



IT'S A DEAL... Central Group chairman Sudhitham Chirathivat (second from left) exchanging documents with I-Bhd executive chairman Tan Sri Lim Kim Hong, flanked by Central Pattana plc CEO Kobchai Chirathivat (left) and I-Bhd CEO Datuk Eu Hong Chew (story on Page 6).

MoF to award **RM2.6b** MRT jobs

Siemens tipped as front runner for RM1.6b rolling stock tender

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KUALA LUMPUR: German engineering conglomerate Siemens AG is leading the race among an international cast of global contractors vying for over RM2.6 billion in contracts for the Klang Valley Mass

Rapid Transit (MRT) project, which will be decided by the Ministry of Finance (MoF) today.

According to several sources with knowledge of the matter, the MoF's high level One-Stop Procurement Committee chaired by Prime Minister Datuk Seri Najib Razak will meet today to decide on three

tender packages — depot equipment and maintenance, power supply and distribution systems, and the closely scrutinised rolling stock tender.

Of the three packages, the rolling stock package alone is worth RM1.6 billion and persons familiar with the tender said Siemens

SMH Rail Consortium has displaced Chinese train-makers CSR Zhuzhou Electric Locomotive Co Ltd as the front runner to supply the required 58 four-car driverless train sets.

According to sources, MRT Corp, the government agency tasked

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One German, two Chinese companies in the running

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with overseeing the RM40 billion public transport network, is recommending Siemens for the rolling stock package based on its evaluations.

If Siemens is awarded this contract, it would be the biggest rolling stock order it has secured to date in the Asean region.

CSR Zhuzhou was initially believed to have a big advantage going into the tender since it had made a sweep of rolling stock contracts totalling RM2.43 billion in the past three years.

The company is in the process of setting up a RM400 million train manufacturing plant in Batu Gajah, Perak to serve the region.

The MRT rolling stock tender first caught the public's attention when three of the six pre-qualified international train makers refused to bid for the lucrative project, which industry executives said was a result of MRT Corp's last minute pre-qualifying of CSR Zhuzhou to participate in the tender.

Apart from Siemens and CSR Zhuzhou, the third and final competing bid for the rolling stock tender came from Changchun Railways Vehicle Co Ltd, a close rival of CSR Zhuzhou in their homeland, China.

The other two tender packages that will be decided today, worth about RM1 billion combined, are the depot equipment and maintenance works and the power supply and distribution systems contracts. Siemens is also a bidder for both.

The depot equipment and maintenance works contract is believed to be a close race between George Kent Bhd, its JV partner Lion Pacific Sdn Bhd, and a consortium led by Siemens, while Jiansu Transportation Research Institute Co Ltd is the third bidder.

George Kent recently came under intense public scrutiny when it won the highly technical systems works contract for the Ampang Light Rail Transit (LRT) extension line project worth RM1 billion, despite lacking any rail project experience.

Japan's Meidisha Corp is thought to be the front-runner in the power supply tender which is worth about RM500 million, as sources told *The Edge Financial Daily* that Meidisha has submitted the lowest bid.

The three other bidders for the power supply contract are Mitsubishi Heavy Industries Ltd, Balfour Beatty MRT Consortium, and a consortium led by Siemens.

MRT Corp told *The Edge Financial Daily* there are several tenders due to be awarded in the next two weeks.

However, sources said the tender awards are expected to be announced over the weekend, following a decision today.

With over RM160 billion in railway projects planned over the next decade in Malaysia, the international rail industry will be closely monitoring the award of these three contracts.