

## **Red card for ECRL, Sabah Gas Pipeline projects - Dr Mahathir**

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**From Jamaluddin Muhammad**

BEIJING, Aug 20 (Bernama) -- Tun Dr Mahathir Mohamad said the multi-billion East Coast Rail Link (ECRL) and Trans-Sabah Gas Pipeline (TSGP) projects are cancelled for now.

The prime minister said Chinese President Xi Jinping and premier Li Keqiang understood the reasons behind the cancellation of the two Chinese government-backed projects.

"I have explained to them and they understood the situation and accepted them," Dr Mahathir told journalists at the end of his five-day official visit to this country.

"Initially, there were some misunderstandings but now they understood why we do it. I don't think China wants us to be bankrupt," said Dr Mahathir.

Dr Mahathir said the projects involved huge amounts of money and Malaysia does not really need them at the moment, amid the country's financial situation with high debt left by the previous government.

"The projects (will) not go on. Our priority is reducing our debt. For the moment, they are deferred until we can afford," said the prime minister, but when clarified further by journalists, he said, "Yes, they are cancelled at the moment."

ECRL, the RM81 billion-project spanning 688km linking Port Klang and Kota Bharu, was launched last year and slated for completion in 2024, while TSGP involves building a 662km gas pipeline from Kimanis to Sandakan and Tawau costing about RM4 billion.

Both projects have been suspended since July.

Dr Mahathir had previously said that the current terms for the projects undertaken by the previous government were not good which, among others, entailed that the money should be paid regardless of the construction progress.

The present government had also detected the condition of the contract given to the Chinese companies, including workers and materials imported from China, leaving Malaysians not benefiting from the projects.

Dr Mahathir lambasted his predecessor Datuk Seri Najib Tun Razak for his stupidity in carrying out the projects which did not benefit the country but burdening the present government with huge debt.

“The delegation is also here with the objective of looking to resolve the debt incurred by Najib when he was the prime minister. Debt of billions of ringgit for projects that are not beneficial to the country,” said Dr Mahathir.

“We have to pay for the stupidity of Najib...very stupid...detrimental to our interest,” he said.

Dr Mahathir said no more project deals detrimental to Malaysia’s interest would be allowed in the future.

Asked on compensation to be paid following the cancellation of the projects, he said it would be discussed later.

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