

3.5.2021

MEDIA RELEASE

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## **THINK ABOUT CONSERVING ULU MUDA FIRST IN ORDER TO MANAGE SUNGAI MUDA**

- **Sungai Muda river basin is part of the Ulu Muda Basin.**
- **Ulu Muda must be protected and conserved to ensure that there is sufficient and safe raw water for Perlis, Kedah and Penang.**

PENANG, Monday, 3.5.2021: Penang supports the Ministry of Environment and Water's (KASA's) announcement on the proposed establishment of a "Muda River Basin Authority" (MRBA).

On 19.3.2021, Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) issued a media release calling for the establishment of an "Ulu Muda Basin Authority" (UMBA) to draft and implement a "Ulu Muda Basin Plan" for the benefit of 4.2 million people living in Perlis, Kedah and Penang.

On 30.4.2021, KASA Secretary-General Datuk Seri Zaini Ujang was quoted in a news report (The Star, Nation) as stating that the setting up of a MRBA would resolve the wrangle between Kedah and Penang over Sungai Muda.

Conceptually, the difference between Penang's proposed "UMBA" and KASA's suggested "MRBA" is that Penang's proposal is to safeguard the water catchments of the Muda, Pedu and Ahning Dams whilst the proposal by KASA is limited to only safeguarding the Muda River basin.

In this way, Penang's proposal is to protect the Northern Corridor Economic Region's (NCER's) water catchment whilst the MRBA is limited to protect only the Southern Kedah river basins.

This means the “catchment area” refers to rainforests and tributaries before the dams whilst the river basin refers to sub-catchments of the tributaries after the dams. Consequently, we need to protect the water catchments which forms the beginning of the river basins.

### **Significance of Ulu Muda**

The water that flows through the Muda River is actually rainwater that is “collected” in the rainforests of Ulu Muda and the tributaries of Sungai Muda Basin after the Muda Dam.

As such, Ulu Muda must be protected and conserved (legally, totally and sustainably) as the most important raw water resource in the NCER. This is to sustain the dry-weather yield of Sungai Muda.

Ulu Muda collects 70% of Perlis’ raw water and 96% of Kedah’s raw water. Penang abstracts more than 80% of its raw water from Sungai Muda daily. As such, the health and well-being of 3 NCER states are directly linked to the health and well-being of Ulu Muda’s rainforests.

### **Prioritise conservation of Ulu Muda**

Ulu Muda is the source of raw water for the Muda, Pedu and Ahning Dams. As such, KASA should implement measures to protect and conserve Ulu Muda even before setting up the MRBA.

Please allow me to reiterate Penang’s proposals on the urgent measures that should be taken by KASA and the Federal Government:

1. Ban all logging activities in Ulu Muda, immediately and totally. Cutting down thousands of trees will affect Ulu Muda’s performance as part of the Muda River water basin or water catchment area.
2. Prevent any potential mining activities from being carried out in Ulu Muda, especially exploratory REE mining. Insofar as water supply is concerned, the risks of land and water contamination must be avoided at all costs.
3. Compensate Kedah fairly with Federal funds after 163,000 ha. of rainforest areas are gazetted, protected and categorised as



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untouchable “water catchment forests” under the National Forestry Act 1984. Penang supports the payment of Federal compensation for Kedah if Kedah is fully committed towards protecting and conserving Ulu Muda as a NCER raw water resource.

In short, Penang and PBAPP are thankful that KASA is seriously considering the establishment of a river basin authority to manage Sungai Muda because Sungai Muda is Penang’s one and only primary raw water resource right now.

The Penang State Government and PBAPP are proposing to establish UMBA as a solution to resolve the Penang – Kedah raw water dispute and simultaneously protect and conserve the Ulu Muda water catchment areas for the NCER.

The proposed UMBA may be modelled after the Murray-Darling Basin Authority (MDBA) which manages the Murray-Darling Basin for the Australian Commonwealth Government and 5 states: Queensland, New South Wales, the Australian Capital Territory (ACT), Victoria and South Australia.

However, KASA must look at the “holistic picture” and prioritise the proper protection and sustainable conservation of Ulu Muda now. It is arguably the most important component of the Muda River basin, and it is under threat.

Thank You.

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