

UEMC-BINA PURI JV



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UEMC – BINA PURI JV COMMITTED TO klia2 HANDOVER DATE OF 30 APRIL 2014

KUALA LUMPUR, 18 June: Joint venture partners, UEM Construction Sdn Bhd and Bina Puri Holdings Berhad will continue to fulfil its obligation and are committed on the physical completion and undertake testing as well as commissioning of its work package that makes up klia2's main terminal building, satellite building, sky bridge and piers.

Mohd Razin Ghazali, Managing Director of UEM Builders Berhad, the parent company of UEM Construction Sdn Bhd said that the JV partners aims to complete the remainder physical construction of approximately 7 per cent.

“Upon achieving physical completion, we together with Malaysia Airports Holdings Berhad (MAHB) will immediately work towards obtaining Certificate of Completion and Compliance (CCC) from the relevant authorities, which typically takes up to eight weeks.

“After which, MAHB will undertake Operational Readiness & Airport Transfer or ORAT, a process that takes up an estimated three months to complete, with full handover to MAHB targeted on 30 April 2014,” said Razin.

He went on to say that whilst the JV-partners are working rigorously to meet the new target opening date of klia2, it will do so without compromising the safety, quality and operational efficiency of the new airport.

As to the cause of the previous delays, Matthew Tee, Group Executive Director of Bina Puri Holdings Berhad said that while the JV-partners had requested for several extensions, the approved extended period granted by MAHB was not sufficient in its opinion to undertake the construction work.

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Request for extension was mainly due to the various design changes including variation works on baggage handling system and unexpected ground condition which required additional piling and temporary sheet pile.

On the issuance of certificate of non-completion by MAHB to the JV-company thus invoking Liquidated Ascertained Damages (LAD), Matthew said LAD is a standard clause found in any construction contract and that the JV-company will revisit the matter separately and in due course upon handing over the project to MAHB and that they reserve their rights under the contract and agreement they had signed with MAHB.

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