



KEMENTERIAN KERJA RAYA
MALAYSIA

PRESS STATEMENT

MINISTRY OF WORKS STILL NOT RECEIVED ANYTHING RELATED WITH 3rd BRIDGE FROM PENANG STATE GOVERNMENT

KUALA LUMPUR - After coming under intense scrutiny by many parties why the Penang State Government had apparently agreed to fully pay for the proposed Penang Tunnel via a swap of state land but still giving the private operator a 30 years toll concession early last year, the Penang Chief Minister had then said he wanted change the tunnel to a lower-cost third bridge.

2. In May 2016, the Penang Government then wrote in to our Ministry to request for approval for the 3rd bridge without providing a single piece of supporting document.

3. Unable to proceed without supporting documents, our Ministry had asked 5 times over the following months for the feasibility and detailed design studies which will cost the Penang Government RM305 million of which at least RM135 million had been paid as at May 2016.

4. On 6th August 2016, the Penang Government admitted that the studies were not fully completed. They had stated then that the studies were 83% completed and had promised to deliver the studies to our Ministry by early 2017.

5 Today marks the end of the first quarter of 2017. Our Ministry wishes to update the public that we have yet to receive the studies. Therefore, the fault for any delays do not lie with our ministry.

Dikeluarkan oleh:

Unit Komunikasi Korporat | Kementerian Kerja Raya Malaysia

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6. Our ministry also wishes to express certain concerns about this project and offers our assistance to the Penang State Government should they need it.

7. It was reported that these studies were commenced in late 2013. The concession company awarded the RM6.34 billion Penang Tunnel and 3 linked roads had stated in January 2014 that the studies would be completed and revealed to the public by April 2014.

We express concern about this delay.

8. Although the Penang Government had defended the RM305 million cost of the studies to be reasonable, our Ministry believes the cost is excessive and is beyond the usual cost guidelines for construction projects of this nature.

9. We have the expertise to complete the studies on-time and at lower cost. We again extend our willingness to explore with the Penang Government should they require help.

10. We note that at least RM135 million had already been paid by the Penang State Government for the studies and RM2.83 billion of Penang State land swapped for this project had been pre-sold by the Tunnel concession company to a listed company in a signing ceremony on 15th January 2016 attended by the Penang Chief Minister.

11. Despite this payment and pre-selling of state land, we note that the first phase of this project was initially expected to start construction in early 2015.

12. Since 2015, the Penang State Government had then revised the timeline several times citing various reasons.

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13. Recently, the Penang EXCO member in charge of infrastructure now says the first phase of the project is only expected to start construction in the middle of 2018 at its earliest.

14. Our ministry continues to express our concern on the multiple delays, the cost of the studies and the cost of this project.

DATO' SRI HAJI FADILLAH BIN HAJI YUSOF
MINISTER OF WORKS

30 MARCH 2017

Dikeluarkan oleh:

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