

# Skytrain from KKIA to UMS

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**KOTA KINABALU:** The state capital is set to have its own rapid transit system with the proposed deal involving four firms, including a subsidiary of the Sabah State Government's investment arm, Qhazanah Sabah Bhd (QSB).

The company - WWSB Ventures Sdn Bhd (WWSB) - has teamed up with Vizione Construction Sdn Bhd, Sycal Skycity Sdn Bhd and Guangcai China (M) Sdn Bhd for the multi-billion ringgit project that would see a Skytrain service connecting the Kota Kinabalu International Airport (KKIA) to Universiti Malaysia Sabah (UMS) via the city's downtown area.

Representatives of the four companies signed a memorandum of understanding (MoU) here on Monday to further explore the project's implementation.

"The objective of this MoU is to establish a formal non-binding collaboration and cooperation related to the preparation and the implementation of the project pending final negotiations leading to a formal binding agreement between the parties," WWSB said after the MoU signing ceremony which was witnessed by Deputy Chief Minister Datuk Seri Bung Moktar Radin.

The company said the massive project would be undertaken over two phases. The first phase encompasses the first portion of the Skytrain as well as a 64ha mixed commercial development to be built along the Likas Bay.

The first phase of Skytrain would span a distance of 10.5km from KKIA to the city centre as well as the mixed development to be known as Jesselton New City.

WWSB said the first portion of the Skytrain to be built over three years was estimated to cost nearly RM1 billion and would be funded by a group of investors.

The company said the Skytrain would run between KKIA, the KK Central terminal onto the Gaya Street terminal before ending up at the terminal at Jesselton New City.

"The initial proposal is for a concession management to operate the Skytrain service through a Special Purpose Vehicle (SPV) in which a stake in that entity shall be in the form of

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WWSB Ventures Sdn Bhd

free shares and shall be owned by the Sabah Government. This will be established at a later stage," WWSB said.

On the Jesselton New City project along the scenic Tanjung Lipat, WWSB said the development package on this land would be to reciprocate the investors in the joint venture company for this development.

"The terms and conditions for the joint venture will be refined accordingly upon further studies and discussions by the group of investors and subject to government approval," the company said.

WWSB said the Jesselton New City development with an estimated gross development value RM5 billion was expected to be completed in six years. It said the second phase of the Skytrain to be known as KKIA Express Line 2 would span over 15kms from Jesselton Central terminal to the State government administrative centre as well the Federal administrative centre, UMS and finally the Alamesra commercial and residential area.

The company said the KKIA Express Line 2 was expected to cost some RM1.425 billion and to be implemented via a private funding initiative (PFI).

WWSB that has been involved in property development services and ownership, said it had been selected to administer the project.

## QSB for Jesselton New City project

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This came after the Sabah State Government, through the State Works Minister has mandated QSB for Jesselton New City project at the Likas Bay, the company explained.

It informed that Vizione Construction Sdn Bhd is an integrated construction outfit with capabilities in civil engineering and construction of residential and mixed-use development properties and would be the project developer.

"Within its construction segment, there are three core businesses namely building construction services, infrastructure construction services and development services," WWSB said.

WWSB further indicated that Sycal Skycity Sdn Bhd which is a subsidiary of Sycal Ventures Bhd, whose principal businesses include building and infrastructure construction services as well as development activities, would be the project funder.