

## **Putrajaya stops Selangor takeover of Syabas**

**MalaysiaKini.com**

**July 23, 2012**

**By Aidila Razak**

The federal government has made an initial decision not to allow the Selangor government to take over the operations of state water concessionaire Syarikat Bekalan Air Selangor (Syabas).

The special cabinet committee on the Selangor water issue agreed at its meeting that there are "substantial and procedural" matters that have not been met to allow Selangor to takeover Syabas.

However, Deputy Prime Minister Muhyiddin Yassin said the final decision would be made after the attorney-general deliberates on the matter.

"He has been instructed to call a meeting on this matter this afternoon," he said after chairing a three-hour meeting in Putrajaya today.

Among the issues that stand in the way of the takeover, he said, is the state government's failure to compensate Syabas after refusing a scheduled increase in the water tariff.

"The matter is now pending in court as Syabas is suing Selangor," he said.

Selangor had in 2009 refused to allow water tariffs to go up unless Syabas reduced its non-revenue water which currently involves one-third of supply.

Asked why Selangor was not invited to attend the discussion today, Muhyiddin said this was a federal-level meeting.

"There are several matters which will have to involve Selangor but so far, this is (within) our scope of power," he said.

The committee came to the decision after consultations with the Energy, Green Technology and Water and National Water Services Commission.