

03 JUN 1998

Ling-Monorail

CABINET OKAYS RM300 MILLION SOFT LOAN FOR MONORAIL PROJECT

KUALA LUMPUR, June 3 (Bernama) -- The Cabinet has approved a RM300-million soft loan to KL PRT Sdn Bhd to enable the company to proceed with the Kuala Lumpur monorail project, Transport Minister Datuk Seri Dr Ling Liong Sik said today.

The Cabinet had also decided to allow the contractor of the RM2-billion project to undertake an initial public offer (IPO) under the infrastructure project sector to raise additional capital, he said.

The government made the decisions about a month ago, he said.

"The initial proposal (of soft loan) approved by the Cabinet is RM300 million," he told reporters at his office, here.

Dr Ling said he was given to understand that the project had resumed after being stalled due to the company's reported liquidity problems in the light of the current unfavourable economic climate.

He said KL PRT had submitted its proposal for the IPO to the Securities Commission.

Prime Minister Datuk Seri Dr Mahathir Mohamad said on March 2 that the government would look into the request by KL PRT for some form of financial assistance.

Dr Ling said the company was also planning to adapt foreign technology to suit local needs in efforts to trim down costs.

The monorail is to run along several busy roads in Kuala Lumpur and complement other public transportation networks for the Commonwealth Games.

On another matter, Dr Ling said he would study the proposals made by a special committee which conducted a survey on the possibility of imposing mandatory jail sentence for habitual traffic offenders.

He said many interesting ideas mooted during discussions between the committee headed by the ministry's Parliamentary Secretary Datuk Chor Chee Heung and other relevant bodies had been put forth for his consideration.

"I will study all the proposals before forwarding them to the Cabinet for approval and table in Parliament if the need arises," he said.

It had been proposed that mandatory jail sentence be meted out against road bullies, illegal racers and those who take drugs before and while driving, among others.

Dr Ling said the type of drugs would be specified.

-- BERNAMA

MAM TS