

Klang Valley MRT offset scheme to contribute RM3.5b

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KUALA LUMPUR: The Klang Valley Mass Rapid Transit (KVMRT) Offset Programme will bring to the country RM3.53 billion worth of benefits from the six main contractors such as MMC-Gamuda KVMRT (T) Sdn Bhd involved in the first 51km Sungai Buloh-Kajang line.

Mass Rapid Transit Corp Sdn Bhd (MRT Corp) said the offset programme is expected to benefit 50 local companies when the KVMRT is completed in 2017.

The programme will contribute to seven areas of interest, namely, design and development (RM218 million), human capital development (RM329 million), global market access (RM509 million), local work packages (RM913 million), investment (RM70 million), parts and component manufacturing (RM482 million) and transfer of technology (RM667 million).

MRT Corp yesterday signed an offset agreement with MMC-Gamuda, Meidensha-Meiden Malaysia Sdn Bhd JV, Bombardier (Malaysia) Sdn Bhd, Siemens Malaysia Sdn Bhd-Siemens AG-SMH Rail Sdn Bhd JV, Affiliated Computer Science Solutions France SAS and Mitsubishi Heavy Industries Ltd.

The programme's direct offset value, such as for technology transfer, product or parts marketing, contract manufacturing and foreign or direct investment is RM3.05 billion. Its indirect offset value, such as for technology, capability development or commercialisation, productive sign

capability, parts and component making as well as foreign or domestic investment, is

RM480 million.

MRT Corp CEO Datuk Wira Azhar Abdul Hamid said the company has made purchases with different contractors for the KVMRT project and invested heavily in the provision of expertise and machinery not available in the country.

"This includes the purchase of trains, costing RM1.365 billion and 10 units of tunnel boring machines used for underground construction, each costing between RM30 million and RM45 million," he said at the signing ceremony which was in collaboration with Malaysian Industry-Government Group for High Technology (MiGHT).

The beneficiaries of the KVMRT Offset Programme include the Land Public Transport Commission, railway players, local manufacturers, suppliers, engineers and universities.

MiGHT president and CEO Mohd Yusoff Sulaiman said the programme is a win-win platform for sustainable business and allows local SMEs to participate in the global supply chain.

The programme takes off with 30 MRT Corp staff recruited for training with Siemens for a period of between 36 and 60 months in Malaysia, Austria and Germany.

Affiliated Computer will send trainees to France while Meidensha and Mitsubishi will recruit trainees to Japan. Another group of trainees will be sent to Thailand by Bombardier.