

Water transfer project: 'What's the rush, DPM?'
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The Selangor government has refuted the federal government's claims that the Pahang-Selangor water transfer project must take off immediately to prevent water shortage in Selangor and Kuala Lumpur by 2014.

khalid ibrahim"The Selangor government has consulted several experts and based on our calculations of population growth, water consumption rates, production capacity and water levels in dams, there will be sufficient water supply to meet the demands of Selangor and Kuala Lumpur consumers well up to the year 2019," said Selangor Menteri Besar Khalid Ibrahim.

In a statement today, Khalid said the water transfer project may be necessary in later years but currently, there is a three-year lead time for construction and thus construction should only begin in 2016.

"If the project is rushed into, the cost would incur further national debt which it cannot afford given Malaysia's current balance sheet," he said.

According to deputy premier Muhyiddin Yassin, the water transfer project will cost RM9 billion, up from an initial estimate of RM2 billion.

Khalid said the Selangor government accepts the need for the project, but hinted that the federal government must first give in to several demands made by the state over the plan to federalise water management, otherwise known as the water-restructuring process.

"We believe there is no need to treat this project as a priority or (to act) in a hasty manner without regard for a holistic understanding of the water resources in Selangor, including taking into consideration the water-restructuring process," he said.

Selangor and the federal government have been at loggerheads over the latter's attempt to buy up all of the state's water assets, which critics claim would create an inefficient monopoly and higher water tariffs.

water paips"We also believe that other alternatives should be prioritised instead of giving a large, lucrative construction contract like the Pahang-Selangor water transfer," said Khalid.

Such alternatives includes recycling water - from rivers, lakes, underground sources and rainfall - and reducing the high levels of non-revenue water from the current 35 percent to 20 percent.

'Questionable history'

Part of the water transfer project involves a 45km tunnel to channel raw water from Kelau, Telemong and Bentong in Pahang to Selangor.

This has been awarded to a Japanese-led consortium comprising of Shimizu Corp (project leader) and Nishimatsu Construction Co and local companies UEM Builder and IJM Corp.

When the deal was inked on May 25 last year, eyebrows were raised because UEM is an Umno-linked company while Nishimatsu is facing graft probes in Japan and had been

accused of negligence in Singapore over the Nicoll Highway collapse in 2005.

Even the initial bidding process for the tunnel project was plagued with controversy, following news reports that the Shimizu-led consortium was awarded the contract despite tabled a conditional bid.

The project is funded by the Japan Bank for International Cooperation, which is providing a RM2.5 billion low-interest loan that must be repaid over a period of 40 years.

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