

Malaysia and Singapore sign iconic High-Speed Rail project MOU
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Malaysia and Singapore today signed a Memorandum of Understanding on the Kuala Lumpur-Singapore High-Speed Rail (HSR) project, signifying both countries' commitment towards this iconic project.

The MOU was signed by Minister in the Prime Minister's Department, Abdul Rahman Dahlan, and Singapore's Coordinating Minister for Infrastructure and Minister for Transport, Khaw Boon Wan, witnessed by Prime Minister Najib Abdul Razak and Singapore Prime Minister Lee Hsien Loong.

The HSR project, targeted for commercial operations in 2026, will have eight stations namely Bandar Malaysia, Putrajaya, Seremban, Ayer Keroh, Muar, Batu Pahat, Iskandar Puteri and Singapore.

The 350km rail would reduce travel time between the two countries to just 90 minutes, with speeds of over 300kph.

Both governments will call open international tenders in August 2016 to appoint a joint development partner.

The MOU reflects the outcome of extensive discussions between the Transport Ministry and the Land Public Transport Commission (SPAD), and the Ministry of Transport and Land Transport Authority of Singapore, since the project was first announced by the prime ministers of both countries in February 2013.

The MOU captures the key points of agreement on the project, which include the technical parameters, commercial model, customs, immigration and quarantine (CIQ) clearance, safety and security matters, regulatory framework, as well as project management.

The construction of the High-Speed Rail (HSR) line between Singapore and Malaysia will not be delayed even if there are economic crises and political unrest, added Abdul Rahman.

He said the biggest challenge in completing the project was to determine its business model.

"We are committed that the project will come to its conclusion," he told reporters after signing the MOU.

On the cost of the HSR line, Abdul Rahman said it would be shared equitably.

On the mechanism for funding, Abdul Rahman said, the infrastructure would be funded by the government while assets and operation would be private sector-driven.

On the tender for the project, he said, companies from China, Japan and Europe had shown interest.

"We will ensure the tenders will be transparent and fair," he said.

On the fares, Abdul Rahman said, they would be determined by the market and benchmarked against airfares.

"We will wait till the bids come in, then determine the fares. I believe they will be market driven," he said.

On possibility of more transit stations in Malaysia, Abdul Rahman said that will be in the bilateral agreement which will be revealed by the end of the year.

"We will get the best deal out of this project. We need more stations because the track is longer in Malaysia.

"This will not increase the costs. It will be included in the overall costs," he said.

- *Bernama*