

Keen Competition for High-speed Rail Project

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From Mokhtar Hussain

TOKYO, Nov 17 (Bernama) -- As expected, the development of the high-speed rail link between Malaysia and Singapore was very much on the minds of national and business leaders whom Datuk Seri Najib Tun Razak met during his three-day working visit to Japan.

'Shinkansen' or bullet train was the main topic of discussion at all the meetings, showing the all-pervading interest of the Japanese in the ambitious project.

Asked by Malaysian journalists about his experience riding the trains in China and Japan, the Prime Minister was cautious in his reply.

"I don't think I should say publicly my views because it will prejudice the outcome of the final decision.

"Let it be a process that is carried out in a most objective manner because it's not only in the passengers' experience but it is going to be decided on the basis of the availability payment over a period of 25 years," Najib said at the end of his visit Wednesday night.

"Plus, the financial package that could be made available. So there are various other elements. One of which, of course, is the comfort of passengers."

High speed train operators from China and Japan are among those who have expressed interest in the 350km high-speed rail project.

Najib was aware that his visit early this month to China, where he rode the fast train from Beijing to Tianjin, attracted the attention of leading operators around the world, including the Japanese whose selling point is their Shinkansen technology.

He said the tender for the project was expected to be called in the fourth quarter of next year, and the Japanese were invited to make their bid.

"Malaysia and Singapore have said that the choice of system to be used will be based on objective, transparent evaluation ... through a process of open international bidding," Najib said.

The Japanese, led by the Japan Railway Company, rarely miss the chance to show off their tough-to-beat track record that includes zero fatalities in the 52 years of operating the bullet train, that is, since the 1964 Tokyo Olympics.

"They also have a fine track record on punctuality. However, because of commitment, we cannot get ahead of the bidding process," said Najib.

The competition for the project is very stiff with China understood to be ready to quote a price much lower than other bidders can offer.

The eagerness of the Japanese to win the contract for the project is as obvious as it is widespread, with private sector figures not involved in the railway industry expressing their support for the bid from their country.

"They are all as one in their desire for their Shinkansen system to be accepted," said a member of the Malaysian delegation.

Malaysia and Singapore are expected to appoint an international third party to assess the bids to ensure the integrity of the tendering process.

For Malaysia, it is important to maintain a balance in ties with China and Japan, both economic giants being major trading partners.

"Strengthening one relationship with another country does not mean at the expense of another country. It's a zero sum game.

"Malaysia has got very close ties with China but that doesn't stop us from developing our ties with Japan, nor with the United States," said Najib.

Selecting the developers of the high-speed rail project, which is part of Malaysia's transformation plan, will be a multi-criteria decision, taking into account both safety and cost, among others.

"A safe high-speed railway system that provides the maximum value is vital. Saving on the construction does not mean saving on the life cycle cost," said a senior public transportation official.

Meanwhile, Malaysia and Japan are jointly preparing programmes to celebrate the 60th anniversary of diplomatic ties between them.

The Shinkansen is certain to feature in the celebrations.

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