

MRT's RM1.6b tender gets disappointing response

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KUALA LUMPUR: Three of the six pre-qualified companies have walked away from the RM1.6 billion MRT train supply tender for the 51km Sungai Buloh-Kajang line without submitting a bid.

An extension of one month had been given, but South Korea's Hyundai Rotem Company pulled out, while Japan's Kawasaki Heavy Industries Rolling Stock Co and Canada's Bombardier Transportation decided not to submit bids.

The Edge Financial Daily reported last month that the tender was suffering from a tepid response from the bidders, prompting MRT Corp to extend the tender offer to mid-June.

MRT Corp CEO Datuk Azhar Abdul Hamid said he was disappointed with the pullout and the failure by several of the shortlisted groups to make submission to participate in the tender. The agency had hoped for all six bids to come in.

The three remaining bidders are Siemens SMH Rail Consortium from Germany and Chinese train-makers, Changchun Railways Vehicle Co Ltd and CSR Zhuzhou Electric Locomotive Co Ltd.

The three groups will be subjected to a four-stage evaluation process and an award is expected in late July.

"The main reason we did not submit a bid was because we felt there was only a slim chance of winning.

"On top of that, the timeline

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was too short," said an executive from a company that dropped out from the tender process. Speaking on condition that he not be named, the executive added that "some of us [bidders] felt that CSR Zhuzhou has some advantage over the other bidders."

Amir Mohmood Razak, MRT Corp public relations director, dismissed the allegations of favouritism.

"Bombardier's letter stated they felt they needed additional time to submit a bid. Kawasaki HI stated they were uncertain of the evaluation process, apart from insufficient time. Hyundai

Rotem stated they were pulling out earlier," he said in written responses to *The Edge Financial Daily*. He added that all the bidders were given four months to prepare their bids.

According to the executive, at least two companies had written to MRT Corp protesting CSR Zhuzhou's pre-qualification due to its lack of experience in driverless trains.

But Amir insisted that "CSR Zhuzhou had managed to meet all the pre-qualifying criteria." He also dismissed claims about the letters questioning CSR Zhuzhou's credentials. "All queries were technical," he said.