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Alstom said to be scouting for rail-based projects here

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ALSTOM SA, the world's largest maker of trains and train equipment with annual sales over 20 billion euros (1 euro = RM3.33), is said to be scouting for megarail-based projects in Malaysia.

After successfully netting several major rail projects in Asia in the last two months, Alstom has turned its attention to Malaysia, according to industry sources.

In August, Alstom secured a US\$21-million (US\$1 = RM3.80) Taipei metro project in Taiwan where it will supply train control systems for the Tucheng extension.

Early last month, Alstom was chosen for the 20-km Bangkok train project as a partner and also to provide electrical, mechanical equipment and maintenance services for ten years.

Alstom's portion of the 25-year contract is said to be worth around 225 million euros

Alstom has offices in well over 70 countries, and its rail division in Malaysia has been in existence for about four years. The division was set up to facilitate Alstom's involvement in Malaysia's light rail transit (LRT) project.

Alstom is said to have been involved in the signaling system portion of the LRT works. But with completion of the project, the French company has had a dry spell in Malaysia.

The company's officials confirm its involvement in the LRT project but declined to reveal the value of the contract, which industry sources said at well above RM100 million.

The officials said Alstom is now looking at various options but they did not comment further. Industry sources, however, claimed that Alstom has submitted proposals for a new rail-related business in Malaysia.

The rail sector in Malaysia is poised for a major boom if the proposal for a US\$2.5 billion (US\$1 = RM3.80) trans Asia rail network linking Singapore, Malaysia, Thailand, Laos and China is implemented.

The Cabinet has given its nod for the 5,513-km rail link proposal, and Prime Minister Datuk Seri Dr Mahathir Mohammad is expected to submit recommendations on the project on November 24 at the Asean summit in Singapore.

Meanwhile, the Transport Ministry has also indicated that it is in favour of using high-powered trains for the government-owned KTM Bhd (KTMB) to promote cargo transportation by rail, if they are economically viable.

High on Alstom's list is said to be the YTL Corp Bhd-controlled express rail link project and KTMB, which is believed to be looking at ways to expand its rail cargo business.

The company's officials, however, declined to confirm or deny if it had submitted any new proposals but maintained that Alstom is here to stay in Malaysia.

Other than making train and train equipment, Alstom also designs and manufactures infrastructure systems and components including power generation.

Last year, the company secured a contract from Tenaga Nasional Bhd to build the RM7-billion 2,100MW Manjung power plant in Perak through its unit, Alstom Export Sdn Bhd.

The locally-incorporated company is a unit of Alstom Power and Peremba

Construction Sdn Bhd.

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