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`Removal of Lada general manager not linked to the cable car project'

KUALA LUMPUR, Sat. - The former general manager of the Langkawi Development Authority was replaced last month over what was alleged to be problems relating to the management of the Gunung Machinchang cable car project on the island. Menteri Besar Datuk Seri Syed Razak Syed Zain confirmed that Datuk Zainal Karib Abdul Rahim had been replaced but that his removal had nothing to do with problems about the project's management.

Zainal Karib was replaced by Datuk Anwar Abdul Rahman on Jan 1. No public announcements about the new appointment were made.

The cable car project, a brainchild of Prime Minister Datuk Seri Dr Mahathir Mohamad, links the Oriental Village integrated shopping complex to the 708-metre peak of Gunung Machinchang. It began operations on Nov 1. The project was jointly undertaken by Tenompok Sdn Bhd and an Austrian company, Dopple-Myer. A subcontractor of the project, Alam Langkawi Sdn Bhd, set up Machinchang Skyways Sdn Bhd, which entered into a joint venture with Lada to establish Langkawi Cable Car Sdn Bhd on the basis of a 70:30 partnership.

Langkawi Cable Car obtained a concession in September to manage the project for 15 years, but lost it on Jan 6 to Syarikat Prasarana Negara Berhad. SPNB, wholly owned by the Ministry of Finance, was established to facilitate, co-ordinate, effect, undertake and expedite the implementation of infrastructure projects.

A source involved with the project said there was much surprise and confusion when the concession to manage the operations of the cable car project was "suddenly" given to SPNB just four months after Langkawi Cable Car signed the agreement to manage it.

Lada, which is under the jurisdiction of the Ministry of Finance, was established on March 15, 1990, under the Langkawi Development Authority Act, to plan and co-ordinate development on the island.

Speaking about the removal of Zainal Karib, Syed Razak said: "The allegations (of problems in the management of the project) are not true. It is a routine re-shuffle and Anwar's appointment is apt because he is from Langkawi. As far as I know, the re-shuffle was made by the Government's personnel management division, a normal procedure that could happen every year even."