

## **Wee: Penang Govt Awarded Tunnel Project To 82-Day-Old Company**

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**By MT Webmaster**

### **Lim Guan Eng busted, yet again**

The Penang government has awarded the RM6.34bil major roads and tunnel project to an "82-day-old" company, says Datuk Seri Dr Wee Ka Siong.

The MCA deputy president said this was contrary to the state government's claim previously that the special purpose vehicle (SPV) has a paid-up capital of RM4.5bil.

"This shows that the Penang government has misrepresented the shareholders of the Penang tunnel company since CRCC (China Railway Construction Corporation) and BUCG (Beijing Urban Construction Group) have never been or are no longer a shareholder," he said in a statement Friday (Feb 2).

Dr Wee said on Nov 14, 2011, through a request for proposal (RFP), the Penang government has awarded the mega project to the main shareholding company with a paid-up capital of RM300,000 only.

"In fact, at the time of the award, the Penang Tunnel SPV and its main shareholder only had a total combined equity of negative RM6mil as at Aug 31, 2013 – five months after the project was awarded.

"At that time, both companies also had auditors' expressing concerns over their operations due to its weak financial condition," he said.

Dr Wee also questioned the rationale of awarding the project to a newly set-up company with no track record.

"How did they manage to meet the RM381mil minimum paid-up to qualify for the project?" he said.

He urged Chief Minister Lim Guan Eng not to divert the attention but answer the questions raised and reveal the RFP selection papers and minutes of the meetings.

“Lim should focus specifically how the company had managed to qualify from both technical and financial aspects to show that there is no fraud or interference from any politician,” he said.

The mega project came under the spotlight early last month when the Malaysian Anti-Corruption Commission arrested several key officials for suspicion of graft.

It includes the construction of a 7.2km undersea tunnel connecting Gurney Drive on the island to Bagan Ajam in north Butterworth.

There will also be a 10.53km North Coastal Paired Road from Tanjung Bungah to Teluk Bahang, a 5.7km Air Itam-Tun Dr Lim Chong Eu Expressway bypass and a 4.075km Gurney Drive-Tun Dr Lim Chong Eu Expressway bypass.

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Sources: <https://www.malaysia-today.net/2018/02/02/wee-penang-govt-awarded-tunnel-project-to-82-day-old-company/>