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Press Release

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**Serious concerns and unanswered questions over Lynas operations renewal**

Sahabat Alam Malaysia (SAM) and the Consumers Association of Penang (CAP) voice our serious concerns over the Pakatan Harapan government's decision to allow Lynas to continue its operations for another six months and for its radioactive wastes to remain in the country.

This means that once again, another toxic legacy is being created for future generations to suffer, in addition to the existing hazardous radioactive wastes being stored in the Kledang Range in Perak, from the Asian Rare Earth plant.

The government says that the Lynas decision was made following the Australian government and the Western Australian state government's statement to Malaysia that it would not accept the Water Leach Purification (WLP) radioactive residue produced by Lynas to be sent back there.

It is obvious the Australian government considers the Lynas waste to be too toxic for it to accept. Surely, what is an unacceptable threat to the Australian people and environment should also be considered a similar threat to people's health and environment in Malaysia.

Instead, by allowing Lynas to continue its operations in Malaysia, the country has again become a dumping ground for radioactive wastes, which will remain hazardous for generations to come, as the thorium and uranium in the WLP wastes have very long half-lives of millions and billions of years.

Instead of closing down its operations and asking Lynas to deal with the radioactive and toxic wastes, the government has allowed the company to continue its operations for six months, subject to conditions, which give rise to further questions and concerns.

One of the conditions is that Lynas secure a Permanent Disposal Facility (PDF) for its radioactive wastes. However, the government press release does not specify when the wastes are to be transferred from its temporary site to the PDF.

Since the license is renewed for six months, can Lynas find a site that is "safe" and suitable during these six months, and also complete other required processes? Importantly, there is need for an Environmental Impact Assessment and the Radiological Impact Assessment to be done following our laws, which has to be subject to public consultation and approval. There should not be any compromise for these to be properly done, or any efforts to rush through these processes without all the safety concerns being addressed.

At the very least, the Lynas operations should have been suspended until the PDF is in place, as it has already accumulated 580,000 tonnes of radioactive wastes. With every day of operations, more and more radioactive wastes will be generated daily.

Another condition is for Lynas to come up with a plan to build a cracking and leaching facility (CLF) abroad, and thus to transfer the cracking and leaching process away from its plant in Gebeng, Kuantan. Thus, the material which Lynas will bring to its Malaysian plant would not contain radioactive material. However, this facility abroad will become operational only within four years, from the effective licensing date, according to

the government press release.

We are unable to understand why the government has given Lynas four years to make the CLF abroad operational. This effectively means that the company will be allowed to generate another four years of radioactive wastes until the operations shift to Australia.

Presumably, these additional wastes will be also disposed off in the PDF, which in effect means that at least close to 1 million tonnes of radioactive wastes will have to be managed for decades if not centuries to come.

With this huge amount of wastes, there will be large costs of maintaining such a disposal facility. The government should clarify the total costs of addressing the wastes, including (1) the costs of cleaning up of the temporary storage site, (2) the cost of acquiring, preparing and building the permanent disposal site, (3) the cost of maintaining the site for decades to come, and (4) the opportunity cost of not being able to make use of land in the vicinity of the site.

The government should make clear that it is Lynas that will have to bear these costs of addressing the waste problem. In this regard, the government press release does not make this very clear and such a condition should be contained in the formal agreement between Lynas and the government. It should not be the case that Malaysians have to pay for the costs of addressing the wastes.

The government press release has also revealed that the company is being stopped from further research into using its radioactive residue as a soil conditioner for agricultural use. This is a welcome move by the government as we have previously pointed out the dangers both to health and the economy of such use of the waste.

In conclusion, we continue to have concerns and questions over: (1) allowing the plant to continue operations in Malaysia; (2) the process and time frame for shifting the waste to the PDF; (3) whether the company will bear the costs of adequately addressing the waste disposal; and (4) the long period before the cracking and leaching operations are transferred out from the Malaysian plant.

We reiterate our call for the suspension of the Lynas operations until these issues are resolved properly and transparently.

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