

CGC to disburse RM100m to MRT2 bumi sub-contractors

KUALA LUMPUR — The Credit Guarantee Corporation Malaysia Bhd (CGC) aims to disburse RM100 million in financing to bumiputra sub-contractors involved in the Mass Rapid Transit (MRT) Line 2 project within the next three years.

Its president and chief executive officer Mohd Zamree Mohd Ishak said Mass Rapid Transit Corporation Sdn Bhd (MRT Corp), the developer and owner of the MRT project, has screened nearly 1,000 companies which applied for financing, but only 700 Grade 1 to Grade 6 companies might be eligible for it.

He was speaking to reporters after the signing of a memorandum of understanding (MoU) between CGC and MRT Corp here Friday, which was witnessed by International Trade and Industry Minister Datuk Seri Mustapa Mohamed.

The MoU sets the pace for the bumiputra sub-contractors to secure financing for contract works for the MRT Line 2 project, which involves the construction of a rail-based public transport network.

The 52.2km MRT Line 2 is also known as the MRT Sungai Buloh-Serdang-Putrajaya Line.

MRT Corp chief executive officer Datuk Seri Shahril Mokhtar said CGC's move to provide financing for bumiputra contractors was important to ensure the success of MRT Corp's bumiputra agenda participation for small and medium enterprises contractors.

"I understand that CGC had previously provided financing to bumiputra contractors from grades G1 to G4 who participated in the construction of the MRT Sungai Buloh-Kajang Line (MRT Line 1) and I am glad this will continue for the second MRT line where the financing provided will be provided for those between grades G1 and G6."

Shahril said with this support, contractors will no longer face difficulties in getting their work started and will be successful in completing their contracts.

Moving forward, the groundbreaking ceremony for MRT Line 2 is expected to be held at end of the month or early September.

"So far, we have awarded over 20 packages worth RM24 billion for MRT Line 2 project. At least three or four packages worth close to RM2 billion will be awarded by year-end. We will go full force and award at least another 20 packages next year," Shahril added.

He said MRT Corp will submit a study on the MRT Line 3 line, also known as the Circle Line, to the government by year-end. — Agencies