

Malaysia to negotiate HSR deferment with Singapore

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KUALA LUMPUR, July 19 (Bernama) -- Malaysian Prime Minister Tun Dr Mahathir Mohamad said on Thursday his government would negotiate the deferment of a high-speed rail (HSR) project with the Singaporean Government.

Xinhua news agency reported that Dr Mahathir, citing high cost and low usage, cancelled the project in May; the Singaporean side said they were never officially informed of the decision.

Referring to the project of the HSR linking Malaysia with Singapore, the Malaysian prime minister told reporters in Parliament that "the problem is that if we discard the agreement, we need to pay a high compensation."

He had previously said Malaysia had to pay a penalty of about 500 million Ringgit (US\$123.1 million) to Singapore for the cancellation.

"We cannot say that we will never build the high speed rail, but at the moment, when we look at the financial situation of the country, we think we cannot go ahead with it," he said.

The governments of Malaysia and Singapore signed a legally-binding pact on the project in 2016. Both sides called for tender last year.

The HSR project would cut travel time between Kuala Lumpur and Singapore to 90 minutes once in operation.

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