

Double-track rail project on time

PETALING JAYA: The RM12.5bil project to replace Peninsular Malaysia's northern railway is progressing on schedule and on budget after an earlier delay in acquiring land, a director said.

Construction companies Gamuda Bhd and MMC Corp Bhd are laying electrified double-tracks along the 329km route connecting Ipoh in with Padang Besar on Malaysia's northern border with Thailand. This will replace an existing single-track line.

"We are on schedule," project executive director Azmi Mat Nor told reporters yesterday. "I'm confident this project will be completed according to schedule in December 2013."

The Government awarded the contract in

2007 and extended its original 2012 deadline after difficulties in acquiring land had caused some initial delays to the five-year project.

Work commenced in early 2008 and 540 work packages, or 90% of the total, had been awarded to 310 contractors and suppliers for various stages of construction.

There had been no cost overruns and if any arose they would be borne by MMC and Gamuda as the contract was awarded by the Government as a fixed lump sum, Azmi said. "That's the risk we have to take," he said.

Their partnership, MMC-Gamuda Joint Venture Sdn Bhd, had so far received 43% of the RM12.5bil from the Government, which was in line with project's progress, he said. — Bloomberg