

Federal govt must compensate Kedah for preserving Ulu Muda: PBAPP

Ulu Muda supplies 3 states in Northern Corridor Economic Region, not just Penang, says CEO

Published on May 18, 2021



Datuk Jaseni Maidinsa points out that under the National Water Services Commission Act 2006 (Act 654) and the Water Services Industry Act 2006 (Act 655), the federal government is responsible for water supply services in Malaysia. – Bernama pic, May 18, 2021

GEORGE TOWN – Penang is backing the Kedah state government’s demand for compensation from the federal government for the state’s efforts in protecting and conserving Ulu Muda.

Penang Water Supply Corporation (PBAPP) chief executive officer Datuk Jaseni Maidinsa said the federal government, which obtained taxes amounting to RM16.4 billion from Perlis, Kedah, and Penang in 2019, should pay the compensation to ensure the safety of water supplies in states in the Northern Corridor Economic Region (NCER).

Jaseni also said that under the National Water Services Commission Act 2006 (Act 654) and the Water Services Industry Act 2006 (Act 655), the federal government is responsible for water supply services in Malaysia.

“Please take note that Ulu Muda functions for three states in the NCER, not just Penang.

“Based on this, we agree that Kedah has the right to obtain the compensation to protect and preserve Ulu Muda as the NCER’s basin.

“Hence, Penang and PBAPP fully supports Kedah’s action to obtain compensation from the federal government,” said Jaseni in a statement.

Kedah had previously demanded that Penang pay RM50 million a year for raw water abstracted from Sg Muda and that the federal government compensate RM100 million a year for the halting of logging activities at the Ulu Muda Rainforest.

Jaseni said that Kedah’s rationale in asking for the compensation is the fact that Perlis, Kedah, and Penang are three neighbouring states in Malaysia, not different countries altogether.