



Persatuan Pengguna Pulau Pinang Consumers Association of Penang

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Press Release

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Cancel the RM 58 billion reclamation project and SRS's transport master plan Adopt cheaper and cleaner alternative transport suggested by civil society

Consumers Association of Penang (CAP) calls on the Penang State Government not to commence work on the PSR project as there is an appeal by the fishing community affected by the project against the approval of the Environmental Impact Assessment (EIA) report by the Director General of Environmental Quality.

The Environmental Quality Act 1974 empowers an aggrieved person to appeal against the decision of the Director General approving the EIA report. This is a very important provision in our law enabling the affected public to ensure that any proposed development does not have detrimental impacts on our environment and society. The authorities, particularly the State Government, must honour and respect this right of appeal, and nothing must be done to undermine it.

The Appeal Board has not even begun hearing the appeal and yet the Deputy Chief Minister was reported as saying the project is set to begin as early as March, commencing with the reclamation of Island A.

Where did he get the assurance that the Appeal Board will decide in favour of the Government and SRS, the project delivery partners, so that they can start implementing the project in March? He should not have made the statement because it would have a negative impact on, and erode public confidence in, the appeal process.

What happens if the decision goes against the State Government and SRS when the challenge to the approval of the EIA is finally disposed of? The ecosystem of the coast to be reclaimed and the fisheries resources would be permanently destroyed, and the fishing community exposed to grave hardship.

The grounds raised by the fishing community against the approval of the EIA are substantial, dealing with important issues. The DG's order contradicts his admission earlier, that is, if the SRS project is implemented, there would be "irreversible damage and residual impact on the mudflat ecosystem, fishing ground, turtle landing and part of the coral reef at Pulau Rimau (Rimau Island) which is an important ecosystem to the fishery resource. This irreversible damage will cause significant negative impacts to the fishery resources, fishers and would threaten the country's food security." If there is irreversible damage to our fishery resources and the ecosystem, then no 'development' [in fact destruction] should be permitted.

Another important ground of appeal is that the DG, before giving the approval for the EIA, did not take into consideration Malaysia's commitments under the United Nations Sustainable Development Goals and other treaties. It includes the conservation and sustainable use of the oceans, seas and marine resources for sustainable development. The reclamation project will put an end to sustainable use of

seas and marine resources by permanent destruction of the fisheries. The project will generate more carbon dioxide in violation of Malaysia's pledge to reduce carbon emissions.

The proposed reclamation project and SRS's Transport Master Plan will cost a whopping RM 58 billion. The State Government and SRS have not produced any evidence that they have the financial resources to undertake this mega project. The Federal Government is not supporting it. Recently, the Chief Minister of Penang stated that the State Government will issue bonds without Federal Guarantee. When it was pointed out that his proposal was unconstitutional he has remained silent.

In July last year, the Chief Minister announced that, to kick-start the 3-island project, SRS would submit a financial plan within a month to the State Government so that it "can look at the cash flow, the costs...to consider various options of financing the project." Nothing has been heard of the promised financial plan.

Malacca Government cancelled the RM43 billion Malacca Gateway reclamation project presumably because it was not viable. This should serve as a reminder to the Penang government to listen to the criticism and suggestions from civil society to avoid similar blunders. In the case of the PSR project, civil society organisations have made a strong criticism, substantiated with facts and data, that it would have serious negative socio-economic and environmental impacts. This was before the Covid-19 pandemic.

It is incredible that the State Government wants to implement the mega project now with the pandemic still raging; trade disrupted; small and medium enterprises facing bankruptcies; millions unemployed and the national treasury facing a shortage of funds for development. The politicians who are managing the state should be sensitive to the current reality and use state resources to lessen the hardship people face.

The Penang government should draw a lesson from the failed Malacca Gateway project and cancel the mega RM 58 billion reclamation project and the Penang Transport Master Plan which was proposed and developed by Gamuda and its partners in SRS. Civil society organisations have put forward alternative proposals to SRS's PTMP which cost much less to alleviate our transport congestion problem. It makes no sense that we destroy our natural heritage and pauperise our fishing community to sell our land to foreigners to make our rich richer.

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President
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