charge of aviation*, Encik Ruzain *which is the* Timbalan Setiausaha Bahagian Pembangunan. Selain itu ada seorang pegawai daripada DCA, Encik Nazlan merupakan pengurus DCA di Kota Kinabalu. Selain daripada itu, saya ada dua orang wakil daripada juru perunding iaitu KLIACS yang telah pun dilantik oleh kerajaan untuk membantu kerajaan melaksanakan dan memantau projek di Kota Kinabalu. Seorang pegawai di situ, Encik Abd. Halim iaitu pegawai daripada kementerian, dari bahagian kewangan yang juga ada berkaitan dengan pelaksanaan projek ini. Ada seorang lagi juru perunding, Encik Mohd. Hanaffi Ayob, yang merupakan Timbalan Presiden KLIACS dan beliau juga merupakan pengarah projek KKIA yang kita laksanakan.

Saya meminta kebenaran Tuan Pengerusi untuk saya mengutarakan satu dua perkara yang pada pendapat saya dan saya telah pun dinasihati supaya membangkitkan sebelum kita mula sesi ini iaitu pertama- pada masa ini terdapat satu kes di mahkamah iaitu Global Upline, kontraktor yang kita tamatkan perkhidmatannya pada bulan Disember 2012, kes kini sedang berlangsung dan beberapa orang pegawai telah pun *summoned* untuk *appear in the session*.

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Apa yang hendak saya sampaikan adalah bahawa kalau dalam prosiding ini *certain Statement* tertentu dikeluarkan, maka AG pun- *my lawyer advise, it might prejudice the case which is going on now in court. They are suing us basically for wrongful termination and also on one or two other issues that related to the implementation of the airport.*

Secondly, I think the PAC is fully aware that the audit was done quite sometimes ago iaitu dari bulan Jun hingga bulan Ogos 2012. Pada masa itu projek dalam keadaan bermasalah kerana *the performance of the contractor at that point in time is very bad that led to the termination towards the end of the year. So, there is time lapse between the Audit were done and the situation today* sebab kami telah pun mengambil pelbagai tindakan dan melantik kontraktor-kontraktor dan konsultan penyelamat. *So the situation on the ground is much better* dan beberapa isu yang diutarakan oleh Jabatan Audit Negara atau Ketua Audit Negara telah kami ambil tindakan dan ada yang telah pun selesai.

Dengan itu, kalau saya dibenarkan, saya telah menyediakan beberapa isu yang masih bermasalah dan kami akan membentangkannya jika dibenarkan untuk tujuan menjawab isu-isu yang dibangkitkan oleh Ketua Audit Negara. Kalau saya dibenarkan. Terima kasih. Boleh saya teruskan ataupun...

Tuan Pengerusi: Ya, teruskan. Sebelum Datuk teruskan, Jawatankuasa ada apa-apa soalan awal dulu?... Datuk, teruskan. Datuk, kalau kita *interject in between your testimony, is it okay, or you prefer to finish first?...*

Datuk Seri Long See Wool: Ya. *No, no, by all means.*

Tuan Pengerusi: *Okay, alright. Thank you.*

Tuan Tony Pua Kiam Wee: *Let them finish first then we go one round. Faster in that way, otherwise...*

Tuan Pengerusi: *Sorry?*

Tuan Tony Pua Kiam Wee: *Rather than interject them in between, let them finish first, then we go one round, everyone tanya soalan. Before this, the interjection is only for clarification of facts on the specific slide rather than asking about causes or reasons and stuff like that. So those we leave for...*

Datuk Seri Long See Wool: *If I may Yang Berhormat. The Kota Kinabalu International Airport is one of six international airports that we have in the country. It is the second busiest airport in Malaysia handling over 5.8 million passengers in 2012. In fact, this year itself, in spite of the Lahad Datu incident in Sabah, the airport continue to enjoy very good growth. It is the second busiest and that is also the reason why we went ahead to upgrade this project to the capacity of nine million passengers a year. Pada tahun lalu, about 5.6 million or 5.8 million and this year by in October itself, already exceeded the total volume last year. We expect this year will easily hit six million or 6.2 million or 6.3 million in the next two month.*

Now, on the slide as you can see di atas itu, bagi projek ini, kita bahagikan projek kepada dua, two separate projects iaitu melibatkan Pakej 1 iaitu skop kerjanya ialah bangunan terminal, untuk mempertingkatkan bukan sahaja terminal yang baru, we also build a new wing to the terminal. Daripada itu, the main component passenger loading bridge kita implement the new baggage handling system, tempat letak kereta dan juga menambahkan bilangan tempat letak pesawat di situ. If you have view the airport, there is different from the past where we build new traffic flow system which is much improve version than what we have in the past.

So that particular package was awarded to WCT Engineering Sdn. Bhd. yang melibatkan nilai kontrak sebanyak RM700 juta, dan tarikh permulaan kerja pada bulan Mei 2006 dan tarikh siap kerja adalah pada 4 Mac 2010, of course it has defect liable period of 24 months. For this component, it has been completed...

Dato' Seri Reezal Merican: *I am compels to ask this question, the simple one. I think you can answer quickly. There is conflicting figure here. The one Auditor said that the contract value is RM720 million, yours is RM700 million and for Global Upline, yours is RM773 million while the auditor one said RM720 million.*

Datuk Haji Anwari bin Suri: Boleh saya jawab? Saya jawab.

Kos asal RM720 juta, APK RM25.74 juta, EOT RM5.94 juta. So *total* RM700.20 juta. Kedua, kos asal RM720 juta, APK RM27.7 juta, EOT RM13.84 juta. So ada tambahan RM11.76 juta, total RM773.29 juta. So mengikut kontrak ini memang RM720 juta. Terima kasih.

Datuk Seri Long See Wool: *Can I proceeds? So the second package* itu melibatkan...

Tuan Haji Hasbi bin Haji Habibollah [Limbang]: *KSU, just before you proceed to the Package 2, Package 1 on the ground, is it where the AirAsia now, is it?*

Datuk Seri Long See Wool: *No. The AirAsia is just temporary terminal which was built for the purpose which AirAsia is still operating from there which is the term as Low Cost Carrier Terminal.*

Pakej 2 melibatkan Global Upline dan skop kerjanya *is more on airside*, peningkatan *airside*, pemanjangan landasan yang juga melibatkan pemasangan sistem *airfield lighting* yang baru, sistem *navigation aids* dan sistem ComAids dan peningkatan Terminal 2 yang tadi Yang Berhormat sebutkan tadi, di mana operasi AirAsia berpusat di situ sehingga hari ini, dan juga pembinaan Menara Kawalan Trafik Udara serta bangunan pentadbiran Jabatan Penerbangan Awam. Nilai kontraknya adalah lebih tinggi berbanding dengan Pakej 1 dan tarikh mula kerja adalah sebulan kemudian iaitu pada bulan April 2006 dan tarikh siap kerja berasaskan kepada yang EOT yang semua diberi iaitu pada 31 Disember 2012. Tarikh ini, projek ini masih, *is in the process of implementation by the* kontraktor-kontraktor penyelamat.

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Next, ini merupakan gambar bangunan Terminal 1 yang telah pun dibina dan telah pun digunakan sepenuhnya oleh syarikat-syarikat penerbangan kecuali AirAsia. *Next page*, ini juga merupakan *the side views of the terminal building*. *What you see on the left hand side are the aerobridges, and on the right hand side is on the land side* yang mana *the access road to the terminal building*.

Kami ingin membentangkan tiga perkara yang merupakan *to us are the main issues on the Auditor's Report*. Satu iaitu ketidakpatuhan undang-undang alam sekitar. Kedua iaitu melibatkan satu *equipment which is what we called a navigation equipment and instrument landing system*. Sama ada sistem ini kalau kita tidak ada, melibatkan isu keselamatan operasi.

Ketiganya ialah perpindahan operasi AirAsia daripada *what we called a temporary terminal to Terminal 1 which has the capacity to handle nine million passengers*.

If I may, Ahli-ahli Yang Berhormat, mengenai isu yang pertama iaitu pemantauan kepada undang-undang alam sekitar. *For this project, the Federal Government or the Ministry of Transport, we lantik a consultant to do the overall environment studies which was done, but that is for the entire airport project as such*.

Keduanya ialah *because the airport is next to the coast and because the airport involves-when we extend the runway, it will go into the sea on one side, dan juga melibatkan pemasangan lampu-lampu which will guide the aircraft into the sea towards the other end.*

Datuk Madius bin Tangau: *Question.*

Datuk Seri Long See Wool: *Sorry.*

Datuk Madius bin Tangau: *ini laporan EIA, if the cost of the project is RM720 million, is the cost of the EIA is part of that? Adakah...*

Datuk Seri Long See Wool: *It is goes into the entire cost project. Kalau projek kos itu masukkan dalam – kalau kita katakan... I am talking about the first one when we did. When we are talking about contract price, it is not there.*

Datuk Madius bin Tangau: *Is not there?*

Datuk Seri Long See Wool: *But, I need to explain. But, there are certain components of the EIA relating to the extension of the runway into the sea and also the airfield lighting, that comes under the work scope of the contractor which was already priced into the contract. Akan tetapi yang pertama yang I sebutkan tadi itu, that is done by us, not part and parcel of the contract.*

Datuk Madius bin Tangau: *Directly from the Ministry of Transport?*

Datuk Seri Long See Wool: *Ya.*

Datuk Madius bin Tangau: *Okey.*

Datuk Seri Long See Wool: *So, yang ini sebab kerajaan negeri ada enakmennya to protect the environment at the State. So, since the extension is going to the sea, so they require us to do a specific study for which it was the responsibility of contractor to do so for that purpose. It is because the extension into the sea involving the extension of the runway telah mengakibatkan impact on the coastal area. The State government further imposed a condition on the construction method for those lighting into the sea to protect the environment.*

So, there was this issue of the consultant reluctant to do it, but eventually, a construction method was submitted to environment, their task in Sabah. They approved a particular constructor method iaitu dinamakan bahawa temporary steel staging. That method was deemed to be mesra alam sekitar dan juga tidak akan mengakibatkan impak negatif. Walaupun keputusan itu telah dibuat yang mana kontraktor itu sepatutnya melakukan kerja mengikut method of implementations sepertimana yang telah pun diluluskan, but when they proceeded, they went back to the old method of one thing to do pengorekan and bring in sand and all that.

So, because of that, the consultant under us issued a Non-Conformance Report iaitu NCR. So, from that period until the contract was terminated, of course there was very little work that was done by the Global Upline but, for the contractor penyelamat yang kami telah lantik, we will follow the decisions and the rules that are being stipulated by the State punya environmental authority.

So, I hope I have explained this particular issue in the context of us not conforming to the rules and the regulations of environment in the State.

Datuk Madius bin Tangau: *Can I asks one question?... What was the specific reason for the contractor to insist having the consultant to dig, mengorek muara sungai itu tadi? Why cannot they build without korek?*

Datuk Seri Long See Wool: *There are many methods of implementation. I think what- this is a design and build contract. It was negotiated on a lump sum basis. So, if you are the contractor or if I am the contractor, I would want to choose the method which cost me least. So, dia pilih opsyen yang dia buat itu sebab itu merupakan satu mekanisme pelaksanaan yang akan melibatkan perbelanjaan kurang daripada yang tadi punya staging method. Because you need to protect the coast, then you will have to do work which is much more tedious and costs you more money. That is why they were very reluctant to do it the methods which the State stipulated, but the moment the State kata, you kena buat macam ini, dia kena akuriah. Because, we would have deemed that whatever method that is determined should have been priced into the tender price.*

Datuk Madius bin Tangau: *They insisted to korek because they wanted the pasir isn't it? Not because they cannot build or construct the pembinaan. They want the pasir to do something else. It is an excuse to get the pasir rather than inability to construct the...*

Datuk Seri Long See Wool: *I am sorry, those are details, if I may ask my officer or consultant to answer that part. I...*

Tuan Pengerusi: *That is not directly related to the...*

Datuk Seri Long See Wool: *This one is also one of the thing they are also asking us to pay RM300,000. Part of the court case. But anyway, I think it is okay for us to answer that*

Ir. Mohd. Hanaffi Ayob [Naib Presiden KLIA Consultant Services Sdn. Bhd.]: Penggunaan baj adalah yang paling senang sekali sebab baj senang dibawa. Menggunakan *piling rig*, letak di atas baj, dibawa ke *position* yang dia hendak *pile* dekat ia punya *approach light* itu. Akan tetapi sesetengah tempat itu, kerana tempat terlampau cetek, baj tidak boleh masuk, ia kena buat pengorekan. So, pengorekan ini tidak dibenarkan oleh Jabatan Alam Sekitar Sabah sebab ia mengakibatkan hakisan di bahagian lain iaitu di bahagian *coastal* dan di tempat-tempat yang lain. Sebab itu dia hendakkan *method* yang mesra alam dan kita telah *proposed* kepada kontraktor.

Malah kontraktor telah *proposed* kepada Jabatan Alam Sekitar untuk menggunakan *steel staging platform* atau *temporary platform* untuk diletakkan ia punyai *piling rig*, tolak bawa ke laut, ke tempat yang hendak *pile*. Setelah siap nanti, dia akan buka balik *steel rig* tadi itu dan kawasan pantai tidak akan terjejas. Itu telah diluluskan oleh Jabatan Alam Sekitar tetapi malangnya pihak kontraktor telah memilih semula untuk menggunakan baj.

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Akan tetapi kali ini dia memberi alasan, baj itu tidak perlu dibuat pengorekan sebab dia menggunakan yang tipis sedikit, yang *earlier* itu yang tebal. Macam mana dia dapat cari yang tipis punya dan tidak perlu pada pengorekan tetapi kita kata, "Yang ini tidak dibenarkan oleh Jabatan Alam Sekitar" dan kita kata, "Kalau hendak, kena minta semula permohonan ini kepada Jabatan Alam Sekitar". Akan tetapi dia tidak mendapat kelulusan ketika itu. Oleh sebab itu kita keluarkan NCR, satu cara untuk kita katakan kita tidak luluskan cara yang dia buat itu kerana tidak mengikut kehendak Jabatan Alam Sekitar...

Tuan Pengerusi: Akan tetapi kontraktor tidak buat apa-apa pengorekanlah di kawasan itu?

Ir. Mohd. Hanaffi Ayob: Selepas kita keluarkan NCR itu, dia berhenti kerja.

Tuan Pengerusi: Oh! Dia buat juga pengorekan?

Ir. Mohd. Hanaffi Ayob: Dia tidak buat.

Tuan Pengerusi: Sebelum itu, sebelum keluar arahan itu, mereka buat?

Ir. Mohd. Hanaffi Ayob: Dia buat baj sahaja.

Tuan Pengerusi: Dia buat baj sahaja.

Ir. Mohd. Hanaffi Ayob: Dia buat baj sahaja, yang nipis punya. Tanpa pengorekan.

Tuan Pengerusi: Maknanya, pengingkaran undang-undang EIA di Sabah tidak berlakulah?

Ir. Mohd. Hanaffi Ayob: Tidak dipatuhi.

Tuan Pengerusi: Dia tidak patuhi tetapi dia tidak buat pengorekan dan tidak...

Ir. Mohd. Hanaffi Ayob: Tidak buat pengorekan, tiada.

Tuan Pengerusi: Maknanya dia tidak ingkar kepada peraturan EIA itulah?

Ir. Mohd. Hanaffi Ayob: Tidak ingkar lagi.

Tuan Pengerusi: Cuma ada *dispute* di antara tanggungjawab dia dalam kontrak dengan apa yang dia buat secara fizikal. Itu sahaja.

Tuan Tony Pua Kiam Wee: Minta penjelasan atas apa yang ditanya oleh Tuan Pengerusi. JPAS mengeluarkan kaedah *temporary steel staging* pada 30 Januari 2011. Akan tetapi NCR dikeluarkan hanya satu setengah tahun kemudian. So, ketidakpatuhan itu selepas NCR kah, selepas kaedah *temporary steel staging* dikeluarkan oleh pihak JPAS?

Ir. Mohd. Hanaffi Ayob: Selepas kita dapat kebenaran untuk membuat *piling* menggunakan *temporary steel staging*, pihak kontraktor sepatutnya menggunakan kaedah tersebut tetapi apabila hendak melaksanakan kerja *piling*, dia memilih untuk membuat cara *barging*.

Tuan Tony Pua Kiam Wee: So, dia korek juga selepas...

Ir. Mohd. Hanaffi Ayob: Dia tidak korek. Dia gunakan *barging*- baj yang nipis tanpa pengorekan. Yang asalnya...

Datuk Madius bin Tangau: Selepas itu, boleh lalu pula ya? Dulu tidak boleh lalu.

Ir. Mohd. Hanaffi Ayob: Dulu dia hendak yang tebal punya, dia terpaksa gunakan pengorekan.

Datuk Madius bin Tangau: Pasal dia hendak pasir.

Ir. Mohd. Hanaffi Ayob: Yang itu saya tidak tahulah apa dia punya... Selepas itu, setelah kita dapat kelulusan daripada pihak Jabatan Alam Sekitar untuk menggunakan *steel staging*, dia sepatutnya menggunakan *steel staging*. Akan tetapi dia masih hendak menggunakan *barging* juga dan sebab itu kita keluarkan NCR.

Datuk Seri Reezal Merican: *Did he completed the pembinaan?*

Datuk Seri Long See Wool: *No.*

Ir. Mohd. Hanaffi Ayob: Dia tidak buat lagi. Masa itu dia baru satu, dua *pile* dan kita sudah keluarkan NCR, dia *stop* kerja itu.

Datuk Seri Reezal Merican: *After a year?*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Seri Long See Wool: *If I may just explains that sequence. I think it is a question of the sequence. When the final method was approved by the authority, he did not settle immediately. He took quite a bit of time. Then, his barge appeared. So, it was quite clear that he did not want to follow. He reverted back into the old method because that could have saved his money but we have to issue the NCR. So, there was this time lapse there but you must recall that his performance was- it took him a long time even start doing any work item which was the issue that we have continuously with this particular...*

Tuan Pengerusi: *Datuk, before you proceed dengan apa-apa jawapan pun, in this case, is this EIA punya dispute under the court action?*

Datuk Seri Long See Wool: *Ya, what they are...*

Tuan Pengerusi: *No, no. What I am saying is ...*

Datuk Seri Long See Wool: *It is.*

Tuan Pengerusi: *If you are not comfortable with any of the answer that can affect your case in court, you please...*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *If you think...*

Datuk Seri Long See Wool: *...But I think so far we are just explaining the facts and see the difficulties on what we have faced.*

Tuan Pengerusi: *We understand your difficulty also but please answer- if you feel comfortable, answer as detail as you can as long as it does not jeopardize your case.*

Datuk Seri Long See Wool: *Okay, thank you.*

Dato' Abd. Aziz Sheikh Fadzir: *Mr. Chairman, saya cuma hendak bertanya, Laporan EIA ini diluluskan pada tahun 2007. EIA second one pun pada tahun 2007. So, dalam kelulusan awal itu, sama ada precision approach like whatever method itu sudah diambil kira ataupun it is a new findings on the 2 August 2010? Ini kerana ia pada tahun 2007 sudah lulus EIA itu which I am sure he would have taken all those methods in that report. Why pula tahun 2010 ini EIA come out with the new syarat ini?*

Datuk Seri Long See Wool: *If I may, just answer in general, I think it is the prerogative, the department to impose any new conditions deem fit because the State did it because when we did the land reclamation for the extension of the runway, it did affect the coastal line [Disampuk] So, what they did was because before you go further to do your lighting, using a method which is not an environmental friendly. So, they impose this new condition [Disampuk] Yes.*

Datuk Madius bin Tangau: *Jadi sebenarnya, berapa EIA yang dibuat? How many EIA are there? You have the EIA daripada DOE, selepas itu ada EIA lagi satu ini yang diluluskan. Selepas itu daripada...*

Datuk Seri Long See Wool: *There are basically two.*

Datuk Madius bin Tangau: *Two EIA?*

Datuk Seri Long See Wool: *The main one for the entire project as I mention earlier was done by the government, by the ministry. The second one was specifically because of the expansion of the airport into the sea for which there is...*

Datuk Madius bin Tangau: *So, you have two EIA yang dihantar ke Jabatan Alam Sekitar Persekutuan. Selepas itu ada lagi EIA yang diminta oleh Jabatan Perlindungan Alam Sekitar Sabah.*

Datuk Seri Long See Wool: *The first one was overall which is done earlier as we move into the project because of the ini, we were required to the second one which came later. After the second one was done, it was okay, but when it causes erosion in adverse impact to the coastal line, they impose the additional condition on the method of the construction.*

Datuk Madius bin Tangau: *But not DOE report, bukan?*

Datuk Seri Long See Wool: *But the whole things is still related to the environment protection.*

Datuk Madius bin Tangau: *I know, because there are two different things. Kalau ia daripada Jabatan Perlindungan Alam Sekitar Sabah, dia punya skop lain, bukan?*

Datuk Seri Long See Wool: *Ya, the scope is different.*

Datuk Madius bin Tangau: *The scope is different. So, I want to know exactly EIA pada peringkat mana?... Jabatan Perlindungan Alam Sekitar negeri peringkat mana, selepas itu EIA daripada Jabatan Alam Sekitar Persekutuan peringkat mana- which part of the project?*

Datuk Seri Long See Wool: *The overall environment impact study done by the Federal Government was already clear. Then, we move to the next stage of the construction as such which involved extension into the sea. So that we— the requirement for us to do that particular one which we did. Then, the additional conditions were further imposed to avoid any further adverse impact on the coastal line which was the issue that brought about this barging construction method. This is relating to the last portion of work for which the lighting has to be put beyond the shore line into the sea.*

Datuk Madius bin Tangau: *This is just the point of interest. Ini kuasa di antara Jabatan Alam Sekitar Persekutuan (DOE) dengan Jabatan Perlindungan Alam Sekitar negeri. At what point, at which point was the need to go to the State government? Sebab yang ini Persekutuan, kenapa perlu kepada kerajaan negeri?*

Datuk Seri Long See Wool: *No, no.*

Datuk Madius bin Tangau: *Why cannot it be done by just...*

Datuk Seri Long See Wool: *No, no. There are requirement at the State for which we need to confirm on environment. The Federal Government- there have a separation of power on this. I think in this case, the State has the power to impose because it affected the coastal line. Terima kasih. Kalau saya dibenarkan meneruskan isu yang kedua...*

Dato' Kamarul Baharin bin Abbas: *Just before that Tuan Pengerusi. Can I continue? [Disampuk] When the JPS issued syarat-syarat yang baru, does it affect the scope of work because, the original terms did not include this extension into the sea that comes later.*

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Datuk Seri Long See Wool: *No. The scope of work includes there. The scopes of work include extension into the sea and fix light into the sea which we need it to be a pylon.*

Dato' Kamarul Baharin bin Abbas: *But this a...*

Datuk Seri Long See Wool: *But how you do it is the issue.*

Dato' Kamarul Baharin bin Abbas: *Ya, that part of it, were it never inspected or were it the responsibility of the contractor?*

Datuk Seri Long See Wool: *It is a responsibility of contractor based on design and build.*

Dato' Kamarul Baharin bin Abbas: *That number one. Number two, kelulusan diberi pada Januari 2011 but the Non-Conformance Report was done, like what you mentioned, one and a half years later. What happen between one and half years for all of you to take...*

Datuk Seri Long See Wool: *No. As I explain earlier, he did not submit. Immediately he receives the instruction.*

Dato' Kamarul Baharin bin Abbas: *...But why do you take one and half years to terminate them?*

Datuk Seri Long See Wool: *He...*

Dato' Kamarul Baharin bin Abbas: *Because it does affect the project. The project was delayed for one and half years simply because of this problem.*

Datuk Seri Long See Wool: *Not only these problem, there are many other component- also they are very slow. But you must remember, if you look at the overall project at such, at the point in time when he ran- there were a number of, as you saw as maybe pointed to that by Jabatan Audit Negara, there were very reasons that we gave the extension of time. There were very reasons. But you see the difficulties that we face today at the project and if you go to KLIA, it is the same challenge.*

When you have a contractor that you lantik, katakanlah dia sudah habiskan 85% or 90% of the work, the remaining work which is only about 10%. The tender was done quiet a few years ago based on design and build. He has already praise it, okay? It reach a point when you have to make a decision sama ada you menamat ataupun you benarkan dia meneruskan kerja, which is a very difficult decision. Kalau you tamat, there are a lot of cost implication so on and so forth. Because, if you lantik new contractor, the price will be today, 2013 price, not 2006 or 2009 price.

Dato' Kamarul Baharin bin Abbas: *That's what I was saying the decision was made one and half years later.*

Datuk Seri Long See Wool: *Ya.*

Dato' Kamarul Baharin bin Abbas: *In spite of fact that yourself, kementerian also aware of who are the contractors are- and all that, this problem. And of course one and half years incurs cost. Kalau ikutkan laporan maklum balas ini, only six months later after issued in the NCR, baru ditamatkan. And then the new kontraktor penyelamat dilantik solely for the purpose of complying the JPS punya- State punya kerja itu, kaedah temporary steel staging.*

So I don't see here that the kontraktor penyelamat ini mengambil alih kesemua projek. According to the report here, dia dilantik untuk dipastikan mematuhi syarat JPS, only for this particular project, only for this particular scope of work?

Datuk Seri Long See Wool: *No, if I may answer. Can I answer? This is one of the components of work which he did not finish.*

Dato' Kamarul Baharin bin Abbas: *One of..*

Datuk Seri Long See Wool: *...One of the items yang tidak habis. Ada lagi yang dia tidak habis.*

Dato' Kamarul Baharin bin Abbas: *Jadi yang lain itu which contractor?*

Datuk Seri Long See Wool: *So, we also has appoint...*

Dato' Kamarul Baharin bin Abbas: *Is it the same contractor?*

Datuk Seri Long See Wool: *Same contractor.*

Dato' Kamarul Baharin bin Abbas: *But dia...*

Dato' Kamarudin bin Jaffar: *Same contractor penyelamat or different contractor?*

Dato' Kamarul Baharin bin Abbas: *Ya, how many contractor penyelamat do you have?*

Datuk Seri Long See Wool: *We have- we will come to the end part, we will show you which are the contractor that we lantik. Because, the lighting system is a different specialization for which is the different contractor we have to lantik. For instance, like the airfield ground lighting, the NavAids, those were a specialist item for which you have to go back to those to lantik them to do. The civil works is the civil works. So, this constitutes civil works...*

Dato' Kamarul Baharin bin Abbas: *The nominated contractors are not affected by this termination, bukan? Because...*

Datuk Seri Long See Wool: *But they are contractor employed by the main contractor. When we terminate the main, the rest will go.*

Dato' Kamarul Baharin bin Abbas: *Who appointed the nominated contractor?*

Datuk Seri Long See Wool: *No, there is no nominated contractor. Because this design and build, we cannot appoint nominated contractor. Otherwise, we have to hold responsibility kalau ada masalah. Because the design and build- it has to take the design and responsible for the design and the implementation.*

Tuan Pengerusi: *Datuk, silly question- this contractor dilantik secara perundingan terus. Adakah dia dilantik berdasarkan kepada pengalaman dia untuk buat airport?*

Datuk Seri Long See Wool: *Is just factual. He is not that inexperienced. He has a lot of experience in airport construction. He builds Bintulu Airport, he upgraded Miri Airport, he has experience in Langkawi Airport, he is also a contractor for Kuching International Airport, Labuan Airport as well as this one. So, I must also factually tell you that his performance for Miri, for Bintulu, in fact he finished the job ahead of time.*

Tuan William Leong Jee Keen: *I think we sight the track record, was he also financial capabilities and technical capabilities? Was this considered in the time of perundingan terus?*

Datuk Seri Long See Wool: *I think at the time of appointment, yes.*

Datuk Seri Reezal Merican: *Datuk, about the rescue contractor. I do not know whether you are at the liberties to answer this. When they were appointed, what stage are they doing now? The rescue scope of job that had to continue what the terminated contractor has left.*

Datuk Seri Long See Wool: *In general, they had been lantik to finish those work that have not finish.*

Datuk Seri Reezal Merican: *And the mode of the appointment, how was it done?*

Datuk Seri Long See Wool: *Sorry?*

Datuk Seri Reezal Merican: *The mode of the appointment, how was it done? The mode of awarding contract to the rescue contractor.*

Datuk Seri Long See Wool: *What we did was, for specialist items for instance, for which you cannot change brand anymore, for instance, the ILS system, the Instrument Landing System, is a system that we purchase from those companies. So, we have no choice but to go back to the specialist. But for civil works, we just haven't evaluation of who can best do the job and this is appointed under this basis. [Disampuk] This one not. It was negotiated.*

Datuk Seri Reezal Merican: *So the mode of awarding is basically direct nego.*

Datuk Seri Long See Wool: *Ya, basically one of the reason is the time factor. We want to finish of this airport as soon as possible.*

Dato' Abd. Aziz Sheikh Fadzir: *My question, kalau original tender kontrak ini 2006 to 2009, so what happen to 2006 to 2009? Is he perform at that time or he is already fumble?*

Datuk Seri Long See Wool: *I think in that area for first few years, he was okay. Anything beyond that, I will be going into an area for which maybe prejudicial in making any Statement.*

Tuan Tony Pua Kiam Wee: *So we just ask the facts and then we form our opinion. He doesn't have to give...*

Datuk Seri Long See Wool: *Ya.*

Datuk Madius bin Tangau: *Sikit sahaja lagi. I would like to go back to the EIA again. The kementerian knows very well that the projects will involves the extension of the runway into the sea right from the very beginning, you know. He also knows that the extension of the runway to the sea will affect the muara of Sungai Petagas. He also knows that, right? But, why didn't you appoint the EIA consultant as required by Jabatan Perlindungan Alam Sekitar Negeri Sabah right from the very beginning together with the EIA required by Jabatan Alam Sekitar Persekutuan together? Kenapa pelantikan ini dibuat pada berlainan masa?*

Kedua, did you consider EIA Report- condition of the EIA report has a very important input to the designing of the whole project. Because, the design of the project should also be part of the mitigation- environmental obligation. Termasuklah metodologi, cara-cara pelaksanaan PAL tadi itu. There would have evaluation accordingly- evaluated by respected EIA. So why didn't you do that right from the very beginning of the projects?

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Datuk Seri Long See Wool: *You must be an engineers, sir. Anyway, if I may just answer in general again. This is design and build contract. In design and build contract, we do not do design. All that we stipulate are what are they deliverable. So, the contractor will have to evaluate the situation at his best and coming to named a price and negotiate with the government. In doing so, he has to take into account a number of factors.*

Of course, one of which, is the risks that he will have to face, for instance, specifically on this extension into the sea. So, he should have taken that into the account.

Datuk Madius bin Tangau: *Okay, one of the evaluations that you are going to evaluate or to consider, whether to take in this component is to look at the cost. The design of the project would have an implication to the cost. At the other side is, the EIA would have evaluated the issue of traffic. Firstly, the air traffic as is the jalan raya punya trafik. The volume of traffic would affect the design again. We don't need the extra road, we don't need the flyover or something like that. EIA would have done that. Therefore, the cost of doing the EIA at the very beginning, for the consultant, should have been considered that at the very beginning but this one you did the EIA towards the end- in the middle of the project.*

Tuan Tony Pua Kiam Wee: *Just additional point. Even if it is a design and build contract, there must be conditions in the agreement that they must be subjected to the EIA regulations, approvals, report and comply to all necessary stuff. I am sure those conditions are in place even for a design and build contract.*

Datuk Seri Reezal Merican: *All right, Yang Berhormat Petaling Jaya Utara. In fact, every approval by MOF, if I may, correct me if I am wrong. Any direct nego project, approval by MOF, when they send letter to MOT, one of the line they will say, even design and build that they will have to deal, negotiate to the best price, and then complying with all other conditions. That will always be stipulated because after that, then only you will issue the LA. The earlier surat kelulusan. So, that makes you incumbent about looking into the aspect of what my colleagues from Tuaran and Petaling Jaya Utara has just risen.*

Datuk Seri Long See Wool: *Can I answer?... All those rules stipulated by the Treasury were followed. We negotiated the contract, negotiated the price. The needs Statement clearly stipulated what we need to do. At that point in time, we already clearly know that. The runway, if we extend to accommodate, bigger aircraft will have to go into the sea. All those Statement were clearly stipulated. Environment requirements, everybody knows and even in the contract, there are clauses clearly Statement that. Whatever requirements of the Federal Government, of the State government, even PBT's, the contractor will have to follow. There is no exception to that. In this case, it becomes a problem because he doesn't want to follow.*

Dato' Kamaruddin bin Jaffar: *Maybe Datuk, if you have that document contract, just read out that passage, so that we are clear.*

Datuk Seri Long See Wool: *Yes, we have. Can you read out the clause? Semua kena patuh. Soal dia tidak patuh, tidak timbul.*

Tuan Pengerusi: Datuk, dari segi perancangan keseluruhannya yang di- I assume it has been done by consultants. Was it complete? Did they do are good job? Did they take into account all the factors that could have to contributed to the problems that you have?

Datuk Seri Long See Wool: No, no. You should not answer, because of course, you will say yes [Ketawa] I think by large and the consultants are also not the consultant inexperience. They were the ones who built KLIA. I would not- I am in designing the KLIA, supervise and completion. But, I would not say that all of us are perfect. I mean, we do have kelemahan and so on by and large, I think all the conditions were stipulated.

Tuan Pengerusi: Because, my worry is this. Sometimes consultants get complacent. Yes, you have a track record but consultants depend on people- Tan Sri...

Datuk Seri Long See Wool: ...Jamilus.

Tuan Pengerusi: Jamilus was a good consultant 20 years ago. He's team today might not be strong but because of the backing of the name, sometimes you may find a sense of comfort in his name more than the actual backup or the more actual expertise in his firm. I hate making this Statement, but I have to put it on record. So, is that your policy when it comes to appoint the consultants? You look at more at names, or you look at the total background?

Datuk Seri Long See Wool: No, we look at their performance as well, because of course, a firm maybe very good today, it might not be very good in the next few years. Similarly, contractor pun serupa juga. So, we have to be very vigilant and make sure that whether we should reappoint or whether we should look for new consultant. For which you can see, we appoint different consultants for different jobs based on the best evaluation at that point in time.

Dato' Abd. Aziz Sheikh Fadzir: Cuma dua. Satu, scope of work of consultant ini is basically to look at the design by the contractor and confirm that it is actually something that follows all the requirements. That's the job, right? Then the second one, I just want to go back to the- tadi Datuk kata between 2006-2008, the contractor were doing alright. Berapa percentage of work has been completed within that time, before its get onto trouble?

Datuk Seri Long See Wool: ...Since this is very specific, can you give the year?

Datuk Madius bin Tangau: Meanwhile, can I ask? The contractor, when they start doing the work without the EIA approval, so, did the Ministry kena compound by the Department of Environment?... How much is the compound imposed on you?

Datuk Seri Long See Wool: Do we have a compound?.. No.

Datuk Madius bin Tangau: No compoundkah?... Did they impose compound on you., from Jabatan Alam Sekitar Sabah kah, daripada jabatan...

Datuk Seri Long See Wool: Tidak ada.

Datuk Madius bin Tangau: *There was none?... No compound for starting a project without approved EIA?*

Datuk Seri Long See Wool: *It's not starting a project. This is in particular light which we need to build it on pylon, that part.*

Datuk Madius bin Tangau: *I know, but as I said, I asked the Minister at that time, I was in House and I ask the Minister of Alam Sekitar at that time, kerja-kerja sudah mula, because it was a big havoc. Remember, there was a relocation of people? Squatters in Sri Tanjung, land near the runway, relocated to Penampang. The people oppose to things like that. So, I made a question in the House of Parliament, I said, do you have approved EIA to start this project and his answer was none.*

Dato' Abd. Aziz Sheikh Fadzir: *Kalau tengok approval itu pun Datuk...*

Datuk Seri Long See Wool: *I wouldn't want to comment on your discussion with the Minister.*

Datuk Madius bin Tangau: *But, what I'm saying is, my question is, was they kena compound for starting the project without EIA.*

Datuk Seri Long See Wool: *So, the answer is no.*

Dato' Abd. Aziz Sheikh Fadzir: *Okey, tapi macam mana consultant boleh advice to proceeds with the work without the EIA approval?... Because EIA approval is only sometime in 2007. You signed the contract in early 2006 or 2005, 2006. So, how can consultant and who give you the kebenaran untuk memulakan kerja? I am sure PBT have to give you permulaan kerja. How much have you paid between the times of this started work until the EIA approval?*

Datuk Seri Long See Wool: *Are you talking about why were we allowed to start the whole project?*

Datuk Madius bin Tangau: *Started work without an approved EIA.*

Datuk Seri Long See Wool: *We have, as I mention earlier, the overall project EIA was done, it was approved.*

Dato' Abd. Aziz Sheikh Fadzir: *Approved ini 2007. Award contract ini 2006. So, kita hendak tahu bila start kerja and how come consultant allow you to start work, allow the contractor to start work without the EIA approval?*

Datuk Seri Reezal Merican: *Would you agree that there was a job that has started prior of obtaining EIA approval?*

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Dato' Abd. Aziz Sheikh Fadzir: *Kita hendak tahu siapa bagi kebenaran memulakan kerja itu.*

Tuan Pengerusi: *I think I better re-phrase... Is there controlling officer in this project? Is it you or is it the KSU of the kementerian?*

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *I am sure you were not there in the kementerian as KSU when this project started.*

Datuk Seri Long See Wool: *I was there in the kementerian but I was not the KSU.*

Tuan Pengerusi: *You was not the KSU, so you are not the controlling officer [Disampuk] I think that is the question that we are looking at. So, did the KSU at that time give a go ahead based on the consultant advice without the EIA Report?*

Dato' Abd. Aziz Sheikh Fadzir: *The role of the consultant here is very basic. They do not even design anything. You know, they get paid RM29 million, that is a lot of money for them not to design anything. They only basically look at the design done by the contractor. For RM29 million and they verify it and suppose to recommend you that this is a good contract or a good design. Akan tetapi basic dia itu, how can anyone approve projek bermula bila EIA tidak diluluskan? Adakah PBT yang saya percaya dalam semua projek adalah badan yang sepatutnya mengeluarkan kelulusan untuk memulakan kerja, keluarkan kelulusan untuk memulakan kerja itu?*

Datuk Seri Long See Wool: *I will have to checks that. I am afraid that I am...*

Ir. Mohd. Hanaffi Ayob: *I just want to clarify on this issue. At the early stage- I just check on against the record, I was not really involved but I check against the record. According to the prescribe activity for an airport which require EIA, they require a runway of a land of 2.5 kilometres which require an EIA study to be done. I think this is a misunderstanding at the early stage whereby for this airport, the runway to be done is only 800 meters, the extended portion, the new runway. The old portion is only the upgrading of the existing runway to make it stronger, in that sense. It is only a refurbishment but the new runway is only 800 meters. So, at the early stage, there is a misunderstanding whereby whether they really require an EIA study or not. But after certain clarification with the DOE of the Federal Government, they require the State did that study. That is why the study was invoke at later stage but yet, they completed the study and submitted for the approval.*

On the second stage, whereby the Jabatan Alam Sekitar Sabah, they are more concern on the method of construction whereby the choice of method of construction is on the contractors. It is very clearly Stated under clause 26 of COC of our contract, whereby whatever method that the contractor choose, it must not detriment to the regime of the sea. So, when they do the reclamation of the extended runway, they have many choices. They can use earth from the hill or they can use sand from the sea. So, when do the extraction of sand from the sea, they have to get the EIA approval. Thank you.

Dato' Abd. Aziz Sheikh Fadzir: *You kata EIA tidak perlu untuk projek ini, is that what you are saying?*

Datuk Seri Long See Wool: *Ya, I think that clarified. Now I recall. You see, they are – this is not building a new airport. We are merely enlarging the airport and the component which was critical to this was the extension of the runway and it was quite clear that any runway that is below a certain land, we do not have to get special EIA Report, but later on as he described, we will have to verify later. There were misunderstanding and eventually what we had to do, we did it but the project already started.*

Tuan Pengerusi: *Well, the origin of the misunderstanding must come from your side or the consultant side. So, can you clarify on that part because you are not the expert? So, I presume that the consultant should have advice you on the matter. The reason why I am saying this is because I go back to my original Statement where I said, are you picking consultant based on their previous name and track record or looking at their capability?.. [Disampuk] Ya, branding. You choosing the consultant based on branding or you choosing them based on competency? In this case, if they advice your kementerian, advice the previous KSU wrongly, it obviously cause us financial damage because the contractor did not comply and there is a real loss of public fund here. So, can you clarify this, whether it was actually also mistake or error by the consultant that led to the misunderstanding in your ministry and also with the DOE?*

Datuk Seri Long See Wool: *If I may, for me to answer the question. If I may, correct me if I am wrong. What you are asking is that the appointment was not properly evaluated?... No?*

Tuan Pengerusi: *All I am saying is we are trying to pin-point– you said there was misunderstanding, this misunderstanding led to losses. We are trying to pin-point, who is at fault? Is it your ministry officials or is it– or did you act on consultant advice, consultant did not give you a full picture? That is my question.*

Datuk Seri Long See Wool: *I think we...*

Tuan Pengerusi: *I am not questioning the selection of the consultant, you know. I just make a comment saying that...*

Datuk Seri Long See Wool: *I think we...*

Tuan Pengerusi: *...Did you appoint on brand name or did you appoint on competency? That's all. That is a general comment. It is not– but we are trying to pin-point here, did somebody make mistake that led to financial losses?*

Datuk Seri Long See Wool: *I think we act on advice. Whether it led to financial losses or not, then it is the question of where do we attribute the mistake, is the issue.*

Tuan William Leong Jee Keen: *We knows you act on advice but whose advice?*

Tuan Haji Hasbi bin Haji Habibollah: *Before that KSU, I would like to ask here. Maybe your team can help you also. The consultant is paid by the contractor or separate payment by the government, the consultant?*

Datuk Seri Long See Wool: *We pay the consultant.*

Tuan Haji Hasbi bin Haji Habibollah: *It is not by the...*

Datuk Seri Long See Wool: *No. Of course he has his consultant because he needs to design. He has his own consultant.*

Tuan Liang Teck Meng [Simpang Renggam]: *So, can I add a bit further to what has been raised by the Chairman? Because you were made known that you did not require the report, the EIA requirement, so you started the work at the initial stage. There must be some approval during that time, who gives that instruction to start the work. Then, later on you found out, "Hey, beyond this length actually we need..." [Gangguan sistem pembesar suara].*

To you that, "Hey, now you need this requirement". So, we need that chronology. Then, we know whose responsibility for all the root cause. Thank you very much.

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Dato' Abd. Aziz bin Sheikh Fadzir: *Sedikit lagi Datuk Seri. Not only EIA approval which I have doubts about the Statement tadi, but tanah juga belum selesai lagi. Pengambilan tanah persendirian kalau mengikut laporan daripada Audit ini, diwartakan hanya pada 6 November 2008. Baru diwartakan ini. Pengambilannya I think some time in 2009. So you got a land matters not resolve. I have doubt about the EIA Report and I am still waiting for the answer, bila PBT beri kebenaran untuk keluar ini? So there are many thing yang kita tidak ikut betul-betul, macam memberi gambaran, we are really rushed for the work ini. Itu saya lihat kalau Datuk boleh memikirkan balikkah. Terima kasih.*

Datuk Madius bin Tangau: *Hendak tambah sedikit Tuan Pengerusi, ya*

Datuk Seri Long See Wool: *The part when it come to the land. Can I to answer on the land issue today?... About the land now?... Now on land, we applied in 2003, today is 2013. You have talking about 11 years. If I were to put it in other way, if I were waiting for all this approval, KK would be KK of 10 years ago.*

Datuk Madius bin Tangau: *That is why the project...*

Datuk Seri Long See Wool: *But the State is not saying that they are not giving us the land.*

Dato' Abd. Aziz bin Sheikh Fadzir: *Akan tetapi tidak warta itu.*

Datuk Seri Long See Wool: *Is the process they take which– you know, land is State matter.*

Dato' Abd. Aziz bin Sheikh Fadzir: *Datuk, the process of land is bila ia diwartakan. Kalau belum diwartakan, itu tanah hak individu. Datuk hendak tanam pokok pun tidak boleh because that belongs to him. So, it is start with warta. Once you warta, baru pengambilan would start. It is the little I understand about the land law. So kalau tidak wartakan lagi.*

Kedua Datuk, *I think the Statement* tadi itu, *I know you are bit frustrated with the system that we have which always hinder our development. Akan tetapi we cannot practice that kalau kita hendak tunggu semua kelulusan untuk kita start, Datuk. That is not a good Statement. Not good practice for us.*

Datuk Madius bin Tangau: *Because knowing that you are dealing with land matters, land acquisition and all this, therefore, the EIA* daripada Jabatan Perlindungan Alam Sekitar Negeri Sabah *should have been posted from the very beginning. Ini pun an afterthought. Hanya kerana dia hendak memohon ambil pasir, dia memohon untuk buat EIA. But since this project involves land acquisition, pengambilan-pengambilan tanah dan sebagainya, relocation of squatters and things like that, you should have imposed on the project proponent a requirement to do EIA right from beginning, but you did not do that. It is only an afterthought just because project proponent hendak ambil pasir, dia buatlah EIA daripada Jabatan Perlindungan Alam Sekitar Negeri Sabah. You did not have the idea, did not put in dari segi syarat-syarat that EIA Report will have an input into the design of whole project. Therefore, the EIA must have been done right from the beginning. What you did di sana just an afterthought.*

Tuan Tony Pua Kiam Wee: *Saya hendak sambut apa yang disebut oleh Yang Berhormat Tuaran tadi. Quoting from the contract, in a very brief grant I have- just now you are saying you try to refer to the contract. Having a look at the contract here, di sini tidak ada specific requirement for the project to carry out an EIA. I cannot find it. Tidak ada. Kalau ada, tunjukkan.*

The only things is the clause 26 yang ada di mana pihak kontraktor perlu mematuhi semua undang-undang dan juga peraturan yang diperlukan daripada pihak Persekutuan ataupun pihak negeri, mana-mana undang-undang dan segala kos perlu ditanggung oleh pihak kontraktor. So it is sort of- neatly cover under that cash out clause, the blanket clause, but it is not specific that you require an EIA. So in the normal reading of the contract in my view, tidak ada EIA diperlukan. Based on the contract. If I am the contractor, I baca begini pun macam tidak ada. Not entirely on default lah. I think that cash out clause, EIA if you want to do tambak, I think it is quite obvious you need EIA.

But there is one other clause under 32 di mana environmental management plan perlu disediakan. So there is environmental management plan perlu disediakan oleh pihak kontraktor dan diberikan kepada pihak kerajaan dalam jangka masa 28 hari. So the question is whether environmental management plan telah pun disediakan dan diluluskan oleh pihak kerajaan on this environmental management plan? So, when they submit and when was it approved, whether by MOT or any other government department in this contract? So I think that will be useful for us to know.

Datuk Seri Long See Wool: *As I mentioned, maybe just reiterate the thing raised up, because there is this clause 34.3 under compliances to law requires upon the contractor.*

If I may read, "The contractor should comply with all applicable law and with all directions, orders, requirements and instructions given to the contractor by any authority competent to do so under any applicable law."

Tuan Tony Pua Kiam Wee: *Which is, which agreement is that?*

Datuk Seri Long See Wool: *It is the contract.*

Tuan Tony Pua Kiam Wee: *24, different thing- 24 is...*

Datuk Seri Long See Wool: *Sorry. We blur. It is 84.3.*

Tuan Haji Hasbi bin Haji Habibollah: *In the same time KSU – before that Yang Berhormat PJU. Just hendak tahu, all these kalau baca kontrak, kalau baca klausa tadi, so all those EIA consultant, siapa yang engage, government or contractor?*

Datuk Seri Long See Wool: *That is why I wanted to clarify. That is the confusing part, you see. On the Federal side, the requirement was confirmed by us. We did it. But when we came to the actual yang Yang Berhormat kata tadi, matter of the construction, all that and all that those things, we detail out into the contract which is the contractor would have to get the approval. Seperti tadi itu when you want– the issue with the State was when you build this thing into the sea, they require you to stipulate a method that do not adversely affect the environment. That is why it came on the issue of methods Statement, the issue how do you implement, kena patuh kepada all the mitigating measures that they outline for you which is done by the State. So, when they imposed that and I go back to the clause that if this is the decision of the State as an authority, maka dengan itu dia kena patuh. Itu sahaja. So dia tidak boleh mengatakan bahawa tidak hendak patuh. Dia boleh cakap, "Oh, saya punya harga dahulu tidak ambil kira method ini, method itu." But that was the risk he took. That was the price I pay because we design and build as you know, there is this risk elements for which we pay.*

Tuan Tony Pua Kiam Wee: *I think we all agree on that. Even though it is cash out clause... [Disampuk] It is cash out clause. That means he has to comply with the clause where he has to agree to all legal, undang-undang peraturan semua, dia kena akurlah. The most specific question is when did they submit the plan to the local EIA and when did they submit, per the agreement, environmental management plan to the MOT? Was that approved by MOT or any other bodies? Because, it is supposed to be approve by the government.*

Dato' Seri Reezal Merican: *I need to- maybe I can help Datuk...*

Tuan Haji Hasbi bin Haji Habibollah: *In addition to that, did he engage EIA punya consultant to prepare the plan and everything for him to submit...*

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Tuan Tony Pua Kiam Wee: *Akan tetapi dia tidak perlu.*

Tuan Haji Hasbi bin Haji Habibollah: *That is why we want to know. Takkan dia buat sendiri-sendiri sahaja? Mesti ada profesional...*

Datuk Seri Long See Wool: *Dia employ. He has employed his own environmental consultant, which he did so.*

Sr. Jamiah Jahis [Wakil KLIA Consultant Services Sdn. Bhd.]: Yang Berhormat, saya rasa saya perlu *clearkan* perkara ini. Tadi ada dua *environment* punya ini. Satu daripada Jabatan Alam Sekitar, *Federal*, which pihak kementerian telah laksanakan dan jurutera tadi sudah beri *explanation*, ada *confusion at the early stage but later it was actually done*.

The secondly is actually perkara yang perlu dipatuhi oleh kontraktor kerana kehendak Jabatan Perlindungan Negeri. *That is based on methods of construction. So*, perkara ini masa *negotiation* telah dibincangkan. Harga yang kontraktor maksudkan itu sebenarnya sudah masuk harga untuk dia mematuhi mana-mana kehendak jabatan ataupun *statutory body*. Termasuklah Jabatan Perlindungan Negeri. Di sini memang ada surat daripada kontraktor. Kalau kita tengok dalam *volume 1*, dekat dalam surat-menyurat, dekat bahagian belakang, kontraktor sudah tetapkan dan *confess that* dia punya harga *contract* telah termasuk beberapa perkara dan tidak termasuk beberapa perkara. So, pada saya, isu EIA punya kos memang tidak ada isu, *because it is already billed in into contract price which is RM720 million...*

Tuan Tony Pua Kiam Wee: *So, that one we accept. We accept that the contractor bear the EIA cost.*

Sr. Jamiah Jahis: *Yes,*

Tuan Tony Pua Kiam Wee: *...And whatever other studies that is required to comply with the law.*

Sr. Jamiah Jahis: *Yes, correct.*

Tuan Tony Pua Kiam Wee: *So, the question now is, when did they submit their methods for approval by the State, by the contractor? Number two, did they submit the environmental management plan to the government?*

Sr. Jamiah Jahis: *On the approval to the State, dia akan hantar bila dia hendak laksanakan kerja and that method supaya tidak bercanggah ataupun mematuhi. So, that the reports- I think the engineers will have it, but definitely we have that reports. I don't have it now.*

Datuk Seri Reezal Merican: Yang Berhormat Petaling Jaya Utara, *I think I can enlighten, I can help* Datuk Seri Long ya. *The only problem here is that because this project is done by design and build- when it design and build, there are three components over here. One is the project owner or project's custodian or whatever you called it or the client of ministry, which is MOT. The other one is contractor. The third one is regulatory body that regulates many other things, requirements that required in order for this construction to take place.*

Look here- under normal conventional contract, everything will be done by the client of ministry, right? But in this case, when it is design and build, obtaining the approval of EIA is incumbent upon the contractor, right? But the question- the compliance of the contractor, obtaining it, must be monitored or must be approved by whom?... Failing which, whose fault is that?

Datuk Seri Long See Wool: *I think here is quiet clear. Khasnya berkaitan ini adalah tanggungjawab kontraktor untuk mendapatkan kelulusan. We are not saying that we are just sitting back, we do not do anything. We also talk to the State, because it is affecting the progress of the work but the decision is absolutely at the discretions of the State.*

Mengenai method- oleh kerana erosion will take place, so the State decided this is the method. So, when they decided that is the method, as far we are concerned, that is the method. Akan tetapi semasa dia hendak buat itu, dia tahu tetapi dia hantar baj pula. So, they are not conforming to it. So, that is why we signed out that you are not conforming to the requirements of the State. Whether the State is- I mean, it is the authority. So, that constitute one of the major area which we ran into a conflict. I mean, as much as we like to avoid it, but he went head on this particular issue.

Tuan Tony Pua Kiam Wee: *My specific question is, did they submit environmental management plan to the government?*

Datuk Seri Long See Wool: *That one I will have to checks the details of the submission.*

Datuk Seri Reezal Merican: *That is something very paramount I think Yang Berhormat Petaling Jaya Utara...*

Datuk Seri Long See Wool: *Yes, we recognize that.*

Tuan Tony Pua Kiam Wee: *Just a little bit to add on the State requirements. I agree with Datuk's explanation, that they must comply with the State requirement but they did not comply. The State requirements came out in January 2011, so saya hendak tanya, sama ada sebelum State requirements dikeluarkan, mereka sudah mula kerja dengan menggunakan baj?*

Datuk Seri Long See Wool: *Correct me if I am wrong. I do not think they started work.*

Tuan Tony Pua Kiam Wee: *Tadi dia kata, baj yang tebal, baj yang nipis so... [Ketawa]*

Ir. Mohd. Hanaffi Ayob: *The earlier proposal from the contractor is to use the tiga barges, where they have to do the draining.*

Tuan Tony Pua Kiam Wee: *So, you have the proposal...*

Datuk Seri Long See Wool: *Tidak, tidak. Soalan dia, did they start the work...?*

Ir. Mohd. Hanaffi Ayob: *Okay, they haven't done.*

Datuk Seri Long See Wool: *Itu sahaja.*

Tuan Tony Pua Kiam Wee: *Could the erosion was taking place, but the works haven't started?*

Ir. Mohd. Hanaffi Ayob: *Not yet.*

Tuan Tony Pua Kiam Wee: *How come the erosion was taking place? They said, work haven't started yet, tetapi erosion was taking place. So, have they started...?*

Datuk Seri Long See Wool: *Okay. That is why I did not want to go beyond a certain— I have my constrain. We have a certain boundary. The erosion, if I may say, has already taken place. Yes. I would not want to— this specific case. We have a project, which I think the Auditor also brought out. Of course, he didn't come to PAC. I hope he does not come.*

Beberapa Ahli: *[Ketawa]*

Datuk Seri Long See Wool: *Anyway, we have a situation— sorry. I mean, you see the kind of difficulty we have in dealing with even authorities of State. We have a double track project. People are blaming us for causing flood, okay?... Now, what happened is that, in a particular town, flood sudah ada. So, when we built our station and our track, we built drains that are bigger than what was necessary. But, that does not solve the problem. Because, if we don't do upstream and when our water go out, you don't do downstream, the flood will be there. But, there are PBT trying to load it on us, asking us to do atas, bawah, luar daripada boundary kami. Ada berlaku. So, I am just giving an example. Kadang-kadang orang kata, 'tumpang semangkuk' tetapi macam mana?*

Tuan Pengerusi: *Datuk, we are sympathetic to your issues. We are. Do not worry about that. It is just that when you explain it like this, at least you give us a better understanding and it is for records. Thank you very much.*

Tuan Tony Pua Kiam Wee: *But, going back to the soil erosion...*

Datuk Seri Long See Wool: *I didn't want to cross the boundary, but since you are asking. Ini memang sudah berlaku. Kerajaan tidak buat apa-apa. So, bila datangnya kami, ini buat.*

Tuan Tony Pua Kiam Wee: *You are saying that the soil erosion was taking place, but not due to the KKIA project?... Is that what you are saying?*

Datuk Seri Long See Wool: *I think that is a general statement.*

Datuk Seri Reezal Merican: *You are entitled to the opinion. Okay.*

Datuk Seri Long See Wool: *But, if you will go to the State, they will tell you otherwise.*

Beberapa Ahli: *[Ketawa]*

Datuk Seri Reezal Merican: *Datuk KSU, I am compel to ask this question which was asked by my fellow colleague before. After you have sent this NCR, you called it, to Global Upline Sdn. Bhd. and there is one of us just now asked about the appointment of Global Upline. Whether it was backed up by— I mean, because of the experience of building of the earlier airports. You were mentioning about Kuching and Bintulu, right? The appointment of contractor for this project was done by a direct negotiation and of course, it was done by Ministry of Finance.*

But in doing so, normally they will also send to the client's Ministry to give comment over this project and also over the proposed company that going to undertake to do this direct nego project.

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My question is, the earlier project that the Global Upline has built before like Kuching, Bintulu dan lain-lain, adakah pembinaan-pembinaan lapangan terbang tersebut berlaku dalam keadaan yang memuaskan hati kementerian, yang boleh dianggap sebagai salah satu testimonial untuk mereka juga diberi kontrak untuk mengadakan ataupun membuat projek peningkatan Lapangan Terbang Antarabangsa Kota Kinabalu Sabah ini? I don't know whether it is not prejudicial enough for you to answer.

Datuk Seri Long See Wool: *I can answers in general. I think the important thing is to know the sequence, okay. The sequence is, Langkawi Airport where they built the breakwater was their first project, relating to airport. The second came Bintulu and subsequently Miri. Factually, they have done all these three well and finish on time, but I am also not saying that in between during the implementation tidak ada masalah. Masalah memang ada...*

Datuk Seri Reezal Merican: *Finishing on time...*

Dato' Abd. Aziz Sheikh Fadzir: *Quality wise ya...*

Datuk Seri Long See Wool: *Sorry?... They finished on time.*

Datuk Seri Reezal Merican: *Finishing on time does not mean that the qualitatively it was done...*

Datuk Seri Long See Wool: *No, the quality, I must say that...*

Dato' Abd. Aziz Sheikh Fadzir: *I was told that Kuching for example, bocor, in fact...*

Datuk Seri Long See Wool: *That is why I didn't want to- Kuching, it was subsequent, okay. Now, I talked about this three. If you want to based it on this three, the reason to reappoint them are not wrong, I must say. Subsequently, they got Kuching, Labuan and KK. Now, this three, Kuching, Labuan and KK might has start on the different time but they did run concurrently, okay? So, when you run concurrently, when you run construction in KK, actually we ran into problem in Kuching as well as in Labuan, but the problem there were not as, I would say, enormous as this.*

Tuan Pengerusi: *So, you are saying that you actually awarded too many contracts in one contractor at the same time? [Ketawa]*

Tuan Tony Pua Kiam Wee: *I think that is a risk management...*

Datuk Seri Reezal Merican: *Ya, there is a risk management...*

Tuan Pengerusi: *Datuk, it goes back to what I said just now from the start. Did you appoint based on brand or is it based on competency and capability?*

Datuk Seri Long See Wool: *...Actually it is a combination of factors.*

Tuan Pengerusi: *You have just said that you awarded too many contracts on one company and then you ran into trouble because you awarded too many contract to one company at the same time [Ketawa]*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Anyway, I think we should move on because it already 1 o'clock. Is there any other question?... I think we have established certain thing here that quite interesting.*

Dato' Abd. Aziz Sheikh Fadzir: *Saya cuma hendak minta tadi, yang dari tahun 2006 hingga 2008 itu, lebih kurang berapa dia punya percentage of progress before you- because that is very important, because I see the action ini cuma bermula pada tahun 2011 dan 2012. So, by the time year 2006 ke 2012 ini, sudah enam tahun. What happen in that six years? Pertinent question, saya hendak minta...*

Datuk Seri Long See Wool: *If we can give you the answer now, otherwise is there a way by which we can submit to you?*

Tuan Tony Pua Kiam Wee: *Yes.*

Dato' Abd. Aziz Sheikh Fadzir: *It does not have to be now. I mean, if you do not have it now, I can have it later...*

Datuk Seri Long See Wool: *Alright, we will submit. Is there a timeline when we must submit, Tuan Pengerusi?*

Tuan Pengerusi: *Is it okay in a week?*

Datuk Seri Long See Wool: *Yes, we will do that.*

Tuan Pengerusi: *I think because of the time constrain, we are going to call you back anyway for KLIA2.*

Datuk Seri Long See Wool: *Alright, we will submit to you.*

Tuan Pengerusi: *But before that, if you can, in a weeks time give us the information.*

Datuk Seri Long See Wool: *Yes, we will do that.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No, there is still two other issue that...*

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Okay, start from Yang Berhormat Tanjong Piai, Yang Berhormat Limbang, Yang Berhormat Tuaran. Anything else?... You yang bawa isu EIA ini [Ketawa]*

Datuk Seri Reezal Merican: *The EIA man...*

Datuk Madius bin Tangau: *Okay, the environmental management plan, that part we agreed that we will have to come back and have a look on that- just the statement, "Operasi pendaratan tanpa instrument landing system (ILS) tidak membahayakan keselamatan kapal udara".*

Tuan Tony Pua Kiam Wee: *That one coming later I think...*

Datuk Madius bin Tangau: *We have not covers that?*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Madius bin Tangau: Okey.

Dr. Tan Seng Giaw [Kepong]: *[Bercakap tanpa menggunakan pembesar suara]*

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

[Perbincangan secara off record]

[Mikrofon dimatikan]

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Datuk Seri Long See Wool: *Now, I can also tell you, today the contractor yang sekarang buat kerja ini, we are going to stop four days sebab baru-baru ini ada permintaan, semua lobi cakap kena luluskan. Four nights we will be opening the runway, there will be no works. You see, that is the difficult position that we are in sebagai pegawai pengawal. Di sini kita cakap tidak boleh, siapkan dulu. Akan tetapi they are the authority, they want it to be open. So, we will still have like four days that is taken away. We told them, no, this is only one-off. They say, okay, okay. I agree with you, one off, empat hari sahaja. I think it's going to be more. Come Chinese New Year they will request lagi. Kalau kita tidak luluskan, dia cakap kita tidak bantu orang hendak balik ke Sabah.*

Tuan William Leong Jee Keen: *Can I go back to the awarding too many contract? Can you give us the amount of each contract and the dates that they were awarded? By the time you arrive at the third or fourth contract, were you looking at his financial capability to do so many at the same time? Can you give us the figures and the dates and their financial capability at that time?*

Datuk Seri Long See Wool: *You means, to say the earlier question that were asked about how many jobs he has with us?*

Tuan William Leong Jee Keen: *Yes. We are talking about the Labuan, KK, Kuching. What the...*

Tuan Pengerusi: *The concurrent projects that may have affected the construction of the Kota Kinabalu Airport inilah. So, all these other...*

Tuan Tony Pua Kiam Wee: *Because you mention about cash flow.*

Tuan William Leong Jee Keen: *Which at the end, affected the cash flow.*

Tuan Pengerusi: *It's not directly related to our subject matter. It just that we are trying to assess the contractor's own financial health at that time that may have affect...*

Datuk Seri Long See Wool: *I can give all the report to you, but don't go public with this because the case is on- I just caution, I mean, its a prerogative of Chairman.*

Tuan Tony Pua Kiam Wee: *Just a statement of fact where the contracts given, how much the amount? You don't have to give opinions.*

Datuk Seri Long See Wool: *Ya, we are not going to give, but I'm worry about if things go out, it can be prejudicial to the proceedings.*

Tuan Pengerusi: *I think we should be aware of what Datuk is saying. If it is not important, then...*

Tuan William Leong Jee Keen: *I think it's important, because as PAC, we want to find out what went wrong.*

Tuan Pengerusi: *But, a general statement by Datuk saying that he had many contracts going concurrently. That I think is good enough. Anyway, it's not MOT that awards the contract. It's MOF.*

Tuan Tony Pua Kiam Wee: *I think we can have the details of the contract.*

Tuan Pengerusi: *[Ketawa] I'm trying to be sympathetic to you here, Sir.*

Tuan William Leong Jee Keen: *I think we just need the dates and the amount.*

Tuan Tony Pua Kiam Wee: *You gives the dates, the contract and the amount and it will be kept within the PAC. Our reports are not tabled and it doesn't go out anyway.*

Tuan Pengerusi: *Ya, I know, but I think is prerogative for Datuk. He has already made a general statement.*

Tuan Tony Pua Kiam Wee: *Ya lah, but we want just to look at the contracts and the amount. Even if we ask in Parliament, that amount would be given.*

Tuan Pengerusi: *No, no. It's not related to the subject matter today. The subject matter today is KK Airport.*

Tuan William Leong Jee Keen: *But, I think its related to why does there is a problem in KK Airport.*

Dato' Abd. Aziz Sheikh Fadzir: *I know. The fact is, Datuk KSU said it very clear. It's too many projects given to the same company. That I think justify that. For now, since it is a court case, why don't we don't get into something that may- you know, may causeelah. We understood that.*

Datuk Seri Reezal Merican: *Yang Berhormat Petaling Jaya Utara can ask in Parliament.*

Tuan Tony Pua Kiam Wee: *So, what is the difference? [Ketawa]*

Datuk Seri Long See Wool: *I just want to clarify this. I made a statement; he has a number of projects at the point in time. I did not say he has too many projects. I did not make any judgment on that [Ketawa] I hope they record this correct. Otherwise, it can be dragged..*

Tuan Pengerusi: *I said that. I made that conclusion.*

Tuan William Leong Jee Keen: *The judgement can be made by us, I think we just need the facts.*

Tuan Tony Pua Kiam Wee: *We just needs the fact, that's all. Just quickly, just to sum this up. Number one. Sorry- not number one now. Number two, they are suing us for wrongful termination. For our part, are we claiming compensation from them for inability to complete the project? That is number one. How much has been- sorry, part one of my number two. How much has been paid to Global Upline today, how much has been paid? The third question, is the runway involves land acquisition?*

Is that the— because, I'm trying to figure out whether the runway going to the sea actually involves land acquisition which is the main cause of the delay because, if it doesn't, then there shouldn't actually be a delay with the runway itself.

Datuk Seri Long See Wool: *Okay, they are taking us to court on the ground that, of course they have the specifics, but, it all relates to the fact that they say that they should not have been terminated and that is the thing. Of course, there are other issues relating to a number of specific areas for which they filed to the court.*

Now, as far as we are concern, in the contract is very clear. He has not finished the job. There are remaining works need to be done for the job to be finish. So, we have appointed what we called 'kontraktor penyelamat'. So, the entire cost of those appointments, we will minus from whatever balance that he has with us, and the condition in the contract is that we are allowed to appoint a third party if he cannot perform, and payment due for those party will have to be billed to him. So, apa yang remain dalam kontrak will be used to pay that. Kalau tidak cukup, dia kena tambah. Kalau dia tidak mahu tambah, then we will have to go to court.

Dato' Abd. Aziz Sheikh Fadzir: *Up to now, I am sure we have appointed everyone already. So, where are we now, in terms of the numbers?*

Datuk Seri Long See Wool: *That's why when you asked for the numbers, we will give you the numbers.*

Dato' Abd. Aziz Sheikh Fadzir: *Belum ada.*

Datuk Seri Long See Wool: *It far exceeds the remaining amount. So, it goes back to my earlier question that when you terminate, you must terminate on good ground that kalau adanya, then you will end up paying much more than what you anticipated*

Tuan Tony Pua Kiam Wee: *So, Datuk is saying that the contractor, the cost of kontraktor penyelamat adalah jauh lebih tinggi daripada baki yang ada dalam kontrak dalam kementerian? The question that needs to be ask, did we overpay them for work that has not been completed?*

Datuk Seri Long See Wool: *No. You must remember, when you tender for a job, it is all how he financially manages the contract. This is the price that you tender for, say if RM700 million, it is RM700 million. But, you must remember at the point of tender, it is 2006. I will not adjust my price because it is design and build.*

Even though over the years there might be interest, increase of costs of material dan sebagainya, he has- those are the risks that a design and build contractor will have to take. But, if I today go to the market and tender this job, yang sekarang I lantikkan, I will have to pay today price. I cannot be paying 2006 price.

Dato' Abd. Aziz Sheikh Fadzir: *Akan tetapi ada juga elemen kontraktor ini, dia top heavy. So, I hope the QS and the consultant would have looked at the total tender RM700 million then and rationalize it.*

Because there are potential of top heavy, they will build up awal itu tinggi. So, I hope that also has been taken into consideration. So, that what Yang Berhormat Petaling Jaya Utara was asking. The amount of money we paid does it goes with the percentage of the work done? I fully agree with Datuk on the second one, bila 2004 tender and today's tender is completely different price. Bila you bawa kontraktor penyelamat ini, dia pun akan tekan harga, different harga because you need- especially those...

Datuk Seri Long See Wool: *Tidak, we go through the details of the rates and all that.*

Dato' Abd. Aziz Sheikh Fadzir: *No, no, especially for those for example, yang the brand is already specified. You don't have an option. You still have to take from him. So, they would have taken advantage.*

Datuk Seri Long See Wool: *We know the market price. We know how much an ILS cost; we know how much air field lightings. It is not that we do not know those prices.*

Sr. Jamiah Jahis: *The rationalization actually was executed during the negotiation itself.*

Tuan Pengerusi: *So, there was no front loading, it was quite averaged out, the construction schedule.*

Sr. Jamiah Jahis: *Yes.*

Datuk Seri Long See Wool: *I am sorry. There were three questions. I have only answered one.*

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Tuan Tony Pua Kiam Wee: *That was the amount that has been paid, then, there was the- whether the runaway was based on land acquisition. That means rely on land acquisition which caused the delay. If the runaway does not depend on land acquisition, and then by right, the runaway shouldn't have been delayed. That was my question.*

The second part of the earlier question was whether we can claim LAD or any other damages from the contractor?

Datuk Seri Long See Wool: *If you are talking about- if I refer specifically, maybe you are referring to the part where we go into the sea.*

Tuan Tony Pua Kiam Wee: *The sea as well as any other extension...*

Datuk Seri Long See Wool: *Oh! Yes, yes, involve the land and that was the reason why the extension of time was given.*

Tuan Pengerusi: *For the land...*

Datuk Seri Long See Wool: *Yes, because it was the issue of the raise cost at the turf club which State took much longer time as anticipate to clear that. There was a turf club at the one end of the runway.*

Tuan Pengerusi: *Runway into the sea?*

Datuk Seri Long See Wool: *No, is this 20 or 02? [Disampuk] Towards the city.*

Tuan Pengerusi: *Towards the city. Yes, I know but as you said just now, the extension into the sea, is that land also...*

Datuk Seri Long See Wool: *That part, I do not think – it was not a problem. The State...*

Tuan Pengerusi: *Just gave approval...*

Datuk Seri Long See Wool: *...Clear the land acquisition.*

Tuan Pengerusi: *Okey.*

Tuan Tony Pua Kiam Wee: *So by right, the work on the sea portion could have started earlier because there was no land acquisition issue.*

Datuk Seri Long See Wool: *No, this is a question on the sequence of work, because it is difficult, you have to decide to do which portion first. The consultant is very clear as to where do we sequence first because the moment you do work on one end, you have to displace the threshold for the landing point or the touchdown point of the aircraft will have to be adjusted accordingly. So, all those are taken into account before we...*

Tuan Tony Pua Kiam Wee: *So, that is the position of the consultants? That the work on the land to be acquired – need to start first before the sea portion of the runway gets started? Is that the KLIAC...*

Ir. Mohd. Hanaffi Ayob: *First, they start with the reclamation area. They complete that section. On the other side of the runway, they need to raise the runway because of the obstruction- because of the new building being constructed nearby, that is the KWSP building which go beyond the flight pass of the aeroplane. So, to avoid that obstruction, we have to rise on the northern portion of the runway. Before we can rise, we have to complete the southern portion- I means we have to decommission that portion where we want to raise, so that we can do that raising.*

Tuan Tony Pua Kiam Wee: *We are completely lost [Ketawa] No, it is not the point of reference. All I am asking is the sequence of work, the place that need to be started first is the area that is affected by the land acquisition. Is that a fair statement? The sea portion, where we do the reclamation and the barging and stuff like that, is the subsequence part of the work which the contractor cannot do first until the initial area has been completed?*

Ir. Mohd. Hanaffi Ayob: *The sea portion they can start, there is no issue- the northern portion where they want to raise, there is an issue of the land acquisition where the kandang kuda sited.*

Tuan Tony Pua Kiam Wee: *So, the sea portion, is it dependent on the kandang kuda, the race horse being acquired first? Is it completely independent?*

Ir. Mohd. Hanaffi Ayob: *Independent.*

Tuan Tony Pua Kiam Wee: *Which means that it brings back to the question why didn't they start the sea portion...*

Ir. Mohd. Hanaffi Ayob: *They started the sea portion first.*

Tuan Tony Pua Kiam Wee: *They started...*

Datuk Seri Long See Wool: *I see where the confusion is. It was the lighting that we need to build further into the sea where we run into this environmental thing.*

Tuan Tony Pua Kiam Wee: *Runway...*

Datuk Seri Long See Wool: *Runway is done but...*

Tuan Tony Pua Kiam Wee: *The lighting.*

Datuk Seri Long See Wool: *Ya.*

Tuan Tony Pua Kiam Wee: *Further into the sea...*

Datuk Seri Long See Wool: *Further into the sea.*

Tuan Tony Pua Kiam Wee: *Further into the sea. That has not been done?*

Datuk Seri Long See Wool: *Ya.*

Tuan Tony Pua Kiam Wee: *Okey.*

Datuk Seri Long See Wool: *...So it is back and forth kind of situation. It is not a straight forward, buat sini, selepas sini habis, buat sana.*

Tuan Pengerusi: *It is how you plan the construction anyway.*

Dato' Abd. Aziz Sheikh Fadzir: *Kalau ikut tanah ini, RSTC hanya bersetuju pada 5 Oktober 2009. So, if you are talking about the kandang kuda tadi itu, lumba kuda itu, here it said by 5th October 2009 you can already use the land. So, I am not sure whether that cause the delay or not.*

Tuan Pengerusi: *Datuk, it is 1.30. We already overrun our original timing so, can you please continue with the ILS dengan AirAsia tadi?*

Datuk Seri Long See Wool: *Okey. I mean, while we are explaining that – you saw the complications tadi. Now, ILS is an instrument that helps the pilot when it comes to landing the aircraft in the airport. Today in the world, not all airports are equipped with the Instrument Landing System and yet those airports are safe. If we do not have this piece of equipment, what do we need to do is that there are procedures involved for which the pilots will have to adhere to.*

Jadi kerja dia itu tambah sedikit. *Pilots, if you ask them, they want everything. The whole runway, the whole airport, everything to be equipped to the level they wanted but not all airports can afford to do that.*

Now, in the case of KK, we have an ILS. When we do an extension of runway, we have to decommission the ILS for the work to be done. If you do not decommission it, when the work is done, the ILS does not function. Now, when the runway is extended, the new ILS will be put in. So, you will have a situation of a certain period for which the Instrument Landing System will not be available to the pilots.

Now, what is the difference of having one and not having one is that, when a pilot comes to land- I am trying to explain the technical part to the best of my ability. It took me a while to understand this as well when you come to land, at a certain point, that is what we called a 'decision height'. The DG will explain further. So, he makes a decision whether to land the aircraft or he aborts the landing. Meaning that, kalau dia tidak nampak runway or there is something at the runway, at that height he will have to decide. That is the important decision height. So, that height important because if he aborts, he must be able to climb, bring the aircraft up and clear all of the obstructions.

The difference of having ILS and not having an ILS is only 50 feet, 50 kaki. Kalau adanya, at the higher point he make a decision. Kalau tidak adanya, he makes a decision lower. So, that is the only difference. So, it does not affect safety. I have to admit that it would affect a bit of- it cause a bit of time and a bit of inefficiency. Itu sahaja, but there are many airports in the world today do not have that.

Same thing, if I would have to draw similar case of radar system. There are certain places in the world until today tidak ada radar coverage, but do you mean that when it was without radar, aircraft cannot land? Aircraft still can land macam pada satu ketika dahulu KK kita tidak ada. Di Kuching pun kita tidak ada tetapi ada penerbangan. So, what do we do, in the absence of that, we follow certain procedural method of landing yang mana dia punya syarat itu adalah lebih ketat. Meaning that, the separation of the aircraft will have to be more vertically and horizontally. Kerja itu lebih sedikit. So, in the case of ILS, it is not one that affects safety. Now, we have ILS in Kuala Lumpur, we have in Penang also. But during bad weather, real bad weather, they still have to divert.

Dato' Abd. Aziz Sheikh Fadzir: *How much does ILS cost?*

Datuk Seri Long See Wool: *I think it is over a million.*

Tuan Pengerusi: *The report says more. Dalam Auditor General Report kata, ILS ini RM100 juta, RM200 juta. Apa figure ini?*

Datuk Haji Anwar bin Suri: *Kita tidak dapat...*

Datuk Seri Long See Wool: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Haji Anwar bin Suri: *Detail price kita tak dapat.*

Datuk Seri Long See Wool: *You sees, Instrument Landing System (ILS) that consists of a number of equipments. The equipment like glide path...*

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Dato' Abd. Aziz bin Sheikh Fadzir: *Tidak apa. The total cost is how much because...*

Datuk Seri Long See Wool: *What is the total cost of the entire system?*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Dato' Abd. Aziz bin Sheikh Fadzir: *I know but...*

Datuk Seri Long See Wool: *No. You give the answer because- you kata, give an accurate answer sebab dalam itu lain harga, sini lain harga pula- ia bercanggah.*

Tuan Pengerusi: *In Audit Report is RM200 million.*

Datuk Seri Long See Wool: *No, no.*

Datuk Haji Anwari bin Suri: *Kita tidak dapat report harga...*

Datuk Seri Long See Wool: *No, no. That one we can buy three or four radar system.*

Tuan William Leong Jee Keen: *So what is the reason for not install it?*

Datuk Seri Long See Wool: *Is not the question we are not installing. We have to decommission it because of the work.*

Tuan William Leong Jee Keen: *Yes. What was the cause of the delay? Why GUSB was not able to do it?*

Datuk Seri Long See Wool: *You see, if- correct me if I am wrong. Even if GUSB want to do it, if they were to follow the time schedule, we still have to decommission the existing ILS for a period of six months. Because, then you have to extend the runway, build it to the right level, then you put the ILS, then you decommission the ILS. Dahulu itu, yang belakang itu kita kena tutup. There will be a period for which the ILS will not be there.*

Tuan William Leong Jee Keen: *You mean you need to finish the extension before you can do it?*

Datuk Seri Long See Wool: *Yes. So, since it was delayed, so the absent of the ILS, period of absent become longer.*

Dato' Abd. Aziz bin Sheikh Fadzir: *If the ILS is not expensive, then I thinks it is justify for us to have it when we do not need it. I means if I...*

Datuk Seri Long See Wool: *No. In fact, we... As far as KK is going to be two- one and one on both end of the runway. In fact I would say that most, if not all of our airports, are already equipped with ILS.*

Dato' Abd. Aziz bin Sheikh Fadzir: *The way Datuk was explaining, we do not need the ILS.*

Datuk Seri Long See Wool: *No. You will enhance the efficiency...*

Dato' Abd. Aziz bin Sheikh Fadzir: ...*But we do not...*

Datuk Seri Long See Wool: *Make the job of pilot easier.*

Dato' Abd. Aziz bin Sheikh Fadzir: ...*We do not have to have it.*

Datuk Seri Long See Wool: *If we do not has the money, do not lah.*

Tuan Tony Pua Kiam Wee: *All modern airport have ILS today. It makes the better airport.*

Datuk Seri Long See Wool: ...*Become the standard kind of thing.*

Tuan Tony Pua Kiam Wee: *Correct. But the problem that was raised in Audit Report is that sebahagian peralatan ILS yang dibeli pada bulan Jun 2008 masih belum dipasang. It is not distorted, masih belum dipasang. Semua masih ada dalam kotak semasa diperiksa pada Julai 2012. I think that was the issue that was raised by the Audit Department.*

Datuk Seri Long See Wool: *Benar. We accept that. That was the problem that we have. Dia tidak buat itu, benda itu tidak siap pada masa yang ditetapkan.*

Dato' Kamarudin bin Jaffar: *That is part of Pakej 2 punya kontraktor...*

Datuk Seri Long See Wool: *Ya. Same angka [Ketawa]*

Tuan Pengerusi: *I think I know what it is. Anyway Datuk, just to qualify the matter, the ILS is only a RM1 million lebih kurang, the cost?*

Datuk Seri Long See Wool: *We will give the exact price with the old price and the new price. I think it is between RM1 million to RM1.5 million.*

Tuan Pengerusi: *Okay, done.*

Dato' Abd. Aziz bin Sheikh Fadzir: *Who saying- I think like Datuk has explained, the issue is, even though ILS is already there, but it is just cannot be installed because it just not ready to be installed...*

Tuan Tony Pua Kiam Wee: *No. Actually it can be installed but cannot be used. But the problem is not even installed. I think that is the...*

Datuk Seri Long See Wool: *You see, what happened is that- that is why I said related. Because at the end of the runway, because to clear the construction, we will have to bring up the height. So, we cannot be installing it now because otherwise no point...*

Dato' Kamarudin bin Jaffar: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Seri Long See Wool: *Ya.*

Tuan Haji Hasbi bin Haji Habibollah: *Now is already installs lah, Datuk?... Tidak juga?*

Datuk Seri Long See Wool: *Tempat belum buat.*

Tuan Pengerusi: *Akan dipasanglah?*

Datuk Seri Long See Wool: *Akan dipasang.*

Tuan Pengerusi: *Akan dipasang. Okey.*

Tuan Tony Pua Kiam Wee: *In the BQ of the contract, Navigation Aids System- this is Navigation Aids System right? ILS Navigation Aids System is RM22.96 million.*

Datuk Seri Long See Wool: *Includes airfield lighting system which are much more expensive than ILS.*

Tuan Tony Pua Kiam Wee: *Aeronautical Ground Lighting System- separate item is RM28.5 million and Navigation Aids System, RM22.9 million?*

Datuk Seri Long See Wool: *We can list the NavAids components for you. It is not only ILS, it is VOR/DME and of course other equipments.*

Tuan Haji Hasbi bin Haji Habibollah: *Datuk, under Navigation Aids, ILS sahaja yang belum dipasang, yang lain sudah?*

Datuk Seri Long See Wool: *Lampu AGL ke arah laut itu yang masih kita belum buat lagi itu.*

Tuan Haji Hasbi bin Haji Habibollah: *AGL lighting is the different one. It is different one...*

Datuk Seri Long See Wool: *Yes. That is AGL. But it is still...*

Tuan Haji Hasbi bin Haji Habibollah: *No, we are interested in this Navigation Aids under International Aeradio Sdn Bhd ini. These are the one. The AGL different under Armourseal Sdn. Bhd. so ini yang tadi yang di bawah Navigation Aids ini yang tinggal-tinggal itu- AGL is the ground lighting ya, we know that. But yang under this Navigation Aids, apa yang belum buat?*

Datuk Seri Long See Wool: *I think most of it is already there except that... [Disampuk] Yang lain are all done except this one, ILS.*

Tuan Pengerusi: *Persoalan daripada Yang Berhormat Petaling Jaya Utara tadi mengenai komponen yang berharga RM22 juta dengan... [Disampuk] AGL is RM48 million. RM22 million is the Navigation Aids. Itu pun belum dipasang?*

Datuk Seri Long See Wool: *...Except the ILS, the rest already pasang.*

Tuan Pengerusi: *That means ILS is the component of those two?*

Datuk Seri Long See Wool: *No. ILS as a component by itself belum siap... [Disampuk] Can we give the list to them for those under NavAids yang sudah siap dan NavAids yang belum siap.*

Tuan Pengerusi: *Pasal it was in a contract.*

Datuk Seri Long See Wool: *Yes.*

Tuan Pengerusi: *But it was not pickup by the Audit Report. We just want to know about the progress. Anymore question about ILS? Kalau tidak ada, can we move to AirAsia?*

Datuk Seri Long See Wool: *I thought we stop before that [Ketawa]*

Tuan Pengerusi: *No. We are trying to get to the clear picture. So, please named all the culprit involved [Ketawa]*

Datuk Seri Long See Wool: *All of us are the good people.*

Tuan Pengerusi: *Expert culprit [Ketawa]*

Datuk Seri Long See Wool: *Yang Berhormat Tuan Pengerusi, the low cost airline business at the point in time in the earlier planning, low cost airline was not feature in the aviation industry. As you know, it only came into it at the much later stage.*

So, if you remember, when we build airports many years ago until KLIA was built, there was no such thing as building a terminal of providing facilities for low cost, differentiation between low cost and full services carrier. So it was a new feature.

Now what happen is, when we redevelop Kota Kinabalu, we need to build a new section of the terminal that when it is done, we have to close down the old terminal and refurbish it. That was the sequences of work. But because of the volume of traffic in Kota Kinabalu was quite high, we were not in a position to do that and attain a comfortable level for the passengers. So what we need to do was to develop a temporary terminal to house AirAsia punya trafik which was by then quite high and it continue to grow. Knowing that airport to take quite few years to finish, so we need to overcome the problem. Therefore, we upgrade the building there, very old terminal building to handle the low cost punya servis.

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With an understanding that when the main terminal building, we should call Terminal 1, is ready and has the capacity to cater for nine million passengers, AirAsia would move back into the new terminal building. So, when the new terminal building was ready, we ask them to move but they were reluctant to move. There were decisions by the government at various levels, but until today they have not move.

The reason why they do not want to move was, issue number one, today passengers that used Terminal 2 only pay half the passengers service charge compared if you used the main terminal building. But, be mindful of the fact that, it is not paid by the airlines; it is paid by the passengers. Today, you have Malindo aircraft or you even have other low cost airlines that might have come to Kota Kinabalu, but they fly and used the main terminal building. Because the passenger's service charge is paid as part of the tickets- I think a passenger does not really complain, but AirAsia is making that as an issue. Kalau dia kata dia pindah balik ke main terminal building, penumpang akan dikenakan bayaran sepertimana yang dikenakan di Terminal 1, which as far as the authority is concern, that is the terminal building, that is the level of services provided, we cannot discriminate saying that this airlines ini rendah sedikit dan yang ini tinggi sedikit, because that would be anti-competition as such. So, as far as the position is that, if they move back, that is the passenger's service charge, which is not paid by them. It is paid by the passengers.

Issue number two, yang dia tidak mahu pindah balik ialah bahawa dia cakap di KK itu tidak mengasingkan operasi penerbangan bagi full service dengan low cost. But in Kuching, itu tidak merupakan masalah. Di Pulau Pinang tidak merupakan masalah and of course, I do not want to go to overseas and talk about it. Sama ada di Singapura- in fact in Singapore, there was a low cost terminal until it was closed sometime this year. AirAsia never used a low cost terminal. They used the main terminal building.

So, isu sama ada *passengers service charge* itu, kenapa itu tidak merupakan satu isu di luar negara dan merupakan satu isu di sini. Beza di antara satu lapangan terbang dengan yang lain.

Isu yang ketiga ialah bahawa kalau dia kata, "You mahu kami pindah, you kena bayar pampasan".

Dato' Abd. Aziz Sheikh Fadzir: Hendak tanya itu...

Datuk Seri Long See Wool: *Now, this was deliberated at MAB. I think MAB did not agree to the three conditions that they want. That is a reason why until today we have no feedback. But, the decision already made. One consideration which MAB gave to this exercise is because the airport is not totally completed. There are taxiways yang mana belum siap lagi. So MAB, we take into account the fact that if they asked to move today, they will be extra taxiing time that the airlines will have to incur which resulted in higher cost of operation. I think MAB was very considerate. They say, tidak apalah, nanti kita siap semua ini nanti, bila ia siap, kita jemput dia masuk rumah baru. Itu adalah penjelasan saya.*

Tuan Tony Pua Kiam Wee: *Okay, I think...*

Datuk Seri Long See Wool: *But, I do not want to talk about the part where – because, you have to look at the situation where there are shops in the main terminal building, yang mana volumenya hanya separuh, terminal building tidak digunakan dengan sepenuhnya. Those are the negatives considerations or those are the considerations for which we also took into account. But, we hope by next year when everything is completed, so that it will not be an issue anymore.*

Tuan Tony Pua Kiam Wee: *I think out of three reasons raised, sebab yang telah pun diberikan oleh pihak AirAsia untuk tidak pindah, sebab yang kedua dan ketiga, saya setuju dengan pihak kementerian bahawa tidak boleh diterima. Oleh sebab lain-lain airport yang tidak diasingkan pun mereka gunapakai. Ketiga iaitu pampasan. So, kita pun tidak perlu bayar pampasan kepada pihak AirAsia. Itu saya setuju tetapi yang kita rasa ada persoalan adalah mengapakah passengers service charge kena meningkat begitu mendadak sehingga RM65? I think that is the main issue. I think even for AirAsia, the real reason is RM40 increase from RM25. Sekarang di LCCT itu pun RM30- no, less I think. How much did they ask?*

Datuk Seri Long See Wool: *It is half of the main terminal building.*

Tuan Tony Pua Kiam Wee: *Which is for local flights, I think it is less than RM20 if I am not wrong..*

Datuk Seri Long See Wool: *The price is standard, RM6 for everybody.*

Tuan Tony Pua Kiam Wee: *RM6 for everybody. So, this is purely for international? Is this RM65 purely for international? Okay. And then, I think LCCT is RM32 if I am not wrong.*

So, I think that the question is why the steep increase in the fees payable for these passengers? While we can say it does not affect the airlines, it will affect the passengers; it will affect the traffic coming into the country from the international.

Datuk Seri Long See Wool: *Yang Berhormat, if I can explain this in a much broader contexts. The passenger's service charge is a statutory charge, approved by the Government Gazette. Some country called it the passenger service or some called it passenger service charge. The charge is purely for the services they have provided at the airport. You will realized that today in Malaysia airport, operate a number of airports, it is a single till system, meaning that entire collection go into pool by which the money is used to maintain airport. The money is used to subsidize airport which are not profitable. For which the government imposed it on them and they have to continue to operate where even the volumes of traffic is very low. They are also running as number of small airports, what we called stall in Sabah and Sarawak, where there is no passenger service charge at all, for which it involves heavy cross-subsidy.*

Now, when you come to the passenger service charge, the charge is packed at the level, based on the certain number of factors. Today, Malaysia airport, you have the domestic and international and you realize domestic is very very low. Wherever you go, you check with any countries in the world, the domestic passenger is very low. Now, when you come to the international, we benchmarked it against the regional airport. There is no situation where MAB punya passenger service charge can go beyond the average of those regional airports, which includes Singapore, Bangkok and a number of other airports. So, dia ini tidak boleh minta kalau benda itu tidak gerak. Keduanya, they must reach a certain level of performance before we allow them to move. So, they have to fulfill quite a number of criterias. Now, as I mention earlier, it is the charge not paid by airlines, but paid by passengers. Today, if you were to look at passenger service charge in the overall contexts of the air fare, it all depends on how you look at it, it is negligible. But, do you know that actually you pay close to RM700 or RM800 if you go to Heathrow? If you get a free tambang, but you still have to pay thousands of ringgit. The reason is we only charge RM65.

So, we do not see – if a passenger wants to come to Malaysia, would RM65 be an issue that they do not want to come to Malaysia? They come to Malaysia because of Malaysia. They do not come to Malaysia because of taxes, they do not come to Malaysia because we have a nice airport or we have an excellent airline. But, they come to Malaysia because they want to come to Malaysia.

So, we do not see how by going to the rate of RM65 would affect passenger. It has proven before. We have done study when there is adjustment of passenger service charge, it does not have an impact on passenger volume.

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That is how you look at it but you must remember that when you- if AirAsia move back into the new terminal building, what reason can we give to MAS, Malindo and any other foreign airline that the passenger service charge using the same terminal building but pays half the charge? We cannot stand on that principle because they will look at us as if we are discriminating.

Tuan Tony Pua Kiam Wee: I completely agrees with you Datuk on discrimination. That mean, it should be the same rate for all the airlines using that particular terminal. My issue is the increase is very steep and it is significantly higher than other airport in the country. So, the concerns with the arguments are, if you allowed me to say, with regards to, even we charge RM85, people will still come, irrespective of airline or the quality of the airport, I think that is not the concern here. The concern here is, it also causes a burden on the passengers, big or small, and it also results in situation where the cost of airport can cause- building an airport or renovating an airport can increase, because memang we can increase the cost of building this airport because we can recouped it by increasing the passenger tax by another RM20. That is what we are trying to prevent.

The fact that airport can increase by RM100 of millions cost of construction or renovation and then we just increase the service tax. I think this is whether we like it or not, it is an element of competitiveness in the airline industry for the country. Whether it is a big factor fact, small factor that once we can debate tidak habis-habis but like it or not, higher prices would affect our competitiveness.

Datuk Seri Long See Wool: Because other airport, with the exception of KLIA where they operate from a separate terminal, where the facilities and services are much more inferior, other airport in Penang and Kuching, they pay the same price for international passengers. So, how do I then explain to Kuching if I allowed them to come back in the main terminal building and it is only half the passenger service charge, unless I go and lower all the chargers of all the rest of the airport to the level of RM32...

Dato' Kamarudin bin Jaffar: I think the point is regarding the charges for all airports...

Datuk Seri Long See Wool: It is the same.

Dato' Kamarudin bin Jaffar: General policy that I think Yang Berhormat Petaling Jaya Utara is talking about...

Datuk Seri Long See Wool: But, I appreciate the in fact- I mean, I fully appreciate the points that Yang Berhormat Petaling Jaya Utara said.

Dato' Abd. Aziz Sheikh Fadzir: *I am looking at the other side, Datuk. I am looking as a politician at the other side. Because of this inefficient or our problem with the airport, we have KLIA2 problem, we have got KKIA problem, then, AirAsia is making this as 'beautiful story' that you are charging extra to the people because you build a giant airport which is sometime not really useful. So, if you can match that... [Disampuk]*

No, I think you can match that, then it will be good because I think it is a commercial decision. AirAsia will ask you for one dollar if they can, you know, but that is your decision. We will not comment on that but like Yang Berhormat Petaling Jaya Utara say, as long as you be fair to everybody and to AirAsia, I think you must make sure that their low cost, operational cost does not increase when they move to the new airport, then I think we can be fair. Our problem is, we are not building airport in the right way, very costly, masa, then we increase pula. So, it is not good in the eye of the public. I am looking from the other side.

Datuk Seri Long See Wool: *Yes. I understand the perception, I think a lot of this is perception. Actually, the passenger service charge is collected...*

Dato' Abd. Aziz Sheikh Fadzir: *It is not the perception Datuk. KLIA2 punya harga is not perception.*

Datuk Seri Long See Wool: *Passenger service charge is collected for the services at the airport. It is not a charge that we do for the purpose of collecting, for purpose of development. There are different revenues stream that come into the airport. Of course it goes into a single till but the passenger service charge is actually services provided at the airport.*

Tuan Pengerusi: *I think this issue is better debated outside because I think... [Disampuk] I personally think that AirAsia will move back to Terminal 1 because people will see the difference in the quality of the services anyway, the passenger. They will choose other airline.*

Dato' Abd. Aziz Sheikh Fadzir: *You must force them, you cannot give them space. The option is not their, you must force them.*

Tuan Tony Pua Kiam Wee: *I think it is fair that maybe is already allowing them to hold on until the whole thing is completed. Once it is completed, they need to move.*

Tuan Pengerusi: *I think that...*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *...Because Kota Kinabalu is a very important hub for them. They did the same thing in Johor Bahru, extended the runway, put more parking base and then, they decided not to make Johor Bahru into a major hub. So, they did that to Johor Bahru but Kota Kinabalu I think it is bit difficult for them to do because the connection out of the Kota Kinabalu is quite important for them to go to Hong Kong and so on.*

Dato' Abd. Aziz Sheikh Fadzir: *That comes to the other pertinent question, why can't KLIA have a proper agreement with AirAsia before they even move? I see KLIA2 pun kita bergaduh, I see this KK airport pun kita masalah. Can't we have a pre-agreed rate, what are the conditions that you need and they put the signature there, so that once it's done, it is just done. I see a lot of issues between KLIA, MAB and AirAsia.*

Datuk Seri Long See Wool: *I think I should not comment on that [Ketawa]*

Tuan Tony Pua Kiam Wee: *Ini tidak ada langsung, bukan? [Ketawa]*

Datuk Seri Long See Wool: *I mean to be fair– I mean, just giving an example. There are airlines today coming and tell us that they want to keep the cost low. "Can you give us a guarantee for the next 15 years, 20 years you do not increase your airport charge?" So, what will you put back to them? "Okay, if we do that, can you also do your air fare in the next 15 years, 20 years you do not increase?" But they are telling, "No, no. You keep yours, I should be allowed". You depend where... Which side of the table they are but the overall consideration will have to take into account a lot of other factors.*

Tuan Pengerusi: *Any other question?... Well, I think Datuk, you also have been very good at feeding our question today.*

Datuk Seri Long See Wool: *I have been grilled [Ketawa]*

Tuan Tony Pua Kiam Wee: *Last one Datuk.*

Tuan Pengerusi: *Last one because I think after three hours, we should give Datuk a time... [Ketawa]*

Tuan Tony Pua Kiam Wee: *I understand. I just got the figure from the Audit's Report on the amount that has been paid, yang telah pun dibayar kepada kontraktor Global Upline on their package of the work. The contract, the final amount is RM773.29 millions, yang dibayar sudah RM721.6 juta, 93%. So, there seem to be a disjoint between the amount works not done versus the amount of money that has been paid to Global Upline. So, tinggal RM50 juta sahaja belum bayar.*

Ir. Mohd. Hanaffi Ayob: *Tuan Pengerusi, in terms of– I agree that the balance is RM50 millions plus. That's also inclusive equipment supplied but not yet install especially the Instrument Landing System, AGL equipment. Supplied but not yet install. In terms of the psychical progress, until the day they are being terminated, they have achieved 94% at the point where they being terminated.*

Tuan Tony Pua Kiam Wee: *So, you are telling me that the extension into sea, semua itu only two or three percent value of works?*

Ir. Mohd. Hanaffi Ayob: *The cost is RM50 millions. All the balance of work not completed is roughly around RM50 millions. RM50 millions plus.*

Datuk Seri Long See Wool: Yang Berhormat, *if I may, for instance like you- once the equipment, it is true that ILS is a system and the equipment and the final. Once the equipment is supplied to site, the government actually will pay, correct me if I am wrong. So, it is the installation and the calibration and decommissioning part for which they are not able to do. So, you will see that the value in terms of the actual payment is high but there are for materials, for equipments that they have been supplied but not install.*

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Dato' Abd. Aziz Sheikh Fadzir: Datuk, senarai kontraktor yang baru dilantik, Pakej 2, *civil dan structure works*, Musaiti Sdn. Bhd., harga kontrak RM155.5 juta.

Tuan Tony Pua Kiam Wee: *Civil and structure physical works not that?*

Ir. Mohd. Hanaffi Ayob: *Works including the portion on the northern part of runway where they need to raise the runway and also a portion on the taxiway.*

Tuan Pengerusi: *Then it should been covered in the original contract, dan kalau sudah 90 percent done, that means should have been done already. Why you need to appoint another...*

Dato' Abd. Aziz Sheikh Fadzir: Kalau you kata RM50 juta tadi- okey, ini alasan kata equipment ini. AGL fire protection system RM23 juta. Jadi, tidak adalah beza sangat tiga tahun dahulu dengan sekarang. Navigation system, RM12.9 juta. Itu dah RM36 juta. Communication, RM3.4 million, itu sudah RM40 juta. You ambil figure equipment itu sahaja sudah RM40 juta sudah. You diskaunlah 20% harga dulu dengan sekarang ini, diskaunlah 20%, so RM8 juta, itu sudah RM32 juta. *Are you saying that the balance of infrastructure that meant to be completed by GU only RM20 million? I don't know.*

Sr. Jamiah Jahis: Tuan Pengerusi, kalau kita tengok *the procurement strategy* yang dilaksanakan pada kontrak yang awal adalah *design and build negotiated based on lump sump. The consultant of the contractor then back on November 2005, prepared bills of quantities* for dia punya kontraktor *and they had submitted to us and we have look into it and the negotiation was carry out by the client. That is over.*

But for this new contract, the strategy of the procurement was by conventional, which is they have to prepare the BQ. That is a consultant to prepare the bills of the quantity of the remaining works. So the remaining works was prepared by the consultant based on bills of quantities and the contractors has actually priced accordingly based on the present price. Itu yang dia dapat RM155.5 juta.

Dato' Abd. Aziz Sheikh Fadzir: Tak nak *challenge* itu tapi saya cuma nak *challenge- you* kata *balance contract price* kepada GU ini RM50 juta, okey. Tolak *equipment which is as I said, you will not be- I give 20% increment, you know. I give 20%.* Sekarang ini sudah RM30 ke RM40 juta tadi, kalau 20% *increment* pun, *that means you would have been RM22 million in GU punya books.*

That is the price. So you would had paid RM700 over million itu minus RM22 million, the balance RM50 million yang kita owe GU ini is comprises of RM32 million equipments tadi itu, only RM20 million civil and structural works. Itu satu.

Kedua, mana boleh kita bayar equipment when it is not install and tested? You saying that just now, RM48 million yang tidak install tadi simpan dalam stor. Mana dunia yang kita bayar orang tidak try ini? TV rumah kita pun kita pasang, dia mai test dulu baru kita bayar.

Sr. Jamiah Jahis: *Ada dalam syarat-syarat kontrak that for...*

Dato' Abd. Aziz Sheikh Fadzir: *Takkan you as a consultant would have agreed to recommend the government to pay for something equipment that not even tested? I don't know. I mean, I can't blame KSU who might not know. But you as a consultant, being paid RM29 million; your job is to just verify sahaja. Apa you recommend? RM80 million kalau you kata tadi itu. RM48 juta campur RM22 juta, RM80 juta barang bayar kepada supplier, simpan empat tahun dalam stor. Eh, tidak reti nak fikirilah.*

Sr. Jamiah Jahis: *Kalau kita tengok, dia suppose to complete the original contract by 2009. So material yang dia beli itu, mengikut program asal, they are to fix around 2008 then material equipment itu dia bawa because it is an oversea punya, so they have lead time.*

Dato' Abd. Aziz Sheikh Fadzir: *Berapa lama lead time dia?*

Sr. Jamiah Jahis: *Enam bulan.*

Dato' Abd. Aziz Sheikh Fadzir: *Okey enam bulan. Bila you tahu benda ini tidak akan siap? You tahu tidak tahun 2008 you tahu kata kita punya ILS tadi itu tidak akan boleh pasang?*

Sr. Jamiah Jahis: *Tadi dia...*

Dato' Abd. Aziz Sheikh Fadzir: *I am sure you would have known by 2008, you know, with all your EIA issues, with all your other issues that there is no way 2009 this thing will be completed. A normal man would have call the supplier, negotiate with him, pay additional 10%, ask the supplier to keep the equipments in his place and deliver it when you have been ready. I purely say that there is negligence on your side.*

Tuan Pengerusi: *Lagi satu of the lessons. Because, kalau you beli barang itu simpan empat tahun, barang itu mungkin sudah obsolete sudah by the time you hendak pasang [Disampuk] No, no, satu question sahaja lagi. You all kena bayar according to progress kan?*

Sr. Jamiah Jahis: *Ya, betul.*

Tuan Pengerusi: *Maknanya kalau tidak ada willing daripada kontraktor semua you tak boleh claim kan?*

Sr. Jamiah Jahis: *The contractor submits dia punya claim tiap-tiap bulan.*

Tuan Pengerusi: *...And then only you get paid kan? Or you get paid just by giving advice; the government pays you the total amount that you are due?*

What I am saying is if you don't bill the equipment in- if you don't agree to the contractor buying the equipment, and therefore that, in this case progress, you don't get paid?

Sr. Jamiah Jahis: *Bukan...*

Tuan Pengerusi: *Is it the driving intention behind your approval ini?*

Ir. Mohd. Hanaffi Ayob: *Tuan Pengerusi, the consultant is being paid according to the man month- dia tidak ada related dengan whatever progress of the contractor punya payment.*

Tuan Pengerusi: *Lagi teruk. We expect better quality of advice. You already been paid macam retainer basis and then you not even looking at the cost saving aspect to the client.*

Sr. Jamiah Jahis: *Let me explain. The purchase of the equipment was done back in 2008. Original contract suppose to complete in 2009. The delay was on 2010.*

Tuan Pengerusi: *The point is you know that the project was going to be delay, you should advise the client not to accept any equipment.*

Sr. Jamiah Jahis: *The purchase...*

Tuan Pengerusi: *The lead time is very small. And you are getting paid like a retainer. My god!*

Dato' Abd. Aziz Sheikh Fadzir: *That's why I said lets don't try to deny something that doesn't make sense. Let's try to sit- tidak mengapa, can you give us the work program? We want to see the revise work program and we want to see when this things was procured, when was it delivered, when was it paid. You know, kalau you hendak argue kata benda itu awal.*

Tuan Pengerusi: *Datuk, you should look at your- you should review your consultant punya capabilities and advise juga, because in this case, they are not doing value for money type of advise to you. I think we are going to mention this in our report about the quality of the consultant that had been advising our civil service.*

Dato' Abd. Aziz Sheikh Fadzir: *...And then we also need to see what are the liabilities you know, by giving all these advice to the government.*

Tuan Tony Pua Kiam Wee: *Can I just has a supplementary question on this? Is there a retention sum by the government? Because, by right, they should be a retention sum for warranty and defect for every payment. So, that amount itself should exceeding RM50 million already. I try to look forward at the contract; I have not seen it yet. That's number one.*

Datuk Seri Long See Wool: *Itu ada- performance bond semua ada.*

Tuan Tony Pua Kiam Wee: *So 5% of retention sum is already RM35 million.*

Dato' Abd. Aziz Sheikh Fadzir: *RM35 million to spent lah, in terms of the money that we still have.*

Tuan Tony Pua Kiam Wee: *The percentage of payment seems completely out of sync with the actual progress on the ground. I think that seems very obvious at this stage.*

Sr. Jamiah Jahis: *For this contract, there are performance bond which is 5% equivalent to RM36 million which government had already confiscated it because the project is being terminated.*

Tuan Tony Pua Kiam Wee: *No retention sumlah?*

Dato' Abd. Aziz Sheikh Fadzir: *The point Yang Berhormat Petaling Jaya Utara bagi tahu, actually you actually paid RM720 million right? So, RM770 million contract, minus 35%, is only RM735 million.*

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Ir. Mohd. Hanaffi Ayob: *The performance bond is not in the form of retention sum.*

Tuan Tony Pua Kiam Wee: *So, there is no retention sum?*

Ir. Mohd. Hanaffi Ayob: *No retention sum in form of performance bond.*

Tuan Tony Pua Kiam Wee: *...Only a performance bond? What I understand is most construction contracts have performance bonds and got retention sum whether it is five percent or two and half percent. Is that waived?*

Sr. Jamiah Jahis: *MOF circular is either one. It is either retention or performance bonds. Even if you go to JKR also they have either one. The choice is on the contractor. If they think they want to give performance bonds, then we accept the performance bonds. Otherwise, we will deduct on the retention sum- a 10% of value or valuation up to 5% of the contract value.*

Tuan Pengerusi: *Any other issues?... I think we should end our grilling. I think Datuk, you are now well done [Ketawa]*

Datuk Seri Long See Wool: *Overcooked.*

Tuan Pengerusi: *No, no, no. Not overcooked. There is still one more issue, KLIA2 coming up which we won't cover today, because we don't have the time. Anyway, it's not fair to you to face us for another three or four hour. I think you will be drained of the energy that you have. We are drained too. But, thank you very much for appearing today. I think the answers you have given are quite satisfactory. We can come to some conclusion on the cause of the issues and who we should assign this responsibility to. We hope you can provide all the informations that we asked for just now as quickly as possible, in a week time. Then we will call you again for the briefing on KLIA2 when it's- I think maybe next month, because everybody is going on a holiday. So, maybe in January we meet, okay with you?*

Datuk Seri Long See Wool: *Thank you very much to Tuan Pengerusi, Timbalan Pengerusi dan Ahli-ahli PAC. We fully appreciate the discussion. In fact, we have inculcate in our working, in project management as part of our culture is that, whichever project we do, back in our mind that it will be audited. We are very mindful of that, but I hope the PAC Members would also appreciate that there are factors that beyond our control. For which, although- not for failing but for trying our best.*

On the land issue, we would like to share our frustrations. In fact, today the air traffic control tower where the DG's office is sitting on is a piece of land that the State has not even alienated to us. The State also have got their own- dia hendak buat satu bus terminal berdekatan dengan situ which we did not agree, because we say that, around there, number one to site a bus terminal at the airport, I don't think it's a good thing to do, because you are going to crowd the entire airport area.

Keduanya, if you do that, we would have no more land for expansion in the future and this airport is meant for KK and for KK. Now, in KK you imagine if you want to look for a new site for the new airport, I don't know where we are going to find maybe because of that the reason, until today, dia masih tidak meluluskan tanah. We are in dialogue with them and we hope this can be settled and I hope in your final report on this land, we hope you can appreciate the difficulty that we go through in this exercise.

Moving forward, we will definitely provide all the information that you have required. If you required any further information, please don't hesitate to get in touch with us. On KLIA2 itself, in fact I was ready to handle the subject matter today. But, nevertheless we have ran out of time. But, towards the end of the year, I think you have a tight schedule, we have a tight schedule, I hope you can give us a date as early as possible, hopefully not next week, because there are certain commitment that we have next week.

So, with that, on behalf of the DG of DCA, TKSU, all my officers and also on behalf of KLIACS, we again mengucapkan berbanyak terima kasih kepada Tuan Pengerusi, Timbalan Pengerusi dan semua Ahli-ahli Jawatankuasa dan juga kepada pegawai-pegawai dari jabatan-jabatan kerajaan termasuk pegawai-pegawai daripada Jabatan Audit Negara. I don't blame you for bringing the thing... [Ketawa] ...And also MOF and the rest of the agency, we are all good friends. Issues are issues. I think that one- if it is an issue, we have to face the issue. Kalau kita ada kelemahan, I dah beberapa kali cakup, kita kena terima kelemahan dan take whatever necessary to avoid the same thing from happening.

Dengan itu, saya sekali lagi mengucapkan berbanyak terima kasih.

Tuan Pengerusi: Terima kasih Datuk. *You are invited for lunch di luar.*

Datuk Seri Long See Wool: Sorry?

Tuan Pengerusi: Kita sediakan lunch. *After the grill, kita sediakan lunch [Ketawa] Anyway, PAC Members tunggu sekejap. Orang lain minta keluar dulu.*

Mesyuarat ditangguhkan pada pukul 2.06 petang.

Bil.1

**Khamis
16 Januari 2014**



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

Mengenai:

**Projek Pembinaan Kuala Lumpur International Airport 2
(KLIA 2)**

- Kementerian Pengangkutan

**PARLIMEN KETIGA BELAS
PENGAL KEDUA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA I,
PARLIMEN MALAYSIA**

KHAMIS, 16 JANUARI 2014

AHLI-AHLI JAWATANKUASA

Hadir

YB. Datuk Nur Jazlan bin Mohamed - *Pengerusi*
YB. Dr. Tan Seng Giaw [Kepong] - *Timbalan Pengerusi*
YB. Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]
YB. Tuan Liang Teck Meng [Simpang Renggam]
YB. Datuk Chua Tee Yong [Labis]
YB. Puan Mas Ermieyati binti Samsudin [Masjid Tanah]
YB. Dato' Kamarul Baharin bin Abbas [Telok Kemang]
YB. Tuan William Leong Jee Keen [Selayang]
YB. Dato' Kamarudin bin Jaffar [Tumpat]
YB. Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]

Tidak Hadir [Dengan Maaf]

YB. Datuk Seri Reezal Merican [Kepala Batas]
YB. Datuk Madius bin Tangau [Tuaran]
YB. Tuan Haji Hasbi bin Haji Habibollah [Limbang]
YB. Datuk Wee Jeck Seng [Tanjong Piai]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

URUS SETIA

Encik Che Seman Pa Chik [Setiausaha Bahagian Pengurusan Dewan]
Encik Amisyahrizan bin Amir Khan [Ketua Penolong Setiausaha
(Perundangan dan Prosiding)]
Encik Mohd Ikram bin Seri@Rahimi [Penolong Setiausaha Kanan (Perundangan dan Prosiding)]
Encik Nasrul Izani bin Ramli [Penolong Setiausaha Kanan (Perundangan dan Prosiding)]
Encik Ahmad Fauzi bin Mustafa [Pegawai Penyelidik, Parlimen]

HADIR BERSAMA

Jabatan Audit Negara

YBhg. Tan Sri Dato' Setia Ambrin bin Buang [Ketua Audit Negara]
YBhg. Datuk Haji Anwar bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]

(samb/-)

HADIR BERSAMA (samb/-)**Jabatan Audit Negara**

Puan Hajah Saadatul Nafisah binti Bashir Ahmad [Pengarah Sektor Audit Kerajaan Persekutuan, Bahagian II]
Tuan Haji Abdul Rashid bin Yaakub [Pengarah Sektor Audit Kerajaan Persekutuan, Bahagian I]
Encik Raja Sunthara Kannan a/l Dato' Raja Gopal [Timbalan Pengarah Audit Persekutuan (Pertanian & Industri Asas Tani)]
Puan Jacinta Wong Ngouk Hua [Timbalan Pengarah Audit Persekutuan (Pengangkutan)]
Puan Nik Norwati Nik Harun [Penolong Pengarah Audit Persekutuan (Pengangkutan, Bahagian II)]
Encik Azrul Raimiee bin Ramli [Audit Khas dan Penyelidikan]
Encik Rosman bin Kamarudin [Ketua Penolong Pengarah Pengurusan (Bahagian Teknikal)]
Puan Fadilah Shah Binti Abdul Latif [Pegawai Penyelidik, Unit Undang-undang]

Kementerian Kewangan

Encik Megat Azleen bin Megat Ramli [Timbalan Setiausaha Bahagian Kawalan & Pemantauan]
Encik Dzulhilmi bin Dzulkarnain [Ketua Penolong Setiausaha Bahagian Kawalan & Pemantauan]

Jabatan Akauntan Negara

Puan Maslina Kamarudin [Ketua Penolong Pengarah]

Jabatan Perkhidmatan Awam [JPA]

Encik Mohd Azraie bin Harun [Ketua Penolong Pengarah Unit Integriti JPA]

Unit Perancang Ekonomi (UPE)

Encik Mohammed Zakkariya bin Mulkiaman
[Timbalan Pengarah II, Seksyen Infrastruktur dan Kemudahan Awam]

SAKSI-SAKSI**Kementerian Pengangkutan**

YBhg. Datuk Seri Long See Wool [Ketua Setiausaha]
YBhg. Dato' Yap Kin Sian [Timbalan Ketua Setiausaha (Operasi)]
YBhg. Dato' Esparan a/l Munusamy [Setiausaha Bahagian (Pembangunan)]
Encik Chua Kok Ching [Setiausaha Bahagian (Pentadbiran & Kewangan)]
Encik Wan Said Wan Chek [Timbalan Setiausaha Bahagian (Udara)]
Encik Ahmad Nizar bin Zolfakar [Pengarah Sektor Trafik Udara, Jabatan Penerbangan Awam]
Encik Che Bahrom Hamzah [Ketua Penolong Setiausaha (Penilaian dan Pemantauan Projek)]
Encik Samsuri Abdul Hamid [Penolong Setiausaha (Pelaksanaan Projek Udara dan Maritim)]
Encik Nik Massidee Nik Harun [Pegawai Khas KSU]
Encik Misrun bin Timin [Ketua Unit Parlimen dan Antarabangsa]
Encik Chee Wern Wye [KPSU (Perkhidmatan Lapangan Terbang)]
Encik Billy Valentine Jhir [KPSU (Parlimen dan Kabinet)]
Encik Omran Zakaria [Pengarah DCA KLIA]

LAPORAN PROSIDING**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
PARLIMEN KETIGA BELAS, PENGGAL PERTAMA****Billik Mesyuarat Jawatankuasa I, Parlimen Malaysia, Kuala Lumpur****Khamis, 16 Januari 2014****Mesyuarat dimulakan pada pukul 10.47 pagi***[Yang Berhormat Datuk Nur Jazlan bin Mohamed
mempengerusikan Mesyuarat]*

Tuan Pengerusi: Memandangkan Yang Berhormat Petaling Jaya Utara sudah sampai, kita boleh mulakan mesyuarat... *[Ketawa] [Disampuk] Of course*lah. *You asked for this*, yang saya hormati, Timbalan Pengerusi PAC serta Ahli Jawatankuasa. Yang saya hormati, Tan Sri Dato' Setia Ambrin, Ketua Audit Negara serta pasukannya daripada Jabatan Audit Negara. Selamat Tahun Baru, kita mulakan tugas kita kembali. Pada hari ini saya hendak memaklumkan sedikit mengenai perkembangan dalam mesyuarat PAC ini.

Jadi, pertama sekali saya hendak maklumkan mengenai laporan daripada mesyuarat kita yang lepas, ada lima laporan iaitu Projek Peningkatan *KK International Airport*. Kedua, Perbelanjaan bagi Hari Belia Negara. Ketiga, Kelemahan Pengurusan Hasil. Keempat, Pengurusan Perkhidmatan Kawalan Keselamatan di Sekolah dan kelima, Pengurusan Loji Insinerator.

Laporan ini telah siap dan saya rasa telah- sudah diedarkan atau belum lagi? Sudah diedarkan kepada semua Ahli Jawatankuasa PAC saya harap, saya minta tolong semak laporan tersebut. Ada banyak *spelling mistakes* juga dan ada juga- saya bukan hendak ini, ya. Saya pun hendak tahu juga lepas ini macam mana penterjemah kita atau perekod kita ini merekodkan prosiding kita, dan apa masalah yang dihadapi, dan apakah kaedah yang kita boleh gunakan untuk memperbaiki laporan audio yang kita telah rekodkan ini. Kadang-kadang kita cakap pun mesti cakap dengan jelas dan tidak *blur* untuk mereka menyiapkan laporan yang lebih baik.

Jadi saya minta Ahli Jawatankuasa semak laporan tersebut dan betulkan apa-apa kesilapan perkataan dan sebagainya dan juga kalau maksud yang saudara-saudara sekalian telah sebut, kalau tidak mengikut pada maksud tersebut, boleh kita betulkan juga. Saya rasa kita kena mengadakan satu mesyuarat khas, *housekeeping meeting* untuk hendak *finalized* laporan-laporan ini. Jadi, dengan harapannya selepas ini kita akan buat rumusan mengenai laporan tersebut.

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Jadi, untuk makluman mesyuarat sekalian, kita telah menetapkan beberapa tarikh untuk memanggil beberapa kementerian. Hari ini kita akan panggil Kementerian Pengangkutan untuk menerangkan mengenai projek pembinaan KLIA2.

Ini merupakan lanjutan kepada sesi soal jawab kita dengan Kementerian Pengangkutan berkenaan dengan *KK International Airport*. Pada 22 Januari nanti, kita akan memanggil FINAS yang telah mendapat satu penarafan tidak memuaskan dalam Laporan Audit Negara tahun 2012. Ini merupakan satu kesalahan yang serius yang perlu kita mendapatkan penjelasan daripada Kementerian Komunikasi dan Multimedia mengenai tahap prestasi pengurusan kewangan FINAS yang tidak memuaskan.

Pada 23 Januari- ini isu panas ya. Isu pembakaran. Pengurusan Loji Insinerator. Kita akan memanggil semua Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan untuk menyambung sesi taklimat yang mereka telah berikan pada bulan Disember yang lepas. Selepas itu pada 10 Februari kita akan memanggil Kementerian Pendidikan mengenai pengurusan perkhidmatan kawalan keselamatan di institusi sekolah dan institusi pendidikan dan juga kelemahan dalam pengurusan perolehan kapal penyelidikan dan latihan *RV Discovery* oleh Universiti Malaysia Terengganu. Jadi apa yang saya dimaklumkan, tarikh ini ditetapkan oleh Yang Amat Berhormat Menteri Pendidikan II sendiri yang telah bersetuju untuk datang untuk berdepan dengan PAC pada 10 Februari nanti.

Jadi itulah serba sedikit maklumat yang saya boleh berikan kepada Jawatankuasa PAC. Cuma pada hari ini sahaja pemanggilan Kementerian Pengangkutan untuk menjelaskan mengenai Projek KLIA2 ini adalah satu permintaan daripada Ahli PAC di luar daripada skop kita iaitu... [Disampuk] Tidak ada, tidak ada. Dengar dahulu, jangan pening-pening kepala. Di luar dari skop kita iaitu untuk meneliti Laporan Ketua Audit Negara. Kalau kita ada Laporan Ketua Audit Negara, laporan tersebut ada skop dan *references*. Jadi tidak adil juga kalau kita hendak panggil satu-satu kementerian tanpa menetapkan satu skop atau *reference* di mana mereka perlu menjawab kerana mereka perlu membuat persiapan juga. Saya tahu Datuk Seri Long, KSU kementerian telah menyediakan satu *presentation slide* untuk menjelaskan mengenai pembinaan. Semasa hari pertama pun dia sudah siap untuk menjelaskan mengenai proses projek pembinaan ini.

Jadi, apa yang saya rasa elok yang kita hendak fokus bagi menyenangkan prosiding kita ini adalah mengenai kenapa KLIA2 ini dibina. Kedua, adakah ia ada kesinambungan dengan perancangan KLIA yang asal, *master* pelan yang asal. Ketiga, mengenai pelantikan kontraktor, pelantikan konsultan. Keempat, mengenai projek pembinaan itu sendiri. Kenapa dalam laporan akhbar dan sebagainya dan juga kenyataan daripada MAHB, kos pembinaan KLIA2 ini yang asalnya pada satu *point*, berapa bilion pun saya tidak pasti sudah meningkat kepada hampir RM4 bilion. Jadi kita hendak dapatkan satu ketetapan ataupun penjelasan daripada kementerian sama ada perkara ini benar atau tidak.

Akan tetapi dalam hal ini, dalam Jawatankuasa PAC yang lepas pun saya telah menyatakan bahawa projek pembinaan yang dibuat oleh GLC kerajaan adalah tertakluk di bawah satu badan yang lain. Ini kerana MAHB ini merupakan syarikat yang disenaraikan di Bursa Saham Kuala Lumpur.

Jadi adakah kita mempunyai satu... [Disampuk] *We had argued on this before under Sime Darby issue.* Adakah kita mempunyai kelayakan? Kedua, kemampuan Jabatan Audit Negara untuk juga mengadakan audit. Ini kerana syarikat-syarikat GLC ini diaudit oleh firma audit antarabangsa. Ia juga ada dia punya jawatankuasa audit di peringkat *board of directors*. Ia juga ada Unit Audit Dalaman dalam syarikat tersebut sendiri. Jadi, kita juga perlu hati-hati tentang skop kita juga kerana saya takut kalau nanti ada apa-apa *backlash*. Ini kerana yang pentingnya di sini adalah sama ada pengurusan syarikat itu telah dilaksanakan dengan secara profesional, itu satu. Kedua, proses yang telah digunakan dalam membina lapangan terbang ini juga dibuat secara profesional dan ketiga adakah audit ataupun pemantauan yang dibuat kepada projek ini juga dibuat secara profesional oleh lembaga pengarah dan juga juruaudit antarabangsa dan juga juruaudit dalaman dalam syarikat itu sendiri.

Namun bagi saya ada ruang untuk kita mengambil bahagian dalam pemantauan ini kerana satu, wang kerajaan sendiri digunakan iaitu kerajaan melabur dalam Khazanah dan Khazanah membeli saham dalam MAHB dan juga memegang kepentingan-kepentingan utama dalam MAHB. Itu satu. Kedua, wakil Kementerian Pengangkutan sendiri duduk dalam *Board of Directors* MAHB itu sendiri. Jadi dia maklum mengenai perkembangan dalam pengurusan MAHB. Jadi kita pun ada hak juga untuk menanya kepada beliau adakah beliau yang saya anggap sebagai *controller officer*. Akan tetapi apabila syarikat ini diswastakan, jadi MoT pun ada wakil dalam *Board of Directors* MAHB ini maka dia juga bertindak sebagai *controlling officer* jugalah bagi memastikan bahawa kepentingan kerajaan dalam pengurusan MAHB ini dipelihara. Wakil MoF pun ada, bukan? Wakil MoF pun ada. Jadi maknanya ada dua. Satu, wakil MoF dan satu lagi wakil MoT.

Jadi kita juga hendak menanyakan kepada wakil-wakil ini sama ada mereka telah menjalankan tanggungjawab mereka dengan baik untuk mengelakkan daripada pembaziran atau ketirisan berlaku. Jadi saya rasa itu skop yang kita boleh fokuskan dalam prosiding kita pada hari ini. Ada apa-apa pandangan lain?

Seorang Ahli: [Bercakap tanpa menggunakan pembesar suara]

Tuan Pengerusi: Saya pernah menjadi Lembaga Pengarah Telekom dahulu. Sampai dua ke tiga tahun lepas, *ceiling* untuk apa-apa *procurement* dalam GLC telah dinaikkan kepada RM300 juta. Baru perlu mendapat kelulusan MoF. Jadi dalam kes ini, projek pembinaan ini memang sudah sebilion.

Jadi, untuk saya, itu pun satu perkara saya hendak tahu jugalah sama ada perkara ini telah diangkat kepada MOF untuk kelulusan dan telah mendapat kelulusan dan juga telah dipantau dengan baik juga. Lagipun ada satu lagi arahan baru di sini juga yang juga ada impak kepada kes ini iaitu arahan kepada Jabatan Audit Negara untuk mengadakan audit kepada projek-projek yang lebih RM1 bilion, ya.

Tan Sri Dato' Setia Ambrin bin Buang [Ketua Audit Negara]: *[Bercakap tanpa menggunakan pembesar suara]*

■ 1100

Tuan Pengerusi: Saya pun tidak *clear* Tan Sri, pasal apa yang tidak..., *must audit- is RM1 billion above.*

Tan Sri Dato' Setia Ambrin bin Buang: Tadi, yang RM1 bilion itu kita punya *internal guideline* tetapi dalam *Budget Speech* Yang Amat Berhormat Perdana Menteri *specifically mentioned* semua projek kerajaan jumlah RM100 juta ke atas akan diaudit semasa projek dilaksanakan, bukan selepas tamat projek. Jadi maknanya, *what is the definition of* projek kerajaanlah? Adakah KLIA2 ini dianggap sebagai projek kerajaan? Oleh sebab ia dilaksanakan oleh MAHB kan.

Tuan Pengerusi: Jadi kalau diaudit itu maknanya Tan Sri, *is a full scope audit* ataupun ia hanya pada projek-projek sahaja?

Tan Sri Dato' Setia Ambrin bin Buang: Kita sebelum ini pun kita ada membuat pengauditan terhadap projek-projek besar ini, jadi kita akan *follow our normal SOP*, kita lihat dari segi skop dia, dari segi *fact* dia lah ya, prestasi dia *because this is under performance audit*. Kalau ada masalah kita akan cuba rungkai apa punca masalahnya dan juga kita lihat dari segi impak, *impact of the expenditure*.

Tuan Pengerusi: So, elok juga Tan Sri terangkan mengenai pertindihan di antara peranan audit profesional luar ini, misalnya firma antarabangsa dengan juga peranan audit dalam syarikat tersebut dengan audit prosedur biasa yang diadakan oleh Jabatan Audit Negara.

Tan Sri Dato' Setia Ambrin bin Buang: Saya ingat ada kekeliruan tentang tafsiran audit ini sebab audit ini ada berapa jenis seperti yang saya bincangkan dalam seminar kita hari itu. *Basically* tiga jenis audit, yang pertama ialah audit penyata kewangan maknanya *financial statement audit* untuk mengesahkan sama ada penyata kewangan itu memberikan gambaran yang sebenar mengikut lunas-lunas standard perakaunan yang diterima pakai. Jadi, dalam bab penyata kewangan, memang benarlah macam syarikat-syarikat termasuk syarikat publik ini, seperti MAHB. Mereka ini diaudit oleh firma swasta, penyata kewangan dan saya percaya MAHB pun saya percaya ada ia punya *Internal Audit*, itu di bawah arahan mereka punya *Audit Committee*.

Internal Audit melaporkan kepada *chairman of the Audit Committee* yang terdiri daripada ahli-ahli lembaga pengarah dan bukan pihak pengurusan.

Audit yang kedua ialah audit pematuhan atau *compliance audit*. *This is what we called* audit pengurusan kewangan. Ini yang kita kaitkan dengan indeks akauntabiliti itu, maknanya kita lihat dari segi aspek-aspek pengurusan kewangan, bagaimana dia menguruskan resit, bagaimana dia menguruskan bajet, bagaimana dia menguruskan *procurement*, bagaimana dia menguruskan pelaburan dan bagaimana dia menguruskan akaun amanah. *Things like that. So under-* ini kita buat secara objektif, memberikan markah dan bagi *star ratings*. Dia punya fokus itu *is compliance, compliance against existing financial regulations of the government, basically* yang banyak dikeluarkan oleh Kementerian Kewangan, *so called Treasury Instruction, Surat Pekeliling Perbendaharaan dan sebagainya.*

The third one, yang jenis kita bincang ini, hendak bincang tentang projek ini, *whenever* kita bincang projek atau program atau syarikat kita panggil audit prestasi. Jadi audit prestasi ini merupakan satu daripada aktiviti Jabatan Audit Negara yang selalunya mendapat publisiti meluas apabila dibentangkan di Dewan Rakyat ataupun di Dewan Undangan Negeri *because* kita lihat dari segi *performance* dan impak sesuatu program dan projek kerajaan. Inilah yang banyak menimbulkan, *I will just say..., whether it good or bad, depending on the situation*. Pengauditan prestasi ini dalam *parlance auditor* dipanggil, "*value for money audit.*"

Jadi bagi MAHB, oleh sebab penyata kewangannya diaudit oleh firma swasta dan ada dia punya *governance structure* sendiri, jadi kami tidaklah dalam keadaan biasa mengaudit MAHB dan juga GLC sepertinya. Akan tetapi itu yang saya kata tadi, kalau kita bercakap tentang *performance* audit, projek-projek yang dilaksanakan oleh GLC semasa ini, pada saya kalau ada permintaan daripada kerajaan ataupun daripada PAC, kita wajar melakukan bagi pihak *but that type of audit is deferent from the yearly financial statement audit*. Itu sebab apabila orang tanya, kenapa Jabatan Audit Negara tidak audit Petronas? *My answer is, they already being audited by the international* punya ini.

So, there is no reason for us to come and do because to be fair to the auditor, auditing is a very- can I say tiresome process? [Ketawa] So, kadang-kadang *auditor* ini pun, banyak sangat dia kena audit pun dia marah juga, macam-macam audit masuk. *Treasury* pun ada buat, *I mean* Akauntan Negara pun ada buat audit dari segi pelaksanaan eSPKB. *Whereas Internal Audit of Ministry* pun buat mereka punya *own audit*, so banyak. Apa yang kita buat adalah mengikut lunas-lunas yang ditetapkan di dalam Perlembagaan Malaysia dan di bawah Akta Audit. Itu kedudukannya Yang Berhormat.

Tuan Pengerusi: Saya sendiri pun pernah menjadi Pengerusi Jawatankuasa Audit Telekom Malaysia selama empat tahun dan pada waktu itu masih lagi dalam proses penyesuaian diri di antara GLC kerana beberapa syarikat di bawah Khazanah Nasional telah dikeluarkan daripada pemantauan MoF secara langsung disebabkan oleh pembentukan jawatankuasa GLC Putrajaya. Itu yang saya hendak *clear* kan di sini, sama ada kita ada kelayakan untuk audit, itu satu. Kedua, apa audit yang kita hendak buat terhadap projek KLIA2 ini?

Tan Sri Dato' Setia Ambrin bin Buang: Sebagai tambahan Yang Berhormat, sebenarnya bagi GLC mengikut prosedur kita, sebelum kita hendak membuat pengauditan prestasi, kita akan gazet kan syarikat-syarikat selepas mendapat perkenan daripada Yang di-Pertuan Agong. *List* ini banyak, termasuk anak-anak syarikat Petronas sendiri. Jadi, terpulang kepada Ketua Audit Negara untuk menggunakan budi bicara dia, mana-mana syarikat yang dia hendak buat. Saya pun mestilah ada asas sebab saya pun ada kekangan daripada segi staf. Saya kena *balance* antara projek, antara program dan juga antara syarikat *and then we have a certain dateline*, kita kena beri keutamaan kepada penyata kewangan sebab apa, kena bentangkan di dalam dewan, dalam Parlimen dan sebagainya. Ini kita kena beri prioriti, itu sebahagiannya.

Dalam kes KLIA2 ini, saya lihat dua masalah utamanya ialah satu, *is delay* dan disebabkan *delay* kenaikan kos, *these are the two big issues*. So, lain-lain yang berkaitan dengan ini pada saya adalah *valid, you should ask*. Macam mana sebuah projek yang pada awalnya diuar-uarkan sebagai *low cost* menjadi *high cost* dan tukar nama pula...

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: [Bercakap tanpa menggunakan pembesar suara] Hibrid airport.

Tan Sri Dato' Setia Ambrin bin Buang: Hibrid... [Ketawa] Jadi...

Tuan Tony Pua Kiam Wee: ...From low cost airport, so it is now...

[Ahli-ahli berbincang sesama sendiri]

Tuan Pengerusi: Tidak, cuma...

■ 1110

Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]: Cuma Tan Sri. Sorry Dato'. Saya tengok *there are public companies* yang *government owned*. Then, ada *government company* yang *MoF owned*. Oleh sebab ini satu kita tengok Malaysia Airport Bhd. Akan tetapi kita juga dengar cerita macam-macam juga fasal Telekom. *A matter of procurement, the wastages, the way they managed their people*. TNB kita dengar *a classic story about the coal* dulu. *How it's a big story in Indonesia...*, masih? Okay, I would say for quite sometime ago. So, banyak *public-public company* yang besar ini- yang saya setuju dengan Dato' kata tadi. Mungkin MoF tidak sempat hendak *monitor directly, that's why they have got this so called, a body*.

Akan tetapi, *how do we make sure that this public company can also be scrutinized before another major blow* jadi macam ini. Ini sebab saya tengok mungkin kita tinggal TNB ini. *Even in the first place, agreement TNB dengan IPP contohnya- it should also be validated by another independent audit, example. Outside from TNB. So, maybe because TNB punya ayat sekarang ini, in example; they are forced by the government. We have to manage. Because at that time, agreement itu difficult to get the financing.*

Akan tetapi benda ini *continue*. So, *public* hendak benda macam itu *and public now somehow- because our chairman become a bit aggressive* ini, dia *demand extra from- when I go everywhere, everyone from TNB kah, Telekom kah, UDA kah, come and talk to me* yang cerita benda-benda macam ini. So, *how do we manage this situation ini? Or what kind of audit that we can do consistently?* Sekali kita pergi, kita balik pun tidak jadi.

Tan Sri Dato' Setia Ambrin bin Buang: Itu yang kita, Yang Berhormat, saya *mention* semasa seminar kita hari itu. *Actually, PAC ini kalau diambil example also from developed countries, they are a very powerful body.* Pada hemat saya, *anything where government has interest, whether it is done by GLC on GLCs, PAC ada hak hendak tanya. Hendak tanya before they made conclusions.*

Jadi, dalam hal ini apa definisi *interest, government interest?... Is it equity interest? Is it because they give loans? Is it because they give grants? Is it as if they give guarantees?* Macam projek KLIA2 ini, *financing. I don't know. I was made to understand, ia pakai bon. Sama ada bon itu is guaranteed by government, what rate all that- I think PAC has the legitimate right to ask questions. Because it has money implications kan? Sungguhpun mungkin government- they don't give direct allocation for KLIA2, but in other aspect, dari segi assistance. So, that's make it as a government project. Kalau tidak, it's not a government project. Betul tidak?*

Tuan Pengerusi: So, cuma satu sahaja Tan Sri. Dahulu isu ini telah dibincangkan dalam Lembaga Pengarah Telekom. Masalahnya, kalau ada apa-apa *perception* yang negatif, yang timbul daripada tindakan kita, PAC dan juga katakan ahli-ahli Jabatan Audit Negara diarah buat audit kepada sesebuah GLC yang disenaraikan di Bursa Saham Kuala Lumpur, ia ada dua kesan.

Satu, kesannya adalah *regulator* kepada syarikat-syarikat bursa saham ini seperti Suruhanjaya Sekuriti dan Bursa Saham. Kita mungkin *step on their shoes* jugalah. *That is one thing.* Kedua, *the negative perception. Mind also the share price or the shares itself. Because, when we go in, the shareholders will perceive there is something wrong. Therefore, ada effect on the share price.* So, kedua. Ketiga, bila kita tidak *specify*, tidak skop kan kita punya audit, PAC boleh tanya soalan. Saya setuju. PAC di negara lain, ia kadang-kadang tanya soalan tanpa Jabatan Audit Negara buat audit dahulu. *Just, general questions. So, that might have a lesser impact than if we did an audit on a project by the Jabatan Audit Negara.*

But, then again like I said, we can minimize the impact by specifying the audit that we want to do to actually give the perception that there is no wrongdoing here, in that sense. I am talking about the market; I am not talking about people perceptions. Because people also might not understand. Dalam mesyuarat ini pun kita baru hendak belajar mengenai apakah prosedur-prosedur Jabatan Audit Negara, prosedur bursa saham, prosedur Suruhanjaya Sekuriti, prosedur lembaga pengarah syarikat dan sebagainya. Jadi, saya hendak *clear* kan itu sahaja, mengenai apa yang kita hendak buat ini.

Jadi, saya hendak cadangkan hari ini kita *have an open session first* dengan KSU, kita tanya soalan apa yang kita hendak tanya. Kalau dia hendak jawab, kita tengok apa jawapannya dan selepas itu kita buat keputusan. Sama ada kita hendak dapatkan maklumat yang lebih ataupun kita hendak adakan satu audit prestasi kah apa kepada KLIA2 ini, kita minta Jabatan Audit Negara untuk mengadakan audit tersebut. Boleh tidak? Hal ini kerana apa kerja kita daripada sini pun, berlandaskan kepada *reference*. *Reference is the* laporan *from the* Ketua Audit Negara. *So, that is what I suggest today* lah.

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: Tuan Pengerusi, *just a few points* to perlu rekod. Nombor satu, *not everything we've do have to* berdasarkan laporan daripada Audit. *That's number one. Actually in our-* kalau baca kita punya *the law on Parliament on the Committee*, kita punya *power* memang seluas di luar negeri. Hanya tidak diguna pakai. *We can summon anybody, government or non government related. If you read the law literally, we can even jail them if they don't come. That's what the law says* lah. *I know we don't use it and I am not asking for it to be used, okay?... [Ketawa]*

But, I am just saying that we do have wide powers. So, its whether we want to cuffed ourselves up. Itu nombor satu. Nombor dua, mengenai isu GLC yang disenaraikan di Bursa dan lain-lain *listed entities, listed bodies*. Peranan SC dengan Bursa Malaysia tidak sama dengan peranan PAC. SC dan Bursa Malaysia. Katakan saya sebuah syarikat. Saya beli daripada Datuk KJ. Kata saya beli dengan harga dua kali ganda. *It's my problem. SC would not come in and say, "Why you buy the things at double price?" No. That is up to the auditors, the financial auditors to do it. So, I can give my basis* lah.

Akan tetapi kerajaan punya perspektif tidak sama. *I think there is some overlapping. I am not saying there is no overlap but, I don't think the overlap is completelah. And we do have a different role to play. It's like for example- SC does not require open tenders. Whereas from a government perspective, we should have open tenders even in our GLCs...*

Tuan Pengerusi: *But, the Board will take full responsibility on any wrongdoings or any mistakes in making decisions not to have open tenders.*

Tuan Tony Pua Kiam Wee: *Sure but there is no law against- no open tenders.*

Tuan Pengerusi: *No, no, no. The directors are personally liable, okay.*

Tuan Tony Pua Kiam Wee: *Sure. But, there is no law against it. I can do it. But, whereas in government company, we would want it to be compulsory to have open tenders. So, it's a different perspective. Itu nombor satu.*

Nombor dua, share price. Share price is not our problemlah. It is a company's problem, it's not our problem. When there is big enough issue, jelaslah. Jangan kata remeh temeh- kompleks! Difference of hundred thousands award between company 'A' versus company 'B'. That one we can leave it to the discretion of the company but, kalau ada peningkatan besar seperti ini, dari RM1.7 bilion sehingga RM4 bilion, delay dua-tiga tahun, I think the public out there demands that we do an audit. I mean, this is a big caselah.

Dato' Kamarudin bin Jaffar [Tumpat]: *Kalau I interject that point? Tuan Pengerusi, saya rasa pandangan Yang Berhormat PJU ini- saya selari dengannya iaitu dari segi kalau saya minority shareholder MAHB, saya suka kalau ada siasatan yang positif. Bukan untuk menjatuhkan saham tetapi untuk mengetahui bagaimana wang syarikat itu dibelanjakan. Kalau saya minority shareholder. Oleh sebab itu, sekarang ini pun shareholder kena ada minority group dia. Kita bimbang big shareholders will exploit.*

Tuan Pengerusi: *Itu sebab SC ditubuhkan untuk hendak menjaga- bukan, bukan. SC itself ditubuhkan untuk menjaga kepentingan minoriti supaya mereka tidak dipijak dalam pengurusan syarikat.*

■ 1120

Ada dia punya peraturan-peraturannya. Ultimately the directors of the company are responsible and the Audit Committee of the company is also responsible.

Oleh sebab itu bila seorang pengerusi audit syarikat dalam bursa saham dia berhenti, dia akan dipanggil untuk memberi keterangan kepada SC kenapa dia berhenti. Dia tidak boleh berhenti dengan sendirinya. Jadi check and balance is there. All I am saying is, where is our role? That is all. I agree with doing this. If not, I would not agree to call the meeting. I'm just trying to scope it, so that- remember, we are suppose to be fair to all the stakeholders. We are not trying to victimize or trying to find fault with people. We are trying to get the full and fair information from the players involved, so that we can report back to the Parliament, report back to the people. That's our job. So I'm trying to be fair to everybody.

Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]: *Bagi saya macam kes KLIA ini or Telekom, they will also have their own AGM where all the shareholders- they also have the minority watch dog which is so-called representing minority...*

Tuan Tony Pua Kiam Wee: *But they don't have full access.*

Dato' Abd. Aziz Sheikh Fadzir: *They don't have full access?*

Tuan Tony Pua Kiam Wee: *They don't have full access.*

Tuan Pengerusi: *No, no, ada Audit Committee, yes.*

Tuan William Leong Jee Keen [Selayang]: *I think the roles are different. Whereas the Bursa is looking after public listed company or SC is looking at them, they looking at it from different acts under different scope. But for PAC it involved government funds or government guarantees, that is our scope. So I think the jurisdiction is there and I think we should proceed.*

Tuan Pengerusi: *That's why I just said just now, if it is on the project basis, yes, fine. That's number one. You know, we audit on that basis. Number two, what kind of audit do we do? That is the next question. Because I- represent directly implication into this matter which is not a simple matter. In this case, that has been established, there are government instrument either equity, loan, or guarantees being employed to fund this project. So, yes, we do have a right to look into it.*

Dato' Abd. Aziz Sheikh Fadzir: *That's why Mr. Chairman, I am also trying to understand. For example you see, they have their own audit committee, they have their own shareholders, they have their AGM, they got minority watch dog, they have Bursa Malaysia as a regulator and then they got Security Commission. So these are various. Rather than we ask, we 'coming directly', why can't the shareholders ask the company to do a special audit in example? Because, if it is so many things to do, I mean- I agree KLIA is become a very important thing. But I am talking about moving forward. So that from dari awal kita classified, we want to get the information, we want to know what is happening. With the limited recourses that Audit ada, where there are many other issues, where nobody look at it- if Audit don't look at it, no one look at it.*

Akan tetapi macam ini dia ada various people looking at it, how do we refine that, so that at the end of the day, public money invested through Khazanah, through MoF is protected but we do not have to waste so much time of Audit, plus we also do not have to waste so much time trying to be 'expert in every field' ini? How do we manage those things?

Tuan Tony Pua Kiam Wee: *I wish to come to my last point that I just want to add. Saya rasa kalau selepas perbincangan, perjumpaan dengan pihak yang datang dan saya rasa kalau diperlukan especially detail expertise and without taxing the resources of the Auditor General, if we demand, said, we have one of the audit firms do a special position review just like macam PKFZ? The only problem is kita tak ada bajetlah.*

Dato' Abd. Aziz Sheikh Fadzir: *Yang Berhormat, what I am trying to...*

Tuan Tony Pua Kiam Wee: *But I think that is in line with the scope that we do, but budget, we worry about it later. Kita minta dari Parlimen kah, dari siapakah, that one we do it later but I think that is the approach, perhaps we should take because kita pun tidak ada expertise semua.*

I cannot say that I am expert in everything. But I think having someone going in and do a special positions audit, it is useful.

Nombor dua, regarding the shareholders thing, shareholders calling for investigate, the problem now is exactly that shareholders is kerajaan. Kita yang pantau kerajaan.

Tuan Pengerusi: Ada shareholders lain ya.

Tuan Tony Pua Kiam Wee: The main shareholders is kerajaan. Even the CEO appointment extension depends on MOF.

Tuan Pengerusi: Yes I agree with you, but it is confirmed from AGM.

Tuan Tony Pua Kiam Wee: So kita yang menjadi pemantau bagi pihak kerajaan. So just to prevent that regulatory capture, we are there as a check and balance. We don't do everything. I am not saying we doing everything. I am just saying when big issues pop out.

Datuk Chua Tee Yong [Labis]: Tuan Pengerusi, Tan Sri, sebenarnya bila kita melihat kebanyakan isu-isu yang telah dibangkitkan, I think what Yang Berhormat Petaling Jaya Utara and Tuan Pengerusi is having, slightly certain views lah. One is worried that if we investigate thoroughly, it may affect in a way the share price and the existing regulators. Is there any way that we can come out with a set of guidelines, so that we can be consistent when we handle companies which are listed? So that we are not seen that certain companies we over step the boundary or that we have overlap with other regulatory.

Maybe Tan Sri can give us some guidelines or some assistance in this manner, so that bila kita melihat isu-isu yang telah dibangkitkan ini kita tidak melangkah lebih sehingga menyebabkan isu-isu seperti share price yang mungkin terjejaslah.

Tuan Pengerusi: Dua perkara ini. Satu is non-listed dengan listed GLS's. Dia ada bezanya.

Tan Sri Dato' Setia Ambrin bin Buang: Seperti saya kata tadi Yang Berhormat, kami di Jabatan Audit Negara bila buat performance audit, kita look at the aspect of value for money. So we are not looking at value for share. That is not our interest. Jadi value for money ini because on the theory or on the understanding, we are talking about the use of public money. So did the public get value or not? So we are here to help parties to get a better understanding whether indeed they have been value for money. So kalau kita hendak worried too much about share price itu, then it is outside the scope of our work. Even if you ask the private punya accounting companies atau auditor, I also not very sure whether they would like to base everything based on impact on share price. Maybe ada other consideration.

■ 1130

Saya cuma hendak komen tadi tentang cadangan daripada PJ Utara tentang judicial review tadi, Yang Berhormat ya?

Jadi ada perkembangan terbaru yang saya hendak maklumkan di sini. Saya baru dapat arahan daripada Kabinet. Kabinet itu maknanya kerajaanlah. Sebagai *shareholder* dalam MAHB, *to do an audit*. Okeylah, *it works*. So, ada arahan-arahan tertentu daripada Kabinet, aspek-aspek yang kami diminta untuk lihat dan KSU Kementerian Pengangkutan *is aware*. *So we have to work together with KSU to get to the bottom of it*.

From our perspective, PAC has all the right to ask whatever question. We will do our work and we don't mind sharing what we found but you have to give us space and time. This is not the first time we have been doing special audit. We called it special audit, for the government. If we remember beberapa tahun yang lepas, masalah siling bocor di bangunan di Putrajaya. So we were asked by the government to do a special audit. They give us additional money because we have to use a lot of engineers and all that. In this particular case, if you need me, I'll be asking for additional funds from the government so that we can do a proper audit based on whatever guidelines that we are using for performance audit...

Dato' Kamarudin bin Jaffar: Tuan Pengerusi, saya amat bersetuju dengan...

Tuan Pengerusi: Sudah hendak buat pun. Saya tidak tahu tidak cukup itu... [Ketawa]

Dato' Kamarudin bin Jaffar: Sikap kita terhadap saham. Ini adalah saham. Pada saya *at the end of the day, the true value of the share of the company must be based the true value of the company*. *So what are we going to do to disturb value of the share?* Kita hendak saham itu bernilai sebenar mengikut keadaan syarikat sebenar dan tujuan kita hendak menyelidik supaya keadaan sebenar syarikat itu kita dapat ketahui.

Tuan Pengerusi: Saya pun tidak hendak bawa isu ini sebenarnya. Isu ini ada berkenaan dengan monopoli industri yang berlaku dalam negara kita ini. Kalau kita tengok Khazanah sendiri pegang kepentingan kerajaan dalam banyak industri. Industri...

Dr. Tan Seng Giaw [Kepong]: Peruncit.

Tuan Pengerusi: Peruncit tidak ada. Industri *highway* melalui pegangan dalam PLUS dan sebagainya. Industri *airport* ini. Memang ini monopoli. Industri penerbangan, itu tidak monopoli sangatlah, oligopoli. Industri hospital pun oligopoli juga. Industri tenaga, itu sudah macam monopoli juga. Banyak industri. Jadi pegangan bersifat monopoli ini akhirnya juga ada kesan kepada harga barangan dan sebagainya. Oleh sebab itu saya memang setuju dengan cadangan untuk kita lebih aktif dalam mengaudit prestasi syarikat seperti ini kerana kedudukan istimewa mereka sebagai monopoli. Mereka menentukan banyak harga dalam negara kita ini. Selepas itu keputusan akan datangnya sama ada kita hendak menyuntik lebih banyak persaingan dalam industri ini dengan mengadakan lebih banyak *privatization* tetapi nanti timbul isu lain pulalah. Pembangkang akan cakap *privatization* tidak betul tetapi dari segi struktur ekonomi negara, apa yang peranan PAC yang perlu diperluas adalah untuk memastikan bahawa satu, pengurusan mantap.

Kedua, harga barangan untuk rakyat ini, harga perkhidmatan untuk rakyat ini diselaraskan, dapat dikawal supaya rakyat dapat manfaat daripada perkhidmatan yang di kontrol oleh syarikat milik kerajaan, GLC ini. Itu perkara yang saya rasa *the next step that we should look into our work whether we can achieve that objective at the end of the day* to memantau urusan syarikat dengan baik. Kedua, untuk menyuntik persaingan dan juga memberikan kos dan perkhidmatan yang lebih berpatutan kepada rakyat. Itu isu yang saya rasa akan datang yang boleh kita tackle.

This is a test case untuk saya. *This is the test case for PAC but we should handle it properly and fairly to all stakeholders and also at the end of the day, share price- yes I agree with you. This is a monopoly, then why you worried about the share price? But does have an impact and any losses in the share price is also a loss to the people. It might not be consistent loss all the time tetapi for that period of time, when the share price drops, it's also loss to the people. So it is another matter that we should also explain to the people.* Jadi kalau tidak ada apa lagi boleh saya cadangkan tadi mod yang kita akan pakai kita akan soal KSU, Datuk Long nanti akan masuk. Dia akan berikan taklimat dan kita akan soal dia secara terbuka. Selepas itu kita buat keputusan seterusnya selepas sesi soal jawab ini diselesaikan. Jadi boleh kita setuju begitu?

Dato' Abd. Aziz Sheikh Fadzir: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Yes, after they leave, we discuss again. Okay.* Tanpa mahu melengahkan masa lagi, minta KSU Pengangkutan Datuk Long untuk masuk ke dalam bilik. Terima kasih.

[Saksi-saksi dari Kementerian Pengangkutan mengambil tempat di dalam Bilik Mesyuarat]

Tuan Pengerusi: *PJU, KK International Airport, you ada minta laporan maklumat tambahan, sudah sedia dengan soalan?*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Ada apa-apa soalan minta maklumat tambahan?*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Adakah kita boleh tutup isu KKIA?*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No, because not to waste time. Before...*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No, no, not to waste time. Since he already here, maybe we can finish any further inquiries about KKIA and then we can move on to KLIA straight.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *You. That information was given weeks ago.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No, because I don't want to call them again. Just in case that you know you have more inquiries.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *You don't have?*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Tuaran's question? Tuaran also not here today.*

Dato' Abd. Aziz Sheikh Fadzir: *[Bercakap tanpa menggunakan pembesar suara]*

[Ahli-ahli berbincang sesama sendiri]

11.38 pg.

Tuan Pengerusi: Yang Berbahagia Datuk Long dan juga pegawai dari kementerian. Saya mengalu-alukan kedatangan semula Datuk bersama kita pada hari ini untuk menyambung semula sesi soal jawab hari ini berkenaan dengan projek pembinaan *Kuala Lumpur International Airport* kedua iaitu KLIA2. Saya juga ingin maklumkan kepada Datuk kerana sesi hari ini adalah sesi yang *special*, di luar daripada laporan audit negara yang selalunya kita bincangkan. Jadi skop kepada sesi soal jawab pada hari ini saya rasa kita kena juga terangkan kepada Datuk apa yang kita hendak buat pada hari ini ialah untuk mengadakan satu sesi soal jawab yang secara *general*.

■ 1140

Datuk akan bentangkan *presentation* Datuk, dan kita akan tanya secara *general*. Akan tetapi dikhaskan kepada Projek Pembinaan KLIA 2 ini lah ya. Jadi, isu-isu yang saya rasa Datuk boleh fokuskan pandangan Datuk ataupun keterangan Datuk adalah mengenai kenapa KLIA 2 ini dibina. Datuk boleh fokuskan taklimat Datuk, keterangan ini kepada, apakah perancangan yang telah dibuat untuk KLIA 2 ini dengan menekankan kepada *integration* ataupun *reference to the original KLIA construction, KLIA development*. Ini kerana sahabat kita hendak pastikan sama ada ini adalah *extension* kepada KLIA kah atau pembinaan projek yang baru kah? Dulu dipanggil LCCT, sekarang dipanggil KLIA 2 ya. Jadi kita pun *confused* juga. Kalau asal ini patutnya dibina sebagai LCCT, sekarang sudah jadi macam *extension of KLIA* pula, KLIA 2 ya. Itu satu lagi isunya. Adakah ini satu *referring to the original plan and also integration between the current KLIA 2 plan and the original KLIA plan*.

Ketiganya saya rasa Datuk boleh fokuskan juga kepada pelantikan kontraktor, pelantikan konsultan. Selepas itu kepada punca kewangan, *how is MAHB funding this project? Or if MAHB is not funding fully whether there are government instruments being used to finance this project, for example, direct loan, low interest loan, guarantees* dan sebagainya.

Selepas itu, kita pergi kepada isu utama ialah iaitu mengenai kelewatan projek inilah ya. Kenapa ia lewat dan sebagainya. Mungkin ada kelewatan dari segi cara kontrak ini diluluskan. Sama ada di tender ataupun tidak dipecahkan kepada pakej kah yang menimbulkan masalah kepada pelaksanaan projek ini. Juga kerana kelewatan ini kos pula meningkat. Kenyataan-kenyataan yang telah dibuat sama ada di surat khabar kah ataupun kenyataan daripada sumber-sumber tidak rasmi mengenai kos sudah meningkat daripada RM1 bilion lebih kepada hampir RM4 bilion. Jadi itu juga satu perkara yang, perkara-perkara ini merupakan perkara *public interest*. *It's already out there. Whether it is true from official sources or unofficial sources, people asking questions. And therefore we need to basically give them information, you know. Why if this is true and why has it happened?*

Selepas itu mungkin Datuk boleh lihat kepada- Datuk boleh menerangkan juga mengenai infra asas, *mirror image* untuk KLIA ini sama ada KLIA 2 ini menggunakan infrastruktur asas yang telah dibina awal dahulu untuk memberikan perkhidmatan kepada KLIA yang original. Itu juga merupakan satu perkara yang kita hendak tahu sama ada KLIA 2 ini dibina *is almost exclusively as a stand alone airport or does it tab on the original KLIA development*.

Selepas itu, satu perkara yang saya hendak juga diterangkan di sini Datuk, kita juga mengalami satu kekeliruan juga mengenai peranan kementerian-kementerian dalam satu lembaga pengarah syarikat. Saya tahu ada wakil MoF, ada wakil MoT dalam syarikat, ya. Apakah peranan mereka dalam *reporting structure*, pelaporan? Maklumat dalam MAHB, kami faham, kami di PAC faham bahawa MAHB ini merupakan syarikat yang disenaraikan di Bursa Saham Kuala Lumpur. Ia ada *regulatory* sendiri iaitu Suruhanjaya Sekuriti yang menjaga hak minoriti. Ia juga ada bursa saham yang mengawal urusan kewangan syarikat. Jadi apakah peranan kerajaan, wakil-wakil kerajaan dalam Lembaga Pengarah ini untuk hendak memastikan kepentingan kerajaan. Sudah tentu ada sebab kenapa ada wakil kerajaan dalam lembaga pengarah syarikat. Apakah peranan wakil-wakil kerajaan dalam lembaga pengarah ini untuk memastikan bahawa pengurusan dalam syarikat-syarikat GLC yang disenaraikan ini, yang mempunyai *regulatory* sendiri, apakah peranan wakil-wakil kerajaan dalam lembaga pengarah tersebut?

Saya faham, akhirnya *the Board of Directors are liable personally for any wrongdoing in these companies. They will be a punishing by the regulators. And I know that you sit on the board of KLIA 2 also so you will be personally liable if there are any shareholders that sue the company. But since you are there as by virtue of your position as the wakil MoT, therefore what is your role in basically reporting back on the management of the company when it pertains to government interest.*

Jadi saya rasa Datuk, itu merupakan satu *guideline* lah di mana sesi ini akan dijalankan. Saya jemput Datuk untuk memulakan taklimat ini. Terima kasih.

11.48 pg.

Datuk Seri Long See Wool [Ketua Setiausaha, Kementerian Pengangkutan]: Terima kasih. Selamat pagi, selamat tahun baru, salam sejahtera, salam 1Malaysia. Yang Berhormat Datuk Nur Jazlan bin Mohamed, Pengerusi PAC, Yang Berhormat Dr. Tan Seng Giaw, Naib Pengerusi PAC, Ahli-ahli PAC yang saya hormati, Yang Berbahagia Tan Sri Dato' Setia Ambrin bin Buang, Ketua Audit Negara serta pegawai-pegawai dari Jabatan Audit Negara dan wakil-wakil dari semua agensi kerajaan yang terlibat dalam sesi ini.

Saya mengucapkan terima kasih kepada PAC kerana saya menganggap ini satu peluang bagi Kementerian Pengangkutan untuk menjelaskan beberapa perkara, *many issues that have been giving today, the opportunity to clarify. And I hope I have done justice to that to clarify as much as possible. Of course,* mungkin ada isu-isu ataupun soalan spesifik yang saya tidak dapat jawab di sini tetapi saya akan memberi jawapan kalau dibenarkan secara bertulis kemudiannya.

I have prepared slide presentation which covers quite a number of issues yang telah pun dibangkitkan oleh Yang Berhormat Tuan Pengerusi tadi. But there could be some issues that are out of the coverage which I will try to cover as much as possible. Now in the first place, if you go back to the original master plan of KLIA, if I can recall correctly because its been quite some time ago that the government decided to build a replacement for our original airport back in Subang. Before that happened, there were very detailed analysis of the need for Kuala Lumpur as a gateway to Malaysia whether we could stay in Subang and upgrade the facilities in Subang or we move to a new site. Detailed analysis was done; we could stay in Subang if we can build a second runway in Subang. But to build a second runway in Subang, we will have that point in time to require huge piece of land from Rubber Research Institute of Malaysia which was quite strongly objected by the RRI. But that was not the issue.

■ 1150

If you can look at Subang today, Subang was built way back in the 1960 when the surrounding area, the land used in surrounding area was not that intense but the development came after that and encroach closer and closer into the airport. So, to build the second runway and the additional facilities will cause a lot of disruption to the land use in the area but more importantly is what after next? Can we build the third runway? It was not possible. Therefore, we went around scouting for a site. There were about five or six site identified in the north and south and we decided to go to Sepang. When we went to Sepang, one of the broader considerations was to move the growth of the Klang Valley south of Kuala Lumpur. I think if we look at KLIA today, the development around moving south from the North-South Highway to their quite intense development and their new township and that was before Putrajaya as such.

The issue in selecting a site was aeronautical factors. We have the main range on the eastern site; we have the Strait of Malacca. On the other side, there are not much of orientations that you can do. You have to follow certain alignment. So that when the aircraft takeoff, it does not head toward the main range or when they takeoff, it does not head toward Strait of Malacca, within minutes you are in the Indonesian territory. So, we have to align the runway according to a configuration that we can operate very comfortably taking into account the flight path, the flight plan dan sebagainya.

It was huge site, 10 by 10 hectares and that was done because there is no way after this to identify another site. It is very expensive. So, it took huge piece of land. The master plan have done taking to account that the airport can be expanded even beyond 100 million passenger a year with a configuration of five runways all together.

There is a challenge when you want to build an airport, to take into account long term requirements because the decision on runway configuration, the separation and more importantly the efficiency operation, having a five runways which not many airport today have that. So, there could be long term planning consideration that we have to take into account that for the short term you may have to compromise on operation. I mean, if you just do it for just two runways, you might compromise position of the additional runway that coming later. Now that was the challenge we have. If I may now go to- because this will answer the earlier question of the master plan, how this LCCT or what we call it? KLIA2, it decided of configure compare to the original master plan.

Yang Berhormat, if I may just go to the slide very quickly, so that I can take you through. Now, this is just statement that this terminal is built for low cost carrier operation. It is for 45 million passengers per annum. It is a huge terminal. If we look at KLIA at the main terminal building and the satellite that was design only for 25 million passengers with the comfort level of about 54 meter square for each passenger. Now, this terminal is 45 million passengers. It is a mega, it is huge terminal. Not many terminals in the world today handle 45 million passengers.

Secondly, we have to take into account to develop it to be a low cost hub in the region for which we in that position today, we have to provide facilities that cater for all stakeholders requirement, more so passengers. Next please.

Now, site selection is the one- now what you are looking at today, it is the original...

Tuan Liang Teck Meng [Simpang Renggam]: *Can I...*

Tuan Pengerusi: *Datuk, you hendak habiskan dahulu atau kita boleh interject?*

Datuk Seri Long See Wool: *I thought if it is to maintain the team, I can answer the question now.*

Tuan Liang Teck Meng: *What is the definition...*

Datuk Seri Long See Wool: *Sorry?*

Tuan Liang Teck Meng: Saya hendak tanya tentang definisi sebab saya rasa keliru sedikit. Apa bezanya antara LCCT dengan *airport* biasa? Apabila kita kata *low cost terminal* berbanding dengan *airport* biasa, terminal biasa atau pun dengan *low cost with aerobridges and enhanced passenger convenience*. Apa yang ada dengan *airport* biasa dan apa yang tidak ada dengan LCCT? Kalau boleh, minta Datuk beri penjelasan sedikit.

Datuk Seri Long See Wool: *I think this is a question asked for everybody. When we build KLIA, the low cost model was not the characteristic of envision. The low cost travel came about much later. Now, when you name a terminal even within the aviation community, there are difficulties in term of definition and such. When we called it LCCT, LCCT means Low Cost Carrier Terminal, for low cost carrier but it does not mean that the terminal is low cost. That is one explanation I want to give.*

Now, secondly is the requirement of low cost carrier. The low cost carriers want a very fast turn around, number one. IE that is when the passenger walk into the terminal building, how fast can the passenger actually go on board the aircraft because low cost terminal turn around. They want to do it within 20 minutes to 25 minutes compare to the legacy carrier which parked the aircraft much longer. It is all related to the model operation and the cost involved. Dia ini low cost, dia hendak turn around. So, as long as you provide a very fast turn around within the comfort zone, so that they can fully utilize the aircraft. That is what they want.

Facility is another thing. Of course if it is below a certain volume of passenger, it can be a single level operation, uncomplicated because you do not have to have a very sophisticated baggage handling system but once the terminal size grow beyond a certain level, you cannot avoid- for instance, having automatic sorting system. Which I will also elaborate as we go along, as to why an automatic baggage handling system has to be installed for a size of terminal of 45 million passenger. Otherwise, the heart of the system which is baggage handling system cannot cope with the complication of the operation.

Today, you must also realize the low cost carrier, also they still want to call a low cost carrier but the services they offered today have changed. Dahulu ia tidak ada seat yang lebih selesa, ia tidak hendak pakai lounge dan sebagainya but today the low cost as you can see the advertisement, they are talking about flat seat. So, they have moved the way from the original low cost model into- I would not call it hybrid yet but their offering have differed but of course when they offer for everything that is above the baseline offer, dia kenakan caj on even the check in. If you want them do the check in, they charge you but if you do your own check in, you do it yourself.

So, in designing a terminal building, there is where the challenges are. You can look at AirAsia as one of the model but you also can see Malindo today, their offering is slightly different and AirAsia also has moved from the original one seat system dahulu, seat pun, it is up to you.

The reason why they did not want to give you the seat number is that because you will definitely rushed and that is what they want. You get onto the aircraft as quickly as possible but today they said "Okay, you hendak seat ini, you hendak di depan atau dekat mana, you bayar."

■ 1200

So, you can see the model moves, right? Now, in this terminal for instance, we never expected AirAsia to say they want lounge. Now, they want lounge. That is why we still called it a low cost 'carrier' terminal; we never say this is a low cost terminal. At the end of the day, the airport operator will have to decide what kind of terminal you want to offer to the passengers. Now, on one hand, you have the airlines who wants to move the passengers very fast, but on the other hand, the airlines operator also want to provide a lot of shops, because there is where the commercial revenue comes from.

So, you will find that this terminal for instance, the commercial space provided is about 20% of the total floor area. You will have much more shops than you see in the main terminal building and you must also understand, the main terminal building basically was designed by the famous Japanese architect. I think Tan Sri Ambrin Buang would recall, Kisho Kurokawa, Japanese design, Japanese Airport, there are limited commercial spaces. That is why in KLIA Terminal Main Building, you do not see a square like you see in Heathrow in Amsterdam where they put all the shops. So, for commercial reasons, that is why MAHB put a lot of shops along the walkaways dan sebagainya. But, in this building, there will be a lot of squares. Have I answered your question? Thank you.

So, now if we look at the master plan, this is the original master plan. If you look at the right hand side of what you see, we have the Runway 1, Runway 2 and one satellite which is the one on top. The second satellite, the land is there, the earthwork was done to a substantial extent. If there is time for us to build, we will build that. Space 'C', the third configuration was on this side at the point of the master plan and Runway 4 and Runway 5. You can see Runway 4 is a straight line, but the Runway 4 is mainly used for departure, because you cannot...

Tuan Pengerusi: *As a matter of...*

Datuk Seri Long See Wool: *Sorry.*

Tuan Pengerusi: *As a matter of just to orientate ourselves, the main terminal sekarang ini in this original master plan is mana Datuk?.... [Merujuk kepada paparan slaid]*

Datuk Seri Long See Wool: *There. That is the main terminal building.*

Tuan Pengerusi: *That is the main terminal building, ya?*

Datuk Seri Long See Wool: *The first satellite is one on the top.*

Tuan Pengerusi: *So, Bunga Raya is where..., the VIP Lounge.*

Datuk Seri Long See Wool: *Oh! Bunga Raya is at the side of the main terminal building.*

Tuan Pengerusi: *So, it is like a mirror to a thing in design?*

Datuk Seri Long See Wool: *Now, okay. If I may explain this configuration- now you build the main terminal building as you can see now, the first satellite, that is 25 million passengers. When you build the second satellite, they will push your capacity up to about 35 million or 40 millions or more. It depends on how much of floor space you want to provide on per passenger basis. Now, the moment this is done, what you do is, you build a mirror image on the other side of another main terminal building and another two satellite. Now, the connectivity of this would be through a TTS system (Track Transit System).*

As you see today, the main terminal building is linked to the satellite by the TTS. So, when the second satellite come out, there will also be a link from the satellite to the next satellite and from that satellite back to the terminal building. There will be a loop, that link the entire this side. Now, you develop the other side, so the same thing will happen and you might have at that time, do a TTS, to link all the four satellites. That is a long-term planning of the airport. Okay? Can I move to the next slide? Please.

Now, subsequently in 2009, MAHB commissioned a consultant to review the master plan. This was the review that was done to the master plan. You could see the runway has changed slightly. Now, if we were to build the third runway in this case, on the original master plan, as we can see from here, the runway is sited quite close to the second runway. That one is the challenge, because today Runway 1 and Runaway 2 can operate quite independently, because of the separation of runway. So, now you have the third runway very close to the second runway. The capacity of the third runway is dependent on the second runway and the second runway capacity will also be affected by the third runway. There was one consideration by the consultant, say that this might not be the best configuration that you want to have.

Now, imagine if the third runway is built here, the taxiing distance. If you were to be on the outside of the terminal building, it is a huge taxiing distance linking, because if depending on the wind direction and the traffic at the point in time, when the aircraft landed the other side, parked. Imagine it is a low cost; a move to the third runway is going to be a very long distance. So, those were the considerations that were taken into account and of course the other challenge was the ERL track would need to be realigned and we might have to put it underground. That will affect the entire present railway platform. Those were the challenges that we had. That is why based on the review that you can look at the next slide.

Dato' Abd. Aziz Sheikh Fadzir: *Datuk, before that Datuk. May I ask you?*

Datuk Seri Long See Wool: *Yes.*

Dato' Abd. Aziz Sheikh Fadzir: *So, when this master plan where it already incorporate 1,2,3,4,5, when they were considering putting three, four there. Those issues that you mentioned just now, was it an issue could have been mentioned then or it was when they designed it they thought, those issue that you said was not an issue?*

Datuk Seri Long See Wool: *I did not get it. You mean the original design?*

Dato' Abd. Aziz Sheikh Fadzir: *Ya.*

Datuk Seri Long See Wool: *That is why you see, all airports they review the master plan based on requirements. So, there was a review done and proposed that you make changes.*

Dato' Abd. Aziz Sheikh Fadzir: *Technically, when we designed this, we knew it was for 100 millions passengers.*

Datuk Seri Long See Wool: *Yes.*

Dato' Abd. Aziz Sheikh Fadzir: *Right? Two, we designed for five runways. Then, it was already agreed. So, 3,4,5 was actually designed with 100 million in mind. So, I am pretty sure when we do the ERL, we do the train, didn't we think at that time or those guys never put a thought on that. Then, suddenly the new smart guy comes in...*

Datuk Seri Long See Wool: *No, no.*

Dato' Abd. Aziz Sheikh Fadzir: *...And felt that, "Oh! This 3 does not work, 4 does not work. The whole system needs to be changed again". Is that what you are trying to say, Datuk?*

Datuk Seri Long See Wool: *What I am trying to say is that at the point of planning at that time, the concentration was on the first phase, where the two runways could operate very efficiently. So, the master plan covers beyond the first phase. It goes up to 100 million. Those are the proposals, which they were very conscious at that time.*

Dato' Abd. Aziz Sheikh Fadzir: *It was designed for 100 million in the first place. It was only designed for phase one.*

Datuk Seri Long See Wool: *The implementation and such.*

Dato' Abd. Aziz Sheikh Fadzir: *2,3,4,5 was just to show public that it is meant for 100 million. Is that?*

Datuk Seri Long See Wool: *No, no... [Ketawa] What we are saying, within this side...*

Dato' Abd. Aziz Sheikh Fadzir: *What I am trying to say, we cannot be looking at 20 years now and then whoever sit at your place, I want to say that 20 years ago, this guy was just designing it to make it beautiful. Then, 20 years then, or it did not work. The new design that we do now, will not work again too. I am trying to say that, because this was five runways put in 20 years ago. And today you are saying that, Oh! Three because of the technical, the limitation do not work again". I am very worried on that.*

Datuk Seri Long See Wool: *I think you should not worry, because in 20 years time, technology might change. Then, you might have to reconfigure. You can plan your best now. You look at Heathrow today, because of the land, because of their problem of- they have to live within that. So, they make changes. Terminal 5 was never anticipated. But, the challenge for Heathrow for instance when...*

Dato' Abd. Aziz Sheikh Fadzir: *Never anticipated- it is okay. This is anticipated for 100 million passengers. Change also okay. Reconfigure also okay, but wrong area for runway is worrying. Today you say, because of Runway 3, now the limitations of Runway 2 and Runway 3 were closed. So, it is no more viable, maybe safety wise not good.*

■ 1210

I was just wondering the smart architect or Japanese architect who designed the KLIA, then where it is a pride of a nation..., how can we miss that? The very basic...

Datuk Seri Long See Wool: *Okay, I must...*

Tuan Tony Pua Kiam Wee: *Datuk...*

Datuk Seri Long See Wool: *It is not a simple answer to that. What I am saying is that, if say, we want to build the fourth runway for instance, it is not necessary it will be on the same place. There might be a change to that. It depends on the dynamic at the point in time. You have to match the facilities to the requirement at the point in time. I am not saying that they were wrong or they were not perfected in that, but that was a design that they gave to us.*

Dato' Abd. Aziz Sheikh Fadzir: *It is you mentioned- (A) is the train that suddenly now you need to go underground. Two, the runway position, it affects the runway too. These are basic, bukan?*

Dato' Abd. Aziz Sheikh Fadzir *Sebelum menjawab itu.*

Datuk Seri Long See Wool: *The facts of the matter is it will affect.*

Tuan Tony Pua Kiam Wee: *Tuan Pengerusi, we want to do a question now or later? I actually got a lot of follow up to that. I do not know whether to wait for questioning or...*

Tuan Pengerusi: *Tidak apalah Datuk, this will be a very long session. So I think you better have a say first and then we ask question. At least your train of thought is not disrupted by our question.*

Datuk Seri Long See Wool: *Alright, alright. I just go through this, actually the next slide. Now, if you look at this, the terminal building is there, so you sandwich the facilities between the two runways, so that you can see, we can achieve very efficiently of the operation for the airlines. The most important is how airlines can avoid long taxi way distance which is a cost to them. Okay?*

Now, if you talk about ground Yang Berhormat, when we selected KLIA, we know it is a bit soil. So the ground does not change. There are airport today as you know, even like in the case of Thailand, they built it on the paddy field., it is on a paddy field. Now, you also have airport where you have no choice in the case of Hong Kong and Kansai, they reclaim the entire area.

So, the important consideration is actually aeronautical. You can treat the soil. Of course, we see bad soil in particular, we tried to avoid but if you have no choice but to achieve operation efficiency, if you need to build it there, you will still build it there. The only thing to you will be it might take a longer time or it will cost you more.

Next- now, this is the one that you can see now, actual picture taken. Do not worry about the runway right to the bottom there. That is not there yet but because it is was superimpose on the original master plan. Next, please. Now, when we started the original design or MAB started the original design, there were several factors, and one of the factor that they took into account...

Datuk Chua Tee Yong [Labis]: *Sorry Tuan Pengerusi. I just want to clarify something. Can we just go to slide, the first one where we say KLIA original master plan, okay?*

Datuk Seri Long See Wool: *Ya.*

Datuk Chua Tee Yong: *In the next slide was option for LCCT location. I just want to clarify. So at the end of the day, how do these two tie? That is mean that LCCT subsequently part in the KLIA original master plan or was it the separate one or...? I just want to clarify this part because I got confused.*

Datuk Seri Long See Wool: *Okay. LCCT is like a dedicated terminal for low cost carrier.*

Datuk Chua Tee Yong: *So, is it related to the first KLIA original master plan or this one is a separated totally graph?*

Tuan Tony Pua Kiam Wee: *Datuk, mungkin saya boleh bantu. I think that question is they do not understand the back.*

Datuk Seri Long See Wool: *Ya.*

Tuan Tony Pua Kiam Wee: *So, it is a simple thing that I can answer. Can I just perhaps have the original one, the earlier slide...*

Datuk Seri Long See Wool: *Original.*

Tuan Tony Pua Kiam Wee: *Earlier slide – consultant.*

Beberapa Ahli: *Consultant.*

Tuan Tony Pua Kiam Wee: *Ya. Okay, this is the original master plan in 1992 where the mirror on the left, that is where the extra capacity is. Next slide - okay, this is where the LCCT could have been based on the original master plan.*

Datuk Seri Long See Wool: *Ya, it could built there.*

Tuan Tony Pua Kiam Wee: *But not used.*

Datuk Seri Long See Wool: *But we did not do it.*

Tuan Tony Pua Kiam Wee: *Did not do it. The one that used is... [Merujuk kepada slaid pembentangan] Not this one, another one.*

Datuk Seri Long See Wool: *This is modified.*

Tuan Tony Pua Kiam Wee: *This is modified. There is another one, right?... [Merujuk kepada slaid pembentangan] Ya, this is the one - used is the south of the original, south of the main terminal.*

Datuk Chua Tee Yong: *Totally the other side.*

Tuan Tony Pua Kiam Wee: *That means not on the left side of the main side...*

Datuk Seri Long See Wool: *Not there.*

Tuan Tony Pua Kiam Wee: *Ya, not there but move down here.*

Datuk Seri Long See Wool: *South of it.*

Tuan Pengerusi: *No, just to clarify the...*

Datuk Seri Long See Wool: *That one- with the green and the white at the bottom.*

Tuan Pengerusi: *So just to clarify, Datuk. The mirror option is still there?*

Tuan Tony Pua Kiam Wee: *The land is still there.*

Tuan Pengerusi: *The land is still there lah to expand the normal airport?*

Datuk Seri Long See Wool: *So the land in the future...*

Tuan Pengerusi: *Normal airport for expansion is still there lah?*

Datuk Chua Tee Yong: *Ya, the mirror image.*

Tuan Pengerusi: *The mirror is not touch lah? The only thing that is being touched is a runway five lah?*

Datuk Seri Long See Wool: *So, it is just a shift of runway.*

Tuan Pengerusi: *Ya.*

Datuk Seri Long See Wool: *Within the support...*

Tuan Pengerusi: *So you signify runway five in this picture lah.*

Datuk Seri Long See Wool: *No, the Runway 5 is not featured in here. We did not put the Runway 5 in the...*

Tuan Pengerusi: *No, no. The original plan is runway five which actually...*

Datuk Seri Long See Wool: *But it does not mean that you cannot do it. You can still do it. If the needs and the requirement at the time... You see, runway five is basically something that they told at the master plan, if you reach a peak, you need a lot of the departures. They built that one just for the aircraft to takeoff but not for landing because if you land, you actually landing heading towards the terminal complex.*

But whether at the end of the day when you reach the point in time whether you want to configure the runway in that manner, it is something that the future will have to decide.

Tuan Pengerusi: *It is just making vertically?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *[Ketawa] So, they do not need runway...*

Datuk Seri Long See Wool: *We see here is slightly different from the situation in Europe where the wind conditions are very strong. We can see some of the runway is slightly off, not running in parallel with other runway. But, that is mainly to cater for change in wind condition. They use that particular runway for the purpose in cross wind. Okay?*

When this was started off, it was with the slightly lower volume of passengers- as you can see very simple, to building with the fingers out to cater for certain number of aircraft parking. But subsequently, I will explain to you as why there was a change on the master plan. Based on these, the cost was within RM2 billion. Okay?

Tuan Pengerusi: *The original terminal is RM2 billion?*

Datuk Seri Long See Wool: *The original complex, the entire work...*

Tuan Pengerusi: *Wow!... [Disampuk] I thought it is the existing LCCT cost RM2 billion.*

Datuk Seri Long See Wool: *The original, I mean the original, because you would come to the cost why it ballooned, to used the term I borrowed from the media... [Disampuk] Okay.*

So, there was an increase in scope due to a number of requirements. One was regulatory. This is basically international standard where all new airports- they do not imposing on the old one. The old one if you can, is a total separation of arrival-departure international-domestic which means that was translated into more floors space. It is because of safety and security reason.

This acquires recommendation which we would like to conform to, otherwise if anything happen, they blames us for not following the standard requirement by IQ. The next one is suppose that airline requirement and also the public requirement and we move to the next slide, please.

Now, in terms of airline requirement, the airline came back and told Malaysia Airport, please build the terminal building based on their forecast that would cater for 45 million passengers. So there was a tremendous increase in terms of capacity if you would translate it into the volume passengers that are acquired.

And the number of gate was also increased from the original of less than- much, much less, I think it is about 40 plus to 68 contact and they do not want any remote stand as such. They want all the stands to be at the terminal building and this is related to their turn around time again. If you were to parked the aircraft remote, meaning that you have to bus the passengers, which that would take time. So, these are the requirement.

■ 1220

They also ask for the comfort level, taking into account present LCCT to be enhanced in term of the floor area per passenger and of course, more importantly that they want automatic vacation link system as a post original manual or semi automatic and in term of runway also they do not have aircraft that require a four kilometer runway but they said that in quite certain term this there may have to purchase big a aircraft to that purpose and insisted that a four kilometer runway we build.

Now taking into account, this requirement because you build the airport for the use of the airline, you don't build an airport does not suit the requirement of airline. So Malaysia Airport took all those things into account. Of course in the next box in the right hand side regulatory requirement, the first one I will explain. The second once is to avoid passenger walking on the apron as much as a possible because of security and safety reason.

The next one is important is that control tower instead of apron tower. We have to build a new tower because of line of side that they have traffic controller. We actually has to see the runway right until the end. This is quite also be used as backup to present control tower and we have to build dedicated service route and we also need to modernize air traffic control system to ensure that capacity of the runway and taxi way system can be totally utilized.

Tuan Pengerusi: *Just to clarify one thing, Minister of Transport make announcement saying that control tower from Subang is going to be moved to KLIA, is this the...*

Datuk Seri Long See Wool: *Okay let me...*

Tuan Pengerusi: *...The second control tower?*

Datuk Seri Long See Wool: *Let me explain that. In Subang is air traffic control centre for the entire peninsular and integrated with one in Kota Kinabalu and Kuching, is air traffic control centre. Whereas the control tower at KLIA basically a terminal control for air space within the vicinity the airport, where else one in Subang is entire peninsular punya trafik, floor which we need to build a new one in KLIA, which is separate contract all together that amount to upgrading of that air traffic control system, nothing to do at KLIA.*

Tuan Pengerusi: *Separate contract.*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *Okay, thank you.*

Datuk Seri Long See Wool: *Aerobridges, if you have any question you can ask, I will answer later because is a public request. The other consideration was that as the terminal becomes bigger and because of commercial reason, we try to obtain as much commercial revenue as possible. So that we can keep the aeronautical charges which certain level, therefore the forth space for commercial area increase to about 20%.*

There was also a need because the size airport for integrated transport hub for railway as well as public transport and movement of traffic between the main terminal building and the KLIA2, so there is transportation hub build and there are hotels and of course a last one is a green certification which is something out of own initiative.

Tuan Pengerusi: *Datuk can I just ask simple question maybe it sound little bit silly, but these airport build for low income passenger?*

Datuk Seri Long See Wool: *No, no.*

Tuan Pengerusi: *No, no- their pattern of, their customer of low cost airline.*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *...Therefore they should be lower income people right?*

Datuk Seri Long See Wool: *No, no.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Seri Long See Wool: *I know million ... [Ketawa]*

Tuan Pengerusi: *Yalah. No, no what I mean is the justification for bigger commercial area is it derived from shop or it is derived from makan minum punya facilities...*

Datuk Seri Long See Wool: *...Mixture, makan minum, beverage pun ada, kedai-kedai, designer shop pun ada.*

Tuan Pengerusi: *That means is an additional facility which is away from normal airline punya requirement jugalah.*

Datuk Seri Long See Wool: *Ya, is basically commercial for those want to buy, want to shop, want to eat and drink, for the entire airport.*

Tuan Pengerusi: *And they were justified by consultant?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *They justified it?*

Dato' Abd. Aziz Sheikh Fadzir: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No. No I worry about one thing. We designed this airport basically based on one customer punya requirement which is AirAsia.*

Datuk Seri Long See Wool: *No, no.*

Tuan Pengerusi: *The whole, just know you explaining...*

Datuk Seri Long See Wool: *Because you can see what happen is actually airlines today have a choice. Even if low cost carrier for instance, if you look at Tiger, they operate for Singapore, they never used our LCCT. They used a main terminal building, is their choice. For instance AirAsia in their operation to Singapore, for those Singapore at that point in time sekarang sudah tutup, had a LCCT, AirAsia never used the LCCT, and they used main terminal building.*

Their consideration is against operational because they are trying to capture international traffic that arrived in Singapore in the terminal building.

Tuan Pengerusi: *Datuk, that- I wanted to ask question later but now since you are on the subject is like this. My point is, at the end of the day, our building this new terminal is according to AirAsia requirement that is number one. Number two if you look at the development of our neighboring country airport, for example Singapore is expanding, they going to be providing a more integrated because ours is little bit caca marba, you know we change our planning and whatever to accommodate low cost, I mean the new terminal, AirAsia requirement to make it the biggest airport in the world. But it doesn't mean the people would not find it more pleasant to use Singapore is a hub and then the short hub to Malaysia. Is not beyond- my understanding they used Bangkok, which is a bigger hinterland market, you know- to Penang.*

So I am just saying that, you know even the Lion Air the father, one of the earlier, pioneers of low cost travel, they never had so much government support in developing their hub, their home as we has given AirAsia and if they are driving these development and their driving up by their requirement, by their need and therefore driving up by the cost because we have to build all these facilities for them. Without us looking at, you know our competitive location or competitiveness compare to the other airport in these regions, without looking at the connection to Europe, Australia, to you know Far East. I'm just afraid that, you know us designing airport which is too big.

My issue before was the first design, was design in modular way. One main terminal, two satellite, mirror and then build a building and then two satellite, is just Hong Kong International Airport, than you have the ERL come right and between you go in, you want go to the first terminal you turn right, you want go second terminal you turn left, right? Anyway I just came back from Kansai, so I see Kansai Airport not a good airport, I agree.

Datuk Seri Long See Wool: *Is a linear...*

Tuan Pengerusi: *Is 20 years ago. But my point is, at the end of the day, I'm just want you to answer this question, did we build this airport basically driven by AirAsia requirement without doing a second check on our competitive, or about the competitors are doing on the impact in the bigger picture where their connection are going to be and also is it government policy to basically help AirAsia as a company or low cost travel or low cost hub as a whole? That I think to get in the question to be an answer.*

Datuk Seri Long See Wool: *It is relevant question but it is a tough question to answer.*

Tuan pengerusi: *Because reason is 20 years later that will be another Dato' KSU will answering this question to another bunch of PAC Members will be blaming us, sitting on here if you don't ask that question, you don't answer that question.*

■ 1230

Datuk Seri Long See Wool: *Okay, now. You see the low cost travel. I mean it started in Europe. We cannot deny that they have generated travel demand to the public. Whether you are rich person or you are the one that just can afford to travel because there is a low cost there. We can see this trend will continue for the long, long time. And today the biggest low cost hub or the low cost travel in the Asia Pacific region is actually Kuala Lumpur.*

We see the challenge if we do not build facilities to meet the requirement of airlines; we will lose that competitive edge. And since we are doing very well in the low cost travel, why don't we support the low cost travel. This is not only to AirAsia because there are other low cost airlines that operate in the region. Even like the Malindo Air that describes them as low cost.

You could see that for the last how many years since the LCCT was built, the growth of the LCCT has been very-very high in substantial. With the exception of last year, you find that the full service terminal building handle more passenger than the low cost. I will give you the statistic later. But that you must also stick on your account because Malindo Air today is in target to operate in the main terminal building. When the new building is already they might decide to switch to the other side.

So, we see the potential of the KLIA2. They will take us at least 15 to 20 years in terms of its actual capacity. In fact if you were to look at AirAsia, there are talking about 2020, they will reach RM45 millions. But the MAHB forecast, it's actually more conservative than that. So, we are not actually over sizing. Statistic...

Tuan Pengerusi: *Tony Fernandez also likes to talk a lot also.*

Datuk Seri Long See Wool: *Ya, ya. The dynamic and change innovation.*

Tuan Tony Pua Kiam Wee: *I think perhaps before we bring the AAE, we let the...*

Tuan Pengerusi: *Datuk, I just want you to come back to your point just now. The next point which is- remember 1992, we plan KLIA 100 millions passengers and the building were built. Full of confidence you know. At that time, our neighbor's only Singapore was a main competitor. There is no other competitor. Now, suddenly Suvarnabhumi open up and then Indonesia are looking for a new airport site which I think they will take a year's lah. But, what I am saying is our competitors also, Singapore also grown. Despite having small country, but people use it as a hub. And they prefer to go to Singapore even though it cost more. There is impact on what our competitors are doing to our planning. I agree with you. Yes, we should plan for the future.*

Akan tetapi, I do not also want the KLIA which is originally plan 20 years ago, to also go to waste because of these all, the focus on KLIA2. I would look at it as why did not we maximize KLIA1? Why did we listen so much to AirAsia?

When Singapore doesn't listen to AirAsia, they say you take it or leave it. If you want, you take our hub. Suvarnabhumi - AirAsia finally moved to Don Muang not because they don't want to stay in Suvarnabhumi. Suvarnabhumi is just so congested that is why they moved to Don Muang. Indonesia – AirAsia went to Indonesia said, you want to be our hub there, now quiet because there's also support from the government.

Back to my main question just now, because of this support for a company or the industry, the implications are we spend so much money on KLIA2 tetapi we anak tirikan KLIA1. And then it becomes a waste in our planning in a past.

Datuk Seri Long See Wool: *I, if I may answer.*

Dato' Abd. Aziz Sheikh Fadzir: *Datuk. Datuk. Just get on a little bit. Then, at the end of the day, my worries is that travelers doesn't get the benefit because you know, you can't reduce the airport tax because you got certain- to pacify AirAsia, to make them happy, you have to built this. And then, they will use us- oh we can't fly because MAHB does not want to reduce the airport tax. So here we are building something for some people, trying to help them. They come back and turn it around. You know, why they are not competitive because our cost is high. That what acquiring what Datuk Chairman is saying...*

Tuan Pengerusi: *Tadi runaway pun, I was just amazed that you said AirAsia hendak fly A380 bigger aircraft, therefore you build a four kilometer runaways instead of two but whereas, we already have two highways to cater for the big planes. So, that one is an extra cost just because of their request. I don't see any other airlines being involved in the discussion in this planning of this airport except AirAsia. Tidak ada yang lain-lain.*

Tuan Tony Pua Kiam Wee: *Datuk, how long are you more? I am itching to ask questions but...*

Datuk Seri Long See Wool: *No, it's all up to you all.*

Tuan Tony Pua Kiam Wee: *How long has you got more for the official presentation?*

Datuk Seri Long See Wool: *No, it's quite short. The slide is quite short.*

Tuan Tony Pua Kiam Wee: *Can we makes it short?*

Datuk Seri Long See Wool: *...More to the questions and answers.*

Tuan Tony Pua Kiam Wee: *Because in this case, I actually want to rebut my Chairman, not Datuk but never mind, I will wait for Datuk to finish it first.*

Datuk Seri Long See Wool: *Can you please revives here? [Ketawa] No, I think there is a balance because of so much concentration on KLIA2 to publicity. We are not saying that we are not going to upgrade the main terminal building. It's in the back line. In fact, we are changing the sorting system. The satellite has been designed and plans there already.*

It's a question of when do we launch it? We are not- because we are very mindful of the competitions between the full service and the low cost.

What the government has to avoid which we cannot deny is that we don't want any airlines whether they are in the full service category or the low cost to complaint that the authority of the government is doing something that favor one against the other because in the air services agreement that we signed with all countries, there is a very-very strong clause. Just like the one that we just sign in UK. It's fair competition. Now, if they can pick up something that we designed something, we price the certain product, just to enhance to competitive age of a particular airline as against others, we can be challenged. We are very mindful of that. I think we have our MYCC against. Also if there are full service carrier that lodge a complaint about what we have done, then we can be pulled up. I think we are very mindful of the global requirement of been fair and equals to everybody.

Tuan Liang Teck Meng: *Okay Datuk. Can you answer me some of this question? When you say based on airlines request, alright it's based on the present airlines request that is why you try to accommodate all this facilities. Or can you tell me the figure if there is increase in terms of numbers of airlines after the KLIA2?*

Datuk Seri Long See Wool: *If you talk about LCCT, there are numbers- you see, the present LCCT is so congested. That's factor number one. Factor number two is that some of the low cost carrier as you can see did not want to use the present LCCT. But we are confident that they will move to the KLIA2 because of the capacity there is available. So, we do not only plan for AirAsia. We take into an account all the regional carriers requirements in terms of the operation into the KLIA.*

So, we try as much as track and balance because- but there are of course public perception as if we are dedicated this particular facilities just for AirAsia. But, I must admit that the AirAsia is a biggest user of it. It is a biggest base carrier in Malaysia that uses this terminal building. We are very aware of presently, we monitor the yearly increase in actually traffic volume and last year as I mention to you, the increase in the main terminal building in terms of volume must much - much higher than the LCCT. But things can also changed when the LCCT open. They could be full service carrier, I am just saying, that would like to operate from LCCT - KLIA2 and we cannot say no.

Tuan Pengerusi: *That is my question Datuk.*

Datuk Seri Long See Wool: *Ya. They can.*

Tuan Pengerusi: *No, no. That is my question just now. So, what happens to KLIA1?*

Datuk Seri Long See Wool: *Now, you see once you provided the capacity, whether they operate or not...*

■ 1240

Tuan Pengerusi: *Anak tiri- that was my point. That is why PAC 20 years ago, we did not ask this question. PAC 2014 asks this question. So that PAC 2024 does not ask the same question and blame PAC 2014 for not asking this question. Why the hell did you anak tiri the KLIA1 until it is no longer attractive for airlines, even full service airlines to be in KLIA1. They go to KLIA2. Selepas itu, we are still paying for the cost of KLIA1. MAHB will charge back the cost to the fees they charge at the airport.*

Tuan Tony Pua Kiam Wee: *Can...*

Datuk Seri Long See Wool: *Can I now go back? I can now switch on the mike again. You see, MAHB although we term it as a monopoly with the exception of JB which is separate punya ini but they are governed by the certain rules. For instance, like passenger service charge, they cannot simply come and ask for an increase. There is KPI and bench marking. Number one, they will have to look at the competitors around the region, what prices are there?*

Secondly, they have to fulfill certain requirement before the government allows an adjustment. That is regulated charge which can only be adjusted by Warta Kerajaan. So, bukannya dia boleh dapat sebegitu sahaja. Hari ini datang minta dua ringgit, kita beri. That is why you can see the increase it's actually very much regulated. Which of course they complained. They say, "You give us one Dollar that is translated to into a lot of money" but before we give that one Dollar, there are safety net that we have. If you look at the domestic charges today, actually the level of airport and services they will provide and the level of the charges is actually very low. We can control to a large stand, the domestic tariff but international tariff, we have to leave a certain international standards.

Tuan Pengerusi: *You will have a challenge. That one I can say because at the end of the day MAHB itself has to fulfill their financial performance as a listed company, anyway. I do not know how long we can impose it. It is just like Tenaga Nasional. People understand and people say, "Government controls it, why can not government control the price?" But then, there are also have other pressures and because of this cost, ballooning up cost of the KLIA2 and depending on how long you can amortized the cost into the future. That will determine the rate that you charge anyway. So, I am just saying that. There will come a time when the financial pressures on MAHB itself will cause the fees to rise. The government can not control very much of that especially when you have this extra cost. That is why, we are looking at this matter because to us that extra few billion, whatever as rumors have been said, Yang Berhormat Petaling Jaya Utara knows more.*

These will actually impact back into the pressure performance of the MAHB and therefore will impact back on the government when they said- the government also needs to look into MAHB interest, in that sense.

Datuk Seri Long See Wool: *If I may, allow me to explain it this way. It all depends on how we explain this to the public. Admittedly today, under the operating agreement, with or without KLIA2, in fact this year we are suppose to, under the operating agreement, look at adjustment of passenger service charge. Now, if you come together with KLIA2, people will say "Oh! Because of KLIA2 your cost has gone up, that is why you adjusting". This is not true. Based on the operating agreement, this year we are supposed to adjust. I am just giving an example but whether at the end of the day the government looks at the KPI, look at the regional airport. Is it timely for us to allow an adjustment in rates?*

Now, we do not allow adjustment in rates because there is formula available, than the government- because if it is justified under the formula, if the government does not want to allow it, government can also say no but then government will have to come what we call marks. Meaning, government will have to pay a certain amount. Which again, I must tell you if we do that, air transport. We are using public money to do it... It because at the end of the day they will say that it is a travel for affordable, for the government servant, for the businessman and people who can travel as tourist.

So, why do you want the government or even the operator, the shareholder is saying why should we subsidize travel? Out of all these passenger as you can see, substantially international for which half are actually foreigners. So, why should we subsidize? That is the question I think and I hope all Members of the PAC aware of the challenges we face. If I can go back to the slide, Tuan Pengerusi?

Tuan Pengerusi: *Ya. Every other country, we have got to pay a levy to...*

Datuk Seri Long See Wool: *Sorry?*

Tuan Pengerusi: *...In every other airport in this region, we have to pay a levy to the country...*

Datuk Seri Long See Wool: *That is why, I – if you buy a ticket to London today, you check the passenger service charge and the airport charge that you pay to Heathrow is a huge amount. I am talking if I am not mistaken is about RM800, Heathrow. They become a huge component of a ticket price. Whereas, if we look at Malaysia side, you will see that the passenger service charge, that is the only component. In New Delhi and Singapore today, there is another charge we called it – I can not remember but it is used, that one is allowed but... as matter practice. It is to collect money for development of the airport, which we do not do.*

Tuan Pengerusi: *But we may do it in the future because of increase in cost.*

Datuk Seri Long See Wool: *Yes, I think...*

Tuan Pengerusi: *...In UK the airport authority, the VA is totally privatized. Government does not own share in it anymore. So, that is why the price is going up but in Malaysia...*

Tuan Tony Pua Kiam Wee: ...Go to London.

Tuan Pengerusi: Ya lah but look...

Tuan Tony Pua Kiam Wee: Their demand is elastic...

Dato' Abd. Aziz Sheikh Fadzir: I was about to says the same thing.

■ 1250

If you start looking into that, people go to London, what would the reason people come to Malaysia? If every centre we want to make money or because we need to run the airport profitably. We build a Rolls Royce and then we can't charge people Rolls Royce. So, what I'm saying is Datuk, if we don't charge passengers, we should look at other operating revenue. You say you paid 20% for commercial, maybe you should paid 40%. You get more passengers, you make money on other commercial. Why look at passengers? Because airports are not supposed to make money from passengers.

To bring passengers in, other operating revenue should be there. Don't charge people. Otherwise no Malaysia- you will not get tourists to come. Okay, you would say that, "Sure, people would come", but they only come once. They will never come back. We want to make Malaysia to be attractive, so the entry must be good. You want to charge airlines for landing rights. You want to charge passengers to pay the revenue. If we continue looking at that model, I'm worried all the tourism dollar that we spend, we spend billion of dollars for promotion. So, why not we subsidize people to come directly here rather than just trying to market it. At the end of the day, you don't bring people in because you are expensive. So, I don't know whether the operating revenue model is right or not.

Datuk Seri Long See Wool: *We have a very detail analysis of this. I think the first principle is, is the level of charges at the airport prohibitive? Which we believe today it is a very, very small component of overall travel. Passengers doest not even realize that. When you buy a ticket, it is included in the ticket. That amount if we compare to the fare, it is very small. I'm talking about average which is the practice internationally. We are mindful of the fact that it might affect, but our analysis have shown historically, not only us. A lot of airports in the region in the world that charge has minimal effect on the passengers choice of travel. That is the findings that we have.*

Dato' Abd. Aziz Sheikh Fadzir: *I completely disagree with you. Completely disagree. If we talk to the travel agents, they are in a very difficulty to promote Langkawi against Phuket, against Bali. For RM10 will influence people instead of going to Bali, come to Malaysia. Instead of going to Phuket, come to Thailand. Instead of going to Bangkok, come to Kuala Lumpur. I mean, unless we want to justify our decision, I don't know, but...*

Datuk Seri Long See Wool: No Yang Berhormat.

Dato' Abd. Aziz Sheikh Fadzir: ...It is very sensitive to get.

Datuk Seri Long See Wool: *I understand. I see your point of view, but our argument with tourism has always been on the same issue. If the tourist product, people don't come to Kuala Lumpur, come to Malaysia because of KLIA. They come to Malaysia because of the attraction of Kuala Lumpur and other tourist destination. Because of RM25 for instance, they don't- that does not affect their choice. The choice is how attractive is Kuala Lumpur or Malaysia as a tourist destination. There has always been this argument. I accept your view to a large extent, but there are other views that we take into account.*

Dato' Abd. Aziz Sheikh Fadzir: *My only appeal to you Sir is, take passengers as the last person we want to charge. Find a revenue model for the airport. I'm talking about direct charge like this tax. Find other revenue that we can lure people to spend. Let's out of box rather than saying we must charge this and that. If you can find that model.*

Datuk Seri Long See Wool: *Ya Yang Berhormat. I understand Yang Berhormat. That is why we want more commercial space. That is why we- if you bother to take a comparison of letting and parking charges, ours is the lowest in the region. Lowest. If you look at the aerobridge charges, nobody charge RM80 per aerobridge in this part of the world. Now, if you look at the other component, the air navigation facility charge which is a charge imposed on airlines flying into our airspace, we are the lowest and nobody in this part of the world is lower than us. But, it raises another issue. Should we subsidize air travel which the government also has to consider. I think we are striking a balance between all these conflicting requirements and considerations.*

Tuan Pengerusi: *Because, it goes back to the price of the concession that you award to MAHB. If government can get more for that concession, it's more money for the government. This is a zero sum game. If you subsidize here, somebody has to pay for it. As what Kulim was saying, revenue model that maximizes income for the government. So, I can see that it is good to explain it that way, but somebody picking up the bill and the tax payers doesn't realize eventually they pick up the bill, because the concession that we give to MAHB might not be maximizing the government potential revenue.*

Datuk Seri Long See Wool: *So Yang Berhormat, if I may just lead you to the other question which have raised earlier. So far as KLIA2 is concern. Although under the operating agreement, all development expenditures, the government should assist or come in. But, KLIA2 is fully funded by MAHB. Not only they funded their component, they also funded the government component which is the access road and the air traffic control system. There is no government guarantee on the sukuk that they obtained it from the financial institution.*

Tuan Pengerusi: *This is for building of KLIA2?*

Datuk Seri Long See Wool: *Ya. The government component is about 632 million retail also funded.*

Tuan Pengerusi: *MAHB funding fully government punya...*

Datuk Seri Long See Wool: *Government punya facilities pun.*

Tuan Pengerusi: *Government punya facilities pun? They are funding fully, they are raising sukuk which is securitize against their assets?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *Securitize against the company?*

Datuk Seri Long See Wool: *No government guarantee.*

Tuan Pengerusi: *No government guarantee at all?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *So, that's also another point that we have to make– if there is no government...*

Tuan Tony Pua Kiam Wee: *Government guarantee, not original KLIA.*

Tuan Pengerusi: *Ya, but we are talking about KLIA2. No, no KLIA2. KLIA2 is fully funded by MAHB ya?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *Just want to make it clear. Okay, never mind.*

Datuk Seri Long See Wool: *Okay Yang Berhormat, can I?*

Datuk Chua Tee Yong: *Datuk...*

Datuk Seri Long See Wool: *It's taking me a long time to move from this slide.*

Datuk Chua Tee Yong: *Just one more on this slide. Just a quick one. I notice it's written here. I'm not against AirAsia. Just want to ask a question. It's written here, AirAsia head office and AirAsia staff multilevel parking. So, if there is any other airlines coming in, so do you have to build a new head office for them or there is already access?*

Datuk Seri Long See Wool: *No, no.*

Datuk Chua Tee Yong: *There is space there lah?*

Datuk Seri Long See Wool: *There is.*

Datuk Chua Tee Yong: *There is ya? Okay.*

Datuk Seri Long See Wool: *There is. So, this actually built by them. Their money, but of course in terms of the infra, the roads and all that, indirectly we will have to provide. So, there will be more facilities, there'll be more infra involved. Okay, if I may move to the next slide Sir.*

Now, I'm going back to the cost again which is the question you ask, how the price has moved from a certain level to today of 4 billion. Now, this is just to show you the footprint of the original concept, than to what we're implementing today. You can see the brown one... [Merujuk kepada paparan slaid] In terms of footprint, it is much, much bigger. That in a way explains the cost of the project. Next please.

Now, we also have- because of the separation requirement and because of package handling system and because it is 45 million passengers terminal. We could not retain the two levels that we originally wanted to build. So, it is a much bigger and much taller building than the original was. We will need to have the GSE area because these are ground handling equipments, service equipments. So, you have to move into that. Next.

Now, the question of delays. Which is very much discussed and very much in the media. The time frame, I use the word 'time frame' has moved from the original date followed by certain announcement of the date to the final date of 30th April 2014. Which is actually 2nd May 2014 is supposed to be operational.

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Now you look at the grey column... [Merujuk kepada paparan slaid] There was a shift in date, from April 2012, October 2012 and April 2013. But there are reasons for it.

Reason number one is although MAHB is a company listed under Kuala Lumpur Stock Exchange, they have to follow government requirements in terms of tender. So, it was an open tender that was decided. Open tender, there are certain requirements you have to follow and because of the number of participation to the tender, the evaluation takes a slightly longer time. So, that is one reason for there was a shift in date.

Secondly, there was also a design enhancement, in terms of the runway longer, in terms of the size of the building, the number of gates that we need to do to cater for 45 million. Because of that, as Yang Berhormat pointing earlier, we have to find other sources of revenue. There were an increase of the commercial space and all these translated to the time that are required for the contractors to adjust the scope and adjust the timeline.

Dato' Abd. Aziz Sheikh Fadzir: Can I ask you Datuk? First, we have 2009 model design and then after that, we have another design. So, before we tender, that design is not also finalized is it? There is another design on top of that...

Tuan Tony Pua Kiam Wee: Actually, there is pre 2009 design.

Dato' Abd. Aziz Sheikh Fadzir: Okay, that is one. Settle.

Tuan Tony Pua Kiam Wee: Then, there was a new 2009 design.

Dato' Abd. Aziz Sheikh Fadzir: Ya.

Tuan Tony Pua Kiam Wee: For 15 million... [Disampuk] Oh, no, 25 million. And then there is current design.

Dato' Abd. Aziz Sheikh Fadzir: So what was saying is that when we do the final design for 45 million, so all the extensions, all that, Datuk said also not incorporated again during the tender, during the constructions? We adjust again, is it?

Datuk Seri Long See Wool: *There is a mixture. There is a mixture, not entirely. There are some contractual orders still stay. What we need to do is to adjust our scope. But there are some tenders which we realize the scope, we immediately- MAHB. I always use the word 'we', salah. MAHB adjusted the tender to accommodate for the latest. But giving an example, at the baggage handling system which was tendered, was supposed to be not fully automatic. So it's a midway adjustment. When you adjust midway, there are a lot of implications not only in contract but actually part of the building need to be hacked.*

So those were to accommodate changes. So when you accommodate changes, you have to give what we call, if the contract has been awarded, is the extension of time. So once extension of time is given, we cannot tell or say the contractor has delayed, because the time frame of the project will have to be adjusted.

Tuan Pengerusi: *Datuk, who...*

Datuk Seri Long See Wool: *The orange box is...*

Tuan Pengerusi: *Who requested that change?*

Datuk Seri Long See Wool: *Sorry?*

Tuan Pengerusi: *Who requested the change from manual to automated baggage handling?*

Datuk Seri Long See Wool: *It was the airline request. It was also the needs that the operator sees, MAHB. So they will have to adjust. Number one is because of the size of the terminal and the volume of passengers.*

Tuan Tony Pua Kiam Wee: *I read...*

Datuk Seri Long See Wool: *So that is a conscious decision, a decision by the MAHB. So, that one will have to be taken into account to adjust the time frame of the project.*

Tuan Tony Pua Kiam Wee: *I read from the media when this issue was first raised, this baggage thing, AirAsia denied that they actually insisted on the automatic baggage handling. After meeting with MAHB and the MOT, they considered to MAHB insisting on doing the automated. So it wasn't the specific request by AirAsia. That was what the media response to us.*

Datuk Seri Long See Wool: *You mean to say they still want a semi automated or a...*

Tuan Tony Pua Kiam Wee: *They, they... I am trying to recall the actual response by AirAsia. They basically denied that they were the party insisting on the automated, but after meeting with the MOT and the MAHB, they considered to the request by MAHB to have the automated.*

Datuk Seri Long See Wool: *They are Yang Berhormat. There are records to very clearly show...*

Tuan Tony Pua Kiam Wee: *I don't know who is right or who is wrong.*

Datuk Seri Long See Wool: *They are...*

Tuan Pengerusi: *The secretary...*

Datuk Seri Long See Wool: *The question is...*

Tuan Pengerusi: *The KSU in the ministry is the official report lah.*

Tuan Tony Pua Kiam Wee: *But they are party for it. So...*

Datuk Seri Long See Wool: *I am speaking as the KSU, not the- there is a conflict.. [Ketawa] There are records, and this one have a very-very clear that we even have to knock buildings.*

Tuan Pengerusi: *So that's why there are request from the airlines and then also from your side, you realize that they are request first.*

Datuk Seri Long See Wool: *You see, when... I use the terms airline. What the airline was thinking that, the baggage handling system is fully automatic is very expensive. If we install automatic system, there are going to be charges for it. So they resisted. They said, "Why can't you do it right now?" But there is no way we can do it right now. So what we did was, we try to do a semi automated system. But eventually both sides realize it doesn't work because what is a point of doing designing and implementing the system eventually it doesn't work. It will be bad for the operator and bad for the airlines, because there will be delays. Eventually, siapa yang kena? Semua-semua kena.*

Tuan Pengerusi: *Akan tetapi dia juga minta, dia kata dia boleh dapat 45 million passengers. [Ketawa]*

Datuk Seri Long See Wool: *Itu susah saya mahu... [Ketawa]*

Tuan Tony Pua Kiam Wee: *Given on 45 million passengers...*

Tuan Pengerusi: *Are you talking about 45...*

Datuk Seri Long See Wool: *If someone can tell us, a building size handles 45 million passengers can go on manual, we will go on a manual.*

Tuan Tony Pua Kiam Wee: *I think its not about manual lah, I think they were – its between the semi automatic and automatic. I am also not... I have no clue which one is better. I am just pointing out the fact that AirAsia in the media have denied that they were the one insisting for it to be fully automatic. I think they were happy to live with the semi automatic but they were persuaded by MAHB to accept the automatic. That's one.*

Number two, on the 45 million passengers. According to their statement, which I follow closely, I'm sure Datuk as well, they are never asked for less than 45, it was always 45. So the first design that came out with the, I think 25 million, was never what they wanted in the first place. So the blueprint that came out, the first blueprint in 2009 design that came out didn't meet their original requirement. So they always ask for modify.

What I understood was, the first one, the based plan was actually presented to the Cabinet in 2007, and that was supposed to cater 45 million. So your 45 million shrink down to 25 then expended back up to 45. I could be wrong, please correct me if I'm wrong because this is what I read from statements.

Datuk Seri Long See Wool: *We don't- you see, when the airport operator plan for it, they don't plug figures out of the sky. They rely, number one, on the original forecast which IATA do it or even IQ do it. They also relied on airlines actually giving feedback especially those airlines that operate into your airport. Then, they do their own analysis and came out with the size. It is...*

Dato' Abd. Aziz Sheikh Fadzir: *You are saying Datuk, you don't believe in 2009 despite 2007, AirAsia thought it can reach 45 million? You never believe that in 2009 that they would reach 45 million? You still believe that only 25 million. It's that just the thinking by MAB?*

Datuk Seri Long See Wool: *No. If you have been airport reporter, if you- the problem if you oversized, you pay a penalty. If you undersized, you also pay a penalty. So, it's a balance. I would not say that MAB fully subscribe to the airlines requirement, airlines forecast. Or they went very conservative. So it is something that they actually again and again analyze. So if you built 45...*

Dato' Abd. Aziz Sheikh Fadzir: *So you were very conservative.*

Datuk Seri Long See Wool: *If we built 45 today, so what happen is that if you were conservative like MAB said, we were only reach the maximum volume of the terminal building in 2025 for instance, I'm giving, I'm just quoting a figure. But if the figure is actual performance like AirAsia said 2020 they reach it, so what you have to do is, before 2020 where the passenger volume for the first two, three or four years were to moving so high, so maybe before 2020 they would have to look at the expansion.*

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So what you have to do is before 2020, passenger volume for the first, two, three, four years are moving so high. So maybe before 2020, they will have to look at the expansion but what I trying to avoid is to build so big that is will be empty for a long time. I think that is the challenge they have to face. So they have decided earlier they were conservative, the figures were good. So they talk again, they adjusted the figure. So when you adjusted the figure, imagine you move from 25 million to 45 million, the entire size of terminal change...

Tuan Pengerusi: *My question is about in design the airport, whether you design one short big or you modular air. That was why I said, if we don't need to build it now, and then you can modularize it. Then therefore, the cost of building the expansion can be postponed later and you only have to deal with the cost of first module but now, you build the entire airport one-short which is actually the size of two satellite terminal.*

Datuk Seri Long See Wool: Yang Berhormat, I also want to share with you because you find that all the airport today, their built capacity well ahead of demand. I just give an example like Singapore today, I think their handling about 50 over million. What they are doing now on the terminal four, push them up to 75 million or 80 million between the next two years. Dubai. Now Beijing, today their traffic volume is 75 million. They are building an entirely new airport already. They selected the site and done the master plan. In that case, as Hong Kong as well. Even the one a bit slow would be actually Bangkok, even Jakarta...

Tuan Pengerusi: Now they have hinterland, big hinterland. Beijing atau Hong Kong. Hong Kong hinterland is Guangdong but we do not have that kind of hinterland that all these other countries had. Bangkok has a big hinterland- Indo China...

Tuan Tony Pua Kiam Wee: I have slightly different...

Datuk Seri Long See Wool: Yang Berhormat, if I may- in fact I would say that although you look at Bangkok and even Jakarta, talking about the population sizes and hinterland- but we are not very far from them.

Tuan Tony Pua Kiam Wee: I would like...

Datuk Seri Long See Wool: In terms the value of growth, we are actually higher than them.

Tuan Pengerusi: Population wise...

Tuan Tony Pua Kiam Wee: I have slightly different opinion with Tuan Pengerusi, I think actually 45 million is fine- overall looking at the number. I don't see a problem. My problem is, why was it shrunk down, cap to the same price and then, enlarge backup then the price blown up? Because when it was first announced in 2007, it was up to 45, and it was RM1.7 billion. Then it stayed at about RM2 billion, but the trial shrunk down to 25 and then when it raise up again to 45 million then the price went up to RM3.6 to RM4 billion. That is my problem, not the size of 45 million...

Tuan Pengerusi: Good question.

Tuan Tony Pua Kiam Wee: The original site, the one presented to Kabinet I believe in 2007- July or December.

Tuan Pengerusi: It was MAHB.

Datuk Seri Long See Wool: If I may...

Tuan Pengerusi: Is the question now...

Datuk Seri Long See Wool: At the end of the day, we over size or we undersize. Based on the question, did we build the airport on per meter basis more expensive than the market price, or in term per passenger punya cost, are we over price? We have figures to the effect to show that, per meter square construction cost is cheap...

Tuan Pengerusi: Compare to?

Datuk Seri Long See Wool: *If you compare to some of the airport. But this comparison you have to be careful- when it is built; what kind of soil condition; what level of finishes; and all those factors come in, in fact that's why I really reluctant to give the figure. If you take the figure, you go outside and find some information- I, habislah I kena... [Ketawa]*

So I have to qualify that but what we are saying is, the per meter punya construction cost is very competitive. In fact, we have done airport comparison but today I reluctant to show the slide because the slide can be used against me at the later date because there are many qualifications to it, but what we are saying is that, today cost, if we look at this cost here, it is much more lower than a lot of other airport, even lower than KLIA 1...

Dato' Abd. Aziz Sheikh Fadzir: *How did MAHB or Minister presented to the Kabinet? Presented to Kabinet, luar Kabinet to believe ikut contract in 2007- 45 million airport for RM1.7 billion. Are you saying that the QS did a wrong calculation again? Because it was presented to Kabinet ...*

Datuk Seri Long See Wool: *No, it was a question on sizing...*

Dato' Abd. Aziz Sheikh Fadzir: *No. No.*

Datuk Seri Long See Wool: *You say at the time. Okay, anybody can say that- today I can build an airport in Ipoh for 350 million, but when you actually go to the ground, there is lot of differences. What AirAsia was saying that they could do the airport?... I think they counted the figure of- I cannot remember... [Disampuk] About 1.3, but they did not actually going to build it. If they going to build it, the infrastructure cost itself- the road links itself, all have been taking into account. Did they take into account they control the tower...*

Dato' Abd. Aziz Sheikh Fadzir: *Forget about them itu. This is the Ministry of Transport, presented to Kabinet in 2007, asking for RM1.7 billion to do it for 45 million passengers. Forget about others. We are not responsible. So who does Kabinet listen to? Are you saying that Kabinet also- when Ministry of Transport presented RM1.7 billion, "Oh! May not be true because they have not going down to check the cost?"*

Datuk Seri Long See Wool: *Yang Berhormat, we did tell the government, if we were to build this, that time we were based on LCCT remember, slightly improvement our LCCT, this is the price. But as we hit the ground as you see, we have to take so may other factors into consideration...*

Dato' Abd. Aziz Sheikh Fadzir: *You go back...*

Datuk Seri Long See Wool: *We have not really done the soil analysis...*

Dato' Abd. Aziz Sheikh Fadzir: *...Go back to Kabinet and get the approval?*

Datuk Seri Long See Wool: *Kabinet was informed from time-to-time about the cost.*

Dato' Abd. Aziz Sheikh Fadzir: *Even the different between RM1.7 billion to the new figure?*

Datuk Seri Long See Wool: *Ya. Until today, they know about that 4 billion dollar that...*

Tuan Tony Pua Kiam Wee: *I think that 4 billion dollar was informed later after the...*

Tuan Pengerusi: *Nanti ada Minister pula kena accuse of cheating the Kabinet...[Ketawa]*

Tuan Tony Pua Kiam Wee: *Let me just give a bit of the details- MAHB presentation to Finance Ministry on the 6 of July 2007. In the presentation, they said that this is the original Blueprint KLIA-north side. That's the good side because efficient operations since apron were well connected to either- Runway 1, or Runway 2, okay. Ample land available for future expansion, good access by a parameter highway and propose site compliment KLIA as an integrated hub for low cost carrier and legacy airlines and it complies with KLIA Master Plan, the original 1992. So this was the factors for that site then, and a year later they flip...*

Datuk Seri Long See Wool: *We are going back to site issue but I thought I have already explain to you why there was a site.*

Tuan Tony Pua Kiam Wee: *No.*

Datuk Seri Long See Wool: *We can build at the site, the original site but at the end of the day doesn't know- who pay the penalty? The airline...*

Tuan Tony Pua Kiam Wee: *I am not- my question, I want you to finish the presentation first before I ask the question. We talk about the runway.*

Datuk Seri Long See Wool: *Because you see, this is not a project, it is a multi billion dollar project. It is huge. We want to be as correct as possible. The site thing itself is very important...*

Tuan Tony Pua Kiam Wee: *You spoke about runway...*

Datuk Seri Long See Wool: *You are asking me to say, the master plan was wrong, the people must..., actually I cannot say that because at that point in time...*

Tuan Tony Pua Kiam Wee: *If you cannot say that, then why we agree to move?*

Datuk Seri Long See Wool: *Move what?*

Tuan Tony Pua Kiam Wee: *I am reading from the original master plan, runway spacing- it fully took into account those factor that you mentioned just now. The distance that need to kept apart, the runway capacity, matter operation, runway occupancy time...*

Datuk Seri Long See Wool: *Okay Yang Berhormat. If I just ask you a question, the original separation between those runways, the space between runways was much, much smaller. But with the smaller, you cannot size the terminal building to 45 millions.*

The moment you sized 45 millions, you move your runway further. Are you saying that we were wrong in deciding that after taking into account? I can stick to the original, built the two fingers but you cannot get your ...

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Tuan Tony Pua Kiam Wee: *If you go back to the two images that you had, you yourself mentioned that you have changes surround that.*

Datuk Seri Long See Wool: *That is what I am saying that, please understand that we do not change for the sake of changing. Why we do that for? Is it because we want to increase the price of the contract? We want to borrow more money from the bank?*

Dato' Abd. Aziz Sheikh Fadzir: *I have to leave early but the whole thing from this airport ini, my biggest doubt is you are listening to a wrong people. You are presenting to Cabinet based on a wrong premise. Somehow from KK, here and I was in Penang yesterday, flying from Penang to JB, the airport people was telling me, we have got a new tourism product at the airport, during raining we put baldi there. So, this is a newly completed airport. Leakage everywhere, during the raining it was flooded bawah there. So what I am saying Datuk, my gut feeling is or my doubt is, I think we got a scrap consultant to advise the government. So, unless for future, I think we have to be open. We cannot rely on this KLIA consultant directly because you and I maybe we share the same. We do not know the details. We have to depend on this consultant.*

For the first presentation of the master plan, it is only 1992 completely change the runway do not work anymore, go to a presentation into 2007 to a Cabinet, figure was completely wrong. Start the construction in 2012, another design during the construction, amend again within one year. Within one year, amend again. At the end of the day, today, we have got a very expensive airport and you are just saying the future revenue, we have got to treat the first airport like the first wife, second airport cannot be treated very well, passengers is going to pay for the airport tax. So, we are not helping the travelers at the end of the day. We are not reaching our benefits. That is my feeling, Datuk, my opinion of all what happened. Unfortunately, I have to leave early. Thank you.

Tuan Pengerusi: *Back to the point I make dalam KK International Airport, I said, "Did you take the consultant because of the brand name or because of the actual capability of people there?". Because KLIACS was good 20 years with Jamlus. Now, the staff might not be so good but their mistake can cause this sort of confusion and then when it is publicize in the media, people immediately think, "Hah! See. The cause of blown up because of kickback or something". Actually, it is more towards what you are explain: changes of design, unexpected causes and everything. So that is a lot of consensus today.*

Tuan Tony Pua Kiam Wee: *I mean, if you look at the original plan, the first two maps that you have, is actually quite from a layman point of view.*

We will need advice from consultant perhaps. From layman points of view, the separation was suspicious as mentioned in this report to coop with traveling up and down, the segregation is there. Number two is the other aspect from the runway is that, why are we in the rush to build Runway 3? If we have build the terminal at the original master plan side, they could share runway 1 and runway 2. Whereas if you build it south than we are forced to build a third runway because otherwise this south terminal would be too far from the runway 1. And we looked at the volume of passengers, Singapore today has 66 millions passengers as suppose to us running, they are using two runways. Heathrow bad example but is a gauge, they have 70 million passengers, they have two runways.

Why are we in such a hurry when today our traffic is left about 40 million to build the third runway? And we are building it in an area specified plenty of problems, soil problem. They are actually specified in the master plan how possibility anything between 7 metres, 12 metres of soft soil that you need to put together and the time takes to compress to become firm before it can be operating. They are very specific in this study whereas the side of KLIA-North was said to be suitable because there is very little of such problem and hence there is much lesser needs for soil topping up. That is where about of the cost of the construction came about.

I got an official answer at the earlier date. I don't know what the latest sum now where it is nearly 800 million spent just on- the soil are to tambak tanah. Nearly 800 million just to put soil on the airport. Surely cost is the factor to where you build the airport. It is not just about airport operating, the aeronautics of it. I am sure there are plenty locations we can adjust the aeronautics but cost surely must be a factor in where you placed an airport.

Datuk Seri Long See Wool: *Yang Berhormat, I try to explain but if you still think that the earlier information that you received is the truth nothing but the truth, there is nothing I can do to change the opinion.*

Tuan Tony Pua Kiam Wee: *I heard your answers...*

Datuk Seri Long See Wool: *But all I am saying is that, there are many aeronautical reasons for us to do that and which if we are building a house, I do not see why we want to build a house at the location which is much more difficult to build but there are reason to it. I have attempted my best to give the explanation to you but Yang Berhormat, if you- I can even put in writing if you want later on as why that site was selected which have briefly put in the report which I...*

Tuan Tony Pua Kiam Wee: *I thought you are...*

Datuk Seri Long See Wool: *Of course I cannot speak on behalf of the company. The companies are subject to be audited by the shareholders. If this thing has gone to public many*

times, I supposed the shareholders must have look at the reason and done their own study. If it cause so much money, I do not think the shareholders will just keep quiet.

Tuan Tony Pua Kiam Wee: Fine enough. I mean if Datuk does not have anything else to add, I just want to point out that the answer given just now, runway. Runs counter to what it is actually written in the blueprint. That is all I highlighting.

The blueprint is actually states they took in the consideration the distance between the runways, the number of flights up and down, the peak load that they can handle, the segregation of mix used of...

Datuk Seri Long See Wool: I will definitely carry this back because I just want to know what report that you are referring to.

Tuan Tony Pua Kiam Wee: This is 1992's blueprint- KL International Airport Master Plan.

Datuk Seri Long See Wool: Okay. I will question and asked them why it differ from that so much but they have given a lot of justifications. Because this was, you see once it was raised ...

Tuan Pengerusi: Kejap Datuk.

Datuk Seri Long See Wool: Sorry Yang Berhormat.

Tuan Pengerusi: Yang Berhormat Masjid Tanah, Yang Berhormat Kepong, you are staying ya? Not going?

Dr. Tan Seng Giaw: I am going to ask question.

Tuan Pengerusi: Okay, because our quorum now is at the barest minimum sudah ini... [Ketawa] So, I just want to ensure that the current members have time to stay. You have to go?... [Bertanya kepada seorang Ahli Jawatankuasa]

If... [Disampuk] I know our quorum is affected because it is three, Chairman plus three. Do you have anymore question or are taking a long time or... [Bertanya kepada Yang Berhormat Petaling Jaya Utara] [Ketawa] So, we are in pass here, Datuk.

Datuk Seri Long See Wool: No, it is your call, is your call.

Tuan Pengerusi: It is not my call, it is quorum call. [Ketawa] [Disampuk] It is suitable if we treat the numbers at the pendaftaran as a quorum? Okay.

Tuan Tony Pua Kiam Wee: Control tower. I understand that the control tower, the additional control tower was an oversight because when the original venue, the location was shifted to KLIA west. It wasn't thought that the current control tower, the existing control tower cannot see all the runways of the new side whereas if it have been in the original location, the same control tower can see both side... [Disampuk]

■ 1330

Seorang Ahli: [Bercakap tanpa menggunakan pembesar suara]

Tuan Tony Pua Kiam Wee: *Correct, 360. So, that was supposedly, that was made known to be an oversight, enhance we have to build a new control tower and even then, the side of the control tower have to be shifted once or twice before it was completed. It makes it a bit odd for our one airport to have two control tower and there is no any modern airports out there today that have two control towers.*

While the arguments presented by the MAHB against the Labu KLIA Airport then, was that Labu is too close to KLIA and having two control towers may cause mix-up. So, it is what I read, correct or wrong?

Datuk Seri Long See Wool: *Now...*

Tuan Pengerusi: *...With you... [Ketawa]*

Datuk Seri Long See Wool: *I give you an example. If it is within- what we called a terminal control area at airport? But even today, you look at the KLIA and Subang because of the same alignment, they are not far apart. Priority is given to KLIA. Therefore, Subang capacity is an away affected because macam in the sky, it is just like on the road. You have to junction and the aircraft that can hold before they turn and they descend. There is a pattern that is what we called the seat- and for take off and landing. Now, if you site an airport very near to existing airport, there will be penalty you need to pay. Control towers is different thing, it is just a tower that provide the air traffic services.*

So, what you have mention earlier, the information received may not be very correct. If you really sited Airport Labu, is actually simply too close to KLIA or you can still operate but you have to pay a lot of penalties. During peak hour you might not be able to allow certain aircraft to take off. You will realize that in recent years during a Merdeka celebration. There are not really many of this flying of aircraft because even you are flying in the Merdeka Square there, sometimes we will have to reschedule our flight for take off. Anything can happen, that is the safety requirement that we have to observe. So, it is true that if Labu is sited, it is very near. In term of control tower, you must realize that the moment the alignment move and change, is a line of side.

Now, there is an alternative for the air traffic controller. For example, to used CCTV system but that is never a preferred thing for them to do. That is a last alternative. So, for the air traffic controller, when they want to site the aircraft, it is a safety issue. It is not MAHB decision. MAHB has no authority. The authority for air traffic control is The Department of Civil Aviation. So, when they decided that the line of side, they cannot see the aircraft so we will have to build something for that purpose.

Tuan Tony Pua Kiam Wee: *I completely agree that if it is move to this new site you need a new control tower.*

I accept the reasons given by DCA and the fact that this is not MAHB decision. What I am asking is did MAHB know about it before they decide to move to the new site or was it an oversight by MAHB?

Datuk Seri Long See Wool: *I think those were the...*

Tuan Tony Pua Kiam Wee: *Because of the cost and...*

Datuk Seri Long See Wool: *Those were some areas for which were taken into account subject to verification because you will actually have to do study and go up to a certain level to simulate the line of site issue because it was not even built yet. So, based on the simulation that was conducted that the line of site was an issue. I have to be representative unless I am wrong. Have anything to...*

Tuan Tony Pua Kiam Wee: *When did DCA say or tell MAHB that they must build a new tower?*

Datuk Seri Long See Wool: *I do not think he knows exactly the date. We will give you the date.*

Encik Ahmad Nizar bin Zolfakar [Pengarah Sektor Trafik Udara, Jabatan Penerbangan Awam]: *Minta maaf Yang Berhormat. We do not exactly know the date. I do not know exactly the date when it was...*

Tuan Tony Pua Kiam Wee: *Our concern is because of this poor planning that this extra cost. I understand it cost about RM270 million. It is right? For the second control tower, or is it - no, the runway of RM270 million, the third runway. The control tower, I can not remember the cost but basically there is additional cost involved in building the control tower.*

Datuk Seri Long See Wool: *I do not want to give you the wrong figure. We do not have the figure here. We will give you the figure but Yang Berhormat...*

Tuan Pengerusi: *Whatever it is, make sure you give us the information.*

Datuk Seri Long See Wool: *Just for your information the old tower also, it was time for us to upgrade some equipment. So, the costs of it include upgrading of certain equipment which... do it here together. It is not a pure 100% new control tower cost because it was due for renewal. In the process Yang Berhormat, you see, we want certain level of efficiency. That is why we upgrading the air traffic control system. So that we can get per hour optimal movement of aircraft compare to what we have today.*

Tuan Tony Pua Kiam Wee: *Just a quick question on the aerobridges.*

Datuk Seri Long See Wool: *Yes.*

Tuan Tony Pua Kiam Wee: *How much is the cost and what was the basis for the decision to have aerobridges even though most of the airlines did not require it or rather the biggest customer did not require it? ...On this, I just wanted to get the official reason...*

Datuk Seri Long See Wool: *This is again the call of the operator. They believe that the service level that to be provided to the passengers and we also received a lot of request from the NGO that wanted the aerobridges that include the warga emas, OKU and so on. It is a challenge, the operator. If you do not provide that- when there is a complaint, it is the operator. They will have to answer because the airlines – benda itu pun tidak ada, bagaimana kita mahu pakai?*

So, we will provide it but we did not enforce. There are many airport in the world, you have no choice but to use it. It is up to you to use it. Today there are a lot of issues involving- loader aerobridges not being used during bad weather, passengers complaints, timbul pula soal tidak ada ambulift dan macam-macam masalah.

So, we thought, the airport operator thought it is an investment for which partly because not so much because of commercial reason because charges is actually very minimum. It is because of just service level and service to the passengers that in store. Sama ada anda pakai, tidak pakai, tidak apa. By the same token, we would like also to inform that the same airlines in all other airport, mereka pakai aerobridges although they have a choice. A clear example was in Singapore, pakai. Kenapa di Kuala Lumpur tidak mahu pakai? Akan tetapi itu keputusan mereka. So, we will have to wait and see whether they will use or never use it because it was a question of cost.

Now, if you talking about RM80, if you divide to 200 passengers. Even if you charge a passengers. Ask the passengers, "You want to use the aerobridges or not? You let them decide. I think a lot of passengers will just pay the 15%.

Tuan Pengerusi: *Anyway, you can advertise it into a longer period. So...*

Datuk Seri Long See Wool: *Now, we will have mutual respect for each others position and decision and commercial consideration. We would not want to force anybody to use it. If you do no want to use it, by all mean, you do not have to.*

Tuan Tony Pua Kiam Wee: *How much did the...*

Tuan Pengerusi: *At the end of day we are actually helping out a private company. Most other countries do not help, they do not extend this kind of help to private company like this. Sorry, it is a public company but it is a commercial... like this.*

■ 1340

Datuk Seri Long See Wool: *I think, at the end of the day, it is the passengers that reign supreme.*

Tuan Pengerusi: *No, I am for it because of the competitive advantages from freeing up air travel. I agree with that. It is just that in this case, we are actually very kind to them.*

Tuan Tony Pua Kiam Wee: *Just a quick confirmation, if you don't have it, we can have it...*

Datuk Seri Long See Wool: *I can give it to you, per aerobridge and how many. Because some- because there are 68 gates, but actually there are actually 80 aerobridges.*

Tuan Tony Pua Kiam Wee: *Different types of.*

Datuk Seri Long See Wool: *Because, some has got- because, a big aircraft, there is double head. So, it cost more.*

Tuan Tony Pua Kiam Wee: *I understand. Okay, just to confirm on funds. You announced in 2012 that MAHB have done a private placement of approximately RM598 million. They have also announced that they are undertaking a new sukuk this year or was it end of last year of approximately RM1 billion, I'm not sure whether it is completed. Do you know the purpose of the fund utilization for both the placement as well as the sukuk.*

Datuk Seri Long See Wool: *Yang Berhormat, I must apologize. I have some knowledge, but I am not so sure if I give it to you it will be as accurate as possible. I think sukuk was raised for quite a number of reason. I think they have spend money in Penang, they spend money in KLIA. They have also spend, they are going to spend or they have already spend some money in the main terminal building. But. at the same time they have investment overseas. One is in India, the other one is in Turkey.*

I think recently they have decided to buy a larger shares in the company because one of the company decided to sell and they thought it was strategic for them to buy. I think because of that also they raised money through sukuk. Whatever that was done it was subject to a very clear governance by the Board of Directors and the shareholders. In terms of kalau you pinjam, you punya rating will be affected. I think all those were taken into account. YB, if I may get your question specifically, then we will provide the answer.

Tuan Tony Pua Kiam Wee: *Perhaps the simplest is usually when you raised sukuk, there will be an info memo. If we can have a look at the info memo, that wil be great. Then don't have to worry about wrong information...*

Datuk Seri Long See Wool: *Okay.*

Tuan Tony Pua Kiam Wee: *That is a standard info memo for investors from MAHB.*

Datuk Seri Long See Wool: *From the financial institutions.*

Tuan Tony Pua Kiam Wee: *Public info to investors. Okay, moving on to the next part. What we have asked about previously, what is the status of the construction sekarang?*

Datuk Seri Long See Wool: *As of the latest YB, my minister visited the place on the 7th January. I wouldn't want to go beyond the statement that he has issued, he was cautiously optimistic. So, I would like to repeat the statement. Because by the end of this month we are suppose to get the CCC which wil provide, enable all the necessary people to move into the building, for the concessionaire to go in to build their shops, to commission the shops.*

For MAB, Malaysia Airports to test and commission all the systems that they have including those that belong to the government. The Customs, Immigration, health, so on so forth. So, if CCC is receive by January, February immediately all the teams under what we called operational readiness will move into the building, to do all the testing and commissioning.

Although, I must admit there are certain systems have are already been tested. When we were there, 7th January, the baggage handling system already started their testing. They have already putting bags on the baggage handling system. Again we are quite confident that it can be done although more resources are actually required. Our main concern is during testing and commissioning of the systems. As you know, systems can go wrong. Many airports are opened with a lot of operational problems. The systems are the baggage handling system, the passengers and baggage reconciliation system and of course Immigration and Customs.

Tuan Pengerusi: *I hope you are not rushing for the sake of rushing.*

Datuk Seri Long See Wool: *No, no because I think...*

Tuan Pengerusi: *I need to ask you this question because there was some rumors that the operation readiness acceptance testings (ORAT), which requires actually simulations of passengers in and out of the terminal building, has some issues about building safety. Part of the ceiling fell down, is it true?*

Datuk Seri Long See Wool: *Jatuh itu tidak dengar, leaking itu adalah Yang Berhormat.*

Tuan Pengerusi: *Sebab itu Datuk kata tadi kita buat airport ini per meter paling murah compared to other people but, other part is quality pembinaan dengan barangan pun tidak memberikan satu keyakinan kepada pengunjung ke negara ini, sebab apa? When they look at the airport, they said, "The airport is nothing special, it is leaking, the design is off, as compared to Changi and other airports." Therefore I wouldn't use the cheapest cost as a measure of performance or measure of saving. Because, at the end of the day, if price comes at the compromise of lower quality, that is not a good comparison anyway. But, public safety I think is very important. So, you confirm that are no public safety issues from building defects and any accidents?*

Datuk Seri Long See Wool: *Yang Berhormat, it would be foolish for me to promise.*

Tuan Pengerusi: *No Sir, you are opening a facility for millions of people to go through, you cannot say that... [Ketawa]*

Datuk Seri Long See Wool: *CCC is important because it is a question of compliance and completion. That requires bomba and all authorities to sign. I believe that the authorities would not sign if they have doubt. They would not compromise on that.*

Also MAB katakan dia hendak juga, mati-mati hendak, kontraktor hendak, but I think our bomba and our safety punya authorities, they would not sign. So, end of the month, if they sign, this is where the safety is assured. Then only we allow people to move into the building.

Tuan Pengerusi: *There is a difference Sir. Temporary CFO and a full CFO are two different things. Because of the loophole...*

Seorang Ahli: *[Menyampuk]*

Tuan Pengerusi: *Ya, I know. That is why am asking here. The full CCC meaning that there is no temporary CCC ya? It is full CCC that means the airport is fully certified as being safe and fully complying to the international standards?*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *That is a statement ya.*

Datuk Seri Long See Wool: *Because YB, we are very mindful of the fact that everybody is watching, not only the domestically, international have been watching. We have competitors who actually looking at us whether we make any mistakes. I think we are very mindfull of that. It would be an embarrassment.*

Tuan Tony Pua Kiam Wee: *My further question to that is, the CCC is for the terminal building. What is the status for the apron and the runway?*

Datuk Seri Long See Wool: *The rest are in fact much-much more in place compared to the terminal building.*

Tuan Tony Pua Kiam Wee: *The rumor...*

Datuk Seri Long See Wool: *So, we would not allow the usage of all this. Because we are talking about apron, is a safety issue. If there are cracks, they will have to do something to the cracks. If there are subsidence, they will have to do something. But remember, the apron is not is a rigid pavement, the concrete. If it is a rigid pavement, there is a crack, it is much more difficult. It is not as easy as flexible pavement, meaning that you can repair it, you can tambah a layer to it and all that. In all the airports in the world, even some with a very good soil conditions, differential settlement do take place. I give you an example at Penang. You go back to the 80's, there were quite a lot of differential settlement because of the high water table. So, subsequently we would have to build underground drainage. That is why Penang is much more stable today compared to 25, 30 years ago...*

Tuan Tony Pua Kiam Wee: *Ya, but the differential settlement should be happening now lah.*

Datuk Seri Long See Wool: *No, settlement happens everyday. It is a question of the degree of settlement.*

Tuan Tony Pua Kiam Wee: *The degree...*

Datuk Seri Long See Wool: *The anticipated degree of settlement.*

Tuan Tony Pua Kiam Wee: *What we saw and I think there were some pictures online. In December last year that came out showing that the settlement is unsettling and impact. Some were saying- okay, I'm verifying now. I have no way of verifying it. That one or two aerobridges were broken as a result of the settlement.*

■ 1350

Datuk Seri Long See Wool: *No, not really. Not that. I would not want to say the truth but that is not what I have heard of.*

Tuan Pengerusi: *So, you say that CCC would be shoot by ...? [Ketawa]*

Tuan Tony Pua Kiam Wee: *And then the runway, the settlement issues are still happening. Is that correct?*

Datuk Seri Long See Wool: *No, it is expected to settle. Even on a good side, it is expected to settle but it is a question of degree whether the settlement is to at the degree that in danger and nothing can be done about it. It is expected certain settlement would take place. The question is how quickly and how fast the settlement would take place.*

Tuan Tony Pua Kiam Wee: *Sir, what is the stage of completion of the runway?*

Datuk Seri Long See Wool: *I think the runway is completed. Airfield lighting there has been installed. It is the installation of the airfield lighting system. Because if you recall, we have one aircraft that tested the runway, that did the landing about a month ago. About a month ago... [Disampuk] Other airlines would come in if there are no...*

Tuan Tony Pua Kiam Wee: *No runway?*

Datuk Seri Long See Wool: *...Of course, the insurance wouldn't allow them to go down.*

Tuan Tony Pua Kiam Wee: *That's why we are worried whether the date would be further delayed because of whether it is apron, runway or such not settling or not sufficiently settle to enable them to land.*

Datuk Seri Long See Wool: *We are alright. I think we should be alright. I think apron and the taxiway is the lesser of the problem than the terminal building.*

Tuan Tony Pua Kiam Wee: *Okay. Contractor delay. Currently, there is a statement by MOT or rather statement by MOT and MAHB that the main contractor for the terminal, UEM and Bina Puri, would be charged a LAD. There is also a counter statement by Bina Puri to say that they would fight it. Although they will complete the job first, then they would fight it. What types of quantum are we looking at and how strong is the ministries case or the MAHB's case to claim the LAD?*

Datuk Seri Long See Wool: *Yang Berhormat, it would be very dangerous for me even if I know the figure. I don't know the figure, to be very frank.*

I think it's an issue that both side would justify the case already. So, at the end of the day if they can agree on a settlement, otherwise there are very clear provisions in the contract that they can go for arbitration. Now, they can even appoint independent assessor to it.

I think at the end of the day, I think as a ministry, we also do not want to take side. I am not saying that we are with that maybe or what. Now, if the contractor is right, they are right. If they are wrong, they are wrong. If the MAB is wrong, MAB is wrong. I think it may surprise me...

Tuan Tony Pua Kiam Wee: *If the contractor is right, that means the fault lies with MAHB? Then, sure...*

Datuk Seri Long See Wool: *No, depending on the case lah. Exactly even we have handle many contracts, there is no a particular claim 100%. They ask per say RM100 millions, they will get RM100 millions because they are many other factors. They can be 30%, 20% right, 30% wrong. So, it's a question of how they look at the fact of the case and decide.*

Tuan Tony Pua Kiam Wee: *The questions I am raising this because in the press statements, MAHB and MOT are pinning the blame and entirely on the contractors for the delay. So now, if the contractors are not at fault, then the concern, then the fault lies with, at least in part with MAHB. And there is where the accountability issues come into picture and where the PAC are interested lah- why did it happen, how did it get delayed so long as a result. So, I think at the moment, MAHB is not entirely of the hook but saw- not blamed because the blame is entirely pinned on the contractors. Our concern is come after completion, when the things are settled, then the contractors actually don't have to pay a single cent in LAD.*

Datuk Seri Long See Wool: *See, there are basically in contract, there must complicated. Number one is that whether they followed the contract. Number two, there are layers of decision making taking place. Since like we have a project let say in Kota Kinabalu, there are people on site, there is SO, there is Deputy SO, there are JKR engineer and so on and so forth. Things can become quite complicated as when decisions are made. Even it only comes to light when actually they table the document to each other and verify the documents. Which is actually claimed and counter claimed are just very-very tedious processes.*

So, unless both sides have locked in the position saying I am right, you are wrong, you are right, I am wrong. But if they cannot reach settlement, they can still go for arbitration. But we wouldn't know at this stage. Semua I cakap, dia betullah.

Tuan Tony Pua Kiam Wee: *There is a problem...*

Datuk Seri Long See Wool: *Sebab it's a...*

Tuan Tony Pua Kiam Wee: *The statement were very clear that the hook lies with the contractors. You are telling me now there still be...*

Datuk Seri Long See Wool: *No, no. I am not saying- I am just saying that they have to go through a process which we do not want to intervene.*

Tuan Pengerusi: *No, Datuk. I think that is also another pertinent question because UEM is also anak syarikat- I mean Khazanah has got stake in it. MAHB pun Khazanah has got stake on it. So, is it being done on this arbitration?*

Datuk Seri Long See Wool: *It is. Dua-dua pun anak juga. We have to be fair too. Siapa yang salah itu kena terimalah. This is both Khazanah's owned company anyways. Both side pun.*

Tuan Pengerusi: *Akan tetapi yang buat construction nya WCT.*

Datuk Seri Long See Wool: *[Ketawa]*

Dr. Tan Seng Giaw: *Yang Berhormat Petaling Jaya Utara, are you finished?*

Tuan Tony Pua Kiam Wee: *A bit more, a bit more. Following up on the LAD, I understand that it is not only UEM-Bina Puri are late in the delivery. The contractors for the apron packages, that is package 'A' and package 'B' or package 1 and package 2, as well as the runway were also late from the dateline that was given. How come there was no LAD imposed or cited as being going to be imposed on them?*

Datuk Seri Long See Wool: *Yang Berhormat, I think MAB and the contractors, I think all of them do not really want to go out and tell everybody that, "I kena pukul", "I kena bayar". I don't think it's a practice for them to do it. But if they are quoted and all that and so on – sometimes it's a level of whether it is been factual or not.*

I must say that not only UEM-Bina Puri, but there are contractors for which the scope of works has been reduced. There are also contractors for which their services have been terminated. But they might have not come out in the price. They are.

Tuan Tony Pua Kiam Wee: *I don't...*

Datuk Seri Long See Wool: *We are not saying at all the UEM and Bina Puri are the only one. Apron punya tempat pun ada masa-masa, even baggage handling system pun ada. Ada. But, it is a question of decisions at that point in time whether you terminate or you allowed them to go on, you impose the LAD or kalau there are beyond redemption, we have to terminate. Just terminate. Termination, there is a very serious implication on termination. Because if you terminate, you got to be engage a new contractor which you will take time and it might cost you more because the guy that coming in would say, "Okay, current price". Not the price that have tendered to the other guy that have been tendered three years ago.*

Tuan Tony Pua Kiam Wee: *I understand.*

Datuk Seri Long See Wool: *So, all of us have to be- MAB have to very-very cautious in whatever they do...*

Tuan Tony Pua Kiam Wee: *Seems...*

Datuk Seri Long See Wool: *All that I am saying is that bukan sahaja UEM-Bina Puri. Akan tetapi, yang keluar dalam surat khabar atau apa-apakah, because the main terminal building is the main attraction anyway.*

Tuan Tony Pua Kiam Wee: *Sure. I think there are other contractors perhaps smaller one or the independent one affected by. I think I am referring to the fairly- and say the four 'B' contractors. The main one being UEM-Bina Puri but the two aprons are fairly sizeable as well, and then the runway.*

I know that they are late because the MD's themselves confirm the extend of work that has been done and not completed yet despite announcement of launching sometime middle of last year. And I did ask the question to the minister as to why this people were not given LAD? The officials reply from the minister- I don't know who prepared it. The official reply from the minister on this issue is that they have not been charge LAD because their package is not as important as the main terminal package.

Datuk Seri Long See Wool: *No. I don't know whether the minister answers in that manner because...*

Tuan Tony Pua Kiam Wee: *This is in form of writing.*

Datuk Seri Long See Wool: *You see, it is been looked, let say, from the MAHB point of view, we are not managing. Now, you depend on the contracts, the clauses in the contract. If they have delayed and it's clearly their fault for delaying, you have to impose LAD. Because, MAHB cannot yang ini kita kenakan LAD, yang ini tidak kenakan LAD because that contractor going to say "Eh, what happen to the other guy who has delayed?"*

■ 1400

Tuan Tony Pua Kiam Wee: *Absolutely.*

Datuk Seri Long See Wool: *They cannot do that. Had been a company, public listed they cannot do that.*

Tuan Tony Pua Kiam Wee: *That's jawapan I terima from Menteri.*

Datuk Seri Long See Wool: *Now, we will check on that. Because kalau kena LAD itu, kena LAD. But because sometimes LAD is mula-mulanya kalau hendak kena LAD, bila dia check balik dekat bawah itu, the people who caused the delay kalau katakan adalah disebabkan oleh kakitangan MAHB sendiri, they cannot impose the LAD there.*

Tuan Tony Pua Kiam Wee: *That was the answer I got. So whether they hiding the actual answer I don't know.*

Datuk Seri Long See Wool: *Yang Berhormat... [Ketawa]*

Tuan Tony Pua Kiam Wee: Last two questions. That's a shopping centre I understand that's being build right in front of the terminal. When you talk about 20% commercial space, does that include the shopping centre or it just purely within the terminal?

Datuk Seri Long See Wool: Within the terminal.

Tuan Tony Pua Kiam Wee: I understand the shopping centre is actually not managed by MAHB. It is actually privatized to WCT.

Datuk Seri Long See Wool: Yes.

Tuan Tony Pua Kiam Wee: So whatever revenues that's come from there goes to WCT.

Datuk Seri Long See Wool: No. It's definitely a revenue share.

Tuan Tony Pua Kiam Wee: So I don't know. I'm trying to understand the basis as well as arrangement with WCT on the shopping centre.

Datuk Seri Long See Wool: There will be this arrangement on a privatized package. For instance like the district cooling system is a privatized package. So there is a formula by which how much they sell, volume, royalty and all those involved.

Tuan Tony Pua Kiam Wee: If commercial is so important, it can bring revenue for MAHB. Why was it privatizing to private entity?

Datuk Seri Long See Wool: Yang Berhormat, if I maybe to build there is a construction cost. That is not purely Airport Corporation as such. So we are rather than them, I think if there is viable proposal...

Tuan Pengerusi: Tidak, tidak. The question is we giving away precious revenue to somebody else what we could build and take it all ourselves.

Datuk Seri Long See Wool: Yang Berhormat if I may, all that this money that's earn within the airport site, we even have plantation oil palm. The money is also put back into single team system. The captures as total MAHB revenue.

Tuan Pengerusi: But if the privatize it goes into the concessionaires accountlah kan?

Datuk Seri Long See Wool: No. It depends on the investment they have put in and the joint venture or whatever. They are plowing back from the rental or from whatever list of land and revenue share. So, it's a very dynamic formula.

Tuan Pengerusi: I know. But the privatization to WCT had done on arms length term. How can be outstanding? That's no comparison. That's no shopping centre in that area, what?

Tuan Tony Pua Kiam Wee: That are so no bit, no tenders. It's also direct nego.

Tuan Pengerusi: Direct nego.

Datuk Seri Long See Wool: I have to worry if you care. I will give you information on that. I don't think is ini buat di belakang pintulah.

Tuan Pengerusi: *Because Yang Berhormat Petaling Jaya Utara kata direct nego. Why don't you get the best price by tendering?*

Datuk Seri Long See Wool: *I have no answer to that.*

Tuan Tony Pua Kiam Wee: *This one just for my information. Because I- as much as the current LCCT is congested, badly needs the biggest spacelah. I use it all the time. I understand that the new KLIA2, the walkway from after I get off the plane to actually getting out waiting the taxi is, is like four five times longer than what it is currently. Because I'm forced to walk through the shopping centre.*

Datuk Seri Long See Wool: *I think the shopping- if I were look at the- if I not mistaken, subject to confirmation, I think the walk if you go down your car walk straight there from WCT it may be less than 100 meters...*

Tuan Pengerusi: *Car park or drop off point or car park?*

Datuk Seri Long See Wool: *Drop off point, drop off point.*

Tuan Tony Pua Kiam Wee: *So drop of point is in front of shopping centre must walk through the shopping centre then...*

Datuk Seri Long See Wool: *If you pass the mall enter the building.*

Tuan Tony Pua Kiam Wee: *Okay, last. No is long session, last. It goes back likely to the earlier point about the new blue print and so on. What was the main reason why new blue print was commission? As late as 2007 they were still displaying the KLIA- the new LCCT that's the mirror of the current KLIA. Then suddenly 2008 a new report is commission. There was no talk about a new blue print than. What was the trigger to cause the new blue print? That suddenly you talk the all blue print got something wrong, let's do are new one. What was the cost?*

Datuk Seri Long See Wool: *In airport was the imposelah. Because of the dynamism of the industry as such. Normally you revise your master plan every five year. For some airport may even do it earlier. You depend on their needs. Because what you have in the master plan is actually brought planning parameters and land use. So you may on to revise that every now and then. For instance like there are lands- we have quite big piece of land. If certain area, we said doesn't it particular area for commercial development for instance.*

You depends on development around the KLIA land at the point in tempt. There may be new proposal; there may be build want to build golf course and all that. But each time when this kind a proposal if we constitute a certain value, a certain- so you will have to look at it and revise that particular part of the master plan. But if you talk a big master plan, normally you should do it every five years. Otherwise you are out of date. You are really out of date.

For instance now we want to build the new ATTC centre in KLIA. That constitutes a change which is not really in the blue print.

We have this year a training college today there that was never a part of the blue print. All the MAHB at the point in time of the master plan identify. This could be in area that dedicated to the training centre. So for instance like maybe two years down the line they a lot of demand for MRO space and all that. Then we have to look at the whole thing again. Or we may even want to build premier shopping outlet centre out there. They are request. But as long as we don't move into the boundary of land there are designated for pure airport use, for commercial we can look at it. But there are different proposal there coming from time to time.

Dr. Tan Seng Giaw [Keping]: *Are we finish? Mr. Chairman just a few minute. I've a lot of question but we don't have the time. First of all do you think this project is value for money, Datuk?... [Ketawa]*

Datuk Seri Long See Wool: *[Ketawa] It is not easy question to answer. You waited for so long Yang Berhormat. This to me, if we look at the industry in the region internationally, I must mention to you Yang Berhormat, last year 2013, in fact is one of the best year we had for the last decade. In terms of passenger volume - Sorry Yang Berhormat so many question, I've lost my document. In terms of passenger volume in 2013, for total Malaysia there was increase 18.88%. The total volume of passenger from 68.57 million into 2012 when up to 81.52 million is a huge jump over the last ten years.*

Tuan Pengerusi: *How many foreign...*

Datuk Seri Long See Wool: *For KLIA, I have details Tuan Pengerusi. In KLIA there was also huge jump in total KLIA last year. The increase was from 39.88 million to 47.49 million, which is almost 15 million miles, which step was constituted of 19.1% increase in total passenger volume. We are confident at this year would also be a good year. But I had a for coarse. It's very volatile.*

■ 1410

Dr. Tan Seng Giaw: *Datuk we don't have much time now. If you could give detail written answers later.*

Datuk Seri Long See Wool: *Okay.*

Dr. Tan Seng Giaw: *Now, who are the consultants?*

Datuk Seri Long See Wool: *There are many consultants.*

Dr. Tan Seng Giaw: *Could you give me a list of them?*

Datuk Seri Long See Wool: *We can give it to you.*

Dr. Tan Seng Giaw: *You said so many companies in the open tender. And then for instance you pick UEM. Why is it? Because UEM is the most experience and most reliable contractor for airport. Has UEM any experience in airport construction? Since this is an open tender, the best gets the contract. Is it the best contractor?*

Datuk Seri Long See Wool: *Yang Berhormat, I need reference. I think...*

Dr. Tan Seng Giaw: *It's ok, it's ok. Give me later. We need the answer.*

Datuk Seri Long See Wool: *Okay, okay.*

Dr. Tan Seng Giaw: *Now, you say from your briefing just now, it's the largest purpose built terminal. And then you have this, I find it very interesting. Best airside that transfer, best landside transfer, best landside development, best stand use flexibility. Wow, these are the best and the largest in the world. Is that so?*

Datuk Seri Long See Wool: *Yang Berhormat, you want me to give details of this?*

Dr. Tan Seng Giaw: *Ya, actually you don't have time, I don't have time. Can you give us a list applies later and we talk about it later.*

Datuk Seri Long See Wool: *Okay.*

Dr. Tan Seng Giaw: *Now the other thing is that I notice, actually I passed through Changi and also Heathrow. I noticed they're building their new terminal. Both Changi and the Heathrow but I also noticed that they did not take five years for their blueprint before they enforce it. How come our state takes long into consideration of five-year review? Because if you go according five-year review, the 2007 you made the plan. And then five years later you implement and complete it. So it does not go according to your philosophy. Every five years of revise. Now, you made a plan, a blueprint and then in between you change this, you change that but in Changi they don't do that. In Heathrow I don't see them doing that. They are much busier airport than KLIA.*

Datuk Seri Long See Wool: *I have to confirm it Yang Berhormat. Most of the airport they adjust the plan every now and then.*

Dr. Tan Seng Giaw: *I know Datuk. I think it is correct to adjust, it's correct to revise. It is correct because it is dynamic situation. But how is it that when Changi decide to have a new terminal, they don't have to go through such a long period of destination. The same applies to Heathrow. And they have 17 to 18 million passengers. I think they're the busiest airport in the world.*

Datuk Seri Long See Wool: *Yang Berhormat, I don't get you. You're saying that they don't revise the plan?*

Dr. Tan Seng Giaw: *No, I'm saying...*

Datuk Seri Long See Wool: *Why we take five years?*

Dr. Tan Seng Giaw: *Why is it take such a long time...*

Tuan Pengerusi: *Tidak, bukan...*

Datuk Seri Long See Wool: *In general you take five years I'm saying but if something come along, then you adjust it. But you may do a particular component of it depending on what you want to do. If you are building a runaway, it's a huge thing. You have to size it correctly, you have to sight it correctly. If it is terminal building, you have to look at the inter-terminal transfer.*

I think one of the challenges Changi faces is how do they integrate all the four terminals which they took a long time to think through. The agreement to tunnel it or is it the surface system. What happen to the link of airside and the link of landside. Those are the challenges because they don't have huge land. So they will have to adopt the latest that they can adopt to ensure it sufficient. I think efficiency is the factor because if we have four or five terminals, because airport when you grow beyond a certain size, it's where the challenge is.

Dr. Tan Seng Giaw: *I know you also have problem in answering some of the questions. You see Heathrow, I have been to Heathrow many times. The challenges of Heathrow are much bigger than KLIA. Much, much bigger. You have these people demonstrating, all sorts of thing going on. You have Datuk?*

Datuk Seri Long See Wool: *We also have Yang Berhormat.*

Dr. Tan Seng Giaw: *Not so much. Probably... [Ketawa] It is not so big Datuk.*

Datuk Seri Long See Wool: *Sorry, sorry Yang Berhormat. I tarik balik.*

Dr. Tan Seng Giaw: *But with all this dynamism, they don't have to go through such a long destination period as we do. Why is that the case?*

Datuk Seri Long See Wool: *You see Yang Berhormat. If I may, like Heathrow, everybody knows that is where it is. It is a question of they already knew where they can build the new terminal four. They knew long, long ago. It is the question of how the plan is implement and gets permission from the authority and I think one of the most important factor is the public complaint because they are required to semua itu. Itu dia punya kerja sahaja. Dia tidak boleh pindah mana-mana tempat. Sudah fixed di situ. They don't have a 10,000 hectare site at all.*

Dr. Tan Seng Giaw: *Our original blueprint, the plan. It's all over the plan there and we already had objective when we need expansion, where do we go and so on and so forth. Much more definite than Heathrow. How is it takes us, we go through much more difficulties in getting the plan implemented?*

Datuk Seri Long See Wool: *Yang Berhormat, are you... Sorry Yang Berhormat. Are you saying that we are taking too long to plan or we are taking too long to implement? Which is which? Well if you say 45 million terminal building, we have record shows how long each take but again I need to qualify. Are they only building a terminal building? Or are they also building apron, taxiway, underground linkages?*

They're all depend on the complexity whether they're land reclamation required or not. All that need to be qualified. In the case of Hong Kong, it took a long time but I have to congratulate them because there was huge land reclamation involve. Whereas our challenges mention earlier which Yang Berhormat also pointed out was the condition of the soil. If we go by traditional method, kalau expensive way is dig everything out. Replace. All the other methods are construction.

So you have to look at cost and time, both. But I dare not do the kind of comparison Yang Berhormat. But you see in case of KLIA, it took us two years to plan. About five more years to implement KLIA. This one took us six months to plan but in between there are changes, okay. But if you talk about the day when we started work and the day we are going to complete which we hope we are talking about within a four-year period Yang Berhormat. A 45 million passengers. Again the size of the terminal matters because it is the system determine at the end of the day. Sorry Yang Berhormat if I got you wrong. I thought you were talking about the planning and implementation.

Dr. Tan Seng Giaw: *The idea of you coming at. Ya, it's ok.*

Tuan Tony Pua Kiam Wee: *Okay, last request. Can we visit?*

■ 1420

Tuan Pengerusi: Okey, saya rasa Datuk pun sudah mengalami 'kematuan' pemikiran. Hendak dekat tiga jam Datuk berdepan dengan kita. Saya ucapkan tahniah. Saya secara personal, saya berpuas hati atas penerangan Datuk tadi. Soal industri penerbangan ini memang dinamik, sentiasa berubah dan kalau kita hendak teruskan dasar Kerajaan untuk menggalakkan penerbangan kos murah ini dan menjadikan Malaysia sebagai hab untuk penerbangan di rantau ini, saya rasa projek KLIA ini tidak salah dari segi dasarnya. Dari segi pelaksanaan tadi, perancangan, Datuk sudah terangkan apakah masalah yang dihadapi dan kenaikan kos ini juga sebenarnya kebanyakannya datang daripada perubahan-perubahan tadi, disebabkan oleh industri ini. Jadi, saya rasa kita boleh bersetuju.

Kalau ada apa-apa lain yang hendak ditanya, minta sekarang maklumatnya. Kalau tidak, tidak perlu Datuk datang lagi. Kalau tidak susah Datuk hendak datang lagi. Akan tetapi saya tahu Datuk memang *champion*, boleh tahan tiga jam. Cuma saya hendak bertanya Datuk, kalau untuk meredakan keresahan rakyat yang mengatakan bahawa Projek Pembinaan KLIA2 ini ada unsur-unsur *inflated cost*, ada unsur-unsur ketirisan dan sebagainya. Adakah Datuk mempunyai pandangan bahawa sekiranya Jabatan Audit Negara mengadakan *performance audit* ke arah KLIA2 ini, perkara ini boleh dipertimbangkan oleh pihak kementerian? Walaupun seperti saya katakan awal tadi, MAHB ini merupakan syarikat yang diswastakan di Bursa Saham dan projek ini terletak di bawah mereka. Datuk sudah terangkan tadi bahawa projek KLIA2 ini 100% dibiayai oleh MAHB.

Jadi, tidak ada duit kerajaan atau *guarantee* yang digunakan. Akan tetapi untuk meredakan keresahan rakyat, adakah Datuk mempunyai halangan atau tidak kalau Jabatan Audit Negara membuat satu *performance audit* kepada pembinaan KLIA2 ini?

Datuk Seri Long See Wool: Yang Berhormat, *if I-* kalau dibenarkan saya *just take on the last question of the performance audit. I am not a lawyer, neither am I conversant on the governance of a public listed company.*

All that I have been advised is that there are certain rules and regulations we need to follow. If you want to audit public listed company as such, it applies to whether it is Khazanah owned or non Khazanah owned because ultimately it is a question of their accountability to the shareholders dan sebagainya. Of course this is subjected to Auditor General punya- I think he knows best what can be done, what can not be done or he might want to check with the Attorney General's as to how we want to get this done. I think I share your view that there are so much of public companies. There may need to be some form of somebody looking at it. It is to me, at the end of the day a legal question, the governance issues that the government will have to look at. On the other hand, I think we would like to get this airport done and operate because it is a question of today the passengers blame LCCT, the place is really badly congested and each time we go there...

Tuan Tony Pua Kiam Wee: Setuju.

Datuk Seri Long See Wool: *Sakit hati kita tengok penumpang-penumpang but all I can say, for all intense purposes, we want to get this done. There are weaknesses, we admit kalau kita silap, kita salah. To me, we will have to accept whatever criticism the public have on us. Even though it is a public funded project but it is a key government asset or infrastructure which is important to the country. Though it is private funded but it is a piece of infrastructure which is the gateway to Malaysia. I think that is paramount important. This is a project of national interests and such. Lastly, I would like to conclude by terima kasih...*

Tuan Pengerusi: *Before that Datuk, we would like to request from you to arrange a visit for us...*

Datuk Seri Long See Wool: *No problem Yang Berhormat. You tell us the time and then we will arrange for a visit.*

Tuan Pengerusi: *Alright.*

Datuk Seri Long See Wool: *Alright, then you can see the finishes and kalau ada leaking. Harapkan semasa melawat itu tidak hujan... [Ketawa] Okay, with that thank you very much. We will give the information that are required by you, by Timbalan dan semua Ahli-ahli PAC. Terima Kasih.*

Tuan Pengerusi: Terima kasih.

[Mesyuarat ditangguhkan pada pukul 2.26 petang.]

Bil.9

**Selasa
1 April 2014**



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

Mengenai:

**Projek Pembinaan Kuala Lumpur International Airport
(KLIA 2)**

- Kementerian Pengangkutan
- Malaysia Airport Holdings Berhad

**PARLIMEN KETIGA BELAS
PENGGAL KEDUA**

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1,
PARLIMEN MALAYSIA
SELASA, 1 APRIL 2014

AHLI-AHLI JAWATANKUASA

Hadir

YB. Datuk Nur Jazlan bin Mohamed - *Pengerusi*
YB. Dr. Tan Seng Giaw [Kepong] - *Timbalan Pengerusi*
YB. Datuk Seri Reezal Merican [Kepala Batas]
YB. Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]
YB. Puan Mas Ermieyati binti Samsudin [Masjid Tanah]
YB Tuan Liang Teck Meng [Simpang Renggam]
YB. Tuan Haji Hasbi bin Haji Habibollah [Limbang]
YB Datuk Wee Jeck Seng [Tanjong Piai]
YB Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]
YB Dato' Kamarul Baharin bin Abbas [Teluk Kemang]
YB Tuan William Leong Jee Keen [Selayang]
YB. Dato' Kamarudin bin Jaffar [Tumpat]

Tidak Hadir [Dengan Maaf]

YB. Datuk Chua Tee Yong [Labis]
YB. Datuk Madius bin Tangau [Tuaran]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

URUS SETIA

Encik Che Seman Pa Chik [Setiausaha Bahagian Pengurusan Dewan]
Encik Amisyahrizan bin Amir Khan [Ketua Penolong Setiausaha (Perundangan dan Prosiding)]
Encik Nasrul Izani bin Ramli [Penolong Setiausaha Kanan (Perundangan dan Prosiding)]
Encik Alfian bin Masebah [Penolong Setiausaha Kanan (Perundangan dan Prosiding)]
Encik Ahmad Fauzi bin Mustafa [Pegawai Penyelidik, Parlimen]

HADIR BERSAMA

Jabatan Akauntan Negara

Dr. Yacob Mustafa [Timbalan Pengarah]

Jabatan Audit Negara

YBhg. Datuk Haji Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]
Puan Saadatul Nafisah binti Bashir Ahmad [Pengarah Sektor Audit Kerajaan Persekutuan]
Puan Nik Norwati Nik Harun [Penolong Pengarah Audit]

Samb/-

HADIR BERSAMA (samb/-)**Kementerian Kewangan**

Encik Rosli bin Yaakub [Ketua Unit (Parlimen dan Kabinet)]

Encik Dzulhilmil Zulkarnain [Ketua Penolong Setiausaha (Parlimen dan Kabinet)]

Puan Norazura binti Tadzim [Ketua Penolong Setiausaha]

Unit Perancang Ekonomi (UPE)

Puan Wan Norashikin binti Mohd Thair [Ketua Penolong Pengarah]

SAKSI-SAKSI**Kementerian Pengangkutan**

YBhg. Dato' Yap Kin Sian [Timbalan Ketua Setiausaha (Operasi)]

Encik Ruzain bin Idris [Timbalan Setiausaha Bahagian (Pembangunan)]

Encik Che Bahrom bin Hamzah [Ketua Penolong Setiausaha (Pembangunan)]

Encik Mohd Izzat Fahmizan bin Mansor [Penolong Setiausaha (Pembangunan)]

Malaysia Airports Holdings Berhad (MAHB)

YBhg. Tan Sri Bashir Ahmad bin Abdul Majid [Pengarah Urusan]

YBhg. Dato' Abdul Hamid bin Mohd Ali [Ketua Pegawai Operasi]

YBhg. Dato' Azmi bin Murad [Pengurus Besar Kanan (Operasi)]

Encik Faizal bin Mansor [Ketua Pegawai Kewangan]

Tuan Ir. Zaifuddin bin Idris [Pengurus Besar Kanan (Teknikal)]

Puan Faizah binti Khairuddin [Pengurus Besar Kanan (Komersial)]

Encik M. Fariz Qisti bin M. Takwir [Pengurus (Penyelidikan dan Perancangan)]

Encik Wan Azhareezal Wan Aziz [Pegawai Khas kepada Ketua Pegawai Operasi]

Encik Veelayudan Krishnan Nair [Pengurus Besar Penyelidikan dan Perancangan]

LAPORAN PROSIDING**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
PARLIMEN KETIGA BELAS, PENGGAL KEDUA****SELASA, 1 APRIL 2014****Bilik Mesyuarat Jawatankuasa 1, Parlimen Malaysia, Kuala Lumpur****Mesyuarat dimulakan pada pukul 11.16 pagi***[Yang Berhormat Datuk Nur Jazlan bin Mohamed
mempengerusikan Mesyuarat]*

Tuan Pengerusi: Okey, sebelum kita panggil mereka masuk, saya hendak bagi sikit garis panduan mengenai prosiding kita hari ini. Nombor satu, kita kena hati-hati dalam hal KLIA2 ini. Kementerian Pengangkutan tidak mempunyai tanggungjawab yang secara langsung oleh kerana Pegawai Pengawal dalam kes KLIA2 ini bukan KSU. Ia adalah projek yang dibuat, dibiayai dan diuruskan oleh MAHB Berhad... *[Disampuk]* SO tidak ada, kerana *this is privately funded project and therefore the overall responsibility is on MAHB directly...* *[Disampuk]* *The TKSU of the kementerian is coming. The KSU cannot come today because he is in Beijing. The TKSU is coming tapi he is more of macam kita punya connection person.*

Akan tetapi *the CEO of MAHB is coming today with his team. So, I just like to make the matter clear because at the end of the day like I said before, PAC can call for enquiry on public interest matters but it is a grey area between our responsibilities because our responsibility is directly to the KSU sebagai Pegawai Pengawal and ministry, and not towards the GLCs like MAHB.*

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: *I am not going to dispute that tapi saya rasa perlu ditekan juga sebab jelas bahawa KLIA2 ini adalah projek yang penting bagi kerajaan dan negara. Oleh sebab itu Kabinet telah pun menubuhkan satu Special Taskforce in order to deal with this issue- this basically just to reemphasis the relevance of KLIA2 and public interest.*

So the fact that the Cabinet did not say ini perkara MAHB is not our problem. The Cabinet itself set up a taskforce headed by the Minister or Deputy Minister, so I think it shows the importance of this project in terms of public interest. I accept your point- just wanted to add...

Tuan Pengerusi: *You assign the blame, you cannot assign the blame to the KSU as Pegawai Pengawal sebab he is not Pegawai Pengawal. That is all. We have to make very clear, okay.*

Tuan Tony Pua Kiam Wee: *I think we cannot assign to the KSU to the extent that he is the KSU but we can- I did not say there is a blame but we can on the basis that he sits on the Board. He has been on the Board for very long.*

Tuan Pengerusi: *So, today let just focus on planning aspect and then the project management aspect of MAHB. Is that okay? If not today, it is going to be very long.*

Dato' Kamarudin bin Jaffar [Tumpat]: Pada saya fokus pada kelewatan dan penambahan belanja. Dari sudut itu kepentingan kita.

Tuan Pengerusi: Itu saya kata tadi kita tumpukan kepada perancangan kerana kita kena tengok perancangan dan pelaksanaan. Kalau tidak kita tidak boleh *establish the grounds to fault anybody on the delay and cost overrun. We have to go through the basic, fundamental items of planning and execution first before we can establish that.*

■1120

Tuan Tony Pua Kiam Wee: Untuk maklumat semua Ahli PAC, semalam *just in case* tidak baca berita or belum dapat berita, Timbalan Menteri telah pun mengumumkan bahawa kos KLIA2 akan melebihi RM4 bilion dan angkanya masih belum ditetapkan. Akibat perkara-perkara yang tidak dapat dirancang atau *unforeseen circumstances so, they have finally admitted that it will cost more than RM4 billion. Even though it has been rumored outside widely, they defended, "No, tidak akan lebih RM4 bilion"*, semalam Timbalan Menteri telah pun mengaku bahawa kos *airport* akan melebihi RM4 bilion. Angka berapa tidak tahu lagi *but obviously it is significant. Otherwise he won't have to make that announcement.*

Dato' Abd. Aziz Sheikh Fadzir [Kulim Bandar-Baharu]: Tuan Pengerusi, *I mean maybe I'm trying to be to petty* la. Kalau kita ingat tahun 2000 *or something like that*, bila Sime Darby, AirAsia, Konsortium buat *proposal, it was supposed to be RM1.7 billion*. Akan tetapi saya rasa kerajaan buat keputusan pada waktu itu tidak membenarkan operator kedua. Oleh sebab MAHB *come back* dengan *proposal* kata dia pun boleh buat dengan hampir harga yang sama. *So, this is a very important element, because its looks like Cabinet has been misled to make a very important decision, allowing another operator to do it based on- not allowing another operator to do it based on MAHB punya findings* tetapi akhirnya, apa yang dia bagi kepada *petty Cabinet* itu *completely changed. Not only about the planning. It is also about the costing, also kelewatan masa untuk- so, I rasa kita takut benda-benda ini akan berulang-ulang. Kita buat keputusan based on certain facts* tetapi *those facts were never followed or never adhered too.*

Tuan Pengerusi: Untuk tanya soalan macam itu pun *is a valid question*, kan? Oleh kerana ia ada memberikan implikasi kepada keputusan untuk hendak melantik MAHB untuk buat- jadi, *I just want to define the perimeterslah so that we don't go outside of the intended enquiry* todaylah. *We want to find out like what Yang Berhormat Tumpat said, it is why the project delays and why the cost overruns. But, we must go back in history to actually to find out the reason why the things happen.* So, ada apa-apa pandangan lagi sebelum saya panggil ini?

Tuan Tony Pua Kiam Wee: *I pun sudah lupa. The last meeting I think we had several outstanding questions that they are supposed to come back to us, but I can't remember what questions are....*

Tuan Pengerusi: Encik Amisyahrizan, ada masa kita panggil Dato' Long dulu. Ada atau tidak *any other request for information* yang- sudah bagikah belum, KLIA2? Bukan KKIA ya. Okey. *Take notes...* [Ketawa] Okey, tanpa melengahkan masa lagi saya minta panggil saksi.

[Saksi-saksi masuk mengambil tempat di hadapan jawatankuasa]

11.26 pg.

Tuan Pengerusi: Okey, selamat pagi saya ucapkan kepada Dato' Yap Kin Sian, Timbalan Ketua Setiausaha, Bahagian Operasi, Kementerian Pengangkutan, serta pegawai daripada kementerian; yang saya hormati Tan Sri Bashir Ahmad bin Abdul Majid, Pengarah Urusan MAHB, serta pegawai-pegawai daripada MAHB.

Jadi, pada pagi ini sebenarnya tuan-tuan dijemput untuk memberikan keterangan mengenai projek KLIA2 yang sedang dibina dan dijangka akan dibuka pada 2 Mei akan datang. Sebab MAHB dipanggil kali ini adalah untuk kita merekodkan keterangan dan juga soalan-soalan daripada PAC yang tidak dapat dinyatakan, atau tidak dapat direkodkan sewaktu lawatan PAC ke KLIA2 pada bulan lepas.

Jadi, pada hari ini adalah diharapkan bahawa PAC akan dapat bersemuka dengan pengurusan MAHB dalam prosiding ini untuk bertanyalah mengenai projek KLIA2 ini.

Pertamanya, berkenaan dengan isu kelulusan projek ini.

Kedua, perancangannya dan juga pelaksanaannya. Ini kerana MAHB dalam projek ini adalah merupakan *project manager* untuk projek KLIA2 ini.

Kami di PAC faham bahawa kerajaan tidak membiayai pembinaan KLIA2 ini. Oleh kerana pembiayaan itu dibuat sepenuhnya oleh MAHB. Sebab itu Kementerian Pengangkutan tidak bertanggungjawab secara langsung kerana peranan mereka sebagai Pegawai Pengawal tidak termaktub dalam projek pembinaan KLIA2 ini. Walau bagaimanapun, KSU Kementerian duduk dalam Lembaga Pengarah MAHB.

Jadi kami juga ingin tahu peranan wakil kementerian dalam Lembaga Pengarah MAHB ini, walaupun peranan itu adalah sebagai salah seorang daripada Ahli Lembaga Pengarah dan tidak mempunyai kuasa ataupun *influence* yang kuat kepada Lembaga Pengarah.

■1130

Jadi pada hari ini juga, saya hendak maklumkan kepada pihak MAHB bahawa segala keterangan yang akan diucapkan dalam ucapan ini akan direkodkan. Kalau hendak rekod atau kalau sesiapa hendakkan keterangan mereka direkodkan, buka *mike*.

Kalau ada keterangan yang tidak hendak dibuat dirakam, mahu secara *off the record*, boleh tutup *mike*, dan cakap. Itu kita akan pertimbangkan dalam prosiding ini. Jadi hati-hati pada apa-apa yang diucap kerana perkara ini akan direkodkan secara verbatim.

Saya tidak tahulah sama ada Tan Sri sudah biasa datang PAC, bukan... Tidak biasa ya? Pegawai MAHB pun tidak biasa datang PAC. Akan tetapi itu cara kita melaksanakan tugas kita.

Jadi pada hari ini, saya juga ingin menyatakan di sini bahawa pemanggilan MAHB ke prosiding ini adalah dalam kategori *public interest* iaitu PAC mempunyai hak untuk hendak memanggil mana-mana pengurus projek yang melibatkan *public interest*. Dalam hal ini, memang Kabinet telah pun mengarahkan ataupun telah membuat satu penetapan dalam Mesyuarat Kabinet untuk hendak melihat juga mengenai pembinaan KLIA2 ini. Jadi sebab itu kami di PAC memanggil pihak MAHB.

Jadi tanpa melengahkan masa lagi, saya minta Dato' Yap untuk memperkenalkan ahli-ahli ataupun pegawai-pegawai daripada kementerian dan MAHB yang ada pada hari ini. Selepas itu untuk memberikan pembentangan mengenai projek KLIA2 ini mengenai soal keputusan pemilik tanah dan juga keputusan membina dan melantik kontraktor, *project manager* dan sebagainya.

Kedua, dari segi perancangan *airport* ini sendiri.

Ketiga, dari segi pelaksanaannya dan peranan MAHB sebagai *project manager*. Terima kasih.

Dato' Yap Kin Sian [Timbalan Ketua Setiausaha (Operasi) Kementerian Pengangkutan]: Terima kasih Yang Berhormat Datuk Nur Jazlan, Pengerusi Jawatankuasa Kira-kira Wang Negara dan juga Yang Berhormat-Yang Berhormat Ahli Jawatankuasa Kira-kira Wang Negara. *On my right is Tan Sri Bashir, Managing Director* ataupun Pengarah Urusan MAHB, *and on my left is Dato' Abdul Hamid from MAHB is the Ketua Pegawai Operasi MAHB*. Dari MOT *we have Encik Ruzain from Bahagian Pembangunan. They are also overseeing other projects.*

Seperti mana Yang Berhormat kata tadi, *I think the last visit that you have at MAHB is on the 13th of March which is last month. You have seen physical development of the KLIA2 punya airport. So today is following through of it di mana MAHB itself should give a presentation* tentang dia punya progress and all these stuff of things. *So I invite Tan Sri Bashir to give the taklimat. Please Tan Sri.*

Tan Sri Bashir Ahmad bin Abdul Majid [Pengarah Urusan MAHB]: Yang Berhormat Pengerusi dan Yang Berhormat-Yang Berhormat, terima kasih atas panggilan kepada kita untuk memberi taklimat ini. Pada pagi ini kita akan memberikan taklimat berkenaan dengan pelaksanaan, *planning* dan ORAT. Akan tetapi untuk memberi *presentation* ini, saya ingin meminta Dato' Hamid iaitu *Project Director* bagi projek ini untuk memberi taklimat. Silakan Dato' Hamid.

11.34 pg.

Dato' Abdul Hamid bin Mohd Ali [Ketua Pegawai Operasi MAHB]: Yang Berhormat Datuk-Datuk, tuan-tuan dan puan-puan. *Assalamualaikum warahmatullaahi wabarakaatuh.*

Saya akan memberi taklimat sambungan kepada taklimat-taklimat dan juga penjelasan-penjelasan yang telah dibuat oleh Kementerian Pengangkutan dalam siri-siri mesyuarat yang lalu dan juga hasil beberapa perbincangan di tapak semasa lawatan Yang Berhormat-Yang Berhormat ke KLIA pada 13 Mac yang lalu... [Merujuk kepada paparan slaid]

Ini adalah gambar daripada Kompleks Bunga Raya menunjukkan Kompleks KLIA2 yang telah siap dibina dan menunggu masa untuk dibuka secara rasmi, yang dijadualkan pada 2 Mei yang akan datang ini.

Next. Next... [Merujuk kepada paparan slaid] Ini adalah pandangan daripada *control tower* menunjukkan kedudukan Bangunan Terminal dan juga landasan 3 dan juga landasan 2 yang menghubungkan Kompleks KLIA2 ini dengan KLIA1.

Next... [Merujuk kepada paparan slaid] Ini adalah jadual asal yang telah dibentangkan pada mesyuarat yang lalu di mana apabila kerajaan mengumumkan *Malaysia Airport* dikehendaki membina *permanent LCCT*, pada masa itu kita telah membuat skop kerja, *preliminary scope of work* dan pada masa itu berasaskan peruntukan RM2 bilion. Kita menjangkakan September 2011 adalah jadual yang boleh dicapai pada ketika itu. Namun, beberapa perkembangan telah berlaku daripada sejak mula kita merangka projek ini sehinggalah kepada tarikh 2 Mei 2014 akibat beberapa faktor seperti pertambahan skop kerja dan juga proses *procurement* yang memakan masa yang lama. Jadi buat masa ini, kita telah siap keseluruhan, cuma *Terminal Building* sahaja yang di peringkat akhir penyiapan dan kita jangkakan 2 Mei 2014 kita akan mulakan operasi KLIA2 sekiranya semua berjalan dengan lancar.

Next slide please... [Merujuk kepada paparan slaid] Ini adalah jadual pelaksanaan yang terperinci yang kami laksanakan berasaskan kepada Arahan Perbendaharaan supaya projek ini dibuat secara tender terbuka. Pada peringkat awal kita menjangkakan cuma 37 pakej sahaja tetapi apabila projek ini berjalan, maka terdapat 61 *packages* yang perlu kita laksanakan yang melibatkan 57 perunding tempatan bagi melaksanakan projek ini. Projek ini adalah merupakan juga *project stimulus package*. Dengan sebab itu, maka Lembaga Pengarah telah membuat dasar di mana satu kontraktor, satu pakej sahaja. Jadi dengan sebab itu kita dapat banyak penglibatan kontraktor-kontraktor tempatan dan kami telah melantik perunding-perunding ini melalui tender terbuka. Jadi pakej saya bahagikan kepada 12 pecahan pakej besar utama, *grouping*.

Selepas kerajaan mengumumkan yang *Malaysia Airport* dikehendaki membina KLIA2, maka kami telah memanggil tender terbuka untuk menjalankan kajian tanah ke seluruh kawasan yang terlibat.

Kemudian kami juga membuat *survey* dan membuat *enabling work*. Semua ini berjalan antara bulan Mac 2009 sehingga September 2011. *Enabling work* adalah melibatkan jalan-jalan sementara bagi memudahkan pergerakan kenderaan pembinaan di kawasan tapak dan juga *worker's camp* untuk menempatkan 5,000 pekerja yang akan bekerja di tapak KLIA. Kami juga melantik perunding-perunding sebagaimana yang saya *mention* tadi, 57 buah perunding dilantik melalui *open tender free qualification exercise* di mana kita buat *selection base on the capability each of the consultants and they were selected each stages* termasuklah juga PMC yang kami lantik pada bulan Jun 2009 juga.

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Dengan terlantiknya perunding-perunding ini, maka mereka telah menjalankan reka bentuk, perancangan dan sebagainya untuk memulakan kerja-kerja tanah di mana tender telah dibuat pada penghujung tahun 2009, dan selepas mendapat kelulusan daripada pihak kerajaan, maka EW01 iaitu kerja-kerja tanah bagi kawasan *parking apron* dan *terminal building* telah ditawarkan kepada *WCD Engineering* untuk menjalankan kerja-kerja tersebut pada Januari 2010.

Mereka dikehendaki menyiapkan dalam tempoh sepuluh bulan sahaja kerana kita menyangka untuk mencapai matlamat penyiapan sebagaimana yang telah digariskan pada perancangan asal, maka kerja-kerja ini perlu disiapkan segera. Jadi, *approach* pada masa itu adalah bagaimana untuk menyiapkan dengan kadar segera. Kemudian daripada itu, kita juga telah mengeluarkan tender EW02, *earthwork* untuk pakej *runway* dan *taxiway*. Inilah kawasan-kawasan yang terlibat. Kawasan *apron*, *runway*, *taxiway* dan *terminal building* yang telah dilaksanakan daripada Januari 2010 sehingga Ogos 2012 melibatkan pelbagai kaedah untuk mencapai konsolidasi yang cepat bagi memastikan pembinaan dapat dicapai.

Perunding ketika itu iaitu HSSI dan Straits Consultant telah menganggarkan sebahagian *settlement* perlu dicapai bagi memudahkan pembinaan iaitu *90% estimated consolidation then we can start consulting the facilities already*. Jadi apabila kita mencapai 90% konsolidasi, maka kita akan *remove the surcay* dan pada ketika itu pembinaan dimulakan. *Next slide please*.

Serentak dengan itu juga, kita juga memanggil tender bagi kerja-kerja pembetulan, perparitan dan juga penambahan *reservoir* kerana *reservoir* yang ada dekat KLIA tidak mampu untuk menampung jumlah penumpang, pengunjung-pengunjung KLIA jadi kita menambah lagi kapasiti *reservoir* yang ada di KLIA. Kita juga membuat ratikulasi sistem elektrik keseluruhan KLIA termasuk juga KLIA1 kerana kita berpendapat yang KLIA perlu mempunyai dua sumber elektrik dan tidak bergantung pada satu sahaja sekiranya sesuatu perkara berlaku. Jadi, di bawah projek KLIA2 ini kita telah menyambungkan *electrical supply* dari Bukit Canggang sedangkan KLIA1 hanyalah sebelah daripada *Sepang Circuit*. Jadi KLIA sekarang dihubungi oleh dua sumber elektrik bagi memastikan kesinambungan operasi tersebut.

Kita juga telah mengeluarkan tender untuk *district cooling* kerana Bangunan Terminal dan kompleks-kompleks memerlukan *air conditioning system*. *Air conditioning system* yang ada sekarang yang dibina di bawah KLIA Fasa 1 *which is gas district cooling*, tidak mampu untuk menampung beban tambahan dari KLIA2. Jadi dekat situ kita juga memanggil tender untuk *district cooling* dan ianya perlu disiapkan awal bagi memastikan pembekalan *air conditioning system* mencukupi untuk beberapa peralatan yang perlu dipasang di Bangunan Terminal yang sensitif kepada suhu.

Then, the infrastructure, kita panggil tender dalam bulan Ogos 2010 melibatkan pementasan, perparitan, jalan-jalan dan ERL juga terlibat bagi menyambungkan trek daripada KLIA1 kepada KLIA2. Apabila tanah telah mencapai 90% konsolidasi, maka kita pun menawarkan tender untuk membina *parking apron*. *Parking apron* ini dibahagi kepada dua pakej utama iaitu *apron* sebelah barat dan *apron* sebelah timur Bangunan Terminal yang dikendalikan oleh Nippon Road dan juga Bayangan Sepadu yang telah dipilih melalui tender terbuka. Mereka memulakan kerja-kerja dari bulan Januari 2011 setelah keadaan tanah didapati memuaskan sebagaimana yang telah *recommended by the consultant*.

Kemudian *runway taxiway* juga dipilih kontraktor menjalankan *runway taxiway* dipilih melalui tender terbuka dan mereka memulakan kerja-kerja dari bulan November sehingga Februari 2014. Terdapat beberapa isu yang menyebabkan kontrak mereka dilanjutkan kerana mengambil asas-asas yang kukuh untuk mendapatkan lanjutan.

Kemudian ATCS, *we discovered that two runways system* dia punya kapasiti *is only 68 moments per peak hours, so that's already congestion in the air. We are creating capacity on the ground so we have to balance both the capacity in the air and on the ground as well. So, because of that in order to make sure KLIA function efficiently, so we need to upgrade the air traffic system for the airport*. Jadi, kita juga membina *Control Tower* yang baru bagi memastikan *line-of-sight* tidak terjejas dan lengkap dengan peralatan ATCS. Kemudian sistem-sistem pandu arah navigasi untuk KLIA dan juga *Analytical Ground Lighting (AGL) system*. Kemudian pada itu, *airport* ini banyak bergantung pada sistem-sistem ICT. Sistem ICT hanya dapat ditawarkan pada bulan Februari 2011 kerana ianya banyak bergantung kepada penyiapan bangunan terminal kerana ICT banyak terletak di dalam Bangunan Terminal dan ianya disiapkan pada penghujung bulan Mac 2014.

Kemudian *Terminal Building*. *Terminal Building* adalah merupakan pakej yang kritikal terhadap penyiapan KLIA2. Oleh itu, setelah kerja-kerja tanah di kawasan *apron* siap, maka kami telah menawarkan *Terminal Building* kepada konsortium UEM dan Bina Puri untuk membina Bangunan Terminal pada bulan Ogos 2010. Pada asalnya, mereka sepatutnya siap pada bulan April 2012.

Akan tetapi, oleh sebab banyak perubahan yang berlaku semasa perancangan pembinaan awal, maka perubahan demi perubahan berlaku termasuklah yang major ialah sistem bagasi daripada *semi automated* kepada *fully automated* yang banyak menjejaskan kerja-kerja bangunan terminal ini.

Buat masa ini, kontraktor masih lagi bertungkus-lumus untuk menyiapkan pakej ini. Kita bagi dia *extension of time* sehingga bulan April 2013 berasaskan kepada kelayakan mereka. Kita bagi *extension of time* sehingga 15 Jun 2013 berasaskan kepada kelayakan mereka. Akan tetapi selepas 16 Jun 2013, mereka tidak ada alasan yang kukuh. Dengan itu, penalti LAD sebanyak RM199,000 sehari telah dikenakan sehingga hari ini. Mereka diharap dapat menyiapkan dengan segera supaya KLIA dapat dibuka dengan rasminya pada 2 Mei 2014 ini.

Kemudian *the concept of this KLIA is "Airport in the mall" and "Mall in the airport"*. Therefore we also select contractor to undertake the construction of the integrated complex. Integrated complex ini terletak di depan Bangunan Terminal di mana sistem-sistem pengangkutan awam iaitu ERL, bas, teksi, dan *private cars* ditempatkan di mana kemudahan-kemudahan beli-belah, restoran makanan dan sebagainya juga ditempatkan. Semua penumpang akan tiba di dalam kompleks ini sebelum mereka bergerak ke Bangunan Terminal. Ini ada satu-satunya kaedah konsep yang saya rasa pertama di rantau ini yang kita bina. dan kita berharap ianya menjadi model untuk lapangan terbang yang akan dibina pada masa akan datang//.

Tuan Liang Teck Meng [Simpang Renggam]: Tuan Pengerusi, boleh saya tanya?

Dato' Abdul Hamid bin Mohd Ali: *Next slide.*

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Tuan Liang Teck Meng: Boleh saya celah sedikit? Tentang LAD itu, sehari RM159,000 dikenakan kepada siapa? Setakat ini, jumlah *amount* yang *accumulated* sudah sampai berapa?

Dato' Abdul Hamid bin Mohd Ali: Ya.

Tuan Liang Teck Meng: *Claim* yang dituntut oleh kontraktor tersebut sudah sampai berapa peratus?

Dato' Abdul Hamid bin Mohd Ali: LAD ini dikenakan kepada kontraktor UEM-Bina Puri yang melaksanakan pembinaan Bangunan Terminal. LAD lebih kurang dalam RM6 juta sebulan. Jadi, daripada bulan Julai, Ogos, September, Oktober, November, Disember, Januari, Februari, Mac- lebih kurang lapan bulan, *RM49 million. Roughly, RM49 million* LAD dikenakan. Kita masih lagi menunggu justifikasi daripada kontraktor berkenaan. Rayuan dan sebagainya. Sekiranya mereka merasakan mereka ada hak untuk dapat *extension of time*, kita bagi peluang dia untuk merayu. Akan tetapi setakat ini semua rayuan tersebut kami tidak dapat asas yang kukuh untuk dipertimbangkan. Jadi, kami masih lagi mengenakan LAD tersebut sehingga hari ini.

Buat masa ini, *progress project* adalah 99.5% dan *payment* yang telah kita buat ialah dalam sekitar 90%. Kita juga memegang *performance bond* 5% daripada jumlah kontrak.

Tuan Tony Pua Kiam Wee: Sebenarnya, saya hendak buat soalan selepas taklimat habis. Akan tetapi oleh kerana isu LAD ini...

Tuan Pengerusi: Tidak, tidak. Yang Berhormat PJU, *I think* kita biar habis dulu.

Tuan Tony Pua Kiam Wee: Biar dulu ya, *and then I'll come back to the LAD.*

Tuan Pengerusi: Tadi soalan *verification.*

Tuan Tony Pua Kiam Wee: *That's not verification, that's...*

Tuan Pengerusi: Ya lah, *I know but...*

Tuan Tony Pua Kiam Wee: *I will come back to LAD later.*

Tuan Pengerusi: *Okay, Lets them finish and then we ask them.*

Tuan Tony Pua Kiam Wee: *Fine.*

Tuan Pengerusi: *Okay, All right, Thanks.*

Dato' Abdul Hamid bin Mohd Ali: *Next slide please... [Merujuk kepada paparan slaid]* Mengenai konsep *Terminal Building* yang diutarakan semasa lawatan tapak pada 13 Mac yang lalu, saya ingin menjelaskan di sini yang kita telah membuat *pre-qualification exercise for the appointment of the architect. So, before we short listed the rightful candidate, the Board has requested us to go for design competition.* Jadi, kesemua lapan arkitek yang terpilih telah diarah supaya mengemukakan reka bentuk yang sesuai untuk KLIA2 berasaskan kepada kriteria-kriteria dan situasi tertentu.

Maka, *LKMD design concept was accepted and adopted for KLIA2 due to* yang pertama sekali, *maximum contact stands they provide. This is to make sure that we have adequate contact stands to handle the traffic then operational efficiency, the sky bridge concept. This architect provide the only concept that provide this operational efficiency,* yang lain melibatkan *taxiway* yang panjang kerana isu *cul-de-sac* dan sebagainya.

Kemudian, *lowest estimated unit cost for the construction, this was important.* Kemudian, *modular expansion. So, that we don't have the concept of building today and demolish tomorrow. So, modular means you add on without disrupting the operation.*

Kemudian, *green building concept and also because this is a private funding project, therefore we have to maximize our commercial area along the flow of the passengers. So, this is to generate more revenue, so that we can sustain our operation.*

Next... [Merujuk kepada paparan slaid] Now on the commercial aspect- terminal size- 257,845 meter persegi. Total commercial area yang kita bina ialah 51,890 meter persegi.

Kita telah *award Phase 1*- 25,224 meter persegi. Jumlah *outlet* ialah 163 dan dekat *drop-off area* lebih kurang ada 19 lot di sana ya. So *all these*, lebih kurang 144 akan siap untuk dibuka apabila KLIA beroperasi pada 2 Mei 2014.

Next... [Merujuk kepada paparan slaid] This is a Passenger Terminal Complex (MTB) Kita *award* 163 lot- 145 akan dibuka pada *2nd May* dan *fit-out in progress* 114, sebabnya kita terpaksa melewati sedikit kemasukan kontraktor untuk ubahsuai kedai- menunggu surat kelulusan daripada pihak bomba yang diperoleh pada 27 Februari 2014. Dengan itu mereka sekarang bertungkus-lumus untuk menyiapkan kedai-kedai mereka menjelang pembukaan rasmi. *Now, we are going to touch on the operational, ORAT and transfer.*

So, with that I would like to call upon Dato' Azmi, who is now the Head for the ORAT. Okey Dato, silakan Dato.

Dato' Azmi bin Murad [Pengurus Besar Kanan (Operasi) MAHB]: Yang Berhormat Tuan Pengerusi PAC, Ahli-ahli Yang Berhormat, tuan-tuan dan puan-puan sekalian, saya teruskan *the briefing* berhubung dengan *operational, readiness and airport transfer (ORAT)*. Kita telah pun diberi ruang untuk memulakan *trials for ORAT* bermula pada Februari dan kita telah membahagikan *ORAT trials* kepada tiga *level*.

Bermula dengan *level* tiga, di mana kita membuat percubaan atau *trial based on a stand alone on a system on a stand alone basis*.

Kemudian, *level* dua, *with some integration with other systems*.

Level satu, *which will be in April, that one will be just like any normal day of an airport operation. That trial in April will be based on a scenario yang seolah-olah airport beroperasi seperti biasa*.

Next... [Merujuk kepada paparan slaid] Kita juga telah mulakan *trials* seperti mana saya maklum tadi Yang Berhormat bahawa *since February, the baggage handling system (BHS), testing and commissioning* telah pun kita buat di dalam bulan Februari. Sekarang kita terus membuat ujian ke atas *baggage systems*. Setiap hari Isnin, hari Rabu dan hari Jumaat, kita akan membuat ujian *reliability* dan juga *stress test on the baggage system, because baggage system is the heart of the airport operations*. Sehingga sekarang, lebih kurang 30,000 bagasi telah pun kita masukkan ke dalam sistem BHS untuk kita menguji tahap kemampuan *baggage systems* yang dibekalkan di KLIA2.

Next... [Merujuk kepada paparan slaid] Kita juga telah pun memasukkan 228 anggota keselamatan untuk membuat kawalan 24 jam di KLIA2. Setiap satu syif kita ada 82 staf. Staf-staf lain daripada Bahagian *Engineering, operations* dan lain-lain akan mula dimasukkan pada 15 April 2014. Kepada jabatan-jabatan kerajaan dan *other stakeholders, airlines* kita telah pun menyerahkan ruang-ruang pejabat kepada mereka.

Jabatan-jabatan kerajaan akan mula memasuki ke ruang pejabat masing-masing bermula pada 1 April 2014. Apabila mereka mula masuk, *they will just familiarize themselves with the terminal.*

Next... [Merujuk kepada paparan slaid] Berhubung dengan calibration yang telah dilaksanakan oleh pihak Jabatan Penerbangan Awam, mereka telah membuat calibration ke atas runway 3 termasuk juga all the other facilities related to the runway. Mulai daripada 3 hari bulan sehingga 7 hari bulan Mac 2014. Dalam calibration yang dibuat oleh Jabatan Penerbangan Awam, mereka telah mengesahkan bahawa runway 3 dan juga peralatan-peralatan seperti lampu landasan dan navigation systems are all calibrated and certified. So, it is safe for flight operations. That is certified by DCA, and they are the authority to certify these facilities.

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Pada 4 Mac kita juga membuat *inspection* kepada pemasangan lampu-lampu di sekitar KLIA2. Kita sedang menunggu *issuance of certificate* yang mengesahkan runway 3 telah pun *certified*. *Certificate* ini akan dikeluarkan oleh pihak DCA. Pihak DCA juga telah pun mengambil alih Menara Kawalan Barat- *the West Control Tower since 17 Mac 2014*. Daripada *Level 3, trial* yang kita mulakan dalam bulan Februari, kita *confined* kepada *passengers* di Bangunan Terminal, *contact pier* dan juga di *sky-bridge* dan juga *satellite*. Kita menggunakan staf-staf *Malaysia Airport* pada bulan Februari sebagai penumpang di dalam *trial* tersebut. Semua *facilities* dan juga sistem yang kita buat adalah *one stand alone*. *Total in February was seven trial-* dengan jumlah *participant* sebagai penumpang lebih kurang 1,500 dan bagasi hampir 2,000 bagasi. *Flight* yang kita *simulate* adalah *103 flights which involve domestic, international and transfer flights*.

Next is the Level 2 dalam bulan Mac, kita masukkan *passengers in the Terminal Complex as well as laluan-laluan access* ke terminal. Kita juga melibatkan *stakeholders, Customs, Immigration, Malindo Air, Jabatan Kesihatan, Polis, SPAD-* mereka masuk. AirAsia dan AirAsiaX, mereka sebagai pemerhati. Kita dapati di dalam *Level 2 trial, baggage perform as per design but we require just fine tuning to the system only. But in term of performance, it performs as per design. We also conducted the trial on the check-in system based on the common used check-in system dan it is working well as design*. Kita menggunakan kerjasama daripada *Malindo Air to assist in the check-in. So up till now we have conducted in Mac- six trials for the Level 2 trials involving about 1,300 and bags almost 6,000 bags, 85 flights*.

Next... [Merujuk kepada paparan slaid] This are some of the views of the trials and di mana kita buat night trials on the 20th Mac, malam. We injected about 3,000 bags to do a stress test on the baggage system. Kita stimulate 28 flights and 19 check-in counters were operated, were simulated and used in this trials on the 20th Mac.

Based on the summary of the trials that we had done, semua airlines yang terlibat iaitu hanya Malindo Air yang datang participate in the trials and the government agencies. Immigration has installed 10 counters with their systems and also 10 auto gates for Immigration checks. Air Asia tidak participate di dalam trials ini. Baggage perform as per design. Check-in system, no issue. We do experience minor disruption to the power supply, but that has been rectified and we have seen tremendous improvement in terms of stability of the power systems which is very crucial and critical in the airport operation. Overall the progress on ORAT is very good. It performs as what is expected.

Moving into office will be the government agencies- come on the 1st April, that is from today onwards they moving in. We plan for the shift off the commercial operations from LCCT to KLIA2 beginning from 2nd of May tengah malam, tengah malam 1 hari bulan, 2nd of May and we will be calling for meeting this Friday with the airlines to prepare on the migration plan for the 2nd of May. We planned to shift the airlines with less frequency first on the 2nd May to be followed by the others within a week. Meaning that by 9th of May 2014, there will be no more operations from LCCT. All operations will move to KLIA2 by May 9th, 2014.

Buat masa sekarang AirAsia masih belum turut serta dalam kita punya trials yang kita kendalikan. Also, that issue of the safety, security that is serious concern on us as well and we have got the IKRAM to satisfy that KLIA2 is safe and secured.

These are some of the views Yang Berhormat that I would like to share with you in terms of the readiness of KLIA2. These are the access roads to KLIA2 that is already in place now. There are some areas that we need to add in some signage, and some signage we need to enlarge. Basically other than that, the road system and all that are fine.

These are flight information display system that is already running at KLIA2 right now and this data is feed in from LCCT as well as at the KLIA1. So, data is real time data available running at KLIA2 now. This is another view of the flight information display system that is also located within the flow of the passengers.

Next... [Merujuk kepada paparan slaid] This is at the public transportation hub where we had, kita buat trial di mana bas masuk, dan bagaimana penumpang-penumpang yang tiba dan berlepas akan diproses melalui public transportation hub ini. Kita dapati ia berjalan lancar seperti mana yang kita rancang.

These are the trails yang kita laksanakan setiap hari Selasa dan Khamis setiap minggu and dalam gambar tersebut adalah kelihatan penumpang-penumpang. Sekarang dalam bulan Mac kita jumpa public to come and participate as passengers in the trails dan kita memberi elaun kepada public yang datang untuk participate.

These are some of the views on the improvement to the signage yang based on the observation by the passengers, semasa trials kita membuat improvement.

Yang Berhormat, selepas *trial* pada hari Selasa dan Khamis, kita selesaikan *trials* dalam jam 2 dan jam 3 kita akan buat *postmortem*, *where* kita *gather feedback from the passengers* yang *participate* dalam *trial*. *This feedback is passed to the contractor for improvement to whatever observation is made.*

Next... [Merujuk kepada paparan slaid] The examples of the requirement and improvement to the signage which will be under taken/

Next... [Merujuk kepada paparan slaid] This is the X-ray machine by Customs selepas Imigresen for international departures. This X-ray machine will be manned by Customs Officers and it is meant to screen for money laundering and drugs.

Next... [Merujuk kepada paparan slaid] These are the views at the Check-In Counters. Ada beberapa observations and most of the observations has been taken care of.

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This are the views of the security screening machines by Malaysia Airport security staff and at KLIA2 kita mempunyai sistem screening base on the centralized piers screening, not gates screening.

Next... [Merujuk kepada paparan slaid] This is immigration counters plus auto gates. Buat masa sekarang sepuluh sudah dipasang di kaunter dan sepuluh untuk auto gates for arrival and departures.

Next... [Merujuk kepada paparan slaid] The baggage return di Arrival Hall is already end dalam trial kita, kita berjaya to deliver the bags to the arrival carousel as is plan in this program.

Next... [Merujuk kepada paparan slaid] These are the seats that are delivered to the various departure gates as well as the trolley that will be use at KLIA2.

Next... [Merujuk kepada paparan slaid] This is the Airport Operation Control Centre where it monitors all the CCTV camera's, total camera's 1,200 almost all is call and commission and we are manning the operation of KLIA2 remotely from this control centre while the CCTV camera's.

Next... [Merujuk kepada paparan slaid] These are Security Operation Centre. This would be man by the security; the images will be from the same cameras but the view from security perspective.

Next... [Merujuk kepada paparan slaid] This is the flight operation centre where there manage the allocation of gates to aircraft, allocation of baggage to carousel as well as allocation of Check-In Counters.

Next... [Merujuk kepada paparan slaid] These are some of the facilities walkalators, escalators yang berfungsi dan terus kita buat ujian dijalankan sepanjang masa.

Next... [Merujuk kepada paparan slaid] This is the baggage area Baggage Running System, di bawah apron level for movement of baggage.

Next... [Merujuk kepada paparan slaid] This is Fire Station kita sediakan satu *Fire Station* khas untuk *runaway 3* bagi KLIA2, telah pun siap. *The fire vehicles that will be use to man the fire station for runaway 3 KLIA2.*

Okay, thank you very much Yang Berhormat.

Tuan Pengerusi: Selepas mendengar taklimat daripada MAHB ini saya buat kesimpulan secara rambang. Sebenarnya projek ini kalau ikut normal *construction* punya projek dia gagal dari segi kelewatan masa dan kos. Kegagalan itu saya rasa juga berpunca daripada perancangan. Satu MAHB saya rasa ini kali pertama kan jadi *Project Manager* untuk membuat *airport* dan buat *airport* yang besar macam ini pula, itu satu. Jadi keraguan kepada kemampuan MAHB itu sendiri sebagai Pengurus Projek jadi satu masalah.

Mengikut laporan satu portal media pagi tadi, PMC yang telah dilantik lebih awal telah ditamatkan perkhidmatan daripada tahun 2011. Dan MAHB mengambil alih secara keseluruhan mengenai *project management* untuk *airport* ini itu satu kemampuan MAHB sendiri.

Kedua yang saya lihat adalah mengenai tarikh *construction* atau tarikh pembukaan *airport* ini sendiri yang menentukan masa pembinaan tersebut. Masa pembinaan tersebut yang telah dijangka oleh MAHB ini merupakan satu jangka masa yang pendeklah kiranya yang juga telah menyebabkan kelewatan masa.

Akan tetapi untuk sayalah, ini adalah pandangan peribadi saya. Kalau dalam bidang pembinaan ini, kalau jangka masa yang pendek ditentukan dia sudah tentu akan menyebabkan kos pembinaan *airport* ini juga meningkat, walaupun tender. Akan tetapi kalau kontraktor tersebut itu tidak diberikan masa dengan secukupnya untuk membina *airport* ini dalam jangka masa yang lebih munasabah, sudah tentu dia akan masukkan tender dengan harga lebih tinggi.

Jadi dari segi *planning* untuk pembinaan *airport* ini juga, jangka masa yang pendek yang telah diputuskan oleh MAHB juga boleh melibatkan kos meningkat, boleh juga menyebabkan kontraktor pun susah hendak *meet the timeline* dan akhirnya dia akan menyebabkan kelewatan masa dan sebagainya. Akhirnya berlaku VO jugalah. Saya juga hendak tahulah dari segi perancangan juga sama ada MAHB telah melaksanakan projek ini dengan begitu rapi maknanya ada tidak *project objective and requirement statement*. Perkara ini penting dalam apa-apa *project management*, *blue print*nya mesti ada. Maknanya ia ada satu jadual yang lengkap mengenai pembinaan tersebut yang mengambil kira perkara-perkara yang hendak dibina, kosnya dan juga jangka masanya. Akhirnya juga memasukkan elemen *value engineering* dan juga *cost control* dalam *project objective and requirement statement* ini. Ini macam dia punya *blueprint* ya.

Selepas itu yang saya agak khuatir sikit adalah mengenai *Master Plan Implementation Program*. Adakah MAHB mengikut *master plan implementation* ini dengan mempertimbangkan secara keseluruhan mengenai peranan KLIA2 dalam keseluruhan projek KLIA ini. Atau objektifnya

ditumpukan kepada hendak memajukan KLIA2 sahaja. Sebab itu mungkin berlaku perubahan yang banyak kali kepada *master plan* yang awal, yang akhirnya menyebabkan *airport* ini daripada *low cost terminal* sekarang ini telah dijenamakan sebagai hibrid terminal pula. Jauh lari daripada objektif asal pembinaan LCCT ini. Ini juga akan menimbulkan masalah kepada operator dan sebagainya kerana sebenarnya kita buat *airport* ini untuk operator. Jadi kita kena dengar juga operator hendaklah daripada kita mengenai *airport* tersebut.

Itu mungkin berlaku masalah perselisihan faham di antara AirAsia dan juga MAHB yang sekarang ini walaupun tarikh pembukaan *airport* ini telah ditentukan pada 2 Mei tapi *the main customer*nya AirAsia belum lagi buat apa-apa persiapan untuk beroperasi pada 2 Mei. *To me that defeat the purpose of the early opening date.*

Saya juga hendak penjelasan daripada MAHB, adakah tarikh pembukaan *airport* ini ditentukan oleh MAHB atau kerajaan tentukan? Ini kerana banyak tohmahan di luar persepsi mengatakan bahawa kerajaan yang hendakkan tarikh ini, yang hendak cepat dan sebagainya sebab itulah timbul masalah mengenai kelewatan dan akhirnya memalukan kerajaan jugalah.

Apabila tarikh itu telah ditetapkan dan diumumkan oleh Perdana Menteri tetapi MAHB tidak dapat hendak dilaksanakan secara sepenuhnya. Buka 2 Mei- buka tetapi buka tanpa *the main customer* pun, untuk saya itu tidak dikira buka. Itu hanya pembukaan secara *to meet the date* sahaja but not fully operational status of the airport.

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Jadi, soal-soal lain mengenai Imigresen, kenapa input dari Imigresen itu lambat. Lepas sudah buat baru dia hendak tambah lagi *requirement* dia seperti yang dilaporkan dalam portal internet pagi tadi bahawa Imigresen telah meminta *requirement* yang selepas daripada atau berlaku sewaktu pembinaan *airport* ini. Menyebabkan MAHB terpaksa membina- yang saya dimaklumkan oleh Tan Sri pada hari lawatan tersebut, yang *Mezzanine Floor* yang terpaksa dibina untuk hendak memisahkan di antara penumpang antarabangsa dengan penumpang domestik.

Saya dimaklumkan oleh Tan Sri- ini telah menyebabkan kos pembinaan tambahan sebanyak RM300 juta lebih. Itu saya tidak berapa pasti jumlahnya tetapi saya dimaklumkan RM300 juta lebih. Ini *is an after thought. In the actual document to build the airport, the requirement of the Immigration must be there. Why should it be included later? Then it defeats the purpose of the original objective of building the Low Cost Terminal.*

Lepas itu ada juga masalah mengenai *airport* ini juga, ada tohmahan juga ia dibina- *built for size*. Maksudnya, sengaja dibuat besar berdasarkan kepada *forecast* yang telah dibuat oleh IATA bahawa industri penerbangan *low cost* ini akan berkembang di Malaysia. Kita perlu menyediakan satu *airport* yang boleh mengendalikan 45 juta *passenger* dan bukan 25 juta *passenger* pada awal

yang didasarkan. Jadi, ada tohmahan mengatakan bahawa *airport* ini sengaja dibesarkan supaya konsultan dapat banyak *percent* daripada jumlah kontrak lebih besar- sekiranya keputusan dibuat untuk hendak buat *airport* ini sebesar yang mungkin. Itu konsultan, kontraktor. Ada lagi perkara-perkara yang saya akan sentuh nanti secara *detail* mengenai perkara ini.

Jadi, untuk saya itulah rumusan saya sebagai Pengerusi, ingin memberikan satu *background* sedikit supaya kita dapat *go forward*. *To me, it's a matter of the planning that was badly done which resulted* kontraktor terpaksa ikut *the bad planning* tersebut. *Banyak changes along the way and in the end, it caused the project to be delayed and the cost to be increased. I must stress here, if this project is privately funded, the government has no input in this project. It is all MAHB punya decision, its MAHB punya implementation; the government has got no input. To me at the PAC level, because the government is not funding the project... [Disampuk] Ya but the point is... [Disampuk] No, no, no! The other airport that has been built, it is a government contract. KSU is the controller of that project, macam Kota Kinabalu International Airport. This one- it is totally MAHB. So, therefore the government punya direct input, to me is not there unless MAHB has got a different view on this matter.*

Okay, so I open to the Members of the Committee to ask questions.

Tuan Tony Pua Kiam Wee: *I think by the end of the day, Tuan Pengerusi raised a lot of issues.*

Tuan Pengerusi: *No, no. I give the background, but you can ask first.*

Tuan Tony Pua Kiam Wee: *No, I think a lot of issues have been raised. So, I think that...*

Tuan Pengerusi: *I thought this is your pet issue?*

Tuan Tony Pua Kiam Wee: *You just had at least ten questions for them line up in a row just now. So, I think better answer first.*

Tuan Pengerusi: *Okey... [Ketawa]*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okey, Yang Berhormat Tuan Pengerusi, if I may be allowed to explain. First of all, I think if you just give me a few minutes to explain the industry itself.*

Way back in the 1990s, there was no such thing as low fare travel. Low fare travel came into- something in year 2000s when the former AirAsia was bought over by a new team of Tan Sri Tony and Datuk Kamaruddin. They converted that model into a low cost carrier and they were operating at Subang those days.

They did very well, because the low cost model had different requirements. Where the travel is- you pay as you use and they have very high utilization of the aircraft to keep the cost down.

So, for example like in MAS, they may have eight hours flying hours a day, AirAsia will have 12 hours flying hours a day. So, the model is totally different. Because it was different, we agreed to

build for them a Low Cost Terminal, the present Low Cost Carrier Terminal. You have LCCT, so that they can have quick turnarounds and the baggage system is direct feed. It suited them. That was the model of the low cost carriers in 2002 and 2003. But, from then until now, the low cost model has changed. It is not point-to-point. It has transfer of baggage. It has transfer of passengers. It has Business Class. It has long haul. It got Premium passengers. It got a lounge, VIP clearance.

So, even the present LCCT has been changed from what it was day one. Okay, because for example, when it was already designed, AirAsia business model and that was the right model at the point in time, was purely point-to-point, never wide bodied aircraft. That's all. They never foresaw at that point in time, they will be operating wide bodied aircraft. So, that terminal was not designed for wide bodied aircraft. Yes?

Tuan Liang Teck Meng: *Tan Sri, when you said change, it means it's a world trend or because upon certain people request then you have to change? What do you mean actually? Is the world the trend...*

Tan Sri Bashir Ahmad bin Abdul Majid: *The market- yes, the industry change. That's right, the industry change and the market requires the industry to change. For example, when you talk about point-to-point and that was right model when they started point-to-point. That means, if a passenger travel- lets say from anywhere, lets say from Indonesia to Kuala Lumpur, the point-to-point means he has to go out, clear Immigration, collect his bags and check in all over again. That's point-to-point. That was the original model first, because they want to save cost. But, you have people who buy two sets of tickets. They have Indonesia to Kuala Lumpur, Kuala Lumpur-Bangkok. So, then we have to redesign the terminal to change, the present terminal. We redesigned it to accommodate transfer traffic....*

Tuan Pengerusi: *So, make it into a hub in that case.*

Tan Sri Bashir Ahmad bin Abdul Majid: *That's right. Even the present terminal, from the time it is built to what it is today, it's different.*

Tuan William Leong Jee Keen [Selayang]: *I would like to ask, when you say that the model changed and the terminal has to change to keep up with the model. Was it requested by AirAsia or it was on MAHB own initiative?*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, it was AirAsia's business model changed.*

Tuan William Leong Jee Keen: *Yes, but did they request the MAHB to change?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes, of course. Yes and they are partners. So, we have to make those adjustments. So, when they start having transfer traffic, that terminal was not designed. We have to make separate arrangements for it. Then, when they operate long haul aircrafts, on the normal circumstances, we could have said, "If you want to operate wide bodied*

aircraft, this terminal is not designed for wide bodied aircraft. You operate from the main terminal", but that would not be fair because they will lose their connectivity.

So, when we expanded the terminal, that's why the new terminal it's double-storey, because the wide bodied aircraft do not have anymore- the baggage is different, it's in pellets. So, you have to have a different design of terminal to handle pallets. So, we designed that terminal to make the wide body operational which we do today as well. So, even the present terminal has changed its design. So, when we were designing this terminal, we asked them to give us requirements, because their model has changed. So, their new requirements say, first of all, they want to have 68 gates. What they want to try is to save money; they don't want to tow the aircraft in the morning. So, every aircraft is parked. So, we build 68 gates for them. So, every aircraft at night will park at the stand. Number one.

Number two, they said they have transfer traffic. So, essentially they said the transfer traffic will be 75%, but we thought it was a bit too high, we compromise to 50%. If you have transfer traffic at the terminal, the terminal has to be bigger for the movement of the transfer traffic. Okay, then they have Business Class. So, for Business Class, they need a lounge. Even today in LCCT, in the original design, there's no lounge. Now, we have Plaza Lounge, you have VIP Room as well. It's changed. So, we have to provide VIP Room, we have to provide a lounge. They also requested for an airside hotel, because the passengers need to spend the night.

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So, we built the airside hotel. So that is why when we talked about hybrid- hybrid mean is different from the original low cost, but not like a full service. That is why its hybrid terminal. It caters for the new requirements of the LCCT, and any sort uncommon. So, I just want to explain that part of it, the industry has change...

Tuan Pengerusi: Tan Sri, what is the example in the world that has this kind of design?

Tan Sri Bashir Ahmad bin Abdul Majid: We are the first one.

Tuan Pengerusi: We are the first one?

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Tuan Pengerusi: ...Nowhere in the world?

Tan Sri Bashir Ahmad bin Abdul Majid: Nowhere in the world!

Tuan Pengerusi: Okey.

Tan Sri Bashir Ahmad bin Abdul Majid: In the case of Changi, they have demolished their Budget Terminal. They going to build a new one, and that new one we believe will be something like this.

Tuan Pengerusi: What is the passenger's capacity that Changi is going to input?

Tan Sri Bashir Ahmad bin Abdul Majid: About 16 millions- one six.

Tuan Pengerusi: *One six. Okey.*

Tan Sri Bashir Ahmad bin Abdul Majid: *So, that industry has changed. We as an airport operator, we must accept the industry has changed and we must support the airline. So, we have to give what they need. So even for today- for example if MAS changes their model, we have to accept them. For example they changed the model from check-in to kiosk, we have allowed that. The checking system changes, which today your passengers can use a phone to check-in. We have to bring new technology, so the airport must adopt and adapt to the changes of the industry in general.*

Tuan Pengerusi: *Could I say that your main problem is pressure from the low cost airlines that basically their main decisions to reduce cost? Therefore because of their pressure to reduce cost, it gives extra problems to you to basically cater for their business model which is reducing cost when actually the industry is going the other way round where you adding more services which actually should increase cost but whether the cost is being borne by you, or borne by the airline. Could that be a fine statement?*

Tan Sri Bashir Ahmad bin Abdul Majid: *The cost of construction of course borne by us. I think this is to be expected. They did not know. For a Low Cost Terminal to succeed, it must keep its low cost low, right? So no matter whatever we charged, it was still be high for them cause the lower it is, the better it is for them. Even for full legacy airline, no airline in his right mind will say this is the right charge because they will never say that.*

Even if you ask MAS, is it airport tax is right? Officially they will never say that. Unfortunately they may. So in the case of low cost model, they have to keep their charges low. So we need to have a middle balance it. Because of course we have to construct and what is lowest we can charge them. Now, I always see that requires a lot of adjustment, a lot of negotiation, a lot understanding. We try to accommodate their request as much as we can. Our charges are the lowest in the world already right now. Right now, I will tell you that- lowest. Not only lowest in the world, there are so many charges we do not charge. The stream is less.

On top of it, 50% of our traffic is domestic. The domestic airport tax is 9 dollars or 6 dollars. You cannot recover your cost on that basis. So, we cross subsidies the domestic travel. So, that why we are...

Dato' Abd. Aziz Sheikh Fadzir: *Tan Sri, I just want to get a clarification. Those changes that you were saying, was it part of the design in 2009 or it came in after?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Let me explained. The basic thing about the terminal, initially when we said we want to build the terminal, we said we will build a replica of the present terminal. Let say we offer a lounge; we offer a VIP Room but make it bigger. That's all, just the bigger one. So instead of being 60,000 square meters now, we plan to make it 150,000 square meters.*

Now, if we had build that terminal even today the cost would be RM500 million. That's it. You will only be RM500 million but what the Board did was right. The Board said, "Okay, try not to do a replica". Okay. Replica you can do it, you can do it and get away with it. No problems. Because that's what it is. But the Board said, it is possible the industry may change, and I mention that to the Board. The industry as I know, it will change.

The industry today is not the same what it was ten years ago. I can assure you ten years from now, the aviation industry will different from what is today. So, why don't we go and ask our stakeholders what they want? So, went to the government. Like we have built this KLIA2, what are your requirements? The governments say we want segregation of passengers. We can implant originally, segregation passenger. It's the right things to do because we have a lot of human trafficking and drug trafficking in Malaysia. So we said okay, we will have to do that. So, that's a requirement.

Then we ask AirAsia. Of course they said they asked for a list of things, 68 gates, 50% transfer of traffic, they want swing gates, they want a lounge, and they want a hotel. They did ask for additional things like- you know like a spa and what we have said, we really cannot afford that. So, we give them whatever they wanted. It was taken in. Then we ask the public. Then maybe the public said, you may in time to come, although AirAsia doesn't use aerobridges, we thought its best for us include hammerhead because maybe tomorrow we may need to have. So, we could have done with hammerhead. We will save a lot of money. The original designed no hammerhead. Thus, we put hammerhead and they required because they raised, AirAsia will use aerobridges. So we took everybody's requirements into account, then only we did the designed of the terminal.

By the time, the design of the terminal carries is no longer RM500 millions. It was RM1.2 billion- the cost already grown up. At the point of design...

Tuan Pengerusi: What was the time period? This is 2009 and 2010?

Tan Sri Bashir Ahmad bin Abdul Majid: Its all 2009.

Tuan Pengerusi: It was all decided in 2009.

Tan Sri Bashir Ahmad bin Abdul Majid: Around there.

Tuan Pengerusi: Okay.

Tan Sri Bashir Ahmad bin Abdul Majid: So, that's what happens Sir.

Dato' Abd. Aziz Sheikh Fadzir: So, it was actually all this change was incorporated in 2009 when the original design was put in.

Tan Sri Bashir Ahmad bin Abdul Majid: That's right. We have to.

Tuan Tony Pua Kiam Wee: Tan Sri, just to verify sedikit. Dalam satu surat daripada AirAsia kepada PAC, lebih kurang dua, tiga minggu lalu, mereka berkata bahawa, walaupun keperluan telah pun diserahkan kepada pihak MAHB dalam reka bentuk, dalam *designing process of the KLIA2*,

mereka langsung tidak dilibatkan dalam *design* tersebut. Oleh sebab itu, *design airport* ini tidak mempunyai *input* secara langsung daripada AirAsia, hanya *requirements*. So mereka diminta *requirements*, so they give 68 gates, they give certain requirements but they were never involve in the actual design of the airport. They said, they claimed in their letter that they were having- they will build the airport differentlylah even though it meets their requirements.

Tan Sri Bashir Ahmad bin Abdul Majid: *Sir, if we have listened to them, we will have got it wrong. There was a mistake we made and I will be very frank here. When we were designing the Low Cost Terminal, the present Low Cost Terminal, we had our views as an airport operator. But because it was a new business model, they ask whether they could design it. I would like them designed it. But in their design, we told them you going to get it wrong. First of all, they wanted direct feet of the baggage. We told them baggage needs conveyer. They said no. They said we want direct feet.*

Subsequently when we have to build the extended terminal, we have to put conveyer. Cost us more money. We told them you have transferred traffic, they say no. You want transfer traffic. We told them you will have transfer baggage. They said no. So, we got it wrong. So in this case, what we did as an airport operator, we are accountable. Not only for the airlines, for the Immigration, for the Customs, for everybody. So we take their input as long as their input is neat. As an airport operator around the world, that is how we build airports.

Tuan Tony Pua Kiam Wee: *Just a point of note- on the current LCCT, although requirements would have change, I understand the airport conveyer, the baggage conveyer belts as well as the transfer process which is quite new started last year if I am not wrong, and you can see the queue at the international counter every time you go up the escalator. But MAHB make a lot of money from that. The return to investment for the current LCCT which was built at a cost I understand to be RM232 million. MAHB got multiple; multiple times return on the airport whereas now it is something that will cost RM4 billion or more. We are not sure whether MAHB and the government being a shareholder in MAHB. You get that same sort of return. So that is our concern on that part.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okay Sir. That is a very valid questions Sir. If you look at the cost per square meter of KLIA2, compare to the cost per square meter of LCCT, KLIA2 is cheaper...*

Tuan Tony Pua Kiam Wee: *That is one of the points. Do we need such a big space to cater for that number of passenger?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes Sir. Yes Sir. The answer is this Sir- there is an international benchmark on how you measure comfort level. Comfort level of passengers' bypass a ruling. They have 'A' grade, 'B' grade, 'C' grade. Now, the way this terminal has been designed, I*

think upon opening is about 25 square meters per passengers. KLIA1 is 55 square meters per passengers. This is half and you going to have doubled the number of passengers. So if you ask me whether it is big for a number of passengers? I would say its small when your reach 45 million passengers. It is because when you have 45 million passengers, the comfort level would go to 17 square meters per passengers. Which I see almost grade 'D' in IATA Standard.

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So, that's how airport are judged whether you are large or small. The present LCCT Terminal we were said it over crowded, definitely. Definitely it is over crowded because it has 20 million passengers; the design is not for 20 million passengers. It is not. But the main terminal now, it designed for 45 million passengers. And the space if you look at it, the KLIA it has 500,000 square meters. Number of passenger designs 25 million. This one has half the number; half the size at 250,000 but can handles 45 million passengers. So if you talk in terms of size, I think it is crowded for- we have 45 million passengers it will be crowded, sir.

Tuan Tony Pua Kiam Wee: *Just to conclude my earlier point, so I can confirm that the design process AirAsia wasn't involved. Based on the reason that you have provided, but just again, a question on expects. Even though you may not follow their- perhaps design requirements. Not the need of requirements but the design requirements. MAHB didn't think that it would be constructive too, at least hear them out on the design process.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Sir, when KLIA1 was done I was in MAS, we were not involve in the design requirement and it is an excellent airport, excellent terminal. They don't need our design requirement. They need our requirements only- only requirements. The design is architectural. Now, we got all their input, but we decided on amount of space we going to have, the immigration custom layout, it is design competition. That's what we did. Now we build airport in Hyderabad, we build a Low Cost Terminal in Sabiha Gokcen same way. We get the requirements, we get every requirements we prepare needs statement, we make a contest competition, the design come fit and they give it to us. That's how it's actually done.*

Dato' Abd. Aziz Sheikh Fadzir: *I tend to agree. I mean as long as we get the requirement from AirAsia that would enough to satisfy their needs and for MAHB to accommodate. But I want to go back to the question that I was asking Tan Sri. Kalau kita sudah incorporated all the design semua ini because you want 1.7 billion, macam Yang Berhormat PJU tanya tadi, with such a large airport that RM4 billion, do you think that it will be viable for Malaysia Airport to run it?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes Sir.*

Dato' Abd. Aziz Sheikh Fadzir: *Economically?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes Sir, because we need to look at the breakeven of an airport- our breakeven of an airport depending on the charges. I think if you look at*

KLIA2 you can say the breakeven maybe about 65% to 75%. This terminal is design for 45 million. On day of opening, if we close up the LCCT, it will be loss out. You only have 20 million- 20 million if you grow by 10%, another 15 years you will have 45 million already.

Dato' Abd. Aziz Sheikh Fadzir: *What price the airport tax will you base on?*

Tan Sri Bashir Ahmad bin Abdul Majid: *At the moment it is 32.*

Dato' Abd. Aziz Sheikh Fadzir: *Are you still base on 32 for that?*

Tuan Tony Pua Kiam Wee: *...32 and 9.*

Tan Sri Bashir Ahmad bin Abdul Majid: *...32 and 9 if you use that assumption.*

Tuan Tony Pua Kiam Wee: *So basically...*

Tan Sri Bashir Ahmad bin Abdul Majid: *Now 32 and 6...*

Tuan Tony Pua Kiam Wee: *Basically your statement here is to say that for MAHB to service its loan and to perform reasonable financially that's no need for increase in airport tax.*

Tan Sri Bashir Ahmad bin Abdul Majid: *My CFO will answer that.*

Encik Faizal bin Mansor [Ketua Pegawai Kewangan MAHB]: *Sir, if I can answer that question, I'm the CFO from Malaysia Airport. I think Tuan Pengerusi, I think one of your first points that you highlighted was the fact in your view it's delayed and the cost is very high. Maybe if I show this slide, it will help a bit to explain your concern on that part.*

Tuan Pengerusi: *My point was about your planning being rush and therefore causing problems with any contractor to construct it. Therefore, that will be time delays and cost overrun. Whether it's been borne by MAHB or borne by the contractor that will be explained later. And I am not even touching about quality okay? When we visited the airport, I just kept my mouth shut about quality. Because when I walk through it, I felt the uneven floors, you know about the finishing wasn't great, which is symptomatic of a badly managed project.*

Tuan Tony Pua Kiam Wee: *I just want to add a bit on what the Tuan Pengerusi saying, it is also not so much about the hindsight cost per square meter.*

It's more about the fact that it was planned for something costing less than RM2 billion. So, there was a plan and we couldn't adhere to that particular plan...

Encik Faizal bin Mansor: *Sure. I'm just trying to address the question about whether it's going to viable and so on. I guess first and foremost...*

Tan Sri Bashir Ahmad bin Abdul Majid: *...Before that Sir, if I may answer that Sir. We could have adhered to that plan, we could have. But that would had mean we have said no to everybody else. We say no to the government. The government has asked us to make segregation, we said no. Because the present terminal- Low Cost Terminal has got no segregation...*

Dato' Abd. Aziz Sheikh Fadzir: *But Tan Sri, itu saya kata tadi. I keep on asking Tan Sri, when you came to the government in 2009; you would have incorporated everything before you even*

build. Tan Sri kata, you talked to the government, one of them will be the segregation of passengers but don't you think that would have put the whole thing inside part of the RM2 billion that we wanted to- in 2009...?

Tan Sri Bashir Ahmad bin Abdul Majid: *We couldn't.*

Dato' Abd. Aziz Sheikh Fadzir: *... We could have or we should have, you know. We should have so that we will not have this cost escalated to RM4 billion.*

Kedua, macam Tuan Pengerusi was trying to impress to all of us that, I think one of the sebab is delay, because we were too ambitious by putting the timeline, you know. Size of this kind of the development, couldn't have been done within 18 months. Akan tetapi for whatever reasons, which that you came out with that timeline; okay you're going to complete this. Whether that timeline was imposed by the government for you to do it, so end up not only you got the cost escalated, but you also missed the timeline badly, which painted very ugly picture to pengurusan MAHB.

Sekarang ini kalau kita hendak justify- okay cost per square meters we are far cheaper than Heathrow, we are far cheaper than everybody else in the world. I think that would not stand anymore. You have been good in 2009, kalau kita kata macam itu. Now we are just trying to justify it's escalated to RM4 billion but yet we are building the lowest airport cost- the lowest cost airport in the world. We were just more of justification Tan Sri. You know, public will have read you wrongly. So, that's why Tuan Pengerusi kata tadi, were you being imposed by the government, it must be open in June 2010 or whatever date so that, you got to work backward to get everything done.

And then my other question was that- in 2009 you would have got RM2 billion all on the table, which you should incorporated all other cost. The third one is- public also see that why you came in with RM2 billion at that time just for you to match Sime Darby punya proposal. You are telling the government that look, I also can do at RM2 billion. Just like where Sime Darby wanted to do it for RM2 billion, so that MAHB remains to be the only airport operator in the country.

So, you would have mislead the Cabinet, giving them all the promises that, yes we can do it for RM2 billion. So Cabinet decided forget about Sime Darby punya proposal went along with MAHB punya proposal. Then end up now, we cannot turn back already. We've got to go along with you. Hopefully this RM4 billion, I think what we've been told today. It will not also be RM4 billion, it will be RM4 billion something. So, ini benda-benda yang people are confusing Tan Sri.

Tan Sri Bashir Ahmad bin Abdul Majid: *Okay, if I may clarify that.*

Tuan Tony Pua Kiam Wee: *Tan Sri, sorry- just to add sikit to what my friends. I know CFO is waiting to answer the earlier question. Since we are on this, just to give a bit of summary timeline, I went through all the news report. The airport was first announced with budget RM1.7 billion, July 2007. Masa itu diumumkan oleh Menteri Pengangkutan. Then in 2009 March, that was announced by the MAHB, it was RM2 billion and then October 2010 it was RM2.5 billion, again announced by*

MAHB. Then selepas itu, end of 2011 which is another year later it became RM3.6 to RM3.9 billion, again announced by MAHB. So, it is look like an incremental thing rather than something pumping their hands, the whole thing turns up side down...

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Tan Sri Bashir Ahmad bin Abdul Majid: Okay, This is not uncommon. If I may explain, when we were building Hyderabad Airport, the design changes three times in a period of three years. Three times, because the passengers number changed...

Tuan Pengerusi: Was it driven by government or driven by...

Tan Sri Bashir Ahmad bin Abdul Majid: By market demand, by the consortium. It is because when you build, the first design RM6 million. Design completed. Half way through construction, we found the market was going faster than that. Increase to RM9 million finally to RM12 million. So, it does happen, because the construction period is so long, things happened.

Okay, if I may answer the first question. When we went to the government and said that we can build it for RM2 billion, we could have build it for RM2 billion. We could have for the old design. The present design that we have at LCCT, put out the runway, with different tower, we could have build it. There is no problem. But, I think the Board made the right decision and say- let's look to the future. Do not build the same one, because we have already built the same type. Build for the future. So, that is why the time took longer.

Now, the September 11 dateline was actually something imposed upon us, because we wanted to get the terminal done as soon as possible. AirAsia was going very fast. So, they needed a new terminal very fast. We said alright, we try for September 11. But, when we started asking for requirements, even AirAsia requirements were much more than the government requirements and the public requirements, that was the right thing to do. To design a terminal that was meant for everybody else. Of course, the cost will go up, because the feet has gone up.

The requirements have gone up. Today this terminal, if we build the old terminal for RM2 billion, everybody would be unhappy, because they will say, "You have not met my requirements." This terminal meets everybody requirements. We would like to know...

Dato' Abd. Aziz Sheikh Fadzir: Sorry Tan Sri. Bila Tan Sri- you went back to the government in 2009?

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Dato' Abd. Aziz Sheikh Fadzir: Year 2009 was how much, RM2 billion? So, when did the government changed again?

Tan Sri Bashir Ahmad bin Abdul Majid: No. After that, when we went back, we do it with our own funds. We did not go back to the government. The Board decided to do it.

Dato' Abd. Aziz Sheikh Fadzir: When was this?

Tan Sri Bashir Ahmad bin Abdul Majid: *Sorry.*

Tuan Tony Pua Kiam Wee: *Subsequence increases tidak ada kerajaan lagi.*

Dato' Abd. Aziz Sheikh Fadzir: *So, in year 2009 it was RM2 billion. So, after that only you know the price will escalate.*

Tan Sri Bashir Ahmad bin Abdul Majid: *The Board- yes.*

Dato' Abd. Aziz Sheikh Fadzir: *No one else knows.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Because, it is our own project.*

Dato' Abd. Aziz Sheikh Fadzir: *So, you never go back to the public saying that this airport would have cost MAHB RM3 billion after that?*

Tan Sri Bashir Ahmad bin Abdul Majid: *No.*

Dato' Abd. Aziz Sheikh Fadzir: *The stakeholders are not interested?*

Tan Sri Bashir Ahmad bin Abdul Majid: *As long as the Board is concerned. It is the Board.*

Dato' Abd. Aziz Sheikh Fadzir: *The shareholders are not entitled to know that? The shareholders of MAHB are not entitled that the airport supposed to be...*

Tan Sri Bashir Ahmad bin Abdul Majid: *If the shareholders asked, we would answer, because this is on going project...*

Dato' Abd. Aziz Sheikh Fadzir: *So, you strongly believe that you are not answerable to the public saying that...*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, no. That is not the case. They can ask the question, we will answer like we are doing today.*

Dato' Abd. Aziz Sheikh Fadzir: *So, in year 2009 the price was RM2 billion. The Board decides the price is going to be RM3 billion. No one should know about it.*

Tan Sri Bashir Ahmad bin Abdul Majid: *No. The Board knows about it. The shareholders can ask.*

Dato' Abd. Aziz Sheikh Fadzir: *Public did not have to know about it?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Public can asked.*

Dato' Abd. Aziz Sheikh Fadzir: *I know. They are not entitled...*

Tan Sri Bashir Ahmad bin Abdul Majid: *We are giving frequent updates.*

Encik Faizal bin Mansor [Ketua Pegawai Kewangan MAHB]: *There were frequent updates on- that is how basically the public knows...*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Encik Faizal bin Mansor: *So, there were frequent updates.*

Tuan Tony Pua Kiam Wee: *Yearly updates after the Board Meeting.*

Encik Faizal bin Mansor: *We are fully understand.*

Tuan Tony Pua Kiam Wee: ...Based on the report, I do not have the full statement. I just read the newspaper, it may not be full. They announce the increase in cost, but did not announce why the cost increase.

Dato' Abd. Aziz Sheikh Fadzir: They said they were informed.

Dr. Tan Seng Giaw [Kepong]: Tuan Pengerusi. It is my turn.

Encik Faizal bin Mansor: Yang Berhormat, because one of my biggest responsibility is of course managing the shareholders of Malaysia Airports. First and foremost, we are one of the very few GLCs that is triple 'A' rated in Malaysia despite the cost of RM4 billion...

Dato' Abd. Aziz Sheikh Fadzir: You are the only airport operator in the country Sir?

Encik Faizal bin Mansor: Sorry.

Dato' Abd. Aziz Sheikh Fadzir: You are the only airport operator in the country. You have no competitors?... [Disampuk]

Encik Faizal bin Mansor: Yes, there are other international airport operators operating in others countries. Not many are triple 'A' rated. Okay, so we are not just benchmarking in Malaysia, but also internationally- first.

Secondly, of course as a GLC, Malaysia Airports is one of the Top 20 GLCs that has embarked on the transformation program over the last ten years. Over this last ten years of that transformation program, Malaysia Airports has provided the highest return amongst all GLCs over the ten years programs. In total, it is 750% returned to our shareholders. The number one amongst the G20 companies so, of course we are very concerned when we decide whether RM4 billion is going to be viable or not.

So, I hope that addresses that question- amongst all those companies. We have 20% of our shareholders are foreign. So, there is a lot of our investors are confident in the work and management that has been done by the company.

So, it just that I was concern when there was- if the message goes out there that the PAC is of the view that we have delayed, we have cost overrun or whatsoever, it could seriously damage the reputation of the Malaysian Airports as a PLC. Now...

Dato' Abd. Aziz Sheikh Fadzir: The two perception that you mention is what you have been perceived now.

Encik Faizal bin Mansor: That is what I'm saying.

Dato' Abd. Aziz Sheikh Fadzir: The timeline is far run off.

Encik Faizal bin Mansor: Despite that, our share prices is one of the highest- at the highest level ever.

Tuan Pengerusi: I can give many excuses why the share prices are high. That you do not talk to me about corporate things...

Dato' Abd. Aziz Sheikh Fadzir: *Let do not go into that.*

Tuan Pengerusi: *EPF, Khazanah and that is just the three big funds that already give you a shareholder based. That will ensure your share price will be high. That is not the issue.*

Tan Sri Bashir Ahmad bin Abdul Majid: *But, I think the point, if I may point...*

Tuan Pengerusi: *It is rigged. The Malaysian market is rigged. Sorry, do not talk. Take it out, take it out... [Ketawa]*

Encik Faizal bin Mansor: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *I do not want to go into that kind of justification, because you see, my main problem is this. I visited the airport, it is not completed yet. But, at that level of completion, two months from opening, I can feel that the airport will give the user an experience where he will say, "This whole airport costs RM4 billion?"*

When it should be, as you give me the statistics saying that it is the lowest cost in the world or whatever. But to me, what the public feels when they enter the airport, when they used the airport, they look at the airport, will they say, "Is this RM4 billion is value for money for us or not?". I mean, forgetting the argument that it is privately funded. That is why it becomes a public issue. Because I am worried that the public goes in and they say, "This cost RM4 billion? It is so basic. I do not saw anything." Because, their level of understanding is not as high as we have. That was why we decided to call MAHB to come.

Further on, you can give any excuses or whatsoever, but anything you say will cause us to call- lets say, the contractors. We may call the contractors to come and explain what they have been through with this tender. I just want to basically, to settle this issue here. So that, there is no other- it does not drag on, because the airport is finished, it is done.

We are not questioning the airport not being completed. We are not asking you to redo the airport. We are just trying to basically give a good explanation to the public that, "Okay, this airport is done. It will be operational.", there are less complaints... [Disampuk]

Tuan Tony Pua Kiam Wee: *I think the answer just now is, can we keep the same airport tax and will it be okay?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okay, let me explained a little bit about airport taxes. First of all, if I may, airport taxes are decided by the government. That is why we do not say we are monopoly. Because if we want to monopoly, we need to be at a monopolistic position to decide whatever you want to charge. All our charges are regulated. We are much regulated industry. So...*

Tuan Tony Pua Kiam Wee: *You can asked for a higher charges, whether the government approves or not. That is not another issue.*

Tan Sri Bashir Ahmad bin Abdul Majid: *There is a limit to that as well. There is a limit to that. In our case, the agreement that we have with the government- ours is the most stringent regulated tax system for any airport in the world. First of all, we can only ask for an increase every five years.*

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Before, we could asked any time we want. Only every 5 years. Even if we ask for that, we must meet certain criteria; we must achieve a certain level- a certain service level. Only after we meet those criteria, then we can request for increase. Even if the government approves an increase, it is base on sell CPI -1. So that's the cap. That's the cap that our charges of the lowest. So that's the basically that we have. In the Singapore, they can increase the charges anytime there want. We can't and we accept that because...

Tuan Pengerusi: *Any other charges that the government regulate?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Everything.*

Tuan Pengerusi: *Everything.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Landing parking, charges everything. We accept that. It is because we are regulated company, we accept that every five years- we can only change every five years and the government has the right to approve. We accept that, that's number one.*

Number two, the airport tax is never linked to the cost of construction over terminal, never linked. In fact, trail to the low cost travel, airport tax was like departures tax. It regardless of any airport we operate, the price is the same. Domestic is one price, international is one price. But if government changes that model and the Low Cost Terminal was build. In the case of Low Cost Terminal, the government decided to charge- I think were 35 and the lay found we use 25. It's for government to decide.

Now whether the government- we believe the government did that because of the facilities at the LCCT. Right, we do that but technically I would say, if you charge base on the terminal, that some other airport would should had been cheaper.

It is because at the point time, Malacca Airport was even worst, so Malacca Airport should had been 10 dollars. Kuantan Airport should have been 5 dollars. So only in the case of LCCT for AirAsia, the government made an assumption, only the case of that. So these charges are decided by the government. So whether the charge at KLIA2 now is going to 32 or less or higher is up to government to decide.

Dato' Abd. Aziz Sheikh Fadzir: *But that's why I said, at the end of the day, the government will also listen to you, you know. But are you saying that now with RM4 billion ini, will the airport tax remain as it is, atau tidak? It is because it biggest issue that we have. I'm talking to you as a politician as a Member of Parliament and Member of Parliament of Barisan Nasional you know. The*

three things I have now because ini akan dibawa balik ke bawah you know. At the end of the day Barisan Nasional were also suffer. So I just want to get a conformation from you because ini apa yang rakyat bayar. So will the price remain as 32 atau macam mana?

Tan Sri Bashir Ahmad bin Abdul Majid: *Okey, then you have to...*

Tuan Haji Hasbi bin Haji Habibollah [Limbang]: *Before Tan Sri, just addition to that. Are you forecasting tanyalah, forecasting to increase?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okey, let me try to answer the question Sir. There are 64 airlines operating in Kuala Lumpur, 64. The other 63 also have a right to give a view on the charges and they have a view. They given the view to the government and the view to the government are that this terminal has a lot of facilities that there are better then present terminals. So, should the charge be the same? They ask the government that question. So the charge is the same. So there is something for the government to look at because why could argue as well and those 63 airlines are saying the charges will be the same.*

Dato' Abd. Aziz Sheikh Fadzir: *Okay on behalf AirAsia...*

Tan Sri Bashir Ahmad bin Abdul Majid: *You know I'm just saying that.*

Dato' Abd. Aziz Sheikh Fadzir: *I'm speaking on behalf of rakyat Malaysia.*

Tan Sri Bashir Ahmad bin Abdul Majid: *That's right, that's right.*

Dato' Abd. Aziz Sheikh Fadzir: *You know because those who others it will the different thing. Let say my question view is you think that with the new airport coming in, do you intend to propose the government or do you foresee that the airport tax will change...*

Tan Sri Bashir Ahmad bin Abdul Majid: *We don't propose.*

Dato' Abd. Aziz Sheikh Fadzir: *But then...*

Tan Sri Bashir Ahmad bin Abdul Majid: *We can only propose every 5 year.*

Dato' Abd. Aziz Sheikh Fadzir: *When the next 5 years be?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Soon... [Ketawa]*

Tan Sri Bashir Ahmad bin Abdul Majid: *Ours is overall.*

Dr. Tan Seng Giaw: *Mr. Chairman, it is my turn or Yang Berhormat Selayang?*

Tuan William Leong Jee Keen: *Can I just ask one question Yang Berhormat. I think PAC has called MHAB on the public perception on the regular increase in the cost and the repeated delayed in completion. Would MAHB be able to provide to us in simple chart form 2007 what was this requirement, and scope and the value, and the subsequent changes. What are you telling us that there was a change in the business model? So what are the changes that would make incrementally that increase the cost? So that we will be able to explain that it's not fully plan, it was change along the way. So what were those changes that will need and what was the cost? From the view of the contractor, it should change require and extension of time. So that now finally is 2nd May,*

we would like to be able to go back to public to say that looking at the changes, it is reasonable time frame as a post to the impression that did has been fully plan and fully implemented and managed. I think that will help all of us you know, help to understand why finally now is more than RM4 billion and 2nd May.

Tuan Tony Pua Kiam Wee: *Than can be actually be a return form- that will be nice.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Thank you. So we can do that. If I'm not mistaken Tuan Pengerusi, when that presentation was done by Datuk Seri Long, KSU MOT, that was a chart that showed the original and the new one that increases.*

Tuan Tony Pua Kiam Wee: *I think what we have is between RM2 billion to RM4 billion...*

Tan Sri Bashir Ahmad bin Abdul Majid: *Ya, okey.*

Tuan Tony Pua Kiam Wee: *All the things lamping.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Tuan Tony Pua Kiam Wee: *So, there was no RM2 billion to RM2.5 billion to RM3.6 billion and now to RM4 billion, and the causes of it in-between whether it change your specs or due to the contractors or whatever the reasons maybe. I think that the main thing now we have is RM2 billion, RM4 million everything the reason of it and the timeline is specified.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okey.*

Dr. Tan Seng Giaw: *Mr. Chairman let me ask. Ya, he talks so much.*

Tuan Pengerusi: *[Ketawa]*

Dr. Tan Seng Giaw: *It the normal practice is that's the project, that's the timing, that's the ceiling. Are you saying that in the airport development, this normal practice does not apply?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Sir, I can explain to the extend that in airport development because it takes a long time and the industry changes a long the time, it does change. As a senior experience Hyderabad and even some we have to get change.*

Dr. Tan Seng Giaw: *Actually saying that in any part of the world airport development does not follow the usual precept of concept of the development.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes sir- in our experience in building airports.*

Tuan Pengerusi: *Your explanation today is good, is being recorded verbatim. I think you give a better idea of the situation to the public, once we do our report. So I mean, we are not here time to pick fault okay. We are just trying to find what we called it, a good answer to a project that has been so much- the press you know, even internationally people asking, why KLIA2 has got so many problems. You don't hear this problem in Changi, you don't hear this problem in Hong Kong Airport or somewhere else. But here is become such a big issue that we need to explain to the public that you know, this airport is well plan, well constructed and safe security.*

I was actually interested just now in your explanation saying you know that Immigration, the government see feedback was about on your statements of need about catering for Malaysia becoming people smuggling, drug smuggling centre you know, that's why they wanted extra features to be included in the construction and therefore cost to blow up. So, there is issue that stripes me as one more important than the actual construction of the airport itself.

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Tan Sri Bashir Ahmad bin Abdul Majid: *If I may clarify the point as well. Kuching Airport when it was build, it did not provide for segregation of international domestic. After construction last two years, we had to redo the design of the terminal. So that's why I'm saying things can change. So that what happen. In the Penang Airport, before that there was no segregation. In upgrading the Penang Airport, we have to provide for the segregation, and therefore we have to build another level at Penang Airport. So things changed even the airport is ready. The Miri, Kuching was ready, after two years we have to make a change.*

Dr. Tan Seng Giaw: *Let me repeat it. Could you confirm once again that airport development does not follow the usual concept of development?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes Sir, because it changes along the way.*

Dr. Tan Seng Giaw: *So with current KLIA2, in terms of security, which is the primary concern today with MH370, can you improve the security in KLIA2 to an extend that you can cope with most emergencies?*

Tan Sri Bashir Ahmad bin Abdul Majid: *KLIA2 in terms of security, we have improve on it, it was peers security. It will still have double security going in. Most airports don't have double security Sir.*

We have one security where after immigration, you are checked before you're going to the terminal- some airport like Singapore, and you won't get check. It's only random. So we do that and we have to make sure if I may explain Sir. This security issue is not for us to decide. It is regulated by standard established by department of civil aviation. So we have to comply. If they say it's going to be four people working at the each gate, we need to have four people. So it is regulated and we have to follow those regulations.

Tuan Tony Pua Kiam Wee: *Tan Sri, I've got nine questions- some of the answers were given during our visit on site. Perhaps for the purposes of recoding them down in the meeting, so I will repeat some of the questions.*

Number one- Control Tower when was it discover that we suddenly needed a new Control Tower and I understand from the media report, even the site of the Control Towers was actually move a few times before the final location was actually given.

Tan Sri Bashir Ahmad bin Abdul Majid: *I think Dato' Hamid will be in better position to answer that but initially in our design. We just felt at that point of time, there's an apron tower would be sufficient. At the present LCCT, there's an apron tower. So the main tower look at all the runways, there's an apron tower to regulate the movement of the aircraft. So for KLIA2 at that point of time, with that size of terminal, we just needed only an apron tower. Of course when you build a bigger terminal, there's a requirement and also it was DCA requirement. Maybe Dato' Hamid can explain that.*

Dato' Abdul Hamid bin Mohd Ali: *As mention by Tan Sri, our original plan was to have an apron tower only but when request to shift the runway 3 further to 2.5 kilometers from runway 2, then the issue of land of sight visibility came into the picture and DCA requested that they need a tower to handle both runway 3 and future runway 4. Therefore sometime, I can't remember the exact date but sometime in 2011 also we discuss about this requirement and a site was initially chosen. In fact we did call the tender, it was initially agreed that is the best location but later a few bay will not be seen from that location after DCA carried out the assessment. Therefore we shifted to new site, the present site. It was sometime in 2011 or early 2012 when we decided the construction of the Control Tower.*

Tuan Tony Pua Kiam Wee: *I think Dato' Hamid may not have the date exactly review. Perhaps that could be given to us in writing on the date. So basically the airport was design, constructed 2009, that was the new plan and subsequently in 2011 only you decided that a new tower is needed and after the award of the tender, you discovered new site would be needed so there was another shift after that, perhaps early 2012. The exact date we will wait for the actual detail, that's fine.*

Tuan Pengerusi: *Before that- just silly question. If under the original KLIA Master Plan, if the location of the terminal has been built as middle terminal...*

Tuan Tony Pua Kiam Wee: *KLIA north.*

Tuan Pengerusi: *Where the other site of KLIA2 tadi, would the position of Control Tower change as well?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Control Tower it depends on the runway. It was constructed...*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *No, the runway was because to cater for AirAsia. One thing that the KLIA2 the current site, we close to runway. Is that true?*

Dato' Abdul Hamid bin Mohd Ali: *The original Control Tower located at the current position is supposed to be able to see the runway 4 which is now behind runway 3. That runway is*

located about 1.5 kilometers only to runway 2. So now we have shifted that runway 4 where it becomes runway 3, now at 2.2 kilometers. So the location has shifted, therefore the issue of...

Tuan Pengerusi: My point was that decision to shift runway also it was also depend on the position where to locate the KLIA Building.

Tuan Tony Pua Kiam Wee: That's where the new KLIA.

Tuan Pengerusi: Where the new KLIA Building is. Is that true?

Dato' Abdul Hamid bin Mohd Ali: We did the revision to the master plan in 2008 where again NACO was the original master planner together with KLIACS, the project developer carry out that study. The review back the original 1993 master plan and they come out with the KLIA2 concept where they require the runway and the parking apron at the current location. So we carry out our development based on that master plan done in 2008.

Tuan Pengerusi: So NACO and KLIACS recommended the current location for the terminal to rebuild. And therefore the runway also came with it as well because of the requirement of the runway. Like itself contain environment for that part of the airport.

Tuan Tony Pua Kiam Wee: It wasn't anticipated that we need new Control Tower then?

Dato' Abdul Hamid bin Mohd Ali: At that time, yes...

Tuan Tony Pua Kiam Wee: The Control Tower?

Dato' Abdul Hamid bin Mohd Ali: Because as I said the...

Tan Sri Bashir Ahmad bin Abdul Majid: You see the point here is originally when we just building the apron tower, the runway was supposed to be narrower or closer to runway 2. Subsequently then, like I said again it changed. When we started constructing, there was a requirement to change it to make the separation instead 1.8 to 2.2.

So runway went further away from the main Control Tower. That's what it said that in order for them to see these runway, they will need another Control Tower. That's how it happened.

Tuan Pengerusi: The increase in cost also was due to this decision to shift the location?

Tan Sri Bashir Ahmad bin Abdul Majid: That's right.

Dr. Tan Seng Giaw: Mr. Chairman, just now Tan Sri didn't answer the question about the ceiling on the cost and the timing. Is there no need for any ceiling despite your new concept of development?

Tan Sri Bashir Ahmad bin Abdul Majid: No, the ceiling, the Board gave us RM4 billion.

Dr. Tan Seng Giaw: You mean on the beginning it was RM4 billion?

Tan Sri Bashir Ahmad bin Abdul Majid: Here the difficulty we have here is as I mention things changed. Just like Hyderabad Airport. From 6 million, 9 million, 12 million. It changes. So in this case, one of the major things after the design of the terminal, one of major things that changed was the location of the runway because AirAsia said that because the present separation between

runaway 1 and runaway 2 is 2.5. Then it gives you a lot of space for MRO facilities. Okay. In the master plan it says only 1.8, for safety reason you only need 1.8. So they put 1.8.

So AirAsia argued and justifying also, that they said if MAS can have that amount of area for MRO, why can't we have the same so it was supposed to be 2.5 but we negotiated to make it 2.2. That is the major shift. It was done only about 2010, 2011 when we build runaway. So of course the cost goes up and the cost goes up, it is not anticipated. But the Board approves it. The Board decide only yes, maybe it is a good decision let's make it the separation a bit more and then we build it. So the Board approves that cost as it comes along.

Dr. Tan Seng Giaw: So in other words, the Board does not has any ceiling on this? You know from the beginning it was...

Tuan Tony Pua Kiam Wee: ...Moving ceiling, put it as moving ceiling.

Tan Sri Bashir Ahmad bin Abdul Majid: Okay, lets as example, supposing the Board has put a ceiling of 3, pulling a state. And then a request comes for you to justify. We justified. And then we have the money, we have the location and we do it. That's what happens because it is justified. Because you cannot say- for example right now the Kuching Terminal was built, done but immediately after it's done, there is a requirement for us to do segregation. So, went to the Board. The Board agreed. We have to spend some money because this is the changes, the model changes.

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Dato' Abd. Aziz Sheikh Fadzir: To answer Deputy Chairman punya question itu, I think are you saying that there is no ceiling as long as it is deemed speed, we can do it, right?... Justified!

Tuan Pengerusi: Approved by the Board but the decisions is approved by the Board.

Tan Sri Bashir Ahmad bin Abdul Majid: Yes, of course.

Tuan Pengerusi: It's not arbitrary by the management.

Tan Sri Bashir Ahmad bin Abdul Majid: Yes, of course. It is not management, but the Board.

Tuan Pengerusi: Yeah, the thing that intrigues me is the National Airport Master Plan, when they...

Tuan Tony Pua Kiam Wee: 1993 kah, 1992?

Tuan Pengerusi: The 2008 one. Just now Dato' Abdul Hamid was mentioning 2008. The passenger forecast. Was the forecast done by the study- what was the total number of passengers forecasted by that study?

Tan Sri Bashir Ahmad bin Abdul Majid: We have surpassed that.

Tuan Pengerusi: No, no.

Tan Sri Bashir Ahmad bin Abdul Majid: But, we can give you that.

Tuan Pengerusi: Because the rapid change, there is this 2008...

Tan Sri Bashir Ahmad bin Abdul Majid: *Sure, sure.*

Tuan Pengerusi: *What was the passenger forecast?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Tuan Pengerusi: *And then, was it two years later, three years later, it changes? What was the basis of the new forecast? Is it the same study or a different one?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okay the master plan at that point in time will give a forecast. But, what we do, we monitor every year. For example right now, if you look at the full service terminal KLIA1, the growth has been higher than anticipated. Right now, this year, we have already touched RM25 million, RM26 million. So, we will need to build a second satellite. Because, we didn't expect it is going by 12%, 13%. It used to grow about 7%, 8%. Now, suddenly it is growing by 15%. So, that process of building the second satellite will have to be advanced. So, the forecast is at best only a forecast. Because, it can go up or down.*

Tuan Pengerusi: *I know, but you can choose the optimistic end of the forecast or the pessimistic end.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Ya.*

Tuan Pengerusi: *What was the foundation of the forecast? Did you take figures from whom, from IATA? ...From international bodies., etcetera...*

Tan Sri Bashir Ahmad bin Abdul Majid: *We use historical figures, then we use GDP growth, then we also compare it with the region.*

Tuan Pengerusi: *That is your own derive forecast?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Tuan Pengerusi: *Not based on any international study or independent body?*

Tan Sri Bashir Ahmad bin Abdul Majid: *We have our own forecasting team and we never got it wrong so far.*

Tuan Tony Pua Kiam Wee: *I think the Pengerusi's question, these are the questions we asked the KSU the last time he came. It was more on the fact that the KLIA not originally based on the 1992 master plan- was supposed to be 45 million. AirAsia did request for 45 million but, the first plan that was designed under the 2008 master plan was only, if I am not wrong, for about 25 million.*

Hence, later on, two years later in 2011 when it is decided to be increase back to 45 again, hence the increase in cost. Is that timeline correct?

Tan Sri Bashir Ahmad bin Abdul Majid: *KLIA2 was initial design for 30 million. Yes but I need to make one qualification. In fact, at the ground breaking ceremony, we said that the number of passengers you can handle also depends on the number of gates. Now, if you do calculation, to handle 30 million passengers, you only need 55 gates. AirAsia asked for 68 gates, more than 35. So,*

at that point of time, we already said that if this terminal had been converted to 45 million passengers, we can do it. The only thing that goes out is the comfort level, but we can do it.

Tuan Tony Pua Kiam Wee: So, it is correct that AirAsia has always asked for 45 million, 68 gates, but the original design was for 30 million passengers?

Tan Sri Bashir Ahmad bin Abdul Majid: No, AirAsia to our knowledge did not ask for 45, they ask for 68 gates.

Tuan Tony Pua Kiam Wee: They did ask for 68 gates.

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Tuan Tony Pua Kiam Wee: But, the original design was for 55 gates.

Tan Sri Bashir Ahmad bin Abdul Majid: ...55 gates. That's right.

Tuan Tony Pua Kiam Wee: But subsequently, MAHB decides to agree to the increase and hence the change in design?

Tan Sri Bashir Ahmad bin Abdul Majid: No, let me explain, five minutes Sir. At the time the terminal was building, the terminal itself, and terminal size can handle- when you talk about comfort level. For example, the present Low Cost Terminal, you can design for 15 million, but it can handle 20 million. It's just the comfort level goes down.

So, in this case, the design of the terminal, we said that even if we design about 30 million, it can handle 45 million passengers. It can- the comfort level but you need 68 gates to handle 45. Okay? So, we design 68 gates, you can handle 45, but the baggage system must be able to accommodate 45 million. That baggage system agreed at the point of time can handle only 30.

So, subsequently AirAsia say, "Look, we are going to grow faster." They asked. After we started the construction, they justified that we are going to grow faster.

Our 45 million passengers are going to be achieving faster than forecasted. So, we need to have a bigger, better baggage handling system. So, we agreed. We agree with their forecast.

Tuan Tony Pua Kiam Wee: I am just trying to make sure the timeline is correct both sides. So, it is AirAsia asked for 68 gates, MAHB decided to build 55, original plan. Then AirAsia came back and said that I want 45 million passengers, which is higher than the MAHB designed. So, MAHB decided at some point in 2011, to expand the airport to 68 gates and for the baggage system to handle 45 million passengers...

Tan Sri Bashir Ahmad bin Abdul Majid: The 68 gates were in the original design. Already...

Tuan Tony Pua Kiam Wee: So, it was never 55 gates?

Tan Sri Bashir Ahmad bin Abdul Majid: No.

Tuan Tony Pua Kiam Wee: So, 68 gates?

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Tuan Tony Pua Kiam Wee: *But, your 68 gates, original design was for 30 million and AirAsia before that never told you how many million passengers they are expecting to carry...*

Tan Sri Bashir Ahmad bin Abdul Majid: *Not at that point of time.*

Tuan Tony Pua Kiam Wee: *...And after the airport has been designed, then subsequently AirAsia came back and said that their passenger are growing faster, they need now 45 millions and hence, the key change was just the baggage system.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Tuan Tony Pua Kiam Wee: *Not the actual terminal itself?*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, just the baggage.*

Tuan Tony Pua Kiam Wee: *Okay. I only did one. Next one is I think a question that we all like to know. It wasn't really asked, but I think we all like to know. 2nd of May, now that we are in 1st of April, so it is exactly 30 days right? We should have a very accurate idea of what would be there, what wouldn't be there come the 2nd of May. The Deputy Minister of Transport yesterday told The Edge that he hinted that it would be a soft launch rather than a full operational launch. So, can we get an accurate idea of what exactly will be or will not be launch on the 2nd of May?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okay. Our recommendation based on experience is that if the terminal is within the same airport, you don't shift everything overnight. You do not shift everything overnight. If you have to move for one airport to another airport, then you shift everything overnight, because you cannot simulate a real day. Because if you simulate a real day, you got to have about 30 aircrafts, about 300 of landings and you have got 10,000 passengers coming. So, our recommendation and this is what we did.*

Let's say for example, in our airport in Turkey. If you move by phases, if you are in the same airport, you can move by phases, because the runways are the same. So, our recommendation is that on the first day, let the other airlines moves first. Let say Cebu Pacific, all the other airlines move first. Because then you start with maybe ten flights a day. Then you test the system.

It is because AirAsia wants to move everything overnight. So, to be fair to them, we allow this system to go on and then, they can move. Our suggestion is that maybe they move after seven days. That's the way we do it, because this is learning from KLIA. KLIA1 that time we didn't have a choice, because you closing down Subang, moving here.

So, when the first things happen, a lot of things did not work, because everything is jammed. The system has not been tested with so many bags, with so many people. So normally, proposal says, you start on the first day with a certain number of flights. You let the system stabilize, it is okay and then you have all the aircraft move in.

If let say AirAsia wants to move first, AirAsia X lets say- there is no problem, because they only have a few flights a day. But, because AirAsia wants to move everything overnight, you are talking about 30 flights overnight, and then it is best to wait for a week before you do that.

Tuan Tony Pua Kiam Wee: *What would be launch on 2nd of May?*

Tan Sri Bashir Ahmad bin Abdul Majid: *All other airlines except AirAsia.*

Tuan Tony Pua Kiam Wee: *So, Cebu, Malindo...*

Tan Sri Bashir Ahmad bin Abdul Majid: *That's right.*

Tuan Tony Pua Kiam Wee: *...Will all come over.*

Tan Sri Bashir Ahmad bin Abdul Majid: *That's the planned.*

Tuan Tony Pua Kiam Wee: *What would be operational within the airport? In terms of- that day when we visited the airport, the shops are either some ongoing works or nothing there at all. So, what would we be seeing at the airport comes 2nd of May?*

Tan Sri Bashir Ahmad bin Abdul Majid: *I think Dato' Azmi is in charged have already confirmed, the operationally are okay, the baggage system has been checked, the gates are all working. In terms of shops, if you going to have a few number of passengers for the first few days, you don't need all the shops open, they will lose money. So whoever is ready they can open. Some of them will take a little bit longer...*

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Tuan Tony Pua Kiam Wee: *Is there expected number of shop that will be open?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes. About I think will hundred something shops will be open.*

Seorang Ahli: *144.*

Tan Sri Bashir Ahmad bin Abdul Majid: *144 at this stage. Yes.*

Tuan Tony Pua Kiam Wee: *On 2nd of May?... Hundred plus will be open?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Yes.*

Tuan Tony Pua Kiam Wee: *Okay. One...*

Dato' Abd. Aziz Sheikh Fadzir: *Sorry. Sir, when will AirAsia move?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Our suggestion for them to move one week later.*

Dato' Abd. Aziz Sheikh Fadzir: *Will they move?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Well, they have raise certain issues that want to be claim like a charges and a few things. So, the government will have to look into that.*

Dato' Abd. Aziz Sheikh Fadzir: *What will happen if they don't move? Can we impulse for them to move because there's our building?*

Tan Sri Bashir Ahmad bin Abdul Majid: *If we follow the international norm, yes. An airport can close certain terminal anytime if you want and for people to be move. That's a norm.*

Dato' Abd. Aziz Sheikh Fadzir: *Sure. Can you be very strict on this?*

Tan Sri Bashir Ahmad bin Abdul Majid: *We are kind people. We will look to it.*

Dato' Abd. Aziz Sheikh Fadzir: *Can you try to be little bit stricter than you know, that what you are now?*

Tan Sri Bashir Ahmad bin Abdul Majid: *We as an- I will says we are very friendly airport. We take our partners to be use in consideration.*

Dato' Abd. Aziz Sheikh Fadzir: *But now you have one month from today. So, why don't you settle the differences before the week after the 2nd May when AirAsia were suppose to move in? Because if it's not, as I said it create unnecessary issues again.*

Tan Sri Bashir Ahmad bin Abdul Majid: *We certainly will like to do that.*

Tuan Haji Hasbi bin Haji Habibollah [Limbang]: *Tan Sri, kita takut rakyat kata pembaziran lagi.*

Tuan Tony Pua Kiam Wee: *Have the CCC been obtained?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Not the full CCC. Maybe, Dato' Hamid?...*

Dato' Abdul Hamid bin Mohd Ali: *Responding to the contractor that expected it to be obtained within the first week or so of this month, then the process, because the only issue now is the sewage line. They need to redo the sewage line as already completed, they expect IWK to come and inspect this week. Once it done, probably they can get the CCC.*

Tuan Tony Pua Kiam Wee: *So that, the only outstanding item at this point, regulatory wise?*

Dato' Abd. Aziz Sheikh Fadzir: *Can get the Certificate of Fitness before the airport operate itself?*

Tuan Pengerusi: *Can I just add one more thing.*

Remember when we were visiting the apron to look at the cracks and then assurances were given by you saying that the subsidence along the area between the part of drain that is pile and the rest of the ground which is beside it, the subsidence will not go beyond two inches, overtime. Two inches drop. I subsequently went back and thought about it, because you said you can do the ratification work quite easily if the land sub size, you know over the six months, one year, or two years. But wouldn't it basically disrupt the airline operation because is the pipeline across the apron where the apron will travel. Is it being a convenience for planes to be diverted while you are doing your ratification works there?

Dato' Abdul Hamid bin Mohd Ali: *This is a normal maintenance practices. Whereby we close the certain portion of the area and we carried out the maintenance. This has been done all over the country- Penang for example, we carried that the ratification as well. So we close certain portion, we carried out the repair work and we open the next day. So this is on going even at KLIA1 also, certain areas need the ratification, we close that portion and there's no issue in regards to the*

operation because the area is big. We have all together 76 parking apron at KLIA2. Therefore, we can take two or three area from the airline and we carried out the ratification work. As far as the safety is concern, our consultants have conducted the 'Dyna' test at the apron area. The result proof to be extremely good and we were very stable...

Tuan Pengerusi: *That's not issue. Which consultant?*

Dato' Abdul Hamid bin Mohd Ali: *Our consultants who did the parking apron...*

Tuan Pengerusi: *Not IKRAM?*

Dato' Abdul Hamid bin Mohd Ali: *IKRAM also did their own. So we did our own as part of the project requirement after everything settle up, so we want to make sure that the payment meet certain criteria. Therefore, they run the HWD, that is Heavy Weight Deflectometer test, across the entire parking apron. The result is very good, and that proof that there's no issue at all. The settlement is because this area is settled and this already anticipated because of the time that we take to construct the parking apron because we cannot wait until everything settled. Therefore, once it achieved 90% as I mention earlier, we carried out the construction of the parking apron. That's why all this settlement is anticipated and the method to ratify is quite simple. You just overlay until its stop, settle. So, this is anticipated and the crack because of that moment as what we have explained during the factual.*

Tuan Pengerusi: *The selection of the side is already presents the problem because when you just at the site, you know that it was- the condition was not good. So then that accelerated construction time therefore adds more problems to it.*

My next question is your consultant when they did the scan of the apron area, did they do a deep scan or they do just a surface scan? How many times did they do the scan? They done it at different time during rain or it just done during dry period, heavy rain, light rain or you know, or just dry period? It is because these are three usual tests that have been done when you do the scan of surface.

Dato' Abdul Hamid bin Mohd Ali: *This scanning is just a like X-ray. The equipment went run through the pavement; it will scan up to three meters below. It assess the strength of the sub grade the all under the line layers of the material until the top layer and they give certain reading to those layers. So, it was done about two weeks ago. So you don't have to- there's no different whether it rain or during the dry season, because this assessment is quite detail. It is internationally recognize method and therefore we are quite satisfied with the result. This IKRAM also did similar and they found the same result as well.*

Tuan Pengerusi: *Because you haven't run the scan when the place already going over the surface. That's also- I mean to conclude that the surface is adequate...*

Tuan Tony Pua Kiam Wee: *Its has been before the stress test.*

Tuan Pengerusi: *...Before the stress test of pains going over it, I think that's premature. But I see when I'm anticipating the problem, because of the bad self condition anyway and because of your rush time table that subsidence will happen and you may have to, actually do the corrective works. The corrective works were might disrupt your operational capability but today because the airport is just soft opening, it will take another few years to fill up. So, it shouldn't be a problem to just adjust a plan to the other gates that are available. I take that point.*

Dato' Abd. Aziz Sheikh Fadzir: *Akan tetapi IKRAM report memang clearlah.*

Tuan Tony Pua Kiam Wee: *No, I think if you look at the slide 21, 22 presented just now, it basically said that the scan that was done which of immediately after your ratification, didn't detect anything because ratification baru dibuat. A new scan will be done on 14th of April. That's correct right? So, that's still going to be a new scan and then it also stated here, that further study is necessary to ascertain the long term performance sama ada the two layers below will affect the subsidence. So we hope that all will be okay, but it is a bit- I think the soar test, they are caring out the long term test or they say that it is a separate test that is not being carried out at the moment?*

Dato' Abdul Hamid bin Mohd Ali: *Currently, at KLIA1 also we carried out regular payment assessment. This is part of the recommended practices to ascertain the strength of the pavement at anytime. For KLIA1 for example, we have carried out the quite massive ratification also where back in 2006 or 2007, whereby we 'may' about 200 per meters thick from the runway centerline- the three section, about fourteen meters wide to make sure that the strengths are there.*

When we carried out the assessment, we found out that the strength detoured then it's your duty as the airport operator, to make sure the safety of the flight operation. The normal process so, for KLIA2 also we monitor closely the performance and if we found out that the performance is not to the desired level, then we will start to carry out the ratification work. Similarly the reservation on the runway, we carried out every- between five to ten years depending on the frequency of the flight. So, this has been going on through out the country and we are allocated budget yearly to carry out the maintenance practices. So, we are now no issues on that because its part and parcel of our responsibilities.

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Tuan Tony Pua Kiam Wee: *Question number four, semalam Timbalan Menteri memberitahu The Edge juga bahawa kos akan melebihi RM4 bilion. So, what's the actual status? What is the likely number going to be?*

Encik Faizal bin Mansor: *I was called to comment on that statement by Deputy Minister. Of course we clarify first and foremost with the Deputy Minister. Deputy Minister is actually confirmed that he did not make that statement. Okay, so- but as far as we're concern at the moment is still below RM4 billion. It has not exceeded RM4 billion.*

Tuan William Leong Jee Keen: *I like to ask one of the questions. In your slides that you showed, you have 61 packages and 57 consultants- is it normal to have so many packages and so many consultants? I would think that you would then have a list for more than 40 main contractors. Did it contribute to the delay in trying to coordinate so many contractors and consultants?*

Secondly, is there some form of policy by MAHB or some form of pressure to spread the goodies around to as many contractors as possible?... Why so many packages?

Dato' Abdul Hamid bin Mohd Ali: *I was involved in the development of KLIA1 where back in year 1993, year 1994 and year 1995. I was attached to the KLIAB team. KLIA1- 122 packages, where they distribute the work as well. So for us, 61 packages are reasonable because the policy is to separate the cake to as much as possible at that time it was recession. So, people out of job. So, they need a project just to sustain their operation. That is why we go in this method.*

We could also award to one or two big contractors but the risk is very high. If the contractors failed, you have bigger risk but if you distribute to number of packages, at least you eliminate the risk. When one or two small package contractors did not perform, you can replace them immediately which we have done. There are few packages, few contractors who are failed to deliver, we take the action to terminate them and get them replaced.

So, this is part and parcel of the normal project management and of course we need a strong team to coordinate the number of packages and it is not easy. So, the 57 consultants that were selected are those consultants who are also involved in KLIA1 project.

So, they know very well the situation and of course they try their best to manage. It is not easy to manage 61 contractors. Some perform; some do not because they have their own reason as well. The resources and there are many external factors like they increase the price of the material and sudden search in the demand of the aggregate for an example which effect to certain extend the foremost of this project.

Above all, I think we manage to build KLIA2 less than five years is a record breaking as well. It is because kalau ingat KLIA1 dulu. a number of times also shifted. Original date was June 1997, and then they shifted to December 1997, January 1998 and finally June 1998. A number of times have shifted because a lot of issue. Runway 2 was open much later. They open with only one runway because there are issues in regards to the construction which is very difficult for project team to manage because involved many contractors, many external issues beyond our control.

Tuan Pengerusi: *I just threw a follow up question on that one. Your statement just now attracted my attention also when you said you spread around therefore difficult to manage. This is MAHB first project, first airport project that you have manage. So I assume that would present a problem to you to manage since you do not have- this is your first project and you managed too*

many contractors. Then it could be a contributory cost to the delay as well or increase cost. That is one.

Number two, can I just have a breakdown of your project team and their experience, at least the senior like in your case Dato' or your Deputy or key personnel there. I like your focus on getting local people. I agree but I also like to know whether the local people have got experiences to anticipate problems and solve problems immediately on the spot, or they learned on the job.

Number three I would like to ask a reason why you terminate KLIACS as the PMC which considering their experience in building KLIA initially. Why did you terminate them in year 2011 and basically sacrifice this good resource taken help you to manage the KLIA project better.

I also would like to know; yes you say it is normal to have a contest like a beauty contest for the architectural designed. But then is that appropriate in this kind of a big terminal project, number one. Number two; did the architect that won the design contract ever designed airports? That is my concern as well because if you basically did your master plan on that design and the architect has not done airports before in term of functionality and usage, comfort of the passengers and etc. and operational wise, it could also be a contributive factor in your designed and then later on you award to any contractors, also the contractor will be facing problems.

Dato' Abdul Hamid bin Mohd Ali: In term of project structure saya berpengalaman selama 32 tahun dari Jabatan Penerbangan Awam. I am a civil engineer as my profession. I have been involve many airports expansion project but not at this magnitude. Yang lain itu maybe RM200 million to RM300 million. That is the size. This is the biggest sebab banyak package.

We are building a new airport. Also as I said earlier, I was also involved when KLIA was first constructed way back in year 1993. Di bawah pasukan saya we have Encik Ir. Zaifuddin who was a formally a consultant...

Tuan Pengerusi: With who?

Dato' Abdul Hamid bin Mohd Ali: Encik Ir. Zaifuddin. He is very experience...

Tuan Pengerusi: You consultant with who?

Dato' Abdul Hamid bin Mohd Ali: Previously he was working with consultant as a contractor, as a lecturer. I took him from the market and attach to this project as part of our team.

Tuan Pengerusi: Background apa?

Dato' Abdul Hamid bin Mohd Ali: Civil engineer.

Ir. Zaifuddin bin Idris [Pengurus Besar Kanan (Teknikal) MAHB]: Saya background civil engineer geotechnical which is soil mechanics. Saya bekerja dengan main consult selama sembilan tahun.

Tuan Pengerusi: Oh, main consult.

Ir. Zaifuddin bin Idris: *I have been working with the Kapar Power Station which is the soil is worst then this.*

Tuan Pengerusi: Lepas itu?

Ir. Zaifuddin bin Idris: *Saya buka company sendiri, saya buka consultant sendiri dan juga saya buka construction sendiri.*

Tuan Pengerusi: Akan tetapi you tidak pernah bekerja dengan HSSI?

Ir. Zaifuddin bin Idris: *Saya tidak pernah bekerja dengan HSSI.*

Tuan Pengerusi: Okey.

Dato' Abdul Hamid bin Mohd Ali: *Kami juga...*

Tuan Pengerusi: *Geotechnical consultant for the soil verification for this terminal building ini.*

Ir. Zaifuddin bin Idris: *No, HSSI is for the runway. Straits consultant is for the terminal building area and apron.*

Dato' Abdul Hamid bin Mohd Ali: *Straits consultant the founder Dato' Dr. Ramli was under Pengurusan Lantass support consultant to KLIAB. I think during the KLIA lebih kurang 180 engineers were under Pengurusan Lantass to support KLIAB in delivering this project. So, along that also we have few engineers attach within the company.*

The reason why we terminate KLIAB, initially we were together working with them. In fact, I chaired weekly meeting on progress of the project. Akan tetapi kita dapati yang they are not effective in managing this project. There is a lot of issue, there is a lot problem. We have sent numerous letters reminding them about the issue.

Jadi kalau kami tidak mengambil langkah yang kami ambil hari ini di mana kita tidak sambung permintaan mereka, the project probably delay further, probably cost much more. Because a lot of issue and because they do not have the people that they used to have when they built KLIA1 those days.

That was the reason why and we tabled to the Board, we asked the opinion, we assess the risk and all that. And I must say that it is the right decision to make and moving forward because our team knows better. We cut the communication line faster otherwise recent process is long because they need to go through them and after that they only come to us.

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So, now as a client, we are more responsible. Therefore, whatever decision we made, we are accountable. On their stand is that PMC is not accountable. So, because of that, we feel that we should- we are managing this project, because every decision made, we are accountable. So, that's the reason why we didn't continue their contract and we took over. Everybody was quite satisfied. In

fact, the consultant and the contractor were very happy with that decision, because it cuts a lot of red tape...

Tuan Pengerusi: *That's why by your statement itu, I get a bit worried.*

Dato' Abdul Hamid bin Mohd Ali: Ya.

Tuan Pengerusi: *Because, in terms of reputation, there have the reputation of building KLIA. Then, you say you can do better, that means you terminate them. We may consider calling them also to ask their opinion on this matter as well, because at the end of the day, I think that is a crucial part in this whole issue as well. Because, there is a question mark- why there were terminated? I really can't accept this decision until we get clarification from them as well.*

Tan Sri Bashir Ahmad bin Abdul Majid: *I think in this case, the Board appointed them, the Board in his wisdom, appointed them and for the Board to decide not to continue, wasn't terminated. Not to continue with their contract, the Board had to deliberate on this for a long time and finally made this decision. The Board is the one who appoints, the Board is the one who wants to extend. So, the Board in his wisdom decided not to extend after a lot of deliberations on this matter.*

Dato' Abd. Aziz Sheikh Fadzir: *Other than communication ini, in terms of design, were they very much involved? Is there any finding that part of the weakness is basically on their advised on the design?*

Dato' Abdul Hamid bin Mohd Ali: Ya, they were a party to there as well, because when you manage, you must understand whether the design is reasonable or not, practical or not. So, they were very much involved.

For example- the doing of the earthworks project, they are supposed to manage the consultant, they are suppose to check the design of the consultant to verify that this is the most appropriate way to design the pavement, or the earthworks and all that. There are responsible.

Dato' Abd. Aziz Sheikh Fadzir: *Choosing the site. Because, we know that some how engineering wise, the site doesn't look good for runway because of the soil. Were they involved in the decision making to decide the site?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Okey, if I may explain that. If you look at even the original master plan, the one that was done in 1992. In that plan, that area you are suppose to have a runway anyway, even in the original master plan...*

Tuan Pengerusi: ...3, 4, 5 kan?

Tan Sri Bashir Ahmad bin Abdul Majid: *That's right.*

Tuan Pengerusi: ...3, 4, 5 in that area.

Tuan Tony Pua Kiam Wee: *I think the issue isn't so much that there will be runways there. But, if those come later, you have more time for the soil or any ratification works you do there to settle. As you mention, a lot of- like Thai Airport, it took 3 years or 4 years for the soil to settle before*

they actually have to build something there, whereas in our case, we don't have that luxury of time. We have to build it straight away. Hence, part of the cause is the sediment that we are seeing today...

Tan Sri Bashir Ahmad bin Abdul Majid: *Ya.*

Tuan Tony Pua Kiam Wee: *...So, the original plan was that it will built- a mirror site to KLIA South. Then the subsequent runways will come in a few years later after that and there were time to settle this out.*

Tan Sri Bashir Ahmad bin Abdul Majid: *But, the revised master plan said that this is where the LCCT should be and this where the runway should be. Therefore, we followed the master plan; it was a revised master plan by the same consultants. The reason because of the growth of low fare travel so, we just followed the master plan...*

Tuan Pengerusi: *Its already 2 o'clock. I'm amazed at your stamina Tan Sri for... [Ketawa] It's already 3 hours. I mean the Committee- they want to finish, so that you don't have to come back.*

Tuan Tony Pua Kiam Wee: *So, they don't have...*

Tuan Pengerusi: *Tan Sri are you okay?*

Tan Sri Bashir Ahmad bin Abdul Majid: *I'm okay Sir, I'm okay.*

Tuan Pengerusi: *Okay, thank you very much. Three hours...*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, I just want to make sure we answer all the questions...*

Tuan Tony Pua Kiam Wee: *And put everything on record.*

Tan Sri Bashir Ahmad bin Abdul Majid: *We don't want to leave any question unanswered.*

Tuan Tony Pua Kiam Wee: *Next one, number 5- LAD, referring back to the question by my colleague, Yang Berhormat Simpang Renggam just now.*

Dato' Abd. Aziz Sheikh Fadzir: *Yang Berhormat Petaling Jaya Utara, satu sahaja, sorry. Before you come to that, so Tan Sri, that means we are fully aware that the site that we choose will have a lot of soil issues before we even start the construction. We are fully aware of that.*

Tan Sri Bashir Ahmad bin Abdul Majid: *The point here is that when you build runways, they must be efficiently built. In Malaysia, the runways are North-South, the winds. So, we have two runways and this runway must be built. You just can't build a runway at random. Some countries, there's cross because of the winds. So, if you look at even the Subang runway is align with this runway because of the winds. So, you have 1 runway, runway 2, runway 3. So, that's why you have to build that runway. You cannot runway, because otherwise you don't get operational efficiency.*

And the consultant said just like, you have the main terminal with 2 runways. So, you should have also the KLIA2 with two runways. So, access to both runways. So, in the long run, of course

soil is a problem. By the long run, you have to build based on the operational efficiency of the airport. So, that is what they recommended- notwithstanding of the soil, this is how you have to build it.

Tuan Pengerusi: So, what you are saying is, under the original master plan anyway, the runway 3 was supposed to be around that site where the soil is weak.

Tan Sri Bashir Ahmad bin Abdul Majid: That's right.

Dato' Abd. Aziz Sheikh Fadzir: When you went to Board for USD2 billion in 2009, you have taken that into consideration.

Tan Sri Bashir Ahmad bin Abdul Majid: Yes. But, in to 2009, the 3rd runway was in better ground. As you move further south, the other side, the soil gets worst. So, when we moved the runway from 1.8 separations to 2.2, you are going into bigger and softer soil as well. That's the different as well, the location.

Tuan Tony Pua Kiam Wee: Once you shift the airport to KLIA, all the soil issues gets...

Tuan Haji Hasbi bin Haji Habibollah: Yang Berhormat Petaling Jaya Utara, before you go to that. Tan Sri, tentang costinglah mencecah dekat RM4 bilion ini. Daripada pandangan the Board, are you satisfied with all the costing, estimates dalam yang telah pun dikemukakan dan yang telah dibuat oleh consultants, all these profesionallah ya, yang propose apabila ada penambahan hendak dibuat, begitu begini. Are the Board satisfied with all this costing yang telah pun dibuat, yang ertinya, perbelanjaan yang ada sekarang ini memang reasonable, memang mematuhi, memang menepati, which certain percentages of all this keuntungan dan sebagainya? Itu kita hendak tahu.

Tan Sri Bashir Ahmad bin Abdul Majid: When this project came about, the Board instituted a Special Board Procurement Committee just for KLIA2. It handles nothings, but of course we have a normal Board procurement but for this one, just a Special Board Procurement Committee just to handle all the tender awards, the costs and everything. That meeting is held almost every month. So, the Board has been monitoring this project from day 1...

Tuan Pengerusi: Interesting question, who is on the Committee?

Tan Sri Bashir Ahmad bin Abdul Majid: Who's on the?

Tuan Pengerusi: Who is on the Committee?

Tan Sri Bashir Ahmad bin Abdul Majid: The Board Members.

Tuan Pengerusi: Was Dato' Long on the Committee?

Tan Sri Bashir Ahmad bin Abdul Majid: Dato' Long, yes he is on the Committee.

Tuan Pengerusi: Okey, Finance Ministry?

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Tuan Pengerusi: Who else?

Tan Sri Bashir Ahmad bin Abdul Majid: *We have the Chairman of the Board. Last time was Tan Sri Harris, now is Tan Sri Wan Aziz. They Chaired the meeting, especially the Board Committee. You have one or two independent Board Members, plus MOF and MOT.*

Tuan Pengerusi: *Isn't that irregular for the Chairman of the Board to Chair...*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, because its such an important project.*

Tuan Pengerusi: *Independent wise, it shouldn't be that way.*

Tan Sri Bashir Ahmad bin Abdul Majid: *No, it is such an important project- to save time, because otherwise you have to go back to the Board again. So, to save time, this Board met almost every month, that's one. Even at the Board level, this is discussed every month. We have a Board Meeting every month and every month the Board set aside 1-1 ½ hours for the project team, for Dato' Hamid and Ir. Zaifuddin to brief the Board on the progress. And there are times when the Board has also had about 4 or 5 Special Board Meetings just to discuss about KLIA2. So, the Board has been monitoring this project very closely.*

Encik Faizal bin Mansor: *Tuan Pengerusi, just to add. During the Board Meeting, the RM4 billion is based on open tender and based on open tender basically in all instances, we took the lowest bidder. So, it was an open tender, the RM4 billion was based on open tender.*

Tuan Pengerusi: *I will pre-qualify that by saying your short timeline were actually caused the tender prices to be higher than normal anyway.*

Tuan Tony Pua Kiam Wee: *Okay. Just to go back. Just for the information of the Committee. My point early about the Deputy Minister having said the cost would exceed RM4 billion and you mention that he denied that.*

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The same thing also reported not only in The Edge, it was reported in Malaysia Reserve as well and it was quite detail in the sense that he actually preparing gathering all the necessary documents to actually brief the Cabinet Committee and so on. So it didn't sound like miscall but again I leave it to MAHB to clarify with the Deputy Minister.

Tan Sri Bashir Ahmad bin Abdul Majid: *I think it is for Deputy Minister to clarify what he has said.*

Tuan Tony Pua Kiam Wee: *That's fine. Like I said this is for information for those present, not for MAHB to...*

Encik Faizal bin Mansor: *Actually we checked on that and we found that the...*

Tuan Pengerusi: *It is for Deputy Minister to- because we don't know where he got the information.*

Dato' Abd. Aziz Sheikh Fadzir: *It doesn't matter but as far we are concern Tan Sri, it is going to be below RM4 billion, right?*

Tuan Tony Pua Kiam Wee: *Just on the runaway since I was on the runaway. So the next question I'll do the runaway. I spoke to Tan Sri, I think during the site visit and we spoke about the runaway, the need for the third runaway. I sited example of place like Heathrow and Changi that still using two runaways and they have sufficient. Tan Sri, I think responded that it's not so much passengers but the aircraft movements. I went back and check, the Heathrow aircraft movement is about 471,000 a day and I don't want to use Heathrow as example because it is at the real peak. I think it's beyond capacity already. The Changi capacity can actually hit 430,000 aircraft movements a year. We are currently at 326,000. So technically that raise capacity for two runaways and for the third runaway to come in a bit later enhance the question of the third runaway, where the sighting of the airport comes into question again. Perhaps Tan Sri can help clarify.*

Tan Sri Bashir Ahmad bin Abdul Majid: *I'm sorry. You said that for our movements per year is...*

Tuan Tony Pua Kiam Wee: *Our movements according to the reply given to us currently is based on 2013. Pergerakan 326,000, aircraft movements.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Who give you the info?*

Tuan Tony Pua Kiam Wee: *Maklum balas PAC - This is from MOT.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Bukan Datuk Seri Long?*

Tuan Tony Pua Kiam Wee: *It is the reply after.*

Tuan Pengerusi: *Reply after. Maybe ask Datuk Long to clarify certain issues. So this is the answer given by the kementerian.*

Tuan Tony Pua Kiam Wee: *Given aircraft is 326,000 for KLIA.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Movements per day?*

Tuan Tony Pua Kiam Wee: *Movements, movements- per year, per year.*

Dato' Abdul Hamid bin Mohd Ali: *Maybe I can clarify on that. Actually the aircraft total movement depends very much on the aircraft mix. The capacity of two runaway depend very much on aircraft mix. So if you have uniform type of aircraft ataupun bigger size aircraft, you can handle more because of the separation. You can bring the aircraft closer apart, maybe one minute separation versus you punya mix small big recounting. You may require bigger separation three minutes; you know sometime five minutes separation. So they affect very much the capacity, the handling capacity of the runaway system. So in the case of KLIA, early morning, there's already delay aircraft. According to DCA now, they could only handle 36 departures only. But certain day, 46 are waiting on the tarmac to take off. So because of that, we require the three runaway systems to handle the airspace capacity issue.*

Tuan Tony Pua Kiam Wee: *My understanding I was told, it was not so much the physical capacity, but more the software capacity to manage the take off and landing at the same time. If we*

are able to upgrade the software, we can actually increase the capacity by a fair bit. It's already doing now the upgrading the software. But by upgrading the software without increasing the runway, you actually are able to increase the capacity to approximately above 400,000 aircraft movements a year.

Dato' Abdul Hamid bin Mohd Ali: *If we calculate you know, one minute separation, there are 60 minutes in an hour. So you can handle the most 60 aircraft. So right now, we already are reaching that. So you cannot bring much closer like London because it category 3C, so they relies everything on the computer, everything on the system. So software depends very much on the capability of the control as well and also the aircraft technology, the aircraft system they can handle. So a lot of factors that determine whether we can depends- only on the equipment or on the software to require capacity. So that's why we take this position that the best way is to construct the third runway because when we reach base on the annual capacity, two runaways at the worst aircraft mix is 275,000 movements per year only you can handle. If you want beyond that, you require the third or fourth runway so based on that guideline, we asses, and it's timely for KLIA to have the third runway.*

Tuan Tony Pua Kiam Wee: *LAD, that my college Yang Berhormat Simpang Renggam raise just now. LAD has been imposed on you and Bina Puri. My question is- is it being imposed on the other contractors? The reply from the MOT is that they are and the contractors that are being imposed the LAD are Menta Construction, Air Park Builders and Seroja Anggerik. May I know, how much is being imposed on these companies?*

Dato' Abdul Hamid bin Mohd Ali: *...It is the earthwork contractor those was 2010, 2011. I cannot remember the exact amount. Some we terminated because they fail to perform. After give them due time, they still have been come back. Therefore we terminated them.*

Tuan Tony Pua Kiam Wee: *Who is Air Park Builders and Seroja Anggerik?*

Dato' Abdul Hamid bin Mohd Ali: *Air Park Builders is the contractor who did the balai bomba. So we terminated them because they failed to complete on time after given them few warning letter, accommodating their request and all that, so we feel that they are not capable to finish the job. Therefore, we terminate and we call another tender exercise to select the contractor to continue the balance of work.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Tony Pua Kiam Wee: *Seroja?*

Dato' Abdul Hamid bin Mohd Ali: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Tony Pua Kiam Wee: *Perhaps some of this details can just be in written form to us. It's just information for record and...*

Tuan Liang Teck Meng: *Can I ask about the airway...*

Ir. Zaifuddin bin Idris: Seroja Anggerik was appointed for the upgrading the airside road from KLIA to KLIA2 for a contract about RM18.1 million. They were terminated after three months; they cannot even give us the performance bond. The contract was only for six months and after three months they cannot provide the performance bond, so we terminated them.

Tuan Tony Pua Kiam Wee: Was LAD collected?

Ir. Zaifuddin bin Idris: No, because they have not started, so no LAD. So we terminated them. Same with Air Park Builders, it's still within their construction time, still within contract time. So we cannot impose LAD, but we terminated because of they did not perform.

Tuan Tony Pua Kiam Wee: But no, no...

Ir. Zaifuddin bin Idris: LAD only applies when it exceeded contractual timeline.

Tuan Tony Pua Kiam Wee: Okay, no milestone in between?

Ir. Zaifuddin bin Idris: No.

Tuan Tony Pua Kiam Wee: Okay. Then my question- allows me to just finish. My question would be the apron construction; I understand it was also delayed. I think there are two contractors involve on Parcel A and Parcel B, they are also delayed. So my question is, why isn't LAD being imposed on these contractors?

Ir. Zaifuddin bin Idris: For the apron contractor because of the interfacing issue. There are many contractors involve such as Petronas, Danish Work and things like that the earthwork.

In fact the apron area we redo the earthworks second time after the settlement issue was not resolved the first time when PMC decided for the apron to start. So although there is delay for the apron work, but they aren't entitle because it is not their mistake. Okay.

Tuan Tony Pua Kiam Wee: Is it the same thing for the third runaway?

Ir. Zaifuddin bin Idris: Yes.

Tuan Tony Pua Kiam Wee: So it is basically is delay but it's not their fault enhance we can't claim LAD from them.

Ir. Zaifuddin bin Idris: That's right.

Tuan Liang Teck Meng: I have the question on LAD. It is because I see the contractor has delayed the thing for almost ten months. I look at the amount accumulated RM49 million over a RM4 billion. I calculate the percentage; it is just only 1.225% only. That's what I think. It's not worth at all. So, I just want to know how the rate- 199,000 per day was justified and there was from the day beginning, it was never changed even the amount accommodated up to four billion.

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Ir. Zaifuddin bin Idris: *The standard rate for LAD is based on certain percentage about 0.025 of the contract sum. The terminal building contract sum is only RM997 million not RM4 billion. Okay, so that's how we arrived at the RM199,000 per day. It's a standard for every package.*

Tuan Tony Pua Kiam Wee: *Okay, two questions left. Thank you Tan Sri. Shopping centre- in the answer that was provided, I think that was highlighted just now as well, the integrated shopping- what was the official name for it?*

Dato' Abdul Hamid bin Mohd Ali: *Integrated Complex.*

Tuan Tony Pua Kiam Wee: *Integrated Complex was tendered out but it was actually privatized. So how was- for my understanding, how was the tender privatization exercise work? So, it was privatized and then the concessionaire tender out openly or we tender out the privatization competitively?*

Dato' Abdul Hamid bin Mohd Ali: *We tender out the privatization openly. That means all interested consortium were encouraged to participate in that bidding process. They were given certain information, project brief for them to look into and came out with their technical financial proposal for us to evaluate so, based on that the current concessionaire was awarded the job to develop that Integrated Complex. In that document, we specified that whoever is successful, will be required to take Malaysia Airport as their partner in that consortium. So we own 30% equity in that consortium that built the Integrated Complex.*

Tuan Tony Pua Kiam Wee: *So, my question would be how many bidders? What are the key concession terms? I don't have to know everything. As well as how our 30% is free? Or how do we get the 30%?*

Tan Sri Bashir Ahmad bin Abdul Majid: *We will supply the details. We will give you the details. We cannot....*

Tuan Tony Pua Kiam Wee: *Okay, last questions. Back to the earlier questions to the CFO tadi, based on current airport tax structure, will MAHB have a problem with its finances given the cost of the KLIA2?*

Tan Sri Bashir Ahmad bin Abdul Majid: *Actually if I may ask Sir. We cannot answer the questions like that because it's not based on terminal by terminal. Because we call subsidize. That's our own internal accounting. But you know, we can try and see what...*

Tuan Tony Pua Kiam Wee: *But even it based on current cross subsidize, this is assuming the same rate applies. I am sure there is a modeling where the same rate apply, same revenue, increase the revenue based on new passengers, based on the size of the terminal, how will it impact MAHB?*

Encik Faizal bin Mansor: *During our financial model, basically again we went on the assumptions that as per the operating agreement. We are allowed to review our chargers every five years. The government reviews our chargers every five years and reviewing those charges, if we meet the criteria, then we allowed increasing CPI -0.1%?*

Tuan Tony Pua Kiam Wee: *That's usually how many percent?*

Encik Faizal bin Mansor: *About in the first cycle of five years, it was only 10% over five years.*

Tuan Tony Pua Kiam Wee: *Based on our CPI and ...*

Encik Faizal bin Mansor: *One and half 2%.*

Tuan Tony Pua Kiam Wee: *So it usually will be between 8 and 12%.*

Encik Faizal bin Mansor: *Exactly over five year's period.*

Tuan Tony Pua Kiam Wee: *Based on the- with the five years, minimum agreement of let say it 10%, there will be no problem with MAHB meetings it's financial obligations.*

Encik Faizal bin Mansor: *The same cash flow model was also access by the Rating Agency Malaysia who has given us the triple 'A' rating. So, that's the highest rating one can get. So, it explained the viability of that projection.*

Tuan Tony Pua Kiam Wee: *I mean whether the RAM agency on mark, they would have their models whereas other consideration because they take into account all your other future income, cash trims and stuff like that. I am just asking status quo and giving you the 8 to 12% increase every five years, you have no problems meeting the financial obligations.*

Encik Faizal bin Mansor: *No.*

Tuan Pengerusi: *Okey, any other questions?*

Dato' Abd. Aziz Sheikh Fadzir: *Saya hendak tanya. Tadi Dato' Hamid beritahu kata, akhirnya lima tahun pembangunan KLIA2 ini Datuk Chairman considered as a success story. I think that's what one of your statement you are saying that. How did you help us to basically go down to public, to tell them that this RM4 billion dollar airport is justified, Malaysia will have a good airport to help us also to rebut the debate of PJU and the friends punya accusations ini you know- on the ground that there is a lot of wastage on this airport ini. MAHB has professionally done their duty, building the best airport at the best price ini?*

So, how do you help us to really go down to the public? Because as I said earlier, Tan Sri the perception was basically is a moving ceiling- RM1.7, RM2 billion and then bla bla bla, sampai RM4 billion. The date was suppose to be 2010. Then sampai hari ini honestly not many people belief that the May, 2nd will actually happen. You know coupled up with our Deputy Minister Statement yang now not true pula, you know? So we have all these issues. How do we fight this perception so that all your hard work, all what Dato' Hamid kata tadi you know, it's a success story to build the

biggest airport, the biggest terminal ini, it shared by everyone, rather than you being ridicule you know, as being the- it's a failure rather it had been claimed or term as a failure project ini Tan Sri?

Tan Sri Bashir Ahmad bin Abdul Majid: *If I may Sir? If I may answer- I think time will tell. Time will tell. But at this point in time, this has been the most difficult airport project to be built in the world. Because it's never been done before where you are trying to meet the requirement of the low cost model, first time. All airport around the world you convert a terminal into a low cost model. This is the first time we have building such a big airport to suit a low cost model- a low cost model that's changing all the time. So from that point of time, we can say that this is the most difficult project to be built. Number one!*

Number two, the cost increase was due to increase in scope, because as I mention, as time goes on, because it takes time, the requirements were changing. So, the increase in cost is due to increase in scope. So, every time there is increase in scope, there's cost to it. That's number one.

Number two, notwithstanding the fact that we had all these increase in scope, two things remain relevant in the airport industry. This is can be contested by the ACI and IATA. It is still the fastest airport to be built. Relatively for it size, in terms of cost it still the cheapest. Notwithstanding the delay, not withstanding increase in cost because what you are getting.

When the President of ICAO came here, we mention to him. This course will cost RM4 billion. He thought it four billion US (USD4 billion)- its four billion ringgit (RM4 billion). He couldn't believe that it could built a four kilometers runway, tallest control tower in the world, 45 million dollar terminal, a huge apron scattering for four billion ringgit. No way in the world that has been done.

The only we did it because it was open tender and advanced people qualify in terms of technical and the financial, its given the lower standard. And in that point of time, the economy was down. That's what happens. Thank you Sir.

I think Sir, you have one more questions not answered yet. I think I should answer every question. Datuk, you ask just know about the day of May 2nd, who fixed it? So, I don't want to miss that answer. The contractor was allowed to fix the date. We told them how much time do you need? So, they came out with that date and that's why we are holding them to that commitment. Thank you.

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Dato' Abd. Aziz Sheikh Fadzir: *So, do you think that May 2nd would really happen?... Insya-Allah.*

Tan Sri Bashir Ahmad bin Abdul Majid: *They have to deliver.*

Dato' Abd. Aziz Sheikh Fadzir: *But, based on Tan Sri punya- pagi tadi punya final, before you come for this Meeting.*

Tan Sri Bashir Ahmad bin Abdul Majid: *Well, there's a Project Team that's looking at it. I will depend on that. The ORAT is moving very well. If they get the CCC in time, it will be fine.*

Tuan Haji Hasbi bin Haji Habibollah: Tan Sri, ada sedikit soalan tentang pembukaan 2 Mei lah. Ini secara peribadi, *with all the project team who is in charge of the physical, bangunan, everything? You are going to become the owner of the new airport-* dari pendapat 'tuan punya'lah, *are you satisfied with the work done?* Sehalus-halusnyalah, *finishingnyakah, with the cost,* dengan harga dan juga masa, *are you satisfied* dengan produk yang dikembalikan kepada MAHB?

Tan Sri Bashir Ahmad bin Abdul Majid: *I'm not a contractor. So, I cannot speak on the construction itself. But, if you look at the 68 gates that we have, the design of the terminal, when we asked other people who come in, they think it is a good terminal. The design is a good design. Because, it will give efficiency to that- the most important thing, the skybridge will give efficiency to the airlines. We have 68 gates, we can park overnight, we have more parking gates, we have modular building, and we can build another 25 million, if we want to.*

So, in terms of the design, from the outer point of view as an airport, we have asked other people to comment, they said it looks like a good airport. So, if you look at the cost and the time taken, when you compared with other airports, we are satisfied with that.

Tuan Haji Hasbi bin Haji Habibollah: So, jadi fakta-fakta apa yang Tan Sri cakap tadi itu, rasa-rasanya boleh membantulah kerajaan untuk menangani persepsi rakyatlah...

Tan Sri Bashir Ahmad bin Abdul Majid: Yes.

Tuan Haji Hasbi bin Haji Habibollah: ...Terhadap produk yang dikembalikan kepada MAHB.

Tan Sri Bashir Ahmad bin Abdul Majid: Betul.

Dato' Abd. Aziz Sheikh Fadzir: *Tan Sri, what is your biggest regret on this project?...*
[Ketawa]

Tan Sri Bashir Ahmad bin Abdul Majid: *I will need to write a book on it... [Ketawa] It has been a very difficult project from day one because, we have built airports in Hyderabad, in Delhi, even in Mali. It was so much simpler, because you just decide on the design and then, just go ahead. Because, it is a traditional design and I must say- here, we are trying to anticipate. First of all, meet the requirements of the low cost airlines and anticipate on how it will move. Now, what it will mean, if for example tomorrow the LCCT model becomes a full service model, this terminal can take it. It cans with all the variations. You have to prepare for the future. That's what we've tried to do. Thank you.*

Dr. Tan Seng Giaw: *Last question. What would you do with LCCT?*

Tan Sri Bashir Ahmad bin Abdul Majid: *The LCCT, we were fortunate, we had that foresight at that point in time. We wanted to build an LCCT in the fastest time possible to assist AirAsia. Because AirAsiten 10 aircrafts because, at the main terminal, there's no place for them to*

grow. So, we agreed with AirAsia that we want them to grow. The only way they could grow is to build them a Low Cost Terminal. So, we look at nine sites, to look at them.

The earlier one is when I went with Tan Sri Tony, the fastest way that time was to buy over the KCLASS Cargo Warehouse but, they were not prepare to sell. So, we look at many other areas. This area where we built the Low Cost Terminal was- we could build it the fastest. First, because the land was already flattened, it was next to a runway and there is a Control Tower. It was the fastest, we could do it within nine months and we did within nine months. But, because it is in a cargo area, we need to decide at the point in time, what will we do with the terminal, because it was meant to be temporarily in any case. We said, "Well, they will design it in such a way that it can be converted into a cargo warehouse".

Right now, there are so many people who want to lease the terminal from us. We can actually auction it out if we want to. So, we are doing a study on how best to handle it for us. That LCCT is in demand by all the cargo haul traders. In fact, DRB-Hicom wants it, Pos want it, we have this Transmile, and they all want the terminal. So, we are trying to see how best to handle the terminal. So, that terminal- I think, in a way, will be good for us.

Tuan Pengerusi: Any question?...

Just now, there are two or three things that I asked which were not answered yet. I'm not trying to prolong the thing, because just now I was talking a lot, but then put it everything into one long question. I'm trying to look back what I haven't got the answer from yet... [Ketawa] I think what I want to know was- before that, the commercial area. Is it run by you or run by somebody else?

Tan Sri Bashir Ahmad bin Abdul Majid: In the terminal?.. It is run by us.

Tuan Pengerusi: In the terminal?.. The one in the drop-off, near the drop-off area?...

Tan Sri Bashir Ahmad bin Abdul Majid: The gateway is not. The gateway is run by that company, privatized company.

Tuan Pengerusi: Privatized to the WCT? Was it done on arms length terms?

Tan Sri Bashir Ahmad bin Abdul Majid: Ya.

Tuan Pengerusi: ...Number two- IKRAM. Did they send the team that was good? I mean, that had the right skills to access what they are supposed to do?

Tan Sri Bashir Ahmad bin Abdul Majid: They were appointed by Ministry.

Tuan Pengerusi: Ministry. Not appointed by MAHB?

Dato' Yap Kin Sian: No, no, no. They appointed by DCA itself.

Tuan Pengerusi: Okay, that's good. And then, just now was asking the question- about the project objectives and requirement statement. Do you have a copy of it?

Seorang Ahli: Ya.

Tuan Pengerusi: Can you provide us with the copy?

Dato' Abdul Hamid bin Mohd Ali: *Okay, we have.*

Tuan Pengerusi: *Okay, I think that should be okay. PAC Committee Members, any questions? No more questions..., satisfied?.. Not satisfied!... [Ketawa]*

Anyway Tan Sri, I just like to thank you for enduring these three and a half hours of enquiry. This is because, it is not an easy thing to do, but I think you have given us the answers that we needed from you. But, we have to verify the answers with the other parties, of course. I think it is a good session to basically do our lessons learnt session so that, it can become a template for future airport development. The document that- the report that we will produce also will be the verbatim that will be useful for the public to judge whether MAHB had carried out the development of KLIA2 in the best way possible, despite all the criticism and despite all the negative press.

I think your answers today can provide the insight to the readers of the report to judge and to be fair to MAHB in handling of this project. It has provided us, as the Committee, also with a lot of information that we can use in our duties as MPs. So, other than that, I just like to thank all of you again for coming to the Committee and I think- do we need to call MAHB again?... No need? You satisfied Yang Berhormat PJU? Okay.

So I think this should be it Tan Sri and Dato'. Thank you very much.

Tan Sri Bashir Ahmad bin Abdul Majid: *Thank you, thank you Sir.*

[Mesyuarat ditangguhkan pada pukul 2.29 petang.]

Bil.12

**Isnin
28 April 2014**



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

Mengenai:

Kuala Lumpur International Airport 2

- Perancang dan Pelaksanaan Operasi AirAsia

Kota Kinabalu International Airport

- Pemindahan Operasi AirAsia dari Terminal 2 ke Terminal 1

**PARLIMEN KETIGA BELAS
PENGGAL KEDUA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1,
PARLIMEN MALAYSIA
ISNIN, 28 APRIL 2014**

AHLI-AHLI JAWATANKUASA

Hadir

YB. Datuk Nur Jazlan bin Mohamed - *Pengerusi*
YB. Dr. Tan Seng Giaw [Kepong] - *Timbalan Pengerusi*
YB. Datuk Seri Reezal Merican [Kepala Batas]
YB. Puan Mas Ermieyati binti Samsudin [Masjid Tanah]
YB. Datuk Madius bin Tangau [Tuaran]
YB. Tuan Haji Hasbi bin Haji Habibollah [Limbang]
YB. Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]
YB. Dato' Kamarul Baharin bin Abbas [Telok Kemang]
YB. Dato' Kamarudin bin Jaffar [Tumpat]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

Tidak Hadir [*Dengan Maaf*]

YB. Datuk Chua Tee Yong [Labis]
YB. Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]
YB. Tuan Liang Teck Meng [Simpang Renggam]
YB. Datuk Wee Jeck Seng [Tanjong Piai]
YB. Tuan William Leong Jee Keen [Selayang]

URUS SETIA

Encik Che Seman bin Pa Chik [Setiausaha Bahagian Pengurusan Dewan]
Encik Nasrul Izani bin Ramli [Penolong Setiausaha (Perundangan dan Prosiding)]
Encik Alfian bin Mesebah [Penolong Setiausaha (Perundangan dan Prosiding)]
Encik Ahmad Fauzi bin Mustafa [Pegawai Penyelidik, Parlimen]
Encik Ahmad Johan (Pegawai Khas kepada YB Pengerusi)

HADIR BERSAMA

Jabatan Audit Negara

YBhg. Datuk Haji Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]
Puan Jacinta Wong Ngouk Hua [Timbalan Pengarah Audit Persekutuan (Pengangkutan)]

Jabatan Akauntan Negara

Dr. Yacob Mustafa [Timbalan Pengarah]

samb/-

HADIR BERSAMA *(samb/-)*

Kementerian Kewangan

Encik Rosli bin Yaakub [Ketua Unit (Parlimen dan Kabinet)]

Encik Dzulhilmil bin Dzulkarnain [Ketua Penolong Setiausaha Bahagian (Kawalan dan Pemantauan)]

Puan Norazura binti Tadzim [Ketua Penolong Setiausaha]

Unit Perancang Ekonomi

Dr. Zunika binti Mohamed [Timbalan Pengarah I]

Puan Wan Norashikin binti Mohd Thair [Ketua Penolong Pengarah]

Jabatan Perkhidmatan Awam

Encik Mohd. Azraie bin Harun [Ketua Unit (Integriti)]

SAKSI-SAKSI

AirAsia Berhad

YBhg. Tan Sri Dr. Tony Fernandes [Ketua Pegawai Eksekutif Kumpulan]

YBhg. Datuk Kamarudin Meranun [Pengerusi Eksekutif]

Encik Ashok Kumar [Ketua Wilayah Ibu Pejabat (Lapangan Terbang dan Insentif)]

Cik Aireen Omar [Ketua Pegawai Eksekutif]

Cik Elina Effendi [Pengurus Hubungan Pelaburan]

Cik Vijaya Priya Ananthan [Pengurus Hubungan Parlimen]

KLIA Premier Holdings Sdn. Bhd.

YBhg. Tan Sri Jamilus Hussein [Ketua Pegawai Eksekutif]

G&P Professionals Sdn. Bhd.

Encik Tan Yean Chin [Pengarah Kanan]

LAPORAN PROSIDING**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
PARLIMEN KETIGA BELAS, PENGGAL PERTAMA****Bilik Mesyuarat Jawatankuasa 1, Parlimen Malaysia, Kuala Lumpur****Isnin, 28 April 2014****Mesyuarat dimulakan pada pukul 10.44 pagi***[Yang Berhormat Datuk Nur Jazlan bin Mohamed
mempengerusikan Mesyuarat]*

Tuan Pengerusi: *Bismillahi Rahmani Rahim.* Yang saya hormati Timbalan Pengerusi, Ahli-ahli Jawatankuasa PAC, Datuk Haji Anwari serta wakil-wakil daripada kementerian. *Assalamualaikum warahmatullahi wabarakatuh.*

Pada pagi ini, tujuan kita mengadakan Mesyuarat PAC adalah untuk meneruskan prosiding kita mengenai KLIA2 khusus kepada tujuan untuk hendak memanggil AirAsia Berhad untuk memberikan taklimat, itu satu, dan kedua, untuk memberikan peluang kepada AirAsia untuk menjawab apa-apa maklumat yang telah diberikan oleh MAHB kepada kita tempoh hari. Jadi, kita perlu bersikap adil memberikan peluang kepada AirAsia untuk memberikan penjelasan mereka sendiri mengenai isu KLIA2 ini.

Saya juga ingin mencadangkan kepada Ahli-ahli PAC, kalau ada soalan lain yang hendak ditanya, kalau boleh, kita *limitkan* kepada KLIA2 tetapi kalau hendak menyimpang pun boleh menyimpang kepada industri penerbangan negara kerana saya rasa isu seperti penggabungan AirAsia dengan MAS pun boleh ditanya apakah rasionalnya, *at the end*lah, untuk kita mendapat sedikit pandangan daripada AirAsia yang menjadi syarikat penerbangan yang boleh beroperasi dengan keuntungan berbanding dengan Syarikat MAS, syarikat penerbangan negara kita sendiri yang menghadapi masalah daripada semasa ke semasa menghadapi kerugian. Jadi itu juga kita boleh tanyalah. Akan tetapi saya harap kalau boleh *limitkan* kepada skop itu, ya.

Untuk makluman Ahli Jawatankuasa, saya juga ingin memaklumkan bahawa tarikh-tarikh untuk mesyuarat PAC akan datang telah ditetapkan dan saya berharap kalau ada Ahli-ahli PAC yang tidak dapat hadir, sila maklumkan lebih awal supaya tarikh mesyuarat ini boleh dipinda sekiranya perlu, ya. Jadi pada 7 Mei, cadangan mesyuarat PAC adalah untuk membincangkan mengenai draf Laporan Jawatankuasa Kira-kira Wang Negara mengenai Kelemahan Pengurusan Hasil Bagi Lembaga Hasil Dalam Negeri dan Jabatan Kastam Diraja Malaysia.

Seorang Ahli: *On what date?*

Datuk Roosme binti Hamzah [Setiausaha]: Rabu, Rabu.

Tuan Pengerusi: Rabu, 7 Mei, kita cadangkan untuk hendak buat *housekeeping*lah sebenarnya mengenai laporan kita mengenai Lembaga Hasil Dalam Negeri dan Jabatan Kastam. Itu panjang laporan itu.

Datuk Roosme binti Hamzah: Nanti kita edarkan senarai ini dekat Yang Berhormat. Surat dan juga laporan draf.

Tuan Pengerusi: Selepas itu cadangan tarikh kedua adalah 8 Mei, hari berikutnya, untuk *housekeeping* juga, hendak membincangkan mengenai draf laporan kita mengenai Pengurusan Kehilangan Aset Kerajaan Bagi KDN dan Polis Diraja Malaysia. Kementerian Dalam Negeri dan Polis Diraja Malaysia. Pada 14 Mei, minggu selepas itu, kita cadangkan satu mesyuarat untuk membincangkan draf laporan Jawatankuasa Kira-kira Wang Negara mengenai Pengurusan Perolehan Kapal Pendidikan dan Latihan, *RV Discovery* oleh Universiti Malaysia Terengganu dan juga Pengurusan Perkhidmatan Kawalan Keselamatan di Institusi Pendidikan dan Sekolah.

Hari berikutnya iaitu 15 Mei, saya cadangkan kita buat mesyuarat untuk hendak membincangkan, *housekeeping* juga ya, untuk membincangkan mengenai Laporan Pengurusan Loji Insinerator Jabatan Pengurusan Sisa Pepejal Negara dan juga Pengurusan Aset Jabatan Bomba dan Penyelamatan Malaysia. Pada 20 Mei, cadangan untuk membuat mesyuarat mengenai Tahap Prestasi Pengurusan Kewangan FINAS Yang Tidak Memuaskan mengenai perkara yang tertangguh iaitu kita hendak memanggil bekas Ketua Setiausaha Kementerian dan juga dua orang Ketua Pengarah FINAS yang bertugas sewaktu perkara – perkara apa? Akaun FINAS yang bertegur? Itu ia punya *official terminology*?

Seorang Ahli: Teguran.

Tuan Pengerusi: Teguranlah, ya. Teguran mengenai akaun FINAS tahun 2012. Jadi itulah...

■1050

Datuk Roosme binti Hamzah: Semua yang kita buat *housekeeping*, *one* kita panggil FINASlah.

Tuan Pengerusi: *One* kita panggil semua FINASlah.

Datuk Roosme binti Hamzah: Yang lain semua *housekeeping*.

Tuan Pengerusi: Yang lain semua *housekeeping*. Saya cadang hendak habiskan semua ini pada bulan Mei... [Disampuk] Cadangan masa pukul 11. Tidak, ini cadangan ya. Maknanya sesiapa-sesiapa yang tidak- Yang Berhormat boleh?

Datuk Roosme binti Hamzah: Pukul 10.30?

Tuan Pengerusi: Pukul 10.30? Setengah jam awal, pukul 10, 10.30 bolehlah. Hendak 10 atau 10.30?

Seorang Ahli: Pukul 10.30 lah.

Datuk Roosme binti Hamzah: 10.30.

Tuan Pengerusi: *So you all voted 10.30 am. [Ketawa]*

Datuk Roosme binti Hamzah: Tidak, setengah itu *flight from Sabah, Sarawak.*

Tuan Pengerusi: *Actually to give time to come.*

Seorang Ahli: *[Menyampuk]*

Tuan Pengerusi: *Please be understanding [Ketawa]* Okey, jadi pada hari ini cadangannya ialah untuk memanggil wakil AirAsia masuk tanpa ada wakil kementerian atau wakil MAHB bersama dalam bilik ini.

Dato' Kamarul Baharin Abbas [Telok Kemang]: Permintaan diakah?

Tuan Pengerusi: Tidak, kita. Sebab nanti kita tidak mahu ada tohmahan bahawa AirAsia tidak memberikan keterangan tidak berkecuali, *independent.*

Datuk Roosme binti Hamzah: Bermakna *all the seat* itu untuk AirAsia sahaja.

Tuan Pengerusi: AirAsia.

Datuk Roosme binti Hamzah: *Three and two more officers* dialah.

Tuan Pengerusi: *If need be then we called the* KSU dengan MAHB. Mereka sudah bersedia di luar. Kalau perlu. Saya pun sebenarnya kalau boleh hari ini hendak selesaikan semua keterangan daripada saksi-saksi dan kita boleh terus kepada *report* punya *preparation* stagelah. Satu lagi, saya minta hari ini kita- ini permintaan daripada AirAsia, dia minta prosiding ini diadakan dalam bahasa Inggeris untuk memudahkan- Nama Tony apa semua ini, masalah sahaja *[Ketawa]* Untuk memudahkan prosiding pada hari ini.

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: Tuan Pengerusi, ini semua sangkaan jahat.

Datuk Roosme binti Hamzah: Tuan Pengerusi, *let him request* dalam itu, Tuan Pengerusi beri kebenaran.

Tuan Pengerusi: Okey.

Datuk Roosme binti Hamzah: Jangan terus sahaja. *Let him request*, sebut.

Tuan Pengerusi: Jadi sebelum saya hendak teruskan dengan memanggil AirAsia, ada apa-apa pandangan lain daripada Jawatankuasa?

Datuk Haji Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]: Tuan Pengerusi, kalau boleh isu Lapangan Terbang Antarabangsa Kota Kinabalu yang tidak pindah itu elok ditanya sekalilah.

Tuan Pengerusi: Saya lupa. Kita ada satu perkara tertunggak daripada KKIA itu hari...

Datuk Roosme binti Hamzah: Ya, dalam senarai ini kita tulis. So kita *remain.*

Tuan Pengerusi: ...Di mana kita hendak tanya mengenai persediaan AirAsia untuk berpindah daripada Terminal 2 *Kota Kinabalu International Airport* kepada Terminal 1.

Datuk Haji Anwari bin Suri: So Tuan Pengerusi, ada *paper* yang telah diedarkan. Boleh *refer*lah sebagai *guide*. Muka surat 4, muka surat 9, muka surat 12. Ada?... Tidak ada?

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

Datuk Haji Anwari bin Suri: Belum edar ya?

Beberapa Ahli: [*Berbincang sesama sendiri*]

Tuan Pengerusi: Ahli-ahli Jawatankuasa PAC, dimintalah bukalah e-mel. Kesian Audit sudah hantar awal-awal [*Ketawa*]

Beberapa Ahli: [*Bercakap tanpa menggunakan pembesar suara*]

Tuan Pengerusi: Tidak e-mel pada Jawatankuasa?

Seorang Ahli: [*Bercakap tanpa menggunakan pembesar suara*]

Tuan Pengerusi: Oh!

Datuk Roosme binti Hamzah: Lain kali *email* pada SUDR.

Tuan Pengerusi: Oh! Okey, okey.

Datuk Roosme binti Hamzah: Kerani dapat, Setiausaha tidak dapat.

Seorang Ahli: Sebenarnya pada Encik Ami.

Tuan Pengerusi: Kita betulkan dia punya *lines of communication*. Selepas ini e-mel kepada Encik Amisyahrizan berserta dengan SUDR. Yalah, itu dia punya *official line of communication*. Saya ingat sudah hantar kepada semua sebab itulah dia... [*Disampuk*] [*Ketawa*] Okey? Jadi ada apa-apa pandangan lain sebelum saya memanggil AirAsia?... Boleh ya? Okey, panggil wakil daripada AirAsia masuk.

[*Saksi-saksi dari AirAsia Berhad mengambil tempat di hadapan Jawatankuasa*]

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Tuan Pengerusi: Selamat pagi saya ucapkan kepada Tan Sri Dr. Tony Fernandes- Group CEO AirAsia Berhad; Datuk Kamarudin Meranun- Pengerusi Eksekutif AirAsia Berhad; Tan Sri Jamilus Hussien- Konsultan KLIACS; Cik Aireen Omar- CEO AirAsia Berhad, seterusnya pegawai-pegawai daripada AirAsia. Selamat pagi saya ucapkan kepada tuan-tuan dan puan-puan sekalian.

Pada hari ini Tan Sri, saya bagi pihak PAC sememangnya menunggu-nunggu kedatangan Tan Sri ke majlis ini untuk memberikan keterangan mengenai isu pembinaan *Kuala Lumpur International Airport 2, KLIA2*. Tujuannya sebenarnya adalah mendapatkan keterangan daripada Tan Sri untuk menjawab apa-apa maklumat dan juga keterangan-keterangan yang telah diberikan oleh Malaysia Airport Holdings Berhad dan juga daripada Kementerian Pengangkutan mengenai isu pembinaan KLIA2 ini. Isu ini memang sudah panas dilaporkan dalam media tempatan dan juga media antarabangsa dan isu ini menimbulkan kebimbangan di kalangan rakyat yang saya rasa perlu dijawab melalui platform

PAC ini. Jadi, tujuan dia pada hari ini adalah untuk Tan Sri memberikan penjelasan dan sekiranya Tan Sri ada apa-apa lagi perkara yang hendak disebut, hendak memberi pandangan mengenai KLIA itu sendiri ataupun industri penerbangan negara.

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Ini kerana ada lagi satu isu yang kami juga berminat untuk mendengar pandangan Tan Sri iaitu isu mengenai penggabungan AirAsia dan MAS yang telah berlaku dan kemudian dibatalkan pada beberapa tahun lepas yang telah menimbulkan satu kontroversi iaitu kedua-dua syarikat didenda oleh MyCC, *Malaysia Competition Commission*. Jadi timbul juga isu bahawa berlakunya monopoli dalam industri penerbangan negara yang mungkin tidak sihat untuk para pengguna industri penerbangan. Kalau ada pandangan daripada Tan Sri juga, kita boleh mendengar pandangan tersebut.

Satu lagi perkara yang kita hendak dengar penjelasan Tan Sri juga ialah mengenai *Kota Kinabalu International Airport*. Pembinaan *airport* tersebut telah diselesaikan, tetapi ada isu yang timbul pada beberapa bulan lepas iaitu AirAsia tidak berminat ataupun belum lagi bersedia untuk hendak pindah dari Terminal 2 *Kota Kinabalu International Airport* itu ke Terminal 1 yang baru dibina dan telah pun beroperasi.

Jadi, kalau Tan Sri hendak bercakap dalam bahasa Inggeris, saya rasa kita boleh benarkan. *Feel free because if it is something that will make your testimony easier then feel free to speak in English*. So, tanpa melengahkan masa lagi, saya minta Tan Sri untuk memperkenalkan pasukan Tan Sri dan sesiapa yang terlibat, seterusnya membuat pembentangan jika ada dan menerima soalan daripada PAC.

Saya hendak maklumkan kepada Tan Sri bahawa kalau ada *statement* yang hendak dibuat yang tidak mahu direkodkan, tutup *mike*. Jangan buka *mike*. Bila buka *mike*, *statement* daripada Tan Sri akan direkodkan. Laporan PAC dibuat secara verbatim. Setiap perkataan dicatat dalam laporan tersebut dan akan dibentangkan dalam Parlimen dalam bentuk itu. Jadi kalau ada perkara-perkara yang sensitif, yang tidak hendak direkodkan, tutup *mike* dan teruskan dengan keterangan. Jadi saya jemput Tan Sri untuk memberikan keterangan kepada PAC. Terima kasih.

Tan Sri Dr. Tony Fernandes [Ketua Pegawai Eksekutif Kumpulan AirAsia Berhad]: *Good morning, thank you Yang Berhormat, Members of the PAC. We have a presentation, take you through a little bit about the history of AirAsia as well, what got us to where we are. I think it is important that the Members of the Public Accounts Committee understand the business model of AirAsia. Then we will talk to you about the KLIA, KK and the whole aviation industry as per you request, Yang Berhormat.*

So, we start with the presentation. We started the airline 12 years ago, me and Datuk Kamarudin, both of us are from the music business. I bought Datuk Kamarudin's record company, RAP which was the biggest headache of my life, Roslan Aziz's Production, I actually overpaid, so I told them

the next time we do a deal, you should be on the same side of the table as me. This was 12 years ago. We had not a lot of money between us but we have a dream and an idea.

We bought AirAsia from DRB HICOM on the September 8, 2001 subject to due diligence. We said subject to due diligence because both of us did not have enough money to actually– we don't have much working capital and both of us remortgage the houses to raise about a million dollars. We actually– and DRB HICOM was very, very supportive in– they did not want the airline but they knew that they will help us in getting to where we are.

So, even though we didn't own the airline, on September 8, after signing, they allowed us to go in there and start changing things. AirAsia had been two aircrafts operations, full service carrier and operating at Subang and accumulated losses in the five years of RM160 millions. On the December 8, 2001, we took over the airline. That is the day actually that we took over, me and Datuk Kamarudin standing in old AirAsia livery. There were five original founders of the airline. Aziz Bakar, who was also from the music industry, BMG Music, I was at Warner Music and Datuk Kamarudin was that RAP, Datuk Pahamin Rajab who we knew through anti piracy. He was the KSU of Ministry of Domestic Trade.

And Connor McCharthy who was the Chief Operating Officer of an airline called Ryanair which is probably the most successful low cost carrier in the world and where we based most our model on.

Just give you some history.

We bought AirAsia for RM1 and took over of a RM20 millions of debts. It is important to noted that we paid all the debts in full. There were three main creditors, Petronas, Malaysia Airport and Malaysia Airlines. We as shareholders never ask for a hair cut. We said, "We will pay you back. Give us eight months to pay you back and we will pay you back". We ask Petronas to give us a deal in terms of- when we pay them back, give us a good incentive which they did. I am not sure anyone actually believe we had paid them back but we did in full and no creditors ever loss any money.

I want to tell you that, the history of AirAsia has been nothing short of spectacular if I may say so. The staffs in AirAsia are quite amazing people. We started with two planes 12 years ago and now we had 169 aircrafts. First year we carried 280,000 passengers. This year we will carry in excess of 50 million passengers. No airline has grown as quicker as we have in the history of aviation.

Since we started, 228 million people have flown on AirAsia. Most of this people never flew before, never had a change to fly. It was just too expensive. Since AirAsia, Malaysia we have really gone to be an ASEAN brand and hopefully an Asian brand in a very, very competitive environment. We have Thai AirAsia, Indonesia AirAsia. We started at separate company called AirAsiaX. We have Phillipines AirAsia and hopefully this week, today is the last day of proving fly, we will be the first foreign airline to get a license in India. We will restart Japan in early of next year, we received the license. We have been asked to start in all, we have application from 22 countries that after us to start

an airline. From Africa to South America to even Europe. As a Malaysia brand, it has shown that we are recognized in the world as someone who knows what we are doing. I think it is important to note.

In these 12 years, we have been through every calamity. Nothing has been easy for us, nothing. We had SARS, bird flues, tsunami, earthquakes, revolution, we have to deal with national carriers etc. It took us seven years to get Kuala Lumpur-Singapore as a route. It was just not feasible. It's took us four years to get the first international route. It took me and Datuk Kamarudin, six months to get one extra flight to Langkawi when we first started. Nothing has come easy for us. It has been a very, very hard slough to get to where we have got to. But we always be positive, we always found the way. We had paid a bonus to our staff every year. We have never made any staff redundant in AirAsia in our 12 years.

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Even during the tough time like SARS- no one wanted to fly during SARS. Everyone thought they would die if they fly but I remember telling our Marketing Department that this is the best time to build our brand. So I said, triple our advertising now because no one else is advertising. People will know us. Plus, I said, and lower the price. I said I know Malaysian very well. If you put a fare lower enough, they will risk their lives. RM800 to Kota Kinabalu, SARS- RM18, who cares? I am going. This is the same for Bali and this is the same for all the problems.

The point through this is that, what have kept AirAsia in business is low fares. Be it SARS, be it terrorism, being the airport closed. In Bangkok, we are being able to build a strong business and make money every year except for one year when the oil crisis came. When the oil went from USD150 to USD40, we lost a lot of money through hedging. Apart from that, we have always been able to generate a profit.

I want to also show that we had never been given credit. We are always seen as the bad boys, we always given a hard time. It is very tough for an airline such as ours because we are- in someway, the two biggest components of the airlines industry are owned by the government. Malaysian Airport has the big government ownership and Malaysian Airlines. For many years we could not get route because Malaysian Airlines block us in many places and etc. Plus, we had to compete with the subsidized airlines. Malaysian Airline has been- domestic operation was fully subsidized. Even now, they constantly get funds so that they can compete with us. They lost RM1.8 billion and government would top up their account. So if they really want a competition, they would not be able to compete with our fares.

On top of that, we had to- obviously, well documented our issues with Malaysian Airport which I will cover some of them. But you would see that AirAsia, if you take AirAsia growth out of Malaysian Airport, Malaysian Airport only grown 3.4%. We have added 38% compound growth over last 12 years. What have delivered this, had been low cost and low fares.

If you look at East Malaysia, the number of flight we created- there was no direct flight to Tawau, there was no direct flight to Sandakan before AirAsia. The number of flights we had to Kota Kinabalu and Kuching- we just started the flight that no one would have dreamt of, Kuching-Langkawi. We have fantastic hub in Kota Kinabalu. We would like to develop a hub in Kuching but we restricted by the high airport charges, similarly Langkawi, which I will talk to you in a second.

But again, I go back to the main point that we have beaten Singapore and Thailand. Remember, Singapore was the hub of South East Asia. We are now almost bigger than Singapore. Just now we met President Obama and even he was saying, "When you are going to fly to America because many people want to use AirAsia for connectivity". All of this comes from low cost and stimulating the market. If every car in Malaysia was a Mercedes Benz, the market will be very small. If every hotel in Malaysia was a five stars hotel, the market would be very small.

I put to the PAC today that every airport is a full service airport. Malaysian Airport would have only grown at 3%. There is a different product and a different type of operation for each type of airlines. One doesn't fit all. That is what we have been battling for 12 years. That is how 228 millions people have flown because we made it very affordable from what it was 12 years ago.

Secondly, if you look at our fares, we have not been able to increase fares even though oil has going up from USD30 when we started this airline, me and Datuk Kamarudin, to now jet oil is trading about USD120. We are still remained our fares where we have. We have driven ancillary income and reduce cost to do this. So, even RM1 may not seem a lot to members in this room but RM1 makes a big difference to our market. RM5 makes a huge difference to our market.

That is why we push very hard to keep the charges down. To the consumer, they just don't look at the air fare, they look at how much cost to get to the airport, how much is the airport tax, how much is the hotel etc to travel. Is not just the AirAsia air fare which is the components in making you to decide to travel. That is why we work hard in getting cheap busses to the LCCT. We have not had the advantage of ERL. We were promised a link to the LCCT, but that never happened. So, we had to innervate and create bus companies to used that at RM9 as oppose to taxi fares which are in excess of RM17.

Our average fare, again, is RM150 across the whole network. So, airport tax when it is RM30 or even top was of RM60 is 50% of the air fare when your average fare was RM150. So, it is really important to understand the sensitivity and the elasticity of this business.

So, bargain too much detail- obviously, the LCCT was build for 10 million people. We are currently almost operating 20 million people in that airport and that it is super crowded and that is not a pleasant experience. We had been requesting for a new terminal for a long time. We even actually went on our own initiative to try and build on our own airport in Labu which was initially accepted and then rescinded. We believe we could have build an airport for RM1.8 billion. A whole new airport, brand new airport with tower, runways and everything and look at PSC of RM10 for international. That was our

target. Our goal was to moved and carries 17 million people and make Kuala Lumpur the Dubai of South East Asia that everyone who wants to travel in Asia comes here. This was a volume game. And, that was rejected. We were assured by Malaysian Airport with the Prime Minister there many times when our Labu plan was rejected, that the airport will be build for RM2 billion, there will be no increase in charges and the airport will be ready in 2011.

I think the rest of the presentation will try and refute some of the things that I have been talked about how that we cause the delays and we cause the increases. I also want to give you a bit of history. If you look at the LCCT, we made it as cheap as possible. It is not pleasant, but again, to people who can never fly, it is a chance to fly. Of course we want great facilities, of course aerobridges work, of course we want walkalator in the airport. But we were able to build LCCT and MAB was able to build it for RM200 million. First phase RM150 million and then by the end after some extension and expansion, I think RM320 million.

That airport with a big mode investment would have been fine. That airport, we insist on having low charges, low cost, so that we could charge people less. We said build it on a capital asset model. If you put RM400 million into it, what returned do you want and then charged people appropriately. We are not getting the money. The airport is. We said to MAB, you will get volume.

Initially, MAB wants to charges us the same airport tax as the main terminal. We said, how can we are facilities are so much more inferior, we have no walkalator, we have no lift, people walk to the planes etc. After appeal to Yang Amat Berhormat Prime Minister who was Deputy Prime Minister at the Cabinet, they reduce the airport charge from RM45 to RM25. That enables us to grow to the level that we are able to grow over this last few years, the low airport tax.

We had six different dates for starting this airport. The first one was September 11, the next one was December, March, October, May, June of 2013 and now finally 2nd of May 2014. We want to officially stated, we never said we were not going to move. We want to make sure that the airport was safe and I think Tan Sri Jamilus who has been involved in building KLIA before I was born, will be able to give you a much deeper insight into that whole airport planning.

■1120

Again, just to put on record, an average airline takes eight months to move to a new terminal. We've been given about a month to move. This is not a small operation. We have 500 flights a day from the LCCT. British Airway took nine months to move to terminal five. We contend- of course we want to move. Of course we want to be in a better place at the right charges but we want to be operationally good as well. We don't believe there is been enough testing in terms of the size of the airport that were moving to.

So, just to put on record, we want to make sure the airport was safe. We still contend that there's going to be lots of operational difficulties and Tan Sri Jamilus will take you through that. And we

feel there is not enough ORAT testing for an airline of our size. I think, again, Tan Sri Jamilus will tell you that an average an airline move takes about eight months. This is, Member of the PAC, our fourth moved. No airline has to move as many times that we have. We were pushed out of Subang to the main terminal building- from main terminal building to LCCT and now LCCT to KLIA2. We have to do it overnight on 9th May, 62 planes would have to be transfer over to KLIA2, which is – even if you move a house, it is not that easy to move in one day and test everything.

Just a quick look at Labu, our plan, I won't spend so long in it, it's history. But just to highlight one number, we ask we are going to build for 30 million passengers. It is important number because that number has always been in our head and suddenly became 45 million passengers. We never request of that. If you look at our original proposal, you will see a simple structure which would cost a lot less, a much better structure, and in fact, the original design, which again, Tan Sri Jamilus who will talk about, asked for finger pier airport which is what a general low cost airport is.

What we have in KLIA2 is a mirror of MTB, is a full service terminal. It is not a low cost terminal. In fact, MAB said, "Yes, we build a full services terminal for low cost carrier" which is an oxymoron statement, in any stretch of the imagination.

So, this was the original plan which we thought will get ready by 2009. You'll see again, the finger pier. People go to a main terminal, two floors for separation. Right now we have five floors in a main terminal and people will walk to the planes, no aerobridges. I would talk about aerobridges. That is sort of another emotional topic. But you will see some ideas of what the picture was, and the pre qualify designs, again Tan Sri Jamilus was involved in it. He was part of the team that put this design spec together, was a finger pier concept. When Labu was rejected, MAB assured Prime Minister that AirAsia would be involved in every step of the way. We were not involved because what we have in this terminal is not what we wanted.

We will make do and we will find a way but it is going to hard and charges will go up which defeat the whole objectives of a low cost. We are trying to make it cheaper for the rakyat to fly. This terminal will make it more expensive.

Just some more pictures of what the airport would have looked like but you can see it. Finally this is what we end up with. This is bigger than main terminal building. I know- the one positive side is, Datuk Kamaruddin and myself will lose weight, because walking from one side to the other is almost seven kilometers, when you do all the piers. So, if I just go back to what we requested a low cost airport, so that charges remain without sound like a broken record, is a simple layout, finger pier concept, not a high-end airport. We want to do 25 minutes turn around. I'll take you through our model very quickly. But 25 minutes turn around is very quick. No use of an aerobridge. Again, I want to clear the misconception. Aerobridge is not about cost, it's element of cost. It's about a quick turn around. It's about boarding 180 passengers in two doors, very quickly.

When you have one aerobridge, everyone goes in it. If you fall on an aerobridge, there were always be traffic jams at the aerobridge because 180 peoples are going through that terminal. In terms of steps, we can board from the back and the front. The 25 minutes allow us to have more flights per day which mean our cost per seat goes down. We all pay the same price for an aeroplane. If we use the aeroplane more, our cost per seat goes down. So using aerobridges is a major issue for us which now we have to find the way to come and get it.

Again, I won't repeat this, but the philosophy of AirAsia is to stripe out unnecessary cost and give people a choice. So, if you fly on a full service carrier, you will be given a meal. You may think that the meal is free, but it is billed in your ticket price. All we are doing is unbundling all those charges and giving you a chance to choose what you want. You want to buy food, you buy food. You don't want to buy food; you don't get charge for it. You want to board the aircraft first, we give you an option. If you don't, we don't charge for it. And let me explain you bags which have been discuss in Parliament.

A person who carries no bags is much cheaper, to me, than a person who carries five bags. Let me explain to you why. If someone brings five bags, I need more man to carry those bags. I need more baggage factors to move those bags from the main terminal to the aircraft. And because we are so cost efficient, the plane become heavier when you have more bags on the plane. Every month in the old days, I would carry bag. People who fly with us generally bring their house with them. Is like two and half tons we have to move within 25 minutes. The issue is that we- and the person who doesn't bring bag is invariably subsidizing the person who brings a lot of bags. So we feel it's fair to charge people for bags and to not charge people who don't bring bags. So everything is democratic bases to make it fly. Anything, there is a choice, you have an option to pay or not an option to pay for.

So, the next slide actually just- this is our recipe, ladies and gentlemen. This is what has made one of Malaysia biggest brand. This is what taken Malaysia from a very small aviation industry to now one of the biggest industry in Asia if not the world. AirAsia has committed to buy 500 aircraft. We are the biggest owner of airbus aircraft.

Again, an airport needs an airline. You can build the most fantastic airport. If there is no passenger coming to that airport, then you have a massive white elephant. The industry is driven by airlines who take the risk in buying the aircraft, who take the risk in studying up new routes, who take the risk in advertising.

About 50% of our routes are route that will never do before. Kuala Lumpur-Bandung, I know Bandung because I used to be the king of dangdut music. [Ketawa] I recorded most of the dangdut in Malaysia, Amelina, Shida, all were my artist and we used to record them in Bandung. So when I started AirAsia, I said why don't we start a flight to Bandung? And no one flew. No one flew to Bandung. Now we have 32 flights to Bandung. Similarly, I used that big artist in Tawau and we used to go to KK and I said why don't we start a direct flight to Tawau? And now we have five flights a day to Tawau. This is

our strength, and the strength arises from this graph. This is our Kentucky Fried Chicken secret, low cost- low cost equal low fare. There is no other recipe from that. You can see in comparison with the rest of the world, we are the lowest cost by far, and that enables us to have low fare.

■1130

So the next slide gives you a quick one class configuration- all first class you treated great, 180 seats. Point-to-point, we don't do hubbing. I will describe you what we doing with AirAsiaX which is slight differentiated model but it still cost it up differently. One type of aircraft, every single one of our aircraft is exactly the same. From seats to engines which mean our pilots and engineers have lowest cost. If you have three different types of aircrafts, you need three different types of engines, three different types of doors etc. Every single one of our aircraft is the same. We have a young fleet; our average age is about four years. We owned all of our aircraft. I think we are unique in the aviation world. The 92% of our aircraft is owned by us, not lease. Again, Aireen has done all the financing of these aircraft with Datuk Kamarudin.

Twenty five minute turnaround, that is so important because if we use the aircraft less- on average of full service carrier uses the aircraft, eight to nine hours. We use our aircraft 12 to 14 hours. Which means we can do more flights per day. There are no safety issues on that and hence you mortising your cost over more flights. That's why the 25 minute turnaround is so important and that's why we don't like aerobridges. Of course people want aerobridges but if you start having to pay for it and no one start to fly, we have a major problem.

Simple airport operation, very clear- I saw my guys now they are buying all these bikes and stuffs. They said it is too far for them to walk. We never had this, I don't know what they call, use two-wheel thing where they moving around the airport. They didn't tell me about it. I saw it in Twitter. They bought too.

We had the lowest interest. Aireen is a fantastic example of AirAsia which I really want to spend a bit time on how we develop people. We have a truly Malaysian multi-racial company on meritocracy. Kamarudin, me, Aziz and Datuk Pahamin, we always said, let's make this a truly Malaysian company and we develop people. We have boys who carried bags for us who are now pilots. We have a boy from Sibul that I used to carry bags with, and I said you are super smart, go be a pilot.

He said, "No, I left school at 12". I said it doesn't matter. I was lucky to have a good education. You have a much bigger brain than me and he's now a captain. He joined to carry bags with us. Our first 18 cadets came from within the company, 11 of them.

There was no female pilots in Malaysia before AirAsia. Now we have 52 female pilots. The other day was history. Captain was female, co-pilot was female, all the cabin crew were female and all the passengers were male. [Ketawa] Last point is not quite true but again, we would have lash out a huge talent pool and I'm very, very proud of it. Kamarudin hired Aireen as an investment analyst and we saw

something in her. I told her many years ago, I said one day you can be CEO and she said "No, I can't, got a lot to learn", normal Malaysian response. She has done a phenomenal job.

We have the lowest interest rate in the world for our planes. Out of 160 planes across the whole fleet, we are paying just about 4% and these are banks from France, banks from America and our recent planes, Aireen has negotiate with JP Morgan, under 3%. We are paying 2.8%. That is better than Malaysian sovereign debt and I think Aireen gets full credit along with Kamarudin for doing this.

People, I've talked about, we have an amazing company and I really urge you all to come and have a look at AirAsia and see the people, see the energy and see the drive. There are 12,000 staffs, no union, so much internal promotion, so much people had joined at different levels etc. Cabin crew who are now pilots, cabin crew who are engineers, boys who carried bags was pilots, etc. It is an amazing company and that is how we been able to have low cost because everyone has one direction. We have pilots who actually talked to engineers. If pilot and engineer don't get on, it cost a lot of money and I can give you 100 examples of that. But the strength of the airline is the people and the amazing energy and it is truly Malaysian company. Our CFO is bumiputera, our CEO is bumiputera, our Head of Commercial is Chinese, our Head of Network is Indian and it is a fantastic environment to be in. We are hammered all the time, I am personally. But I always go back and I see it worth fighting because we having credible staff in our company.

I've talked about high utilization, I've talked about distribution. We use internet. Again, no one use the internet before AirAsia. About 82% of our sales are done on the internet. Economies of scale and we only focus on plane. We don't own an engineering company; we don't own a catering company. We think airlines are poor return of its capital because they do too many things. If you look at Singapore Airlines or Malaysian Airlines, they have full service-long haul, full service-short haul. The difference between long haul model and short haul model is very, very different. Apart from that, they have first class, business class, premier economy and economy. It's a very complicated model. Then they have cargo operation, they own engineering etc. AirAsia all of our capital goes into short haul model. So you can see we are very, very focus and we are very dedicated to simplified model which resonates back to simplified airport.

We are continuing to save money. Everything is about reducing fare. We don't laid back and say with the lowest cost, we continue to find ways to lower the cost. We drove Airbus into creating the winglets which saves 4% on fuel. That was our initiative- our engineers led by Anas who was just a junior engineer in MAS and now Chief Engineer with us and he drove this initiative.

He also had driven initiative to put six more seats onto A320 which will further reduce the cost. The only sacrifices is the toilet to be a little bit smaller but us Malaysians are much smaller than Americans, so the will be no issue. We tested it out with our biggest person, Kamarudin and he's fine.

We are bought the new neo which will save us 12% of fuel and obviously we are pushing very hard for LCC Terminal everywhere. In my closing remarks on aviation strategy, we could develop so much more if we had low cost terminal in Kuching, if we had low cost facilities in Langkawi. Langkawi is such a waste and I will talk in a second about that. We continue to invest in cost efficient technologies.

One of most saddest thing is we invested with the fantastic Malaysian company to build the world first check-in machine where you can actually tag your bags, weight your bags and put them in. This was done by Malaysian company. It's been accepted in Singapore, it's been accepted in Indonesia except KLIA2. We are not allowed to use our own check-in machines. We are not even allowed to put our own branding at the airport. Our branding is great, it makes people feel fun etc. We have branded our check-in counters all over the world including when we flying to London. Stansted Airport gave us our own ability to brand. In KLIA2 we're not. We can't use check-in machine, we can't use any branding whatsoever. I will talk about regulations at the end because it is one way street at the moment.

This I've talked you about already, one fleet, you'll see our seats versus everyone else. Just one other thing we done on AirAsiaX, we added a premium class because it was flight for more than eight hours. We put eight seats which has worked very well, asleep per seats. Some of the other long haul low cost carrier has done that but AirAsia predominantly one class, next.

I've talked to you about this already, why aerobridges we are not keen on them. Again, we have no choice now but to use aerobridges. We were promise ramps. It was promised at every stage of the airport and we said don't waste your money on aerobridges. It is important to note to PAC, we are 92% of the passengers in KLIA2. Yet, the airport has not asked us what we want. They could have save RM200 million from not using aerobridges by just building ramps. In the end they did not build ramps. It's about three flights of steps to walk up. Plus, the tarmac because of the depression will get flooded, so we are forced to use aerobridges which means our cost would go up.

■1140

Just the next one, I won't go through too much, but again, with the cutting edge of the technology, we were working with Facebook – we were the biggest Facebook site in the world for airlines. Three percent of our businesses are now come from Facebook. There is no airline that is work closely with conceivably than AirAsia. We have the best mobile apps that are coming out, and again, it is such a shame that other country will see the self checking desk are not in our own country because we are forced to use MAB's not a good technology and more expensive.

There are other things I want to add. Whenever we do a promotion where we give away one millions seats, we give away two million seats; we still pay full airport tax. The airport never helps us in that. What we are doing with promoting flight- let me just explain to you our model.

We want to stimulate someone who never thought about fly by having low fares. So, six months before- the trick is to know... Once you playing the tax off, and the seat is empty- that revenue gone forever. The trick is to try and stimulate people who never thought about fly by having low fares and we give away about 30% of our seats early. We hope that some they will buy, some ancillary income, some foods, and etc. But for us, the marginal cost of having one extra person that is very small. So, we must give it away and of course air fare goes up the closer you get to the booking, our fare are higher during high demand periods, etc. It normal revenue manage situation.

I told to you about lots and lots of our staff, I can talk for hour. It is most proudest thing for me and Kamarudin is what we have developed with our staff. And the efficiency of our people, it is far greater than any airlines in the world and we do everything ourselves. We have 85 staff for aircraft, versus a normal carrier, double that, and in some cases, triple that.

Next page is very clear. I want to tell you also, Ryanair and EasyJet, both are big airlines in UK, operate from full service airport – low cost airport really. Gatwick and Luton Airport, they do not use aerobridges. Stansted which is a very big airport in UK does not use aerobridges- 25 minutes. They had given tremendous incentive. Stansted just got a huge incentive package to Ryanair and Luton Airport give a huge deal and Gatwick Airport to EasyJet to stimulate more travel. We used this incentive to start new route for advertising. Our loses are very big in the initial stage of new route.

Again, this is being done by Bank Negara. AirAsia direct contribution to the GDP is 1%. The number of job we created both indirect and direct are huge. You see, for every one aircraft to Malaysia, it is RM135 million per year, 100 new jobs and 31 highly-skilled jobs. The number of pilots we created, 2,000 you know, the numbers of engineers, the number of jobs in MMRO is huge. All of this will disappear if the low cost industry is not supported.

So now I split this with Tan Sri Jamilus and goes through some of the issues that have been highlighted. I want to give you a good understanding of what the model is and what our contributions is to the country. The issues and the perception we been led to believe and so we will try cover them to our best ability. Issues regarding to runway, regarding to us requesting for the 45 million terminals, requesting that we asked- we went from a manual system to fully automated system. We believe the cost is not RM4 billion. We always have been very consistent. In the end, it would end up something like RM4.5 to RM5 billion. AirAsia requested for 76 stands, we requested for A380 facilities, we requested for a museum and spa, and we requested for use for the passenger loading bridges. We will talk about all those issues now. We will show you clearly the timelines when the discussion took place and hence there was no caused to the delay and no change to the original RM2 billion budgets.

So, I will start with the issue of the runway. The runway was always meant to be 4,000 meters in that area, 3,900 because again, AirAsia X was there. Why would we build a new airport, have a new runway and AirAsia X can't land on it? In a need statement, it was agreed in a need statement when

they started the cost started running, they decide to cut it to short-haul and in fact, Khazanah highlighted to me when they went up to the tower, and they said, "Do you ask for the shorter runway?" I said, "No, of course we needed the longer runway". So, in the need statement which you will see, it was always meant to be to for A330 and A320 operations. And you will see from that timeline, again, by the time MAB said that they were changing it, it was well in the first date of September on second revision.

A runway was needed because of the site that MAB choose. It is very far from the other two runways and if we did not have a third runway, it will take about 15 to 20 minutes to get to the other runway and of course a lot of fuel burn. So when they choose KLIA west, they have to build the runway.

They was never a decision- it was a dare decision to build it there and put the runway there and the runway length was always meant for 330. The reason, I won't go through there. And you will see the timeline again, on 16th of December 2010, they agreed that the runway would be extended by 300 meters to 3,960 meters which of course, was acceptable to us. In 29th of June, they talk about a shorter runway and both DCA and AirAsia requested for the reinstatement of runway length to 4,000 meters. It was always in original need statements and always in original budget of RM2 billion.

The second issue is that, we ask for a change for the 45 million's terminal. Like I said in Labu, we said 30, we always contended to be 30 and then later extended. We never asked once for 45 million's terminal. If you look on at the side page, you would see the passenger pick hours, where we quoted the passengers. MAB never change the airport from the RM2 billion. It is exactly the same. All they change was the comfort level. So suddenly went up from the 30 million to 45 million to try and justify the cost increased. There was no change. We requested as you will see later, 80 stands, 30 million terminals etc. It was always there. There was never a request and it is incorrect for them to say that we asked for 45 million, we never did.

And I stress to the PAC, the building that was meant to be open in 2011 and the building now that is open in 2014 is the same size with the same number of stands. All they have done is they change the passengers level comfort and so they squeeze us in a bit more to bring out this 45 million number. There was no increase in stands, there was no increase in floor space at all. I think Tan Sri Jamlus who was part of that original plan will tell you from the detail airport size.

Third issue, we never saw the airport because they never ever show us, as system in LCCT is manual. The bags come out, the boys are there waiting for the bag, they drives it to the plane. It works, there is no breakdown, there is no issue. When we finally saw the terminal, we was, "Wow", we were shock a bit and so we said okay, but again, we didn't want to increase the charges because increasing the charges with meant more charges to the rakyat.

■1150

Every point, and Datuk Kamarudin can tell us, we asking the Prime Minister, please make sure the charges don't go up, the cost don't go up because eventually someone has to pay for it. And Tan Sri

Bashir promise the Prime Minister it will not go up more than two billion when me and Kamarudin, and Ashok were there at the time.

When we saw- we said okay, we will take a semi automated system which is much cheaper than fully automated system and everyone agreed on the semi automatic option. The MAB bought unilaterally disagreed themselves to go fully automatic, had nothing to do with AirAsia. We were quite happy with the semi automated system. The decision which are more costly and will incur some delays, were the decision of the Board of Malaysian Airport. We were quite happy with option two which initially agreed and then the board decided to go with fully automated system. Again, if you look at timeline, you can see none of the timeline even of this one would have caused the slight delay, they should not been able to meet their dateline for opening the airport.

Issue four, it just for an interest sake, we think there is still a lot of variation order, still a lot of work to be done which I think Tan Sri Jamilus can fill you in and that terminal won't in no way would cost RM4 billion. I think three years ago, I was hammered by many when I said this airport will be three years late and would cost RM4 to RM5 billion. My prophecy has been 100% right.

AirAsia requested for 76 stands. We always, if you look at the right hand side, there is need statement done in February 2009. We ask for 80 stands. There has never been a change. We never ask for less. So, we cannot be blamed for increasing the airport. From day one, we said we need 80 stands for 30 million passengers. That has always been our stand and you'll see the documentarily evident on the right hand side and you see that we confirm that in February 2009 and MAB come back and said the airport will cost RM2 billion, which was very similar to our figure in Labu.

Provision of A380- again, you know, I don't think a low cost carrier would ever, ever buy A380. That is the most expensive aircraft man will ever make. Any plane with more than two engines is crazy. I have no idea where MAB said that is AirAsia requested to have A380. I think in all my million and one press interviews, you'll never see AirAsia talking about A380. In fact, I said the 380 and we upset Airbus by saying it's a white elephant aircraft. And you can see in this world, bar Emirate, no one is buying the 380. So I'm not sure what possess MAB to say we wanted the 380.

A museum, this is we said, give us a piece of land, we want to get kids involve. We want to build a Smithsonian to make it a bit more interesting. So we said, it's our cost, we will build it. Just give a piece of land so we can build it, so school kids can get into aviation. They can test the simulator, etc. They never gave us a piece of land and it never went anyway. We never ask MAB to build the museum. It was our initiative to get young kids involved into aviation.

The spa, I have no record of that. Having walked in that airport, I think spa would very useful and I think it would be fantastic commercial venture for Malaysian Airport but AirAsia never requested spa.

I talk you at length about passenger loading bridges. This is something that we quite upset about, to be honest, because we said from day one, we never want passenger loading bridges. And yet, MAB has just completely ignored this. I'm not sure who regulates because it seems that they can do whatever they want, and we will talk about that later. Maybe I just hand over to Tan Sri Jamilus now, who may fill in some others about low cost facility and history.

Tan Sri Jamilus Hussein [Ketua Pegawai Eksekutif KLIA Premier Holding Sdn Bhd]: *Bismillahi Rahmani Rahim. Nama saya Jamilus. Yang Berhormat Tuan Pengerusi PAC, Ahli-ahli Yang Berhormat Ahli PAC, tuan-tuan, puan-puan, hadiran sekalian.*

Saya terlibat dalam AirAsia baru-baru ini kerana AirAsia tidak melantik company saya, KLIA Consult to assist them in Operational Readiness and Airport Transfer (ORAT). Before that, I'm never involved with AirAsia. Am I right, Tan Sri?

So, we go back a bit in history, macam mana KLIA Consult terlibat dengan projek LCCT. We were never involved in KLIA2. We only involved in LCCT. When they move up to KLIA2, upgrading, we were not with them anymore. Jadi pada awal tahun 2009, pihak Malaysia Airport Berhad datang berjumpa saya untuk menubuhkan sebuah company. Dia kata, "Jamilus, why not we combine together?" AirAsia got technical company called MACS, Malaysia Airport Consultancy Company, civil services dengan KLIA Consult. So, saya kata pada masa itu, our culture is different, I said why not we formed an incorporated joint venture company first, we do it incorporated. In other words, lets be boyfriend and girlfriend before we get married. So, that was the idea, So, we did form that company and MAB used that joint venture company and send it to Ministry of Transport for the appointment for LCCT.

What happen? MOF only approved that KLIA Consult be the PMC and MAB should retain to be an airport operator. Akan tetapi saya keep to my philosophy of honoring what I have agreed when they appointed us in June of 2009, we took MAB personnel on board. About 40% of the personnel on board to manage LCCT at that time are MAB senior staff and they hold very important position. For example, a senior construction manager for airside and the landside, senior construction manager for the main terminal building and satellite, senior construction manager for ICT, construction manager for mechanical, electrical and system and also a liaison officer.

Tuan Tony Pua Kiam Wee: *Clarify sedikit. Ini LCCT yang sedia ada sekarang atau KLIA2 yang...*

Tan Sri Jamilus Hussein: *We were involved when it was LCCT...*

Tuan Tony Pua Kiam Wee: *You are talking about the current LCCT?*

Tan Sri Jamilus Hussein: *Yes, yes.*

Tuan Tony Pua Kiam Wee: *Okey.*

Tan Sri Jamilus Hussein: *Current LCCT because at that time when we were appointed, KLIA2 wasn't there. It was LCCT 2. So, to cut our story short, lets us understand where our roles is.*

Tan Sri Dr. Tony Fernandes: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Jamilus Hussein: *LCCT 2, which now KLIA2.*

Tuan Tony Pua Kiam Wee: *That's why I am a little bit confused. So that 2009 appointment is for KLIA – what we know KLIA2 sekaranglah, bukan yang LCCT yang kita guna...*

Tan Sri Jamilus Hussein: *Not the existing one.*

Tuan Tony Pua Kiam Wee: *Not the existing one. So you're entire conversation, report before*

...

Tan Sri Jamilus Hussein: *Entire appointment is for KLIA2 but at that time it is known as LCCT 2.*

Datuk Seri Reezal Merican [Kepala Batas]: *I think let us terms it as KLIA2.*

Tuan Tony Pua Kiam Wee: *Ya, KLIA2- to avoid confusion.*

Tan Sri Jamilus Hussein: *Because this the process, so I didn't want to- sorry.*

Beberapa Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Jamilus Hussein: *Thank you. Jadi with MACS ataupun 40% of the staff are MAB staff with us, in actual fact, commercially we are on the losing side because their salary are much higher than the officers that were involved in my own company. But it is okay, we thought we want to work together, we talk about long term. As a result of that, KLIA Consult has to work very hard to cover the huge increase in scope of work when it is migrated from what was intended to be LCCT 2 to KLIA2 because it's much bigger and the cost also much higher...*

Tuan Tony Pua Kiam Wee: *Sorry, don't understand. So you are saying migrating from LCCT 2 to KLIA2, you are referring to a shift in location or you are referring to shift in the current terminal...*

Tan Sri Jamilus Hussein: *Concept, shift in concept.*

Tuan Tony Pua Kiam Wee: *Design? Not location, just purely on design.*

Tan Sri Jamilus Hussein: *No, no, no. Just in concept.*

Tuan Tony Pua Kiam Wee: *So that was a change in design from the original LCCT...*

Tan Sri Jamilus Hussein: *Which I will come to that later.*

Tuan Tony Pua Kiam Wee: *Okey.*

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Tuan Pengerusi: *Tan Sri, before you proceed, I just want to put some perspective into your testimony today because you are not part of the testimony today. But, your testimony is important to basically give us a background on the issue of why your contract was not extended as the KLIA2 planning was in progress. So I just want to put on record, your testimony here is important because that was a question to MAHB which they couldn't be answer. You know, "Why did you not renew the services of your original consultant?" So, please limit your testimony to answering that particular query. Thank you.*

Tan Sri Jamilus Hussein: *In short, although we were appointed as a project management consultant, the scope of work under the terms of reference that we signed with MAB, the scope of work is more like a support consultant. Because, within MAB themselves, they have their own team and we have to answer to that particular team. At the same time, they also appointed consultant to do detail design. So we as project management, we manage the decision of policy given out by Malaysia Airport Berhad and to make sure that the consultant do the job. So the one thing that we cannot, why we... It's not that we were terminated, I have to stress that. We were not continued and we also do not want to continue because there are issues that we cannot agree. There are two issues that we cannot agree with them at that time.*

One is on the scope of work. The scope of work has increase tremendously from what was originally intended for a budget of RM2 billion, for a timeline of about two years. The other one is on the cost and the time. The cost when we left in September of 2011, in our book, is already RM3.6 billion and as far as the client is concerned, they are still sticking to their budget of RM2 billion. We said we must announce this. So we do not want to associate ourselves, at the end of the day, to answer a lot of question like, you know, we have to face PAC like this. So when our contract ends in September 2011, we also do not want to continue with them. So the two major issues that we cannot agree is that, on the timeline, the manner in which the scope of work has increased.

You see, in the project management, there are many phases. The first phase is the intention to build. The second one, what we called requirement sculpture. We have to identify the internal and the external stakeholders and get the requirement from the stakeholders. From that, we do the scope of work, and then on we do the concept design. But in this particular case, there was no proper management of requirement sculpture. They go straight to appointing of design consultants and appointing of their architect.

Now, there are many concepts. One, proposed by the airport planner they engaged, Netherlands Airport Consultants, is to use a finger pier concept. So there were eight participants. Out of the eight participants, only one deviated from finger pier concept and they go for a satellite concept. That participant...

Tuan Pengerusi: *This is the design contest, so called beauty contest that MAHB said they were doing.*

Tan Sri Jamilus Hussein: *That's right.*

Tuan Pengerusi: *To determine the design of the terminal building.*

Tan Sri Jamilus Hussein: *Yes. So with all these issues that we cannot agree with them and I think, why they increase this is the selection of the concept. Because of the satellite concept and because of the high- the called it skybridge, the building has to be very high because, could see aircraft taxing underneath it. Now, because of the high of the building, then the question of building bridges*

become necessary. Because the high of the building and the configuration, they have to have a tunnel to connect the satellite to the terminal building. They need to have control tower because from the present control tower, they cannot see the runway because the high of the building is blocking it...

Tuan Tony Pua Kiam Wee: *Just to repeats and confirm. There were eight designs submitted, that was only one design that deviated from the finger pier requirement and that design was selected.*

Tan Sri Jamilus Hussein: *Yes.*

Tuan Pengerusi: *Well, I was quite amazed and quite receptive of MAHB's assertion that the part where the design of the building where the airplane can actually go below the bridge was the first in the world. I was impressed but I am not being in airline man, so I thought... Now you say that is a stupid design... [Ketawa] That is sort of clears the air.*

Tan Sri Jamilus Hussein: *Yang Berhormat, they can do what they want. But, don't have to blamed others for it. That is the message that I want to impart today.*

Tuan Pengerusi: *Tan Sri, I think what triggers my interest is this. Was there any intention to basically disengage you from the whole planning process, because I have seen the word "deviation" from the statement. That means they could be an intention to basically just add more things, upsize the scale of the building and therefore increase the cost of the whole project. Is that something that is possible in this case?*

Tan Sri Jamilus Hussein: *I am not really involved in the competition that they organized. I think they handle it by themselves. But what I thought is, if we want to have a low cost operation, it has to be a low cost terminal rather than high-end, I do not call it hybrid. It is quite similar to KLIA1 because we built KLIA1 before we understand. The only difference is that, the connectivity from the terminal building to the satellite, we use the train, and here they use a skybridge because they much closer. That was the difference.*

Tuan Pengerusi: *Is a beauty contest to call people to submit design to build an airport; is it a normal thing that is practice throughout the world?*

Tan Sri Jamilus Hussein: *Ya, we do. Even in KLIA also there was a contest and Dr. Kisho Kurokawa won the contest. In this particular case, the contest is not selected the concept but more to select an architect who they can work with on a finger pier concept. But this one- probably it looks nice. Everybody was taken by it, you know, very dramatic, we are having skybridge and what not and it was taken on board. I don't know. That is their problem...*

Tuan Pengerusi: *Tan Sri, I am worried your statement is sounding more like an accusation. Is that something that you feel very strongly about? I mean, the design was held basically manipulated to let they prefer the architect win and therefore that was a start of the whole problem with KLIA2?*

Tan Sri Jamilus Hussein: *It's because of the configuration of the terminal. A lot of cost could have been save if a finger pier concept has been accepted. But it is their prerogative Yang Berhormat. They can have any kind of airport they want. Is that only...*

Tuan Pengerusi: *No, no. It's not their prerogative. It's their prerogative to deliver the best airport at the lowest cost and value for money for the people. Is not their prerogative to basically just increase the scale of the airport and therefore, the size of the contract that will come that will associate with it. I am more interested in the question about consultants.*

Tan Sri Jamilus Hussein: *I think it is whether to have an audit Yang Berhormat. For me to say it, I think it's not fair.*

Tuan Tony Pua Kiam Wee: *Tuan Pengerusi, have you...*

Datuk Seri Reezal Merican: *Can I ask...*

Tuan Tony Pua Kiam Wee: *Wait, wait. Have you finish your slide before we ask the question?*

Tuan Pengerusi: *Time to be basically said sometime [Ketawa]*

Tan Sri Jamilus Hussein: *Never mind...*

Tuan Tony Pua Kiam Wee: *No, no. That is fine.*

Tan Sri Jamilus Hussein: *Can asks the question now.*

Tuan Tony Pua Kiam Wee: *More or less, the point that you want to raise have been raised?*

Tan Sri Jamilus Hussein: *Ya, ya. The point is we cannot agree with them on the timeline and the cost.*

Tuan Tony Pua Kiam Wee: *So I just wants to clarify ...*

Tan Sri Dr. Tony Fernandes: *Yang Berhormat, if I just can add one point. The needs statement all talked about finger pier when they are ask for the contest.*

Datuk Seri Reezal Merican: *That is why I want to ask. The needs statement, has it been conclusively agreed to tell within the requirement of the client and also the service provider and then, they has got to follow that. And then, why suddenly this is an absent, I means...*

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Tan Sri Jamilus Hussein: *I cannot answers that Yang Berhormat. I wasn't involved. All I know is that, the objectives of the competition was to select an architect to work with, to come out with a formal design. So there are few term. The term of references also is...*

Dr. Tan Seng Giaw [Kepong]: *Mr. Chairman, actually I have been dying to ask questions for a long time but let him finish the briefing.*

Tuan Pengerusi: *No, my point is, Tan Sri made a very strong statement saying that he was involved and then he was out. There was an original needs statement which he was a part of it, the earlier part. And then when he was out, the needs statement change and therefore the planning of the airport change. That is my real question.*

Tan Sri Jamilus Hussein: *It wasn't like that Yang Berhormat. It wasn't like that. We were involved. We had a term contract with them for two years because that was the original plan, RM2 billion budgets and a two year contract. So, during the process within those two years, in the beginning of the project, there was this competition organized by Malaysian Airports Berhad. We were not involved. But, my staffs were involved in the evaluation, in doing- because we were the support consultant to them. All decisions and recommendations done by Malaysian Airports Berhad.*

What I am trying to impress here is that, the concept suggested by the airport planner they engaged which is Netherlands Airport Consultants is the finger pier. Out of the eight that participated, only one did not follow the finger pier concept but came up with the satellite concept, and this guy won. That is what it is.

Tuan Haji Hasbi bin Haji Habibollah [Limbang]: *Tan Sri Jamilus, tadi ada soalan berkenaan tentang you mentioned your staff was involved. You are not involved but your staffs were involved. Was your company involving di dalam...? [Disampuk] Ya.*

Tan Sri Jamilus Hussein: *We are not involved because whatever our recommendation will never used. They have their own.*

Tuan Haji Hasbi bin Haji Habibollah: *But what was the role of your staff that involved itu tadi?*

Tan Sri Jamilus Hussein: *He is an architect. He did the documentation but he is not in a position to do a selection.*

Tuan Tony Pua Kiam Wee: *I want to confirm this particular fact because we were informed by MAHB bahawa the reason why the design has to be a satellite based terminal is because otherwise you cannot cope with 45 million passengers. That was quite explicitly put to us that there is no other way you can have a simple design like LCCT sekarang sebab 45 million passengers you have to have your multilevel, you have to have your satellite terminal otherwise you cannot cope with 45 million. How does that?*

Tan Sri Jamilus Hussein: *In my understanding, I think we can. There are many forms. One is a satellite concept. The finger pier concept can. Amsterdam is a finger pier concept. They are handling more than 50 million passengers per annum. They can. With finger pier, you can do modular expansion.*

Tan Sri Dr. Tony Fernandes: *Which was always our plan because we said build it for 30 million, once we reaching that number, then modular expanded which is no different from the LCCT. It can be expanded as we change the parking and we added more finger piers.*

Tuan Tony Pua Kiam Wee: *Is there an issue with regards to the distance you have to walk relative to a satellite terminal versus a finger pier terminal? Being disadvantages for 45 million, just trying to cover all angles.*

Tan Sri Jamilus Hussein: *I think the finger pier is shorter, much shorter.*

Tuan Tony Pua Kiam Wee: *One of the comments made in the earlier presentation by MAHB when we asked why was location shifted from the original site of KLIA North to KLIA West which had a lot more problems in term of the soil condition. That was in the original 1991 airport master plan. One of the responses that were given the other day was the fact that this decision was made together with the same consultant who did the 1991 airport. So, it is not like – they were arguing that this decision to move from North to West was not a unilateral decision by MAHB but was done together with the same consultant who did that report. They approved the new airport master plan.*

Tan Sri Jamilus Hussein: *True. We were involved in the revise of the master plan in 2009. So, you see, in 1992 there was a master plan. At that time, low cost carrier terminal did not exist. So, the expansion of legacy airlines is to have a mirror image of what it is today, beginning with the Satellite B location. So, the only location available and the Runway 3 have already been there- there are five runways. Runway 3 and Runway 4 is on the west. So, ideally, the location, this is done together with us but our expert is Netherlands Airport Consultants. They are the expert in the airport planning. They suggested and we went through and presented to MAB and they also agreed that is the location. The soil being what it is, is well known, because Runway 2 is build on similar ground.*

But the methodology in which we did then and this one differ because our solution before was two-two solution, meaning we dig out all the soft material and fill it up with selected material and compacted so that we do not have a problem on the time dependent solution, where the one done at KLIA2 is a time dependent solution, nothing wrong with it, where you have vertical drains planted into the original ground and you surcharged it and you accelerate the consolidation and this consolidation is time dependent.

Tuan Pengerusi: *Tan Sri, can you please explain what surcharged mean for the benefit of the...*

Tan Sri Jamilus Hussein: *I think can I ask Mr. Tan Yean Chin. Engineer Tan Yean Chin here is the consultant, geotechnical consultant. He will explain.*

Seorang Ahli: *Maybe you just finish your...*

Tan Sri Jamilus Hussein: *Ya. Can Mr. Tan answer that question about the...*

Tuan Pengerusi: *This is just for the record. Surcharge mean – you know, what material does it?*

Tan Sri Jamilus Hussein: *Surcharge means the extra amount of loading that we had to put on top of the finished level. You have the original ground, you have the formation level. The surcharge is an extra volume of earth we put on top of it so that the original ground will be subjected to a higher loading than what it is supposed to be subjected when it is in operation, to accelerate consolidation.*

Tuan Pengerusi: *This is the cause of the subsidence that is happening around the side, affecting the runways and taxiway?*

Tan Sri Jamilus Hussein: Yes, which Mr. Tan will explain in more detail...

Tuan Pengerusi: No need to explain more detail. I just want you to explain in simple terms so that I can relate it back to the issue of soil subsidence on the runways.

Tan Sri Jamilus Hussein: Yes, it does because if we removes the surcharge early and the consolidation is not complete, it would keep on settling.

Tuan Tony Pua Kiam Wee: So, the question we have and the concern we have with the regards to the migration from the KLIA North- I mean, that was the original plan to build the KLIA2 or the LCCT 2 at the north location. That was subsequently changed in the master plan to move to the west location and there were two proposal, one was by KLICS which is to remove everything and put in new stuff and the second one which is used by MAB which is basically just to top up and let it settle into flat ground.

Now the concern we have is essentially on the cost impact to KLIA2. So, the way that MAHB has done it has resulted in the reclamation itself or the adding of soil itself costing RM800 million or at least that is the number that was given to us- RM800 million over.

Tan Sri Jamilus Hussein: Correct.

Tuan Tony Pua Kiam Wee: Would it had been different if they used your method with regard to timeliness, cost, and ability to launch the airport?

Tan Sri Jamilus Hussein: Very good question. There are many ways to solve the problem of having an infrastructure in pit soil. One is to have total dig out. The other one is a time dependence solution using vertical drains and surcharged and the light. When we did ours in KLIA1, we do a total dig out, it is not cheaper. It is more expensive than the vertical drain with surcharged.

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But, why we decide – we did a value engineering exercise. Because our tenders are lower than what we anticipated at that time. So that is a saving. So we said why not we use this saving and pay more but we don't have a problem. That's what we did. So to answer your question which one is cheaper, I think doing the vertical drains is cheaper, but it is time dependent.

Tuan Tony Pua Kiam Wee: So, my question would then be, how could MAHB then contains the cost within RM2 billion if the minimum cost of toping up that soil on pit land already is RM800 million and I mean, as you mention, the complete replacement will be even more expensive. So how even possible that it was RM2 billion in a first place?

Tan Sri Jamilus Hussein: I think sorry to say that, I don't think they read the report. In the report at the time, with a smaller area, the cost indicated approximately RM300 million plus. But their budget for the RM2 billion, they put only RM35 million. So I think the initial budget was totally out of line for what it is today.

Tuan Tony Pua Kiam Wee: *Initially they budgeted for RM35 million for smaller area and which was suppose...*

Tan Sri Jamilus Hussein: *Even...*

Tuan Tony Pua Kiam Wee: *...To be for RM300 million and because they expanded the area, the cost actually went up to RM800 million?*

Tan Sri Jamilus Hussein: *Yes. In the report to do for a smaller area is already RM300 million plus. But in their budget for the RM2 billion, they put only RM35 million for earth work. Then the actual one come out to RM800 million.*

Tuan Pengerusi: *I'm attracted by Tan Sri statement earlier when you said that you propose to build the Labu Airport for RM2 billion and then Cabinet agreed. Later it was rescinded because MAHB said they can build the terminal KLIA2 for RM2 billion. So was MAHB just putting the figure of RM2 billion without doing proper costing just to scuttle your plan to ask for the new airport. Now, if you want to answer that on record Sir, you can switch on the mike. But if you don't, if you don't want to, you can off the mike.*

[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: *Well, on issue of PSC, passenger service charges, MAHB said, it's not their control, it's government. Government only allows them to revise every five years. But the quantum is determined by the government. Is that true?*

Tuan Tony Pua Kiam Wee: *I just want to add to what our Tuan Pengerusi says on the passenger services tax. What was specifically highlighted in the last meeting was that MAHB is happy to follow their concession agreement with the government which is to revise the price of PSC in accordance to the CPI every five years. So it's actually a discount to the CPI. Every five years, accumulative CPI, they will raise it only the discount to the CPI. CPI is around two percent a year. Also I asked, based on your projected figures, you only increase it thereabout eight percent to eleven percent every five years. They said, yes.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *You want to put on record or not?*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Okay. Then switch on the mike, please.*

Cik Aireen Omar [Ketua Pegawai Eksekutif AirAsia Berhad]: *What we have, We put on the slide about the passenger service charges. This is a based on the operating agreement on LCCT. This is actually an agreement which is accessible to all – to analyst really. So, whatever analyst actually shows this, it is what it is. From that formula between consumer price index and minus 0.1% every five*

years, in order to bridge that range whereby Malaysian Government will have to subsidize if there is, if the charges are lower than what it should be, the inflation need to increase by about 5.5%. Right now, the inflation that we are actually looking at are roughly around 2%, so we think that by based on the current inflation with based on the formula, the passenger service charge should not be increase until 2024. But it was increased in November 2011...

Tuan Tony Pua Kiam Wee: RM25 to RM30?

Cik Aireen Omar: Yes, that's right.

Tuan Tony Pua Kiam Wee: I'm trying to understand what you mention just now. You are saying that the November increased in 2012. The proportion of increase is way higher than the inflation rate as part of the concession agreement. If they use that increase, actually they should only increase that amount in 2024.

Cik Aireen Omar: That's right.

Tuan Tony Pua Kiam Wee: Okay. That's history. Fair enough, that's history. That has been increased and what we asked MAHB was going forward. Do you need to drastically increase the rate? They said, no. They are happy to follow the concession agreement. Would AirAsia be happy with the- From now onwards, based on current rate, every five years increased by CPI minus point one percent?

Tan Sri Dr. Tony Fernandes: Yes, I think we would be happy with that.

Tuan Tony Pua Kiam Wee: The question is whether MAHB will stick to that concession agreement.

Tan Sri Dr. Tony Fernandes: It is important to note PAC Members that actually apart from PSC going up, parking and landing charges has been increased 60% over the next three years. So, it's not just the PSC parking, landing charges has also grown up.

Tuan Pengerusi: Wait a minute. MAHB says that govern regulates every charge that they can...

Tan Sri Dr. Tony Fernandes: They get the permission from the government, yes. But they have to come out...

Tuan Pengerusi: But they don't follow the actual basis of calculation.

Tan Sri Dr. Tony Fernandes: No, no. It's about 60%. Correct, Aireen?

Tuan Tony Pua Kiam Wee: My question then will be for parking landing charges. Are they governed by the same concession terms? That mean, five years inflation minus point one percent?

Tan Sri Dr. Tony Fernandes: We don't think so. It's just PSC.

Tuan Tony Pua Kiam Wee: So only the PSC is governed, then the rest is up to MAHB to propose to the government?

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[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: *I'm trying to narrow down the focus now because our objective here today is basically to find the reason why the airport has been build at such a huge cost. First conclusion that I sort of picked up from Tan Sri Jamilus's testimony is there was a change in design. There was, not to say improper selection but there was selection of the architect which was deviated from the original needs statement. Okay.*

Number two, another factor in increase of the cost is the shifting of the terminal building and the shift was done on the portion of land of that airport which is known to be very, very soft. In the process, there were also dispute between how the treatment of the land was to be done. And that, under your method Tan Sri, it would have cost more but I seem to think that because of MAHB commitment to the government that they can build the terminal for RM2 billion and therefore denying AirAsia proposal to build the terminal Labu, they were already under pressure in terms of cost- one.

And number two, because of the upscale in design and the other complexities, they were also under pressure in terms of time. Therefore, as the project progress, there was an attempt to basically speed up the construction without really looking at the overall usefulness of the airport, as one. And number two, because of the upscale of the size of the terminal, that also cause timeliness problems and they had to basically race against time to complete the terminal.

I am actually quite disturb that our executive may have made a decision to continue with the KLIA2 as it is today because of the recommendations of the MAHB management and board which is turn out to be fraud with many, many questions. That is what I think. I'm summarizing it. Is my summary accurate in anyway?

Tan Sri Dr. Tony Fernandes: *Ya. I think it is very accurate summation. I think the fact that the main factor was, "Let make sure Labu doesn't happen. Let's build an airport at this price." And then I think, they were always on the back foot in terms of making that price and making that timeline. They did not have matters by building a full service airport. Obviously, if you build the much more complicated airport, it's going to cost much more. You could still build a RM2 billion low cost finger pier terminal in our opinion. It would never made in 2011 because the soil just takes a long time to settle. But it would not take until 2014.*

Dr. Tan Seng Giaw: *Tan Sri, is it true that Labu will be too near to KLIA?*

Tan Sri Dr. Tony Fernandes: *Do you know Sir, when the time we sat with DCA, it was all okay. It was all about planning, airspace planning. Sir, if you look at Heathrow, if you look at London and four airports within very close distance. If you look at New York, there is LaGuardia Airport, JFK and Newark. There is no problem. You effectively have built a Labu in KLIA west. It's effectively another airport. It has. We want to stress to you, Heathrow airport has two runways and carries 18 million people. We are the only airport in the world with three towers and three runways.*

Tuan Tony Pua Kiam Wee: *Why is it three towers, not two?*

Tan Sri Dr. Tony Fernandes: *There's one in satellite building- Apron Tower.*

Datuk Seri Reezal Merican: *Satellite building, ya.*

Tuan Pengerusi: *But we must build the tallest airport control tower in the world. That is essential in promoting Malaysia. [Ketawa]*

Tan Sri Dr. Tony Fernandes: *Yesterday I went to KLIA2 and they put up all these posters defending the cost and the high end. One of the defenses is the tower was from 73 meters to 93 meters and that's purely because they put the tower in the wrong place.*

Can I also add one thing which is never been made up and we see some blogs writing this? Is that, we didn't want to move into the airport because our office wasn't ready... [Disampuk] Yes, our office isn't ready because we have to move it. MAB agreed on a piece of land, we were ready to build it, we have spent money on architecture. Because they place the tower in the wrong place, our offices with seven floors, block the tower. So we had to throw away and spent RM11 million in reject fees to move our office through no fault of ours because the tower was blocking three bases- three or four bases. Correct?... [Disampuk] Six bases so, we even ask the DCA, we don't have to see it, the TV camera etc. You know many airports actually the towers are actually underground, they can see the... But DCA rejected and said we must have line outside. So we have to scrap our office building and now move it to completely different area. So not the case at all, because our office building.

Dr. Tan Seng Giaw: *Tan Sri, because it's already nearly 1 o'clock. Now...*

Tan Sri Dr. Tony Fernandes: *It's 12 years of frustration, Sir. No one has ever listened to us. We are so appreciate.*

Dr. Tan Seng Giaw: *No, no. I've been dying to hear anyway.*

Datuk Seri Reezal Merican: *To touch all of you, he saying that he have been dying.*

Dr. Tan Seng Giaw: *It has been because I've heard it enough in Parliaments some of the MPs were accusing AirAsia with all sort of names. I have heard but now it's all your time...*

Tan Sri Dr. Tony Fernandes: *Mostly to me.*

Datuk Seri Reezal Merican: *None of us.*

Dr. Tan Seng Giaw: *Tan Sri, why do you think that MAHB insist on building aerobridges and banning your check-in machines?*

Tan Sri Dr. Tony Fernandes: *It's a profit motives, Sir. Aerobridges I don't understand, I really don't. They have actually subcontracted the management of the aerobridges to another third party.*

Tuan Pengerusi: *MAHB doesn't do their own management...*

Tan Sri Dr. Tony Fernandes: *Nope, it is been subcontracted which we ourselves said, if you are forcing the use of aerobridges, we would like to operated ourselves.*

Tuan Pengerusi: *Is it a subsidiary company of MAHB?*

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Tan Sri Dr. Tony Fernandes: *Nope. We are being told that's completely outsource to someone else.*

Tuan Pengerusi: *Third party?*

Tan Sri Dr. Tony Fernandes: *Yes. And when we ask whether we can operate them, they said, "Sorry, we signed the contract already". That is number one. Number two, on the check-in machine, its' cost RM7 million more to operate on their check-in machine. They signed the unilateral contract with SITA, bought the machines and then told us, we have to use it. This is pure monopoly behavior.*

Tuan Pengerusi: *They said for consolidation purposes because KLIA is uses SITA. So therefore, it is just an extension to KLIA2.*

Tan Sri Dr. Tony Fernandes: *But in Changi Airport uses SITA as well but they are allows us to use our own machines because they know that is cheaper and quicker. Hong Kong Airport allows us to use. Lots and lots of airport allows because they understand that we require lower charges.*

Datuk Seri Reezal Merican: *That was an allegation they said, the other airport so using SITA. Now you are saying that...*

Tan Sri Dr. Tony Fernandes: *No...*

Datuk Seri Reezal Merican: *Allows you to use.*

Datuk Kamarudin Meranun [Pengerusi Eksekutif AirAsia Berhad]: *There is only two airport that we use SITA, Bali and Surabaya. The rest we use our own, even though those airports use SITA.*

Datuk Seri Reezal Merican: *Tan Sri, I am quite sympathetic about all these hardship that you have got to go through. Seriously, all this eight issues that you have highlighted indicated to me a serious mismatch of your business model and the actual- and it is not compatible at all just to have LCCT operating in this airport. That is what you are saying and then, with SITA thing, with the aerobridges, there will probably be a lot of added cost. Have you done the forecast? Because I saw- I mean, it is something to be proud of and incremental jump throughout 13 years you have like- how many people flying with you?*

Tan Sri Dr. Tony Fernandes: *About 240 million.*

Datuk Seri Reezal Merican: *Jumlah 228 million and then you will be occupying like 80% of the...*

Tan Sri Dr. Tony Fernandes: *92%.*

Datuk Seri Reezal Merican: *Oh, 92%, now again. They said it was 80%. Okay, anyway...*

Tuan Pengerusi: *Your figure and MAH figures divert quite a bit.*

Tuan Tony Pua Kiam Wee: *I think the- my guest is, the 82%...*

Datuk Seri Reezal Merican: *Ya.*

Tuan Tony Pua Kiam Wee: *The 92% is based on as it is.*

Datuk Seri Reezal Merican: *As it is, ya.*

Tuan Tony Pua Kiam Wee: *And MAHB were projected other airlines coming...*

Datuk Seri Reezal Merican: *And then they are hopinglah.*

Tan Sri Dr. Tony Fernandes: *Praying that other people are coming in to break our dominant.*

Datuk Seri Reezal Merican: *My question is that, after you have seen all these and then with your, I mean, you will be occupying 82%, substantial enough to contribute to the success of that airport, KLIA2. With all this added cost, have you done financial forecast? How much that badly you will affect on the passengers, on the probably your profitability on all the commercial aspect?*

Tan Sri Dr. Tony Fernandes: *On the record and off the record. On the record, we have to already increase charges by RM3. We have a separate charge now which has to go in, in KLIA. It is actually about RM5 but we are sacrificing RM2. This is the actual charges, the SITA, the aerobridges, the extra staff and etc.*

[Perbincangan secara off-record – mikrofon dimatikan]

Tan Sri Dr. Tony Fernandes: *On the record, as Tan Sri Jamilus was said, we are being forced to move to an airport with about three weeks of checking. Yesterday, our pilot won't be able to line up the plane per the VDG. It is because it wasn't calibrated properly and then the aerobridge guys couldn't line up with the door.*

Datuk Seri Reezal Merican: *What you have to say about – I mean the claim that ICAO has certified that they have achieved a minimum requirement of the international standard, things like that.*

Tan Sri Dr. Tony Fernandes: *Sir, I think two things. ICAO just said the airport is safe. ICAO doesn't look at the operational aspects. I don't think they – it takes nine months to check everything. ICAO was here for one week. They focus on the soil etc which we still think is the problem. It will flood and our pilots feel the depression. Pilot reported to Cik Aireen on the depression.*

Datuk Seri Reezal Merican: *Then, this thing need to be publish publicly because ICAO just presented to Cabinet...*

Tan Sri Dr. Tony Fernandes: *We didn't asking for the ICAO report.*

Datuk Seri Reezal Merican: *Ya.*

Tan Sri Dr. Tony Fernandes: *We haven't got...*

Datuk Seri Reezal Merican: *Because there is serious misleading from...*

Tan Sri Dr. Tony Fernandes: *Have a look at this picture... [Merujuk kepada slaid pembentangan]*

Seorang Ahli: *This was early April, isn't it?*

Tan Sri Dr. Tony Fernandes: *Listen to us.*

Cik Aireen Omar: *The apron is lower than the drainage system and that was after one hour after five minutes rainfall. So, we highlighted this to MAB two weeks ago and they said they will look into it.*

Tan Sri Dr. Tony Fernandes: *No, our ramp boys discovered that the marking on the runway were wrong. Two of our plane if they were push back at the same time, there was 17 centimeters gap. And so, they have to repaint the parking lines now. They have done that but we highlighted that. We don't know what else are there. We are going in a little bit blind.*

Tuan Pengerusi: *I am worried about your statement because MAHB keeps talking about great things going forward. They are building a new airport in Turkey, in Hyderabad, but their main home country project, in terms of project management, they are not doing as well.*

Tan Sri Jamilus Hussein: *Yang Berhormat, can I say something about Hyderabad? I was involved in it. That was way back during Tun Lim Liong Sik was the Minister. Me, and other party-another Environmental Engineering Consultant (EEC)- we helped MGR to participate in India, in Hyderabad. It is our concept that MGR got it. Then, they came back to us and say that it is build and transfer. They need an operator to operate the airport. I was the one who bring Datuk Adnan to see, semasa itu Tun Lim Liong Sik, you know, to make MAB commits. They don't want the money. They want them to flash only, so that they have an operator, so they get the job. So, theirs' involvement in Hyderabad is questionable whether they are the project manager or they are the operator of the airport or a shareholder. So, the experience there is "in what capacity?" It is because we have...*

Tuan Pengerusi: *Later on I found out also that for the Turkey airport, they just the minority shareholder, 20%. Therefore, they don't play a big role in the planning or construction of the airport.*

Tan Sri Dr. Tony Fernandes: *I think there is three issues here, Sir. Oh, no, four issues which I haven't cover. Firstly are the cost and the complexity of the airport which we never wanted. The second is we think the airport has been built too quickly and hence, have a lot of inadequacy. It may look nice but there is a lot of inadequacy. I think we have seen many building like that here.*

The third aspect is one of ourselves airlines testing out the operation. We are ready to move. LCCT is terrible. No ones can say it is great. Who wants to be there? But, it is being great for us to get there but there is no point rushing it. It is only three years delay. We said let do it properly and move over properly. ORAT, if you see, we won't go through the detail because it taking a lot time, but an average is six to eight months, we ask for six months to do it. The CCC only came out last week. So, we are moving into an airport where we doing 500 flights a day. We asked to do it in two weeks. But you know, these are the things that our staff will find the way and do it.

The fourth issue is what is the national aviation policy? How is it regulated? It is because MAB has seen to be able to do what they want. It rise charges what they want, it built full service terminal for

low cost carries. It decides the date and we all have to move and unilaterally closes the low cost terminal which put us in- what do we do?

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They close the terminal. They said on the 9th, it will be closed. We have to operate, right? So, there is real- and if I can just reiterate, I think no one regulate the charges from MAB properly, whether they are overcharging or undercharging, whether they are efficient, and the consumer in the end will pay.

Number two, to go through our terminal, I don't know if have you been to the terminal, you have to go through the shopping mall. I have never seen that anywhere in the world. You have to go through a shopping mall to get to a check-in desk. That is number one. Where is the regulation on this? We have asked for a fair incentives scheme, we generate the most demand and revenue to MAB.

And the second part is, LCCT just for your reference, the McDonald in LCCT is a biggest McDonald in South East Asia. Who brings those people to McDonald? AirAsia. It's our passengers in our meet and greet. The ancillary income, you can't move it in LCCT. There is shop every where, there is shop in front of the toilet now, serving food. It's all through out passenger. So, we asked for a fare incentives to develop new routes and we done that. About 52% of our routes are route that had never been done before. We asked for a low airport charges that's well established.

Number three I think is very imported, it must be independent. Not for the benefit of AirAsia, not for the benefit of MAB but for the benefit of the country. What is the right charge, why should Kuching not have the low cost airport? Langkawi, let me give you five minute on Langkawi. Compare Langkawi with Phuket, there is one international flight in Langkawi, Langkawi-Singapore, that's it. We have requested MAB for eight years to give us RM15 airport charge. We said we will put Langkawi-Jakarta, Langkawi-Bangkok, etc. We said there is no extra cost to you if I land the plane- really a marginal cost. You up side it by three or four new flights, they would spent in the shop, you get RM15 more that you'll get, It's a common business...

Tuan Pengerusi: Volume.

Tan Sri Dr. Tony Fernandes: Volume. The airport opens, whether we land or not, you still have to turn the lights on, you still have to man the runway. It is way under capacity and the hotel in Langkawi not full- vise versa in KK, where they all full because low cost terminal. Yet, MAB refuses to do that. So, you have one international flight where there is an airline whose willing to base five planes there, start all the international flight etc.

Kuching could be a massive hub for us but the airport taxes is RM65. We manage to persuaded YB Prime Minister to reduce Miri. We started international flights from Miri. There were never international flights in Miri. We now have Miri-Singapore, Miri-Manila, we are about to start Miri-

Bangkok because we have RM25. Isn't that better than the airport empty? We are now – KK, you have brought out, I just cover it quickly and you'll see in slide later on, the growth in KK has been fantastic.

Tuan Pengerusi: *Are you moving from Terminal 2 to Terminal 1?*

Tan Sri Dr. Tony Fernandes: *If we are forced to move, we will be forced to move and if the charges RM65, we will have to close on half the flight and especially now with the Chinese problem. Why can't you build something great in KK? The hotel loves, the industry loves, we use all facility and build it- expanded, extended, build the new low cost terminal.*

Malaysia Airlines don't want us in the main terminal because it will cause traffic. In fact, when I went to KK and YB from Tenom was there, etc, MAB said we agree with AirAsia, we don't want them there because of the traffic it will cause but MAB is hell bent and if you moved- our average fare to China from KK is about RM180. The airport tax in LCCT in KK is RM32. If we move it up to RM65, it becomes almost 40% of the fare. And with all the problem we having with China, it will destroy the market we built. So we need to have an independent commission that really looks at what's good for Malaysian aviation, not for AirAsia, not for MAS, not for MAB but what is good for the country. We are not allowed to fly a rural air services which is ludicrous. The government is subsidizing. We are willing to do BKI-Sibu which- and the government doesn't have to subsidize that route, and they can have jet, aircraft on there. We not allowed. MOT said no rural air services, it purely for MASwings. But we said, "we save you money" but still not allowed.

The development of the airport infrastructure support system, I think we covered very well, harmonization of regulation; it's all come under the regulations. We never know what the regulation is. You know, how do we invest? We are investing billions. We never know what the charges are going to be. We asked to move to a new terminal- can you imagine, you move to a new office and you don't know what your rent is going to be. We has spent an average aircraft cost USD40 million. We bought 500 of them. That is USD20 billion. Yet, we have no idea what are the charges are going to be. And once we moved, it's not like we going to move out. We were stuck there.

Point seven- we have our own academy and etc. but really- again, on Malaysian Airlines, you know, we are competing against the airline that is fully subsidies. Whatever loses they made, Khazanah puts more money in.

Tuan Pengerusi: *No, it is EPF and KWAP now, not Khazanah money. Let me correct you on that.*

Tan Sri Dr. Tony Fernandes: *Okay, same girl, different head... [Ketawa]*

Tuan Pengerusi: *No...*

Tan Sri Dr. Tony Fernandes: *Same girl, different dress.*

Tuan Pengerusi: *Without asking the depositor of the EPF and KWAP whether they are actually want to invest in MAS.*

Tan Sri Dr. Tony Fernandes: *So, here you have an efficient airlines, Malaysian Airlines compete with us, loses RM1.8 billion and we have to lower the fares. Consumer feels happy but at the end of the day, if we go bust, consumer will loose out in the end. So, it is been- I know it's very long and we really appreciate you. This is the first time anyone...*

Tuan Pengerusi: *It's a therapy for you... [Ketawa]*

Tan Sri Dr. Tony Fernandes: *It is. I'm going to put that on Twitter actually, "PAC- my new syringes."... [Ketawa] But as YB Kepala Batas has said, it has been very, very, very hard to operate here.*

Datuk Seri Reezal Merican: *I got another question but I has got nothing to do with what the report. Can I?*

Tan Sri Dr. Tony Fernandes: *Yes.*

Datuk Seri Reezal Merican: *What has triggered you to change from the attractive looking skirt to jeans?... [Ketawa]*

Tan Sri Dr. Tony Fernandes: *Say again, say again.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *Why do we do it?... Just because we thought to give them a little bit of variety- everyday they wearing... [Disampuk] Sorry?*

Datuk Seri Reezal Merican: *Have they wearing skirt still? The crews...*

Tuan Tony Pua Kiam Wee: *Jeans are weekend only.*

Tan Sri Dr. Tony Fernandes: *It's only on the weekend.*

Datuk Seri Reezal Merican: *Oh! Okay. Oh, you are the attendant flight...*

Tuan Tony Pua Kiam Wee: *I watch them everyday.*

Tan Sri Dr. Tony Fernandes: *No, Monday to Friday is skirt, Saturday and Sunday jeans. Just to give them a little bit of variety.*

Dr. Tan Seng Giaw: *Tan Sri, I have told Dato' Seri Hisham although he said that he went to visit and said that the KLIA2 is safe and all that, so I asked him to ensure that the safety in all aspects. Now, I ask this question to Tan Sri Bashir, I want to repeat to you. I ask him, how he see that the timeline for the project KLIA and ceiling for the cost move? Why do you- is that the usual airport practice to move the timeline and to move the cost? I ask him, he said it is a normal practice now.*

Tan Sri Dr. Tony Fernandes: *I think...*

Tuan Tony Pua Kiam Wee: *I just to qualify a bit. What was stated by MAHB is that it is important for MAHB to change with the fast changing requirement in the industry and hence, along the construction process as AirAsia requested for premium lounge, requested for your hotel and spa, and hence, the cost is natural to grow up because we cannot commit to something that was decided three years ago and the industry has change.*

Tan Sri Dr. Tony Fernandes: *I think that's an excellent couple of points, gentleman. Firstly, I stressed at the beginning of my presentation what is low cost model is. For 12 years, our model has remain the same. Only the fact that we now move passengers between AirAsia and AirAsia X which we called fly through. We cost that out, we charge passenger for the benefit of moving between airlines. It not likes full service carrier that you interconnect. So, if you want to move from Sydney to Hat Yai, you take AirAsia X from Sydney to KL, you then change plane. We test it out for two years to make sure it did not affect our model and then we price it at RM60 and we charge passengers for that privilege.*

■1300

We have not changed our model. I think Malaysian Airport, how can they say that we are changing- I think they have said that we are changing our model to a full service carrier. How can they tell us... We operated this airline for 12 years and we constantly in media saying, "We don't want aerobridges, we want low cost, we want..." I don't think It's their right to say we are changing the model especially we are self said, we are not changing our model. That we are exactly the same 12 years ago and now we almost exactly the same.

We have started by this and in fact in Thailand, we have been able to move to a simply airport from Suvarnabhumi and now unfortunately, because of the political situation, they were about to reduce the charges at the airport. Again, just like MAB said where AirAsia uses aerobridges in other places, they pay high airport tax in other country. Yes, correct. But look at our growth in Malaysia versus Indonesia and Thailand. Our growth in Malaysia is spectacular. In Thailand which is much bigger tourism market, our growth is a quarter because the airport charges is high. Our growth in Indonesia is- we not even making money in Indonesia because the airport charges is high.

So, it's not because other people are charge us. Let's look at what made us successful. Look at the volume we given, look at the growth. Take outside our growth and MAB over 12 years has only grown 3% and our growth is 38% compound. So, how can they not talk to the main customer and say what do you need to continue to growth 38%? It has been unilaterally decided for us and to hear comments that they have made various politician and various organization that we think AirAsia will going to be a full service model one day. It's unlawful words.

Tuan Pengerusi: *Tan Sri, Tan Sri Bashir said that- did not he personally assisted you in planning for LLCT before, the original one. Is that true?*

Tan Sri Dr. Tony Fernandes: *Let me tells you the whole story. Tan Sri Bashir is a very good friend of mine, maybe not anymore... [Ketawa] We used to watch Wimbledon together, we played hockey together. He was an advisor to the Ministry of Transport and was very, very influential in the beginning. That is absolutely correct. I lobbied with Datuk Kamarudin very hard to stay in Subang. We wanted to the stay in Subang because that is a perfect low cost airport. Tan Sri Bashir said, "No way, but I will help you find a low cost terminal". We drove together around the airport, that is true and he*

said, "This is the best place". And I said at that time, "Please make this permanent". And he said, "I don't think it will be permanent but you can be here for a long, long time". We agreed there will be very lower chargers etc, etc, etc. But along the way, we loss- you know, he build what we wanted. LCCT is what we wanted and we have succeeded, 220 million passengers is a success and he did help us. I publicly said that many time but over the last since, you know, we lost this cooperation.

Tuan Pengerusi: Its led to my next question and this question will be a very honest one. Do you think that government has helped you to grow?... Because you need a home, you need Malaysia as your home. Indonesia is not going to be your home, Thailand is not going to be your home. To be fair, only the Malaysia Government has given you the facilities and the low cost of operations to enable you to grow to where you are today. Now, let's be fair to the government. I don't want this hearing to be one sided. What is your opinion? Has the government help you to grow where you are today become a major power?

Tan Sri Dr. Tony Fernandes: If I can takes aside the government first. MAB has helped us at the beginning. We have to have an airport operator who did what they did. They builds a low cost terminal. It is stop there. The government then helps us by reducing the PSC to RM25. That was hundred percent Prime Minister who was Deputy Prime Minister at that time. We made a presentation, we show the volume and he said, "I buy this". And he went to Cabinet that week and he reduces so, hundred percent. That is accurate that the government has helped us...

Tuan Pengerusi: Over the years?

Tan Sri Dr. Tony Fernandes: Yes.

Tuan Pengerusi: Since you took over.

Tan Sri Dr. Tony Fernandes: Yes.

Tuan Pengerusi: You admit that the government has helped you tremendously?

Tan Sri Dr. Tony Fernandes: I admit. The government has given the given us air rights. Without the air rights, we cannot grow. The government has given us the air rights, the government has agreed to a two airlines operations which is now become three, four, whatever it will be. The government through MAB builds us a low cost terminal but the most important part, if there is low cost terminal RM45 which is the same as the main terminal, we will not see- the government major contribution was the reduction of the PSC.

Tuan Pengerusi: I have a feeling that our Executive has been mislead with information that has basically become the basis of decision that are being made which is not the right decision for the industry as a whole

Tan Sri Dr. Tony Fernandes: The main problem is we do not have access. There is myth out there that we have access, we can see anybody, we can tell. We are very poor relative.

Tuan Pengerusi: You got your Tan Sri-ship...

Tan Sri Dr. Tony Fernandes: *Sorry?*

Tuan Pengerusi: *You got your Tan Sri ship from the government, so you must get that by the top leadership.... [Ketawa]*

Tan Sri Dr. Tony Fernandes: *But I think you can hear our issues now, can't you? Maybe I got it for something else... [Ketawa] But, we don't have. I think if you see the number of letters, if I can...*

[Perbincangan secara off-record – mikrofon dimatikan]

Datuk Seri Reezal Merican: *But Tan Sri, it is quite difficult for me to consumed that you have difficulty in getting access to get the message across to Executive, what more to the Prime Minister. I mean I am quite sure Datuk Kamarudin Meranun has ...*

Tan Sri Dr. Tony Fernandes: *I haven't met the Minister of Transport.*

Datuk Seri Reezal Merican: *Until now?*

Tan Sri Dr. Tony Fernandes: *Once, at Hari Raya function.*

Datuk Seri Reezal Merican: *The predecessor?*

Tan Sri Dr. Tony Fernandes: *Very rarely- the one before that- yes and Ling Liong Sik, yes. Now, we haven't and there is many, many gate keepers. It is very hard to see the Executive.*

Tuan Pengerusi: *And you know who the gate keepers are? [Ketawa]*

[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Haji Hasbi bin Haji Habibollah: *Anyway Mr. Chairman. Ini Tan Sri, kita retract balik ke belakang sedikit. Tadi kita cerita pasal keselamatan di airport. Malindo akan beroperasi 2 Mei ini nanti. Tadi Cik Aireen cerita pasal runway flooding, all these things. We are talking about safety here. MH370 pun belum selesai, MH192 pun sudah mula siasatan. Jadi, apa mungkin among your airline operators ada berbisik-bisik sesama sendirikah? Apa Malindo cakap dalam hal ini?*

■1310

Ini kerana kalau betul-betul as *what you said airport* ini belum selamat, ini belum selamat, esok lusa Malindo hendak operate, kalau apa-apa terjadi, *you know, it is going to be another headache for the country*. Jadi kita hendak dengar mungkin antara *you all* apa bisik-bisik antara mereka. Mungkin dapat dia punya perbandingan. Kita hendak dengar. *We don't care* siapa, tapi yang dia bawa ini manusia. AirAsia kah, Malindo kah, MAS kah, tidak kira. Akan tetapi *if anything happened, it is going to be a headache for the country again*. Ini kita hendak dengar, mungkin ada apa-apa kompelin daripada Malindo juga seperti apa yang di *raised up* oleh AirAsia.

Tuan Pengerusi: *Either way, Yang Berhormat daripada Limbang is our residence JKR expert. He was an engineer.*

I just want to narrow the question to about this whether MAHB's attitude in managing the project and also in managing operations of the airport is lackadaisical. Because, when we asked them about doing the rectification work on the apron and on the runway, they said, "We will do the management overtime, we will do the rectification overtime" without considering the great operational difficulties that you will be facing as their doing it. You shoot the pictures just now about the heavy rain can just disrupt your operations by more than, I do not know how long it will take but it will disrupt. So, they seem to have lackadaisical attitude about managing operations itself. I am not even talking about managing the project. So, can you please just elaborate on that too?

Tan Sri Dr. Tony Fernandes: *First of all, in Malindo's case, they are much smaller airline. You know, Civil Pacific, they all got five or six planes. So, if there is an operational problem, it is not a major issue for them to move the aircraft. They can even move back to KLIA where they are operating now. Civil Pacific has one flight a day. For us, I do think and I do think Malaysian Airport is fully aware that this is going to be disruptive to us, In fact, recently I been led to believe and Aireen, they even said maybe you want to delay May 9th. I think that was made known to you.*

Cik Aireen Omar: *But the things is they did warned us that if we delay, then the 2nd May of opening will be delayed too because they can't afford more than one week gap between the first opening date and the second opening date because of lack of manpower resource for immigration, CIQ and all that. So, we told them if you are committed to 2nd May which Datuk Azmi said yes he is committed to it then we will just stick to it because we do not want us to be used as another reason for the delay of the KLIA2.*

Tan Sri Dr. Tony Fernandes: *Sir, I cannot say hundred percent that everything is going to be great because we just haven't had enough time to test. As has been said, Aireen was on the landing with our head of safety, Captain Saiful and you can feel the depression. The fact that the VDG is not aligned up property. We are couple of weeks away. How can the VDG not be lining up? The docking system.*

Tuan Haji Hasbi bin Haji Habibollah: *Tan Sri if I interject. Ini soal keselamatan, Tan Sri, whichever airlines kalau betul-betul masalah ini kena highlight. If anything happened, let say dalam PAC ini Tan Sri raise up all this things, Malindo tidak ada duduk di sini hendak cerita mungkin the same problem, tetapi this is a national punya cerita, kepentingan keselamatan rakyat negara kita ataupun passenger daripada luar. Jadi dalam cerita ini kita kena pastikan betul-betul apa yang terjadi, what is happening now. Tidak boleh hendak di selindung. We cannot afford kalau apa-apa terjadi with all the depression on the runway, everything, tidak kiralah Malindo atau AirAsia, they land on the same*

runway. *It would be a problem. Jadi inilah kita hendak- it is not a matter of volume or not. Walaupun sebuah kapal terbang buat hal di sana, it is enough to be a headache for the country.*

Tan Sri Dr. Tony Fernandes: *Sir, again, we are not comfortable honestly. But I think you can see from the media, and the statements, we are under enormous pressure to move. So, what do we do? Honestly, I don't think anyone from AirAsia is really comfortable to move that we haven't done enough testing. But all the way, every message has been, we are the bad guys, move, move, move, everything is safe, etc.*

The safety, I think it is safe. I think there will be lots of operational problems. But the safety issue, for me, is that AirAsia as an airline hasn't had enough testing to do everything. That is something I am concern about.

Dr. Tan Seng Giaw: *But what do you propose we do to make sure that it is truly safe?*

Tan Sri Dr. Tony Fernandes: *We kept saying that we wanted six months from the CCC date. Just to show you how lackadaisical it was. We asked for insurance. When they asked us to start doing some ORAT trials, Operational Readiness Trial, we said please give us the insurance because you don't have the CCC, our insurance provider will not insure us. We have to protect the safety of our staff, we have to protect the safety of our equipment. MAB would not give us the insurance. So, we couldn't do any testing. But yet, we were made out to be difficult, we not doing testing. We only got the insurance coverage a week ago? [Disampuk] Two weeks ago. Effectively two weeks and now you got 11 days to move 500 flights a day, to move 8,000 staffs.*

You don't even know our car park situation is not solve, my cabin crew. You don't know how many problems we had with cabin crew car park in LCCT. How many of our staff we have cost. How much MAB promise us security etc. We don't even have enough car park spots now for our staff. We had to build our car park ourselves right now. They increase car park charges tremendously for our staff.

Yes, ICAO will look at it and say, yes, it is within the pressure, whatever, I don't know, but our pilots can actually feel it. But it is the operational readiness that I am concern about. But what do we do? They said they are closing the airport on the 9th. We are made out to be the bad guys. We have to move. But, no one in the airlines is confidence or comfortable.

Tuan Pengerusi: *So, I guess I won't be traveling AirAsia for the next three months... [Ketawa] I will travel in the next few days but not next three month, I supposed, after you moved.*

But one question which I asked Tan Sri Bashir before was about service level agreement. You are the customers, they are the managers, the owner of the projects, surely there must be some sort of a – well, it doesn't have to be a definite Service Level Agreement (SLA) but it can be a very loose one with ranges and targets. But is that the normal practice in the airline industry?

Tan Sri Dr. Tony Fernandes: *We have the- Ashok Kumar actually he was 35 years veterans with Malaysian Airlines and ten years veterans with us and has been in the hospital three times since he has been with us. Has got about 17 volumes of SLA discussion and maybe Ashok you can say. But presently, we have none. Just to add, Aireen has...*

Tuan Pengerusi: *The reason is because Tan Sri Bashir said, there is no need to do one – it is not in industry practice.*

Tan Sri Dr. Tony Fernandes: *It is industry practise. Ryanair has one with Stansted, EasyJet has one with Gatwick. Let say they closed down half of the airport because of this cracks, there is no indemnification for us. We have none. We moved in there. We have no contract with MAB. We have been putting USD20 billion of investment and we have not a leg to stand on. They had fires in LCCT. They had constant power failures. The air condition never works. We just have to accept it.*

Tuan Tony Pua Kiam Wee: *You are moving in without even a draft contract being seen from MAHB?*

Tan Sri Dr. Tony Fernandes: *Ashok, maybe you...*

Encik Ashok Kumar [Ketua Wilayah Ibu Pejabat (Lapangan Terbang dan Insentif) AirAsia Berhad]: *MAB have introduced what they called a condition of use contract, and this is a document...*

Tuan Pengerusi: *Please speaks closer to the mic.*

Encik Ashok Kumar: *MAHB has introduced a document they called the condition of use contract, but this document is very one sided. Everything is in favour of MAHB. So, we had numerous discussions with them to develop a SLA which is look in the interest of both parties. But unfortunately, after various discussions and coming to an agreement or a document, they back out and say we do not require an SLA, you have to abide by the COU.*

■1320

Tuan Tony Pua Kiam Wee: *This is exercising monopoly control.*

Tan Sri Dr. Tony Fernandes: *Yes. That's the real issue. If I'm in their position, they force us to use aerobridges, they force us to use checking machine, why on earth would they give us SLA? They don't need to. No one's telling them to do it. There are laws unto they own hands.*

Tuan Pengerusi: *But from MAHB shareholders perspective, they are doing the best because they are minimizing their risk... [Ketawa]*

Tan Sri Dr. Tony Fernandes: *Absolutely, I would agree. But can I just add one thing from MAHB shareholders point of view? If AirAsia or any airlines don't do well, they will be affected, right? I think ultimately, what's good for the country? I stand on that. Put people first, I think that's a motto. Don't say whether it is good for AirAsia, whether it is good for- you know, I can't believe. Even I go through this presentation how we've been able to do what we've been- the obstacle put in front of us. So, I still think there is need to be a clear policy but just to suffice to the PAC, there is none of the extra charges*

or the delayed were caused by AirAsia. AirAsia did not want the terminal that is got and, you know, there's no one really regulating in this industry.

Tuan Pengerusi: *I'm trying to basically wind down. I think you must be quite tired after being – it's like...*

Datuk Seri Reezal Merican: *Therapy, therapy.*

Tan Sri Dr. Tony Fernandes: *Could we just shows you a little bit about the depression?*

Tuan Pengerusi: *Yes. I mean, can you just summarize the important things that you want to put forward to us and then we can wind down with the final question. Thank you.*

Encik Tan Yean Chin [Pengarah Kanan G&P Professionals Sdn Bhd]: *Yang Berhormat, thank you. Basically I want to bring you all to the attention is that, this is the fact that...*

Tuan Pengerusi: *Can you introduce yourself?*

Encik Tan Yean Chin: *Yes. My name is Engineer Tan Yean Chin. I'm a registered with the board also as checker for geotechnical.*

Tuan Pengerusi: *Okay, thank you.*

Encik Tan Yean Chin: *Okay. Basically, if you look at the facts, basically these are reported by IKRAM. You are having 2.1 cm per month of settlement still on going on the taxiway and apron. What it means that- can you go to the next slide?... [Merujuk kepada slaid pembentangan]*

Okay, minor depression in all these A is okay. [Merujuk kepada slaid pembentangan]. So, it's still within the standard of ICAO. That's what ICAO certified is okay. But the issue is that, this are continue to happen and reported by IKRAM, 2.1 cm per month. So, what it mean is that they need to do further running scanning. What it means is that, this may happen again. And why it happens? Why and how?

The reason is that all their services are on pave. Actually the development technology- I can't comment too much on this. We are using this in 70's but in the 90's actually most of the highway, expressway and even in double track and in all these, we are not using this anymore. So the reason is that, your soil will continue to settle but the one all your services on pave do not settle. So, this is what you'll get. So this in between the pave structure which is very rigid and unpaved structure. [Merujuk kepada slaid pembentangan] You can see the depression. The depression is a soil. The one not depressing is a service and it will continue and they need to top up very often and this, I think would have maintenance problem...

Tuan Pengerusi: *That piece of plank you put on the...*

Encik Tan Yean Chin: *Yes, to show you the depression.*

Tuan Pengerusi: *The depression.*

Encik Tan Yean Chin: *The reason of this photo, sometimes very difficult to see because its two dimensional, okay. Continue. These all the photos that I want to show you... [Merujuk kepada slaid pembentangan]*

Okay, and because the drain are on pave mostly, so the platform is not on pave. So you'll have a drain higher than a platform. So how water going to flow? So these are the area of concerned... [Merujuk kepada slaid pembentangan]

So in summary, I just want to show you – just now Tan Sri trying to explain what consolidation is and what is surcharging. Okay, if you look at the vertical axis... [Merujuk kepada slaid pembentangan] Basically this is the filling that you going to do, okay. And this will be the settlement that will take place with time. So if you look at this, this is a time... [Merujuk kepada slaid pembentangan]

So what you do is that use the surcharge higher so that you can have a higher settlement at a shorter time so that you can remove it and have your airport earlier which is using vertical drain like Tan Sri Jamilus has mentioned. So what you needed is that you surcharge higher, then after that you remove. But this one requires time, okay. If the time not enough, it will still continue to settle and this is required, let's say in the graphical form that means you put the fill on top, you thought you reach the level you want which is this line... [Merujuk kepada slaid pembentangan] But actually with time, it will continue to settle.

So, most of the time, the technology used is right. The technology they use is right, which is using the vertical drain to remove the settlement but you need time. But the issue is that, even though you do the surcharging, there are still some settlements on going. If your services are all on pave which is very rigid, you have all this differential movement which is causing the crack. I just want to show you the graph which we downloaded from Boeing which is you are here... [Merujuk kepada slaid pembentangan] And yes, you are still in acceptable limit. But if the settlement continues as reported by IKRAM, you all can check with IKRAM of 2.1 cm, would it still safe if you don't do the maintenance? So, these are the question we need to. Therefore, all this taxiway we need to re-mill even as short as one month.

In summary, there are some recommendations we give out to them. I think the key point is that, the settlement is still on going and likely you'll have a close interval of services and maintenance which is your milling and this will be the issue that PAC may need to consider. Thank you.

Tuan Haji Hasbi bin Haji Habibollah: *I just want to ask. How bad is the runway? It's where the plane land and takeoff.*

Encik Tan Yean Chin: *So far the runway as reported, according to IKRAM, is only minor depression. So they are doing another scanning but the major one that we shown are actually on the taxiway and apron.*

Tuan Pengerusi: *The runway doesn't have any drains in the middle of the runway? Anything else Tan Sri, that you want to basically highlight before we go through the final session? Final question and answer session...*

Tan Sri Dr. Tony Fernandes: *No, Sir.*

Tuan Pengerusi: *Okay, shall we go around? I'm sure we start with- no we will start on this side, because I'm sure Yang Berhormat PJU will have a lot more question.*

Datuk Seri Reezal Merican: *We start with himlah,*

Tuan Pengerusi: *Start with him? Can you go first?... [Bertanya kepada Yang Berhormat Petaling Jaya Utara] You'll be taking a lot of our time... [Ketawa] Okay, we start with Yang Berhormat PJU, last question.*

Tuan Tony Pua Kiam Wee: *Okay, Tan Sri Jamilus, I think referring to the earlier discussion with regard to the shift of airport from North to West. Can I conclude to say that had the shift not been done or the decision not to shift the airport location from KLIA north to KLIA west where it is now, we would not be faced with the severity of the soil problems that has caused two things, which is one, the obvious increase in cost and two, the time being taken to develop that airport? So, on hindsight of course, we should have stay at KLIA north. Even though original plan was a mirror design, we could have change the mirror design to a low cost finger pier design. And I have seen actually intermediate plan before the switch of location was done where that will be the location for the new low cost airport.*

Tan Sri Jamilus Hussein: *Okay Yang Berhormat, I think for a low cost carrier terminal operation, I think the present KLIA2 position is the better one. But if you want legacy airlines terminal, then the north is.*

Seorang Ahli: *Why?*

Tan Sri Jamilus Hussein: *Why? Because their type of operational different.*

Tuan Tony Pua Kiam Wee: *No, I'm trying to understand why a shift in location whatever it is, 30 acres or 100 acres of it, from one place to the other would actually change its use for a low cost airline, because the services wouldn't be the same. It's just where you park.*

Seorang Ahli: *[Menyampuk]*

Tuan Tony Pua Kiam Wee: *No, no. Services would be the same whether you are in the north or in the west. It's just where you park the plane. And, there's also the other advantage which is you can share the existing runway, you don't have actually to build immediately the third runway.*

Tan Sri Jamilus Hussein: *You mean the north is the satellite be? Is it about this?*

Tan Sri Dr. Tony Fernandes: *Behind the tower where Concorde Hotel is.*

Tan Sri Jamilus Hussein: *Oh! Where the Concorde Hotel is? That will be the expansion of legacy airlines terminal, the mirror image because the original design, we can expand the present KLIA*

into 100 million passengers per annum. At the moment it's about 30 million. So, when satellite B comes in, it will be 45 million. Once it reach 65 million, then we need the mirror image.

Tuan Tony Pua Kiam Wee: Right. So, what I'm saying is we are not even at satellite B yet.

Tan Sri Jamilus Hussein: Yes, correct.

Tuan Tony Pua Kiam Wee: We are not even anywhere close to 45 million that satellite A is suppose to be able to cope. So we have plenty of room in satellite B. Would it has been more feasible to convert KLIA west from the 100 million expansion into the new low cost airport which will then enable the operations to use both runways? Of course this is on hindsight but I would like an educated opinion.

Tan Sri Jamilus Hussein: Okay. Of course the north is on a better ground where we would save money on the treatment of the pit soil. But then, if we don't consider the expansion of legacy airlines, it's okay but it will cost less definitely.

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Tuan Tony Pua Kiam Wee: So that will be only consideration, the expansion for legacy airlines, perhaps in 20 years time or 30 years time if we were to reach that sort of numbers?

Tan Sri Jamilus Hussein: Yes.

Tuan Tony Pua Kiam Wee: Okey.

Tan Sri Dr. Tony Fernandes: Can I just add? Obviously, Tan Sri Jamilus is involved in very first airport planning. So, for the plan, I think no one want to change that plan, you know. Nice four satellite terminals, you got up to 100 million. AirAsia's position was always to be in that north. We always felt that this was difficult. I can understand Tan Sri Jamilus's position quite clearly because there was a plan for future legacy growth.

What has changed from the original master plan was the start of AirAsia and the whole new industry that wasn't there before. So, I would have still taken the approach of- well, we need this now, this is the best land, we don't need to build another runaway, let's do this. And then, there was enough space for another satellite anyway. I think 100 million in KLIA without low cost is a long, long way. Heathrow is not even there. So I would have definitely, if I was running the airport, I would have say, "Well, look. Here's someone can give us 30 to 40 million. Let's utilize our two runways." It's better, it's quicker, it's better soil. You know, we still got space for further legacy to take it up to maybe 70 million. Everything would have been happy.

We contended over and over again. We were very concern on the soil, we were very concern on the delay and the cost. But we kept being assured, "Don't worry about the cost, don't worry. It will be done, the charges won't go up." So, our position has been very clear from day one, build it in the north. Of course that spoils the whole master plan.

Tuan Pengerusi: Can I just interject? Tan Sri Bashir when we ask the question about why the shift from 30 million to 45 million passengers, he said- when we ask, "Did you do any independent study

to verify those figures?" He said there is no need because they just do the internal forecast and through internal forecast, growth has been up by 10% a year. Therefore, in 10 years, it will hit 45 million. Now you are telling me that the growth that MAHB has achieved all these years is through your business. So my point is, did they basically use your success as a justification to basically build the new terminal whether it's on north side or whether it's on west side?

Tan Sri Dr. Tony Fernandes: I ask Kamarudin to explain this because this is one of his special. But in terms of – I still find the 45 million is an X-file mystery. The airport was 30 million, 80 stands and the square footage. When they increase the cost, when suddenly they announce there was RM3.6 billion, it suddenly became a 45 million passengers' terminal. We never requested a 45 million passengers' terminal. Never- so that's the first point.

In terms of forecast, the best person to give the forecast is us. Right? Whether it's 80%, 90%, whatever, we know how many planes we bought, we shared everything with MAHB. There was never a discussion. It was always built for 30 million, and remembers, the airport supposed to be ready in 2011. We realize that we will have an expansion from 30 million onwards but we were said, let's do it modular. It supposed to be finger pier, build it from 30 million, fill it up and then spend more money, right? It's been done all wrong but at no point that we ask for 45 million. The 45 million suddenly came, they divided some numbers and it became– well, this is cheaper than LCCT. And I think the only way they justified the 45 million they said the passengers' comfort has been reduced. We are getting different answers. Some of them said that we based them on aerobridge study etc.

Tuan Pengerusi: Reduce congestion.

Tan Sri Dr. Tony Fernandes: Sorry?

Tuan Pengerusi: They said they build the airport terminal up to a comfort level where 45 million passengers can move around. A bit tight but they can still move around.

Tan Sri Dr. Tony Fernandes: Yes, so they reduce the comfort level. I think that was convenient...

Tuan Pengerusi: My problem is I think that was convenient excuse to build a terminal as big as this.

Tan Sri Dr. Tony Fernandes: To justified the RM3.6 billion.

Tuan Pengerusi: Yes.

Tan Sri Dr. Tony Fernandes: Actually Sir, if I can just say, I don't think it was- they didn't make it bigger. It was always 80 stands. It was never changed. That's the point I've been trying to say. The terminal was 80 stands it was built. They didn't increase it to build it to 45 million. They didn't.

Tuan Pengerusi: That's a worse statement to me because that just saying that they pluck the figure 45 million from the air to justify their original plan to make it as huge as it is.

Tan Sri Dr. Tony Fernandes: *On the record with red light, everything on. That's exactly what I'm saying.*

Tuan Pengerusi: *So, just a matter of interest. When do you think the 45 million passenger level will be reach because they seem to be confident that it will be reach in ten years?*

Tan Sri Dr. Tony Fernandes: *Depends if they increase charges or not... [Ketawa] If they keep it the way it is, and they reduce charges, we are estimating seven years to eight years. Is that correct, Ashok? Ya. We have slow down our growth. This year will be the slowest growth ever for AirAsia. I have cut, together with Aireen and Datuk Kamaruddin, we were supposed to take 24 planes this year, in fact, 30 initially- now we down to 17 planes. Next year we're taking 12 planes. Malaysia is only getting three because we're nervous about the cost structure and whether we can fill the planes. No one has asked us. Here, you know, as I said, every year we will put in at least eight or nine planes a year to Malaysia. This year is the slowest growth and not a single plane is going into KL actually. It's Penang, Johor, and KK. Next year is even worse.*

First time in our history we went to Airbus to cut our order. It's a real. And because we are strong with Airbus, they are able to do it. We have cut 28 planes already from our order. Take that from that slide where we show you the investment and the jobs we create and because we just not sure about this whole cost structure- this one here... [Merujuk kepada slaid pembentangan] So 2,800 jobs have been lost because these are pilots, these are cabin crews etc that will have fired. MAB hasn't sat down with us.

I give you an example. A small airport for us in Australia, they come down and sit with us for the economic planning. What do you need, what do you give us – what do we need to give you to get to these numbers. Yes, Gold Coast, Sydney and I can say Senai in Johor sit with us to plan and say what do we need to get to your numbers. It's very different. Malaysian Airports is very different. Even Changi, you know, we are the biggest airline, we are bigger than Singapore low cost carrier. We're bigger than Tiger, we're bigger than Jetstar. Tomorrow, we win the award for the best airline in Changi Airport. They sit with us and give us what we require. They help us to build new routes and they don't particularly like us. Let me be clear, they much rather support Tiger and Jetstar but it's a business. So they have to sit with us. I think they resent having to give us an award tomorrow especially me. I bring my cap and I put it on Minister's head etc... [Ketawa] But they have no choice.

It's a very different approach at Malaysian Airports. It wasn't like that at the beginning. That is correct and I stand by it. We drove. Me and Tan Sri Bashir drove. We went around, we search for the airport. We work very well with Tan Sri Jamilus and I think his key statement, even for me today was, he steps out because the need statement went from a low cost terminal to a full service terminal. Am I right in saying this?

Tan Sri Jamilus Hussein: Yes.

Tan Sri Dr. Tony Fernandes: *Something is very wrong. How can they do this?*

Tuan Tony Pua Kiam Wee: *I also need confirmation that two runways are more than sufficient to cater both airport, the full service airport and the low cost airport for many, many years to come, perhaps even more than a decade.*

Tan Sri Dr. Tony Fernandes: *Yang Berhormat, you need to look at Heathrow Airport which has two runways and carries 90 million passengers.*

Tuan Tony Pua Kiam Wee: *We were told by MAHB because you fly more planes – you have smaller plane, so you fly more planes. And hence, it's not a fair comparison between Heathrow and what we're having here.*

Tan Sri Dr. Tony Fernandes: *Gatwick Airport is a very good comparison. Gatwick is a short haul airline generally, EasyJet etc. Gatwick does about 50 million passengers I think with one runway.*

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Tuan Haji Hasbi bin Haji Habibollah: *Tan Sri, when you move to KLIA2, so your plane will flying from Runway 3?*

Tan Sri Dr. Tony Fernandes: *Yes, Sir.*

Tuan Haji Hasbi bin Haji Habibollah: *Ini hendak tanya dengan Tan Sri Jamilus, pembinaan runway ketiga ini dan pendapat Tan Srilah apakah ianya satu pembaziran sahaja?*

Tan Sri Jamilus Hussein: *I think pembaziran tidaklah tetapi over providing probably. Berapa runway ini bukan depend on MAB, ia Department of Civil Aviation (DCA), its' level of confident and the equipment yang kita ada dekat control tower itu. Ia bukan number of plane served, ia pick hour. Ia selalu pick hour. Berapa in one hour, how many plane are landing. Whether they can handle it depends on the equipments. So hendak katakan kalau kita bina Runway 3 itu pembaziran, tidak.*

Tuan Tony Pua Kiam Wee: *Akan tetapi kalau katakan kita dah memutuskan untuk memindahkan LCCT itu kepada kawasan KLIA west, terpaksa kita bina runway ketiga itu.*

Tan Sri Jamilus Hussein: *Ya.*

Tuan Tony Pua Kiam Wee: *Kalau kita teruskan di KLIA north, then the two runways is more than sufficient.*

Tan Sri Jamilus Hussein: *It depends on the Department of Civil Aviation. Their level of confidents...*

Tuan Tony Pua Kiam Wee: *I means, even with two runways...*

Tan Sri Jamilus Hussein: *If we increase in the movements...*

Tuan Tony Pua Kiam Wee: *Ya.*

Tan Sri Jamilus Hussein: *Probably you still need the third runway.*

Tuan Tony Pua Kiam Wee: *But currently we are only at 30 million.*

Tan Sri Jamilus Hussein: *Now is 30 million.*

Tuan Tony Pua Kiam Wee: Ya.

Tan Sri Jamilus Hussein: *It's about 30 million.*

Tuan Tony Pua Kiam Wee: *So Gatwick is like one runway with 50 million- Heathrow 80 million with two runways so by enlarge, it is should be sufficient, two runways.*

Tuan Pengerusi: *If manage properly.*

Tan Sri Dr. Tony Fernandes: *There is some – you know, we been asking for- we don't do parallel landing and takeoff. They are still missing some software.*

Tuan Tony Pua Kiam Wee: *So, it's just system upgrade, ya?*

Tan Sri Dr. Tony Fernandes: Yes.

Tan Sri Jamilus Hussein: *I think he bring upon- baru saya teringat. Dia ada dua runways, whether...*

Tan Sri Dr. Tony Fernandes: *Airspace planning is very poor.*

Tan Sri Jamilus Hussein: *Yes whether it's a mix mode or dedicated mode. Sekarang ini ia dedicated mode. One runway for takeoff, one runway for landing, tetapi kalau yang lain-lain itu dia pakai mix mode.*

Tuan Tony Pua Kiam Wee: *The issue isn't the number of runway. The issue is your software in managing the landing and takeoff.*

Tan Sri Jamilus Hussein: *Yes, and the airspace planning.*

Tuan Pengerusi: *No wonder they built the second control tower with all the fancy screen there.*

Tan Sri Jamilus Hussein: Ya.

Tan Sri Dr. Tony Fernandes: *It's a very nice tower.*

Tuan Pengerusi: *I know. We wouldn't worry. What worried...*

Tan Sri Dr. Tony Fernandes: *When me and Cik Aireen went up, we rather being push off.*

Tuan Pengerusi: *But we have the dual capability to manage the...*

Tan Sri Dr. Tony Fernandes: *It will be multimode- it is something that MAB did actually delivers for us. I think just to add, it is not just the multi mode. Parallel takeoff and landing means a plane can takeoff and land on the two runways at the same time. That is not being done right now. So, a plane has to land and then they will sequence other plane to takeoff, as oppose to in most airport with two runways, they come in at the same time.*

Tuan Pengerusi: *No wonder there is a traffic jammed at certain hour...*

Tan Sri Dr. Tony Fernandes: Ya. *I think we are about 40 landing per hour... [Disampuk] 38 to be precise.*

Tuan Pengerusi: *If you fly from KLIA at seven, eight and nine o'clock in the morning...*

Tan Sri Dr. Tony Fernandes: Ya *and a lot of time they shut one runway.*

Tuan Pengerusi: *What, they shut one runway?*

Tan Sri Dr. Tony Fernandes: *For maintenance during- they suppose to do it most of it at night but they do a lot of maintenance...*

Tuan Pengerusi: *But not many planes fly at night.*

Tan Sri Dr. Tony Fernandes: *They don't do it at night.*

Beberapa Ahli: *They supposed to do at night.*

Tuan Pengerusi: *You know, one of the reason given to us for the third runway is because first and second is approaching capacity of 30 million.*

Tuan Tony Pua Kiam Wee: *Okay, that's the runway issue. There is a request from me to AirAsia. In your presentation just now, there was several document that you referred to with regards to, one, 30 million passengers and two, on the automated baggage handling. Could we perhaps at a later stage get copies of those letters...*

Tan Sri Dr. Tony Fernandes: *Yes.*

Tuan Tony Pua Kiam Wee: *To shows that it is actually MAHB decision and nothing to do with...*

Tan Sri Dr. Tony Fernandes: *Yes, we have all of that.*

Tuan Tony Pua Kiam Wee: *Okay.*

Tan Sri Dr. Tony Fernandes: *We are going to donated to a museum.*

Tuan Tony Pua Kiam Wee: *I am a bit surprise by the fact that you are actually now going to use the bridges because we were informed by MAHB, although the bridges are there, AirAsia is still free not to use the bridges. So what was the...*

Tan Sri Dr. Tony Fernandes: *If you come to the airport and you see how much people have to walk, it is going to be a major problem for us.*

Tuan Pengerusi: *We did it.*

Tuan Tony Pua Kiam Wee: *We need the walk, but I referring to the aerobridges...*

Tan Sri Dr. Tony Fernandes: *No, the walk up down the steps, up the steps is a long walk because it is five floors, Yang Berhormat. So it is not like... You know, you have to walk down step and then you walk up another steps.*

Tuan Tony Pua Kiam Wee: *So like LCCT?*

Tan Sri Dr. Tony Fernandes: *No, and we have to walk up the ramp on top of the step.*

Datuk Kamarudin Meranun: *Not only is a long ramp but also the way they built where you have the aerobridges and the pillar and all that is so close to each other. So, for the trucks to come in nearby, it just not conducive for people to get down to the ramp and walk up.*

Tan Sri Dr. Tony Fernandes: *And other thing is we anticipate flooding. So people are going to get their feet wet etc. As Cik Aireen said, the drain were built above the level of the taxiway.*

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: Yes.

Tuan Tony Pua Kiam Wee: So, can I say that, then AirAsia is essentially not really left with a choice, you left with hopeless choice. You are forced to use the aerobridges even though the option of not using it is technically there.

Tan Sri Dr. Tony Fernandes: Technically is there, we try very hard. I gave Cik Aireen a very hard time and in fact, Datuk Kamarudin got involved and he was the one who told me and said, "Bro, we can't do it". We try and- we will get more complaints, then it is not worth it.

Tuan Pengerusi: As far as I see...

Tan Sri Dr. Tony Fernandes: Our models has changed in 12 years...

Tuan Pengerusi: That is why Tan Sri Bashir was concern and he provided an option. It is up to AirAsia to use it or not.

Tan Sri Dr. Tony Fernandes: The true option which should have been provided which is guaranteed was a ramp. That was the true option. They have box us into a corner. It is no two ways about it. This is an official or unofficial, whatever.

Tuan Tony Pua Kiam Wee: The last question, on KKIA. In the presentation that you have, I think there are various reasons you gave why you didn't want to move but perhaps the bigger concern you have would be the items number one which capacity limitation. Currently Terminal 1 allows up to nine million passengers per annum. The concerns were then be, if you are forced to move, when would you have to move again once the limits gets rich? What would be the growth projection?

Tan Sri Dr. Tony Fernandes: I think Cik Aireen can answer that but I think, we almost- we show the projection that within two years that airport is full already. There is no forward planning. We made it very clear. I went to KK myself, Deputy Ministry was there and everyone agreed. MAS agreed and all the stakeholders were there. If you ask MAS, they will agree with us, the airport is going to be full. The congestion is two ways Yang Berhormat, one is passenger, and two is actual parking space. Because, do not forget in...

Tuan Tony Pua Kiam Wee: Paid parking or passenger parking?

Tan Sri Dr. Tony Fernandes: Passenger parking- I haven't thought about that parking, but passenger parking... [Disampuk] Aircraft parking- and there is because of a lot of 'turbo probe' in KKIA for the rural air services, the whole spinning of aircraft and moving it, it will get- the guys most against us moving is the CEO of MASwing, whose said, "We support exactly what AirAsia stand is, keep them at Terminal 2".

Tuan Tony Pua Kiam Wee: Then why don't MAHB want to have just two terminal given that the capacity...

Tan Sri Dr. Tony Fernandes: Because I think, it is commercial decision. They think by moving us over...

Tuan Pengerusi: *Then they get more money from...*

Tan Sri Dr. Tony Fernandes: *We pays RM65.*

Beberapa Ahli: *[Ketawa]*

Tan Sri Dr. Tony Fernandes: *I told you commercial, Tony.*

Beberapa Ahli: *[Ketawa]*

Tuan Pengerusi: *Aviation makes millionaire out of billionaire but are you still a billionaire?...*

[Ketawa] Anyway, so in KLIA2, they are over optimistic and in KKIA, they are very pessimistic in their forecast, which also tells me about the actual management...

Tan Sri Dr. Tony Fernandes: *I don't think there is any long terms vision in MAB.*

Tuan Pengerusi: *Okay.*

Tan Sri Dr. Tony Fernandes: *To sit down and really plan properly.*

Tuan Pengerusi: *Alright.*

Tan Sri Dr. Tony Fernandes: *And they don't sit down with the stakeholders.*

Tuan Pengerusi: *So, they administered but they don't managed.*

Tan Sri Dr. Tony Fernandes: *Ya. I mean, they don't sit down with us. And just to let you know...*

Tuan Pengerusi: *There is no good to give them concession for 25 years- should give them concession for five years.*

[Perbincangan secara off-record – mikrofon dimatikan]

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Tuan Pengerusi: *No Tan Sri, they operating as a beneficiary of a good- pay increase, large bonus payment.*

Seorang Ahli: *Tuan Pengerusi.*

Tuan Pengerusi: *So they have to charge. They always to looking at ...*

Tan Sri Dr. Tony Fernandes: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *Ya. The CFO when he came here he was very proud. He said Malaysian Airport Berhad share price...*

Tuan Tony Pua Kiam Wee: *They got fourth month bonus in MAHB.*

Tan Sri Dr. Tony Fernandes: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *The basically doing it for their own personal interests instead of the interests of the nation.*

Tuan Tony Pua Kiam Wee: *Tan Sri, just one little thing. The meeting in KKIA where all parties were involved, there were minute to the meeting?*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *They haven't seen minute, we haven't seen minute.*

Tuan Tony Pua Kiam Wee: *So we can't get any documentation to say that all stakeholder were largely agreeable to keep it to two terminal.*

Tan Sri Dr. Tony Fernandes: *One of the thing is, I am always asking for the minute. Priya, was there a minute?... [Bertanya kepada pegawai yang bertugas] No. We kept asking minute actually, they weren't any. There was supposed to be a press conference but they cancel. Deputy Minister of Transport appears agree with us on all points and said we made sense but then we don't know what happens since.*

Datuk Seri Reezal Merican: *What was funny, the project of such magnitude of RM4 billion hasn't got anything documented.*

Tuan Tony Pua Kiam Wee: *Not that one, the KKIA.*

Datuk Seri Reezal Merican: *KKIA. Oh! Samalah.*

Tuan Tony Pua Kiam Wee: *KKIA. That one where everyone agreed that is best not to shift but MAHB is insisting...*

Datuk Seri Reezal Merican: *Yalah, but KLIA2 too, the need statement. I am quite sure there is supposed to be a minute.*

Dato' Kamarudin bin Jaffar [Tumpat]: *Terima kasih Tuan Pengerusi. Terima kasih Tan Sri-Tan Sri dan Dato'-Dato'. Yalah, all of you have made very elaborate presentation to us and we thank you for that.*

Lot of question has been asked and you have answered quite fully to done. I am simply surprise to be very honest, I'm simply very surprise that I heard all this kind of complaints, number one to number eight, from planning stages to even how and what time period you need to move from where you are now to a new building. Normally PAC would deal with government department and the private company, contractor and things like that but obviously, we are looking at two companies fighting out between you two and obviously the Minister not doing anything.

The government is not doing much to even to be fair moderator or arbitrator and make sure that thing in the end is good for the whole country, so I don't not know how... [Disampuk] Badly advised by another set of consultant somewhere. Obviously I don't not know personally, how you going to sort this out. Hopefully we have new government when the time right... [Ketawa] Thank you.

Datuk Seri Reezal Merican: *The last sentence need to be strikeout.*

Tan Sri Dr. Tony Fernandes: *Can I just say? I think I will echo... For me and Datuk Kamaruddin, who have been around for 12 years. This is very different environment and fantastic opportunity that you allow us to present at such length. I know AirAsia charges for food and you may start your lunch as well... [Ketawa] But the main point... [Disampuk] If you fly with us, we give you free nasi lemak.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *The main point I think Sir, is when you present the case as we have, it is compelling. It is compelling that things haven't been right. But I stand by the chairman of the PAC and I think if I can be very frank, in some cases, it's has been easy to demonized us and the advise has been less than correct and the Executive have heard advise just from one sight and it has been very easy, again, I am very frank to demonize some like myself that is seen as outspoken, arrogant and brash. I think as I said it earlier, I'm very proud of being Malaysian. I don't think it's wrong to want to be the best. To one to push and be the best, I don't think that is wrong but that's turned a round to be arrogant, these and that, all kinds of things. Any one who knows me knows that I am the most down to earth person in the world...*

Tuan Tony Pua Kiam Wee: *[Ketawa]*

Tan Sri Dr. Tony Fernandes: *Tony Pua doesn't know me... [Ketawa] So I have to rest on the fact that they had been advised.*

[Bercakap tanpa menggunakan pembesar suara]

Datuk Madius bin Tangau [Tuaran]: *Saya mengenai EIA. There is an issue of EIA in KK Airport. Was there any time when EIA consultant AirAsia in the design- any part of design... [Dismapuk] Environmental Impact Assessment. Environmental Impact Assessment is one of big issue in that airport where you operating now, Terminal 2, the certificate were only submitted... [Disampuk] Actually it was presented to Prime Minister when it was officially open. I'm interested to know whether you were consulted or was you, in anyway, asked in the design process at that time including the EIA consultant people?*

Tan Sri Dr. Tony Fernandes: *For which airport Sir?*

Datuk Madius bin Tangau: *Kota Kinabalu.*

Tan Sri Dr. Tony Fernandes: *No, we weren't.*

Datuk Madius bin Tangau: *Okay, that my first question. Second, it's appears to me that in the whole process while the- it appears to me that the government not facilitating in the whole process of, you know, in your whole, how to say, frustration. And yet, you have actually push the industry, the aviation industry to such a great extend. I'm just amazed that a level of communication between you, the industry and the government for so long, it didn't have the line of communication or things like that. It amazed me. What is the problem? Why you have this difficulty in communicating with the government? What is needed? I mean, you start by saying that you start from business model, low cost model and things like that which is you know, and it appears that you not able to communicate the government but why is that? What is the problem?*

Tan Sri Dr. Tony Fernandes: *If I can be frank, I just think Malaysian Airport have done a better job at getting their story across than we have and they have much more access than we do. The*

most important thing is the Chief Secretary to Ministry Transport since he is on board, so constantly he will tell the minister these what happening, this is wrong with AirAsia or whatever.

■1400

We do not have a point of coming back. So it is very easy to make us out to be the bad boy in the industry. Maybe my personality does not help the issue either... [Disampuk] [Ketawa] That's a fine one to talk... [Ketawa] I follow you now. It is amazing actually. In other countries, I don't know, I cannot understand that fully. Maybe Datuk Kamarudin can- I tell MAHB just better plus they have more access.

Tuan Pengerusi: Minister has got to protect MAB because MAB produce the income for the government, for Khazanah. That's it.

Tan Sri Dr. Tony Fernandes: I think AirAsia producing income as well.

Tuan Pengerusi: Ya, but it is not going to Malaysian Government coffers.

Tan Sri Dr. Tony Fernandes: I think taxes.

Tuan Pengerusi: The taxes okay but you always want to reduce the passenger charges...

[Ketawa]

Datuk Kamarudin bin Meranun: But the spin of that we brought. That is why...

Tuan Pengerusi: I am just making the statement to say that directly the Minister will have to listen to the KSU...

Datuk Kamarudin bin Meranun: Sure.

Tuan Pengerusi: Because of the direct flow of...

Tan Sri Dr. Tony Fernandes: That is the real issues, Sir. Is that the KSU sits on MAHB Board.

Tuan Pengerusi: But the Minister of Finance interested in tax revenue from AirAsia. Minister of Transport is not. But his interest is this link to the KSU...

[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: Datuk, I think you should switch on your microphone to explain this because it will have been in the report, unless it is sensitive. [Ketawa]

Datuk Kamarudin bin Meranun: Early one is sensitive. [Ketawa]

Tan Sri Dr. Tony Fernandes: I think everything he said was being off record. That is why he is light, I am not... [Ketawa]

Datuk Kamarudin bin Meranun: No, no I think...

Tuan Pengerusi: Don't naming the person. Just say the position. [Ketawa]

Datuk Kamarudin bin Meranun: No, no the fact is this. We have a slide actually a presentation he wanted to show the government that this is actually a smart partnership between us and MAB, if they can see right. Because, here with whatever incentive and whatever assistances that we need, we were

able to grow this things. Who is going to fill that 25 millions terminal if not us? So, we will be prime driver in actually filling up that terminal. But in a way that it will not sacrifice them because whatever incentive or whatever the assistance that they provide us, they will get back many more time in... And the whole countries then to gain.

Tan Sri Dr. Tony Fernandes: *I think Langkawi...*

Tuan Pengerusi: *You can actually quantifies this.*

Datuk Kamarudin bin Meranun: *Yes, yes, we can.*

Tuan Pengerusi: *You said just now you give away RM2 million...*

Tan Sri Dr. Tony Fernandes: *We always say only give us an incentive if we deliver. If we deliver 10 million extra passengers, give us an incentive. If we don't deliver, don't give us anything. Again, the best example of how non-commercial MAHB is Langkawi Airport. You have an airport that has 15% capacity. Some cost- lights are on, tower is on, an airline is willing to invest USD200 million to put five planes in there and another RM100 million on advertising to start route that were never done before but we have got nowhere. This was requested to me by Idris Jala. He got the permission of Prime Minister. They came and ask me "What rate did you want? We want to develop Langkawi". I said, "RM15 I will put five planes there" and I confirm that with Aireen. The Prime Minister...*

Tuan Pengerusi: *Off the microphone if you do not want to... [Ketawa] We understand the gist of it is, you generate for the government more revenue than what you ever received in an incentive over the years. Is that a fair statement?*

Tan Sri Dr. Tony Fernandes: *Incentives are about RM30 million a year versus our revenue used to them are about RM600 million.*

Tuan Pengerusi: *Is that tax revenue?*

Cik Aireen bin Omar: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *RM700 million. PSC, landing and parking charges and the retail side we estimate from their figures. We asks for about less than 10%. So we give this volume, we said give us this discount which we give back in terms of developing new routes. Every airport in the world does that.*

Datuk Kamarudin bin Meranun: *We don't understands when they said that "Okay, if we give it to you, we got to give to everybody else" which is fine for us because, at the end of the day, whoever develop the volume, they deserve the incentive. So, what they don't see is that, actually with that bigger volume coming from other airlines, the whole terminal will be full.*

Tuan Pengerusi: *The barrier to entry to the airline industry is huge. So it is not easy for somebody just to take incentive and make it as a success as what you have done.*

Tan Sri Dr. Tony Fernandes: *But Sir, I just also- we are free marketers. We never protest that Malindo or any airlines that come in. Any foreign airline that is coming for right, we have- when it's*

circulated around, we always said yes. We believe the only way to win is to compete and to be better. So when Malindo was put- we never say, "Don't have them", "Stop them", whatever. We only said fair competition.

Datuk Kamarudin bin Meranun: Sorry Yang Berhormat. Another thing is this. What we have done is we also ask MAB to look at the model that we have doing because if we were too depended on just the fare alone like MAB depended on PSC, we will never be able to grow. So that is why we have ancillary income and all that, likewise we asking the Malaysian Airport to look at the ancillary income. If we were to actually price out- you know, we got a couple of route which is exclusive to us. You know, Bandung, it's used to be exclusive to us. But if you noticed, we have never put out any of the fare even though it is monopoly. We believe in stimulating and we feel that MAB should also do the same, because this should be smart partnership where we both stimulate the market and actually build Malaysia as a hub...

Tuan Pengerusi: KLIA2 they need passenger to fill their shopping center upfront. Usually shopping center- the shopping is inside after the Immigration but in KLIA...

Datuk Kamarudin bin Meranun: No, the shopping is before the Immigration.

Tuan Pengerusi: Oh! Before- they should actually let's you stimulate demand so that more passenger will come and actually use their shopping center.

Tan Sri Dr. Tony Fernandes: Yes, exactly. If you look at the...

Tuan Pengerusi: And spent more money when they are eating and shopping, more than the part of the ticket that they are going to take.

Tan Sri Dr. Tony Fernandes: Correct. Our passenger is actually passenger are spend more time at the airport, the leisure passenger. We just seen IATA has just put out a statement to say the Government of Malaysia should increase the charges to RM45 to level it up with the main terminal. IATA, they will be driven by MAHB. IATA has no low cost carrier in their member. They is full service airline.

Dr. Tan Seng Giaw: Tan Sri, since the acting Transport Minister, Dato' Seri Hishammuddin says that it will be in full operation and it's safe, so we ask him to show us how he is going to ensure that all aspects including runway will be safe for the KLIA2. Now, actually we heard enough- I think what we should do is all of us should be able to voice out for fairness and justice for all. We do appreciate that your efforts as a free enterprise- the energy and the passion to get it going with fair competition. Now, just last questions. What happen to the football team in the UK?

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[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: Okay, before I wrapped up, I just have another question about the ERL. You mention just now in your earlier presentation, you said you were promised that the ERL would actually

stops at the original LCCT. I am beginning to think that, you know, ERL wouldn't want to do it anyway because they are charging them a fix rate of RM35 per trip, and RM70 return. So, it wouldn't fit into your low cost objectives anyway.

Now, I don't know whether this is a correct question or not, but the ERL extension, we were told that the cost is RM100 million but ERL will continue to charge the same rate. Wouldn't that be counter productive? First of all, it is wrong in the sense that if government had to pay for it, RM100 million upfront, and then they charge a rate of RM35 per trip against the low cost model of the KLIA2, so I think that the ERL making a free ride out of the whole project.

Tan Sri Dr. Tony Fernandes: I think there is two issues here. One is either that has to be a commercial decision. From the very beginning, even with the main terminal building, I requested a cheaper price for the ERL. I think it is difficult for them to charge differently because otherwise everyone will go to Terminal 2 and then just walk across or whatever. But I think they won't get the success at RM35 that they could if it was lowered, but I don't that is something we can really control. But for us, there are alternatives in the busses.

If I can just add, I am not sure you are aware but it is unique in Malaysia to move between one terminal and the other, they charges RM2. No where else in the world does that happen. You don't pay to move from Terminal 4 to Terminal 3 in Heathrow Airport or in JFK or in Paris, Charles de Gaulle or even in Singapore but in Malaysia, ERL is charging RM2. We just think that is wrong, morally. I mean, we do not see many passengers coming from the main terminal to us and vice versa but some of our staff are inconvenient because they have to park like a miles away so they are using it. I think it doesn't set the right scene for Malaysia that we charge between terminals. I just think it just morally wrong. But it is not something- we have bigger battles to fight than that. Just to give you the full information of what we are facing.

Datuk Kamarudin Meranun: Yang Berhormat, even if you talk about the RM100 million investment they had to put for the extension, but we got 20 over million passengers that had gone to LCCT that couldn't have uses the ERL because there is no connectivity between the two. So, a percentage of that 22 million people maybe able to go on the ERL to get to KLIA2, so the way we done the numbers, if 15% of the existing passengers uses the ERL, they won't get back their RM100 million within a year. So, that will be a great investment. Any commercial decision you should have done that as oppose to compositing the RM100 million.

Tuan Tony Pua Kiam Wee: Are you also confirm that the price of the ticket of the ERL are- is it the price of the ticket for every passenger that even goes to LCCT today that don't uses the ERL, part of the PSC actually goes to the ERL? Is that correct even for the LCCT passengers?

Tan Sri Dr. Tony Fernandes: Let me answer. Yes, we are led to believe that. Yes. The agreement covers like half of the state. It does the terminal everywhere within...

Datuk Kamarudin Meranun: *Greater KLIA. Any new terminal within the Greater KLIA they entitled to collect.*

Tan Sri Dr. Tony Fernandes: *We were told even Labu would have to pay for it.*

Tuan Pengerusi: *That is the side track. Anyway, last question just as a matter of interest. Anymore side contract, third party contracts had been given by MAHB at KLIA2? You mention one just now. [Ketawa] It can be off records. Management of the aerobridges contractor...*

[Perbincangan secara off-record – mikrofon dimatikan]

■1420

Tuan Tony Pua Kiam Wee: *More expensive than KLCC? Is that different between the main terminal and the budget terminal?*

[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: *It has been build as...*

Tan Sri Dr. Tony Fernandes: *Our rental of office space is USD55 per square meter.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *This is in the LCCT, above. Our office space is USD55 and the rental is going up. It's very bad for us to hear this. But the say it's going up because of the success of AirAsia. There is more demand... [Ketawa] Can you imagine how the brash guy feels? When I see a report back to say we have to increase it because AirAsia has increased the demand for that, rental space.*

Tuan Pengerusi: *And then you are the victim of your own success... [Ketawa]*

Tan Sri Dr. Tony Fernandes: *Yes.*

Tuan Pengerusi: *Your office in the KLIA or...*

Tan Sri Dr. Tony Fernandes: *Office in LCCT.*

Tuan Pengerusi: *LCCT.*

Tan Sri Dr. Tony Fernandes: *I think if you look at our office, the new one is even worst. But never mind, we won't go there.*

Tuan Pengerusi: *Okay.*

Tan Sri Dr. Tony Fernandes: *We hope message repainting is that someone's need to arbitrate and you know, we have a monopoly commission.*

Seorang Ahli: *[Bercakap tanpa menggunakan pembesar suara]*

Tan Sri Dr. Tony Fernandes: *Ya, but...*

Tuan Pengerusi: *You can't merger with MAS.*

Tan Sri Dr. Tony Fernandes: *Sorry?*

Tuan Pengerusi: *You can't merge with MAS. You can't marry MAS and produce children.*

Tony Fernandes: *I think you know when you get married once and you divorce, you probably want to stay that way? [Ketawa] Once you burned, you don't want to go down that road again.*

Tuan Pengerusi: *Give a little background, why did it all fall apart? Short answer, and why did the Competitive Commission fine you?*

[Perbincangan secara off-record – mikrofon dimatikan]

Tuan Pengerusi: *Since there are no more questions, I think Tan Sri, this is time for us to thank you for nearly – wow! Three hours. We have done extremely well as guest of ours and we also are quite satisfied with your explanation. In fact, you have improved our sympathy with you, because your reputation carry a lots of weight in a negative way which today... [Disampuk] I'm trying to find a right word express since it's in record. But we satisfied with your explanation and we hope that you have been very forthright with us with your suggestions as well, how to go forward with national aviation policy. I think we will be focusing in our report on your recommendations too, to improve your communications with the government and the... You know, we wish you success in your future and ever. Again, on behalf of the PAC would like to thank you for appearing and now we would like to invite you for the customary photo session. Thank you.*

Tan Sri Dr. Tony Fernandes: *On behalf of AirAsia and Tan Sri Jamilus- I just to thank you very much for listening to us for three and half hours. I just have one last thing that, you know, I would really recommend if you have a time to come and visit AirAsia. It is 12,000 amazing staff, and just to add, it is a Malaysia brand run by Malaysian. And for the last five years, we have won the World Best Low Cost Carrier as voted by passenger, SKYTRAX, the most reputed Airline Award. We won it for five years in a row. So that something right but thank you very much for listening to us and we appreciate the therapy, the candle and the support. Please support us in Parliament when were attacked next time. Thank you.*

Tuan Tony Pua Kiam Wee: *Tell for the press, right?... [Ketawa]*

[Mesyuarat ditangguhkan pada pukul 2.25 petang.]

Bil.32

**Selasa
30 September 2014**



MALAYSIA

LAPORAN PROSIDING

MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA

Mengenai:

Penyambungan Laluan ERL Dari KLIA ke KLIA 2

- Kementerian Pengangkutan

**PARLIMEN KETIGA BELAS
PENGAL KEDUA**

**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA
BILIK MESYUARAT JAWATANKUASA 1,
PARLIMEN MALAYSIA
SELASA, 30 SEPTEMBER 2014**

AHLI-AHLI JAWATANKUASA

Hadir

- YB. Datuk Nur Jazlan bin Mohamed [Pulai] - *Pengerusi*
YB. Dr. Tan Seng Giaw [Kepong] - *Timbalan Pengerusi*
YB. Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]
YB. Dato' Kamarudin bin Jaffar [Tumpat]
YB. Tuan Haji Hasbi bin Haji Habibollah [Limbang]
YB. Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]
YBhg. Datuk Roosme binti Hamzah - *Setiausaha*

Tidak Hadir [Dengan Maaf]

- YB. Datuk Seri Reezal Merican [Kepala Batas]
YB. Puan Mas Ermieyati binti Samsudin [Masjid Tanah]
YB. Datuk Liang Teck Meng [Simpang Renggam]
YB. Datuk Madius bin Tangau [Tuaran]
YB. Datuk Wee Jeck Seng [Tanjong Piai]
YB. Tuan William Leong Jee Keen [Selayang]
YB. Dato' Kamarul Baharin bin Abbas [Telok Kemang]

URUS SETIA

- Encik Che Seman Pa Chik [Setiausaha Bahagian (Pengurusan Dewan)]
Encik Amisyahrizan bin Amir Khan [Ketua Penolong Setiausaha
(Perundangan dan Prosiding)]
Encik Nasrul Izani bin Ramli [Penolong Setiausaha I
(Perundangan dan Prosiding)]

HADIR BERSAMA

Jabatan Audit Negara

- YBhg. Datuk Hj. Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]
Puan Saadatul Nafisah binti Bashir Ahmad [Pengarah Sektor Audit Kerajaan Persekutuan]
Puan Jacinta Wong Ngouk Hua [Timbalan Pengarah Audit Persekutuan (Pengangkutan)]

samb/-

HADIR BERSAMA *(samb/-)*

Kementerian Kewangan

Encik Suhaili bin Ahmad [Timbalan Setiausaha Bahagian (Strategik)]

Puan Faridah Nor binti Mohd Yasin [Ketua Penolong Setiausaha (Parlimen & Kabinet) 2]

Jabatan Akauntan Negara

Puan Maslina binti Kamarudin [Ketua Penolong Pengarah]

Jabatan Perkhidmatan Awam

Encik Ali Badaruddin bin Abd. Kadir [TPBK(K)A]

Unit Perancang Ekonomi

Encik 'Allauddin bin Anuar [TKP(S) UPE]

SAKSI-SAKSI

Kementerian Pengangkutan

YBhg. Datuk Seri Long See Wool [Ketua Setiausaha MOT]

YBhg. Dato' Chandra Sekakan P. [SUB (Udara) MOT]

Puan Noormah binti Mohd. Noor [CEO ERL]

YBhg. Dato' Abd Hamid bin Mohd Ali [COO MAHB]

Ir. Mohd. Zaifuddin Idris [SGM MAHB]

Encik Mano a/l Veragathran [TSUB (Pembangunan) MOT]

Encik Mohd. Asyraf bin Mohd Amin [PSU (PU) MOT]

Encik Saifulddin bin Puteh [Penolong Setiausaha]

Puan Teh Lian Tai [Ketua Penolong Setiausaha]

LAPORAN PROSIDING**MESYUARAT JAWATANKUASA KIRA-KIRA WANG NEGARA****PARLIMEN KETIGA BELAS, PENGGAL KEDUA****Selasa, 30 September 2014****Bilik Mesyuarat Jawatankuasa 1, Parlimen Malaysia, Kuala Lumpur****Mesyuarat dimulakan pada pukul 11.04 pagi****[Yang Berhormat Datuk Nur Jazlan bin Mohamed
mempengerusikan Mesyuarat]**

Tuan Pengerusi: Selamat pagi saya ucapkan kepada Timbalan Pengerusi serta juga Ahli-ahli Jawatankuasa PAC. Memandangkan kuorum sudah cukup empat orang, lebih satu, kita boleh mulakan mesyuarat. Yang Berbahagia Datuk Hj. Anwari dan juga pasukan daripada Jabatan Audit Negara, wakil kementerian, wakil EPU, wakil JPA, wakil Kementerian Kewangan. Selamat datang ke Mesyuarat PAC kita pada pagi inilah.

Sebenarnya Mesyuarat PAC kita pada pagi ini ialah untuk memanggil Kementerian Pengangkutan untuk memberikan penjelasan mengenai pembinaan laluan *Express Rail Link* (ERL) daripada KLIA ke KLIA2 yang sebenarnya sepanjang 2.2 kilometer yang dibina dengan kos RM100 juta yang dibiayai oleh kerajaan. Isu ini juga menimbulkan tanda tanya kenapa untuk satu jarak yang pendek kos penyambungan tersebut adalah begitu tinggi. Memandangkan tidak ada keperluan tambahan seperti hendak memasukkan sambungan elektrik, jalan raya dan sebagainya untuk membuat kerja sambungan daripada KLIA ke KLIA2.

Kita juga sebenarnya pada hari ini hendak mengambil peluang dengan kedatangan Kementerian Pengangkutan juga untuk bertanya apa-apa soalan tambahan lain mengenai pembinaan KLIA2 yang juga telah timbul isu-isu seperti pemendapan yang kita telah jangkakan sebelum ini pun dan juga telah dimaklumkan kepada kita apakah kejadian pemendapan yang berlaku. Apakah tindakan yang akan diambil oleh pihak MAHB untuk menyelesaikan masalah pemendapan ini. Saya dua hari lepas pun saya telah menggunakan KLIA2 dan saya ada gambar yang saya sendiri ambil bahawa kerja-kerja hendak korek tanah di antara 2 *parking bay*, hendak betulkan paip pun dibuat di sebelah kapal terbang yang saya naik itu.

Maknanya selepas enam bulan orang kata KLIA2 itu telah dibuka sudah jadi macam *construction site* jugalah apabila mereka terpaksa membuat kerja *ad-hoc* ini untuk hendak memperbaiki kerosakan yang disebabkan oleh pemendapan dan sebagainya. Isu pemendapan ini juga pun boleh menimbulkan masalah seperti berlakunya lubang dan sebagainya. Jangan lupa dalam isu pemendapan, selepas itu dengan hujan yang lebat di tempat berlaku pemendapan

tersebut boleh berlaku takungan air dan juga boleh menyebabkan tanah tersebut poros yang boleh menimbulkan masalah lubang akan timbul di tempat yang mendap itu.

Jadi lebih baik kita tanya soalan ini dulu pada MAHB apakah penjelasan yang mereka hendak berikan sama ada penjelasan jangka pendek atau jangka panjang supaya kita akhirnya dapat menutup laporan mengenai KLIA2 ini. Jadi Yang Berhormat Petaling Jaya Utara, *you ask for this before this is your final chance to ask them about any issue before we finalized the report. So, kalau tidak ada apa-apa lagi soalan lagi. Saya rasa audit ERL pun ada apa-apa maklumat tambahan mengenai ERL?*

Datuk Hj. Anwari bin Suri [Timbalan Ketua Audit Negara (Persekutuan)]: Terima kasih Tuan Pengerusi, Yang Berhormat Timbalan Pengerusi, Yang Berhormat-Yang Berhormat di PAC, Setiausaha PAC Yang Berbahagia Datuk Roosme binti Hamzah. Jadi pada hari ini kita telah menyiapkan *draft paper* bagi siasatan projek KLIA2 yang kami telah edarkan. Disebut tadi bahawa akan ditelitilah selepas ini. Pada hari ini kita akan memanggil pihak MOT untuk memberikan penjelasan penyambungan laluan sebagaimana disebut KLIA ke KLIA2, ERL ya. Jadi sebagai asasnya Yang Berhormat, kita ada buat satu penyiasatan, suatu *paper* yang di bentang juga di edar. Okeylah, pada 26 Ogos 1997 perjanjian ditandatangani antara Kerajaan Persekutuan dengan Express Rail Link Sdn. Bhd., ini telah dilantik sebagai syarikat konsesi.

Jadi syarikat konsesi dikehendaki *design, bina, deliver, install, commission, test, manage, operate* dan *maintain* ERL serta perkhidmatan komuter rail daripada KL Sentral ke KLIA, *ERL-CRS system* dengan kos RM2.4 bilion. Sudah siap pada April 2002, dulu kita ada buat kajian *report* punya PAC pun sudah masuk kita sama-sama turun ke KLIA2 yang bagasi sebahagian.

■1110

Mengikut klausa 18.3 konsesi, ERL-CRS sistem disambung ke *low cost carrier terminal* di KLIA2. So, jarak dua kilometer sebagaimana disebut tadi. So, pada 7 Mac 2011, MOT telah mencadangkan dua opsyen. Opsyen pertama 100% dibiayai oleh kerajaan dengan *concession period* 30 tahun *plus* 30 tahun, sama tambang seperti dari KL Sentral ke KLIA atau KLIA2. Tidak ada caj dikenakan antara KLIA dan KLIA2. Tanah dan stesen disediakan oleh MAHB tanpa sebarang caj dikenakan kepada ERL. Kos operasi dan penyelenggaraan untuk jarak dua kilometer ditanggung oleh ERL. Ini opsyen *number one*.

Option two, 100% dibiayai oleh Bank Pembangunan Malaysia secara pinjaman tetapi tempoh konsesi ditambah dari 30 tahun campur 30 tahun kepada 60 tahun campur 30 tahun. Caj *fare* dikenakan RM2 dari KLIA ke KLIA2. Kos tanah stesen, kos operasi dan *maintenances* sama seperti di opsyen 1, ditanggung oleh ERL.

Pada 14 Mac 2011, *Economic Council* telah meluluskan sambungan ERL ke KLIA2 ditanggung oleh kerajaan mengikut opsiyen 1. Dengan kadar *fare* sebagaimana disebut tadi RM2 antara KLIA ke KLIA2. Kos pembinaan RM100 juta. Ini maklumat dan dokumen-dokumen telah pun kita peroleh.

Tuan Pengerusi: Akan tetapi kos ditanggung oleh kerajaan 100%, RM2 itu yang *collect* ERL, syarikat swasta? Sebenarnya syarikat swasta tetapi dimiliki majoriti oleh kerajaanlah. ERL sekarang ini berapa dia punya pegangan saham kerajaan dengan ini? *I think that is good question to ask.* Saya dimaklumkan 70%...

Tuan Tony Pua Kiam Wee [Petaling Jaya Utara]: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: Tidak. *The shareholding of ERL Sdn. Bhd. itself is* saya dimaklumkan 70% kerajaan...

Tuan Tony Pua Kiam Wee: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: 70:30. *That is the issue I think- I think it is the issue that we should focus on. I means why is government paying for something which is stand on government land, that is fine. But collecting of the money is not collected by government, it is collected by private company even though it is owned majority by government.* Kalau tidak ada apa-apa lagi - Jawatankuasa ada apa-apa?

[Saksi-saksi dari Kementerian Pengangkutan mengambil tempat di dalam bilik Jawatankuasa 1]

Tuan Pengerusi: Saya ucapkan terima kasih kepada Datuk kerana telah sudi datang pada hari ini ke prosiding PAC yang sebenarnya di luar daripada Laporan Ketua Audit Negara, tetapi telah menimbulkan tanda tanya juga. Kita pun hendak tahu juga mengenai isu ini iaitu mengenai isu *Express Rail Link*: Kos sambungan daripada KLIA ke KLIA2. Akan tetapi elok juga pada hari ini bahawa dalam penerangan ataupun penjelasan yang akan diberikan, kalau boleh untuk manfaat kami sebagai Jawatankuasa bahawa penjelasan juga dapat diberikan mengenai rasional dan juga operasi ERL setakat ini terutama dari segi pelaksanaannya, walaupun sudah lama sebenarnya ERL ini. Saya pun selalu naik. ERL ini memang baguslah operasinya, jarang *breakdown* tetapi dari segi pembiayaannya juga kalau boleh diberi sedikit penjelasan.

Jadi selepas penjelasan mengenai ERL ini, Jawatankuasa pun ingin mengambil peluang sedikit untuk hendak bertanya soalan lanjutan mengenai pembinaan KLIA2, terutama sekali isu mendapan yang telah dilaporkan masih berlaku di KLIA2 tersebut. Jadi, sekali gus kita buat ERL dan

KLIA2 ini. Jadi, selepas ini kita boleh muktamadkan laporan PAC mengenai KLIA2 dan juga diharapkan mengenai ERL sekali.

Jadi, saya ucapkan terima kasih di atas kerjasama yang ditunjukkan oleh Datuk. Sanggup datang ke sini walaupun kalau ikut atur cara biasa, Datuk sudah hendak relax sudah, sudah tidak mahu lagi apa-apa gusar, pening kepala dan sebagainya. Datuk faham apa maksud saya.

■1120

Akan tetapi, tujuan kami di sini bukanlah untuk hendak menyusahkan Datuk tetapi kita hendak mendapatkan *the big picture* mengenai apa yang berlaku dengan perkara-perkara yang kita siasat ini. Jadi, saya hendak mohon juga kepada Datuk, kita ada mendapat maklumat-maklumat daripada pihak-pihak lain yang kita juga akan bertanyakanlah kepada Datuk dan juga pegawai-pegawai Datuk untuk mendapatkan penjelasan yang lebih lanjut. Jadi, tanpa melengahkan masa lagi, saya mengucapkan "*Selamat Datang, Datuk dan pasukan Datuk*". Saya minta Datuk perkenalkan mereka dan selepas itu kita boleh mulakan prosiding ini. Sekian, terima kasih.

Datuk Seri Long See Wool [Ketua Setiausaha MOT]: Terima kasih dan selamat pagi, salam sejahtera, salam 1Malaysia. Yang Berhormat Datuk Nur Jazlan bin Mohamed, Pengerusi PAC, Yang Berhormat Dr. Tan Seng Giaw, Naib Pengerusi PAC dan juga semua Ahli Jawatankuasa ini serta Yang Berbahagia Dato' Timbalan dari Jabatan Audit Negara dan pegawai-pegawai dari Jabatan Audit Negara serta semua pegawai dari jabatan-jabatan kerajaan yang saya hormati.

Saya ingin menyampaikan berbilang-bilang terima kasih kepada PAC kerana telah memanggil kami datang ke sini untuk memberi sedikit taklimat dan juga memberi penjelasan atas apa-apa isu yang ahli-ahli PAC bangkitkan pada hari ini. Bersama-sama saya ialah pegawai dari Kementerian Pengangkutan, Dato' Chandra Sekakan P. ialah Setiausaha Bahagian (Udara) yang bertanggungjawab atas dasar dan juga projek-projek pelaksanaan bagi lapangan-lapangan terbang. Di sebelah kiri saya ialah Puan Noormah Mohd. Noor. Beliau adalah CEO Express Rail Link Sdn. Bhd. Juga seorang dua pegawai dari MAHB sebab kami dimaklumkan adanya isu-isu yang mungkin dibangkitkan mengenai KLIA2. So, kami akan cuba sedaya-upaya untuk memberi penjelasan. Sekiranya *we do not have the information, we would like to request your permission that we will submit the answer to PAC, as soon as possible.*

Saya juga ingin mengucapkan terima kasih kepada semua *that we were given the opportunity to explain this because as you mention earlier, there are complaints, there are disquiet about ERL. I think all this need to be explained to the PAC and also the public because there could be misunderstanding of certain issues that really related to ERL.* Kalau membenarkan saya memberi pendek sahaja taklimat *on the extension of the ERL from KLIA which is the main terminal building to*

KLIA2 which was funded by the government. So if I may just take you to the slide very quickly, Yang Berhormat.

Just a little background mengenai ERL punya konsesi agreement dengan kerajaan. It was signed on the 25th August 1997 just before the opening of KLIA in 1998 and the concession holder is ERL Sdn. Bhd. and it was based on the principle of build, operate and transfer. If I may just for addition of information- the concession was for a period of 30 years and the project was fully funded by ERL Sdn. Bhd. which secured loan from the Bank Pembangunan, as well as the export credit agency financing of a Germany. The total cost for ERL construction for the 57 kilometers dari KL Sentral ke KLIA was RM2.4 billion.

Dato' Kamarudin bin Jaffar [Tumpat]: Shareholders of ERL Sdn. Bhd?

Datuk Seri Long See Wool: Shareholders are YTL - 50%, Tabung Haji - 40%, Trisilco Equity - 10%. The original submission...

Tuan Pengerusi: Datuk, 10% siapa?

Datuk Seri Long See Wool: Sorry.

Tuan Pengerusi: 10% tadi siapa? [Disampuk]

Datuk Seri Long See Wool: Tan Sri Nadzmi punya company.

Tuan Pengerusi: Siapa? Nadzmi, CEO PROTON dahulu?

Datuk Seri Long See Wool: Ya.

Tuan Pengerusi: Okay, alright.

Datuk Seri Long See Wool: Of course during the submission the equity was slightly different but when it was completed there was a restructuring of the equity between the various shareholders. So that is equity restructuring of the company.

At the point of the agreement, it was also certain important element of the concession was also structured in the agreement in terms of the fare structure and also the service tendered. For instances, they operate two services. One is the express train within dia punya journey time is 28 minutes and also the frequency of the services. So depending on the traffic level, if the traffic goes up, there was step up the frequency. So they also operate the commuter service that stop in three stations iaitu di situ... [Merujuk kepada slaid] From KL Sentral, Bandar Tasik Selatan, Putrajaya then Salak Tinggi sebelum berakhir di KLIA. So, kalau kita mengambil kira the main terminal building and the extension to KLIA2, so now there will be additional one more stop. So it is no longer five. For the commuter it is six stations that they will have to operate.

Okay, if I may go to the next slide. Now in respect of the KLIA2 extension, the length of the track is 2.2 kilometers. The construction period is 26 bulan. There was funding agreement by the government for 24 months and the RM100 millions construction cost include the civil work, the

system work which include macam M&E signaling, automatic train protection system, telecommunication and overhead catenary and also the SCADA system. So, the stations fit up also were included in the concession and also the fare collecting system which is ticketing system.

Tuan Tony Pua Kiam Wee: *Okay. Just a quick clarification. Funding agreement, so the project is funded by the government.*

Datuk Seri Long See Wool: *Ya.*

Tuan Tony Pua Kiam Wee: *Why you said...*

Datuk Seri Long See Wool: *I will come to that.*

Tuan Tony Pua Kiam Wee: *No, no. Why is there 24 months? It is a loan or funding agreement is a loan or what?*

Datuk Seri Long See Wool: *So, it is just a loan.*

Tuan Tony Pua Kiam Wee: *It is a loan. So it is RM100 million loans?*

Datuk Seri Long See Wool: *Ya... [Disampuk] Sorry, sorry. It is a grant. It is not the loan.*

Tuan Tony Pua Kiam Wee: *So why is there 24 months period?*

Datuk Seri Long See Wool: *It was the construction period anticipated at the time when we decided to fund the project.*

Tuan Tony Pua Kiam Wee: *No, no. I understand the construction period is 24 months or 26 months. I am just trying to understand why is there – if it is funding say lah RM100 millions, so is funding RM100 millions over 24 months period, but it is actually a grant of RM100 millions?*

Datuk Seri Long See Wool: *Ya.*

Tuan Tony Pua Kiam Wee: *Okey. Thank you.*

Datuk Seri Long See Wool: *The date for the construction commence of 15th July and the completion 1st October 2013 and the date of operation was on 2nd of May although the system was ready but it was worth to be while waiting for the final completion and the opening of KLIA which only happened on the 2nd of May 2014.*

Next. This is just the peta menunjukkan the extension from the main terminal building to the KLIA2.

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Dato' Abd. Aziz Sheikh Fadzir [Kulim-Bandar Baharu]: *I just want to know how was the contractor dipilih, awarded?*

Datuk Seri Long See Wool: *Because we gave the funding to ERL Sdn. Bhd., they are the one who selected the contractor for the purpose of construction.*

Dato' Abd. Aziz Sheikh Fadzir: *Macam mana cara selection?*

Tuan Pengerusi: *Was it tendered or was it preferred contractor, was it runding terus? The mode of awarding the contract to built the extension.*

Datuk Seri Long See Wool: *Maybe Puan Noormah can answer that.*

Puan Noormah binti Mohd. Noor [CEO ERL]: *Thank your Chairman. On the contractor actually because the ERL has existing or rather the original contractor for the EPC contractor previously when this project also built was the SYZ Consortium and it was a joint venture between Siemens and YTL Construction, SPYTL.*

Also, they have already the design and everything. Actually because this was supposed to be on the fast track basis so, we actually then invited SPYTL together with a Seri Yakin, they are bumiputera partner to undertake this project. Because I think is and YTL is also tract maintenance contractor for ERL. So they are familiar with the construction and all that.

If we will appoint totally new contractor we will have to do alignment design and everything, it will take longer time. We will not be able to meet the date, the completion date required by the Ministry of Transport. So, that is the reason why we actually proposed to ministry and it was then approved by the MOF that the existing contractor for the one whom does our maintenance for the track for this project. Thank you.

Tuan Pengerusi: *Is it a direct nego or direct appointment?*

Datuk Seri Long See Wool: *It is a direct nego by them but this, this...*

Tuan Pengerusi: *No, no I mean appointment one matter but the price negotiation whatever was it just they give you the price and you agreed.*

Puan Noormah binti Mohd. Noor: *The original intention of RM100 millions was if ERL want to build ourselves and if we were to fund the project. So, when we look at and there was a value management exercises done by the Ministry of Transport to make sure the contract is properly awarded with the price and all that. The value management exercise was done over a week and I didn't know whether Datuk Seri has in the slide or not but the value management when we re-look at the price, it was originally at RM129.7 million because there were additional cost that was not factored in but because we had committed to the government that we will do this project at RM100 million, so eventually we do it at RM100 million, we have taken up all the other cost at our own cost actually.*

Tuan Pengerusi: *Is ERL Sdn. Bhd. under the purview of Jabatan Audit Negara? It is consider a private.*

Datuk Seri Long See Wool: *Yes, private.*

Tuan Pengerusi: *What is the shareholding today?*

Puan Noormah binti Mohd. Noor: *Sorry?*

Tuan Pengerusi: *The shareholding structure today, what is the shareholding actually it is 50:40:10, that's what Datuk Seri said there was the restructuring later on.*

Datuk Seri Long See Wool: *No, no that one 50:40:10 was the final structure.*

Tuan Pengerusi: *Oh, final structure.*

Datuk Seri Long See Wool: *Earlier when they submit the bid at the point in time, the structure was slightly different.*

Tuan Pengerusi: *But, Datuk Seri isn't this for government money to be spent on private company shouldn't you apply tender or whatever to the process itself.*

Datuk Seri Long See Wool: *What happen as explained by Puan Noormah, the grant was given to ERL Sdn. Bhd. Subsequently they wrote in justifying why they would like to award this contract to a particular contractor based on the justification she has explained just now. So, based on that justification the government, we refer this to the Treasury and Treasury approved the construction on the basis that it has been within the cost of the grant. Whatever additional cost will have to borne by the company because by then after the value management we realized that we were inform that the cost is going higher than the RM100 million but the government will not fund anything more than that because that was the funding that the government agreed earlier.*

Tuan Pengerusi: *Okey, Datuk. Even that value management I assume that before value management was being implemented, the cost should be higher lah kan because value management is suppose to...*

Datuk Seri Long See Wool: *Eventually after the value management they relooked some of the details but the final cost of the project was lowered than RM129.7 million is about RM116 million.*

Tuan Pengerusi: *The original cost that ERL Sdn. Bhd. had forecasted was about RM129 million is it correct?*

Datuk Seri Long See Wool: *Yes.*

Tuan Pengerusi: *And then after value management exercises it was still RM116 million and than the government grant was RM100 million. So therefore they squeeze other RM16 million out of it.*

Datuk Seri Long See Wool: *Yes, the anything that above had to be funded by...*

Tuan Pengerusi: *And the value management was done by your unit in your ministry.*

Datuk Seri Long See Wool: *It was EPU lead?*

Tuan Pengerusi: *EPU lead, betul? Okey, alright wakil EPU confirm, bahawa EPU yang buat re-cost value management punya exercise?*

Encik 'Allauddin bin Anuar (TKP(S) Unit Perancang Ekonomi): *The value management been done by the EPU bersama-sama dengan kementerian sekalilah.*

Dr. Tan Seng Giaw: *Chairman, how many companies in the world can undertake this job? Did you ever find out how many companies, berapa syarikat yang mampu membuat kerja seperti ini? Is it ten companies?*

Datuk Seri Long See Wool: *In the world? Oh, in the world there are many.*

Dr. Tan Seng Giaw: *So, why you have to choose this one? Is it because it is so special?*

Datuk Seri Long See Wool: *I think she has explained. It is a familiarity of the system and they were the previous contractor before. The costing is quite known. I think that was the basis that is why the government did not say no to them. If I may proceed, Yang Berhormat?*

There were two options at the point in time presented to EC option 1 and option 2 will explain later. So, if I can go to the Option 1, these are the following elements involved that the concession period will remain. The fare the same. They would not be allowed to increase the fare for the Express Train as well as commuter train to KLIA as well as KLIA2. Meaning that, going to KLIA2 also will be the RM35, and then there was an operational cost there was quite clearly detailed out to us i.e. the maintaining the two point something kilometer will be about RM3.2 million a year.

The second option- the different of the second option is that they said if they have to fund it they would like the concession period to be extended another 30 years. So, as far as the government was concern the extension 30 years was too long period and they will have to restructure the entire agreement and the government at the point in time felt that they rather not increase the concession period because they could be other development that will come about and we do not tie and tie the government for another automatic extension 30 years.

So, therefore we decided to fund it RM100 million. Of course at the point in time there was a request for a charge RM2 in between KLIA and KLIA2. Just for the passengers between KLIA, KLIA2. Siapa yang naik dari Kuala Lumpur, Salak Tinggi dari mana-mana tempat itu tambang yang asal dikekalkan.

Tuan Pengerusi: *I think that is a good point because everybody assumes that RM2 is actually for the whole trip. I mean RM35 in KLIA and RM37 to KLIA 2.*

Datuk Seri Long See Wool: *No, no, it is still RM35.*

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Datuk Seri Long See Wool: *So, hanya untuk penumpang yang naik di antara main terminal building dengan KLIA2 sahaja. Only them- they have to pay the RM2.*

Tuan Pengerusi: *Accidentally can I side line a bit ya?*

Datuk Seri Long See Wool: *Sorry?*

Tuan Pengerusi: *Can I side line a bit?*

Datuk Seri Long See Wool: *Sure, sure Sir.*

Tuan Pengerusi: *Apa ini- that RM35 the original cost in the original of demand kan, there was a talk about passengers charge being part of the RM35 itu. Is it part of it ataupun the whole of the RM35?*

Kan MAHB pays to the ERL punya projek ini – I am not sure is it a certain portion kah ataupun the whole RM35 kah? That's the payment by MAHB to the ERL project.

Datuk Seri Long See Wool: *Oh, okay, okay. Now I get you. We have to go back to the original contract. The original discussion between ERL and the government. Yang Berhormat, at the point when we decided to built KLIA, it was very quiet far. Because Subang was reasonably close to PJ and to Kuala Lumpur.*

So, this airport was quiet far. So, one of the essential elements when we proceeded to KLIA2 was the need for a train service to guarantee the journey time. As I mention earlier 28 minutes. We look at many airports in the world, it is important that we have the rail link. But recognizing the fact that railway services- if you were to price it according to whatever construction cost and operational cost, it would be expensive. So, the government decided that KL- ERL should be part and parcel of the entire airport system as such.

So, it was decided that it is part and parcel of the infrastructure and of course when we look at the details, now if we were not to have certain kind of funding, certain model, then the fare would be high. So that in the case it was considered that the passengers service charge, a portion of the passenger's service charge should be assigned or given to ERL. Otherwise, the viability of the project would become very difficult. So, we considered part and parcel of the infrastructure...

Tuan Pengerusi: *So, it's like a subsidy lah?*

Datuk Seri Long See Wool: *No, we never...*

Tuan Pengerusi: *Subsidy taken up from the passengers service charge...*

Datuk Seri Long See Wool: *...We did not use the term subsidy. It is- it's a funding.*

Tuan Pengerusi: *[Ketawa]*

Datuk Seri Long See Wool: *It is a funding of it because otherwise then if you were to charge it RM40 a fare- you know that would be- and we see the benefit of the ERL because of the guarantee journey time...*

Tuan Pengerusi: *No Datuk. I agree with you.*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *All I am saying is we are trying to narrow down all the financial procedures- we going to employed in basically proving this project and then later on you know during running the project. So that's why I asked you the questions just now about you know shareholder,*

how much the funding is and now about this payment which actually taken out from the passengers service charge. The amount is RM5 if I am not mistaken. Is it correct?

Datuk Seri Long See Wool: RM5.

Tuan Pengerusi: RM5 kan?

Datuk Seri Long See Wool: RM5 for international... [Disampuk] RM1 for domestic.

Tuan Pengerusi: RM1 for domestic. And this is actually to us as a layman we think of it as a subsidy lah.

Datuk Seri Long See Wool: Whatever terms Sir you may wish to term it.

Tuan Pengerusi: Because you said there is a short form and funding...

Datuk Seri Long See Wool: Ya, short form and funding...

Tuan Pengerusi: And therefore why shouldn't the government apply for their money in the budget to pay for this? So in a way you are asking passengers at the KLIA...

Datuk Seri Long See Wool: Passengers?

Tuan Pengerusi: To pay for it through...

Datuk Seri Long See Wool: So, it become...

Tuan Pengerusi: ...MAHB.

Datuk Seri Long See Wool: ...Become part of the user fee.

Tuan Pengerusi: Through MAHB.

Datuk Seri Long See Wool: Ya.

Tuan Pengerusi: That's why because outside there, people think it's a payment in excess of the cost to help fund the ERL. You get what I mean?

Datuk Seri Long See Wool: Ya, but you see Yang Berhormat, that's why I need also to inform you. When we restructure the concession, the agreement with MAHB, that part of- it is not considered they pay anymore. When we restructured I can't remember which year. So, that part we government look at it as a whole and whatever money that paid to ERL, it become part of the concession payment minus that. So, they are not in a way losing out. Katakan RM30, bukan RM1 itu kita ambil, dia rugi RM1 itu. The RM1 is actually paid back to them through the concession punya restructuring. In 2009.

Tuan Pengerusi: So, from negatively impacting them, then you restore back their concession...

Datuk Seri Long See Wool: So, dia tidak boleh cakap dia yang fund ini lah.

Tuan Pengerusi: Oh, okey. Another question- yang the passenger itu that time kan, those people who go to LCCT which is not connected to KLIA kan, did that money also was taken up from their passengers service charge to pay for the ERL?

Datuk Seri Long See Wool: *Yes. It's the overall...*

Tuan Pengerusi: *Overall figure...*

Datuk Seri Long See Wool: *...Total departing passengers.*

Tuan Pengerusi: *...Total departing passengers. You see there is another issue with us also because than rather there is no accruals I mean if you use in our financial records. You know should be only those who using KLIA...*

Datuk Seri Long See Wool: *But you see Yang Berhormat, as I mentioned in 2009, when we restructured the agreement, it is no longer partly but it becomes it's plowed back to the entire concession- minus that amount.*

Tuan Pengerusi: *But going forward. But whatever money that was already been collected, it's not plowed back lah in a sense.*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *It's not taken back from ERL lah?*

Datuk Seri Long See Wool: *So, moving forward is- no, no. We don't take back.*

Tuan Pengerusi: *But that means the ERL took the money from 2002 to 2009 lah. Seven years lah? Worth of money collector from passengers using the LCCT. These days also received lah? Even though...*

Datuk Seri Long See Wool: *Ya but Yang Berhormat... Yang Berhormat...*

Tuan Pengerusi: *...Their passengers don't use the ERL.*

Datuk Seri Long See Wool: *...I need to inform you this also. You see LCCT was at that point when we built KLIA, LCCT was never something that – LCCT was constructed to cater for the growth of the low cost carrier.*

So, when this happen- what happen was there was a disconnect between ERL that they not link to the LCCT ya. I think for that reason they lost quiet lot of passenger. There was quiet a tremendous drop in their passenger volume as forecasted because it was out of a new development ya? Now what they have done is when the train stops in Salak Tinggi, they provide free shuttle bus to LCCT. They did not charge anything on that bus services that connect to ERL services to the LCCT. So, in that sense they have also contributed to ferrying the passengers, free of charge. Because there is no rail link to the LCCT.

Tuan Pengerusi: *To be clear, in a way ERL also basically provided free bus shuttle service from Salak Tinggi to LCCT to basically...*

Datuk Seri Long See Wool: *Through and through...*

Tuan Pengerusi: ...Take care of the passenger flow from LCCT to the ERL lah, instead of stopping in KLIA itself. It's not free lah. It's actually that money that passenger's service charge for the LCCT actually justify...

Datuk Seri Long See Wool: If you put two into together...

Tuan Pengerusi: ...To basically find that...

Datuk Seri Long See Wool: Ya.

Tuan Pengerusi: No, Datuk. You have to put...

Datuk Seri Long See Wool: [Ketawa]

Tuan Pengerusi: You have no, no. We just try to relate all these costing, expenditure, revenues to the actual project itself. This is basically to erase any perception of you know unfair charges or payments to ERL which up actually not- for services not borne by them lah.

Datuk Seri Long See Wool: Ya.

Tuan Pengerusi: So, in a way what you're saying today is passengers chargers lepas PSG-PAC for LCCT was actually contributing to the shuttle bus service that was provided by ERL from Salak Tinggi ERL station to LCCT. Is it fair by my statement?

■1150

Datuk Seri Long See Wool: Ya.

Tuan Pengerusi: Okey Datuk, thank you.

Dato' Kamarudin Jaffar: Soalan ringkas sahaja, saya tanya satu soalan sahaja Datuk.

Datuk Seri Long See Wool: Ya, ya.

Dato' Kamarudin Jaffar: Setakat ini, ERL Sdn. Bhd. ada buat keuntungan atau masih rugi lagi? As the company are making profit or...

Datuk Seri Long See Wool: Details we'll give but you see what happen is as in most of the concession there is a forecast. At best you can give is only a forecast but certain development took place when ERL started the operation, until today, I think there is quite a bit of shortfall. I think the shortfall is- if you look at the forecast, original forecast, there is a shortfall of even close to 60 percent of the passenger volume. There a number reason for it. Now, one reason was that the government gives permission to bus company to operate bus services linking KL Sentral to KLIA. So that has eroded the volume because situ kalau you naik bus, sampai hari ini pun saya ingat RM10. That eroded.

Secondly when KLIA was constructed, it was a total shift of passenger from Subang to KLIA but what happened is that we reopened Subang for smaller aircraft. You see FireFly operated from there and recently that eroded.

Tuan Pengerusi: I agree with that. Make it easy for me to take a flight domestically.

Datuk Seri Long See Wool: *I don't want to talk about SAA because SAA everybody suffered but the recent event that took place I also the Maju Express. It has also certain adverse impact on the volumes. For all this, we must take into account. But in spite of that, the fare has not move because it's all under the concessions. They have actually requested but it was agreed that there will be no adjustment of fare. They understand the informers, they make operating profit but if they want to take into account, the development cost capacity and all the rest. That's why they have to restructure, because to me is a private anything anyway. They have to restructure the loan with Bank Pembangunan dan juga with the German bank.*

Tuan Pengerusi: *What you saying the contributing factor to government deciding to fund the extension is because they can't do it.*

Datuk Seri Long See Wool: *They can't do it.*

Tuan Pengerusi: *So the government has to pay for it.*

Datuk Seri Long See Wool: *So we have to come in. I think that was the basis.*

Tuan Pengerusi: *And the reason why they are in the shortfall in term of their concession agreement is because government is allowed alternative transportation to the airport and then reopen Subang and at the same time don't allow them fare increase over ...*

Datuk Seri Long See Wool: *Adjust.*

Tuan Pengerusi: *Oh ya, since operation started.*

Datuk Seri Long See Wool: *Since they started operation.*

Tuan Pengerusi: *Okey, all right.*

Dato' Abd. Aziz Sheikh Fadzir: *Datuk, cuma nak tanya, dia ada unjuran tak how many passengers sejak KLIA ini yang will continue paying for the five dollar and one dollar. Do we have got maximum numbers when your reached that the government don't has to pay anymore.*

Datuk Seri Long See Wool: *Well, you see the agreement is dynamic. For instant I think it is time for us to re-look at the concessions as such. And there also time for us to- because they have to also invest more money because passenger volume has move. They have to buy new train which they have indicated to us that is the plan to do so. Now but whether they want, they were request for early look at the agreement is something that has no come to us but this something that we think it will come and of course with that also YB., I just want to inform you that when one of the thing that we look at is the high-speed rail to Singapore. One of the considerations is because to find the new corridor is going to be very difficult for the high-speed train. There is a possibility which I don't want to confirm that we may have to share the corridor and share the track with them. So if that happens, we would have to re-look at the present concessions.*

Dato' Abd. Aziz Sheikh Fadzir: *What the current concessions say, government have to pay five dollars and then they were has to charge 35 dollars until what stage? Because kita, we give a lot restructuring of...*

Datuk Seri Long See Wool: *Now YB., just to look at pure concession alone. There is not only particular provision to allow them to adjust the fare, that's one. Even the present service charge also there were suppose to from that original RM1 and RM6, there were suppose to be also adjustment. In fact, if you go purely by the concession agreement, the passenger's service charge should also move but that is has not move. We did not approve the adjustment, so it was kept at that. So as long as the concession remain as long as they do not reach a certain threshold, it will difficult for us to review the charge.*

Dato' Abd. Aziz Sheikh Fadzir: *...Apakah kebaikan this image public? What can we all know that there are 25 million passengers at the airport there will be five dollar or whatever one dollar additional paid to the concessionaire and then they save five dollar there. If keunjuran meningkat, what are the- otherwise public, dia speculate macam-macam. The second one, you are saying that even ERL just make operating profit. We are doing a bit time restructuring our public transportation- the MRT, Rapid, PLUS Highway. What do the government looking at even the part of Prasarana ke rather than we are just continue relying on this private that we got to bend over so many things just to make it good. The government has thinking along the line since you are doing a big time reconstruction....*

Datuk Seri Long See Wool: *I am afraid I am not in the position to comment on that at this point of time- my apology.*

Tuan Pengerusi: *Datuk, come back to your question about sharing the track. Surely the track is own by the government, kan? It just like you give concession to MAHB to run the airport for five years. MAHB is given a sign aright too basically to do whatever with the land with the government punya agreementlah but the land ownership is still with the government.*

Datuk Seri Long See Wool: *It is a, because for that period of 30 years, they have the right over the land.*

Tuan Pengerusi: *No, no but listen, in and any other property assignment, right assignment is always the landlord is still remaining the same. The landlord is the final say depending on what the landlord sign away. I hope the government is not resigning away total right for the land for 25 years for ERL, in 50 years, you buatlah apa you nak suka dengan tanah itu lepas itu we can't say a thing. I hope the government not doing that.*

Datuk Seri Long See Wool: *No, no.*

Tuan Pengerusi: *Because even the track pun, the land on the track, the land where the track is, is actually government's, it's a BOT.*

Datuk Seri Long See Wool: *Finally the land belong to the crown.*

Tuan Pengerusi: *No, no. The lands always belong to the government. It is you assign the rights to use the land.*

Datuk Seri Long See Wool: *Ya, the rights was assign to them for particularly period.*

Tuan Pengerusi: *But you do not assign over everything to the concessionaire because that will be a PAC issue because you know if you are signing that ...*

Datuk Seri Long See Wool: *No, even like the case of like the land what was leased to MAHB for a certain period, now there is a very clear clause to say that in the event the government requires the land for whatever purpose especially for public purpose, the government has a right to the land. But of course in doing so, there are other provision instituted to protect the company and such.*

Tuan Pengerusi: *For example, you know if you assign the land and then you take a loan with the bank, you don't perform, the bank can take over the land and the government is powerless you know to basically prevented from happening. Even first P&P right, the bank can go sell to somebody else. If this is happening then you know PAC should look at these issues as you know...*

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Datuk Seri Long See Wool: *No, no is not... [Ketawa]*

Tuan Pengerusi: *No, I mean your kementerian. If ada kementerian, if other privatization, if ada this assignment on this land especially this is something which we concern a lot.*

Datuk Seri Long See Wool: *There are very clear condition to protects the government and so many other kepentingan kerajaan memang ada.*

Tuan Pengerusi: *Itulah it depends operating list or it's a finance list or you know and then for example if you want to sign away land use rights all this things are very-very important. You know why Yang Berhormat Datuk, you wont is taking this issue lah. But future KSU we have to tackle this issue. Accrual accounting how you very access on the book you says this is my land but then the economic benefit, economic use of the land you are already sign with somebody else. So actually the value that you state in your book is not the actual economic value that accountant was take when there are what ever value in the land. I think this PAC issue looks in to also whether there other ministries are- I'm I assume the tough ministry is a high standard of...*

Datuk Seri Long See Wool: *No, no this is not a concession done by us alone it was done in the committee which the AG, the Treasury everybody, Federal Land Commissioner...*

Tuan Pengerusi: *Under cash accounting what we call it by policies. Under accruals accounting is a different thing because you actually have to estimate the accurate value the land when you are doing your valuation or doing you're costing. No, no but EPU is smiling only... [Ketawa]*

Datuk Seri Long See Wool: *Okey Sir, if I may on the RM2 I think the issue is actually is RM2. We allowed them to charge the RM2 because there is the maintenance and the operating cost of the track for that stretch of the track work. Just to inform you Tuan Pengerusi in fact passengers have alternative that means passengers kalau hendak bergerak kalau sesiapa pekerja yang hendak bergerak di antara terminal in terminal building dengan KLIA2 mereka ada pilihan. Yang sekarang ini kalau mereka naik KLIA punya limo, there are charge about RM33. Taxi is about RM6 to go from one terminal to another. And of course beside punya ERL punya RM2, MAB pun dia ada punya shuttle bus yang gerak di antara the 2 terminal from the long term car park which is free of charge.*

So passenger has a choice. But as their forecast in fact was about passenger about 1,500 satu hari but we found that the services are quit well patronize, carrying about 3,000 daily.

Tuan Pengerusi: *The passengers originate from KLIA2, there pick up less passenger from KLIA1.*

Datuk Seri Long See Wool: *Erm...*

Tuan Pengerusi: *I'm quit surprise I just came back yesterday. The train was already half full at KLIA2 then come to KLIA1 just pick up another few passengers. In fact volume KLIA1 is drop since KLIA2 open...*

Datuk Seri Long See Wool: *Ya.*

Dr. Tan Seng Giaw [Kepong]: *Mr. Chairman...*

Datuk Seri Long See Wool: *The sound the passenger divide among the terminal.*

Dr. Tan Seng Giaw: *Mr. Chairman, I'm a regular user this ERL. Now because so many passengers at KLIA2 so we get of we usually use MAS whether the problem it is. So we get of at KLIA1 now we want to go to KL Sentral you have to take it because we don't then the- we have to go to KLIA2. So that if we come back you know you still have are seat. You get the problem, this problem, right now?...*

Datuk Seri Long See Wool: *Or you mean the...*

Dr. Tan Seng Giaw: *Yes, yes.*

Datuk Seri Long See Wool: *The rider ship is high. So passenger kalau hendak guarantee seat itu, dia pergi turun bawah dulu naik macam Kelana Jaya dengan...*

Dr. Tan Seng Giaw: *That is what we have to...*

Datuk Seri Long See Wool: *Yang satu stesen LRT di Petaling Jayalah.*

Dr. Tan Seng Giaw: *Ya. Whether you pay RM2 or not, I don't know whether you just go in and go back.*

Datuk Seri Long See Wool: *How do you control?*

Dr. Tan Seng Giaw: *Ya, can we think of over coming back its are- because as you say...*

Datuk Seri Long See Wool: *So if are passengers the fare is RM35. Kalau dia mahu guarantee seat, kalau dia hendak buat begitu dia kena bayar RM2 turun ke bawah dulu.*

Dr. Tan Seng Giaw: *No, no, no.*

Datuk Seri Long See Wool: *No?*

Puan Noormah binti Mohd. Noor: *[Bercakap tanpa menggunakan pembesar suara]*

Datuk Seri Long See Wool: *Oh I see, I see.*

Dato' Kamarudin bin Jaffar: *You have to pay the same ticket to KLIA2, then...*

Datuk Seri Long See Wool: *Dia mahu guarantee seat lah, saya faham.*

Dato' Kamarudin bin Jaffar: *You just get down to figure up...*

Dr. Tan Seng Giaw: *That's right, that's right.*

Datuk Seri Long See Wool: *[Ketawa] But kalau dia hendak kenakan caj pun nanti jadi satu isu pula. So Yang Berhormat if I may go to the next slide so this table shows the actual rider ship from May sampai bulan Ogos. So is averaging about 3,000 daily. So if we go to calculate based on this so there would collect about 2 point something million dollars. If we compare to the operating and the maintenance cost there is still a short for which there will have to bear the balance with.*

Tuan Tony Pua Kiam Wee: *Yang Berhormat Datuk, I think this is very-very unfair misleading where of comparing between the revenue collected to the operational maintenance. I like to know the rider ship that has increase from Sentral or other stop to KLIA2 compare to the past I think there is no such additional revenue as result that.*

Datuk Seri Long See Wool: *Ya, ya. So we agree with you.*

Tuan Tony Pua Kiam Wee: *So what would be the rider ship beside?*

Datuk Seri Long See Wool: *I think the rider ship since connectivity with the KLIA2 the rider ship has quiet a bit. I do not have the figures on slide...*

Tuan Pengerusi: *If this provide because that is the perception amongst the people today...*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *That you know that RM2 if the rider ship to KLIA2 because your connecting ERL to KLIA2 now you know don't have a high raise in your rider ship say every month you take a 50,000 people you know even more than that ya. Even more than that so you can recover your cost of the RM100 million on one year. But the money doesn't go to the government there goes to the ERL. Many perception because we move from the LCCT to KLIA2 so it is not your fault its just*

are you know a matter of logistical change. But then because of that the rider ship goes up and you collect more money and people find it more convenient to use the ERL than to use the bus now.

Dato' Abd. Aziz Sheikh Fadzir: We have the numbers increase rider ship May to now. What is the number here?

[Ahli-ahli berbincang sesama sendiri]

Datuk Seri Long See Wool: Yang Berhormat we have a statistic which I can give you detail in writing. Basically the rider ship since the connectivity to KLIA2 the KLIA Sentral we put out of together has gone up to close to 28%.

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The number for that month- so what they have done before, from January to April used to be 5,900 daily. In month from May until September, it is going up to 8,793. So they have to minus the two point punya transit. You are talking about KLIA to KL vise versa, so the figure is about 28% increased for total. We will give the figure then quite clearly show percentage increase minus the inter-terminal traffic. I think that is the last slide. Next please. Terima kasih.

Tuan Tony Pua Kiam Wee: Just a quick of the back of the hand calculation based on 28% increased, assume 2,500 passengers that increased per day. I think is about 2,800, but I just count 2,500. Assume the fares is about RM30 average times 2,500 times 30 days a month times 12 months a year then give you RM27 million in terms of revenue from this KLIA2 opening and increased. So your operational cost is not included. I think based on their numbers is included. So, RM27 million versus the operational costs to ERL is about RM3 million plus. It is a lot. So, plus the additional RM2 million for the RM2. So that is not RM30 million collected for the RM3 million. That is a fairly disadvantage for...

Tuan Pengerusi: Billion or million?

Tuan Tony Pua Kiam Wee: Billion because they are saying that ERL operational cost due the increase. The new opening is about RM3 million, RM3.14 million. Then RM2 collected is already RM2 million. But due to increase passengers, it is approximately RM27 million. So they are getting about RM30 million for RM3 million operational.

Datuk Seri Long See Wool: Understand. Understand Sir. If you clearly look at that extension and the positive effect of the extension but then we will also give the figure earlier. If you remember I mentioned to you, the actual traffics achieved based on the number of negative factors I mentioned to you earlier, they have lost traffic before. Now they able capture back traffic...

Tuan Tony Pua Kiam Wee: No. In the concession agreement, did we guaranty traffic to ERL?

Datuk Seri Long See Wool: No.

Tuan Tony Pua Kiam Wee: *Then what...*

Datuk Seri Long See Wool: *But we have to be mindful the fact that the forecasted and this all hard figures.*

Dato' Abd. Aziz Sheikh Fadzir: *Tidak mengapa Datuk, tetapi it is not fair. It is really not fair for you to come to this meeting give us that figures that giving the impression that actually ERL is losing RM1 million, cannot even cover the maintenances because of the additional RM2. You know for the fact that you have already got RM2 thousand increment. Total overall is actually has help ERL more. Give us the right figure. You know what I mean?*

Datuk Seri Long See Wool: *No. I am not hiding any figures Yang Berhormat because...*

Dato' Abd. Aziz Sheikh Fadzir: *No. It is not hiding, it is insulting the intelligent.*

Datuk Seri Long See Wool: *What also I mentioned earlier that the forecasted punya itu there is tremendous short fall. What they are doing now is actually recovering...*

Dato' Abd. Aziz Sheikh Fadzir: *Datuk, saya faham Datuk. Cuma saya katakan tadi, Datuk datang sini, Datuk beri satu slaid terang RM2 ini memberi kerugian kepada ERL RM1 juta. RM2 juta maintenances, collection RM1 million. Akan tetapi hakikatnya, kita semua tahu bahawa kerana extension daripada KLIA ke KLIA2, kalaulah Yang Berhormat Petaling Jaya Utara punya numbers betul, memberi peningkatan hampir RM30 juta. Adakah adil statement begitu dibentangkan kepada kita?*

Datuk Seri Long See Wool: *But I went further to explain there are such from very beginning...*

Dato' Abd. Aziz Sheikh Fadzir: *I am just asking you about that statement...*

Datuk Seri Long See Wool: *If you look at the total figure...*

Tuan Pengerusi: *I think what you trying to do is to help ERL to catch up on the previous expectation. That is a fair statement. Akan tetapi itulah, for us a contract when you signed is caveat emptor supaya you be aware bukan... [Ketawa] Mana ada customer yang sign kontrak dia sudah on the losing and seller tolong pula. That is what I think what Yang Berhormat Kulim Bandar Baharu is saying because justification that was used to charge RM2 was because you kata ERL is losing money now. That is why we need to charge RM2. Akan tetapi because you charge RM2, suddenly the money that comes in is way above what we needed and it helps ERL to basically crawl back the lost revenue from many years ago, from previous years.*

Datuk Seri Long See Wool: *Ya.*

Tuan Pengerusi: *I think that is what Yang Berhormat Kulim-Bandar Baharu is trying to...*

Datuk Seri Long See Wool: *Put it in the overall perspective.*

Dato' Abd. Aziz Sheikh Fadzir: *Datuk, we are here to actually understand and help. I am really sure that the government will not make a decision that coming from no where. They have the basis, they have the reason, they have the forecast, got the contract tetapi we all masih in a very clear mind that this is mean for what. Macam tadilah, statement begitu is uncalled for. You know, it is uncalled for...*

[Ahli-ahli berbincang sesama sendiri]

Tuan Pengerusi: Jangan marah Datuk.

Datuk Seri Long See Wool: Saya terima.

Dato' Abd. Aziz Sheikh Fadzir: Akan tetapi Datuk, saya juga pengguna sekurang-kurangnya enam kali sebulan ERL ini.

Tuan Tony Pua Kiam Wee: *Then you benefit from everyone else who don't use it and pay the subsidy for it... [Ketawa]*

Tuan Pengerusi: *This is very honest opinion from PAC Members.*

Datuk Seri Long See Wool: *Understand.*

Tuan Pengerusi: *It is because we just reflecting what the rakyat think. If you answer the question well, then there will be on report and then to me that is end of the matter. Rakyat should be understanding on what actually transpired and what you are actually doing. Any others question?*

Tuan Tony Pua Kiam Wee: *Okey ada. Trying to understand the earlier discussion, I did not want to interject because saya hendak berikan peluang untuk habiskan taklimat. On the subcontract, the contractor for the project is SPYTL. What is the syarikat?*

Datuk Seri Long See Wool: *Sorry?*

Tuan Tony Pua Kiam Wee: *Nama kontraktor bagi projek ini. SPYTL dengan Seri Yakin. So what is SPYTL?... [Disampuk] Syarikat Pembinaan YTL. So it is joint venture antara Syarikat Pembinaan YTL dan Seri Yakin. Can I say that the direct award to SPYTL and Seri Yakin is that should still have been regardless of the advantageous that you mentioned earlier, they build the previous project, they have the knowledge, they maybe faster. It would have been better for the Ministry to enforce tender and only the evaluation process give the advantage to SPYTL assuming the cost is the same and SPYTL after all more experienced party then giving them the contract as oppose to allowing the direct nego to SPYTL and Seri Yakin. SPYTL obviously interested party because they are the major shareholder of ERL.*

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But even Seri Yakin, both directors of Seri Yakin are directors in YTL Group of companies and they are also key shareholders in YTL Land of development. So, it is actually the whole JV is YTL. The owner of Seri Yakin is the people who have been with Tan Sri Yeoh from the first IPP days,

1994. So they are basically the YTL family. Our fear is that we lost twice. We pay for it, already we are funding ERL and we are paying at higher price to the owners of ERL via the construction contract.

Datuk Seri Long See Wool: *The conclusion, I mean this is the wisdom of PAC.*

Tuan Tony Pua Kiam Wee: *No, no. I think it is important to answer because is there basis for the ministry are getting a better deal if we have required ERL to have an open tender?*

Datuk Seri Long See Wool: *It is a decision of the government. They justify it. We found that the justification was there for that to be done as long as it does not the total grant...*

Tuan Pengerusi: *Cuma Datuk, the comparison is not there. That is why I mentioned about. This is contract...*

Datuk Seri Long See Wool: *...Did not do the contract.*

Tuan Pengerusi: *This contract is direct award or direct selection and then only you nego. Because if that is direct nego, that's mean you set the terms and then you nego. This one you select the company, and then you nego. There are two different things and then also there is conflict of interest because it is the same people... [Disampuk] So, this conflict of interest and also the direct selection of the contractor, and then only after that you negotiate the terms. Raises these two issues, one, conflict of interest between shareholders and another conflict of interest between price negotiation. You kata tadi memang ada value management exercise and then because of the value management exercise, the cost have been reduced. Akan tetapi there is no comparison for us to basically put a benchmark to. That is the issue.*

Dato' Abd. Aziz Sheikh Fadzir: *[Bercakap tanpa menggunakan pembesar suara]*

Tuan Pengerusi: *I also understand it's unfair for you to answer the question because you come from the Transportation Ministry. The issue can be better answered by the EPU and MoF... [Disampuk] Oh! EPU push a statement now. [Ketawa]*

Datuk Seri Long See Wool: *I would not...*

Tuan Pengerusi: *So MoF, wakil MoF. Apa jawapan you?*

Encik Suhaili bin Ahmad [Timbalan Setiausaha Bahagian (Strategik)]: *Saya pun tidak ada faktanya Tuan Pengerusi, tetapi dalam kes untuk pemberian tender secara rundingan terus, dibenarkan untuk dalam tiga keadaan. Pertamanya, *emergency*, antara hidup atau mati punya isu. Keduanya, pembekal tunggal. Maknanya *the only supplier*. Ketiganya adalah berkelasan. Kita tidak hendak berkelasan. Akan tetapi untuk sebelum ini kita tidak pasti sama ada kontraktornya adalah yang sama dengan yang buat *extension* itu... [Disampuk] *Same. Not owner but that contractor.**

Tuan Pengerusi: *Kontraktorlah. Kontraktor company itu owner dia sama.*

Tuan Tony Pua Kiam Wee: *Kontraktor sama bukan from the initial project?*

Seorang Ahli: Yes.

Tuan Tony Pua Kiam Wee: Kontraktor sama.

Datuk Seri Long See Wool: *I think it is the same.*

Tuan Tony Pua Kiam Wee: Seperti *extension of ERL*, bukan ERL, LRT yang telah pun dibuat dan ditawarkan. *Phase 2* pun tender terbuka walaupun ada kontraktor asal. Ia tender terbuka sebab sistem ini bukan sistem tunggal yang satu kontraktor sahaja boleh buat.

Dato' Abd. Aziz Sheikh Fadzir: ...Alasan sama yang berkali-kali saya dengar daripada semua kementerian, projek ini projek mesti disiapkan dengan cepat, dipanggil *fast track*. Itulah alasan, saya tolong kementerian untuk jawab soalan ini.

Dr. Tan Seng Giaw: Tuan Pengerusi...

Tuan Pengerusi: Datuk, *you* boleh tutup *mic you* kalau *you* tidak mahu jawab... [Ketawa]

Dr. Tan Seng Giaw: Tuan Pengerusi, PAC menjadi satu sambungan kepada Parlimen dan pada pagi ini kita terpaksa panggil kementerian supaya kita dapat maklumat yang lebih tepat untuk di bentang sebagai laporan kepada Dewan. Di sini, *you know you got this business of extending 30 years to finance the RM100 millions. From the ministry point of view, it is justifiable for RM100 million we extend the rights for 30 more years?... [Disampuk]*

Datuk Seri Long See Wool: *No, we did not extend. There were two options. One, is that they finance it. We extend the concession period. So we decided... [Disampuk] No, no. To extend another 30 years, we did not want to do it.*

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara]

Datuk Seri Long See Wool: Tidak mengapa.

Dr. Tan Seng Giaw: Macam mana bangun tidur. Saya hendak... [Ketawa] Masalah Tuan Pengerusi ini, dia serong sedikit fikiran.

Tuan Pengerusi: Okeylah. Jadi timbul isu mengenai *conflict of interest* yang saya rasa kita boleh pertimbangkan kemudian. Datuk pun tidak ada kapasiti untuk menjawab soalan ini fasal dia sebenarnya bawah MOF. EPU pun cuci tangan juga. Sepatutnya EPU anggap ini sebagai lanjutan projek ERL.... [Ketawa] Akan tetapi nampaknya untuk yang original *you* ambil tanggungjawab tetapi yang *extension* ini *you* cuci.

Tuan Tony Pua Kiam Wee: Tidak apa, *same minister*.

Tuan Pengerusi: *Because these issues going to pop up in the HSR. How it is going to be decided, you know whether you decide the person first and then you negotiate apa semua. But it is good lesson for us to basically learn from this but overall, ERL Puan Noormah ya? Untuk saya, you have done a good job cuma sekarang ini masalah you pula is too good a job. Fasal apa? Sudah bertambah passengers, tambah problem pula untuk hendak bawa passenger tersebut. Good*

problem for you but not good problem for PAC. You have to basically highlight this issue about the company itself and why the government supporting it.

Any other question?... Wakil-wakil kementerian?... Tidak ada ya.

Saya cuma hendak tambah sedikit sahaja Datuk. *My last question yang I peliklah. KLIA punya ERL, you lalu bawah, naik elevator terus pergi kaunter, terus masuk dalam. KLIA2, you keluar stesen, masuk shopping center, masuk shopping center lagi, selepas itu baru sampai tiket, selepas itu baru pergi Imigresen, selepas itu jalan lagi masuk shopping center lagi, selepas itu baru sampai gate. Jauh itu... [Disampuk] Jadi untuk saya, it is opportunity wasted that ERL should actually be connecting closer to the disembarkation into the ticket side, the Immigration side instead of been placed about-* ini saya kira ini fasal sebelum *Hearing* ini, saya sengaja pergi luar negeri ini untuk hendak...

Tuan Tony Pua Kiam Wee: *Let me tells you.*

Tuan Pengerusi: *... Try ERL dengan KLIA2 sekali lagi.*

Tuan Tony Pua Kiam Wee: *Let me tells you, it worst for buses.*

Tuan Pengerusi: *It was...*

Tuan Tony Pua Kiam Wee: *It worst for buses. Lebih jauh lagi for buses.*

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Tuan Pengerusi: Bas tambah lagi jauh.

Tuan Tony Pua Kiam Wee: *For public transport users...*

Tuan Pengerusi: Itu sebab Datuk, saya dalam isu ini saya rasa banyak juga peluang yang telah disia-siakan dalam pembinaan infrastruktur ini- *especially for KLIA2. You should make it easier than to transfer between terminal dan sebagainya, it becomes more complicated. That is my last comment before we move on into MAHB punya issue lah...*

Dr. Tan Seng Giaw: Tuan Pengerusi, saya sudah bincang dengan setiausaha agung tadi, dia... *[Disampuk] Masalah sekarang ini... [Ketawa] Bolehkah kita kaji semula macam mana kita bantu penumpang untuk sampai ke tempat berlepas dan sebagainya kerana ini menjadi KLIA shopping mall and airport. Kalau kita letak itu airport sahaja itu tidak cukup. KLIA Mall and Airport.*

Tuan Pengerusi: Tidak apa kami beritahu.

Dr. Tan Seng Giaw: Tidak apalah, tidak apalah jadi kita kaji macam mana kita boleh memudahkan penumpang.

Tuan Pengerusi: Soalan lain?

Dato' Kamarudin bin Jaffar: Maksudnya saya pun bersetuju walaupun saya rasa benda ini penting. Saya yakin KLIA mesti dipasang *walkalators* yang lebih banyak lagi untuk memudahkan *passenger* yang hanya ingin naik kapal terbang. Dia tidak berhajat hendak berhenti minum kah, dia

hendak ambil *boarding pass and want to go straight to his gate or her gate, I think you have to install many more walkalators including in the shopping areas so that* yang tidak mahu membeli-belah boleh sahaja itu.

Tuan Pengerusi: Okey lepas ini pun *turn* MAHB pula. Jadi hendak tukar *bench* ini jadi ERL *side bench*, MAHB pula jadi *front bench*. Jadi kalau tidak ada soalan lagi mengenai ERL, boleh kita tamatkan prosiding fasal ERL. Saya ucapkan terima kasih kepada Datuk Seri dan juga kepada pasukan Datuk Seri.

Datuk Seri Long See Wool: Terima kasih.

Tuan Pengerusi: Sekarang kita pergi kepada MAHB pula ya.

Kalau Puan Noormah hendak duduk dekat depan hendak jawab soalan MAHB boleh juga...

[Ketawa]

Puan Noormah binti Mohd Noor: *Okay, thank you very much* Tuan Pengerusi, Yang Berhormat-Yang Berhormat semua. Terima kasih banyak-banyak.

Datuk Seri Long See Wool: *So you want now* MAHB.

Tuan Pengerusi: KLIA2. *Just our additional question before we close the report.*

Datuk Seri Long See Wool: *Alright.*

Tuan Pengerusi: Okey MAHB hendak ke depan atau ini? Dato' Abd. Hamid *you* hendak ke depan *or you want to sit there?*

Dato' Abd. Hamid bin Mohd Ali: [Bercakap tanpa menggunakan pembesar suara]

Tuan Pengerusi: Okey, Dato' Abd. Hamid hendak duduk di tepi... [Ketawa] Datuk kenapa Datuk?

Datuk Seri Long See Wool: Sila, duduk sini. *You* duduk sana *or* duduk sini kena jawab juga. Baik duduk sini.

Tuan Pengerusi: Apa ini kita pun tadi hendak tunggu-tunggu juga kedatangan CEO baru MAHB... [Ketawa] Akan tetapi Dato' Abd. Hamid ada tidak apalah. Dato' Abd. Hamid *familiar*.

Okey, Datuk tanpa melengahkan masa lagi kita pergi kepada MAHB pula. Sebenarnya ini peluang kepada kita hendak bertanyakan soalan fasal sudah tidak ada lagi taklimat. Bagi kita tanya dahulu soalan selepas itu MAHB boleh jawab. Jadi saya bukalah kepada Jawatankuasa kalau ada apa-apa soalan tambahan lagi hendak tanya kepada MAHB.

Tuan Tony Pua Kiam Wee: Satu soalan ke satu soalan kah atau *you want all the question then answer together.*

Datuk Seri Long See Wool: *Sorry we did not know what the issue so we didn't prepare any slide.* Minta maaf.

Tuan Tony Pua Kiam Wee: *So, the only thing is the approach, whether you want one by one or you want one-by-one. Number one would be is there any final cost update for KLIA2.*

Dato' Abd. Hamid bin Mohd. Ali: *At the moment now, we still add RM4 billion. So the contractor have submitted some claims which yet to be subtracted with the document and we are still reviewing it and we also have some counter claim on them as well.*

Tuan Tony Pua Kiam Wee: *What is the claim from the contractor like?*

Dato' Abd. Hamid bin Mohd. Ali: *About RM300 million.*

Tuan Pengerusi: *RM300 million on reopening issues?*

Dato' Abd. Hamid bin Mohd. Ali: *Whatever additional work that they interpreted as require.*

Tuan Pengerusi: *Re or post or pre-opening.*

Dato' Abd. Hamid bin Mohd. Ali: *Contractor putting a claim on the project.*

Tuan Pengerusi: *On the project itself. But the post opening they have not submitted any claims yet.*

Dato' Abd. Hamid bin Mohd. Ali: *That is for post opening lah itu.*

Tuan Pengerusi: *No, no, no. Meaning your account has been not close yet. Now the claim has been made dated before opening of the airport.*

Dato' Abd. Hamid bin Mohd. Ali: *Yes.*

Tuan Pengerusi: *They have been no claims that have been made dated after the opening of the airport.*

Dato' Abd. Hamid bin Mohd. Ali: *No.*

Tuan Tony Pua Kiam Wee: *Relating to the soalan daripada Tuan Pengerusi, apakah kos yang dikenakan akibat penyempurnaan yang perlu dibuat selepas pembukaan airport.*

Dato' Abd. Hamid bin Mohd. Ali: *Banyak kerja yang tidak dapat disiapkan oleh kontraktor berasaskan kepada kemampuan mereka. Kami telah engaged third party untuk menyiapkan kerja-kerja tersebut dan berasaskan kepada kontrak, kos-kos yang terlibat oleh third party ini akan dipotong terhadap apa juga kontrak yang masih belum berbayar kepada kontraktor. Jadi for the time ini sedang berjalanlah.*

Tuan Tony Pua Kiam Wee: *So, sepatutnya kos-kos penyempurnaan ini tidak akan menyebabkan kos pembinaan airport ini meningkatlah sebab akan ditolak daripada kontrak asal tadi.*

Dato' Abd. Hamid bin Mohd. Ali: *Ditolak kontrak asal. Cuma kemungkinan kita menuntut prolongation cost, variation of price, itu di luar kontraklah. Itu memakan masa untuk dikaji.*

Tuan Tony Pua Kiam Wee: *Itu claim lebih kurang RM300 jutalah.*

Dato' Abd. Hamid bin Mohd. Ali: *Lebih kurang.*

Tuan Tony Pua Kiam Wee: *Apakah status LAD buat masa ini?*

Dato' Abd. Hamid bin Mohd. Ali: Masih berkuat kuasa.

Tuan Tony Pua Kiam Wee: Adakah *capability figure and is there* status dari sudut sama ada mereka akan bayar, mereka akur, mereka *challenge*?

Dato' Abd. Hamid bin Mohd. Ali: Mereka sedang *challenge* kita. Kita minta maklumat terhadap justifikasi tersebut di mana mereka masih belum dapat mengumpulkan justifikasi-justifikasi kenapa mereka tidak boleh dikenakan LAD. Kita bagi peluang kepada dia.

Tuan Tony Pua Kiam Wee: Buat masa ini MAHB tegas bahawa LAD akan dikenakan terhadap pihak kontraktor. Saya dengar daripada laporan media bahawa retakan masih berlaku di kawasan apron. Kerja-kerja ratifikasi terpaksa dijalankan tanpa henti dan ada isu-isu yang mungkin lebih serius lagi telah pun bangkit dan menyebabkan banyak *bay* terpaksa ditutup dan kerja-kerja penyelenggaraan perlu dibuat secara *almost relatively massive skill*. Apakah status laporan terhadap isu itu?

Dato' Abd. Hamid bin Mohd. Ali: Keretakan yang berlaku adalah disebabkan oleh *differential settlement* kerana KLIA2 dibina di kawasan tanah gambut. Jadi semasa kerja-kerja tanah dijalankan kita telah *anticipate that there will be long term settlement because of the method that we choose to consolidate the soil. There will be about 20% of the reschedule settlement would will happened between now until 20 or 30 years depending on the rate of settlement*. Jadi bagi kawasan yang tidak ada struktur-struktur maka *settlement* tidak terasa kerana dia *equal settlement*. Semua mendap serentak.

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Akan tetapi bagi kawasan apron disebabkan oleh kita ada *drain*, kita ada paip, *culvert* dan paip minyak, paip-paip ini kita letakkan di atas struktur. Kita *pile* ia supaya ia tidak patah sekiranya ia mendap. Jadi, apabila tanah sekitar kawasan tersebut mendap, kawasan yang di *pile* ini tidak mendap. Jadi, berlakulah *differentiate settlement*.

Antara kawasan yang di *pile* ini dengan kawasan yang tidak di *pile*, ia berlaku retak di situ. Jadi, ia tidak membahayakan kerana ianya adalah *reflective cracking*. Sebabnya pergerakan. Jadi apa yang perlu adalah menurap atas permukaan yang *depress* tersebut. Jadi, perkara ini telah kami buat semenjak KLIA dibuka lagi.

Kita sudah lantik *term contractor* untuk mengendalikan mana juga kerja-kerja pembaikan yang perlu dilaksanakan dan ianya berterusan. Kita dapati yang *depression* ini antara 1 hingga 1.5 inci sahaja. Jadi kawasannya luas sebab itu kalau dalam gambar nampak macam kolam besar. Sebenarnya tidak. Airnya cetek sahaja. Jadi, sekiranya ianya mencapai dalam tiga inci, barulah kita akan mengambil langkah untuk menurap keseluruhan tersebut.

Kita tidak boleh turap setengah inci pun kita turap. Ia tidak ekonomi. Apa yang kita perlu adalah sedut saja air tersebut, itu sahaja yang perlu dibuatkan. Setakat ini kita telah belanja lebih kurang dalam RM2 juta- menurap, membaiki kawasan-kawasan yang tersebut. Kita ada 68 bay, ada 72 kesemuanya. Jadi, ianya tidak akan mengganggu dari segi operasi.

Cuma yang berlaku baru-baru ini adalah berkenaan dengan paip minyak Petronas yang berlaku kebocoran. Hasil kajian yang dibuat terhadap keseluruhan kawasan tersebut, bay K2 mengalami masalah disebabkan oleh *welding joint*. Jadi, kerja-kerja pembaikan sedang dijalankan dan pada penghujung bulan Oktober, ianya siap akan boleh diguna pakai.

Tuan Tony Pua Kiam Wee: Akan tetapi mengenai isu kebocoran *the fuel* paip itu, adakah ia berkaitan dengan retakan yang telah berlaku di kawasan tersebut akibat naik turun, paip pecah?

Dato' Abd. Hamid bin Mohd. Ali: Tidak. Daripada kajian yang dibuat, pertama sekali ialah keseluruhan paip Petronas diletak di atas cerucuk. Dia *pile*, kemudian dia buat *slab then* diletakkan paip itu di atas *slab* tersebut. Daripada *scanning* yang dibuat, kita dapati yang *welding* dia menghadapi masalah. Jadi minyak tersebut keluar melalui *welding* tersebut. Jadi bukan disebabkan oleh pergerakan tanah dan sebagainya. Ini kerana paip tersebut terletak kukuh di atas *slab* yang di *support* oleh *piles*.

Tuan Haji Hasbi bin Haji Habibollah [Limbang]: Siapa yang buat *scanning*?

Dato' Abd. Hamid bin Mohd. Ali: Ya?

Tuan Haji Hasbi bin Haji Habibollah: Siapa yang buat *scanning*?

Dato' Abd. Hamid bin Mohd. Ali: Petronas.

Tuan Haji Hasbi bin Haji Habibollah: Petronas sendiri ya?

Dato' Abd. Hamid bin Mohd. Ali: Ya.

Tuan Haji Hasbi bin Haji Habibollah: Jadi, mereka mengaku memang *problem* dengan *welding* mereka lah.

Dato' Abd. Hamid bin Mohd. Ali: *Welding* ya.

Tuan Pengerusi: Okey, ini kalau boleh mainkan gambar-gambar itu. Ini saya- kita di PAC kita boleh terima mana-mana sumbangan daripada orang-orang untuk hendak digunakan sebagai bahan untuk kita punya ini.

Jadi hendak mainkan sikit isu-isu mengenai mendapan dan sebagainya. *Just flip through* sahajalah... [Merujuk kepada paparan slaid] Itu ada keretakan dari segi kawasan apron itu sendiri. Ini air bertakung. Air bertakung ini saya *interesting*- saya bukannya pandai dalam bidang *construction* lah. Akan tetapi, kalau air bertakung ini selalunya ia menunjukkan masalah mengenai mendapan. Apabila air itu lama sangat ia bertakung, ia akan mendap. *Deforest*.

Dato' Abd. Hamid bin Mohd. Ali: Serap ke bawah.

Tuan Pengerusi: Bila ia *deforest*, kat bawah itu tanahnya itu akan pecah lah.

Dato' Abd. Hamid bin Mohd. Ali: Lembut, lembut.

Tuan Pengerusi: Kalau kapal terbang selalu lalu atas kawasan yang bertakung macam ini, ia akan lebih mampatkan lagi dia punya tanah tersebut dan akhirnya ia akan jadi *permanent depression* lah. Yang memang lebih dari dua inci atau yang dimaksudkan lah.

Jadi, kawasan ini- ada setengah gambar ini saya sendiri ambil. Jadi, maknanya kawasan tengah-tengah di antara dua *parking bay* itu kan, yang kalau kita lalu *the overhead bridge* kita tengok- kita tengok *overhead bridge* di antara dua *finger* terminal itu kita boleh tengoklah tengah-tengah itu memang air bertakung begitu banyak sekali selepas hujan yang berat.

Jadi, adakah ini akan membawa kepada masalah akan datang? Fasal apa macam saya kata tadi, selalunya ini menunjukkan simptom bahawa akan berlaku masalah. Cara *ad-hoc* yang dipakai oleh MAHB untuk nak menyelesaikan masalah ini bila dah nampak masalah ini dah berlaku baru nak *repair* ini, adakah itu merupakan pendekatan yang selamat bagi kapal terbang untuk lalu atas kawasan yang terlibat ini? Itu soalan sayalah mengenai mendapan inilah. Yang Berhormat Limbang ada apa hendak tambah lagi? Awak adalah orang JKR.

Tuan Haji Hasbi bin Haji Habibollah: Terima kasih Tuan Pengerusi. Saya ini baru guna KLIA 2 tadi dari Kuching. Jadi kebetulan pula hujan. Jadi *all these* yang kita nampak ini *at the parking* lah. Dekat *parking apron* lah. Akan tetapi, saya tengok saya rasa dari *runway landing* tadi sedaplah, tak ada masalah lah. *I presume the MAHB have taken care of the runway because I think mendapan ini kita pun tahu kalau runway tidak boleh main-mainlah.*

Kalau *parking* itu bolehlah sikit, ia nak cari *parking* ya. Mungkin ada mendap sana, mendap sini. Itu *runway* lah. *Runway* saya rasa tak tahu lah *in future* lah, kan. *As time goes on, it depends on your calculated rate of depression* lah ya tak? Jadi, *I think this will be a continuous job for you people.* Saya tengok air itu tadi memang saya sengaja jenguk-jenguk. Terus teranglah. Tengok sana memang banyaklah di sepanjang *parking apron* itu tadi...

Tuan Pengerusi: Selamat tak selamat? Fasal kalau *airport* lain saya tak tengok air bertakung macam itu punya banyak.

Tuan Haji Hasbi bin Haji Habibollah: Jadi saya rasa- *well* saya rasa MAHB *you have your profession there, you have your professional there. You also know that this is a flexible pavement. Their flexible pavement* ada limit nya. Bila dia *crack, as you know that they crack.* Kalau dia belum *crack*, selamat lagilah.

Kalau dia dah *crack, I mean the plasticity limit* dah lebih, *crack-* air masuk, *you know what it means* lah yang dirisaukan oleh Tuan Pengerusi tadi. Air masuk ke bawah *it will be worse* lah. *It will going back to pumping action all these thing* lah. *I think the engineer* tahulah fasal itu.

Rasa-rasanya *I presume* dan kita berharaplah kepada pihak MAHB satu *costing* lah. *I know the cost will be borne by you to do the maintenance everything* lah, kan. *I think have to be taken care of* dari segi *keselesaian sahaja* lah ya- memastikan. Akan tetapi, bagi kita *we cannot tolerate on the runway* lah.

Sebab ini pernah terjadi dekat *airport* Kuching di hujung *runway*. *I think MAHB should know about it*. Pernah sekali *I think 2-3 years ago*- tak saya jadi Yang Berhormat dah. *That one* tetapi *after not, it is very frank* kita tiap-tiap Khamis balik malam Jumaat itu kan. *All the MP's inside the plane, asal landing* hujung *airport runway* Kuching *very bad experience you know*.

So, well we have to make complaints also. Well, in the end it is done. Because- ya *actually* kita *complaints* dulu. *One, it's danger* pada *plane* *also*, sebenarnya lah. Jadi, inilah kita mengharapkan melihat pada perkara ini tadi, saya pun tadi sempat tengok-tengok. *I think* kena buat sesuatu lah dari segi boleh menimbulkan ini lah tadi kalau bukan orang teknikal- *the first thing* tengok air bertakung sana, bertakung sini- imej *you know the image is there already* lah *you know*.

Kalau orang jurutera barangkali tahulah sedikit, *how serious is this one*. Akan tetapi, orang awam *the first comment* apa ni? Buat *airport* macam ini? *Airport* baru pula. Biasalah. *I think* tak semestinya...

Tuan Pengerusi: Baru buka. Itu yang jadi isu imej tadi.

Tuan Haji Hasbi bin Haji Habibollah: Jadi imej itulah. Saya rasa itu yang kita kena jaga jugalah pihak MAHB. *Because* hendak tunggu tiga inci itu akan makan masa lagi lah. Ya tak? Jadi, *you* pertimbangkan antara dua inilah. Prestasi, imej dan sebagainya.

Tuan Pengerusi: Itu pun sekejap. Itu pun sekejap. Dato' Hamid *you* cakap pada kita itu hari dua tahun baru turun dua inci.

Tuan Haji Hasbi bin Haji Habibollah: Itu kena jagalah. Imej.

Tuan Pengerusi: Ini baru enam bulan dah turun lebih dari dua inci sampai *you* kena buat kerja untuk ini. Itu jadi keseimbangan kita juga.

Tuan Haji Hasbi bin Haji Habibollah: Imej ya kena jaga.

Tuan Pengerusi: Dalam gambar-gambar lain pun ada nanti. Lebih daripada dua inci.

Dato' Abd. Hamid Mohd. Ali: *Our geotechnical specialist to explain further.*

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Ir. Mohd. Zaifuddin bin Idris [SGM MAHB]: Tuan Pengerusi dan Datuk-datuk sekalian. Kalau ikut daripada *design* asal, saya ada bawa surat itu. Konsultan mengatakan yang akan berlaku 50mm *over a period of 20 years*. Dua inci ini *over period of 20 years*, okey? Pada masa itu, projek ini dilaksanakan oleh PMC KLIACS. Kami hanya ambil alih selepas dekat lepas dua tahun projek berjalan, September 2011 baru kita *take over*. So bila kita *take over* itu, *earth work* itu *basically*

almost completed. So bila kita potong untuk kita serahkan kepada apron contractor, di situ kita nampak settlement tidak berlaku seperti mana yang expected. So we try our best to re-surchage. Kita dah buat balik earth work untuk re-surchage lepas itu kita cut maximum time yang kita boleh bagi.

So lepas tiga bulan kita cut balik dan kita buat then pada saat itu kita tambah lagi subsoil drain di sana sini untuk memastikan air dari bawah tanah ini keluar untuk mempercepatkan settlement. So at the time I think that is the best information that we have, sebab dalam keadaan kita monitor base on our engineering practice apa semua, that is the best information that we have. So that's why kita pada saat itu kerana ketidakpastian settlement ini, kita decide to pile all the underground pipes and things like that yang mana pada asalnya konsultan langsung tak pile atas dasar advise daripada PMC and consultant earth work bahawa tidak akan ada lagi settlement selepas dibuka melainkan 50mm selepas 20 tahun.

Tuan Pengerusi: You punya maklumat ini bercanggah dengan apa KLIACS cakap.

Ir. Mohd. Zaifuddin bin Idris: Saya boleh tunjuk surat, Tuan Pengerusi. Tak ada masalah.

Tuan Pengerusi: Tak apa, tak apa. Yang penting you dah jawab macam itu, KLIACS dah jawab macam itu. *The difference people will see the report.*

Ir. Mohd. Zaifuddin bin Idris: Ya, selesai. So apa yang penting setelah kita buat.

Tuan Pengerusi: Akan tetapi itulah yang saya kata tadi, bila soal yang saya timbulkan. Saya sendiri timbul soalan ini masa MAHB datang mula-mula. Saya kata, cara untuk nak treat the tanah itu. You kata tak payah nak korek sampai ke tanah yang keras selepas itu nak start timbus balik kan? You kata cara you lebih baik.

Ir. Mohd. Zaifuddin bin Idris: Bukan Tuan Pengerusi, dia ada banyak cara dalam kita buat soil improvement.

Tuan Pengerusi: Tahu, tahu tapi sekarang ini cara yang you pilih. Cara yang I cakap adalah cara yang terbaik tetapi kos yang paling mahal. Cara yang you pilih adalah cara yang paling murah...

Ir. Mohd. Zaifuddin bin Idris: Murah dan tercepat.

Tuan Pengerusi: ...Dan tercepat? Okey.

Ir. Mohd. Zaifuddin bin Idris: Masa tidak ada bagi kita.

Tuan Pengerusi: I bukan management, you management, you pilih. Sekarang ini jadi masalah dengan airport ini baru bukan enam bulan dah ada timbul masalah ini. Saya risau lepas ini apa akan jadi adalah you kena buat keputusan. You nak buat permanent punya solution atau you nak buat ad hoc. *The factor that remains the same is cost. Whether you recognize it today or you recognize it years in the future but remember that physical cost, money. The physical cost to the*

eyes, the physical cost to the image, the physical cost to the impression that people has about the airport is much higher than the value of the money that you has going to spend.

Ir. Mohd. Zaifuddin bin Idris: Okey, saya faham.

Tuan Pengerusi: *You say the airport is going to, you say that airport is kept RM4 billion at cost but this work might cost you another billion.*

Ir. Mohd. Zaifuddin bin Idris: No.

Tuan Pengerusi: *Might cost you don't know where because the depression are opening up everywhere now in the apron area itu you don't know where. Might cost you, I don't know I'm not the contractor but they might cost you that much because you don't know where, exactly where.*

Ir. Mohd. Zaifuddin bin Idris: Tuan Pengerusi, area seperti mana yang IKRAM sebutkan juga is about 20 percent of the whole one million square meter of apron area. 20 percent of the whole one million square meter of apron area. What you see is only at the center of the terminal building and in the dua apron itulah tapi belah belakang sana, belah belakang ini kita tak ada masalah. Okey?

Tuan Pengerusi: Lalu?

Ir. Mohd. Zaifuddin bin Idris: Tak, tak. 68 bay berada di belakang dan di tengah dan di belakang satu lagi.

Tuan Pengerusi Pasa kapal terbang tak lalu lagi, yang di bay yang pakai sekarang ini yang banyak yang *repair*.

Ir. Mohd. Zaifuddin bin Idris: Semua pakai Datuk, semua pakai YB.

Tuan Pengerusi: Tak apa, *that's my words against yours*. Boleh kita terima laporan IKRAM itu tak yang you kata you punya *commission* itu.

Ir. Mohd. Zaifuddin bin Idris: MOT lah. Laporan itu, IKRAM dilantik oleh MOT, ICAO also dilantik oleh MOT.

Tuan Pengerusi: Kita nak tengok dia punya skop. Apa yang sebenarnya yang telah diaudit, yang telah *dheck* pasal apa takut nanti isu yang sebenarnya tidak diambil kira, tapi isu yang *general* sahaja yang diambil kira. Laporan ICAO itu pun saya rasa PAC nak tengok juga, nak *view the copy*. All the laporan ya, *not just the initials one, all the laporan that has been commission by IKRAM and ICAO*.

In fact, what's interesting is you should ask the aircraft manufacturer juga. What is the impact of all this wear and tear of the depression ini on their own aircraft. In fact I think MAHB pun or ministry should ask report from Airbus as the manufacturer of the impact of these depressions on their aircraft. I think that is a very good indicator juga whether the depression are actually causing real damage or not. Mungkin kita tengok ini macam kalau naik kereta, naik bas lalu depression

langgar sikit '*berdeguk*', tersentak tak apalah tapi untuk kapal terbang, *damagenya* lain dan kapal terbang dia bukannya di atas jalan sahaja, dia terbang naik dan lepas itu dia turun balik. Kalau ada *damage on the undercarriage* dan sebagainya *it can be quite dangerous juga for the plane to fly*.

Jadi saya nak cadangkan kalau boleh MOT, MAHB *commission the report, independent report from the aircraft manufacturer itself whether they can state what is the impact of the planes using the KLIA2* sekarang ini, *the new terminal and the runaway whether the impact on their planes is stressful or not*. Itu saya rasa laporan yang boleh kita guna pakai dalam PAC.

Dato' Abd. Hamid bin Mohd. Ali: Jadi Datuk, dia punya *long term solution to this settlement is just topping up*. Bila dia *settle*, kita *top up*. Itu sahaja *solution* yang kita telah rangka hari inilah. Cara lain tak ada, *that's all*.

Tuan Pengerusi: Bukan nak koreklah?

Dato' Abd. Hamid bin Mohd. Ali: No.

Tuan Pengerusi: Bukan nak korek balik *part by part* lepas itu tutup baliklah?

Dato' Abd. Hamid bin Mohd. Ali: Tidak. Kita *top up*.

Tuan Pengerusi: I tahu you kata *top up* tapi *top up, we still don't know what happens underneath because the water might not has been cleared totally*.

Ir. Mohd. Zaifuddin bin Idris: Okey. Tuan Pengerusi, dalam *design of this pavement*, kita ada satu *layer* yang dipanggil *greenish layer*. *Thickness* dia *is 200mm* kemudian kita ada *crusher run which is 400mm* yang mana sekiranya air meresap masuk, dia akan pergi masuk ke *subsoil drain*, dia tidak akan sampai ke tanah. *Design has been done that way*.

Tuan Pengerusi: *But the solidity of the ground underneath you don't know. Because* ini tanah gambut, bawah dalam tanah gambut itu pun ada air. *How do you handle the issue?*

Ir. Mohd. Zaifuddin bin Idris: Okey, okey. Tuan Pengerusi, tanah gambut ini kita telah tambak paling kurang sebanyak tiga meter tanah ataupun tanah biasa kemudian paling tebal tujuh meter, bergantung pada permukaan tanah asal. Yang ini yang mana pada satu peringkat dulu bila kita tengok ada tanah gambut betul-betul di bawah *pavement*, ini antara sebab PMC kami tak sambunglah. Minta maaf kena cakap di sinilah ya. Kita terpaksa korek balik tanah gambut ini sebanyak tiga meter untuk memastikan apa yang kita panggil dalam *engineering bearing capacity*, kekuatan tanah untuk menampung beban. Kita terpaksa korek balik tiga meter, so kita buat tiga meter *replacement* ini untuk memastikan yang tanah di bawah *pavement* kita *solid*. So tanah gambut itu berada tiga meter di bawah tanah merah ini tadi. Lepas itu kita ada satu meter lagi, 1.2 meter lagi *pavement* yang daripada *crusher run* tadi, sampai *drainage layer*, sampailah premix.

Tuan Pengerusi: *The heavy heavyweight of the aircraft impacting on the ground...*

Ir. Mohd. Zaifuddin bin Idris: *Should not be a problem.*

Tuan Pengerusi: *Should not be a problem ya? That is your statement ya?*

Ir. Mohd. Zaifuddin bin Idris: Yes. Dia masalah dia yang *landing gear* ini is bila *landing* lebih besar *impact* dia daripada *comparing track taxing* dekat *runway*.

Tuan Pengerusi: *Runway*, YB. Limbang dah kata okey. Ha dia dah cuba tadi.

Ir. Mohd. Zaifuddin bin Idris: Jadi bila yang macam Datuk Hamid cakap tadi, kita nak menunggu tiga inci sebab kalau satu inci, kita *paste* satu inci dia akan *peel off*, *so it's not going to be stand alone*. Sebab itu kita kena tunggu juga sampai masa buat tiga inci *then* kita korek, kita *top up* balik. Jadi dekat mana yang ada *depression between the structure pile* dengan tak *pile* tadi kita akan korek, kita akan letak *slab* yang mana pada *original cost* kalau nak buat *slab* ini dulu RM60 juta yang sekarang ini kita ada program tiga tahun untuk *replace slab* ini, *cost* dia RM9.8 juta, itu sahaja. So kita kena pakai *due diligence* masa kita nak buat *slab* ini dulu.

Pada pandangan kami, isu of *ponding* ini *is not the safety issue* tapi *image issue*, lebih kepada *image issue* so kita akan *rectify* secepat mungkin dekat mana *area* yang *ponding* itu dah agak banyak, kita akan *resurface* balik *immediately* supaya air boleh masuk terus ke longkang.

Dato' Abd. Hamid bin Mohd. Ali: Lapangan terbang ini Datuk, sama juga dengan Penang. Penang punya *soil condition* sama juga dengan KLIA2, malahan di Penang tidak buat apa-apa *treatment*. So sehingga hari ini pun sama juga *runway* dia kita *overlay*, bila sampai masanya kita *overlay* sehinggakan sekarang bila kita buat *coring*, *the depth of the pavement is already 1.8 meter* but dia *settle* kita *top up*, *settle*, *top up*. *That is the solution build by JKR* tahun 1972 dahulu.

Tuan Pengerusi: *The different of this airport is the volume is high*, itu sahaja banding dengan Penang. Penang, *airport volume* dia tak tinggi so dia punya *wear and tear* tak seberat KLIA2 ini.

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Dato' Abd. Hamid bin Mohd. Ali: Ya, yes. Kaedah dia sama juga Tuan Pengerusi. Macam Kansai pun sama juga. *They are still settling till today. Kansai higher volume than...*

Tuan Pengerusi: *No*, tetapi Kansai pun tidak *settle within six month* macam sekarang ini?

Dato' Abd. Hamid Mohd. Ali: *All airport...*

Ir. Mohd. Zaifuddin Idris: Termasuk seluruh bandar bumi, *open* sahaja ada *port whole* dekat *runaway*.

Tuan Pengerusi: *[Ketawa]*

Ir. Mohd. Zaifuddin Idris: Bukan, bukan, bukan.

Tuan Pengerusi: Jadi sekarang ini *you* hendak *justify you* punya ini *by seeing relative to others you are okey*.

Ir. Mohd. Zaifuddin bin Idris: Bukan, bukan Tuan Pengerusi macam ini. Sekarang ini sebab semasa *construction* dulu terlampau banyak aktiviti *construction was done in very short time*. Dua, empat tahun untuk *planning* dan *construction* okey berbanding dengan KLIA *which we are building 70% of KLIA*. KLIA 2 tahun *planning*, lima tahun *plus construction*. Kami buat *planning* dan *construction* empat tahun.

Dato' Abd. Aziz Sheikh Fadzir: MAHB yang hendak ambil kira dekat situ.

Ir. Mohd. Zaifuddin bin Idris: Tidak mengapa.

Dato' Abd. Aziz Sheikh Fadzir: Tidak ada siapa suruh. Dia *decide* hendak buat.

Ir. Mohd. Zaifuddin bin Idris: Jadi Yang Berhormat sekarang ini, dalam keadaan...

Tuan Pengerusi: Isunya kenapa *you rushing* pasal apa bila Air Asia *suggest* lampu ini semua dalam laporan nanti. *You kata you can do it better in a shorter time*.

Ir. Mohd. Zaifuddin bin Idris: *For RM2 billion, for RM2 billion*.

Tuan Pengerusi: Ya, ya *I know*. *You see that the rush in the time, not the governments instruct you to do it quickly. It was you yang gave the commitment to the government*.

Ir. Mohd. Zaifuddin bin Idris: *Alright*.

Tuan Pengerusi: *My bila buat Prime Minister and the Cabinet all said all trusted you*.

Ir. Mohd. Zaifuddin bin Idris: Okey.

Tuan Pengerusi: *But unfortunately now we are the bad boys to say that why did you commit such a thing when you don't have to commit the fast phase implementation*.

Ir. Mohd. Zaifuddin bin Idris: Okey, *I think that one we have answered before* Tuan Pengerusi. Cuma saya hendak bagi tahu sekarang ini...

Dato' Abd. Aziz Sheikh Fadzir: Berulang-ulang kali cerita sama *fast track* ini *justify higher price*.

Ir. Mohd. Zaifuddin bin Idris: Tidak Yang Berhormat, untuk *permanent solution* sekarang ini sebab aktiviti *construction* sudah tidak ada. So kita tengah *monitor settlement* sekarang yang mana kita *monitor* selama 6 bulan ke setahun akan lebih mudah untuk kita *predicted* dia punya *end of settlement*. So based on *prelim our consultant* kata dalam lima ke enam tahun based on *prelim*. Tapi kita tengah monitor sekarang *everyday* dari situ kita akan buat *back calculation on the prediction*. So ini kita punya solusi kita akan buat selepas ini.

Tuan Pengerusi: *What's the cost pun you actually do not know kan?*

Ir. Mohd. Zaifuddin bin Idris: Ha?

Tuan Pengerusi: *What is the cost? What is the forecast cost?*

Ir. Mohd. Zaifuddin bin Idris: Setakat ini *maintenance cost* yang kita telah *allow* untuk satu tahun selepas operasi dalam RM15 juta. Itu termasuk dengan kita letak *slab* tadi dekat *area-area* yang ada *structure*.

Tuan Pengerusi: *Also another things is what we are going to do is this. We do not want you to save money on the repair work and yet benda-benda itu berlaku lagi. You must also do it one short* bagi benda itu terus as sempurna as it can be.

Ir. Mohd. Zaifuddin bin Idris: *So permanent...*

Tuan Pengerusi: *Instead of you just try to save money one the top up.*

Ir. Mohd. Zaifuddin bin Idris: *Alright. Permanent solution Tuan Pengerusi is to pile which will cost about RM400 million.*

Tuan Pengerusi: *That's my point lah... [Ketawa]*

Datuk Seri Long See Wool: *Tuan Pengerusi, if I may, I think PAC dengan kerajaan maybe I think the objective is the same. I think safety is paramount. The question is how we move forward and resolve these issues of ponding . Now as I understand Tuan Pengerusi if I may. I think there, as the airport operator, responsible airport operator. I don't think they want any mishap to happen. I think the objective is the same ya. I think PAC, the noble objective is to ensure that this does not happen. Kalau satu sahaja berlaku, I think the whole KLIA punya image will be tarnished. I think that is the principle.*

I think it was based on them that we engaged IKRAM and we spent quite a bit of money on IKRAM to do the assessment. Now after that we invited the ICAO expert to come and they have also look at it very thoroughly. There also recognized the ponding issue. Ponding ini tidak boleh kita biarkan sebegitu sahaja. I think that's why moving forward this ponding ini of course they have explained that they will wait for 3 inches and all the rest. But from the pictures, it is an image issue. Safety wise because we have the DCA as the safety aviation punya authority accountable to ICAO. We are member of ICAO counsel.

If anything happen to this airport, it is a reflection of the entire government punya effort. So I think moving forward we will continue to monitor as long is their ponding ini kita kena ambil tindakan tertentu. Dia sudah beli mesin pun. Bila air itu takung dia kan sedut dan sapu but when you reached a certain level beyond tolerance level. Once it is not tolerable; I think it has to trigger immediate pavement dan sebagainya to runaway system...

Dato' Abd. Aziz Sheikh Fadzir: *Saya hendak ikut apa yang Chairman kata. Kita bimbang sekarang ini KLIA pun under pressure hendak make sure dia minimize the cost, takut another macam tadi saudara kata kalau kita buat piling is RM400 million and we have another public up rise.*

Tetapi *it's better for us face it*. Kalau *that is a permanent solution, you know rather than kita try hendak manage the cost...*

Datuk Seri Long See Wool: *We understand.*

Dato' Abd. Aziz Sheikh Fadzir: *...You know takut it become another big issue. Shall we face it kalau itu permanent solution, we just move forward. Try not to be herolah.*

Datuk Seri Long See Wool: *Now we take note.*

Tuan Pengerusi: *Datuk, another thing I want to add. The ponding in the sentral punya itu is actually more than two inches. You know why? I was sitting in the airport and the aircraft watching a plane taxi by, kita buat research. The water spray is actually covered the whole of the wheel as a plane going through the water. It cannot be two inches.*

Dato' Abd. Hamid bin Mohd. Ali: *Akan tetapi itu bergantung pada space Tuan Pengerusi.*

Tuan Pengerusi: *Betullah, betul.*

Datuk Seri Long See Wool: *We waiting of your...*

Tuan Pengerusi: *Kalau I ini sebagai laymen I tengok I bukan cakap sebagai ini, I bukan cakap fasal sebagai PAC untuk cari salah you, tidak. Ini I punya observation, I tengok. Two inches punya ini, the spray cannot cover the whole tyre. This one I tengok sendiri. The taxi 30 kilometers an hour dekat situ. Dia bukannya boleh pergi laju sangat. Tetapi the water spray out itu cover the whole tyre. So it must be in more two inches. So that's why I'm talking just now about you want to do permanent or you want to do ad-hoc. You have to decide today, you have to bite the bullet and do it because that water ponding is going to be there because it's going to be deep and as more place go over it, it's going to be deeper.*

So that's why I'm saying. Tapi you top up, lepas itu lalu lagi, dia mendap lagi kan. That's why for that particular section kan. We topping up, solve the problem permanently or will do a permanently solution... [Disampuk] What ever it is lah all I'm saying kan but the airplane punya lalu pun will impact on the ground in longer term. We are talking about seinci, dua inci bukan sekaki, dua kaki. Seinci, dua inci boleh berlaku. It is not a matter of because the plane is heavy.

Tuan Haji Hasbi bin Haji Habibollah: *Mr. Chairman...*

Datuk Seri Long See Wool: *Seinci, dua inci for me short fellow very important Yang Berhormat.*

Tuan Pengerusi: *Even Datuk pun sudah berani says it is important to him... [Ketawa]*

Datuk Seri Long See Wool: *Tidak mengapa we make sure that they – but dia pun ada sudah beli equipment kan mesin sweep away the water lah.*

Tuan Haji Hasbi bin Haji Habibollah: *Mr. Chairman, jadi kita mintalah saudara Zaifuddin tolong tengoklah on teknikallah, kita samalah. Saya faham apa yang you cakaplah. Actually just that*

tadi apa yang saya sentuh cerita imej bagi orang yang tidak tahu, *you know what I mean* minta maaf *public image* apa begini-beginilah ya. Jadi saya ada mungkin saya terlupa kah apa-apa tadi, *what is your predicted final settlement* dalam berapa lama setahun ya yang kawasan-kawasan mendap ini *consolidation* di sini. Berapa yang telah di *predict* dalam masa berapa lama akan sampai ke *final...* [Disampuk] Dalam setahunlah? Jadi *20% of the area*, okey. Jadi saya hendak *Mr. Chairman* ya. Satu, imej. Kedua, kalau hendak bandingkan dengan *piling* tadi itu pun sebenarnya saya sokong jugalah *Mr. Chairman because the moment you pile one area, the other site is going to depression* juga, akan timbullah ini.

Jadi, saya rasa *this will be a continues* joblah untuk MAHB untuk memastikan ia sentiasa diturap sampai ke satu tahap. Satu, imej terjaga. *You* pun tidak sakit telinga orang bantai sana, orang bantai sini tetapi yang kita risau satu jugalah ialah *you know this will going to continuous maintenance*, harga tinggi.

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Kita memanglah, rakyat harapan dia satu sahaja. Kadang-kadang bila kita sudah belanja banyak sangat, *they said the cost will be translated to the* pengguna. Itu kita hendak pastikan juga. Kadang-kadang benda itu tidak jadi pun, tetapi kata itulah buat tidak senonoh, tidak sempurna, selepas itu sudah buat *repair* kita tanggung lagi. Ini biasalah. *This is very simple mind set* kadang-kadang dalam media, dalam apa. *This is the thing* rakyat tidak mahu itu. Tidak buat elok dia kata, *we pay the cost and all this things*, orang lain untung besar. *You know all this things, this is* biasalah, *direct* begitu sahaja.

Jadi saya rasa Tuan Pengerusi dalam untuk memastikan *ponding* ini tidak terjadi, *with all the reports what is the* - Saya setuju jugalah fasal kadang-kadang memang betul Tuan Pengerusi, kalau kita menurap jalan pun, kalau satu inci ini terus terang, *you* ambil kereta laju sedikit, *you* tekan brek terlongkah habis kalau terlampau nipis. Itu memang betul. Tidak ada *effect* lagi sudah *on this one*, terlongkah sebab kita pernah buat... [Ketawa] Kita *test* begitu. Senang sahaja hendak *check* kontraktor, bukan susah. *Yes, we did that. You* jalan laju sedikit, *you* tekan brek, kalau ia nipis terlongkah habis itu. Jadi *this are other things*, memang ada *certain thing* baru ada *strength* situ.

Jadi, saya rasa yang patut dijaga dalam hal ini ialah imej ini. Imej *on the- This is where are the passengers you know*. Semua lihat *view* tempat *apron* semua. Di situlah nampak semua apa yang bertakung. Dalam kapal terbang kalau *on runway* lagilah tidak nampak, lagi bagus sebenarnya tetapi di kawasan *apron* inilah tempat *viewing area you know. This is where all the mouth* cakap-cakap tidak elok inilah keluar. Jadi, kita perlu pastikan imej ini terjaga sebab ini juga adalah imej kerajaan. Keselamatan sudah pasti dan ini akan memerlukan kerja yang berterusan dan kos-kos penyelenggaraan ini *somewhere somehow* janganlah menjadi *you know, you have to make sure*

rakyat hendak tahu itu, kita tidak akan menanggung beban merepair ini kepada kami katanya, pengguna. *These are the thing the rakyat want to know.*

Tuan Pengerusi: *You cost will transfer to the passenger service charge. Let finish the photos first and then we can move on to other question. Next...*

[Gambar-gambar masalah berkenaan KLIA 2 ditayangkan pada slaid]

Dato' Abd. Hamid Mohd. Ali: Tambahan persoalan berkenaan dengan walkalator yang dibangkitkan tadi.

[Ahli-ahli berbincang sesama sendiri]

Tuan Pengerusi: *That is why I am saying, right now the image I means lalu tepi tengah buka bukan. I means the promise that was made by MAHB that they are suppose be complete, perfect and now it is become like this. This was just a comfort be made to us early in this year tetapi towards the end of this year sudah perlu buat major works like this kena buka balik konkrit dan sebagainya. But my point is the end of the day you have to decide permanent or ini- Dato' you pun seat on the board, MAHB. Akan tetapi tidak mengapalah, decision had been made bukan but the board also should have been more diligent on this. You are only one on the board Dato'. I agreed with you. It is not easy to become a board member of GLC. I was there once. Kadang-kadang management present, kita pun within the devisable limit kita agree. When an assurances sound good, we agree. But later on when problem comes, at the end of the day it is still the board yang take responsibly juga.*

[Merujuk gambar yang ditayangkan pada slaid berkenaan masalah di KLIA 2]

So this is the latest, two days ago. Saya sendiri yang ambil gambar ini. Imej sudah terjejas jugalah. Ini yang saya ambil gambar dari tepi. Panjang juga itu. Lagi. Ini retak di- ini pipeline punya way bukan? Masih retak lagi di atas itu.

Ir. Mohd. Zaifuddin bin Idris: Sudah seal.

Tuan Pengerusi: Sudah seal ya. Akan tetapi mengapa ada retak lagi?

Ir. Mohd. Zaifuddin bin Idris: Fasal dia seal warna hitam, nampaklah dia gelap.

Tuan Pengerusi: Yalah *but use the proper one so that* tidak nampak begitu, tidak cantik.

Ir. Mohd. Zaifuddin bin Idris: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: *This okay. Dia pun nampak benda itu menurun. From the left part to the right you can see the depression very clearly there until today. Thank you for putting the plastic cone there so they can see the depression. Kalau tidak, tidak nampak... [Ketawa]*

Ir. Mohd. Zaifuddin bin Idris: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: *I tahu tetapi masalahnya it is the whole stretch itu. It doesn't affect just one bay, it is the whole stretch and that does not means the other bay would not happen also. Okey*

ada gambar lagi? Habis sudah gambar, itu apa itu?... [Disampuk] Petronas pit. Fuel pit bukan, pun ada retak situ yang you sudah seal, I presume. Lain? Okeylah. Tidak ada gambar lagi bukan?

Tuan Haji Hasbi bin Haji Habibollah: Hendak tanya sedikit sahajalah to the MAHB dan Encik Mohd Zaifuddin. Seperti tadi Petronas punya pit, tangki minyak di bawah tanah itu bukan, ingin juga hendak tahu so far mereka tidak ada masalah ya dengan tangki minyak dia because of this soft ground bawahlah. Ada masalah tidak tangki-tangki minyak mereka bawah apron ini yang ada cracking atau apa-apa?

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Haji Hasbi bin Haji Habibollah: Tidak ada masalahlah? Dia pakai skirt atau konkrit punya?

Ir. Mohd. Zaifuddin bin Idris: Pipeline?

Tuan Haji Hasbi bin Haji Habibollah: Tidak, yang tangki dia. Paip sahaja.

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Haji Hasbi bin Haji Habibollah: Tangki dia somewhere else?

Ir. Mohd. Zaifuddin bin Idris: Yes.

Tuan Haji Hasbi bin Haji Habibollah: Okay. Terima kasih.

Tuan Pengerusi: Ini gambar lamalah. Gambar-gambar lama. Itu lebih dua inci itu. Sure, confirm. Gambar lamalah. Ini sudah fixed atau belum semua ini? Ini semua sudah fixed sudah?

Ir. Mohd. Zaifuddin bin Idris: Sudah.

Tuan Pengerusi: Ini dekat parking belah mana ini?

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Pengerusi: Kawasan konkrit. Okey. Cerita lamalah. Itu gambar yang ponding yang clear. [Disampuk] I know. I know. Okey.

Tuan Tony Pua Kiam Wee: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Pengerusi: Many sources... [Ketawa] Ini. You punya kontraktor buat kerja turap ini dia letak plywood as a foundation?

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Pengerusi: Sudah buanglah bukan. Tidak, orang ambil gambar bukan. Itulah daripada ponding itu. So boleh nampak reflection from the aircraft. Okey yang ini, isu ini di bangunan sendiri bukan?

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Pengerusi: MA headlah.

Ir. Mohd. Zaifuddin bin Idris: [Bercakap tanpa menggunakan pembesar suara.]

Tuan Pengerusi: This one you expected or not expected?

Ir. Mohd. Zaifuddin bin Idris: *Expected.*

Tuan Pengerusi: *How you expected? You construct and you expected this area to fall down?*

Ir. Mohd. Zaifuddin bin Idris: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: *Okeylah. One thing is why you go ahead on the same site even though you blame the original consultant, you kata that was shoddy tetapi you still continue work on the same site juga.*

Ir. Mohd. Zaifuddin bin Idris: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: *Ya lah. That is my point. All this decision, all trigger because of the first decision to move the site, to move the...*

Ir. Mohd. Zaifuddin bin Idris: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: *Ya lah. I know. No, I am not. In our report, we have to mention all this to give perspective to the readers. If not, they will not understand why this problem happen because we have to go back to original decision why was it still build on that soft land. Okey ada gambar lagi? Okeylah. Cukup, banyak gambar sudah. So kesimpulannya, permanent or ad hoc solution, you have to address that.*

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Tadi laporan ICAO, IKRAM itu kalau boleh kita hendak *copy*. Selepas itu kalau boleh ambil pula *report from the aircraft manufacturer* pun, *I think it is useful for us to explain the situation*. Kalau *aircraft manufacturer* kata *actually the stress on our plane is tolerable. Then, okay. But if saya cakap the stress on our plane is not tolerable. Then we have a bigger problem and that maybe used as an excuse for you to basically to do your permanent solution. Okey? Ada soalan lain daripada committee?*

Tuan Tony Pua Kiam Wee: *Ya... [Ketawa] There is number of questions but usually just we need short answers, just to put on record. Last question on keretakan yang berlaku itu, runaway any problem so far? Runaway free, no problem? Tidak ada ya. So ada settlement tetapi equal settlement lah? Okey.*

Ada isu yang dibangkitkan oleh AirAsia yang keluar di media itu bahawa mereka tidak dibenarkan untuk membawa *checking system* mereka sendiri yang mereka ada di LCCT ke KLIA dan terpaksa guna sistem KLIA2 yang belum siap lagi. *So at this point in time, you see all the machines there but all cannot use for check in, luggage self-tagging, all the facilities that was previously was available. So is there particular basis or reason for this?*

Dato' Abd. Hamid bin Mohd. Ali: *Ya, commercial decision. Sebabnya pemilihan ini dibuat bersama. In fact kita buat mock up di LCCT asal pun bersama dengan mereka dan mereka pun*

bersetuju pada awalnya untuk memilih satu sistem. Mereka cuma tidak bersetuju *towards the end* dan mengemukakan pelbagai alasan. Ia berkisar kepada isu komersial. mereka tidak bersetuju dengan caj yang dikenakan oleh syarikat yang menguruskan sistem ini dan kita memilih sistem ini berasaskan kepada *business continuity. Anything happen at KLIA1, we can operate at KLIA2 because on common platform.* Apa yang AirAsia hendak adalah platform mereka sendiri yang mana syarikat-syarikat lain tidak boleh menggunakan platform mereka. Jadi atas dasar ini, kita tidak bersetuju dan EC sendiri pun telah memberikan keputusan supaya sistem yang dipilih ini diguna pakai.

Tuan Pengerusi: Akan tetapi KLIA1 punya sistem SITA *is based on premium airlines* bukan? Jadi, *cater for high volume low cost airline* tidak?

Dato' Abd. Hamid bin Mohd. Ali: SITA boleh guna semua sistem penerbangan yang ada.

Tuan Pengerusi: Tidak, tidak. Soalan saya begini. Soalan saya, *premium airline*, dia punya *volume* tidak tinggi macam *low cost*, bukan? So, walaupun *you* ada *plan* hendak buat *business continuity between KLIA* dengan KLIA2 pakai sistem SITA yang sama, tetapi *both terminal is actually for different use* lah. *Even though you* cakap dahulu *this is a hybrid terminal from low cost terminal*, jadi *hybrid terminal*. Akan tetapi penggunaanya dia akan sebenarnya datang daripada *low cost airline* juga. So, sama ada sistem SITA yang dipakai di KLIA itu yang dahulu *design for premium airline for lower volume*, *is it compatible* dengan sistem yang diguna pakai di KLIA2 lebih kepada *high volume low cost airline*?

Dato' Abd. Hamid bin Mohd. Ali: *Actually* trafik di KLIA1 lebih tinggi daripada KLIA2. Jadi tidak timbul sama ada...

Tuan Pengerusi: *I agree* dengan *you*. Saya sudah pakai KLIA1 *last one month* ini sudah empat kali. Dari London, Langkawi, dari mana semua saya sudah terbang. Bertolak pagi pukul 9, sampai petang dari Langkawi pukul 2, sampai dari London pukul 6, sepi sekarang ini KLIA1. *International* pun, *after 9 o'clock the traffic* sudah *drop off*. Petang pukul 6 sudah tidak sibuk macam dahulu lagi.

Dato' Abd. Hamid bin Mohd. Ali: Ya.

Tuan Pengerusi: *I think the main reason is because Malindo* kah, *the low cost airline* sudah pindah dari KLIA ke KLIA2. So, *that statement I would dispute very much* because *I* sendiri yang lalu di KLIA1. KLIA1 semakin sepi. So, *the traffic has moved to KLIA2. The volume at KLIA2 is definitely much higher. For you to say that SITA* itu *for higher volume* punya *airline*.

Dato' Abd. Hamid bin Mohd. Ali: Ya. *Based on last year, 25.7 million* from KLIA1. From LCCT *is only 22 million. That was last year. This year we do not have the traffic figure yet.*

Tuan Pengerusi: Akan tetapi maksud saya tadi, KLIA1 pun memang *traffic high* dahulu tetapi LLCT *took over and then now, KLIA2 is taken over. By the system in KLIA, SITA is actually appropriate for KLIA2 which is higher volume or not.* Ini belum cerita lagi fasal *free check in, luggage drop.* Belum cerita lagi fasal *check passport, Interpol.* Isu baru timbul dalam baru-baru ini MH370. Fasal *you* tidak *link our system to Interpol* dan sebagainya untuk *check passport* selepas itu *check criminal record* atau apa-apakah. *So, is the SITA punya sistem ini fully functional for the current needs for the airline industry especially when it comes to low cost punya airline requirement?*

Dato' Abd. Hamid bin Mohd. Ali: Ya. Semua boleh *compatible.*

Tuan Pengerusi: Sekarang? *Today?*

Dato' Abd. Hamid bin Mohd. Ali: Yes. Sebabnya *it link to the baggage, it link to the, it link to everything. In fact, AirAsia system* jika mereka hendak buat ia akan memakan masa *and also the only issue* yang dibangkitkan adalah *Interpol issue which we have discussed with SITA. there is no issue. They can accommodate as well. Just keep the password, they can configure, the system can fully function to meet low cost need.*

Tuan Pengerusi: *Okay, another question is, sekarang ini you charge SITA where? Where is your point of charge? Semasa you check in sahaja ataupun you do pre check in kah...*

Dato' Abd. Hamid bin Mohd. Ali: Dia masuk dalam *if not mistaken, dalam check in system itself* yang mana syarikat AirAsia dikenakan *35 US cents per passenger. That is all they are required to pay.*

Tuan Pengerusi: *Per passenger whether they used the SITA system or they used pre check in and everything?*

Dato' Abd. Hamid bin Mohd. Ali: Yes. Kalau dia buat *await check in* pun because dia kena *tag the bag as they used the system, they used the same platform. Ya.*

Tuan Pengerusi: *Alright.*

Tuan Tony Pua Kiam Wee: *Want answer one more question? Perhaps Datuk Long can help. I think there was an issue that was raised about the conflict of interest between the ministry sittings within MAHB. Ministry acting as a regulator for the industry. How does the ministry reconcile these two roles at justification?*

Datuk Seri Long See Wool: Yang Berhormat, *I think this- I never want to answer. This was raised in the paper. They also said that I was the member of MAS board for which I have never. So that created by quite a bits of along- saya pun kata, "You member of MAS kah?" If I may ask someone, "Since when you become board MAS?" Tidak ada tetapi ini yang MAHB itu memang. I was a member for quite a while. I think conflict of interest I think Yang Berhormat and you know, it depends on circumstances for which an issue arises. So if there is an issue been tabled for*

discussion, if it is clear conflict of interest, I think the person who sit in the board, will just have to declare himself and opt himself out of this discussion. How you look at the issue of conflict of interest, if you- I mean if you say that conflict of interest, ada pula lain-lain ahli dari agensi kerajaan lain duduk dalam, itu pun boleh ditimbulkan sebagai conflict of interest. It's how you manage yourself as long as you treat the issue objectively where there is direct issue that, for which you, by being there, is a conflict then you just have to opt yourself out.

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It is a government decision, if the government feels that the situation is untenable, just a decision have to been made for you not to sit on the board. I mean they, they reported even to the media. I think how many weeks ago talking about the Aviation Commission and cited issue for instant which is not related to the commission there even established as a conflict of interest.

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

Datuk Seri Long See Wool: *[Ketawa] But if the company can specifically say in maybe deciding on this particular issue, this man sitting there has contributed to a decision which is not objective...*

Tuan Tony Pua Kiam Wee: *I think that was...*

Datuk Seri Long See Wool: *To make a general statement of conflict of interest is a very general statement.*

Tuan Pengerusi: *...Penubuhan suruhanjaya untuk penerbangan udara dan sebagainya. Adakah peranan mereka sebagai regulator atau adakah peranan mereka sebagai check and balance kepada kementerian, MAHB kah, pada MAS...*

Datuk Seri Long See Wool: *Then it is yet to be established lah. I think you looking at the principle. I think the important thing will be...*

Tuan Pengerusi: *That's why the issue of conflict of interest we just timbul perceive.*

Datuk Seri Long See Wool: *Yes, perceived.*

Tuan Pengerusi: *You do your job in the board objectively but to people you are the KSU as a current regulator because there is no other person there. It is the ministry and then you seat on the board of MAHB which has be decides on issue about constructing airport. So, therefore as a regulator it is your vision or your judgment impact by you sitting on the board.*

Datuk Seri Long See Wool: *I don't think so. As if you do know about it, Yang Berhormat.*

Tuan Pengerusi: *People perception.*

Datuk Seri Long See Wool: *Yes, perception.*

Tuan Pengerusi: *People perception you maybe impact.*

Datuk Seri Long See Wool: *Like here, I come here. I appeared here a number of times. When you come the issue like just now we discussed the issue, I'm here as a KSU, I see the issues ada valid daripada PAC each and every member punya view, dia ada MAHB punya view, I'm here sebagai KSU. I looked at the overall as long as my answer to you, subject to your thinking whether I am subjective or not lah. But, I think I have performed my duty objectively. Kalau salah itu kita terima, kalau silap itu kita terima.*

Tuan Pengerusi: *Akan tetapi Datuk Seri kita tidak boleh duduk dalam mana-mana jabatan kerajaan, tetapi dalam isu Datuk Seri, Datuk Seri duduk dalam Kementerian Pengangkutan dan juga dalam MAHB yang telah diberikan konsesi untuk hendak menguruskan airport di seluruh negara. Itu orang boleh perceive as conflict of interest.*

As, PAC we have no such issue because we just sitting as Members of Parliament, we don't said at any of the ministry or jabatan that we audit.

Tuan Tony Pua Kiam Wee: *It is a bit like a Minister sitting as a Chairman of the Auditor General- I mean although you can say that we have different duty.*

Datuk Seri Long See Wool: *Okey, Yang Berhormat I understand where you come from, I see, but you must also remember the advantages of a KSU sitting in a particular board because we were able to contribute, I can even cite some examples, say at the MAB level when they are discussing. They do not have for instance I know in terms of traffic rights what are available and what would be given. I also know about certain factors for which I also advice maybe this- I give an example if this size of terminal building might not cater for because there are airlines with new traffic rights been granted for example Indonesia. There will be more flight or like British Airway will be coming in next year. You have to look at certain things that need to be provided.*

There are many advantages therefore which I don't want to talk about it. That contributes to a better decision in an organization. Because if you look at one side not looking at the other side. I'm saying that there are advantages. Anyway, Yang Berhormat I am leaving, what I'm saying is there I don't think to me lah personally whether you accept it or not, I don't think I have done anything that cause injustice to a particular decision. If there are, by all may cite it. That's it.

Tuan Tony Pua Kiam Wee: *Relating to this issue, one of the examples that a conflict could arise. I'm not saying that...*

Datuk Seri Long See Wool: *I'm not saying the conflict doesn't arise, I never dispute that.*

Tuan Tony Pua Kiam Wee: *No, no. Let me explain my case. I'm not accusing anything I'm just saying that a conflict can arise. Conflict can arise for example when MAHB proposal increase in parking charges, airport tax, etc. So, as a board of MAHB you're almost bounce to support an increase...*

Datuk Seri Long See Wool: *No, no.*

Tuan Tony Pua Kiam Wee: *Yes almost bounces because you actually...*

Datuk Seri Long See Wool: *No, that's not true. Let me explain you cite particular one give me the opportunity to answer to you.*

Tuan Tony Pua Kiam Wee: *Let me give a question than you have plenty of time to explain, I'm not running away. So, from the MAHB perspective it is a bottom line for MAHB. How much traffic can increase, traffic been infected and how much fully result increase revenue but, from a regulator perspective when you look it impact from overall, travel, impact burden of passengers, impact on airlines etc. So that is where a potential conflict are increase from what we understand from investment community today, MAHB has been telling the fund managers that the airport tax will be increase double to 65 in a coming year. It has submitted to the government waiting for the government to approve or be judge. How the...*

Datuk Seri Long See Wool: *Okey Yang Berhormat. In fact thank you very much for bring it this out. You see, any increase in charges there are two categories of charges. One is what you call aeronautical charges, the other one is commercial charges. A commercial charge is not regulated by the government. Regulator chargers a passenger service charge, landing and parking charges, other than that...*

Dato' Abd. Hamid bin Mohd. Ali: *Aerobridge.*

Datuk Seri Long See Wool: *No, no aerobridge is not part of it. Okay, today in a concession agreement there are clear provisions. How they can adjust the passenger service charge? In the first place they need to do is benchmark. Mana Singapore, Thailand the regional airport. We go as far as even to Hong Kong, of course Hong Kong itu memang mahal tidak payahlah kita comparekan. So, that is one.*

Secondly, they must fulfill KPI's. Their performance must be at this level, this level before they can even put it to the government for approval and this all very clear principles. Dia tidak boleh langgar, I there, infect, I mean, I am the one do not like increases. In a first place to begin with, so you must be justified. I cannot at that particular meeting knowing the formula, knowing the principles increasing charges, the first question I would ask that the moment you moved this, is it beyond that average benchmark compare to the other airport.

I tidak boleh sokong sebegitu sahaja. I tidak boleh and then they sokong semua price index which is also the benchmark. Similar in all other airport in the world, no airport. Because you must remember this business in a way it is quite monopolistic the nature of it because airlines sometimes has no choice. Sama ada you terbang kah, you tidak terbang itu sahaja, apa pilihan you. So, the

abuse of the dominant position is an issue. So, each time the passenger service charge you think in a moment you move a charge everybody complain. In Malaysia it is not easy to move the prices.

So, there is a clear cut formula. KSU tidak boleh balik bawa concession agreement and pindah, tidak boleh. You have to go to a government committee. Okay for instance there were proposals; I can even tell you here that we impose something called development charge. So, my role in a board, which airport do it? How do they do it? They mentioned to me like London, you go to London today if you look it at the ticket the charges are imposed if you look at the tickets is about RM801.00.

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You're paying RM65 or RM75? So, they are telling, "Ini begitu punya banyak." I said, "But you don't compare to London." See London even some people and say "The shuttle buses or whatever trains inter-terminal itu free of charge." But then if we look at the actual charge of Heathrow, you run away. I am just giving example. I am not saying by saying all these I have cleared my name. Tak. As a KSU...

Tuan Pengerusi: *It was not about...*

Datuk Seri Long See Wool: *...In fact it was much more difficult. It was easier not to be in.*

Tuan Pengerusi: *It is not about Datuk Long sir, it's about the KSU sir.*

Datuk Seri Long See Wool: *I knew it suppose...*

Tuan Pengerusi: *You are the KSU today, you will not be a KSU in the future sir. The issue here is this- can we do things better, PAC kan? People think that you see the perception of the people is everything there must something behind deal. Somebody's making money. Okay?*

Datuk Seri Long See Wool: *Ya, ya.*

Tuan Pengerusi: *That is why today the BN government- I am not playing parti politik now is in problem because the perception and when actually it just remains a perception. Kan?... [Ketawa] Just by you sitting on the board, the perception is there. How you explained it doesn't have impact, you know. Because people always think you always can do better.*

For example the service charge you are saying- you know. There are guidelines, you cannot just and then eventually you have to apply back to the government. But then took simple mind of people is you see on the board of MAHB, when you propose it, that means you are proposing collectively as a board which you are member of. Then go back to you as the KSU where you approve it.

Datuk Seri Long See Wool: *Yang Berhormat, I see the perception but if I alone have so much of influence and power- I have to clear so many... [Ketawa]*

Tuan Pengerusi: *That's my point.*

Datuk Seri Long See Wool: ...That goes to all the committees and cabinet eventually.

Tuan Pengerusi: No, the perception is people think you have. In terms of people think you have an influence on the decisions. My part about the passenger's service charge as well is why should we charge the same as everybody else? In Heathrow you have lots of other regulation-environmental, city council and everything. So, that we don't have here in Malaysia. Our rules and regulations are less stringent than other countries. That's why we can basically just build the airport and then charge it based on the cost of the airport. There are no other charges.

We see from our point of view when MAHB builds the airports, how much they spend on the airports? And how much of their cost is basically going to be charge back to the customer as passenger's service charge? It is as simple as that. There is no other regulation to basically to distort the price. There is no other issue to distort the price. It's just the cost of MAHB running its business.

And the issue that comes up also is this- MAHB is a listed company. Therefore is driven by profit. How do you basically close this gap, sir? On one hand MAHB is listed driven by profit, it's owned by the government. On the other hand, you are trying to perform your role as a regulator in a government trying to suppress the price. In a long run, who win sir? In a long run the profit motive...

Datuk Seri Long See Wool: I know I would not be able to give you an explanation that you would walk back for reset start. I accept that.

Tuan Pengerusi: Not me. The report that we are going to do is report for the public. It's for them to being satisfied or not. We just write the report. I am just relying to you what expectations, what feedback that you will have on this issue. But I don't want to be label at this point.

Datuk Seri Long See Wool: No, no.

Tuan Pengerusi: It's only 1.45 Datuk. I mean I don't want to torture you anymore to answer since you already said that you want to have a happy few months left... [Ketawa]

Datuk Seri Long See Wool: No, no. Yang Berhormat, Yang Berhormat. That is the least of what- what happen is this lah. You see as a public servant, I think most of the government officers here. We do not answer to the media unless it is really necessary. In fact, I am thankful you brought up the issue. At least you give me the opportunity to explain whether the explanation is good enough or not good enough. We understand that. It is your wisdom to judge.

So, itulah dia. That's why I am trying to explain. Now, since you brought up the issue. Now to balance, I think every government company, GLC or even like Changi today. They are not really privatized. They are corporatized. It's the question how they strike a balance. Because my latest understanding where Changi today is. You see Changi was making a lot of money as a government entity. When they corporatized, the billions of cumulated reserve was all taken by the government.

Now, you go and do, I hand over this airport to you.

I also was informed that in the case of Singapore, in developing the fourth terminal. It's going to be huge terminal, 65 million passengers. They are working very closely with a GLC as well, one of the big land and property development companies. We can see that they are also going in a big way on commercialization. I think shopping mall is the number one priority in that.

You can see that trend is move- because as an airport as you see, to move on passenger service charge, taxing the passenger is always an issue. You have to strike a balance, but where you going to get the revenue from. It will actually be commercial revenue. The commercial revenue then you are talking about shops. Your timbalan earlier had mentioned to me that it is like a shopping mall rather than an airport. There is a limit by which you can go because you see as far as the DCA is concern, being a regulator; we want to make sure that the flow of passenger is not impeded. You can have many shops as possible tetapi janganlah bubuh kerusi sampai sekat tempat ruang orang berjalan.

I think that is the balance that we have to strike because if you look at MAHB today, revenue per passengers from the commercial side is not as good or as high as some of the much commercialized airport. Like in the case of London, revenue per passenger from commercial revenue is very high. Meaning that people buy, people shop, people drink semua itu. So, that's what they are trying to do. But in doing so, there is also a certain limit. Ini kerana tadi pun Yang Berhormat bangkit ini- apa ini sudah jadi gerai, kedai. So, macam bazaar.

So, these are the thing that airport will have to continue to be very careful lah how to strike a balance. Jadi, at the end of the day it's striking a balance. There is always a price. The moment you push the price beyond a certain level where the passengers or the user refuse to bear it, that's when you get into trouble. So, the question is whether the price is right- are we not out pricing ourselves in the international environment because airport business is already very competitive. They cannot jual satu botol ini pada satu harga. The passenger knows whether to buy here or not to buy here or buy on board the aircraft or buy in Heathrow.

Tuan Pengerusi: *Interestingly, how was the shop doing?*

Datuk Seri Long See Wool: *Sorry?*

Tuan Pengerusi: *Interestingly, how was the shop doing, KLIA2?*

Datuk Seri Long See Wool: *I think in general they are doing well but they are shops. You see today macam ini sebab it's a tender system, kan. So, mereka masuk tender. So, hari ini ramai daripada kedai-kedai datang cakap, "Oh, berasaskan kepada business yang sedia ada, kami punya kedai jauh sedikit. Tak cukup." They are coming back and ask for reduction in rental which is also an issue for MAHB sebab when you tender at the price, you award the tender to the highest bidder.*

Kalau you turunkan you punya kadar, *the guy who did not win the tender will go after you. So, this a constant challenge to the organization as such.*

Tuan Pengerusi: *Ada complaint kah?*

Datuk Seri Long See Wool: *Ada. Sampai ke Timbalan Menteri-Menteri. In fact my advice to the minister is that it's a tender system- unless you get rid of the tender system.*

Tuan Tony Pua Kiam Wee: *This one I fully support. Okay. They tender for it, they pay until their contract ends or they can have early termination.*

Datuk Seri Long See Wool: *You see you have an alternative, like we understand also from Changi or some airport. What they do is because they also see the pitfalls of the tender system. So, dia bid dulu harga tinggi. Dapat dulu, kemudian datang balik minta macam-macam. So, what they did was they go and find the best retailer or the best restaurants in town. Dia bincang dengan dia. Ini tempatnya seluas besar begini- you nak tak? If you want how much you are willing to invest? You tell us first.*

■1350

Then we talk about the price. We fix a bowl of mee, a bowl of what and what. It just a different way of doing it. Akan tetapi kalau kita buat macam itu di sini pun tak boleh juga. Orang cakap ini direct nego ini, you cari kawan yang kaya dan besar.

Tuan Pengerusi: *Okey Datuk, thank you very much. That was the issue that I being trying to bring up way to the last one... [Ketawa] Akan tetapi you dah cakap dah. So the allegation is ya lah, somebody was preferably help to win the tender lepas itu baru dia cari tenant untuk nak isi tempat itu, so that was also another issue. So now you are saying the tender was done up a board. No issue ya? Open tender, okey fine. I hope after this kelonggaran daripada segi sewa dan sebagainya tak diberi ya. Jangan layan, fasal kalau layan sahaja, saya rasa PAC akan panggil. That was important problem in our job is collusion. Things have been tendered but then if is colluded years later, we don't know. So these issues you know I hope the shop lot that has been tendered out, please fulfill the agreement. Don't give them a chance if not nanti we will also had a perception that something is not right going on there about the shops.*

Tuan Tony Pua Kiam Wee: *Just to confirm, Datuk. MAHB has return to the government for an increase in PSC charges to be equal to KLIA the main terminal?*

Datuk Seri Long See Wool: *You see YB, if I may explain since you are raising a quite important issue already. You have a situation today where this terminal that we built is new and it consist quite a lot of facilities. Now if you look at this terminal building compare to the LCCT which is supposed to be from the very beginning a temporary solution to cater for the LCCT. It is not MAHB. They represented a number of airlines that operate here.*

IATA raised this as an issue that this creates a situation of unfair competition. So we have to look at the issue from that angle. They said if, okay I give an example they say a flight from Kuala Lumpur to Singapore where the fare is very competitive today. RM35 makes a difference to a passenger. So there is competitive advantage that has been created by you not having a charge on a parity basis. Now, it is an issue. They can file it to MyCC, Malaysia Competition Commission.

At the same time you must remember that under the air services agreement, there's a Fair Competition Clause where the airport or the government cannot do anything that creates unfair competition. Assuming that British Airways is flying here although they do not have a low cost carrier that fly from the low cost terminal, they can file it to the British Government purely on ground of principle and the British Government can act on it. So, not such a simple issue that we can harga sini lain sikit, harga sana lain sikit because you must be seen to be fair. It is an issue...

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara].

Datuk Seri Long See Wool: In fact open sky is very open, entire ...

Tuan Tony Pua Kiam Wee: [Bercakap tanpa menggunakan pembesar suara]

Datuk Seri Long See Wool: No, it depends on the number of countries that we have. Yang ada country Vietnam. In the case, in UK we have actually signed but we have not rectified. It is an open sky agreement with the UK.

Tuan Pengerusi: [Bercakap tanpa menggunakan pembesar suara]

Datuk Seri Long See Wool: So I hope I answer the question.

Tuan Tony Pua Kiam Wee: I ada ...

Datuk Seri Long See Wool: It's not a question of MAHB nak kita bagi sebegini. It's a principle that we have to honour.

Tuan Tony Pua Kiam Wee: I understood the answer. I just disagree with the principal behind it. We have been every different show pricing for last 15 years and the differential has actually benefited Malaysia as a whole because entire travel industry, the traveling domestic and international has increase as a result of this differential low cost aviation business. So by removing that differential now, it will negatively affect our aviation industry. I mean we can differ on opinion, I just telling you this....

Datuk Seri Long See Wool: Ya, I understand. I means that the argument is put forward but at the same time MAS also saying kalau you tak nak kurangkan itu, you kurangkan yang semua ataupun kami pindah pergi ke situ, lebih murah.

Ir. Mohd. Zaifuddin Idris: [Menyampuk]

Datuk Seri Long See Wool: *At the same times, Firefly, they operate from Subang, cakap kami di sini pun bayar RM70, tak ada kurang penumpang pun. So the questions actually bounce out, we have to analyze whether that RM35 in actuality would diminished passenger volume.*

Tuan Tony Pua Kiam Wee: *But you say yourself earlier that RM35 make a significant different for passenger.*

Datuk Seri Long See Wool: *Ya, true. To a certain extent, to a certain extent, yes. So is the question of no and yes but at the same times you create unfair pricing.*

Tuan Tony Pua Kiam Wee: *Don't want to beleaguer the point. We have our positions that not need to extend...*

Datuk Seri Long See Wool: *So at least I explain because later on kalau dibangkit nanti PAC panggil lagi but you will be calling a different person... [Ketawa]*

Tuan Tony Pua Kiam Wee: *It's good, it's good. Okay, following that just want to go back to the statement made by MAHB earlier, the last visit to PAC, yang berkata bahawa base on PSC sekarang, the charges sekarang, tidak ada keperluan untuk menaikkan PSC berbanding dengan kos operasi. That's means base on the current service charges, it is sufficient for MAHB to more than recover cost of operating KLIA2. Is that still a fair statement base on the transaction that happening today?*

Datuk Seri Long See Wool: *Would not be fair for me to comment on that.*

Tuan Tony Pua Kiam Wee: *No, no, for MAHB.*

Dato' Abd Hamid Mohd Ali: *I think that statement was made by our CFO... [Bercakap tanpa menggunakan pembesar suara]*

Tuan Tony Pua Kiam Wee: *Is that position still stand now base on the numbers that coming in for the last five month income from the rental, from the airport. Is that still a fair position that's no need financially for MAHB to increase the PSC at the airport to cover the cost of building the airport?*

Datuk Seri Long See Wool: *YB., macam inilah, the other factor I need to mentions is kita kenakan passenger service charge kepada penumpang yang berlepas ke Kuala Lumpur, kita pun tak lupa separuh daripada penumpang yang keluar dari sini merupakan rakyat asing. So isu kalau kita murah, there are other national that benefited from it. So isunya ialah kalau you lihat daripada segi apa negara mereka itu kenakan ke atas penumpang kita, especially in the West, there is no question of them subsidizing. Akan tetapi kita pula yang kalau kita bagi murah, mereka itu keistimewaan mereka dapat. So in a way kalau macam itu, if it involves issue of subsidy, we actually subsidizing travel dan juga melibatkan separuhnya orang asing.*

Tuan Tony Pua Kiam Wee: *We are subsidizing travel with their- if I may use the term lah I'm not using the term let say kalau I borrow the word. I'm not saying this subsidilah.*

■1400

Tuan Tony Pua Kiam Wee: *Yup I'll just have that on record. Okey, last bit I think Datuk is aware that we are invited Air Asia and KLIACS to come and give some their views as well. I just I mean it was a long thing I just want to point out few things that they mention as to see whether there is any respond or whether they give misleading information that MAHB wants to correct, okay. I'll just read them up. KLIACS, they said that konsep pembinaan KLIA2 yang ditetapkan adalah finger pier concept sebelum di tender. So mereka tetapkan skop sebagai finger pier concept sebanyak lapan reka bentuk telah dikemukakan di mana tujuh reka bentuk menggunakan finger pier concept seperti yang ditetapkan di dalam RFB.*

Manakala satu reka bentuk menggunakan *satellite concept*. Bagaimanapun reka bentuk *satellite concept* yang tidak mengikut ketetapan dipilih untuk pembinaan KLIA2. *Is that fair statement from KLIACS?*

Dato' Abd. Hamid Mohd. Ali: *Fair statement because that finger pier was base on the NACO master plan. So there's an evolution criteria that we use to select the best configuration. Number one is how you accommodate these 72 gates that required. Finger pier you can not do that because there's a limit to that and that finger pier they base on multi terminal concept, if pier RM15 juta, RM15 juta, RM15 juta. So there's some issue regards to that. So that's why we carry out the evaluation. We tabulate clearly the best option that meet the long term requirement of KLIA2. That's why the current concept was selected.*

Tuan Pengerusi: *One question. Daripada tujuh, tidakkan enam submit ikut NACO, satu tidak submit, selepas itu you pilih. Ada tidak collusion yang berlaku? Betul ya?*

Dato' Abd. Hamid Mohd. Ali: *Sebabnya yang lain itu dia ikut bulat-bulat master plan.*

Tuan Pengerusi: *I tahu. Itu yang jadi tanda tanya kepada kita. Maknanya you jemput tujuh. Enam ikut NACO, ikut apa yang you taruk lah sebagai you punya spec kan, you pun requirement. Sekali you boleh pilih yang tidak ikut. Dalam pandangan kita terus fikir bahawa ada collusion di antara penender yang menang dengan management pasal hanya management sahaja yang tahu macam mana hendak buat keputusan selanjutnya.*

Dato' Abd. Hamid Mohd. Ali: *Sebab NACO berasaskan kepada...*

Beberapa Ahli: *[Ketawa]*

Dato' Abd. Hamid Mohd. Ali: *Because NACO berasaskan kepada operasi di negara mereka di mana ia tidak memerlukan 100% gate stand. Dia boleh allow bus remote stand by bus and all that tetapi kita AirAsia memerlukan ke semua 68 gates to be contact stand. Jadi asas ini juga penting.*

Tuan Tony Pua Kiam Wee: Saya juga difahamkan bahawa bagi kebanyakan reka bentuk, tujuh yang ikut *finger pier concept* itu kebanyakan mereka juga patuh kepada *contact stand finger pier* tetapi betul memang *development* secara berfasa. Okey, *I just read you some of the other comments relating to this point*. Konsep reka bentuk *satellite concept* memerlukan bangunan perlu dibina tinggi supaya pesawat dapat melaluinya.

So you have the sky bridge. Pembinaan *bridges* dan sebuah *tunnel* yang menyambungkan satelit dengan bangunan terminal juga menjadi keperluan. Pembinaan menara kawalan juga menjadi keperluan kerana ketinggian bangunan menghalang pandangan di landasan. *So the conclusion* banyak kos boleh dijimatkan sekiranya *finger pier concept* digunakan untuk pembinaan KLIA2..., *that was the conclusion, fair remarks from KLIACS*.

Dato' Abd. Hamid bin Mohd. Ali: Tidak kerana *requirement* bertukar. Kita perlukan *control tower* kerana *control tower* yang ada sekarang tidak dapat melihat berasaskan kepada *assessment* daripada Jabatan Penerbangan Awam. Dia tidak dapat melihat ke hujung landasan *runaway 3* kerana pada asalnya *runaway 3* hanyalah 2.5 kilometer sahaja, tetapi pada hari ini kita bina 4 kilometer, jauh. Jarak asal adalah 1.5 atau 1.8 antara *runaway 2* dan *runaway 3* tetapi kita anjakkan kepada 2.2 kilometer jarak. Jadi dia lebih jauh. Jadi mengatakan yang menara kawalan tidak perlu dan sebagainya adalah tidak benar kerana ketika PMC dilantik, projek ini masih awal kita masih membincangkan mengenai bajet RM2 bilion dan sebagainya.

Tuan Tony Pua Kiam Wee: Isu *satellite concept* dibina lebih tinggi itu benar?

Dato' Abd. Hamid bin Mohd. Ali: Berasaskan kepada konsep asal ya memang dia rendah tetapi apabila kita mengambil kira keperluan trafik pengasingan antara *arrival* dan *departure*, maka kita perlukan ruang yang besar terutamanya untuk menempatkan bagasi automatik yang memerlukan *space* untuk menempatkan *sorters*. Pada peringkat awal memang benda ini tidak ada, *all manual sortation*. Ketika PMC dilantik dan membuat spesifikasi perkara ini memang tidak ada. Jadi setelah projek ini berjalan, maka benda ini timbul perubahan kerana AirAsia memerlukan *full automated Baggage Handling System*. Jadi kita perlu naikkan ketinggian bangunan untuk menempatkan sistem bagasi.

Tuan Tony Pua Kiam Wee: Okey, saya beralih kepada apa yang disebut oleh AirAsia terutamanya mengenai *fully automated Baggage Handling System* (BHS) di sini. Mereka berkata kepada PAC bahawa AirAsia telah memilih *option 2* iaitu *semi automated system* yang lebih murah daripada *fully automated system*. Keputusan MAHB untuk menggunakan *fully automated system* adalah tidak berkaitan dengan AirAsia. MAHB juga telah mengakui pilihan AirAsia untuk *option 2* pada 10 Oktober 2011 melalui sepucuk surat. So ini bercanggah dengan kenyataan Datuk mengenai pilihan *automated baggage system*.

Dato' Abd. Hamid bin Mohd. Ali: Untuk *fully automated* dengan *semi automated* tidak jauh berbeza dan kita menjangkakan jika kita buat *fully automated* sekarang, maka kos akan datang kita boleh jimatkan. Sebab itulah sebagai *airport operator* yang berpengalaman, kita tidak mahu lagi terjerat dengan *short term requirement* seperti yang berlaku di LCCT. Kita buat *carousel system* untuk *baggage*, AirAsia kata dekat kita *we want dedicated direct feeder*.

Jadi kita kata kalau *you* buat *direct feeder, every check in counter, you* kena letak dua orang. *There are 70 check in counters, you* kena 140 orang untuk satu waktu. Dia tidak dengar dia suruh kita buat juga, kita buat. Akhirnya selepas setahun beroperasi, kita kena buka semula terpaksa kos RM3 juta. Jadi yang ini pun sama juga kami rasa apa yang kami buat adalah wajar, maka kami teruskan dengan *fully automated* dan *comply to the requirement of 45 every passenger per and hour. That semi automated probably up to 30 million, you need to go for fully automated after that.*

Tuan Tony Pua Kiam Wee: Okey *that statement is fair*. Hanya saya hendak *confirm* keputusan untuk pergi *fully automated* adalah keputusan MAHB dan bukanlah permintaan daripada AirAsialah.

Dato' Abd. Hamid bin Mohd. Ali: Permintaan daripada AirAsia kerana kami ada surat daripada AirAsia yang menyatakan keperluan tersebut.

Tuan Tony Pua Kiam Wee: Adakah mereka menyokong *semi automated Baggage Handling System*?

Tuan Pengerusi: *There is a letter lah together with the report as I say whole IKRAM* tu lah. *Report IKRAM* itu *make sure is about runaway, apron and taxi way the whole* pembinaanlah bukan sahaja *on building*.

Tuan Tony Pua Kiam Wee: Okey soalan saya terakhir berkaitan dengan soalan awal itu KLIACS. AirAsia berkata bahawa permintaan mereka dari sejak awal bukan pertengahan. Mereka telah pun meminta satu lapangan terbang yang boleh memuatkan ataupun berkapasiti 30mppa, *million passengers per annum* yang boleh diperbesarkan kemudian kepada mungkin RM45 juta. So itu merupakan dasar dan asas untuk mereka bentuk KLIA2 dari awal. So isu yang selalu dibangkitkan oleh MAHB di mana lapangan terbang telah pun diperbesarkan *half way* mengakibatkan kenaikan kos itu tidak berasas. Itu desakan yang telah pun diberikan. Kos meningkat hanya mengenai *the inside of the airport and not the overall design of the airport*.

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Dato' Abd. Hamid bin Mohd. Ali: Ada senarai AirAsia *wish list* di mana mereka mengatakan *they want*, mereka berkehendakkan 68 *contact stands*. Jadi 68 *contact stands* kalau *you translate into annual volume is 45 million passengers per annum*. Jadi AirAsia ada

mengemukakan *forecast* mereka dan sebagainya di peringkat awal kajian ini. Kalau kita ikut asalnya 55 *stands* sahaja yang perlu dibina, tetapi kita buat 68. Nilai 55 *equivalent* to lebih kurang dalam 30 MPPA. Jadi kalau kita bina 30 sahaja dan tidak sampai 5 tahun, *you* perlu *start expand the airport already*. Jadi untuk mengelak tersebut, kita ikut kehendak dia 68, *we translate back to the size you know that is about 45 MPPA*.

Tuan Tony Pua Kiam Wee: *No. I think the point was* mereka memang kata mereka minta 68. Mereka kata mereka minta 68, mereka minta 68 dari sejak awal. *So they never ask anything less than 68* dan tender yang dikeluarkan oleh pihak MAHB adalah untuk 68 *contact point, the based. So the point was that at the point when the budget was still RM2 billion, memang reka bentuk adalah untuk 68 ataupun 70 contact point dan bukannya untuk 55. So on the justification that MAHB ada untuk peningkatan kos adalah bahawa kapasiti airport telah pun meningkat halfway. So what they are saying is that the capacity always the same, it never change halfway.*

Tuan Pengerusi: *68 does not means 45 million because using on the size of the plane, you use Airbus 380 you can bring in more passengers... [Disampuk] Up to. If you use a smaller aircraft, 68 gates do not mean 45 million passengers. It is depends on piawaian dan sukatan ukuran yang you pakai.*

Tuan Tony Pua Kiam Wee: *The main point is that they was never ask in the middle of the project expansion of the capacity. It always 68 or 70 contact points from the start.*

Dato' Abd. Hamid bin Mohd. Ali: *We started discussion with the AirAsia way back into 2008 already about the requirement. On 2009 when government announced, we have a series of meeting with them until when we called tender in 2010. We started this project in September 2010, it is halfway through already. At that time yes, we already fixed because we already discussed along the way.*

Tuan Tony Pua Kiam Wee: *Jadi fixed 68 contact points?*

Dato' Abd. Hamid bin Mohd. Ali: *Yalah. It is because kita sudah pertengahan.*

Tuan Tony Pua Kiam Wee: *So that is what I am saying. So it has been fixed 68 contact points, then why it in 2012 when the price increased, the excuse was the capacity was increase to 45 million when it is already 68 contact point?*

Tuan Pengerusi: *Dato' faham soalan Yang Berhormat Petaling Jaya Utara? 68 gates itu is nothing to do with the capacity of passengers. Daripada awal memang sudah 68 gates. Sekarang ini you punya alasan itu yang berubah daripada 30 kepada 45.*

Dato' Abd. Hamid bin Mohd. Ali: *Terminal building is only 30% of the entire cost of the project. The bulk or the cost is infrastructure, the runway especially. Itu pun sama juga, daripada 2.5 kilometer kepada 4 kilometer because AirAsia berkehendakkan supaya sama dengan runway 2,*

sama panjang, walaupun *from statistic is only 95%, only code CA aircraft* yang tidak memerlukan. Akan tetapi kita terpaksa akur dengan kemahuan mereka dan mereka juga berkehendakkan supaya *runway* ini dijarakkan daripada 1.8 kilometer kepada *runway 2* sehingga 2.2 kilometer. Jadi, kawasan *footprint* meningkat dua kali ganda menyebabkan kerja *earth works* meningkat dan infrastruktur yang lain juga meningkat. Jadi terminal *building* sebahagian daripada kos tersebut.

Tuan Tony Pua Kiam Wee: *No other question.*

Tuan Pengerusi: Ada apa-apa *question*? Saya hendak tambah sedikit, *statement* ini penting. Is MAHB *customer-centric* tidak? Fikir *customer first*? Apa bukti *you* boleh kemukakan bahawa *you* fikir fasal *customer* dahulu?

Dato' Abd. Hamid bin Mohd. Ali: *We conducted airport opinion survey every month where the feedback from the passenger are access and it is our headline KPI. We have to achieve certain mark in order to meet our KPI and also this is as I mentioned Datuk just now also, part of operating agreement, we must attend certain performance standard. We always attend through the request of the passengers. We have taskforce looking at this service element. There are 32 service elements in that survey. It is covered right from the transport until the passengers board the plane. At the moment now, we are taking action to install 22 walkalators at KLIA 2 as part of this initiative to improve the passengers comfort and plus the buggies are running around to...*

Tuan Pengerusi: Dari awal *you* tidak fikir fasal hal itu bukan?

Dato' Abd. Hamid bin Mohd. Ali: *Pardon?*

Tuan Pengerusi: Masa *you* buat *airport* ini, *you* tidak fikir hal *airport* ini besar betul bukan?

Dato' Abd. Hamid bin Mohd. Ali: Masa itu *we were concern about cost because people said you should not exceed RM2 billion*. Jadi kita buat *value management...*

Tuan Pengerusi: *That is my question* tadi. *If you budget is RM2 billion*, tetapi *you* incorporate *customer* punya requirement and satisfaction in need then *you* would actually incorporate all this amenities inside dan sebagainya within that *RM2 billion* cost. Akan tetapi *you* were more interested in build the airport for *RM2 billion*.

Dato' Abd. Hamid bin Mohd. Ali: *[Bercakap tanpa menggunakan pembesar suara.]*

Tuan Pengerusi: Betullah. Itu maksud saya tadi. Soalan saya itu sebenarnya banyak isu. Ia bukan soal *passenger* yang hendak naik kapal terbang, soal dengan *airline* sekali fasal saya lihat hubungan MAHB dengan AirAsia dan sebagainya- *actually AirAsia is 90% your customer at KLIA2* pun. Semua kapal terbang AirAsia sahaja, tidak ada kapal terbang lain pun saya lihat. *The hope and the promise you* kata hendak *premium airline to come over*, *I think* selepas siapa telah naik KLIA2, *I do not think the premium airline would prefer to fly from KLIA2*. Ini kerana jauh sangat, KLIA 1 lagi dekat untuk hendak jalan, hendak *move around* dan sebagainya. Apa yang kurang ialah kedai, KLIA

1. Akan tetapi itu pun saya risau juga, kalau banyak sangat kedai, banyak sangat orang, ada *terrorist* datang bawa dan letak bom di tengah-tengah situ sahaja, *you will have the major security issue there.*

Security is very lack. Tidak ada orang tanya *who are you* apa semua dan saya lihat kebanyakan *passenger* dalam KLIA2 itu adalah orang luar, bukan orang kita. *I think that also another issue you should put more emphasize on. It is because if you have at one time* berpuluh ribu orang naik terminal *especially* sebelum *you* masuk imigresen. *I am sure* selepas imigresen *you* sudah ada *you* punya sekuriti dan sebagainya. Di luar ini, di tempat orang makan, kedai dan sebagainya, ada orang letak bom sahaja, *you will have a lot of people who are dead in that area,* di kawasan luar itu. Itu satu lagi isu yang saya hendak sebut.

Isu yang terakhir saya hendak sebut ialah Tan Sri Bashir ada sebut fasal hendak buat satelit terminal yang baru untuk KLIA. Tahu. Akan tetapi sekarang ini kalau saya lihat *passengers* punya *numbers* dalam KLIA itu sendiri sudah kira lenganglah *airport* itu. Ia cuma sebuk awal pagi dan lewat malam. *Other times of the day,* kosong. Mungkin disebabkan oleh *market condition,* kedudukan kita jugalah, di tengah-tengah antara Australia dan sebagainya. Kalau kita hendak guna KLIA untuk hendak *develop our regional route* pun susah sekarang kerana sudah ada KLIA2. Jadi persoalan saya, adakah wajar hendak membuat terminal satelit baru ini dalam keadaan sekarang di mana *you* punya market, *your business plan* ini sudah berubah *tremendously because of* pembinaan KLIA2 ini.

Dato' Abd. Hamid bin Mohd. Ali: *That is just planning. It is part of our long-term planning because* KLIA 1...

Tuan Pengerusi: Tan Sri kata hendak pecah tanah semua, hendak buat kontrak sudah.

Dato' Abd. Hamid bin Mohd. Ali: Itu *I am not aware. We are still looking at the option because satellite B* kalau berasaskan kepada *master plan* asal, sememangnya perlu dibina apabila *traffic* mencecah 25 juta. Tahun lepas kita sudah mencapai 25.7 juta...

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

Dato' Abd. Hamid bin Mohd. Ali: *No. Even that also now, we partly will be* pindah sanalah. *We are still reviewing. There are options beside satellite B, you can also extend the contact pier. Because right now when you manage airport, you are managing peak actually.* Ia macam restoran juga waktu *lunch hour* kalau *you* ada meja 10, 10 itu sahajalah yang *you business.* So yang lain akan *go away.*

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So, that is why now, during peak hours, all the others satellite bay is fully occupied. Contact pier pun, *I think about 80%-90% occupied.* Jadi, itu masalahnya. Kalau kita hendak terus *be the preferred half for premium airline, we need to provide the capacity for this airline to come. So, one of*

the option is to build Satellite B or to extend the contact pier. There is still an ample space contact pier yang mana parkir apron sudah ready, you just extend the building. So, these are the option yang kita masih bincangkan dan juga tengok pada kemampuan syarikat untuk membiayai kos pembinaan. Ini masih di bincang pada peringkat awal dan masih belum diputuskan lagi.

Tuan Pengerusi: *Fasal Tan Sri itu hari dia come over, masa datang they are very bullish boleh achieve the figures. Bila tanya balik macam mana dapatkan figure 45 millions itu dia kata, "Your own internal projection", bukan? Akan tetapi bila sekarang ini sudah siap airport itu saya tengok macam sudah ada cannibalization pula KLIA2, bila low cost airline sudah pindah ke sana. So, KLIA1 pula yang- untuk saya, underemployed. Walaupun you kata peak bukan tetapi peak itu you boleh transfer pada non-aerobridge punya parking base. So, okeylah.*

Dato' Abd. Hamid bin Mohd. Ali: *Kita banyak...*

Tuan Pengerusi: *Banyak yang parking kapal terbang yang simpan-simpan itu semua bukan. Banyak. Itu sahaja saya rasa sudah ada lebih kurang 25-30 bays di luar itu yang parking tanpa ada aerobridge.*

Jadi itulah, saya ucapkan... Ada soalan lain? Yang Berhormat Petaling Jaya Utara? Kalau tidak ada apa soalan lain saya ucapkan terima kasih kepada Datuk dan juga wakil daripada ERL dengan MAHB. Sebenarnya Datuk, tujuan kita panggil Datuk pada hari ini dengan MAHB adalah untuk memberi peluang untuk menjawab kali terakhir sebelum kita siapkan laporan ini. To be fair to you, we started off with you, now we have called AirAsia, KLIACS, apa semua, now, we close with you. So we are trying to be fair here, try to get the best picture. Your arguments have been quite acceptable in many respects but there are also arguments yang I think we were have to consider in the PAC or as part of our own report. Thank you very much Datuk. Sorry to impose on you, another time for three and half hours and I wish you happy future, no longer carrying the problem of running ministry... [Ketawa] And we thank you very much for appearing to it.

Datuk Seri Long See Wool: *Just in response. Thank you very much, terima kasih kepada semua PAC. We understand the PAC punya position is in public interest, in interest of user. Saya hanya satu sahaja minta PAC, yang gambar-gambar tadi itu which you showed, if we can have a copy, we also want to be give the real picture yang adanya gambar. Kalau sudah lama itu, kalau sudah repair, if you reproduce the picture you give a perception as if is still there. So, just that to give the current, the most...*

Tuan Pengerusi: *I do not think it is appropriate for us to include pictures in our report, maybe. Because all reports...*

Datuk Seri Long See Wool: *If that is not the case, then it is not an issue.*

Tuan Pengerusi: ...*Supposed to be evergreen. It is not supposed to include snapshot of time when perkara itu sudah dibetulkan.*

Datuk Seri Long See Wool: *I did not know that. Dengan gambar nampak lebih, not so boringlah kalau ada gambar... [Ketawa] Okey, dengan itu...*

Tuan Pengerusi: *Hendak letak boleh Datuk... [Ketawa]*

Datuk Seri Long See Wool: *So, kalau dengan itu kalau tidak ada hal, saya mengucapkan terima kasih sekali lagi. So if Secretariat, if there is any return answers you want from us, please communicate then we will do...*

Tuan Tony Pua Kiam Wee: *We just need the report, particularly the ICAO and the IKRAM's report. That is all.*

Datuk Seri Long See Wool: *Okay.*

Tuan Tony Pua Kiam Wee: *Thank you.*

Datuk Seri Long See Wool: *So dengan itu saya mengucapkan terima kasih kepada semua, thank you.*

Tuan Pengerusi: *Thank you.*

[Mesyuarat ditangguhkan pada pukul 2.24 petang.]