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Kedah, Penang hold talks on water payment

By Noor Adzman Baharuddin

ALOR STAR, Fri. - Even as discussions are being held to decide how much Penang will pay for water from Kedah, some quarters are saying it should not be an issue at all.

Since Sungai Muda is a common river which flows between the two States, the raw water should be free, said Penang Chief Minister, Tan Sri Dr Koh Tsu Koon.

Kedah Menteri Besar Datuk Seri Syed Razak Syed Zain said today officers from the State Economic Planning Unit (EPU) and their counterparts from Penang were discussing the method and amount of payment for raw water by Penang.

He said the discussions might also include the Perlis EPU since the State also depended on Kedah for raw water.

"Discussions began five years ago, but we have yet to formulate a payment scheme and the quantum," he told reporters after opening the Kilang Ais Umno branch meeting in Kuala Kedah here.

Syed Razak, who is also Kilang Ais Umno branch chairman, was commenting on the suggestion by former Prime Minister Tun Dr Mahathir Mohamad that the State Government should begin charging Penang for raw water.

The Menteri Besar cited Johor's charging Singapore and Malacca for untreated water as an example.

"Yes. I agree with Tun Dr Mahathir that the money derived from the sale of our water can be used to spur the State's economy," he said.

As it is, he said the State had already lost several million ringgit when it gave up about 100,000 hectares for the Muda Agricultural Development Authority padi scheme and the setting up of a water catchment area in the Pedu forest reserve.

He added that when Kedah "agreed to supply Penang with raw water free-of-charge years ago, it was meant for domestic and agricultural use".

"Penang has since diversified its economy and is now using a lot of water for its industrial estates."

Koh said that although Penang was more developed than Kedah, the State had limited revenues of its own.

Total revenue collected is between RM200 and RM250 million, and that this was insufficient for the State's annual development and operating budget.

Using the Nile and the Mekong as examples, Koh said that countries such as Ethiopia, Uganda, China, Vietnam all shared water resources.

"In our case, we are in the same country, like brothers in the same family."

Pumping of water from Sungai Muda does not involve additional cost to Kedah, especially during the rainy season when the river swells and causes flooding in both Penang and Kedah.

"While enjoying water resources together, Penang and Kedah have also been able to manage the flood situation."

Koh said he was checking if there was an agreement on the sharing of water resources between the two States.

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