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Press Release

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Logging 25,000 hectares: 15.3% of the Ulu Muda water catchment area will be destroyed

- **25,000 ha. is equivalent to 250 sq.km, or 85% of the land area of Penang Island.**
- **In 2018, the Federal Government stated that a total of 125,234 ha. of rainforests in Ulu Muda and its surrounding areas had been identified for gazetting as "water catchment forests", and that the "entire area surrounding Ulu Muda should be gazetted as state forestry parks".**

PENANG, Thursday, 31.12.2020: If 25,000 hectares (ha.) of rainforests in Ulu Muda are logged, the Northern Corridor Economic Region (NCER) will lose about 15.3% of the rainforests in its most important water catchment area. Rainforest destruction in Ulu Muda at such a scale threatens water supply security in Perlis, Kedah and Penang, especially during the annual dry seasons.

The Greater Ulu Muda Forest Complex (Ulu Muda) covers an area of 163,000 hectares. It is the water catchment area for Muda Dam, which supplies Sungai Muda in the South and the Pedu and Ahning Dams which supplies Sungai Kedah in the North.

Today, about 70% of Perlis' raw water and 96% of Kedah's raw water originate from Ulu Muda's rainforests. Meanwhile, Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) abstracts more than 80% of the raw water that Penang needs daily from Sungai Muda.

On 28.12.2020, the Kedah MB was quoted by various mass media as saying that 25,000 ha. of rainforests in Ulu Muda may be logged, in accordance to a "logging allowance".



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25,000 ha. is almost the size of Penang Island

25,000 ha. represents about 15.3% of Ulu Muda's total land area of 163,000 ha., and is equivalent to 250 sq km. As a comparison, the land area of Penang Island is 293 sq. km. The loss of a rainforest area (or areas) that is almost the size of Penang Island will definitely diminish Ulu Muda's role as a water catchment area.

Since Ulu Muda is the water catchment area for Sungai Muda and the Muda Dam in Kedah, cutting down 25,000 ha. of rainforests may cause Sungai Muda and the Muda Dam to "dry up" during prolonged dry seasons.

If there is insufficient water from Ulu Muda, there will be a regional water crisis affecting Perlis, Kedah and Penang. A total population of 4.2 million people will suffer. Thousands of businesses will grind to a standstill. The GDP contributions of the 3 states (which amounted to RM147.8 billion in 2019) will drop. Since irrigation activities will also be affected, Kedah may no longer serve as the "Rice Bowl of Malaysia".

This "nightmare scenario" is the likely outcome of the Kedah Menteri Besar's proposals to fully exploit and destroy Ulu Muda for short-term gains. It appears that his game plan is to log rainforests to clear land for the subsequent mining of minerals, including rare earth elements (REE).

Only the Federal Government can stop him from creating an environmental and socioeconomic disaster of epic proportions in the NCER.

Ulu Muda's scope and importance as a NCER water catchment area

In a Parliamentary reply on 3.8.2020, the Minister of Energy and Natural Resources (KeTSA) acknowledged the importance of Ulu Muda. He stated that the Federal Government had paid out RM60 million under its 2019 Budget from May 2019, under the "Ecological Fiscal Transfer for Biodiversity Conservation" (EFT), to encourage states to protect and conserve "protected areas" such as Ulu Muda. The Minister also said that KeTSA will apply for additional EFT allocations from the Federal Government in 2021.

This is the reason why the Penang State Government and PBAPP have publicly expressed support for Kedah to seek Federal funding and compensation to conserve Ulu Muda.

In another parliamentary reply dated 3.12.2018, the former Minister of Water, Land and Natural Resources (KATS) stated that Kedah had gazetted only 51,046 ha. of rainforests in Ulu Muda and its surrounding areas as "water catchment forests".

The KATS Minister also mentioned that the Peninsular Malaysia Forestry Department (JPSM) and the Department of Irrigation and Drainage (DID) had jointly identified a total of 125,234 ha. of rainforests in Ulu Muda and its surrounding areas to be classified "water catchment forests" under sub-section 10(1)(e) of the National Forestry Act 1984 (NFA 1984). JPSM and DID also proposed for the "entire area surrounding Ulu Muda to be gazetted as state forestry parks".

Stop logging in Ulu Muda completely and in perpetuity

Logging in Ulu Muda must be stopped immediately. It is a dangerous and irrational short-term venture, based on the following facts and figures:

- The rainforests in Ulu Muda actually help to create rainfall. Through transpiration, the release of water from millions of plants in Ulu Muda increases the volume of water vapour in the air. This release of water vapour supports the formation of the clouds that bring rain.

This natural phenomenon is part of the hydrological cycle, and it explains why the air is humid in Ulu Muda. It is the reason why there is so much rainfall in Ulu Muda in the first place, making it an ideal water catchment area. As such, cutting down huge swathes of rainforests will result in less rainfall in Ulu Muda, and subsequently, less raw water availability for Perlis, Kedah and Penang.

- Ulu Muda is the largest and most important water catchment area in the NCER. Logging will affect its status as a water catchment area and may lead to drying out of Sungai Muda and the Muda Dam during severe dry seasons.

As such, the rainforests of Ulu Muda should be left untouched, to generate and catch as much rain as possible. Perlis, Kedah and Penang will continue to be highly dependent on Ulu Muda as a water catchment area in the future.



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- In 2019 and 2020, Perlis, Kedah and Penang experienced the adverse effects of climate change and narrowly avoided water supply crises.

On 14.4.2020, the capacity of the Muda Dam fell to a critical level of 4.4%. The river level of Sungai Muda (at Penang's Lahar Tiang Intake), was also abnormally low, at 1.29m, on the same day.

As such, logging the Ulu Muda rainforests in this age of climate change will significantly increase the risk of water crises in the NCER in the near future.

The Federal Government must not ignore the scope and importance of Ulu Muda as a water catchment area, alongside the unpredictable nature of climate change in the NCER and the potential "socioeconomic fallout" from a regional water crisis.

Parliamentary proposals to protect and conserve the rainforests of Ulu Muda and its surrounding areas should be implemented quickly and correctly. Remember that 4.2 million Malaysians rely on Ulu Muda for their daily water supply, especially in this time of the global Covid-19 pandemic.

Three important steps must be taken to protect water supply and the interests of the people and businesses in the NCER:

1. Logging in Ulu Muda must be stopped now and banned completely.
2. Mining, for REE and other minerals, should never be allowed in a water catchment area like Ulu Muda.
3. Kedah should be fairly compensated, with Federal funds, for protecting and conserving Ulu Muda, completely and in perpetuity.

Thank You.

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