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Work on East Coast highway starting soon

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KUANTAN, Wed. - After a long delay and postponement in the construction of the much awaited East Coast Highway project, the first phase is expected to be carried out some time at the end of this year, linking Karak to Temerloh.

Menteri Besar Datuk Seri Adnan Yaakob said work on the 50-kilometre stretch would start once the ground breaking ceremony of the project was done next month.

"However, the construction work would only involve the building of a 14 kilometre stretch for a two-lane highway.

"For the time being, work would only be done on the 14km stretch which only involves land which belongs to the State Government pending the land acquisition work being conducted for the remaining 36km stretch of the highway," he said after chairing the weekly State Executive Council meeting here, today.

Adnan declined to elaborate on the company which is undertaking the construction of the Karak-Temerloh link and its cost.

That, Adnan said, he would leave to the Federal Government to announce.

He added that among those expected to be present at the ground breaking ceremony are Works Minister Datuk Seri Samy Vellu and Second Finance Minister Datuk Mustapa Mohamed.

"After the Karak-Temerloh link is completed, work may start on the Temerloh-Kuantan stretch.

"I would like to thank Prime Minister Datuk Seri Dr Mahathir Mohamad, First Finance Minister Tun Daim Zainuddin and Samy Vellu for enabling the construction of the highway to be carried out," he said.

Adnan also stressed that this was not a political gimmick for the general election but that the Government wanted the project which would benefit the people to be completed as soon as possible.

The New Straits Times was made to understand that the highway project would be carried out by Malaysian Thai Development Capital Bhd.

(MTD Capital was one of the members of the consortium led by Malaysian Mining Corporation which was initially appointed to construct the 338km East Coast Highway.)

A Works Ministry official said MTD Capital would be leading the construction of the project now, instead of MMC.

It was however unclear if MMC and the other consortium partner, UEM, were still involved in the project or their share under the new arrangement. He added that MTD Capital was responsible for building the highway from Gombak to Karak and that "they would continue from where they ended."

On Aug 7, the NST reported that MTD Capital Bhd was ready to undertake the East Coast Highway project with the revised construction cost of RM2.62 billion.

Its executive chairman Datuk Dr Nik Hussein Abdul Rahman was quoted as saying: "We are quite ready to undertake (the project) because we are committed to the cost (RM2.62 billion)."

Dr Nik Hussein said that MMC had yet to respond to the request from the Government to carry out the "fast track" project.

The construction cost of the East Coast Highway was initially estimated at RM4.2 billion before the Government decided to reduce it by nearly half.

The recent economic downturn had affected the highway project as the

company had trouble obtaining loans from financial institutions here and abroad.

Due to this, the project was to be done in four phases where priority is given to the construction of important areas.

The four phases are:

* The first phase from Karak to Temerloh and Chendering to Bukit Payung will be completed in 2001;

* The second phase from Maran to Kuantan and Bukit Payung to Bukit Besi will be completed in 2002;

* The third phase from Temerloh to Chenor and Jabur to Kuantan will be completed in 2003; and,

* The fourth phase from Jabur to Bukit Besi will be completed in 2005.

(END)