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**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.

■1140

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.

■1220

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 loose 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 requirement, 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 has 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 runways 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?... Insyah-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 prepared 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.]