

PM says ECRL to cost RM55b, just shy of Sarawak Report's claims

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The estimated cost for the double-tracked East Coast Rail Line (ECRL) is RM55 billion, Prime Minister Najib Abdul Razak announced in his Budget 2017 speech yesterday.

This is just RM5 billion shy of the figure which whistleblower site *Sarawak Report* had alleged the project cost would be inflated to.

"The 600-km rail will connect townships such as Port Klang, ITT Gombak, Bentong, Mentakab, Kuantan, Kemaman, Kerteh, Kuala Terengganu, Kota Bharu and ends in Tumpat, with an estimated cost of RM55 billion," Najib said in his speech in Parliament yesterday.

Back in July, *Sarawak Report* had accused Najib's administration of colluding with main project contractor China Communications Construction Company (CCCC) to hike up the cost of the ECRL [from RM30 billion to RM60 billion](#) to secretly pay off 1MDB's debts.

Sarawak Report had cited a whistleblower who had allegedly provided copies of internal CCCC documents that detailed the supposed plan to inflate the project's cost by RM30 billion, on top of the initial estimate.

The extra RM30 billion would then be used to pay off 1MDB debts, the site said.

According to *Sarawak Report*, China's state-owned CCCC would purportedly help pay 1MDB's debt in advance and progressively, through several engineered transactions.

This includes allegedly paying off Abu Dhabi sovereign wealth fund International Petroleum Investment Company's (IPIC) debts on 1MDB's behalf, using an unrelated Chinese third party as a front for the transaction.

In return, the website claimed that CCCC would be rewarded with high profits, land, and extra influence with the Malaysian government, quoting the Chinese company's internal report.

The government has consistently accused *Sarawak Report* of being part of a conspiracy to topple the prime minister.

Malaysiakini is unable to independently verify the allegations from *Sarawak Report*, or the authenticity of the documents posted by the website.

It had contacted the Prime Minister's Office and Transport Minister Liow Tiong Lai for comment, though there was no response.

Both [CCCC](#) and [Works Minister Fadillah Yusof](#) have denied the allegations.

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