

'LAND ACQUISITION FIRST'

# LOKE: MRT3 UNAFFECTED BY EXTENSION

Contract awards not finalised so MRT Corp's request has no impact, says minister

NOR AIN MOHAMED RADHI  
KUALA LUMPUR  
news@nst.com.my

**T**HERE will be no impact on the Mass Rapid Transit Line 3 (MRT3) project, despite the three-month extension sought by MRT Corp. This, according to Transport Minister Anthony Loke, was be-

cause contract awards had yet to be finalised, with the Finance Ministry making the decision.

"At the end of last year, we announced that the budget for land acquisition had been approved.

"We will start with the land acquisition process for the MRT3 Circle Line," he said after his working visit to Selangor Road Transport Department on Tuesday.

Loke said this when asked about the impact of the three-month extension on the project timeline.

On Dec 29, *Business Times* reported that MRT Corp sought another three-month extension, to March this year, to finalise tenders for the multi-billion-ringgit rail development.

This marks the fourth extension requested by MRT Corp since the middle of last year, adding an air of suspense to the much-anticipated project.

When contacted for updates on

the circle line project and its tender process, an MRT Corp spokesman said the project's status was as per Loke's announcement on Dec 21 — that MRT Corp would start securing the MRT3 land corridor as early as the second quarter of 2024.

On Dec 22, Loke, when addressing the media after the lease agreement signing ceremony between MRT Corp and the Federal Lands Commissioner, revealed that the land acquisition process for the MRT 3 Circle Line project would commence in stages from

next year, spanning a two-year timeline.

The acquisition process is expected to involve 1,012 lots of land, covering 842 private lots, 133 government lots, and 37 lots of unknown ownership.

However, he noted that the alignment for MRT3 had yet to be finalised, leaving some aspects of the project subject to further clarification.

*Page 1 pic: A Mass Rapid Transit train on the Putrajaya line pictured last year.*



# UNCLEAR RAIL DEVELOPMENT

## MRT Corp seeks fourth extension to finalise tenders for Circle Line

S. BIRRUNTHA  
KUALA LUMPUR  
bt@nst.com.my

**T**HE fate of the Mass Rapid Transit Line 3 (MRT3), or Circle Line, project remains uncertain as MRT Corp has sought another extension to finalise tenders for the multi-billion-ringgit rail development.

It is understood that the extension is until March next year.

It is the fourth extension requested by MRT Corp this year.

Analysts had expected a joint venture of MMC Corp Bhd and Gamuda Bhd to "convincingly" bag the CMC303 package, which at more than RM14 billion would be the biggest among the MRT3 civil contracts.

IJM Corp Bhd and Malaysian Resources Corp Bhd were also said to be front-runners of other potential key civil contracts dubbed CMC301 and CMC302.

When contacted for updates, an MRT Corp spokesman said the status was as per Transport Minister Anthony Loke's announcement on Dec 21 that MRT Corp would start securing the project land corridor as early as the second quarter of next year.

The spokesman said MRT Corp would not be making any comment on the tender process.

Last Thursday, Loke said land acquisition for the MRT3 project would commence in stages next year for over two years.

"To minimise the cost of land acquisition for the government, MRT Corp will cooperate with property developers to integrate the MRT3 stations," he said.

Loke added that the government had approved the allocation for the land acquisition but did not specify the amount.

The acquisition process is expected to involve 1,012 lots (842 private lots, 133 government lots and 37 lots of unknown ownership).

Loke noted that the alignment for MRT3 had yet to be finalised.

On another matter, the contract extension of MRT Corp chief executive officer Datuk Mohd Zarif Hashim for another two years will

bring some certainty to the MRT3 project.

The extension, effective Nov 1, is seen as crucial for the continuity of MRT3 and the Penang light rail transit projects.

The total cost of MRT3 is likely to be close to RM40 billion, with an anticipated construction expenditure of around RM31 billion.

Since the change in government in November last year, there has been a lack of updates on the tender.

Prime Minister Datuk Seri Anwar Ibrahim had aimed to markedly reduce the project cost in the revised 2023 Budget from the previous administration's RM50 billion.

There was no allocation for the MRT3 in the 2024 Budget.

Analysts and construction industry stakeholders are unhappy with the sluggish progress of the MRT3 and other major infrastructure projects announced in the last two budgets.

They are eagerly awaiting confirmation from the government to move forward with the MRT3 since there is now clarity on the leadership of the project at MRT Corp.

However, Transport analyst Dr Rosli Azad Khan strongly advocates abandoning the MRT3 project for various reasons.



He highlighted the exorbitant cost and deemed it financially burdensome.

He questioned its overall utility, asserting that Klang Valley residents might not derive significant benefits from it.

Citing the underperformance of the MRT Kajang and Putrajaya lines in achieving ridership targets, Rosli is sceptical about expanding the metro network.

Instead, he proposes redirecting the budget towards more impactful ini-

tiatives, specifically endorsing the implementation of advanced rapid transit systems in urban areas such as Penang, Ipoh, Johor Baru, Melaka, Kuantan and Kota Kinabalu.

He argued that such alternatives could be executed at a fraction of the cost associated with the MRT3.

Rosli stressed that focusing significant resources on the Klang Valley was unfair and would lead to imbalanced development.



# HSS Engineers bags RM5mil consultancy job

KUALA LUMPUR: HSS Engineers Bhd via its associate HSS Integrated Sdn Bhd (HSSI) has accepted a letter of award from Port Klang Cruise Terminal Sdn Bhd for the provision of project management consultancy services at the terminal.

In a filing with the stock exchange, the group said the contract, valued at RM4.94mil, entailed consultancy services for the extension of the wharf and development of associated facilities.

The job will commence on Jan 8, 2024, and is estimated to be completed in 29 months on July 9, 2026.

The services conducted by HSSI included preparation of pre-development studies, conceptual masterplan, project management and construction supervision of an engineering, procurement, construction and commissioning contract.



# Contract tenders for MRT3 to buoy industry

## Other planned govt jobs also likely to spur sector

### CONSTRUCTION

**PETALING JAYA:** The Mass Rapid Transit 3 (MRT3) project tenders, which will be a boon to the local construction industry, are expected to take place as early as the end of this year.

This follows a firm commitment by the government to proceed with the land acquisition process from the second quarter, according to MRT Corp, that gives a rough indication of possible timelines.

The tender of contracts for the MRT3 will provide a timely boost for the construction sector, said RHB Research.

Apart from this, other planned government jobs in the pipeline would also support the industry, such as flood mitigation projects, the Penang Light Rail Transit (LRT), the Pan Borneo Highway Sabah Phase 1B and the reinstatement of the five LRT3 stations.

There are also Malaysian companies that are interested in participating in Indonesia's new capital project at Nusantara.

IJM Corp Bhd is eyeing the Nusantara state civil servant housing project that is worth some RM1bil, which includes several other Malaysian companies that have submitted letters of intent in 2022 as well.

"The Bursa Malaysia Construction Index is trading at a 13 times price-to-earnings ratio, which is slightly above its ten-year mean of 12.7 times. The index was trading at 15.5 times in mid-2017 during the major

"With commendable catalysts in store for the sector, we view the current valuation of the index to be undemanding and as such, an attractive level to enter."

RHB Research

construction upcycle," said RHB Research.

"With commendable catalysts in store for the sector, we view the current valuation of the index to be undemanding and as such, an attractive level to enter," it added.

There has also been increased interest in the area of environmental-related projects with companies such as Sunway Construction Group Bhd and HSS Engineers Bhd participating in renewable energy-related initiatives, such as the Corporate Green Power Programme.

The research house also noted construction giants such as Gamuda Bhd recently announcing it is jointly developing the 187.5 megawatts Upper Padas Hydroelectric Dam with Sabah Energy Corp and the Kerjaya Kagum Hitech joint venture.

Statistics by the Construction Industry Development Board (CIDB) showed the total value of projects awarded to contractors in

2023 fell by 22% year-on-year (y-o-y) to RM127.4bil from the previous year in 2022.

"We view this as a temporary blip – contract rollouts are expected to be backed by the government's RM90bil development expenditure (DE) allocated for 2024, with 21% of DE focusing on the transport sub sector versus 18% in 2023," the research house said.

By various segmentation, the statistics showed infrastructure type of projects recorded the largest annual drop in terms of project value, at minus 47% y-o-y amid the dearth of big scale public jobs in 2023.

This is followed by the residential segment at a 37% y-o-y drop but non-residential projects saw a 4% y-o-y rise to RM76.8bil last year, the CIDB statistics showed.

RHB Research's top picks are Gamuda, Sunway Construction and Kerjaya Prospek Group Bhd. The research house has an "overweight" call on the sector.

# LRT3 lebih 91 peratus siap, sedia beroperasi 2025

Projek pembinaan Transit Aliran Ringan 3 (LRT3) berada di landasan tepat bagi memulakan operasi pada 2025 dengan kemajuan setakat 25 Disember 2023 sudah mencapai 91.86 peratus.

Sementara itu, kemajuan projek Laluan Sistem Transit Rapid (RTS) Link sudah berada pada kadar 33.71 peratus bagi sistem dan 65 peratus bagi infrastruktur yang membolehkannya memulakan operasi pada 2026.

Menteri Pengangkutan, Anthony Loke, berkata kedua-dua projek itu kelak bakal memberikan manfaat kepada jutaan penduduk di Lembah Klang dan Johor serta Singapura.

"LRT3 dijangka siap pada 1 Mac 2025, manakala RTS Link pada 31 Disember 2026. Bagi pe-

nambahan lima stesen baharu untuk LRT3 seperti diumumkan kerajaan baru-baru ini, ia dijangka akan mengambil masa penyiapan baharu dan akan selesai pada 1 Mac 2027," katanya selepas taklimat prestasi Prasarana 2023 di Kuala Lumpur, semalam.

Perdana Menteri, Datuk Seri Anwar Ibrahim ketika membentangkan Belanjawan 2024 lalu menyatakan Kerajaan akan meneruskan semula cadangan pembinaan lima stesen LRT3 yang dibatalkan sebelum ini membatikan kos RM4.7 bilion.

Lima stesen berkenaan merangkumi stesen Tropicana, Raja Muda, Temasya, Bukit Raja dan Bandar Botanik.

Projek pembinaan LRT3 yang

bermula di Bandar Utama dan berakhir di Johan Setia, Selangor bakal memberikan manfaat kepada dua juta penduduk.

RTS Link pula adalah rangkaian rel sepanjang empat kilometer yang menghubungkan Bukit Chagar, Stesen Johor Bahru dan Woodlands di Singapura.

Projek RTS Link dijangka mampu menarik 85 peratus daripada 350,000 orang yang bergerak melalui Tambak Johor setiap hari.

Rangkaian itu akan mempunyai kapasiti penumpang sebanyak 10,000 orang sejam, dengan itu membantu meringankan kesesakan trafik di lebuh raya.

Ditanya mengenai perkembangan cadangan pembinaan LRT di Johor Bahru, Loke berka-

ta pihaknya masih belum menerima sebarang kertas cadangan mengenainya.

Kerajaan Johor sebelum ini menyatakan akan menyerahkan kertas cadangan pembinaan LRT Johor Bahru kepada Kerajaan Persekutuan dalam masa terdekat.

Malah, kajian pelaksanaan pembinaan LRT di Johor Bahru juga sedang dilaksanakan beberapa agensi termasuk Pihak Berkuasa Wilayah Pembangunan Iskandar (IRDA) dan Perbadanan Pengangkutan Awam Johor (PAJ).

Dalam perkembangan lain, Loke berkata Kementerian Pengangkutan akan menetapkan dasar baharu dalam pembelian bas pada masa hadapan dengan

tumpuan kepada bas elektrik.

Beliau berkata, dasar itu akan dimulakan dengan Prasarana yang akan memulakan penggunaan bas elektrik untuk perkhidmatannya.

Katanya, pembelian yang akan dianugerahkan pada Mac ini membatikan 310 bas adalah kontrak pembelian terakhir Prasarana untuk bas diesel dengan tempoh serahan dijangka akan bermula suku pertama 2025.

"Saya sudah arahkan dan tetapkan dasar itu adalah kontrak terakhir pembelian bas diesel. Kita tidak boleh batalkan kontrak kerana ia sudah di peringkat akhir. Namun selepas ini, pembelian bas oleh Prasarana perlulah membatikan bas elektrik," katanya.



## Prasarana tumpu khidmat cekap berbanding untung



Kerajaan mahu tingkat sistem pengangkutan awam demi kesejahteraan hidup rakyat

Oleh Alzahrin Alias  
zahrin@bh.com.my

Kerajaan lebih memberi fokus kepada peningkatan kecekapan dan perkhidmatan Prasarana Malaysia Bhd (Prasarana) berbanding menumpukan kepada prestasi kewangan syarikat itu.

Menteri Pengangkutan, Anthony Loke, berkata langkah itu dapat membantu memperkukuhkan sistem pengangkutan awam negara, sekali gus mensejahterakan kehidupan rakyat.

Beliau berkata, purata jumlah penumpang harian rel dan bas Prasarana pada 2023 meningkat 44 peratus kepada 982,000 penumpang berbanding tahun sebelumnya dan jika dilihat secara kasar ia seperti meningkatkan kedudukan kewangan



Loke pada taklimat prestasi Prasarana 2023 di Kuala Lumpur, semalam.

(Foto BERNAMA)

syarikat itu.

Namun, katanya dari sudut operasi, situasi itu adalah sebaliknya kerana apabila jumlah penumpang bertambah, ia menyebabkan kos operasi melonjak.

Katanya, hal ini adalah kerana Prasarana memerlukan pertambahan tren dan bas, mengambil lebih ramai kakitangan serta

melakukan lebih banyak penyelenggaraan.

"Pengangkutan awam ini jarang dapat untung. Bagi Prasarana, Kementerian Pengangkutan tidak melihat kepada untung atau rugi tapi lebih kepada perkhidmatan untuk orang ramai. Sebab perkara ini (pengangkutan awam) akan berbalik kepa-

da kerajaan dalam memberikan perkhidmatan.

"Fokus Kementerian Pengangkutan adalah meningkatkan dasar pengangkutan awam terlebih dahulu demi rakyat," katanya selepas taklimat prestasi Prasarana 2023 di Kuala Lumpur, semalam.

Turut hadir, Pengerusi Prasa-

rana, Tan Sri Jamaludin Ibrahim dan Presiden serta Ketua Pegawai Eksekutif Prasarana, Mohd Azharuddin Mat Sah.

### Prestasi meningkat

Loke berkata, perkhidmatan rel dan bas di bawah Prasarana menunjukkan peningkatan prestasi pada 2023 dengan purata jumlah penumpang harian rel dan bas naik 44 peratus kepada 982,000 penumpang berbanding 680,000 penumpang pada 2022.

Beliau berkata, purata jumlah penumpang harian rel dan bas itu dijangka akan naik kepada 1.19 juta atau 21 peratus pada tahun ini.

Selain itu, katanya, jumlah kegagalan operasi juga turun dengan ketara merentasi semua perkhidmatan laluan rel Prasarana.

"Penurunan menyeluruh kegagalan operasi keempat laluan rel Prasarana naik 60 peratus dan ia dijangka akan terus dipertingkatkan sebanyak 35 peratus tahun ini.

"Prasarana juga ketika ini wajib menghantar laporan operasi setiap minggu ketika mesyuarat pasca Kabinet. Ini membolehkan kerajaan memantau secara berkala, selain memperkenalkan pelbagai inisiatif baharu," katanya.



# RIDERSHIP PROJECTED TO RISE 21pc

Open payment system to be integrated fully in 2025, says Loke

ASILA JALIL  
KUALA LUMPUR  
bt@nst.com.my

**P**RASARANA Malaysia Bhd's bus and rail lines in the Klang Valley are projected to see their average daily ridership climb 21 per cent to 1.19 million by the end of 2024, marking a significant recovery of pre-pandemic levels.

The average daily ridership stood at 1.24 million in 2019.

Last year, it stood at 982,000, rising 44 per cent from 680,000 in 2022.

Transport Minister Anthony Loke said the average daily ridership for Rapid Rail, which operates the mass rapid transit (MRT), light

rail transit (LRT) and monorail in the Klang Valley, stood at 790,000 during the pre-pandemic year but at the end of 2023, the daily ridership had hit 800,000.

Overall in 2023, the average daily ridership for Rapid Rail stood at 741,000, while Rapid Bus recorded a ridership of 241,000.

The average daily ridership for Rapid Rail in the first half of 2023 stood at 680,000 before rising to 800,000 in the second quarter, said Loke at a briefing on Prasarana's rail and bus performance in 2023 and the outlook for 2024 yesterday.

Prasarana will implement an open payment system and gradually use electric buses to boost ridership and ensure seamless travel for commuters.

The open payment system will enable commuters to travel on Prasarana's rail and bus networks using multiple payment methods such as debit cards, said Loke.

The open payment system can be integrated fully only in 2025, he said.

"It will take some time to work on the internal process. We have to modify the gantries, which will take up to two months for a station."

"So, we will need about a year to update all the stations. We have 140 rail stations that need to be integrated for the open payment system."

He said starting next year, procurements for electric buses will be made in an effort to enhance green mobility.

The last batch of 310 diesel-fuelled buses are to be delivered by the first

quarter of 2025.

"The tender will be awarded by March. Once that is done, it will take one year for delivery. This is the final batch of diesel buses. After that, all will be electric buses."

Loke also highlighted another significant performance by Prasarana last year in the form of reduced failures of rail lines, namely the Kelana Jaya, Ampang and Kajang lines, and the monorail.

"A failure is recorded when there is a technical disruption that stops the train for more than five minutes, putting it behind schedule."

"In 2022, the Kelana Jaya line, which has the most number of users, had 49 failures. The most prominent issue we had that year was when 16 stations were not able to operate for seven days," Loke said.

The 16 stations were closed from Nov 9 to 15, 2022 to facilitate repair works.

For 2023, the number of failures at the Kelana Jaya line dropped to 36 and it is projected to improve to 28 this year.

In total, failures in 2023 dropped to 100

from 252 in 2022.

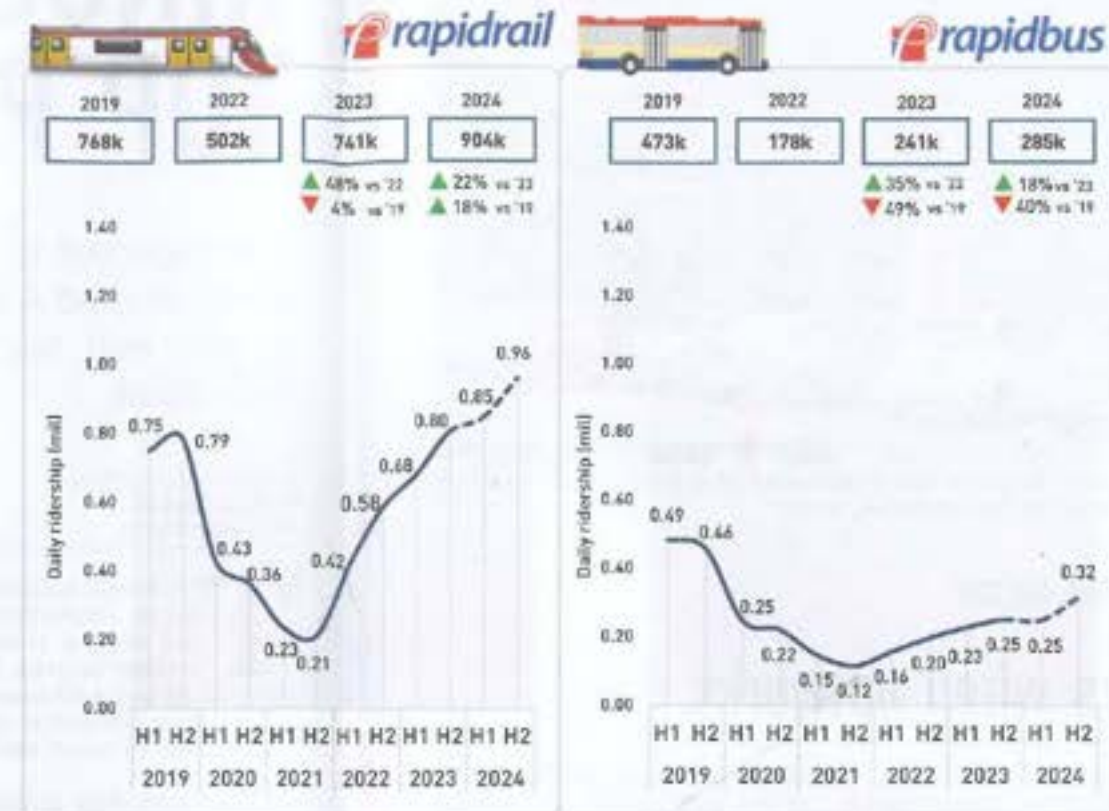
Prasarana aims to bring the figure down to 65 failures for all four rail lines in 2024.



**We have 140 rail stations that need to be integrated for the open payment system.**

**ANTHONY LOKE**  
Transport minister

## AVERAGE DAILY RIDERSHIP FOR 2023 IS 982,000 AND FORECASTED TO INCREASE BY 21% IN 2024







Anwar dan Hsien Loong bersama tetamu kehormat pada Majlis Penyempurnaan Span Menghubungkan Johor Bahru dan Singapura bagi Projek RTS Link, di Johor Bahru, semalam.

(Foto Nur Aisyah Mazalan/BH)

# RTS Link siap 1 Januari 2027

## Jejambat marin Johor Bahru dan Singapura sudah berjaya dihubungkan

Oleh Izz Laily Hussain  
bhnews@bh.com.my

**Johor Bahru:** Kerajaan yakin projek mega RTS Link Malaysia-Singapura akan siap mengikut perancangan dan beroperasi tepat pada 1 Januari 2027.

Menteri Pengangkutan, Anthony Loke, berkata pelaksanaan projek itu berjalan lancar dengan jajaran jejambat marin antara Johor Bahru dan Singapura sudah berjaya dihubungkan.

"Bagi jejambat marin yang dilancarkan hari ini (semalam), ia menunjukkan perkembangan baik dengan kini sebanyak 68 peratus kerja pembinaan sudah selesai.

"Pembinaan jejambat darat pula yang dimulakan pada 22 Mac tahun lalu juga berjalan lancar dan kini kemajuannya pada tahap 31 peratus.

"Bagi kawasan stesen, ia siap 41 peratus, manakala pembinaan bangunan Kastam, Imigresen dan Kuarantin (CIQ) yang dimulakan 11 Oktober 2023, kerja pemasangan cerucuk sudah siap dan kemajuan kerja mencecah 3.22 peratus," katanya pada sidang media selepas Majlis Penyempurnaan Span Menghubungkan Johor Bahru dan Singapura bagi Projek RTS Link di sini, semalam.

### Menguatkan komitmen

Majlis itu disempurnakan Perdana Menteri, Datuk Seri Anwar Ibrahim dan rakan sejawatannya dari Singapura, Lee Hsien Loong serta turut dihadiri Menteri Besar, Datuk Onn Hafiz Ghazi dan Pemangku Menteri Pengangkutan Singapura, Chee Hong Tat.

Pada majlis itu, Anwar dan Hsien Loong menandatangani plak sebagai simbolik pelancaran penyempurnaan span itu membabitkan titik pertemuan jejambat laut projek berkenaan antara Johor Bahru dan Singapura.

Ini kali pertama bagi pemimpin tertinggi dua negara bertemu di tapak projek berkenaan, sekali gus menguatkan komitmen Malaysia-Singapura terhadap projek mega berkenaan.

RTS Link adalah projek laluan kereta api ulang alik sepanjang kira-kira empat kilometer dengan dua stesen iaitu di Bukit Chagar Johor Bahru dan di Woodlands North, Singapura.

MRT Corp dipertanggungjawab membangunkan bahagian Malaysia sepanjang 2.7 kilometer bagi rangkaian rel dan struktur diperlukan yang mana operasi itu dijalankan secara bersama dengan Prasarana Malaysia Bhd dan SMRT Corp Ltd dari Singapura.

Selepas siap kelak, RTS Link akan menjadi jambatan darat ketiga ke Singapura dan dijangka dapat mengurangkan kesesakan teruk di Tambak Johor.

Loke berkata, Malaysia dan Singapura juga perlu berbincang lebih lanjut untuk mewujudkan lebih banyak rangkaian pengangkutan antara Johor Bahru dan republik itu.

Katanya, ia termasuk cadangan mewujudkan perkhidmatan feri dari negeri ini ke Singapura.

Sementara itu, Hong Tat berkata, bagi pihak republik itu, perkembangan projek mega berkenaan sudah siap dua pertiga dengan fasa utama seterusnya membabitkan kerja sivil, pengujian sistem rel dan 'signal'.



# Firma China, Eropah tunjuk minat

**MyHSR Corp sahkan 37 syarikat sudah hantar RFI**

Oleh Mohamed Farid Noh  
farid\_noh@bh.com.my

**Johor Bahru:** Sebanyak 37 firma pengangkutan utama dari seluruh dunia sudah menghantar Permintaan Maklumat (RFI) yang lengkap, termasuk kos projek Kereta Api Berkelajuan Tinggi (HSR) Kuala Lumpur-Singapura, setakat ini.

Pengerusi MyHSR Corporation Sdn Bhd (MyHSR Corp), Datuk Seri Fauzi Abdul Rahman yakin beberapa lagi firma pengangkutan utama akan menghantar RFI mereka menjelang tarikh akhir penyerahan yang ditetapkan hari ini.

Katanya, firma yang menghantar RFI itu, termasuk beberapa syarikat pengangkutan utama dari China dan Eropah.

Beliau juga menjelaskan syarikat pengangkutan Jepun tidak pernah menghantar RFI, sekali gus terkejut dengan dakwaan firma Jepun membuat keputusan membatalkan rancangan terbabit dalam projek HSR Kuala Lumpur-Singapura.

Namun, Fauzi berkata, memang ada beberapa firma pengangkutan Jepun yang menghadiri taklimat awal diadakan MyHSR Julai 2023.

"Jadi, saya sedikit bingung dan hairan apabila ada laporan menyatakan firma Jepun

membatalkan rancangan mereka untuk terbabit dalam projek HSR Kuala Lumpur-Singapura sedangkan tiada satu pun firma Jepun yang menghantar RFI HSR sehingga kini (semalam).

"Setakat ini, 37 firma pengangkutan utama dunia sudah menghantar RFI kepada MyHSR dan ini menunjukkan komitmen mereka yang bukan sahaja sangat berminat melaksanakan projek HSR di Malaysia, malah melengkapkan kertas cadangan awal itu dengan konsep menarik, termasuk penggunaan teknologi terkini, selain turut menyatakan kos keseluruhan projek," katanya kepada BH, semalam.

Fauzi berkata, pada sesi taklimat awal projek HSR itu, pihaknya sudah menyatakan secara jelas projek itu akan dibiayai sepenuhnya oleh pihak swasta.

Beliau berkata, ada beberapa lagi firma pengangkutan utama dunia dijangka menghantar RFI mereka dalam masa terdekat berikutan pengesahan yang sudah diberikan baru-baru ini.

**Firma Jepun batol rancangan**  
Jumaat lalu, media melaporkan firma Jepun membuat keputusan membatalkan rancangan mereka untuk terbabit dalam projek HSR Kuala Lumpur-Singapura.

Agensi berita Jepun, *Kyodo News* yang memetik sumber melaporkan syarikat negara itu, termasuk East Japan Railway Co yang berharap untuk menggunakan sistem kereta api peluru Shinkansen dalam projek itu, tetapi memutuskan ia akan menjadi terlalu berisiko tanpa sokongan kewangan Kerajaan Malaysia.



Difahamkan, beberapa syarikat tempatan juga bercadang bekerjasama dengan syarikat China dan Eropah untuk membuat bidaan.

Ketika diumumkan kali pertama pada 2013, kos projek HSR KL-Singapura dianggarkan RM72 bilion.

Bagaimanapun, projek kereta api laju sepanjang 350 kilometer itu kini dianggarkan melebihi RM100 bilion.

Pada Julai 2023, MyHSR melancarkan proses RFI bagi membolehkan sektor swasta mengemukakan secara rasmi cadangan konsep HSR KL-Singapura melalui model perkongsian awam swasta.

Proses RFI itu menandakan inisiatif kerajaan dalam usaha melaksanakan semula projek HSR KL-Singapura menerusi mekanisme pembiayaan dan model pelaksanaan yang baharu, selain usaha untuk memperting-

kat infrastruktur pengangkutan rel dan merencanakan ekonomi negara.

Tarikh akhir penyerahan RFI bagi projek HSR KL-Singapura dilanjutkan sehingga 15 Januari 2024, berbanding tarikh asalnya yang ditetapkan pada 15 November 2023.

Pada 27 Julai 2023, MyHSR Corp mengadakan taklimat RFI untuk projek itu yang dikatakan menarik lebih 700 peserta tempatan dan asing.

Malaysia dan Singapura sebelum ini bersetuju membina projek itu yang dijangka akan memendekkan masa perjalanan antara kedua-dua bandar raya kepada 90 minit.

Namun, pada 1 Januari 2021, kedua-dua negara mengumumkan penamatan projek itu apabila kedua-dua negara gagal mencapai persetujuan bagi perubahan dicadangkan Malaysia.



Fauzi Abdul Rahman

Pada Mac 2021, Malaysia mengumumkan sudah membayar SG\$102.8 juta (RM320,270,519.24) kepada Singapura sebagai pampasan terhadap kos ditanggung republik itu susulan pembatalan projek berkenaan.

Pada 8 Mac lalu, Perdana Menteri, Datuk Seri Anwar Ibrahim dilaporkan berkata Malaysia terbuka untuk menghidupkan semula HSR, tetapi kerajaan tidak akan membiayai pembinaan projek itu.

Pada 12 Julai lalu, pelaksanaan semula projek HSR KL-Singapura dilaporkan akan dibiayai sepenuhnya oleh swasta, MyHSR Corporation Sdn Bhd (MyHSR Corp).

Fauzi dalam laporan sebelum ini juga dipetik berkata, mandat diserahkan kerajaan kepada MyHSR bagi melaksanakan semula projek HSR KL-Singapura itu tidak membabitkan kos kerajaan.

Ogos lalu, Anwar berkata, Malaysia akan mengemukakan cadangan baharu berhubung projek HSR kepada Singapura.



# Govt confident RTS Link will be operational in 2027

**JOHOR BARU:** The government is satisfied with the progress of the Rapid Transit System (RTS) Link project between Johor Baru and Singapore and is confident the transport system will be fully operational on Jan 1, 2027.

Transport Minister Anthony Loke said the two countries were committed to making the multi-billion ringgit project a success, with discussions held periodically between both parties.

"We are very confident that the implementation of this project will go smoothly and the RTS Link operation will start on Jan 1, 2027.

"The work progress is on schedule. We are committed to making it a success. Congratulations to the Malaysian and Singaporean teams for their hard work and cooperation," he said at a joint press conference with Singapore's Acting Transport Minister Chee Hong Tat after the event to mark the completion of the connecting span for the project here.

Loke said the construction of the RTS Link marine viaduct between Johor Baru-Singapore was 68 per cent completed.

"The construction of the terrestrial viaduct, which was awarded on March 22, 2023, is in full swing and the progress is at 31 per cent.

"The station is 41 per cent complete. For the construction of the CIQ (Customs, Immigration, and Quarantine) Complex, which was awarded on Oct 11, 2023, piling work has been completed and the progress of the superstructure stands at 3.22 per cent."

On the fare for the RTS Link, he said it would be competitive.

"The fare will be competitive to ensure travellers from both countries enjoy a seamless journey as it will cut down travelling time as immigration clearing will be done at one station. That is the main convenience of the RTS Link."

Earlier, Prime Minister Datuk Seri Anwar Ibrahim and his Singapore counterpart, Lee Hsien Loong, signed a plaque to symbolise the commitment of both countries to the project.

The RTS Link is a commuter rail network of approximately 4km with two stations, one at Bukit Chagar here and the other at Woodlands North, Singapore.

The rail line has a capacity of up to 10,000 passengers per hour in each direction and a journey time of about five minutes between the two stations. **Bernama**



# HSS expects clarity on project flows by March

**PETALING JAYA:** HSS Engineers Bhd remains positive on its outlook for financial year 2024 (FY24) and expects greater clarity on project flows by March or April.

Although the group did not provide any guidance on project wins for FY24 during its recent Malaysia Corporate Day, HSS expects 2024 to be a better year, according to CGS-CIMB Research.

It noted that in the first nine months of 2023, the group's core net profit increased by 43% year-on-year, with project replenishment totalling RM300mil.

HSS has a tender book of RM442mil with historically a 50% success rate.

The research firm said the biggest setback for HSS was the further extension of the validity period for the Mass Rapid Transit 3 (MRT 3) civil packages.

"This is the fourth extension, with the period now ending in March 2024.

"Nevertheless, recent news from the Transport Minister that land acquisition will commence this year over a two-year

timeline gave some assurance that awards could be imminent.

"HSS' outstanding order book as at September 2023 was RM1.49bil, of which we estimate 60% to be its project management consultancy (PMC) contract for MRT 3," said CGS-CIMB Research.

For its current PMC role in the MRT3 project, the research house added that it is still undergoing optioneering and land acquisition work and a strong pick-up in revenue recognition would be visible once the three large civil packages for MRT 3 are awarded.

"Once that happens, more engineers can be deployed and progress billings will pick up exponentially."

However, the research house said the slack from MRT 3 delays could possibly be picked up by other projects, such as its lead design consultant role for Westports phase two, which is estimated to have a contract value of RM100mil to RM150mil.

It said the more immediate wins for the

group could be from flood mitigation projects, the Penang Light Rapid Transit and Pan Borneo Sabah phase 1B.

A total of 33 high priority flood mitigation projects will be rolled out, costing about RM11.8bil under Budget 2024.

"Out of this, HSS has submitted engineering design bids for the smaller projects (worth RM500mil)

"For Pan Borneo Sabah phase 1B, the awards should happen soon. HSS was awarded a RM145mil PMC role for Pan Borneo Sabah phase 1A (15 packages) in April 2021.

"As phase 1B will comprise 19 packages worth RM15.7bil, we estimate the PMC role to be worth RM300mil," added CGS-CIMB Research.

The company is currently working on overseas ventures in Japan to facilitate a private and public partnership project with the Japan Overseas Infrastructure Investment Corp for transport and urban development.



# Contractors involved in RTS reminded to deliver on time

**JOHOR BARU:** Contractors involved in the construction of the Malaysian portion of the Johor Baru-Singapore Rapid Transit System (RTS) have been reminded to always keep to their timeline, as in the past, some RM1bil in total projects have been omitted from those who were not performing.

Mass Rapid Transit Sdn Bhd (MRT Corp) chief executive officer Datuk Mohd Zarif Hashim (pic) said that currently they have achieved 65% completion of the project midway and are on track to complete the project by December 2026.

"For me, the number one principal is to ensure the timeline, trust and mandate to deliver the project cannot be sacrificed," Mohd Zarif said, adding that currently there are some eight major contractors and 40 subcontractors, with some 2,000 workers involved in the civil construction



period of the project.

MRT Corp is the project owner of the Malaysian portion of the RTS.

Asked about MRT's strict policies with regard to contractors, Mohd Zarif said it is not just their policy but a government policy.

"The recent chief secretary's

directive to agencies and public servants is not to be scared to take action against non-performing contractors because we need these projects to be delivered for the people.

"The RTS is a national project with its own timeline. We have to be strict," Mohd Zarif said in an interview.

Asked as to how many contractors had been terminated in the past with regard to the RTS, he said they (MRT Corp) called it omission of scope, whereby their own team would take over to continue to do the job.

"At the same time, we start the procurement process, as a big project like this will require a new tender exercise to appoint a new contractor.

"So once a new contractor is appointed within six or eight months, we will then hand over the project to them.

"During this period, there is no

stop to the work, as we do not want any delays," he said, adding that MRT Corp has been around for the past 10 years and has the experience to carry out such projects.

He added that, with their minimal dependency on external contractors, MRT Corp was able to take action against non-performing contractors.

Asked about whether these major omissions had led to MRT Corp "ruffling feathers" with certain quarters, Mohd Zarif admitted that there were stressful moments but he is satisfied with the fact that MRT Corp is poised to deliver such a mega project on time.

Mohd Zarif expected more companies to be appointed for the RTS project as they would also need contractors for drainage, landscape, information technology (IT) and others in the next three years.

On whether the RM5bil price tag for the project is expected to balloon at the end of the project in 2026, he said he does not believe so as most of the raw materials, especially steel, which had jumped up by 36% in the past, had already been sourced.

Regarding the project's spill-over benefits, Mohd Zarif stated that he is confident that it would attract five times more investments, totalling RM25bil, into the country.

"Over time, with all the effort being made by all other parties, such as the Iskandar Development Authority (IRDA), Johor Corporation (JCorp) and the creation of the special economic zone, I am confident that this RM25bil mark can easily be achieved," Mohd Zarif said.

He added that MRT Corp alone is hoping to bring in RM3bil in investments via its property in Bukit Chagar.

# PENANG LRT PLANS TO BE FINALISED SOON, SAYS LOKE

Minister says PM wants ministry to prepare memorandum for cabinet approval

AUDREY DERMAWAN  
SEBERANG JAYA  
news@nst.com.my

**P**LANS for the proposed cross-channel light rail transit (LRT) link connecting Penang island and Butterworth will be finalised soon, said Transport Minister Anthony Loke.

He said he had a meeting with

Prime Minister Datuk Seri Anwar Ibrahim about the LRT project on Monday.

"The prime minister has instructed us to prepare a cabinet ministers' memorandum to bring the matter to the cabinet for approval on its implementation," he said when asked about the progress of the LRT project.

During a visit to the state in May, Anwar said the federal gov-

ernment had agreed to provide additional funds to the Penang government to expedite the development of the LRT project in the state.

He acknowledged that traffic congestion had been a longstanding issue in Penang and that the state was in need of a LRT system as a solution.

Following that, the LRT alignment would now be from Bayan Lepas to Komtar to Tanjung Bungah, and from Air Itam to Butterworth to Kepala Batas and Simpang Ampat.

During the state assembly sit-

ting in November, the state government expressed hope that the project would be realised under Anwar's watch.

State Infrastructure, Transport and Digital Committee chairman Zairil Khir Johari had said the state's confidence stemmed from the fact that Anwar himself had visited Penang in May last year to announce that the federal government would fund the much-awaited project.

He had said this was followed by a working visit by Loke and a series of discussions between the Penang government and MRT Corp.



Transport Minister Anthony Loke and Penang Chief Minister Chow Kon Yeow being briefed on a development project by the Railway Assets Corporation and Penang Housing Board in Seberang Prai yesterday. BERNAMA PIC BY





# Seven consortia present proposals for KL-S'pore HSR

Findings from the RFI evaluation to be submitted to Cabinet for deliberation

## CORPORATE

By GANESHWARAN KANA  
ganeshwaran@thestar.com.my

**PETALING JAYA:** Seven local and international consortia submitted their concept proposals to build the Malaysia-Singapore high-speed rail (HSR), days after Japanese companies reportedly opted out of the project for being "too risky".

MyHSR Corp Sdn Bhd, the government's project delivery vehicle for the HSR, said in a statement that the seven consortia comprises 31 firms, although it did not name the companies.

However, in the same statement, MyHSR hinted that it may not proceed to the next stage if there is no green light from the Cabinet.

The project, which former Prime Minister Tun Dr Mahathir Mohamad estimated to cost RM110bil, has been approved in principle by the administration of Datuk Seri Anwar Ibrahim.

Anwar, however, remarked that his government will only kick start the project if the cost is lowered substantially.

Malaysia previously paid a penalty of \$4102.8mil to the Singapore government as compensation, after the administration of Tan Sri Muhyiddin Yassin terminated the HSR project.

As announced yesterday, the submission of concept proposals for the HSR connecting Kuala Lumpur and Singapore was in response to the request for information (RFI) exercise that MyHSR Corp launched in July 2023.

The RFI was to invite local and international players from the private sector to deliver the project based on a public-private

**"A project of this scale, we expect the federal and state governments to be involved in the lengthy and complex land acquisition process. The surrounding land may be monetised to partly defray the costs of building the railway, stations and facilities."**

Alex Goh

vate partnership initiative on the design-finance-build-operate-transfer model.

The deadline for the RFI was extended last November until Jan 15, 2024 from the original deadline of Nov 15, 2023.

MyHSR chairman Datuk Seri Fauzi Abdul Rahman said the findings from the RFI evaluation will be presented to the Transport Ministry and the Cabinet for deliberation.

"If the response is positive, we will move on to the second phase with the Request for Proposal (RFP) stage to obtain detailed proposals from the selected consortia," he added.

Under the earlier plan, the Kuala Lumpur-Singapore HSR as conceived by former prime minister Datuk Seri Najib Razak was supposed to span 350km.

It is expected to reduce travel time between Kuala Lumpur and Singapore to 90 minutes and was aimed at being a catalyst for the 486-acre Bandar Malaysia township project by 1Malaysia Development Bhd.

Companies from several countries with high-speed train expertise including China

and Japan have been eyeing to be partake in the Kuala Lumpur-Singapore HSR project.

However, on Jan 12, *Kyodo News* reported that Japanese firms have decided to drop their plans to get involved in the HSR project.

Quoting government and company sources, it said that the firms have decided the project will be too risky without the Malaysian government's financial support.

The companies, including East Japan Railway Co, had hoped to utilise Japan's Shinkansen bullet train system in the project.

Transport Minister Anthony Loke, however, said that the HSR project will not be halted despite the Japanese companies opting out of the tender process.

In a note issued yesterday, AmlInvestment Bank Research analyst Alex Goh said the government is set to narrow down candidates within several months and could start full-fledged negotiations with the Singaporean government later this year.

Nevertheless, he did not discount further hurdles and reviews to this decades-long proposed project, which could have additional route realignments before the government has reached final investment decision against the backdrop of escalating construction costs.

"For a project of this scale, we expect the federal and state governments to be involved in the lengthy and complex land acquisition process.

"The surrounding land may be monetised to partly defray the costs of building the railway, stations and facilities," stated Goh.

The earlier concept designs for all HSR stations involved Bandar Malaysia, Sepang-Putrajaya, Seremban, Ayer Keroh, Muar, Batu Pahat and Iskandar Puteri in Malaysia as well as Jurong East in Singapore.

In addition, Johor will be home to two major maintenance facilities.

A main depot will be located at the north of Iskandar Puteri Station for all HSR train maintenance and a heavy maintenance base to be located near Muar station for maintenance of the track, power supply and signalling systems.

Additionally, Goh said the HSR project will be a potential catalyst for positive investor sentiment.

"We acknowledge that the new Agong, together with re-energised excitement in infrastructural and property developments in Johor could catalyse positive investor sentiment for the construction sector."

He said this is especially for interested parties such as YTL Corp Bhd, Gamuda Bhd, IJM Corp Bhd, Sunway Construction Group Bhd, Malaysian Resources Corp Bhd, MMC Corp Bhd, WCT Holdings Bhd and Berjaya Corp Bhd.



# ECRL'S IMPACT ON TRUCKING SECTOR

**E**CONOMIC disruptions must be accounted for before wide-ranging damage is done to the country's logistics sector.

There is already a shortage of truck drivers in the Klang Valley due to these drivers being drawn to work on the East Coast Rail Link (ECRL) project.

It has been reported that up to 40 per cent of truck drivers have left their posts to join the construction of the ECRL, raising concerns over a shortage of drivers in the Klang Valley and its adverse impact on local construction projects.

This shortage could undermine the logistics sector, leading to delays and disruptions in food and other consumer items.

Common sense dictates that any workforce shortages or disruptions will have a knock-on effect on the cost of living.

While this would seem to be a temporary problem, the completion of the ECRL will, in fact, make the disruptions worse as a percentage of the trucking sector will lose out due to freight being taken over by the railway.

Some might argue that this will not happen, as the cost of the ECRL for freight will be too high, but if that is the case, then why did we commit to the ECRL in the first place?

What will the benefits be? Either the truckers will be out of work or the ECRL freight service



**SAMIRUL ARIFF  
OTHMAN**

will be so high as to negate any benefit.

It is clear that once the ECRL is complete, truckers that used to ply that route from Port Klang to Kuantan Port and vice versa will no longer have that market share.

We can then expect the opposite problem, which is an oversupply of truckers with the possibility that many will be laid off.

This will mean that not only will the ECRL fail to generate the promised jobs, but it will take away jobs as well.

There have been various estimates of how many jobs the ECRL will create for locals — with estimates ranging from 23,000 to 80,000 — but to date, a lack of transparency clouds the issue of job creation.

Highly skilled jobs remain in the hands of Chinese nationals, while low-end jobs are taken up by others including Bangla-deshis.

Seven years after the start of



*An East Coast Rail Link station under construction in Kota Baru, Kelantan. The trucking sector could lose out due to freight being taken over by the new railway. FILE PIC*

construction, there is little progress in the way of job creation. In fact there is a disturbing "wall of silence" over this issue.

There is no readily available information that will clarify this from the Human Resources Ministry or the builders of the ECRL.

We should not hype about the spillover effect the ECRL will have, as without solid economic plans, clear directions and targets, this will remain wishful thinking.

We cannot assume that a rail-

way running through a limited part of the country will translate to a positive spillover effect.

If the ECRL is not able to turn a profit, it may become a financial black hole with the government having to subsidise its operations and mandating that a certain amount of cargo must be transported via the ECRL.

Let's not forget that the ECRL is not the only rail line in Peninsula Malaysia. KTM has tracks running across the country from over 100 years ago.

At that time, this was sufficient for some level of economic growth, but what is the ECRL capable of doing that the pre-existing rail infrastructure could not do without an investment into upgrading works and new trains?

The writer is a senior consultant with Global Asia Consulting and was previously a senior researcher at the Malaysian Institute of Economic Research. The opinions expressed are his own.



# 'HSR WILL GIVE ECONOMY A BOOST'

Malaysia can also forge deeper integration with Asean neighbours, says source

SHAREN KAUR  
KUALA LUMPUR  
bt@nst.com.my

**T**HE Kuala Lumpur-Singapore high-speed rail (HSR) will provide Malaysian companies and talent access to a vast and untapped market, including the China-Asean Economic Trade Zone, the Eastern Economic Corridor in Thailand and sub-regional economic zones like the Greater Mekong sub-region.

Market insiders said the Kuala Lumpur-Singapore HSR, which could be the first cross-border HSR in Asean due to plans to con-

nect it to the Pan-Asian Railway and other neighbouring countries, could boost Malaysia's economy and allow the country to deepen integration with its neighbours.

They said this was in line with the goal of placing Malaysia among the world's 30 largest economies.

"This opportunity will transform how people travel and conduct business, particularly in light of the anticipated growth of the southern corridor's total demand," one of the market insiders told the *Business Times*.

With more than 30,000 flights annually, the Kuala Lumpur-Sin-

gapore air corridor is among the busiest international air routes in the world.

The 350km travel distance between Kuala Lumpur and Singapore is also thought to be just "right" for the HSR to flourish, as it is neither too short nor too far.

The goal of making Malaysia more environmentally friendly and sustainable is another area of emphasis for the Madani economy.

"Compared with driving a car or flying on an airplane, the HSR is more environmentally friendly.

"It consumes less energy per passenger kilometre, which helps to fight climate change and cut greenhouse gas emissions."

"It is critical to the advancement of the citizens' quality of

life and the growth of economies in developing countries," said a market insider.

The transportation sector's carbon emissions accounted for 28.8 per cent of Malaysia's total fossil fuel combustion, higher than the global average of 24.5 per cent, with road transport being a major contributor to carbon emissions.

"Based on this, our plans to achieve net-zero emissions by 2050 are not looking good.

"We can get closer to that goal with the Kuala Lumpur-Singapore HSR, which is expected to cut greenhouse gas emissions (carbon dioxide) by about 10 million tonnes in its first 50 years of operation," he said.

According to the market insider, one of the keys to successful HSR delivery is the early adop-

tion of economic corridor planning to maximise the project's benefits and growth potential.

He said because of the rise and development of new economic sectors and urban transformation, early planning, in conjunction with the HSR, could boost investments, productivity and employment growth.

"A successful example of this was the private sector-financed construction of the Taiwan HSR in the late 1990s.

"Economic clusters with distinctive themes have been identified in partnership with the government for the five stations along the Kuala Lumpur-Singapore HSR corridor.

"They were developed in accordance with the Integrated Economic Development Plan," he added.

# HSS Engineers associate wins RM9.5mil job

PETALING JAYA: HSS Engineers Bhd's (HEB) associate SMHB Sdn Bhd has secured a RM9.52mil contract from Pengurusan Aset Air Bhd for engineering consulting services of the proposed water systems upgrade project in Kuantan, Pekan and Rompin in Pahang.

In a filing with Bursa Malaysia, the engineering and project management firm said the contract would commence on Feb 19 and is estimated to be completed in July 2027.

It said services conducted by SMHB included but not limited to detailed design and construction supervision. They are expected to contribute positively to the revenue, earnings and net assets of the group for financial years ending Dec 31, 2024 to Dec 31, 2027.



# FUNDING DOUBTS ABOUT HSR PROJECT

Analysts say government can't add another burden to its finances

ASILA JALIL  
KUALA LUMPUR  
lm@nst.com.my

**T**HE government will not be able to fully fund the Kuala Lumpur-Singapore high-speed rail (HSR) project, not with a RM1.5 trillion debt hanging around its neck, said some transport specialists.

They also raised doubts about the private sector's ability to fund the HSR and overall viability of the project given that it may cost more than RM120 billion eventually.

However, the government has assets like land that can be possibly swapped with those to be acquired for the project, they added.

Transport analyst Dr Rosli Azad Khan said the government cannot fund the HSR project, not with a RM1.5 trillion debt hanging around its neck. There is also the Malaysia Development Bhd debt, he added.

"I cannot see how a project that may cost more than RM120 billion in the coming years can be funded based on the current government debt."

Rosli said the low passenger volume between both cities could pose a problem for the HSR.

He pointed out that the air passenger traffic between Kuala Lumpur and Singapore stood at about four million last year.

"Even if we were to assume all

four million were to switch to the HSR, at similar airfares, the revenue won't be enough to pay for the yearly operation cost, let alone the capital costs.

"The government is saying that the private sector should be funding it but this project is not financially viable. I can't see how the returns (return on investment) can be achieved with such low passenger volume."

On Jan 15, seven local and international consortia comprising 31 firms submitted request for information proposals for the HSR project.

A report by the Singapore "Straits Times" had said the project was unlikely to get off the ground if it was fully funded by the private sector.

Quoting sources, it stated that fresh bidders for the project had requested for government funding in their proposals.

Among the bidders, Malaysian Resources Corp Bhd, Berjaya Land Bhd and IJM Corporation Bhd had announced that they were in a consortium with "Keretapi Tanah Melayu Bhd."

Tourism and transport business consultant Y.S. Chan said consortia are eager to build the track, stations and supply all the equipment necessary to operate the HSR and gain additional revenue from a variety of cost-saving measures.

However, they need strong support from the federal and state

governments, particularly on land matters.

"The government may not have the money for funding, but land acquired for the HSR could be swapped with government-owned land elsewhere or exchanged in tripartite agreements. Land acquisition would be too costly for the private sector. In any case, the government would be the eventual owner of the land and stations."

He said it is a fact that the HSR revenue will not be enough to cover the operating costs. Therefore, the

operator will require some kind of subsidy from the government.

"But this will be a few years down the road. Meanwhile, relevant parties in the public and private sectors will be planning and gearing up to make full use of the HSR, starting as a catalyst for growth along the rail corridor and boosting the economy through its efficiency and appeal. The net result is a gain for our country," he added.

Malaysian Institute of Economic Research economist Dr Shankaran Nambiar opined that the govern-

ment will not add a substantial burden to its finances by taking on the project.

He said the government is trimming its expenditure and raising revenue, even from previously unexplored sources.

"Neither would the government want to increase its risk exposure, especially in view of the traffic that is difficult to ascertain in the initial years. It is unlikely that the government would want to add to its existing contingent liabilities," he added.

**Land acquisition would be too costly for the private sector. In any case, the government would be the eventual owner of the land and stations.**

**Y.S. CHAN**

Tourism and transport business consultant

**Neither would the government want to increase its risk exposure, especially in view of the traffic that is difficult to ascertain in the initial years.**

**DR SHANKARAN NAMBIAR**

Malaysian Institute of Economic Research economist





# Kerja pemasangan landasan ECRL fasa pertama KPC ke Dungun siap sebulan awal

**Kuantan:** Kerja pemasangan landasan Projek Laluan Rel Pantai Timur (ECRL) bagi fasa pertama dari Kuantan Port City (KPC), Pahang ke Dungun, Terengganu sejauh 92 kilometer (km) bagi jajaran utama siap sebulan lebih awal daripada dijadualkan.

Ketua Pegawai Eksekutif Malaysia Rail Link Sdn Bhd (MRL), Datuk Seri Darwis Abdul Razak, berkata mesin pemasangan trek model 'CCPG-500A' yang canggih serta julung kali dipuna pakai dalam industri rel di Malaysia secara purata memasang landasan sepanjang 1.5km hingga 2km sehari.

Katanya, ia seterusnya menyelesaikan pemasangan landasan dari KPC ke Dungun pada akhir Februari lalu.

"Perkembangan ini juga membolehkan proses pemadatan landasan dari KPC ke Dungun yang membabitkan mesin pemadat landasan dan mesin *ballast regulator* berjaya dilaksanakan sepenuhnya pada awal bulan ini.



Kerja pemasangan landasan ECRL di Dungun, Terengganu.

(Foto ihsan MRL)

"Justeru, kerja pemasangan landasan ECRL sudah memasuki fasa kedua sejak 9 Mac lalu yang membabitkan jajaran utama sepanjang kira-kira 90km dari KPC ke Maran, Pahang," ka-

tanya pada Majlis Berbuka Pusa Bersama Projek ECRL, di sini, malam kelmarin.

Pada majlis itu, sukarelawan MRL yang diterajui jabatan pihak berkepentingan membawa

30 anak yatim dan kakitangan dari Pertubuhan Kebajikan Anak Yatim dan Miskin Baitul Mukmin serta Rumah Anak Yatim dan Fakir Miskin Permata Al Insyirah untuk sesi tazkirah,

jamuan berbuka puasa serta solat Maghrib berjemaah.

Di samping itu, MRL juga mengambil inisiatif untuk berkongsi rezeki dengan anak yatim yang disempurnakan oleh Pengerusi Jawatankuasa Kerja Raya, Pengangkutan dan Kesihatan Pahang, Razali Kassim.

Sementara itu, Darwis berkata, kerja pembinaan jajaran ECRL di Pahang berjalan dengan lancar dan mencapai kemajuan sebanyak 58.97 peratus setakat Februari lalu, didukung oleh kerja terowong, pemasangan rasuk jejambat, pembinaan stesen dan pemasangan landasan.

Katanya, jajaran ECRL yang sepanjang 258km di Pahang membabitkan pembinaan tujuh stesen, iaitu stesen Cherating dan KotaSAS adalah untuk tujuan penumpang sahaja manakala stesen KPC, Paya Besar, Maran, Temerloh dan Bentong adalah stesen gabungan penumpang dan kargo.



# Kemajuan projek ECRL di 4 negeri lebih 60 peratus



**Jajaran Kota Bharu-Gombak dijangka siap ikut jadual Disember 2026**

Oleh Nor Fazlina Abdul Rahim  
nfazlina@bh.com.my

Kemajuan keseluruhan projek Laluan Rel Pantai Timur (ECRL) yang merangkumi empat negeri iaitu Kelantan, Terengganu, Pahang dan Selangor telah mencapai 62.4 peratus setakat bulan lalu.

Ketua Pegawai Eksekutif Malaysia Rail Link Sdn Bhd (MRL), Datuk Seri Darwis Abdul Razak, berkata pembinaan projek mega itu di Kelantan disifatkan paling

mudah termasuk dalam urusan pengambilan tanah.

Katanya, sehingga kini segala urusan pengambilan tanah di Kelantan selesai sepenuhnya dan kerja pembinaan di negeri itu mencapai kemajuan 75.8 peratus dengan keseluruhan jajaran sepanjang 43 kilometer.

"Jajaran ECRL dari Kota Bharu ke Terminal Bersepadu Gombak, Selangor dijangka siap mengikut jadual iaitu pada Disember 2026 dan mula beroperasi pada Januari 2027.

"Jajaran ECRL dari Gombak ke Pelabuhan Klang pula dijangka siap pada Disember 2027," katanya pada sidang media pada Majlis Berbuka Puasa Bersama ECRL di Kota Bharu, malam kelmarin.

Yang turut hadir, Pengerusi Jawatankuasa Kerja Raya, Infrastruktur, Air dan Pembangunan Luar Bandar Negeri Kelantan, Datuk Dr Izani Husin.

Mengulas lanjut, Darwis berkata, pembinaan projek ECRL sepanjang 665 kilometer itu memabitkan perbelanjaan RM50.27 bilion.

## Banyak cabaran

Katanya, jajaran ECRL turut memabitkan pembinaan 41 terowong sepanjang lebih 62 kilometer serta pembinaan jejambat 150 kilometer.

"Banyak cabaran yang kita lalui sepanjang projek ini berjalan, terutama dengan keadaan geografi selain pembinaan banyak terowong," katanya.

Ketika ditanya berhubung harga tiket yang akan dikenakan, Darwis memaklumkan perkara itu belum dibincangkan setakat ini.

"Harga tiket akan ditentukan oleh Kementerian Kewangan dan saya yakin harga yang dikenakan adalah berpatutan," katanya.



Darwis (kiri) dan Izani (dua dari kiri) menyampaikan cek sumbangan Ramadan kepada Madrasah Tahfizul Quran Lilbanat Darul Atiq pada Majlis Berbuka Puasa Bersama ECRL di Kota Bharu, malam kelmarin.

(Foto Nor Fazlina Abdul Rahim/BH)





*The East Coast Rail Link in Kelantan is 75.8 per cent complete. PIC BY NIK ABDULLAH NIK OMAR*

## ON TRACK

# ECRL in 4 states 62pc complete, says CEO

**KOTA BARU:** Construction of the East Coast Rail Link (ECRL) in Kelantan, Terengganu, Pahang, and Selangor is 62.4 per cent complete up to February.

Malaysia Rail Link Sdn Bhd (MRL) chief executive officer Datuk Seri Darwis Abdul Razak said in Kelantan, construction was 75.8 per cent complete.

"The ECRL in Kelantan covers 43km with two stations: a passenger station in Kota Baru and a passenger and cargo station in

Pasir Puteh.

"The ECRL, from Kota Baru to the Integrated Transport Terminal (ITT) in Gombak, is expected to be completed in December 2026 and will start operations in January 2027.

"The ECRL stretch from Gombak to Port Klang is expected to be completed by December 2027," he said after a breaking-of-fast event here on Sunday.

Darwis said the construction of elevated bridges in Kelantan was

progressing well.

"We have achieved three tunnel breakthroughs, bringing the number of tunnel breakthroughs to 30 (out of 41)."

He said the 92.2km stretch from Kuantan to Dungun had been completed.

The 665km ECRL is expected to cut travel time from Kota Baru to ITT Gombak to four hours, as compared with a road journey of at least seven hours by road. **Bernama**



# PAN BORNEO HIGHWAY BOOST

Large-scale infrastructure projects can further spur Malaysia's economic development

SHAREN KAUR AND S. BIRRUNTHA  
KUALA LUMPUR  
bt@nst.com.my

**M**ALAYSIA should focus on initiating large-scale infrastructure projects, which are crucial for the country's economic development as they generate spillover effects and employment opportunities.

This, in turn, would not only enhance productivity but also ensure that Malaysia maintained its global competitiveness, said KGV International Property Consultants executive director Samuel Tan.

He said notwithstanding the underwhelming performance in the fourth quarter of last year, there would be an upside lift for the economy this year, driven by Light Rail Transit, Mass Rapid Transit and Pan Borneo Sabah highway projects.

A spokesperson with a foreign

fund management company, who spoke on condition of anonymity, said he anticipated a promising outlook for the construction sector, supported by ongoing government projects.

He said the landscape was bolstered by private-sector construction ventures, buoyed by substantial investments in new semiconductor foundries and data centres.

"Last year, the overall performance of the construction industry was below expectations, with most players recording low earnings.

"The industry remains plagued by rising construction costs, declining order books and a fierce competitive environment.

"However, we believe that industry revenue will show better performance in the coming quarters."

One of the significant infrastructure undertakings in Malaysia is the Pan Borneo Sabah highway.

Big contractors, particularly those with a proven track record in Sabah and robust financial standings, are expected to take the lead in bidding for the remaining contracts as the project's funding mechanism becomes clearer.

According to CIMB Securities, the tender activities for Phase 1B of Pan Borneo Sabah are gaining traction, evidenced by the recent awarding of multiple new contracts.

The research firm said Phase 1B of the highway, valued at RM15.7 billion, encompassed 20 work packages, each averaging about RM785 million.

"Four packages were awarded on March 22 and physical work is set to commence on April 1."

"For the remaining 16 packages, the tender process is expected to conclude by the end of this month, with physical work scheduled to begin in May. So far, a total of 300 companies have participated in the Phase 1B ten-

der and we believe that it would take a few months to shortlist the candidates," it said.

However, CIMB Securities cautioned that the project's margins might face pressure due to stiff competition.

Despite this, cost-competitive contractors still have the opportunity to secure multiple contracts when the tenders conclude.

CIMB Securities noted a distinct lack of public-listed construction companies involved in the Pan Borneo Sabah project.

It said most, if not all, of the contractors chosen for Phase 1A and the initial four packages of Phase 1B were privately held entities.

"However, we anticipate that public-listed contractors will take centre stage in the upcoming bidding processes as the project's funding mechanism becomes more transparent," it added.





# BIDDING FOR LSS5 BEGINS

Request for proposal document available online from April 1-16

AZANIS SHAHILA AMAN  
KUALA LUMPUR  
bt@nst.com.my

**T**HE government has started the competitive bidding for 2,000 megawatts (MW) of solar power under the fifth large-scale solar (LSS5) programme.

The request for proposal (RFP) document is available for purchase online from April 1-16 on the Energy Commission's website.

The two gigawatts of green energy allocated to LSS5, also known as LSS Petra, more than double the amount allocated to LSS4 announced three years ago.

The Energy Transition and Water Transformation Ministry (Petra) said LSS Petra would provide opportunities for participation and encourage the involvement of Bumiputera developers, with four packages, each offering different quota ranges.

A total of 500MW had been allocated to Bumiputera majority-owned small and medium enterprises and companies under packages one and two.

The first three packages of 1,500MW solar quota will be for ground and rooftop solar generation, while the fourth package for another 500MW will be for floating solar projects.

The commission said this was one of the government's initiatives to support energy transition and carbon reduction by increasing the share of renewable energy



The first large-scale solar (LSS) project in Kuala Langat, Selangor. The two gigawatts of green energy allocated to LSS5, also known as LSS Petra, more than double the amount allocated to LSS4. FILE PIC

to 70 per cent by 2050.

"The LSS Petra programme provides opportunities for Bumiputera companies to participate in the energy sector and compete fairly," it said.

LSS programmes reportedly had seen a lull since its fourth award in 2021 amid project hiccups due to sharp jump in solar

panel prices. The awards then had a maximum capacity of 50MW per project.

A separate programme introduced later, the Corporate Green Power Programme, which entails individual consumers to sign power purchase agreements with a solar project developer, saw a capacity of 30MW per project

made available.

The solar power plants under LSS5 are scheduled to start operating in 2026.

The packages offered are Package 1 for rooftop/ground solar power plants with a total quota offered of 250MWac and the allowed capacity range is between 1MWac to more than 10MWac.



# Competition heating up

The fifth iteration of the large-scale solar programme is expected to be a keenly contested race as foreign players enter the bidding process

## ENERGY

By DANIEL KHOO  
danielkhoo@thestar.com.my

**KUALA LUMPUR:** A very competitive landscape is anticipated for the fifth iteration of the large-scale solar programme (LSS5), as both renewable energy (RE) and non-RE players are anticipated to gear up and bid for the project.

While raw material costs of solar panel prices have seen a sustained steep drop on keen supply and competition, some industry players think price margins could continue to be wafer-thin this time around.

This is as foreign competition is expected to also feature in this space now, following the latest bidding guidelines released by the Energy Commission (EC) this week.

It may see some bidders taking advantage of any lower cost of capital due to their global scale and better economies of scale.

According to the statement by the EC, foreign companies will be able to take part in Package 3 and Package 4 of the LSS5 in consortium partnership with majority local equity ownership of 51%.

There was also the concern of reverse bidding, whereby some players may under-price their bidding quotes just to gain market share locally since foreign players will now be involved, said analysts.

As it is now, analysts project solar panel prices could decline further despite high demand, given broader industry dynamics of high supply for these panels.

Solar panel prices have fallen some 90% from US\$1.33 per watt in 2010 and some estimates have projected this could drop even further to 10 US cents per watt this year.

The key in both Package 3 and Package 4



**“Prices for solar panels have gone down. It is likely the bids will be based on these lower forecasts. However, bear in mind they can also suddenly rise due to unexpected factors.”**

Danny Wong

then would be for local players to get a strong reputable foreign consortium partner to anchor its bid.

Areca Capital Sdn Bhd chief executive officer Danny Wong believes the latest LSS5 iteration should learn from the previous LSS4 and be a better version of it.

“The question is whether the bids will be given to those who are really good, or will they accept anyone to do the job?”

“Prices for solar panels have gone down. It is likely the bids will be based on these lower forecasts. However, bear in mind they can also suddenly rise due to unexpected factors,” he told *StarBiz*.

Wong said the best and most ideal type of model would be allowing players to work with offtakers separately so that margins will be sustainable.

“Such players would also need to be mindful and manage their risks in taking on such projects, although it may sound

lucrative on the surface,” he said.

The LSS5 sees a total of two gigawatts (GW) quota, which is by far the largest for any of the LSS programmes compared to less than one GW auctions in cycles prior to this.

Despite any margin concerns by the industry, Solarvest Holdings Bhd's chief executive officer Davis Chong is upbeat and said the company is expecting the LSS5 to be more profitable than the LSS4 by moving towards a more market-driven approach.

“We think it will result in a higher internal rate of return and a more feasible business profit to facilitate a healthier competition for all bidders.

“A market-driven LSS5 will also lead to cheaper levelised cost of energy, allowing consumers to enjoy clean energy at an economical price,” he said.

“The LSS5 has allocated a certain portion

for local and bumiputra players. With our over 1,200 megawatts (MW) proven track record, we think Solarvest is in a strong position to compete for the 500MW larger-scale project and the floating solar category within our capability,” he added.

Chong also noted that smaller engineering, procurement, construction and commissioning and RE developers can focus on smaller-scale projects.

“This approach will enable Malaysian companies to drive the development of utility-scale solar and achieve mutual success. In 2019, Solarvest completed Malaysia's first and largest floating solar farm in Dengkil, Selangor,” he said.

MIDF Research in its report said it expects the outcome of the bidding process to be announced by year-end, which would give successful bidders sufficient time for financial close and a plant construction next year, before actual operations deadline in 2026 as had been set by the EC.

“One of the key changes in the latest LSS is the rise in capacity bid limit to 500MW for Packages 3 and 4, which is five times the previous 100MW limit for LSS3 and 10 times the 50MW limit for LSS4.

“We reckon a project of such size could entail huge capital expenditure of some RM1.5bil to RM2.3bil, which requires a fairly demanding balance sheet capacity,” it said.

“Within the asset owner space, we believe the big boys within the utilities sector such as Tenaga Nasional Bhd and YTL Power International Bhd are likely to come in as anchors in their consortiums, especially for the larger capacity bids,” it added.

It also noted that one of the key pain points in previous LSS programmes was the excessive competition to supply energy to a single buyer that has driven down returns to single-digit levels.



# Kerajaan batal projek lebuh raya PJD Link

**Putrajaya:** Kabinet semalam memutuskan untuk tidak meneruskan projek pembinaan lebuh raya Petaling Jaya Traffic Dispersal Elevated Highway (PJD Link).

Menteri Komunikasi, Fahmi Fadzil, berkata keputusan itu dibuat selepas memegang konsesi-nya gagal memenuhi enam daripada 11 syarat yang ditetapkan.

"Jemaah Menteri membuat keputusan tidak melanjutkan perincian dengan pihak PJD Link yang memohon lanjutan untuk memenuhi sejumlah syarat. Kerajaan menolak permohonan itu.

"Sebelum ini syarikat sudah memohon dua kali lanjutan bagi memenuhi syarat ditetapkan. Susulan kegagalan itu, projek terbabit tidak diteruskan," katanya pada sidang media di sini, semalam.

Berdasarkan perancangan, lebuh raya terbabit akan menghubungkan bahagian utara dan selatan Petaling Jaya menerusi Petaling Jaya Utara, Bandar Utama, Taman Tun Dr Ismail, Taman Da-

to' Harun, Taman Medan Baru, Taman Sri Manja, Bandar Kinrara dan Bukit Jalil Technology Park.

## Penduduk setempat bantah

Bagaimanapun, pembinaan projek itu mendapat bantahan daripada penduduk setempat.

Malah, kerajaan Selangor pada tahun lalu membuat keputusan membatalkan permohonan pembinaan lebuh raya terbabit, berikutan pelan dikemukakan berkaitan laporan penilaian impak didapati tidak menepati syarat ditetapkan.

Pada 24 Februari lalu, Menteri Besar, Datuk Seri Amirudin Shari, dilaporkan meminta pemaju lebuh raya terbabit merundingkan semula jajarannya dengan kerajaan Persekutuan.

Mengulas lanjut, Fahmi yang juga Jurucakap Kerajaan Perpaduan berkata, Kementerian Kerja Raya (KKR) akan memberi perincian penuh berhubung keputusan yang diambil Jemaah Menteri.



Lakaran artis projek pembinaan PJD Link.



# RM70B COST FOR HSR PROJECT?

But progress may stall as the 3 shortlisted consortia are seeking govt financial support

SHAREN KAUR  
KUALA LUMPUR  
bt@nst.com.my

**T**HE cost of the proposed Kuala Lumpur-Singapore high-speed rail (HSR) project may come in at about RM70 billion, said market insiders, adding that this is 30 to 35 per cent lower than the previously reported RM110 billion.

"No definitive cost estimate has ever been provided for the HSR project. The RM70 billion figure is a projection based on factors such as the length and alignment of the railway line, as well as the number of trains and stations required," said an insider.

MyHSR Corporation, the government-owned entity overseeing the HSR projects development, received concept proposals from seven domestic and international consortia by the Jan 15 deadline.

The request for information (RFI) was to enable the government to assess the private sector's ability to fully finance the project without state funding or

guarantees.

The three shortlisted consortia — YTL Construction Sdn Bhd-SIPP Rail Sdn Bhd; Malaysian Resources Corp Bhd-LJM Construction Sdn Bhd-Berjaya Rail Sdn Bhd-Keretapi Tanah Melayu Bhd (MRCB-LJM-BRail-KTMB), and a Chinese consortium led by state-owned China Railway Construction — are said to be seeking some form of government financial support.

The MRCB-LJM-BRail-KTMB consortium has reportedly requested in its proposal for government compensate if the number of passengers falls below a minimum threshold.

The YTL-led group has requested for some form of government financial support in its bid to manage the mounting costs of building the line.

"This contradicts the government's stance that it will not fund the proposed 350km line," said the insider.

"Of the shortlisted consortia, only the China Railway-led consortium possesses robust finances to undertake the project via private funding."

Sunway University Business School Economics Prof Dr Yeah Kim Leng said the mega rail project was edging closer to reality with MyHSR shortlisting the three consortia.

However, he cautioned that numerous obstacles must be overcome before the project could commence, including clarifying the funding sources, assessing the project's feasibility, and determining the extent of government support.

Yeah stressed that if the economic viability and financing challenges were resolved, the project could significantly benefit the Malaysian economy by the end of the decade.

Transport Minister Anthony Loke said early this month the concession method used for private companies to build highways could be adopted.

He said the HSR remained an integral project that could be a game changer for the country.

"I don't see why we must say no, but it should not be a govern-

ment-led project. Instead, the private sector can contribute capital and carry on the project," he said during the *Keluar Sekejap* podcast with Khairy Jamaluddin and Shahril Hamdan on April 5.

The project, first mooted by YTL Group more than 20 years ago, resulted in a legally binding agreement in December 2016, with the aim of having the line operational by 2026.

However, it was put on the back burner following several delays at Malaysia's request and eventually lapsed in December 2020.

KGV International Property Consultants executive director Samuel Tan said on the surface, it appeared that only the Chinese consortium possessed the financial capacity to undertake this massive project.

"Whatever the case, the HSR project, when operational, will transform the entire transportation landscape in Malaysia. The country will be part of the big jigsaw within the Pan Asian Railway Network," he added.

*"I don't see why we must say no, but it should not be a government-led project. Instead, the private sector can contribute capital and carry on the project."*

ANTHONY LOKE  
Transport Minister



# PJD Link cut off for good

Developer was unable to fulfil government's conditions, says Fahmi

By TEH ATHIRA YUSOF  
tehathirayusof@thestar.com.my

**PUTRAJAYA:** The Petaling Jaya Dispersal Link (PJD Link) highway project is no more.

The project has been discontinued as the developer failed to meet conditions set by the government and there will be no more discussions on the proposed highway, says Fahmi Fadzil.

The government spokesman said the Cabinet has decided not to continue discussions after the developer failed to fulfil conditions, which would allow the concession agreement (CA) to take effect.

"The developer was not able to fulfil the conditions," the Communications Minister told a press conference after the Cabinet meeting yesterday.

He said the Works Ministry would issue a detailed statement on the matter soon.

PJD Link was a proposed 25.4km dual-lane elevated expressway connecting Damansara to Bandar Kinrara in Selangor, starting after the NKVE toll plaza at the SPRINT Expressway in Damansara and ending at the intersection of the Bukit Jalil Highway.

The project was initially floated as the Kinrara-Damansara Expressway (Kidex) around 2013 but was cancelled by the Selangor



**Development down:** Fahmi speaking during a press conference on the highway's cancellation in Putrajaya.  
— LOW LAY PHON/The Star

state government in 2015 after protests.

A new project, the PJD Link, was then approved in principle by the Cabinet in November 2017 and by the state government in September 2020 before the CA was signed between the developer and the government on April 5, 2022.

The highway proposed to alleviate traffic congestion from Bandar Utama to Kinrara through the Petaling Jaya area, and as an alternative to the Damansara-Puchong Expressway, which has

exceeded its capacity.

However, it has been opposed by residents who doubt it can solve the long-standing traffic issue and would instead see a huge number of vehicles in residential areas.

On July 31 last year, the then caretaker Selangor Menteri Besar Datuk Seri Amirudin Shari had announced the decision to scrap the project.

"The state government is not satisfied with the proposal and has decided to cancel the proposed construction of PJD Link,"

he said.

However, in February this year, *The Star Metro*, citing informed sources, reported that talks of the project being revived emerged at the end of 2023 and a meeting between the developer and Selangor Economic Action Council was held on Jan 10.





# ECRL capai kemajuan 78.03 peratus di Kelantan

**Kota Bharu:** Pembinaan projek Laluan Rel Pantai Timur (ECRL) di Kelantan sudah mencapai kemajuan sehingga 78.03 peratus setakat Mac lalu.

Ketua Pegawai Eksekutif Malaysia Rail Link Sdn Bhd (MRL), Datuk Seri Darwis Abdul Razak, berkata ia menunjukkan peningkatan tiga peratus, berbanding pada Februari lalu.

Katanya, peningkatan pembinaan berkenaan hasil kerjasama daripada semua pihak dan kerja ini mengikut jadual yang ditetapkan.

"Sementara itu, kerja pemasangan landasan dari Gebeng, Pahang ke Dungun, Terengganu sudah siap sepenuhnya sepanjang 92 kilometer (km), manakala dari Gebeng ke Maran, Pahang sepanjang 97km sudah siap sebanyak 33km.

"Selebihnya, ia dalam proses pembinaan dan dijangka siap mengikut masa yang ditetapkan," katanya ketika ditemui pada Majlis Rumah Terbuka Aidilfitri bersama Projek Laluan Rel Pantai Timur (ECRL) di Hotel Perdana di sini, semalam.

Hadir sama, Menteri Besar Kelantan, Datuk Mohd Nassuruddin Daud.

Darwis berkata, bagi pemasangan sistem elektrifikasi pula ia akan bermula seawal Mei ini di kawasan Gebeng, Pahang. Kemudian, ia akan disusuli kerja pemasangan semboyan.



# HSS Engineers declares 1.21 sen dividend on strong FY23

**KUALA LUMPUR:** HSS Engineers Bhd has announced a final single-tier dividend of 1.21 sen per share in respect of the financial year ended Dec 31, 2023 (FY23), a significant increase from the previous year's dividend of 0.92 sen per share.

In a statement, the engineering and project management consultant said the dividend payout is estimated at RM6.2mil or

30% of FY23 net profit, in line with its dividend policy targeted at 30% of annual net profit.

The proposed dividend, subject to approval by shareholders at the group's AGM on June 6, is set to be paid out to shareholders on June 26, with an ex-date on June 10.

Executive vice-chairman Tan Sri Kuna

Sittampalam stated that the group is pleased to offer dividends to its shareholders, acknowledging their long-standing commitment to the company.

"With a robust order book totalling RM1.5bil as at Dec 31, 2023, encompassing projects spanning across renewable energy, data centres, roads, highways, railways, and water, we are poised for

continued success.

"Additionally, our outlook is buoyed by the swift progress of mega infrastructure initiatives in Malaysia, propelled by the government's endorsement of key projects such as phase 1B of the Pan-Borneo Highway in Sabah and the Penang Light Rail Transit. The endeavours underscore the significant opportunities ahead."



# HSS to pursue contemporary techniques

PETALING JAYA: HSS Engineers Bhd will continue to pursue the adoption of contemporary digital techniques to enhance its core expertise.

In a filing with Bursa Malaysia, HSS said its net profit for the first quarter ended March 31, 2024 improved to RM4.42mil from RM4.23mil in the previous corresponding quarter, mainly contributed by project management and construction supervision projects.

Revenue grew to RM47.38mil from RM45.85mil a year earlier while basic earnings per share stood at 0.88 sen compared with 0.85 sen previously.

HSS said the local market contributed 96.5% of the group's total revenue.

It said its unbilled order book as at March 31, 2024 stood at RM1.45bil, with the project management segment being the biggest contributor at 75%.

The company said its order book will be billed progressively over the next eight years.



# Baghdad metro to lift HSS Engineers' earnings

**PETALING JAYA:** HSS Engineers Bhd's earnings are expected to pick up in the second half of 2024 (2H24) when its Baghdad metro project in Iraq kicks off, says CGS International (CGSI) Research.

HSS Engineers' core net profit in the second quarter of 2024 (2Q24) dropped by 57% year-on-year (y-o-y) to RM2.8mil, bringing 1H24 core net profit to RM7.7mil which saw a 30% decline y-o-y.

CGSI Research said this was in line with expectations at 22% and 23% of its and Bloomberg consensus' financial year 2024 (FY24) forecasts.

"The key highlight for 2Q24 was an 11% y-o-y decline in project management consultancy (PMC) revenue to RM19mil.

"This was due to the decline in recognition for its mass rail transit (MRT) three PMC, but offset by other PMC projects, such as Pan Borneo Sabah phase 1A (77.4% completion as of June 24) and its role as project delivery manager in the Northern Corridor Economic Region," the research house said in a report yesterday.

The group's gross profit margin stood at

30% in 2Q24 compared with 1Q24's 32% and 2Q23's 33%. HSS Engineers gross profit margin has been in the 30% to 37% range for the past nine quarters, and at 22% to 29% in 1Q20 to 4Q21.

On July 1, HSS Engineers and its joint venture partner, Consultant HSS, LLC entered into a contract with the Mayorality of Baghdad for the provision of PMC and construction supervision services (CSS) for a metro project in the Iraqi capital.

The total estimated fees are RM1.49bil, of which HSS Engineers' 50% share is worth RM745mil.

Of the amount, RM249mil (0.6% of construction cost of RM83bil) related to the PMC work that commenced in July and ends in 3Q25.

Thereafter, the CSS contract worth RM497mil (1.2% of construction cost of RM83bil) will commence in 3Q25 and end in May 2029.

"We believe the litmus test for its Baghdad metro project is the receipt of advance payment of RM37mil (HSS Engineers' 50% share), which is expected

by September.

"The Baghdad metro project brings HSS Engineers' year-to-date contract wins to about RM880mil and order book to RM2.1bil as of June.

"Depending on timing and the ability to execute, there could be upside to the gross profit margins for this contract, where the estimated gross profit margin guidance for this new project of 40% is superior to the group gross profit margin of 32% as of 1Q24, given better rates internationally and its lower domestic cost," the research house said.

The research house pointed out that country-specific risks with overseas contracts would be mitigated by the advance payment to be received and the end-client, which is the government of Iraq.

"Additionally, we believe this is an important win for HSS Engineers to diversify its order book away from the MRT 3 PMC and could open the doors to more overseas projects, making HSS Engineers less susceptible to delays in contract flows in Malaysia," the research house said.



# MRT 3 revival to benefit the economy

PETALING JAYA: The revival of the mass rapid transit three (MRT3) project will help propel the overall growth of the construction industry in the country.

Benefiting from the mega infrastructure project are Gamuda Bhd, YTL Corp Bhd and HSS Engineers Bhd, according to CGS International (CGSI) Research.

The research house noted that Gamuda was the lowest bidder for civil main contractor (CMC) 303 tunnelling before a retender, while YTL was the lowest bidder for CMC 302 before a retender, and HSS was involved in the existing project management consultant (PMC) contract.

"The recognition for HSS' MRT 3 PMC contract, which was awarded in late 2022 has been slow, given the large civil packages for MRT 3 have yet to be awarded," CGSI Research said.

It said other listed contractors, which did work for MRT 1 and/or MRT 2 such as WCT Holdings Bhd, Sunway Construction Group Bhd and IJM Corp Bhd, could also be potential beneficiaries of the MRT 3.

In addition, building material players like Malayan Cement Bhd and piling contractors like Econpile Holdings Bhd would also benefit.

CGSI Research reiterated "overweight" on the sector due to expectations of strong project flows from data centres, semiconductor factories and industrial warehouses, as well as a potential revival in government infrastructure spending.

Last Friday, MRT Corp announced it was undertaking a revised public display for MRT 3, running for three months from Sept 2 to Dec 2, 2024.

"We believe this is because of a proposed change in alignment which requires a new railway scheme," CGSI Research said.

There would be 35 designated locations, eight MRT information kiosks and 27 MRT information trucks at key sites for the public display exercise.

This is to give an opportunity to the public to review and provide feedback on the proposed alignment, sites and other details of the project.

The MRT 3 or the circle line spans 51km around the Kuala Lumpur city's perimeter and is designed to integrate with existing MRT, light rail transit, KTM and monorail lines through 10 strategically located interchange and connecting stations.

"While we believe the public display shows the government's intention to revive the MRT 3 project, The timeline remains uncertain for now," CGSI Research said.

"We believe it is possible that MRT 3 will be included in Budget 2025 and be rolled out next year. However, we are also hearing anecdotally that the Kuala Lumpur-Singapore high-speed rail may take precedence over the MRT 3," it added.



MyHSR Corporation chairman Datuk Seri Fauzi Abdul Rahman speaking at the HSR Asia 2024 Forum in Kuala Lumpur yesterday. PIC BY EIZAIRI SHAMSUDDIN

UNDER GOVT STUDY

# 'DECISION ON HSR PROJECT BY YEAR END'

It can stimulate country's economy by creating greater integration, says Fauzi

ALZAHIRIN ALIAS  
KUALA LUMPUR  
bt@nst.com.my

**M**ALAYSIA will make a decision on the multi-billion-ringgit Kuala Lumpur-Singapore high speed rail (HSR) project by year end.

MyHSR Corporation chairman Datuk Seri Fauzi Abdul Rahman said the government was in the midst of studying the project, with a focus on the long-term economic impact as well as the country's fiscal position.

"The complete working paper on the project's implementation

will be brought to the Cabinet for a final decision," he said at the HSR Asia 2024 Forum yesterday.

The HSR project, he said, was not just another transport network, but had great potential to form a collective effort in building the future of the country.

Fauzi said the rail project could stimulate the country's economy by creating greater integration, especially with neighbouring countries, through the first cross-border HSR in Asean.

The project is seen as a gateway to future high-speed connections to other Asean countries, such as Thailand, Vietnam, Laos, and ultimately China.

The increased connectivity offered by the HSR is expected to attract more domestic and foreign investments, thus turning the surrounding areas into booming economic hubs, as seen in Japan and China.

The HSR project is also expected to increase accessibility to a wider market for local communities, especially small towns along the track alignment.

The project also has the potential to reduce traffic congestions and carbon emissions while also supporting a more sustainable tourism sector.

"The HSR project is not just a big investment but also a far-sighted step for Malaysia's future, in line with national development goals and Madani Economy principles," Fauzi added.



# BRIGHT OUTLOOK FOR CONSTRUCTION SECTOR

Mega infrastructure projects and demand for industrial facilities to drive growth, says platform

SHAREN KAUR  
KUALA LUMPUR  
bt@nst.com.my

**T**HE construction sector is set for a major upswing for the rest of 2024, driven by a surge in large-scale infrastructure projects.

Key catalysts include the Penang Light Rail Transit and the Mass Rapid Transit 3 in the Klang Valley.

This growth trajectory is expected to create a significant number of job opportunities.

In addition to these massive undertakings, sustained demand for industrial facilities like warehouses, data centres and semiconductor plants is further bolstering the industry's favourable operating condition, according to Vitaly Berezka, regional spokesperson for PlanRadar.

PlanRadar is Europe's digital construction and real estate project management platform.

He said the construction sector will also gain momentum from other projects such as the East Coast Rail Link, the Pan Borneo Highway and the Iskandar Malaysia development.

The ECRL will strengthen connectivity between the East Coast and West Coast, fuelling economic growth, he said.

"Similarly, we anticipate that the Pan Borneo Highway will enhance connectivity across Sabah and Sarawak, while Iskandar Malaysia will spur new residential, commercial and industrial projects.

"As a result, a positive outlook is forecast for Malaysia's construction sector in the near future."

Prime Minister Datuk Seri Anwar Ibrahim has said the total approved investments from January to June rose 18 per cent to RM160 billion compared with the same period last year.

These investments involved nearly 3,000 new projects that will create more than 79,000 job opportunities for Malaysians, he said at Khazanah Nasional Bhd's 30th anniversary.

The approved investments in 2023 totalled RM329.5 billion, up 23 per cent from RM267.7 billion in 2022. Of the total, 57.2 per cent of the approved investments came from foreign capital and 42.8 per cent from domestic



**As a result, construction companies must adapt to these sustainability goals to maintain access to crucial funding and market opportunities.**

VITALY BEREZKA  
PlanRadar regional  
spokesman

energy efficiency.

"These tech-driven efficiencies not only support sustainability goals but also deliver cost savings and value, proving that sustainable construction is both environmentally responsible and financially viable," he said.

He noted an uptick in construction activity across South-east Asia, largely driven by substantial investments in public infrastructure and transport projects.

The Southeast Asian construction market size revenue is reportedly projected to reach US\$538.5 billion in 2024 and grow at a compound annual growth rate of more than six per cent per year.

He said this growth is primarily attributed to strategic infrastructure investments and economic development initiatives.

"Countries like Malaysia, Indonesia and the Philippines are among the biggest construction markets, driven by their focus on enhancing transportation networks, energy infrastructure and urban development.

"The industrialisation and expansion of cities in these countries are also significant factors, as they create demand for renewed or expanded civil infrastructure, commercial and residential building development, and large-scale energy infrastructure."

Berezka said governments are prioritising these developments to foster economic growth, enhance connectivity and tackle urbanisation issues.

These projects are crucial for regional integration, reducing traffic congestion and boosting economic resilience.

While this increase benefits the construction sector through heightened activity and revenue, it also brings challenges, including potential resource shortages, environmental sustainability concerns and the need for improved project management to prevent delays and cost overruns.

"We are seeing that the growing demand for materials, labour and technological innovations presents opportunities for construction firms. But at the same time, it also intensifies competition for resources and requires skilled workers to manage complex projects effectively," he said.

investments.

Berezka also said with the rise in investments, especially in construction projects, there is mounting pressure for companies to adhere to sustainable practices, especially those receiving green funding.

"Financial institutions and investors now prioritise sustainability in their lending criteria, requiring projects to meet strict environmental standards to qualify. This pressure aligns with government policies and international commitments, such as Malaysia's goal to achieve net-zero carbon emissions by 2050.

"As a result, construction companies must adapt to these sustainability goals to maintain access to crucial funding and market opportunities."

Berezka said technology is pivotal in aligning projects with sustainable principles while ensuring strong returns for investors.

Digital construction management tools like building information modelling and artificial intelligence are known to facilitate precise planning and simulation, optimising resource use, reducing waste and enhancing



# MRT3 to lift property value

## Project set to revitalise real estate market, boost businesses

By KHOO GEK SAN  
geksan@thestar.com.my

**PETALING JAYA:** The latest MRT project, the Circle Line, will likely lead to a boom in property value along its 51km route, says a real estate group.

This is because proximity to public transport is a crucial selling point for developers and landlords, said Malaysian Institute of Estate Agents (MIEA) president Tan Kian Aun.

"It is one of the key selling points for developers or landlords who want to rent out their units.

"Proximity to public transport can greatly influence rental rates and property values," he said when contacted.

"This applies to both residential and commercial properties. Restaurants, convenience stores, and banks will soon sprout up in neighbourhoods along the route, thus boosting the commercial landscape," he said.

The proposed alignment for the Circle Line or MRT3 has been put up on public display and available for feedback from Sept 2 to Dec 2.

The 51km orbital rail line will encircle the city's perimeter and integrate seamlessly with existing MRT, LRT, KTM and Monorail lines through 10 interchanges and connecting stations.

MRT3 will have stations at Bukit Kiara (interchange with Kajang MRT), Intan-National Science Centre, Sri Hartamas, Bukit Segambut, Dutamas, Kompleks Duta (interchange with KTMB), Sentul Barat (interchange with the upcoming Putrajaya



MRT Line), Sentul Timur (interchange with the Ampang LRT line), and Setiawangsa (interchange with the Kelana Jaya LRT line).

It will also have stations at Pandan Indah (interchange with Ampang LRT), Taman Midah (interchange with Kajang MRT), Salak Selatan (interchange with Sri Petaling LRT), Bandar Malaysia South (interchange with Putrajaya MRT), MidValley (interchange with KTMB), Kerinchi (interchange with Kelana Jaya LRT), and University Malaya Medical Centre, among others.

Construction is scheduled to begin in 2026, with the entire line expected to be fully operational by 2032.

Jimmy Yong is one such person who welcomes a nearby MRT station as it will make commuting to work easier.

"I'm alone and renting a small room, so I'm happy that the MRT3 station will be close to Jalan Kuching," the 23-year-old said.

However, Tan noted that there were some downsides to being close to an MRT line.

"Traffic could build up, and some areas might lack adequate parking," he said.

"Neighbourhoods might not like the congestion caused by people parking to use the MRT line."

He stressed that well-maintained public transport stations are crucial to avoid negative impacts such as noise and litter.

"But overall, it's beneficial to the economy. It spurs commercial activities, increases rental rates and boosts property values," he said.

Tan also called for local authorities to reconsider zoning laws to better integrate residential and commercial areas around new transport hubs.

"If there is a train station, residential areas may convert some spaces to commercial zones, which will invigorate local businesses," he said.

He advised developers and investors to prepare for an increase in demand for properties near MRT3 stations, citing examples from areas like Subang Jaya where rental rates went up by 10% to 20% after the introduction of the LRT Kelana Jaya line.

Ruby Low, 39, an administrative clerk who owns a car, does not prioritise living near public transport or MRT stations.

"It's exhausting to commute by train during peak hours from Puchong to Kuala Lumpur city centre. The travel time is the same, around an hour, so I'd rather drive and avoid standing for an hour before starting my work," she said.



# Beberapa projek infrastruktur penting bakal diumumkan

**Pembinaan Lebuhraya Kuantan-Singapura antara dijangka disebut dalam Bajet 2025**

Oleh **Hazwan Faisal Mohamad**  
hazwanfaisal@bh.com.my

Beberapa projek infrastruktur yang kurang mendapat perhatian meluas dijangka berpotensi untuk dibentangkan dalam Belanjawan 2025 nanti.

Menurut penganalisis RHB Research, Adam Mohamed Rahim, Pelan Induk Kerjasama Awam-Swasta 2030 (PIKAS 2030) yang

dilancarkan pada September lalu menandakan hasrat kerajaan untuk mempercepatkan perluasan infrastruktur dengan memanfaatkan sumber daripada sektor swasta.

"Antara bakal projek penting (mungkin belum lagi mendapat liputan media arus perdana) yang dibangkitkan bawah PIKAS 2030, termasuk Lebuhraya Kuantan-Singapura, projek pemanjangan Lebuhraya Pantai Barat (Banting-Nusajaya), Koridor Logistik Klang, Lebuhraya Kuala Lumpur-Klang, dan Lebuhraya Pasir Gudang.

"Mana-mana satu daripada projek ini mungkin akan disebut ketika pembentangan Belanjawan 2025 nanti," katanya dalam nota penyelidikannya semalam.

Tambahnya, antara perkembangan lain yang berpotensi dibentangkan pada Bajet 2025 ada-



lah keputusan, sama ada sistem transit aliran ringan (anggaran kos RM16.7 bilion) atau sistem transit autonomi bertingkat (EART) (anggaran kos RM7 bilion) akan dilaksanakan di Johor Bahru.

"Pada Mei lalu, Kementerian Pengangkutan dijangka meleng-

kapkan kajian berhubung cadangan EART di Johor Bahru pada Ogos yang mungkin membuka ruang untuk kemas kini semasa pembentangan Bajet 2025.

"Di samping itu, dijangka ada perkembangan mengenai Lebuhraya Bertingkat Juru-Sungai Dua di Pulau Pinang, dengan anggaran kos RM1.8 bilion.

"Unit Kerjasama Awam-Swasta (UKAS) di bawah Jabatan Perdana Menteri dan PLUS Malaysia secara rasmi memulakan perbincangan mengenai projek ini pada Januari lalu untuk menangani masalah kesesakan trafik yang berlarutan di Seberang Prai," katanya.

## Syarikat ada rekod cemerlang

Antara syarikat yang berpotensi mendapat manfaat daripada projek ini, termasuk Gamuda, Sunway Construction, dan IJM Corporation, yang mempunyai

rekod cemerlang dalam projek infrastruktur kerajaan.

Pada masa sama, Gabungan AQRS dan Econpile mungkin muncul sebagai sub-kontraktor untuk projek berkenaan.

Adam berkata, pihaknya terus berpegang dengan pandangan sebelum ini bahawa perbelanjaan pembangunan (DE) bersih bawah Belanjawan 2025 dijangka akan tetap berada pada paras tinggi iaitu sekitar RM90 bilion, selain peratusan besar daripada peruntukan DE itu diketepikan untuk subsektor pengangkutan membabitkan projek lebuhraya, pelabuhan dan kereta api.

"Pelaksanaan levi pelbagai peringkat ke atas pekerja asing yang akan dikuatkuasakan nanti mungkin mendatangkan beberapa isu, iaitu tahap levi lebih tinggi akan dikenakan sekiranya pengambilan pekerja asing lebih ramai," katanya.



# On track with Penang LRT construction from December

By DAVID TAN

davidtan@thestar.com.my

**GEORGE TOWN:** Penang's Light Rail Transport (LRT) dream will begin to take shape in December with a groundbreaking event, with the first station to be built in Lebuhraya Macallum.

Transport Minister Anthony Loke is said to have approved a date to get the 29km Mutiara Line landmark project off the ground.

The alignment starts from Penang Sentral on the mainland before crossing the channel to Lebuhraya Macallum.

From there, the multibillion-ringgit line will pass through Komtar, Bandar Sri Pinang, Sungai Pinang, East Jelutong, The Light, Gelugor, Jalan Universiti, Sungai Dua, Sungai Nibong, Bukit Jambul, SPICE, Jalan Tengah, the Free Industrial Zone, Free Industrial Zone South, Sungai Tiram, the

Penang International Airport, Permatang Damar Laut and Silicon Island, which will serve as a depot.

A component of the Penang Transport Master Plan, the Penang LRT will have 20 stations, including two interchange stations at Komtar and Penang Sentral in Butterworth, with completion slated for 2030.

It was reported recently that project developer Mass Rapid Transit Corp Sdn Bhd (MRT Corp) might opt for a rubber-tired metro system to save on operations and maintenance costs.

With annual ridership projected at between five million and 42 million passengers, the Penang government is counting on the mammoth project to ease chronic traffic congestion in the state.

The Gamuda-led group SRS Consortium is currently finalising terms and conditions for the civil

works package, which will cost about RM7.6bil.

Gamuda is planning to bid for the electrification and signalling works, worth about RM1.2bil.

The project has three main components: civil construction works for Segment 1, covering the alignment of Silicon Island to Komtar; Segment 2, which covers the line from Komtar to Penang Sentral, and a turnkey contract for system and carriage (coach) works.

Small and Medium Enterprises Association honorary national secretary Yeoh Seng Hooi said the LRT project would also provide more jobs, with skilled locals to benefit.

"The spillover effects will benefit subcontractors and those providing goods and services for the project.

"Infrastructure development, which reduces transport costs and travel time, will boost foreign and



**Exciting new journey:** An artist's impression of the Penang LRT's Mutiara Line. — File pic

domestic investments," he said.

Transport analyst Abi Sofian Abdul Hamid said incorporating support networks like shuttle services and parking facilities would ensure the LRT system's efficacy.

He said transit-oriented "last-mile" development around LRT stations would contribute to green transportation and lower carbon emissions.

In June, Loke said he hoped that physical work could commence before the year's end.

He also revealed that the LRT's

alignment had been finalised.

He said this was done after discussions with all parties and that the Penang government agreed with the alignment proposed by MRT Corp, with the passenger station starting from Bayan Lepas to Komtar and one line to Penang Sentral.

On March 29, Loke announced that the Federal Government had taken over the Penang LRT project from the state government, with MRT Corp appointed as developer and asset owner.



# UNDERGROUND RESERVOIRS TO STEM FLOODS

Two subterranean facilities in Klang Valley in the works to mitigate flash flood woes

SUZALINA HALID  
KUALA LUMPUR  
news@nst.com.my

**T**HE Drainage and Irrigation Department (DID) is building underground reservoirs to mitigate flash floods in the Klang Valley.

This approach is a way to resolve problems of limited space for constructing retention ponds.

An underground reservoir is being built at the police training centre (Pulapol) here, and another is being planned near Sungai Kuyuh in Seri Kembangan.

The Pulapol underground reservoir is estimated to cost RM30 million and is slated to be completed next year.

It is expected to manage excess water from Sungai Bunus and reduce flash floods.

Similar to surface tanks, the underground reservoir will collect rainwater before it flows into the river.

Deputy DID director-general (business sector) Amiruddin Alaldin said the Pulapol reservoir would be 943.4 sq m in size and could store 109,000 cubic metres of water.

Amiruddin said: "We used this approach when building the Smart Tunnel in 2007. This project is the result of collaboration among local experts."

He said the reservoir and its system of pumps could reduce the peak water levels during floods.

Flash floods in the Klang Valley on Oct 15 had disrupted traffic and caused landslides in Taman Melawati.

Key areas affected by the floods included Jalan Parlimen, the federal police headquarters in Bukit Aman, Jalan Duta, Jalan Sultan Abdul Halim, Universiti Malaya, Wisma Central and SK Padang Jawa in Shah Alam.

Amiruddin said reservoirs were crucial in flood management as they could reduce river or rainwater flows by 40 per cent during heavy rain.

"Putrajaya is a model, developed with a modern urban approach that integrates various water-storing lakes, ponds and parks, making it less susceptible to flooding."

"However, in the Klang Valley, available space for constructing above-ground tanks is diminish-



Partially submerged vehicles at the World Trade Centre Kuala Lumpur parking lot during a flash flood in August. NSTP FILE PIC

ing. Thus, the focus has shifted to building underground reservoirs."

Currently, there are 33 flood tanks in the Klang Valley — 18 are maintained by DID, while 15 are managed by Kuala Lumpur City Hall.

Amiruddin said constructing underground tanks was a more effective way to address flooding than dredging rivers.

In June 2022, then Kuala Lumpur mayor Datuk Seri Mahadi Che Ngah said City Hall planned to build underground reservoirs to address extreme weather conditions over the next decade.

The underground tanks would complement existing surface reservoirs, which often reached maximum capacity during heavy rains.

During the Oct 15 flash floods, DID channelled more than four million litres of water away from the Klang Valley.

The three water systems that handled this volume included Lencongan Gombak and Lencongan Keroh, which managed streams that flowed into Sungai Gombak and Sungai Keroh.

Amiruddin said the Stormwater Management and Road Tunnel (Smart) also stored approximately 2.45 million litres of water.

"If more than four million litres of water had not been diverted, Klang Valley would have experienced flooding similar to other severe incidents prior to the Smart Tunnel's operation in 2007," he said.



# TRANSFORMING THE ENERGY AND WATER SECTORS

## Petra is committed to ensuring sustainable and innovative management

MOST Malaysians understand and appreciate the complexity of supplying and managing the water or energy resources that empower the nation.

The country's Energy Transition and Water Transformation Ministry (Petra) mobilises the sectors for both energy and water in Malaysia.

The Ministry has been committed towards its vision of leading the governance of sustainable and inclusive electricity and water supply to ensure the well-being of the nation.

It is also focused on implementing water transformation to the sector in order to ensure a safe water supply for the people through the adoption of smart technology and digitalisation.

Water transformation refers to the management of rivers, floods and sewage, as well as seasonal floods to ensure that consumers get a clean supply.

This process ensures a sustainable national water resource and drives Malaysia as a dynamic water hub that contributes to economic development, creates new job opportunities, and facilitates R&D, innovation and commercialisation.

In doing so, Petra plays a vital role in empowering water governance at the federal, state and local government levels towards integrated water management.

To transform water towards more efficient water manage-

ment requires an integrated information system that allows cooperation with state governments.

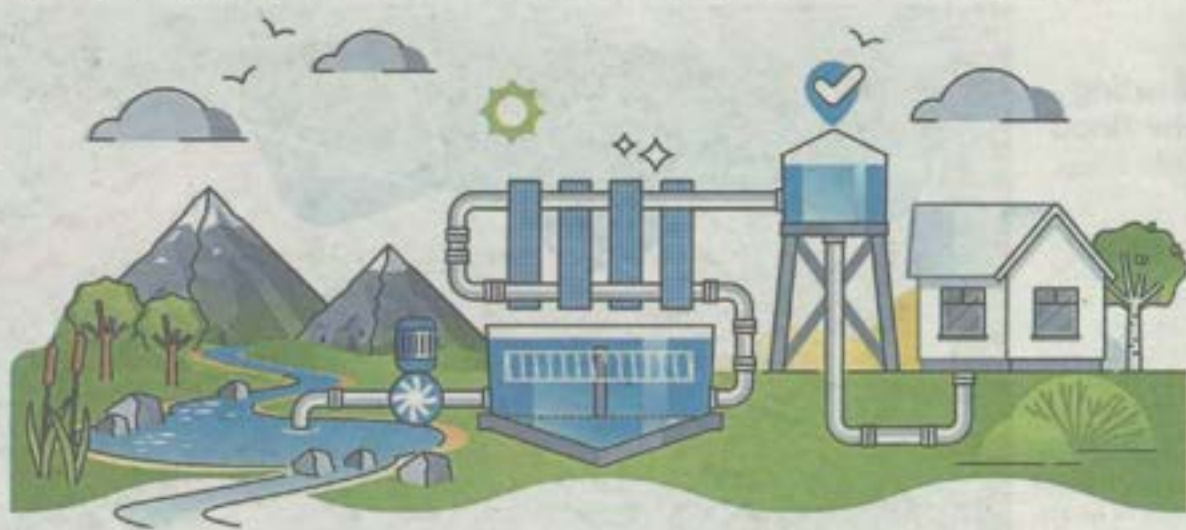
This is essential to protect water security and ecosystem sustainability for a better future.

It sustainably manages water resources, supplies and sewerage services, not only to guarantee availability of this valuable resource for humans and the ecosystem, but also to ensure the rakyat's safety when flood disasters occur.

Such implementations include the Flood Mitigation Programme, National Flood Forecast and Warning Programme, the National River Trail Programme, the River Conservation and Cleaning Programme, the National NRW Reduction Programme, the Riverside Water Reservoir (TAPS) Production of Reclaimed Water, and the comprehensive water tariff adjustment of IWK's sewerage charge rebate.

Under Petra are 10 agencies that play different yet crucial roles in the management of the nation's energy and water resources, ensuring their efficient and sustainable use.

These include the National Water Services Commission, which oversees the nation's water supply industry, as well as the Drainage and Irrigation Department, which protects and manages water resources for eco-



Petra plays a vital role in empowering water governance at the federal, state and local government levels towards integrated water management.

nomic and environmental sustainability and quality of life.

It oversees and conducts research on water-related issues via the National Water Research Institute of Malaysia and handles the distribution of water supply under the Water Supply Division, while its Water Asset Management Berhad manages water assets within the country.

It also also oversees sewerage services in urban areas through the Sewerage Services Department as well as Indah Water Konsortium, which manages and operates the country's sewerage services.

Petra also manages the formulation of new energy transition policies for the people, industry and the country, as well as ensuring that electric generation is

managed in a sustainable and equitable manner, so that the safety and well-being of the rakyat is guaranteed.

These include the People's Solar Transition (Solar@PETRA) initiative, the Solar For Rakyat Incentive Scheme (Solaris), the Renewable Energy Division (TBB), the Malaysia Renewable Energy Roadmap (MyRER), the National Energy Transition Roadmap (NETR), the National Energy Policy (DTN) and the Imbalance Cost Pass-Through (ICPT) mechanism.

The Energy Commission regulates electricity supply industry in Malaysia, while its Sustainable Energy Development Authority promotes the development of renewable energy in Malaysia.

Another division in the energy sector is MyPower, which over-

sees the reform of the power and electricity sector in Malaysia.

It adheres to the net-zero carbon policy by 2050 and has implemented several initiatives that align with four of the six Madani pillars, which are assurance, safety, sustainability and well-being.

Through these pillars, Petra aims to:

- > ensure the continuous and consistent supply of energy and water for the nation
- > assure supply of quality and clean water and the efficient and safe use of energy
- > empower the management and regulation of sustainable and inclusive energy and water supply
- > improve people's well-being with access to reliable energy supply and clean water supply.



## 'Projek MRT3 ditangguh ke 2027, bukan dihentikan'

**Penganalisis jangka pembinaan diteliti selepas rasionalisasi subsidi petrol tahun depan**

Oleh Mohd Zaky Zainuddin  
zaky@bh.com.my

**Projek Transit Aliran Massa 3 (MRT3)** yang ditangguhkan ke 2027 akan tetap diteruskan memandangkan kepentingannya yang strategik sebagai bahagian terakhir rangkaian MRT Lembah Klang, menghubungkan sistem rel sedia ada di pinggir pusat bandar Kuala Lumpur.

Penganalisis CIMB Securities, Mak Hoy Ken, berkata perkembangan terbaharu menge-

nai projek MRT3 itu bukannya sesuatu yang mengejutkan, dengan andaian projek rel bandar itu hanya akan dipertimbangkan semula selepas pelaksanaan rasionalisasi subsidi petrol pertengahan tahun depan.

"Projek MRT3 ditangguhkan, bukannya dihentikan. Ia mungkin memberi sedikit kesan kepada industri pembinaan, tetapi ia dijangka diteruskan," katanya dalam nota penyelidikan.

Dikenali juga sebagai Laluan Lingkaran, projek MRT3 sepanjang 51 kilometer (km) merangkumi 40km bertingkat dan 11km bawah tanah.

Projek berkenaan mampu menampung 25,000 penumpang sejam di setiap arah, dengan perjalanan lengkap mengambil masa kira-kira 73 minit.

Laluan MRT 3 dijangka memiliki 32 stesen, di mana 22 daripadanya bertingkat, tujuh bawah tanah dan tiga stesen bertingkat sementara.

MRT 3 akan berhubung de-

ngan laluan MRT, Transit Aliran Ringan (LRT), Keretapi Tanah Melayu Bhd (KTMB) dan mono-rel sedia ada di 10 persimpangan utama.

Ia membabitkan dua stesen di Laluan MRT Kajang (Bukit Kiara Selatan dan Taman Midah), dua stesen di Laluan MRT Putrajaya (Titiwangsa dan Kuchai), dua stesen di Laluan LRT Ampang (Pandan Indah dan Titiwangsa), satu stesen di Laluan Monorel KL (Titiwangsa); dua stesen di Laluan KTM Komuter (Pantai Dalam dan Kompleks Duta), dan satu stesen bas bandar (BRT Sunway).

Di bawah Belanjawan 2023 yang disemak semula, kerajaan menyatakan hasrat untuk mengurangkan kos projek MRT3 kepada di bawah RM45 bilion berbanding anggaran RM68 bilion yang diumumkan pada 2018.

Daripada anggaran asal RM68 bilion, kira-kira RM34 bilion diperuntukkan untuk ker-

ja pembinaan.

Hoy Ken berkata, selain isu pengambilan tanah, langkah melanjutkan proses perancangan memberikan kerajaan 'ruang bernafas' yang amat diperlukan untuk menyusun semula kedudukan fiskalnya.

"Ia memberi peluang kepada kerajaan untuk melaksanakan semula proses tender memandangkan input utama projek mungkin sudah berubah sejak tamat tempoh kesahihan tender asal pada Mac 2024," katanya.

### Proses pengambilan tanah

Baru-baru ini, media melaporkan MRT Corp menyatakan pembinaan laluan MRT 3 hanya mungkin bermula pada 2027, selepas proses pengambilan tanah selesai.

"Pemeriksaan awam selama tiga bulan terhadap jajaran yang disemak semula sedang dilaksanakan dan akan berakhir pada 2 Disember 2024. Sebaik sahaja jajaran akhir dimuktamadkan,

proses pengambilan tanah akan mengambil masa sehingga dua tahun, melanjutkan tempohnya sehingga 2026.

"Sehingga kini, hanya satu daripada lima pakej utama projek ini dianugerahkan membabitkan kontrak hampir RMI bilion untuk perkhidmatan perundingan pengurusan yang diberikan kepada HSS Engineers Bhd (HEB) pada Ogos 2022.

"Projek ini sudah berada dalam perancangan selama beberapa tahun, tetapi pelaksanaannya tertangguh kerana pelbagai faktor," tambah Hoy Ken.

CIMB Securities mengandikan usaha sama MMC-Gamuda memiliki peluang terbaik untuk memperoleh kontrak pembinaan terowong MRT3, apabila projek ini mendapat kelulusan.

"Sukar untuk menentukan penerima manfaat berpotensi bagi skop kerja lain pada masa ini kerana banyak bergantung pada status penyerahan tender asal," katanya.



# Rafizi: Penang LRT project to proceed

**GEORGE TOWN:** The government has given its assurance that the Mutiara Line Light Rail Transit (LRT) project in Penang will proceed as planned.

Economy Minister Rafizi Ramli said like any project, as long as the tender had not been awarded, the project could be scrapped if a new administration decides against it.

However, he said, if the tender had been awarded, then the government would be liable to a suit if it decides to cancel any project.

"On this basis, looking at the Mutiara Line LRT project, I am optimistic that the current government will remain until the end of the term, hence the project will go on as planned.

"Looking at the progress, that is going to be the case," he said when responding to a question from the floor during the 'Madani

Mendengar bersama Menteri Ekonomi' programme in Bayan Lepas here yesterday.

Rafizi said all important decisions on the project were made at the federal level.

"We expect the tender to be awarded soon. The only risks we expect to face are cost increase and the delay in completion."

Last month, Transport Minister Anthony Loke said the project was expected to kick off early next year.

He said discussions were being held with the main contractor to finalise details.

He said the ministry that oversees the project would then obtain approval from the Finance Ministry.

The cabinet had approved the project during a meeting on March 22, a decision welcomed by the Penang government.

The project, which is targeted to begin operations in 2030, starts from Penang Silicon Island to Komtar, then across to Penang Sentral in Seberang Prai.

The distance is estimated to be about 29km with 20 stations, including two interchanges at the Komtar Station and Penang Sentral Station.

On Tuesday, Penang Infrastructure Corp Sdn Bhd (PIC) said reclamation work for the project depot had started and would be handed over to MRT Corp by the end of next year.

PIC chief executive officer Datuk Seri Farizan Darus said 24ha of land would be reclaimed for the depot by the end of next year.

He said it would then hand over the depot to MRT Corp, the Mutiara Line LRT owner and implementation agency, so that construction could begin.