

China, Indonesia Launch Joint-Venture For Jakarta-Bandung Railway Project
Bernamea
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JAKARTA, Oct 16 (Bernama) -- Senior officials of Chinese and Indonesian consortiums signed an agreement here on Friday to launch a joint venture for a high-speed railway linking Jakarta with West Java provincial capital of Bandung.

The deal was signed by Chairman of PT Pillar Sinergi BUMN Indonesia Sahala Lumban Gaol and Yang Zhongmin, chairman of China Railway Co Ltd at a ceremony attended by Chinese Ambassador Xie Feng, China's Xinhua news agency reported.

The US\$5.5 billion project will be conducted on business to business basis, in which the Indonesian side controls 60 per cent of the joint venture's stake, while the Chinese partner controls the remaining 40 per cent share.

"This is a brand new episode in Indonesia, particularly in transportation project as it will further boost economic activities in areas along the corridor served by the high-speed train that eventually contribute to the national economic growth," Sahala said.

The 150-km high-speed railway is expected to have a speed of between 200 to 250 km per hour.

The railway is the first transportation project in the country conducted solely on business basis and without any fund from government's budget.

Sahala also expected the Indonesia-China joint venture to expand its service to similar projects in Southeast Asia and Middle East in the future.

The Chinese partner was also willing to provide transfer of technology (TOT), which would build facilities to produce high-speed trains in Indonesia and supply them to new markets served by the joint venture, he added.

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