

9/5/2017

PRESS STATEMENT

by Dato' Ir. Jaseni Maidinsa,
Chief Executive Officer,
PBA Holdings Bhd (PBAHB) and
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP)

ULU MUDA: KEDAH SHOULD CLARIFY THE TRUTH ABOUT LOGGING

PENANG, Tuesday, 9/5/2017: Kedah should clarify the facts and figures about logging in Ulu Muda instead of claiming that it is not a threat to water supply.

On 8/5/2017, newspapers and news portals published comments attributed to Kedah Water Resources, Housing and Local Government Committee Chairman Datuk Badrol Hisham claiming that the logging area involved is '12,484 hectares (ha) or 30% of total area of the 41,375 ha Ulu Muda Forest Reserve'.

However, on 16/5/2016, *The Star* published a news report with the headline: 'Ulu Muda no longer a paradise.' In this report, it is stated that the Ulu Muda Forest Reserve is 160,000 ha (according to the World Wildlife Federation or WWF), or twice the size of Singapore.

1. Can Kedah clarify if the total area of the Ulu Muda Forest Reserve is 41,375 ha or 160,000 ha?

The report also quoted the 2014 Auditor-General's Report as stating that Kedah had approved the following areas for logging in past years:

Year	Area (ha)	Forest Premium (RM)
2009	6,093	33,050,000
2010	7,856	48,540,000
2011	12,909	74,920,000
2012	8,542	32,930,000
2013	4,612	10,800,000
2014	6,252	30,100,000
Total	46,264	230,340,000

As a reference, the land area of Penang Island is about 293 sq. km, or 29,300 ha. As such, the 2014 Auditor-General Report indicates that Kedah had logged forests measuring more than 1.5 times the size of Penang Island in 6 years.

2. **Of the 46,264 ha of forests logged in Kedah in the period 2009 – 2014, how many hectares were in Ulu Muda?**
3. **To date, how many hectares in Ulu Muda have NOT been logged?**

According to another exposé on 14/4/2017, *The Star* wrote that a new trail for timber lorries in the Ulu Muda catchment has been found near Sik. It was reported that the trail is 5m wide and more than 15km long, and it runs uphill along the 'Ulu Muda lake' (Muda Dam). The Star also published an aerial photograph and a video report showing part of the 15km trail in the vicinity of the dam.

4. **Is this new Sik logging trail within the catchment area of the Muda Dam?**

Kedah has admitted that the logging is being carried out in the Ulu Muda area, 'outside the catchment area'.

5. **Could Kedah please show, on a map, the exact location and size of the catchment area and the 'licensed' logging areas?**

Kedah also claimed that logging activities in Ulu Muda do not pose a threat to water supply.

6. **Could Kedah kindly publicise the relevant hydrology reports, rainfall records, river level records and dam effective capacity records to back up this claim?**

Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) would also like to set the record straight on 2 key 'misunderstandings' in the news reports quoting Datuk Badrol:

'Do not blame Penang's water shortage issues on Kedah.'
'Do not meddle in the affairs of other states.'

Firstly, there is no water shortage issue in Penang.

Our main concern is raw water availability. More than 80% of Penang's raw water comes from Sungai Muda daily. Sungai Muda is Penang's one and only primary raw water resource.

Ulu Muda is the water catchment area for Sungai Muda. Cutting down trees in Ulu Muda affects its ability to catch rainwater. Clearing the rainforests in Ulu Muda causes soil erosion and sedimentation. As such, logging affects the quantity and quality of raw water available from Sungai Muda.

In Penang, PBAPP is striving to ensure sustainable water supply management after gazetting 62.9 sq.km of forestlands as water catchments. There is no logging in Penang's gazetted water catchments while in Kedah, logging is carried out in the Ulu Muda water catchments.

This year, there was no prolonged dry season in the northern region. On 8/5/2017, the level of Kedah's Muda Dam, where the new logging trail was found, stood at only 48.1%. In comparison, the effective capacities of Penang's Air Itam Dam and Teluk Bahang Dam were 83.6% and 97.3% respectively on 8/5/2017.

Last year, during the 6-month-long Super El Niño dry season, irrigation activities in Kedah and Penang had to be postponed because of the volume of raw water stored in Kedah's Muda Dam and Beris Dam dropped below critical levels in April 2016. These dams were built in Kedah to release water into Sungai Muda during prolonged dry seasons. The raw water stored in these dams originate from Ulu Muda.

We have repeatedly advised Kedah to stop logging in Ulu Muda and to seek Federal compensation *in lieu* of 'forest premiums'. Penang will support any move by Kedah to seek compensation *after* it gazettes Ulu Muda as a regional water catchment area.

Moreover, logging in Ulu Muda is not merely a 'Kedah state affair' because it affects water supply and irrigation in Perlis, Kedah and Penang, which are 3 states in the Northern Corridor Economic Region (NCER) conceived by the Federal Government.

As reported by *The Star*, Ulu Muda is responsible for 80% of Penang's water supply and 96% of Kedah's water supply. Ulu Muda is also responsible for 50% of Perlis water supply.

Since the Federal Government views the NCER as one integrated economic region, it should ban logging in Ulu Muda to protect the interests of about 4.05 million people and the economies of 3 NCER states.

Gazetting and conserving Ulu Muda should rightly be regarded as a NCER issue. The Federal Government should stop Kedah from continuing to cut down trees in Ulu Muda to prevent a NCER water crisis.

Thank You.

*Dato' Ir. Jaseni Maidinsa,
Chief Executive Officer,
PBA Holdings Bhd (PBAHB) and
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP).*

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