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Plan for specialised body to speed up Asian rail link

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MALAYSIA is considering setting up a specialised body to take charge of the proposed US\$2.5 billion (US\$1 = RM3.80) Singapore-Kunming Rail Link (SKRL) to ensure its speedy implementation.

Dr Pola Singh, head of the Initiative for Asean Integration (IAI) unit at the Asean Secretariat, said the Transport Ministry plans to appoint full officials to take charge of the daily operations of the project.

"The rationale is to ensure the speedy implementation of the project.

"Currently, there is no central office to take responsibility of the project in terms of promoting, developing and seeking funds for this flagship project of Asean (Association of South-East Asian Nations)," he told *Business Times* via e-mail.

Malaysia is chairing the SKRL Special Working Group for a tenure of three years from 2003. It assumed the post from Myanmar.

Pola said the Special Working Group is scheduled to convene its meeting in Kuala Lumpur next month.

He added that a feasibility study on the viability of the SKRL project will be conducted by a South Korean company.

"The Korean International Cooperation Agency will appoint the consultants to study the economic and financial viability of the agreed SKRL.

"There are no figures yet, but preliminary estimates are that it will cost more than US\$800,000," he said.

Pola said the study will review and update all the available existing studies on the SKRL project.

It will also assess the demand and passenger and freight services plying the route.

"They (consultants) will formulate an implementation programme and an operation plan, including financial mechanism of the SKRL project.

"The study, which has already started, is expected to be completed by the third quarter of this year," Pola said.

He also said that the SKRL is one of the key projects that will bring the Asean countries closer.

"When there are rail links connecting seven Asean countries, the grouping will be closer to being integrated," he said.

Mooted by Prime Minister Datuk Seri Dr Mahathir Mohamad, the SKRL was proposed at the Fifth Asean Summit in Bangkok in December 1995, with Malaysia as the project coordinator.

The rail link project is the core of the Asean Mekong Basin Development Cooperation programme.

The Special Working Group on the SKRL was established on June 17 1996, and given the task of examining the feasibility of the link from a technical, financial and economic perspective.

A team of Malaysian consultants undertook the feasibility study for the SKRL in March 1997 and completed it in August 1999.

The study examined six routes to link Singapore with Kunming.

All the six routes have a common sector from Singapore to Bangkok via Kuala Lumpur.

The consultants recommended Route 1, which involves Cambodia, Vietnam and Laos.