

## **MCA: Guan Eng Himself Said CRCC Part Of RM6.3 Billion Penang Tunnel Deal**

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**By WT Webmaster**

(FMT) – The war over Penang’s undersea tunnel project between MCA and DAP leaders continued today, with MCA deputy president Wee Ka Siong referring to the text of the Penang budget speech by Chief Minister Lim Guan Eng four years ago.

Wee said Lim had then said that the state had signed an agreement with Consortium Zenith BUCG Sdn Bhd with participation of China Railway Construction Corporation International (CRCC) and Beijing Urban Construction Group (BUCG) on Oct 6, 2013, for the RM6.341 billion project.

“He (Lim) will never apologise and admit his mistake because if he did, it will erode the people’s trust in him,” Wee said.

“He tried so hard to blur the role of CRCC in 2013 just before the 13th general election, and now as the 14th general election (GE14) looms, he is trying to do the same thing again despite solid proof.”

The Penang state government has said that CRCC was not a shareholder but the main contractor of the project.

But Wee said Lim had earlier misled the people into thinking that CRCC was a shareholder.

The question of CRCC’s role as shareholder arose after Wee claimed that the Penang government had previously said CRCC held a stake in the project.

Wee said the Penang government newsletter Buletin Mutiara had in 2013 quoted state secretary Farizan Darus as saying that the project’s special purpose vehicle (SPV), Consortium Zenith, had a paid-up capital of RM4.6 billion with Zenith Construction Sdn Bhd and CRCC jointly holding a 70% stake.

The Penang tunnel project has come under renewed scrutiny following a fresh probe as well as arrests by the Malaysian Anti-Corruption Commission (MACC).

The 7.2km undersea tunnel will connect George Town's Pangkor Road on the island and Bagan Ajam in Butterworth on the mainland.

The "three main roads" (formerly three paired roads) stretch from Air Itam to the Tun Dr Lim Chong Eu Expressway (5.7km), Tanjung Bungah to Teluk Bahang (10.53km), and Jalan Pangkor-Gurney Drive junction to Tun Dr Lim Chong Eu Expressway (4.1km).

It was awarded through an open tender in 2013 to Consortium Zenith-BUCG Sdn Bhd (CZBUCG).

Initially, CZBUCG comprised BUCG, which held a 10% share and had RM541 million in paid-up capital. Two other shareholders were Sri Tinggi Sdn Bhd (10%) and Juterias Sdn Bhd (10%).

In September 2016, BUCG (M) Sdn Bhd applied to have itself removed as one of three partners in CZBUCG following a fatal crane incident in Kuala Lumpur the month before.

Lim had reportedly said at that time that the Penang government "did not want an irresponsible contractor to be part of the undersea tunnel project".

The consortium is now named "Consortium Zenith Construction Sdn Bhd" with Zenith Construction Sdn Bhd, Juterias Sdn Bhd, Kenanga Nominees (Tempatan) Sdn Bhd and Vertice Bhd as shareholder

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Sources: <https://www.malaysia-today.net/2018/02/11/mca-guan-eng-himself-said-crcc-part-of-rm6-3-billion-penang-tunnel-deal/>