

## **Malaysia to decide on Singapore high-speed rail link this year**

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**Bloomberg**

KUALA LUMPUR: Malaysia will decide in the coming months whether to proceed with a multibillion-dollar high-speed rail line between Kuala Lumpur and Singapore, as Prime Minister Anwar Ibrahim's government weighs proposals from a narrowing list of private consortiums.

Transport minister Loke Siew Fook said in an interview on Wednesday that he hoped Malaysia's cabinet will decide on the viability of the project by the end of the fourth quarter.

Once we have a policy decision to proceed with the high-speed rail, we will start negotiations with Singapore, Loke said.

Anwar's government has already shortlisted three out of seven consortiums that submitted proposals after issuing a so-called request for information late last year, Loke said, declining to identify the companies involved.

The government's policy is to have a strategic asset like the high-speed rail given to a group that is at least 51%-owned by Malaysian firms, he said.

Separate proposals led by YTL Corp, Berjaya Land Bhd, and China Railway Construction Corporation have been shortlisted for the project, The Edge reported in March, citing unnamed sources.

YTL and Berjaya are controlled by tycoons Francis Yeoh and Vincent Tan, respectively.

## Sultan's endorsement

Plans for the 350km rail line between Kuala Lumpur and Singapore were first approved in 2013 but then scrapped seven years later because of disagreements over costs and other matters.

The Sultan of Johor said in December he would push for the revival of the project and suggested it be routed via Forest City, a troubled mega-development on the Singapore Strait in which he owns a stake. Sultan Ibrahim became Malaysia's king in January under the nation's rotating monarchy system, a position he will hold for the next five years.

The rail line — which seeks to cut travel time between the two cities to 90 minutes from more than four hours by car — was estimated to cost as much as RM100 billion (US\$21.4 billion) as a government-funded project.

Loke suggested that the cost could be lower depending on the proposal that the government selects. So far officials are not ruling out assistance for the project, but Loke said the government is not keen on providing a guarantee for the project as that would add to Malaysia's debt burden.

We definitely do not want to increase our liability, he said. There are a lot of other things that can incentivise the private sector.

The project could eventually become a pivotal part of a slew of Beijing-backed rail lines linking China with much of the region.

Loke said Malaysia is on track to complete its China-built rail line bridging the east and west coasts of Peninsular Malaysia by the end of 2026 and launch services the following year.

He also said he raised a proposal with Thailand to link the project to its rail network. The plan ultimately, he said, would be to eventually connect more of Southeast Asia to China by rail.

I'm sure we can continue to push and to continue to convince our counterparts from Thailand, Laos to take part in this whole thing, he said.

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