

# Mahathir launches **KL CAT**

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## Malaysia **aspires to make** service a **global** brand

■ By JANE RITIKOS

KUALA LUMPUR: Prime Minister Datuk Seri Dr Mahathir Mohamad last night launched the KL City Air Terminal (CAT) and the KLIA Express high-speed rail service to the airport which he said was set to create a new lifestyle in air travel.

Dr Mahathir said the flagship service allowed airline passengers to better plan their travelling time to the airport and hoped KLIA Express would become a global brand like the Heathrow Express, Gatwick Express and Hong Kong Airport Express.

The completion of the Kuala Lumpur City Air Terminal would also bring Malaysia closer towards realising Vision 2020, he said.

"KLIA will now join the ranks of the other modern and advanced airports such as Heathrow and Hong Kong to have the City Air Terminal for in-town check-in with a dedicated high-speed rail connection. With this competitive edge and world-class facilities, we hope to turn KLIA into a successful regional hub," he said in his speech.

Dr Mahathir who had taken a ride on the KLIA Express said it could achieve faster than the 2X minutes of travelling time that was promised.

"I would like to encourage everyone to take the KLIA Express, as it is certainly the quickest and the most economical way to and from KLIA."

The Prime Minister said the project was ready to take off in

early 1998 with the domestic financing fully in place but it was adversely affected by the currency crisis in 1997/1998.

Tight liquidity in the domestic financial market resulted in the underwriters of the financing package withdrawing their commitments and causing the project to stall for almost a year, he said.

"Standards and Poor's downgraded the country's rating and no one was willing to lend us money then. It was a challenge for ERL (Express Rail Link Sdn Bhd) to make this project a reality," he said.

Fortunately, the Export

Credit Agency, Kredit-anstalt-fur-Wieder-anfau from Germany and Bank Pembangunan dan Infrastruktur Malaysia Berhad were willing to fund a portion of the project cost with the Government's assurance that it would back the project, Dr Mahathir said.

"Despite the downturn, the project was still deemed necessary because of the necessity for fast and efficient travelling to KLIA, the efficient functioning and the image of the international airport."

With a new financing plan that ERL worked out, the civil

works were undertaken by YTL funded by the loan facility from Bank Pembangunan while four German banks arranged by Kredit-anstalt-fur-Wieder-aufbau funded the system works undertaken by Siemens.

He said the Government appreciated the German banks' support and said ERL's success despite market conditions at that time reflected the German lenders' confidence in the project and in Malaysia's economic recovery.

"The-project was able to resume works in mid-1999 and completed by April 2002 very

much on schedule. The German banks' confidence is also shown in their keen interest to support future projects with European content," he said.

He commended ERL executive chairman Datuk Mohd Nadzmi Mohd Salleh and the management for completing the project early and within budget.

The Prime Minister earlier bid bon voyage to 28 domestic and international travellers who were picked to be the first group of passengers to board the KLIA Express.

Among them were Scottish

engineer Norman Skea, 35, who described the check-in service as "an excellent idea."

"I usually have to check out of my hotel by noon but my flights to Europe are usually at night. This service allows me to check my bags at the station and continue with my appointments after that without having to bring my bags around or leave it at the hotel," he said.

Dr Mahathir later held a video-conference with the passengers when they arrived at the airport.

■ ERL takes flight — Pages 25 & 26