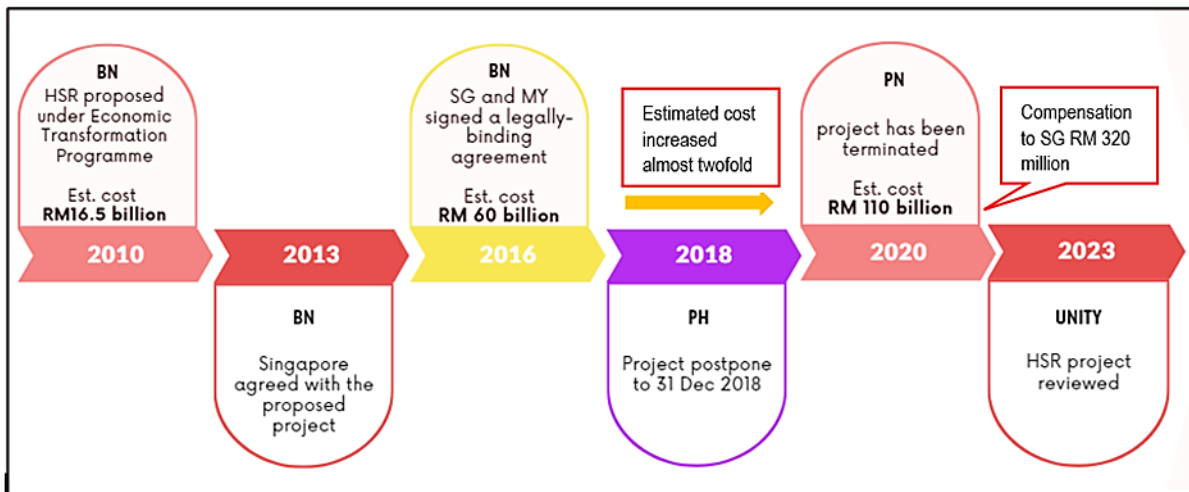


## Malaysia High-Speed Rail on A Bumpy Ride

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The Kuala Lumpur-Singapore High-Speed Rail (HSR) project promised to be a shining beacon of progress, slashing travel time between the two nations and spurring economic growth. Yet, instead of gleaming tracks and swift carriages, what we have is a tangled mess of flip-flops, soaring costs, and a trail of wasted taxpayer money on the sheer extravagance of irresponsible policymaking and its heavy toll on the nation's pocket.

Figure 1: Chronology of HSR Project



Source: The Edge Market Malaysia<sup>1</sup>

### Taxpayer Nightmare

From an initial estimate of RM 16.5 billion<sup>2</sup> in 2010 (Figure 1), the project's cost ballooned to a staggering RM 110 billion by 2020<sup>3</sup>. This over six-fold increase signifies a monumental failure in project planning and financial oversight. This rise wasn't organic and it was fuelled by political squabbles and short-sighted decisions. In 2018, the Pakatan Harapan government abruptly axed the project, citing financial concerns.

<sup>1</sup> HSR project cancelled as Singapore could not agree with changes proposed by Malaysia.

<sup>2</sup> <https://policy.asiapacificenergy.org/sites/default/files/ETP.pdf>

<sup>3</sup> <https://theedgemalaysia.com/article/singapore-says-hsr-link-agreement-malaysia-be-terminated>

Notably, the termination of the project in 2020 followed by its potential revival under Prime Minister Anwar Ibrahim raises further concerns about cost viability. Considering the current global economic uncertainty, any attempt to revive the HSR could easily see costs double again, placing an unbearable burden on the already strained public finances.

### ***Doubling Down on Waste***

Beyond the astronomical project cost itself, Malaysian taxpayers bear the additional burden of RM 320 million in compensation paid to Singapore as a consequence of the termination. This figure solely covers Singapore's project development costs, and the potential equivalent incurred by Malaysia remains shrouded in secrecy. The lack of transparency regarding hidden costs fuels speculation about mismanagement and potentially ulterior motives within the previous government. This opacity further erodes public trust and confidence in the project's viability.

Table 1: Jakarta-Bandung vs KL-Singapore High Speed Rail

	Jakarta-Bandung	KL-Singapore
<b>Total Cost</b>	RM 32.4 billion <sup>4</sup>	RM 110 billion
<b>Line Length</b>	142.8 km	350 km
<b>Cost per km</b>	RM 226 million	RM 314 million
<b>Capacity</b>	600 passengers	500 passengers <sup>5</sup>
<b>Time Delivery</b>	2008 - 2023	2010 – 2031 (estimated)

Source: Bloomberg, Indonesia Starts Southeast Asia's First High-Speed Rail Operations

### ***Costly Train Project***

A comparison of HSR projects in Indonesia and Malaysia reveals a stark difference in cost-effectiveness. While Indonesia's project surpasses costs in countries like China, France, and Spain<sup>6</sup>, it remains significantly cheaper than Malaysia's proposed HSR.

<sup>4</sup> Note: USD 1 = MYR 4.5

<sup>5</sup> <https://www.myhsr.com.my/resource/newsroom/lines-drawn-on-hsr-project>

<sup>6</sup> [https://www.lowyinstitute.org/the-interpretor/indonesia-high-cost-high-speed-rail#:~:text=The%20Jakarta%2DBandung%20railway%20cost,\(%2427%20million%20per%20kilometre\)](https://www.lowyinstitute.org/the-interpretor/indonesia-high-cost-high-speed-rail#:~:text=The%20Jakarta%2DBandung%20railway%20cost,(%2427%20million%20per%20kilometre))

This begs the question: why is Malaysia incurring such exorbitant costs? The answer mostly lies in a combination of factors, including poorly managed contracts, hidden agendas, and a lack of transparency. This disparity exposes the Malaysian government's failure to secure the best possible value for public funds, further diminishing public trust.

### ***Draining Public Dreams***

The sheer scale of financial mismanagement surrounding the HSR project suggests potential abuse of public office. The doubling of costs due to indecision, mismanagement, and hidden agendas places an undue burden on the rakyat, who ultimately bear the consequences of irresponsible policymaking. Given the high likelihood of further cost escalations and the questionable return on investment, concerns arise about the true purpose of the project and its contribution to public welfare.

Moving forward, responsible policymaking demands absolute transparency. Investors and the public deserve accurate and complete information about estimated costs, benefits, and potential risks associated with large-scale infrastructure projects. The current practice of shrouded figures and hidden agendas must be abandoned. Approaching the project with a focus on inherent economic and social benefits, rather than political gain, is crucial to ensuring its viability and public support.

### ***Conclusion: Paralyzed by Indecision***

In conclusion, while the potential benefits of the HSR project are acknowledged, the Malaysian government remains undecided on its fate. Transport Minister Anthony Loke's openness to proposals and preference for private funding indicate ongoing internal debate and a lingering uncertainty whether the HSR will ultimately serve as essential public infrastructure for Malaysians. Can this high-speed dream ever become a reality, or is it destined to remain an unfulfilled promise of progress?

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