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IJM joins race for Line 3's PDP role

SHAREN KAUR

EXPERTISE: Firm and for their money

partner may give MRCB-George Kent consortium a run

IJM Corp Bhd has emerged as the latest contender for the role of project delivery partner (PDP) for the proposed RM9 billion light rail transit Line 3 development linking Bandar Utama to Klang.

It is understood that IJM bought the tender document on April 10 and is eyeing the PDP role with its partly-owned unit, Scomi Group Bhd, which has Scomi Engineering Bhd as its subsidiary.

"Both IJM and Scomi Engineering have rail expertise to carry out

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the PDP role for Line 3. They may give the Malaysian Resources Corp Bhd-George Kent (M) Bhd consortium, which remains the favourite for the deal, a run for their money," a source said.

MRCB-George Kent and IJM are among seven firms shortlisted by Prasarana Malaysia Bhd, the project owner.

The others are MMC Corp Bhd, UEM Builders Bhd, the Naza Engineering and Construction (Naza E&P) Sdn Bhd-CSR Zhuzhou Electric Locomotive Co Ltd consortium, Sunway Bhd and the WCT Bhd-AlloyMtd group.

The 36km Line 3 will have 25 stations, including one underground. It is expected to be operational in 2020.

Sources said around 25 companies had submitted proposals for the PDP role. Among those voted out were YTL Corp Bhd, Systra from France and Caf of Spain, said

another source.

"It is strange that YTL Corp was disqualified despite building and operating the Express Rail Link between Kuala Lumpur Sentral in Brickfields and Kuala Lumpur International Airport and Kuala Lumpur International Airport 2.

"The concern is that among the seven qualified groups, only George Kent and IJM have experience in railway matters.

"The rest are civil engineering firms and they have no experience in systems engineering, which includes track work, power supply, signalling and communication.

"We understand that some of the parties are talking to Global Rail Sdn Bhd to be the systems integrator so they would have a complete package.

"They have about two months to submit their respective proposals for the PDP role. The fee structure should be a minimum six per cent

and it comes with the risk to deliver," the source said.

Global Rail is a railway engineering firm founded by veteran Fan Boon Heng, who previously headed ABB Daimler-Benz Transportation and later Balfour Beatty Rail Sdn Bhd for about 20 years.

Meanwhile, the PDP concept was first used for the Klang Valley mass rapid transit line from Sungai Buloh to Kajang. MMC Corp and its partner Gamuda Bhd were given the PDP role for the MRT and MRT 2 lines.

Under the MRT agreement, the PDP will receive a fee of six per cent of the total aggregate work package contract value. It will get the full fee should the total cost of the project be less than or equal to the target cost.

But if the project cost exceeds the target cost, the PDP fee shall be reduced in accordance with an agreed formula.