GICC 2018: KSS and Malaysia Updates

- 17 April 2018
- Paris, France
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Knowledge Sharing Session
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Malaysia Updates
  - ICP Policy & Guidelines
  - Green ICP Initiatives
  - Civil ICP Activities
GOCA APAC 2017  (KSS initiation)
Knowledge Sharing Session for Government Industrial Participation Leaders (KSS)

What is it?

It is a platform established to enable the offset Authorities from many countries share issues, challenges and lesson learned that offset (..now we call it Industrial Participation, Industrial Collaboration etc.) could be carried out more effectively and systematically to support a nation economic development.
Knowledge Sharing Session for Government Industrial Participation Leaders (KSS)

Objectives

- to establish a platform where the IP government representatives or authorities could share their experiences and challenges in implementing IP in their countries

- to create common understanding among the government representatives of each participating countries on Industrial Participation (IP) philosophy an its implementation

- to identify meeting points between a nation’s needs and OEMs/contractors expectations for more impactful IP implementation
Knowledge Sharing Session for Government Offset Leaders (KSS)

Participating Countries at Knowledge Sharing Session for the Government Offset Leaders

1st KSS
2nd KSS
3rd KSS

14 countries
15 countries
16 countries

42 participants
29 participants
31 participants
2 topics were discussed in KSS 2018@Paris

Topic 1 – IP Policy and guidelines:
• Multiplier
• Penalty mechanism

Topic 2 – IP operationalization
• How to evaluate Technology Transfer and IPR
• How to measure performance and success?
3rd KSS Recap (15 April 2018)

**Multiplier**
- Published multiplier - rooms for OEMs to do the ‘correct’ costing
- Semi/Unpublished multiplier - advantage for the government authority to strategize for more impactful programs
- Set based on the nation’s priority areas

**Penalty**
- Requirements to be entered into IP agreements
- Questions of IP to carry ‘developmental role’ against ‘contractual role’
- Civil IP as business case and Defense IP as government strategy

**IP Operationalization**
- Idea of Technology Cooperation and Technology Transfer
- Measurement of success based on timeline, milestones, deliverables and impact
- Public procurement as IP ‘causality’ is key for economic growth – need to strategize effectively for impactful outcomes

**Others**
- Establishment of offset ‘best practice’ as guideline to ICP/IP Authorities
KSS Update
- GOCA APAC 2017 Conference
- Knowledge Sharing Session

Malaysia Updates
- Civil ICP Activities
- ICP Policy & Guidelines
- Green ICP Initiatives
Some Civil ICP Success Stories

MRT Line 1 project was initiated in year 2011 and completed in years 2017

1. Electric Train
2. Track Works
3. Tunneling & Underground Works
4. Signaling & Train Control System
5. Power Supply & Distribution System
6. Automatic Fare Collections

ICP has helped to increase the localization target from 30% to 50%
~ USD 1 billion
Some Civil ICP Success Stories

National Rail Centre of Excellence (initiation)

NRCOE establishment (from two different ICPs) is to perform professional skilled in human capital development where as there current program / training in rail sector is only focusing in operation services.

NRCOE will cover all sectors in Rail eco –system.
Civil ICP Activities

ICP Program by Procuring Agency

- Ministry of Science Technology & Innovation (MOSTI) 2.25%
- Bahagian Hal Ehwal Penguatkuasaan Maritim Malaysia (BHEPMM) 2.25%
- Department of Civil Aviation (DCA) 3.37%
- Ministry Of Home Affairs (MOHA) 7.87%
- Ministry of Transport (MOT) 17.98%
- Prasarana Malaysia Berhad (PRASARANA) 33.71%
- MRT Corp (MRTC) 29.21%

source: ICP Intelligent Data Management System
Civil ICP Activities

ICP Program by Sector

- Verified ICP Value in 2017: **USD1.12 billion**
- Total ICP Program: **80**
- Procurement Value: **USD18.13 billion**
- Identified ICV: **USD7.37 billion**
- Total ICP Projects: **441**

source: ICP Intelligent Data Management System
Green ICP Initiatives

Malaysia ICP Management Framework

Pre-Implementation
- ICP Requirement Document
  - Articulate ICP Strategies
  - Determine the Value
  - Formalize an IC

Bidders’ ICP Proposal
- Assess OEMs businesses and identify potential beneficiaries capability and competency

ICP Proposal Evaluation
- Maximize returns for socio economics, technology and local industry development

Implementation
- ICP Program Agreement
  - Finalization of activities, deliverables, outcomes and timeline

ICP Program Implementation
- ICP activities monitoring to ensure performance of the deliverables

ICP Program Assessment
- Carry out ICP assessment audit

Post-Implementation
- ICP Program Completion
  - Relief from program upon completion

Clarification / Negotiation
- ICP Recipient Audit
- Surveillance Audit
- Post Implementation Audit

ICP Strategy
- Evaluation on environment impact
- Measurement & Assessment

Conclusions
- Verification and validation of outcomes
- Report generation

Identify potential Green programme
Assessment of Proposal
Target setting, Agreed methodology and assessment method
Green ICP Initiatives

Carbon footprint reduction
- Procurement of EV (buses and ETS)
- Green Stations

WEC Project
- Renewable energy
- Environment Friendly projects
Thank you
Merci
Terima kasih
شكرا
Arigato
Takk skal du ha
Gracias

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