

Nurul Izzah tells Penang to cancel controversial three-island reclamation, but state exco insists project is needed

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BY OPALYN MOK



Nurul Izzah said the losses and risks of the PSR project far outweigh any possible gains to the state and its people. — Picture by Miera Zulyana

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GEORGE TOWN, June 1 — Permatang Pauh MP Nurul Izzah Anwar has criticised the controversial Penang South Reclamation (PSR) project, calling for it to be cancelled and replaced with a sustainable economic rejuvenation plan to reverse the economic impact of the Covid-19 pandemic.

She said there was no need to reclaim 4,500 acres of land in the sea when land was plentiful in the mainland area of the state.

“More efforts should be focused on small-scale pro-community development on the Penang mainland, as advocated by Think City, to address unbalanced growth; this should be the main trajectory of Penang’s development,” she said in a statement yesterday.

She pointed out that the environmental impact assessment (EIA) report for the PSR project, clearly stated that there would be permanent destruction and residual impacts on the mudflat ecosystem, fishing grounds, turtle landings, and some of the coral reefs on Pulau Rimau.

She added that it was stated in the EIA that the permanent destruction will have a significant negative impact on fisheries resources, fishermen and the security of the country’s food supply.

“This development project will not only affect the livelihood of fishing communities and increase poverty, but also threaten the safety of fisherfolk,” she said.

“The state’s ambition to leave a legacy must not be at the expense of rakyat, not only fishermen whose livelihood are directly threatened, but also, all Penangites who will bear the costs of diminishing supply of fresh seafood and resultant higher prices,” she added.

She said the state and people of Penang should not be burdened with a project that is fraught with risks, debt, uncertainties and “U-turns”.

“As it stands, the entire PSR project will be funded and managed by a 70-30 joint-venture between SRS Consortium Sdn Bhd and the Penang State Government - it is now a privately-led mega-project, lacking clarity on the various aspects of the mammoth project,” she said.

Instead of massive infrastructure projects, Nurul Izzah said the urgent need now is to strengthen the re-skilling efforts to enable local communities to compete effectively for incoming high-skilled roles.

“Given the above considerations, can we afford to wait without adequate socio-economic safeguards and certainty, for another 30 years, before reaping the intended benefits of this project, while we navigate an unprecedented public health and economic crisis?” she asked.

She said the losses and risks of the PSR project far outweigh any possible gains to the state and its people.

She said the mitigation measures for the project were inadequate and do not address the costs incurred by fishermen or the safety considerations.

“Although the Penang state government is offering ex-gratia packages and programs that are intended to provide long-term benefits to the 1,615 affected fishermen, the project will result in damage to the ocean and coastal ecosystems that threaten the livelihoods of almost 5,000 fishermen, as the impact of the reclamation will extend beyond Teluk Kumbar and even beyond Penang waters,” she said.

She called on the Ministry of Environment and Water to revoke the previous approval provided by the Department of Environment and put in more efforts to collaborate with the Penang state government in managing the people’s socio-economic recovery post-pandemic.

In response to her statement, Penang state exco Zairil Khir Johari claimed that the Penang South Islands (PSI) project, which was previously called the PSR, will benefit the fishermen.

“In actual fact, it would not be a stretch to say that the ex-gratia packages being offered to the fishermen affected by the project is quite possibly the best large scale package ever paid out in Malaysia,” he said in a statement today.

He said the fishermen will also receive new boats and engines, bringing their total package to about RM60,000 each depending on their category.

“As an added effort, a fisheries sustainability programme will also be implemented through the use of artificial reefs and fish aggregating devices, the release of fish and prawn fry and funding for marine-related research,” he said.

He agreed with Nurul Izzah that there is a need for re-skilling efforts as a more comprehensive solution to the fishing community’s problems.

“Besides the ex-gratia packages, there will also be a re-skilling programme for full-time fishermen, providing them with gainful employment during the course of the project that is projected to last for years,” he said.

He said the state government is willing to arrange for Nurul Izzah to meet and speak directly to some of the fishermen involved to get a clearer picture of the situation.

As for the impact on the environment, Zairil said mitigation measures have been planned under the ecology offset programmes and that they have also incorporated studies by the UN Intergovernmental Panel on Climate Change (IPCC), Low Carbon Cities Framework, and the independent report by the Royal Haskoning DHV into the planning of the PSI.

He said the three islands are designed with plenty of public green spaces and 20 per cent of the land are reserved for parks, mangroves, water canals, and wetlands to achieve temperature cooling.

“In addition to that, the PSI also aims to reduce carbon emissions by 40 per cent, achieve 100 per cent renewable energy usage and reduce freshwater demand by 70 per cent,” he said.

Finally, he said the PSI and the Penang Transport Master Plan (PTMP) have been identified by the Penang Socio-Economic Recovery Consultative Council (PSERCC) as key recovery drivers to ensure the state’s economy and its citizens survives after the current Covid-19 crisis.

“It is precisely because of the current protracted pandemic and the ensuing economic disaster that the PSI is needed now more than ever as a catalytic development project for Penang,” he said.

He said an independent study prepared by PricewaterhouseCoopers has indicated that the completed PSI would attract RM70 billion of foreign direct investments and create more than 300,000 jobs over a 30-year timeframe.

He said the PSI will create more high-value employment to stop the outward migration of talented Penangites and also attract the best and brightest from all over the country to come to Penang.

Zairil said the joint-venture model with SRS Consortium allowed the state to commence with the project without the associated risks and debt such as project financing and corporate guarantee as these are borne by the principal partner of SRS Consortium, Gamuda Berhad.

“In the event of default, we have also agreed that all reclaimed land will not be subject to caveat by the lenders. This effectively mitigates the potential risks,” he said.