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Bakun

EKRAN AND ABB FAIL TO RESOLVE DISPUTE OVER BAKUN

KUALA LUMPUR, July 24 (Bernama) -- Ekran Berhad and its contractor Asea Brown Boveri Holdings (ABB) failed to resolve their dispute over the construction of the RM15 billion Bakun hydroelectric dam during their six-hour meeting here today.

Ekran chairman Tan Sri Ting Pek Khiing told reporters after the meeting that both parties would meet again in two weeks to try to end their dispute which had caused the project to be behind schedule.

"It was a good meeting... the issue has not been resolved and we have to come back again sometime in the next two weeks," he said.

Deputy Prime Minister Datuk Seri Anwar Ibrahim said last week the construction of the dam was behind schedule because of a major dispute between Ekran and ABB.

Anwar said the delay was caused by a disagreement between Ekran and ABB over the engineering, procurement and construction contract.

Prime Minister Datuk Seri Dr Mahathir Mohamad on Tuesday expressed confidence that any dispute regarding the project could be resolved.

" All contracts give rise to disputes and they can be resolved. We have resolved thousands of other problems," he said on his return from two months leave abroad.

The dam is one of the largest infrastructure projects in Southeast Asia and capable of producing 2,400 megawatts of electricity when it is ready in 2003.

Ekran has a 32 per cent stake in the project, the Sarawak government 19 per cent and the Sarawak Electricity Supply Corporation, nine per cent.

Tenaga Nasional Berhad, the Malaysian government through Khazanah Nasional Berhad and the Employees Provident Fund each has five per cent, while the balance of 15 per cent has been allocated to the Malaysian public, local and foreign institutions.-- BERNAMA

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