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## MEDIA RELEASE

by DATO Ir. JASENI MAIDINSA  
CEO, PBA Holdings Bhd & PBAPP

### **SET UP AN INDEPENDENT AUTHORITY TO PROTECT AND MANAGE ULU MUDA FOR THE GOOD OF THE PEOPLE**

- **An “Ulu Muda Basin Authority” should be set up to draft and implement an “Ulu Muda Basin Plan” for the benefit of 4.2 million people in Perlis, Kedah and Penang.**
- **Ulu Muda must be managed sustainably as the key NCER water catchment area. Sustainable management requires the Federal Government to completely stop and ban all logging, mining and other destructive activities in Ulu Muda.**

PENANG, Friday, 19.3.2021: The Federal Government should consider setting up an independent authority to manage Ulu Muda professionally and sustainably as the most important water catchment area in the Northern Corridor Economic Region (NCER).

A total of 4.2 million people in the 3 NCER states are heavily dependent on Ulu Muda as a water catchment area. As such, the future well-being, GDP and tax contributions of Perlis, Kedah and Penang are heavily dependent on the availability of sufficient raw water from Ulu Muda.

#### **“Ulu Muda Basin Authority” (UMBA)**

An “Ulu Muda Basin Authority” may be modelled after the Murray-Darling Basin Authority (MDBA) which manages the Murray-Darling Basin (MD Basin) for the Australian Commonwealth Government and 5 states: Queensland, New South Wales, the Australian Capital Territory (ACT), Victoria and South Australia.

Established under Australia’s Water Act 2007, the MDBA is an independent statutory agency that reports to the Australian Minister for Resources, Water and Northern Australia. It serves as a pivotal body in the implementation of the Australian Government’s “Water for the Future” programme that has 4 priorities:

1. Tackling climate change.
2. Supporting healthy rivers.
3. Using water wisely.
4. Securing water supplies.

These 4 priorities broadly reflect the challenges that are being faced by Perlis, Kedah and Penang today, vis-à-vis water supply security in the NCER.

### **“Ulu Muda Basin Plan”**

In Australia, the MDBA is managing a “Murray-Darling Basin Plan” to achieve a balance between environmental, economic and social considerations.

Water is being managed in the MD Basin with the following goals in mind:

- Water limits for consumption: Limits are set to the amount of water that can be taken from the MD Basin each year, through the implementation of local water plans and water resource plans.
- Water for the environment: Water for the environment is used to improve the health of rivers, wetlands and floodplains.
- Infrastructure development, operation and maintenance of dams, barrages and weirs to regulate water flows and help deliver water to communities, irrigators and the environment.
- Managing groundwater to preserve and improve water quality.
- Maintaining good water quality by monitoring, measuring and managing natural water flows, as well as addressing water quality degradation issues.

- Water markets and trade to encourage more efficient use of water available from the MD Basin. Water can be traded between users, within limits.
- Monitoring compliance to the “Murray-Darling Basin Plan”.
- Monitoring and evaluating the effectiveness of water management.

The “Murray-Darling Basin Plan” clearly focuses on sustainable and environment-friendly water management strategies, programmes and policies for the long-term benefit of all MD Basin stakeholders. It strives to protect and preserve the MD Basin as a natural water resource above all else. Its goals are formulated from public feedback, facts, scientific data and analyses.

Similarly, our Malaysian Federal Government may commission a scientific and environment-friendly management plan that prioritises the protection and preservation 163,000 hectares of rainforests in Ulu Muda for the good of the people, in terms of long-term water supply security.

The top priority should be to manage Ulu Muda sustainably as the key NCER water catchment area for Perlis, Kedah and Penang in the foreseeable future.

Naturally, sustainable management requires the Federal Government to completely stop and ban all logging, mining (including mining for rare earth elements – REE) activities, as well as any other destructive activity, in Ulu Muda. The proposed “Ulu Muda Basin Authority” should then be empowered to enforce such bans independently, without fear or favour, to protect public interests.

### **Funding by the Federal Government and 3 NCER states**

In its 2019-2020 annual report, the MDBA stated that it received revenue from the Australian Commonwealth Government, contributions from jurisdictions (including contributions from 5 Australian states) and other revenue amounting to AUD192.6 million. The Australian Commonwealth Government contributed 45.4% while the 5 states contributed 38.5% to the MDBA’s revenue during the financial year. The remaining 16.1% is derived from other revenue.

A similar funding arrangement may be adopted for the proposed “Ulu Muda Basin Authority” to take on its role and responsibilities as the manager and protector of Ulu Muda.

The Malaysian Federal Government should be the major contributor, through annual Federal allocations derived from tax earning from Perlis, Kedah and Penang. As the direct beneficiaries of the proposed “Ulu Muda Basin Plan”, Perlis, Kedah and Penang may also chip in to fund the authority.

### **Fair and equitable management of Ulu Muda**

It should be noted that in Australia, the MDBA functions as an independent body to ensure fair and equitable management of the MD Basin for all stakeholders.

It focuses specifically and holistically on managing the MD Basin at “water resource” level. Every Australian state that abstracts water from the basin manages its own in-state water supply and irrigation services independently.

The same formula should be applied for the setting up of the proposed “Ulu Muda Basin Authority” to ensure fair and equitable management of the Ulu Muda, leaving Perlis, Kedah and Penang to continue managing water supply services independently.

Thank You.

Primary source for MDBA data: [www.mdba.gov.au](http://www.mdba.gov.au)

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Issued by : Syarifah Nasywa bt Syed Feisal Barakbah  
Corporate Communications Unit  
Tel : 04-200 6607  
Email : syarifah@pba.com.my