George Kent-Lion Pacific JV Qualifies For Ampang LRT Line Extension Project, Says Najib Bernama September 27, 2012

KUALA LUMPUR, Sept 27 (Bernama) -- George Kent-Lion Pacific JV (GKLP JV) is qualified to be awarded the Light Rail Transit (LRT) Ampang line extension project as they complied with technical, finance, legal and contract conditions, Prime Minister Datuk Seri Najib Tun Razak told the Dewan Rakyat Thursday.

He said the second lowest price bidder is a local joint-venture company that has the financial capacity and was listed on Bursa Malaysia.

The company also passed technical evaluations and offered the second lowest price of the eight companies who bidded for the project, he said.

"Bidders who offered a lower price than GKLP JV was not considered because they were found to have not fully complied with the contract conditions," he said in his written reply to Tony Pua Kiam Wee (DAP-Petaling Jaya Utara).

Pua had asked why George Kent, which did not have experience in the rail sector was offered the project to lengthen the Ampang LRT line eventhough the company's tender price was higher than other bidders and with vast experience.

Najib said assumptions that George Kent was inexperienced in the rail sector was inaccurate as the local joint-venture company, GKLP JV, has expertise in the sub-rail systems, including in laying rail tracks, conductor tracks, installing communications systems and lightning protectors.

Sub-systems such has signalling will be handled by Thales, a highly credible technical equipment installer, the prime minister said.

"Aspects that can lead to optimal operational costs through continuity of existing systems were also taken into account.

"Vendor development and opportunities for local credible companies in acquiring hi-tech knowledge by directly participating in such projects, especially in stimulating the economy, also has to be considered," he said.

Najib said these aspects were crucial to ensure that the country reaped optimum benefits from the heavy spending on mega infrastructure projects being implemented.

On speculations and claims by certain quarters when the evaluation was done, Najib said unsuccessful bidders, including international bidders, concurred with the decision made (by the government).

He said a comprehensive evaluation was down covering both technical and commercial aspects.

"To date, no bidder has voiced any dissatisfaction against the Finance Ministry on the tender award costing RM1.084 billion," added Najib, who is also Finance Minister.

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