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Press Statement

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Chief Minister of Penang,

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FEDERAL GOVERNMENT MUST INTERVENE TO REDUCE PENANG'S WATER RISKS

- **Set up “Ulu Muda Basin Authority” (UMBA) to conserve, manage and protect the entire Sungai Muda river basin.**
- **Stop logging in Ulu Muda to reduce the risks of more flash floods.**
- **Stop Kedah from implementing Kulim airport project and REE mining in all areas near the Sungai Muda river basin.**

PENANG, Tuesday, 12.7.2022: The Federal Government must take urgent actions to mitigate the risks of another water supply mishap involving Sungai Muda that will affect water supply services in Penang.

More than 80% of the raw water that Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) abstracts daily comes from Sungai Muda. As such, any mishap involving Sungai Muda will affect water supply services about 80% of Penangites and Penang-based businesses.

The “fallout” from the recent flash floods in Baling, Kedah, has proven that this is a fact. On 6.7.2022, the flood waters caused the turbidity of raw water from Sungai Muda to suddenly spike up to 3,000 NTU.

The turbidity of water from Sungai Muda was so high that it forced PBAPP to shut down the Sungai Dua Water Treatment Plant (WTP). The shutting down of Penang's largest and most important WTP affected water supply services here for 6 days.

To minimise the risks of a recurrence, the Penang State Government and PBAPP are calling on the Federal Government to:

1. Set up the **“Ulu Muda Basin Authority” (UMBA)** to conserve, manage and protect the entire Sungai Muda river basin as a NCER water asset. If the Federal Government is serious about developing the NCER properly, it should firstly focus on securing water resources. Water supply mishaps and issues are bad for business and will cause suffering for millions of people.
2. **Stop logging in Ulu Muda** to reduce the risks of more flash floods. Cutting down rainforests will also compromise Ulu Muda’s performance as the most important water catchment area in the Northern Corridor Economic Region (NCER).
3. **Prevent Kedah from implementing Kulim airport project and rare earth elements (REE) mining proposals** in the Sungai Muda river basin. The risks of water pollution, water contamination and river sedimentation are unacceptable. Moreover, the Kulim airport project proposes to dump millions of litres of sewage into a tributary of Sungai Muda daily.
4. Expedite the **completion of the Mengkuang Dam Expansion Project (MDEP)**. Recovery of water production operations at the Sungai Dua WTP and the normalisation of water supply services in Penang were delayed because PBAPP could only draw down 300 MLD from the Mengkuang Dam in an emergency scenario. Phase 2B of the MDEP must expedited to increase drawdown capacity to 600 MLD.
5. Implement the **Sungai Perak Raw Water Transfer Scheme (SPRWTS)**. Sungai Muda has served as Penang’s primary raw water resource since 1973. We need a second major raw water resource badly. The Penang State Government and PBAPP have been pursuing the implementation of the SPRWTS since 2011. Until today, the Federal Government insists that the Penang State Government must negotiate directly with Perak State Government. We have attended multiple direct negotiating sessions to no avail. Meanwhile, excess water from Sungai Perak continues to flow wastefully into the Straits of Melaka every day.



It is clear that mishaps in Kedah can cause widespread water supply issues in Penang because Sungai Muda is a shared raw water resource. This should be regarded as an urgent “wake-up” call for the Federal Government to reduce or mitigate to Penang’s high water risks.

Today, the 1.78 million Malaysians living in Penang are facing high water supply risks. Penang-based business that contributed at estimated RM92.6 billion* to the national GDP in 2020 are also at risk.

Thank You.

*https://www.dosm.gov.my/v1/index.php?r=column/cone&menu_id=SEFobmo1N212cXc5TFILVTVxWUFXZz09