

	Ministry of Education’s Reasons for not Accepting Offer from YTL Communications for Free Services during 6 months interim period	YTL Communications’ Response
1	<p>Kos tersembunyi (hidden cost) Bermula Kontrak Perkhidmatan 1Bestarinet Fasa 2 sehingga kini, pihak YTLC tidak pernah membayar caj elektrik struktur menara telekomunikasi (tower) yang dipasang oleh YTLC di sekolah dan premis Kerajaan. Anggaran caj elektrik yang melibatkan 2,715 tapak adalah berjumlah RM41,881,384.98 dan terpaksa ditanggung oleh Kerajaan.</p> <p>Laporan Ketua Audit Negara, telah membuat teguran berkaitan caj elektrik supaya kos tersebut ditanggung oleh YTLC kerana menara telekomunikasi yang dipasang adalah juga untuk tujuan komersial selain untuk kegunaan sekolah.</p>	<p>The allegation that it is a “hidden” cost is totally unfounded.</p> <p>In our tender for the project, it was clearly stated that the price we offered was on the basis that the cost of electricity supply to the towers would be borne by the Ministry. This was evaluated by the Ministry and deemed the most cost effective offer.</p> <p><u>The Ministry had accepted this for both phase 1 and phase 2. In fact, the phase 2 agreement was signed in 2016 (after review and taking into account the Auditor General’s report in 2013).</u></p> <p>There was nothing hidden about this cost. The Ministry was aware of this at all times.</p>
2	<p>Kerajaan Malaysia berpotensi untuk kehilangan pendapatan penyewaan komersial menara telekomunikasi (tower) Sepanjang tempoh enam (6) bulan tawaran interim oleh YTLC, Kerajaan Malaysia berpotensi untuk kehilangan pendapatan penyewaan komersial struktur menara telekomunikasi (tower) sebanyak RM32,580,000.00.</p>	<p>It was agreed in our contract that the rental of the school sites would be determined by Jabatan Ketua Pengarah Tanah dan Galian Persekutuan (JKPTG). There is no loss of income for the Government and the estimate of RM32 million is purely speculative.</p> <p><u>The towers are used solely by YTL Communications. We do not rent any part of the towers to other telcos. There is therefore no commercialisation of the towers.</u></p>

		<p>All base stations are part of our nationwide 4G mobile network. The towers on the school sites were expressly recognised by the Ministry in the contract as a means of providing broadband services to the schools as well as to the communities around the schools in line with the Government's goal of enabling broadband services at the national level under the National Broadband Initiative.</p> <p><u>During the 6 months interim period all rental will similarly be determined by JKPTG and will be borne by YTL Communications so there is no loss to the Government of potential rental.</u></p>
<p>3</p>	<p>Kelemahan yang dihadapi dalam pelaksanaan Projek 1BestariNet Fasa 2 akan berulang Selepas Kontrak Perkhidmatan 1BestariNet Fasa 1, YTLC telah diberi tempoh interim dengan tujuh (7) kali lanjutan dalam tempoh dua (2) tahun. Akhirnya Kontrak Perkhidmatan 1BestariNet Fasa 2 juga telah diserahkan kepada YTLC. Pihak KPM tidak mahu kelemahan – kelemahan yang ada dalam kontrak lama berulang bagi memastikan guru dan pelajar mendapat manfaat yang optimum.</p>	<p>The contract is for 15 years but implemented in rolling phases, where at the end of each phase there would be a joint review on performance, changes in technology, basic educational needs and price. <u>This means that the technology, price etc would be evaluated at the end of each phase. This was an in-built mechanism to address any perceived areas of concern of the contract to ensure they would not be carried forward into the next phase.</u></p> <p>In any event, it was reported by The Star that in the press conference, the Secretary General said that YTL Communications was awarded phase 2 because we were still the best service provider at that point of time.</p> <p><u>We have met all SLAs in the contract.</u></p>
<p>4</p>	<p>Tidak dapat meneroka teknologi terkini dan bersesuaian untuk KPM KPM tidak berpeluang untuk mencuba teknologi alternatif yang mungkin lebih baik kepada para pelajar dan guru serta menjimatkan</p>	<p>Notwithstanding that the project is for 15 years, the contract does not prevent the Ministry from exploring the latest technology. In fact the Ministry has from time to time conducted trials in the schools. <u>Switching the entire school system to 3 new ISPs that are providing technology similar to what was provided under phase 2 is not exploring new technology.</u></p>

	<p>perbelanjaan Kerajaan.</p>	<p>The joint review process at the end of each phase allows changes in technology to be addressed.</p> <p>The Ministry had announced its intention to have an open tender for the next phase which YTL Communications was happy to participate in. If this had been carried out, the Ministry would have been able to specify its requirements for technology and discovered the prices for such technology. The Ministry instead decided to appoint the 3 ISPs without a tender.</p>
<p>5</p>	<p>Dapatan Hasil Kajian Impak dan Hala Tuju Pendidikan Digital Negara Hasil kajian yang dijalankan ke atas guru, pelajar dan pentadbir mendapati kualiti capaian internet yang dibekalkan tidak memuaskan dan tidak dapat memberikan pekhidmatan yang terbaik kepada pihak Kerajaan.</p>	<p>In phase 2, YTL Communications provided a range of technologies ranging from mobile internet to fibre and has provided the Ministry with bandwidth of up to 100 Mbps.</p> <p><u>All bandwidth specification under the contract was determined by the Ministry and not by YTL Communications. We have at all times provided the bandwidth as specified. Our performance is measured by SLAs, all of which we have satisfied.</u></p> <p>Therefore, if the teachers are dissatisfied with the internet speeds, it would be because the bandwidth that the Ministry specified do not satisfy the requirements of the schools.</p> <p>It is unjustified to blame YTL Communications.</p>
<p>6</p>	<p>KPM telah mengenal pasti Google Classroom (GC) sebagai alternatif bagi menggantikan perkhidmatan Frog VLE di bawah projek 1BestariNet.</p>	<p><u>The FrogVLE has far more features than Google Classroom as it is a total teaching and learning solution customised to the requirements of the Ministry.</u></p> <ul style="list-style-type: none"> ● It is a private secure platform that protects students from unsafe and inappropriate content

	<p>GC diberi secara PERCUMA kepada semua institusi pendidikan (sekolah, negeri dan Kementerian) di seluruh dunia.</p>	<ul style="list-style-type: none"> ● It provides teachers with a library of curated content (including ready-to-use lessons and quizzes) for all subjects (including those for Chinese and Tamil schools) that is mapped to the Malaysian curriculum, from Standard 1- Form 5. ● It allows for self-learning and revision through a gamified quiz engine ● It has automated assessments and analytics which helps teachers identify and address each student's learning gaps <p><u>It is clear in our offer to the Minister on 31st May that for the interim period, there would be no cost for the Frog VLE.</u></p>
<p>Other Matters Raised</p>		
<p>7</p>	<p>Cost to the Ministry in the interim period</p>	<p>YTL Communications has offered to provide internet services and the Frog VLE entirely free of charge during the interim period of 6 months.</p> <p>If the Ministry had accepted our offer for the free services during the interim period, the Ministry would have:</p> <ol style="list-style-type: none"> 1. saved the millions which it is now paying to the 3 ISPs; 2. avoided disruption to the schools in the middle of the school year; and 3. the time to conduct a tender exercise following which they would have a properly defined solution and price. <p><u>There is no justification whatsoever for the Ministry to award the internet services for the interim period to the 3 ISPs in the face of YTL Communications' offer.</u></p>

<p>8</p>	<p>Price Comparison</p>	<p>During the interim period, no price comparison is required as we have offered our services for free.</p> <p>If the Ministry was interested to undertake a price comparison, this could only have been undertaken in one of 2 ways:</p> <ol style="list-style-type: none">1. Undertake a joint review as provided in the contract on both price and technology;2. Calling an open tender with clear specifications and scope of work. <p>Trying to compare prices in any other way is mere speculation.</p> <p><u>It should be noted that the price for phase 2 was for a different specification and a different time period.</u> For example, the provision of dedicated fibre connections to rural schools required high capital cost. The Ministry evaluated this on the basis of capital investment and timing and deemed that our price was appropriate and the best for the time. It is not justified to compare this to available infrastructure that can easily be connected. Over 50% of the 1000 schools which were provided with dedicated fibre connections were in Sabah and Sarawak.</p> <p><u>As reported in The Star, the Secretary General confirmed in the press conference that YTL Communications was awarded phase 2 because we were still the best service provider at that point of time.</u></p>
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