

MRT bidders get more time

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KUALA LUMPUR: Tepid response to the open tender for the supply of electric trains to the Klang Valley mass rapid transit project has forced MRT Corp, the government body overseeing the massive infrastructure undertaking, to extend the tender period by one month.

Confirming an earlier report by *The Edge Financial Daily*, MRT Corp's strategic communications and public relations director Amir Mohmood Razak said the tender period was being extended after four of the six international bidders had requested extra time to meet technical specifications.

Amir said MRT Corp had not received any bids for the supply contract, which is valued at around US\$600 million (RM1.8 billion). But several industry executives involved in the bidding said they were informed in their private consultations with the government agency that China's CSR Zhuzhou Electric Locomotive had made a submission.

CSR Zhuzhou, a late entrant to the supply tender process, is widely seen to have the upper hand in the race for the contract. The company recently secured a contract worth RM530 million for the supply of 20 six-car metro trains to serve the extended Ampang line of Kuala Lumpur's light-rail transit (LRT) system. The Chinese company also won the contract to supply 38 six-car electrical multiple units, or emus, from KTM commuter services in Kuala Lumpur.

MRT Corp had pre-qualified six companies for the supply of the electric trains. Apart from CSR Zhuzhou, the international cast of bidders includes Kawasaki Heavy Industries, Canada's Bombardier,

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Changchun Railway Vehicles Co, Germany's Siemens AG and South Korea's Hyundai Rotem Co.

Industry executives said the technical specifications for the supply contract appear to favour CSR Zhuzhao. "The company is very competitive when it comes to pricing. But other bidders have other strengths, which are important to make this project work,"

said a representative for one of the pre-qualified bidders for the supply contract.

Another representative of an engineering company pre-qualified for the supply contract said his company is still considering whether to make a submission. "All we want is a level playing field. We don't mind competing hard with the other players as long as we know the tender is open and transparent," said the

industry executive.

MRT Corp's Amir dismissed suggestions of favouritism in the tender process. "No bidder has the advantage over another, as the selection of all MRT Corp tenders is stringent and transparent, based on criteria applied across all bidders," he said.

After years of investing heavily in highways and ports, the Malaysian government has turned its

focus to the railway sector. Over RM70 billion in railway-related projects have been slated for the next decade, including the prized RM40 billion Klang Valley MRT project. Rail-related construction will be the second fastest growing sector after oil and gas, and has caught the attention of international engineering giants.

The Klang Valley rail project is also being closely watched be-

cause of the government's pledge that all contracts will go through a stringent public tender process. The absence of large and reputable engineering giants in the first round of the tender submission has raised eyebrows.

But Amir said he is confident the bidding will close next month without any hitch. "We fully expect to receive all six bids by the closing date."