

Winner likely to be Sime-led group

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Award letter for RM1.9b Bakun job to be given soon

by Thomas Soon

KUALA LUMPUR: The Sime Darby Bhd-led consortium has emerged as the likely party to be awarded the RM1.9 billion main dam contract of the Bakun hydroelectricity dam project, despite earlier speculation that the contract will go to the one led by Cahya Mata Sarawak Bhd (CMSB).

Sources tell theedgedaily.com that the consortium led by Sime subsidiary Sime Engineering Sdn Bhd and includes a Chinese partner has been given the nod to undertake the job valued at between RM1.8 billion and RM1.9 billion.

Other members of the consortium are China Water Resources and Hydropower Engineering Corporation (CWHEC), MTD Capital Bhd, MTD Capital's 24.3% associate

WCT Engineering Bhd, Ahmad Zaki Resources Bhd, Syarikat Ismail Ibrahim Sdn Bhd and Sarawak-based Edward & Sons Sdn Bhd.

The sources say the consortium is expected to receive the award letter soon. Prime Minister Datuk Seri Dr Mahathir Mohamad said recently that the government would soon award the works contracts for the RM9 billion project.

Four Malaysian-led groups and their foreign partners bid about RM2 billion each for the main dam work, while six firms are said to have been shortlisted for the electro-mechanical package worth between RM380 million and RM570 million.

CMSB was earlier largely speculated to be the candidate likely to land the main dam contract. With the latest development, it is likely that it will play a secondary role in the con-

struction of the dam.

theedgedaily.com reported last Dec 10 (Beijing connection in Bakun) that this group of Malaysian companies was a frontrunner to secure the project with their association with the Chinese corporation.

CWHEC holds a 30% stake in the consortium, while Sime JV has 70%. The Sime JV comprises Sime Engineering (with a 51% stake), MTD Capital-led joint venture (44%) and Edward & Sons.

CWHEC is China's largest contractor for water and power projects. Armed with a triple "A" credit rating, it has constructed about 100 hydropower projects in China.

Founded in the early 1950s, it is currently involved in the US\$30 billion (RM114 billion) Three Gorges dam project on the Yangtze River, the world's largest dam and reservoir.