

# RM2b KL-Klang busway shelved

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KUALA LUMPUR: The Kuala Lumpur-Klang bus rapid transit (BRT) project — a 34km exclusive bus lane to run along the Federal Highway — has been shelved, it was learnt yesterday. An analyst estimated the project to cost about RM2 billion.

“I can confirm that the Economic Council, which was chaired by the prime minister, decided to shelve the project indefinitely and give priority to other transportation projects such as the high speed rail and the mass rapid transit,” a source familiar with the matter told The Edge Financial Daily.

“The decision was reached sometime in June or July. That’s why the BRT was not mentioned at all in the Budget 2018 announcement,” the source said, adding that no decision was reached with regard to BRT projects in other states.

When contacted, Land Public Transport Commission (SPAD) acting chairman Tan Sri Mohd Isa Abdul Samad said: “I can’t recall [the decision] on the spot. Please check with my team.”

A check with SPAD’s website showed that its procurement division has placed a notice stating: “Tender for Kuala Lumpur to Klang BRT project is hereby annulled. SPAD would like to thank all the bidders that responded to this tender.”

Construction of the busway was supposed to kick-start in 2014 but was deferred. According to a report, part of the route — covering the stretch from Pasar Seni in Kuala Lumpur to Subang Jaya — was supposed to be constructed between November 2014 and April 2016, and the remaining portion from June 2015 to December 2016.

SPAD eventually rolled out the tender for the project in January this year, which was subsequently closed on May 2.

CIMB Investment Bank Bhd, in a note to clients yesterday, said SPAD “gave no explicit reasons for the cancellation [of the tender] nor did it provide any guidance on the tender’s status to interested parties”.

The research house quoted the management of WCT Holdings Bhd as saying that SPAD has annulled the BRT tender for which WCT and a foreign consortium partner had submitted a bid, estimated at RM2 billion.

CIMB analyst Sharizan Rosely said WCT was among five contenders seeking to undertake the project on a build-operate-transfer structure, which would have provided the winning bidder with a long-term concession income.

In April, Transport Minister Datuk Seri Liow Tiong Lai said the government would roll out the project by 2019. He said the KL-Klang BRT service will feature 25 stations, and would integrate with three main urban rail networks operated by Mass Rapid Corp Sdn Bhd, Prasarana Malaysia Bhd and Keretapi Tanah Melayu Bhd.

The busway was expected to benefit some 1.9 million people in the Klang Valley, with a forecast daily ridership of over 400,000 persons.

Since 2009, the government has identified 12 areas where the BRT projects are necessary: KL-Klang BRT (34km), Kepong-Ampang (12km), Kajang-Putrajaya (18km), KL-Melawati (14km), KL-Puchong (18km), KL-Ampang (10km), Kinrara-Damansara (15km), Shah Alam-Putra Heights (16km), Kota Damansara-Shah Alam (24km), Putra Heights-Putrajaya (22.5km), Kerinchi-Alam Damai (12.5km) and Bandar Sunway (5.4km).

The 12 projects will boast a total of 215km of BRT line within the Klang Valley. Estimating the cost to build a kilometre of the BRT line at RM84 million, CIMB's Sharizan had in a previous report saying that the entire BRT network within the Klang Valley area could work out to be at a "whopping RM18 billion."

Launched in June 2015, the Bandar Sunway line is the first BRT in Malaysia, which was built on a public-private partnership model at a total cost of RM634 million, equivalent to RM117 million per kilometre.