

MRT cost tally after all tenders are given out

THE target cost of the MY Rapid Transit (MRT) project will be known by the fourth quarter of this year after all 90 tenders have been awarded, said Mass Rapid Transit Corp Sdn Bhd (MRT Corp) chief executive officer, Datuk Azhar Abdul Hamid.

He said the target cost was the aggregate of all tenders plus reimbursable capped at RM2.8 billion and the contingency amount capped at 6% of the total tender awarded. "We will only know the full tender value of all jobs after they have been awarded. We will be on a better footing towards the end of this year."

On the financing for the MRT project, Azhar said the project would be fully financed by the capital market. "Yes, it is 100% from the capital market... I think it will be sukuk.

"As far as the financing is concerned, it has been finalised. But I am not going to give you the details because this is being arranged by the

Ministry of Finance through its subsidiary, Dana Infra. The best people to give you the details for the project funding would be the Ministry of Finance."

MRT Corp has signed an agreement with MMC Gamuda KVMRT (PDP) Sdn Bhd, formalising the appointment of the latter as the project delivery partner (PDP) for the MRT Project.

The agreement spelt out MMC Gamuda KVMRT's responsibility to deliver the Sungai Buloh-Kajang MRT line within the agreed KPI of target cost and set completion date.

Under the terms of agreement, the PDP's fee shall be 6% of the total aggregate work package contacts award value. Should the eventual total cost be less than or equal to the target cost, the PDP shall be entitled to the full fee.

If the project cost is more than targetted, the PDP fee shall be reduced. — Bernama