



KEYNOTE ADDRESS

**YB DR. XAVIER JAYAKUMAR,
MINISTER OF WATER, LAND DAN NATURAL RESOURCES
AT THE PUBLIC DIALOGUE ON WATER**

15 OCTOBER 2019

**MESMERA BALLROOM, THE EVERLY HOTEL
PUTRAJAYA**

YB. Tengku Zulpuri Shah Raja Puji
Deputy Minister
Ministry of Water, Land and Natural Resources

YBhg. Datuk Zurinah Pawanteh
Secretary General
Ministry of Water, Land and Natural Resources

YBhg. Datuk Ir. Abdul Kadir Mohd Din
President, the Malaysian Water Association

YBhg Datuk Ahmad Faizal Abdul Rahman
Chief Executive Officer of the National Water Services Commission

Respected Moderator and Panelists

Representatives from Federal and state agencies

Representatives from water operators and industries

Ladies and gentlemen,

Selamat Datang and Good Morning to all.

Distinguished participants, Ladies and gentlemen,

1. First and foremost, I would like to take this opportunity to thank everyone for your presence here today. It is an honor for me to deliver the opening remarks for the Public Dialogue Session on Water. I personally view this dialogue as the best platform to provide positive interaction between policy makers, implementers, NGOs, industry players as well as consumers. For that, I must congratulate the Malaysian Water Association for showing their persistent efforts in making today's event a success.

Water Services Industry Reform

2. As we are aware, the water services industry reforms were brought into effect in 2007 to address ineffective regulatory structure, fragmented and unsustainable water service industries. Apart from making the water sector a shared responsibility between Federal and State governments, a key pillar of this reform was the establishment of the National Water Services Commission as a regulatory body for water and sewerage industry (except for Sabah and Sarawak).
3. Following that, the restructuring of water service industries were introduced to ensure the sustainability of the industry and to improve quality of our water supply. With the formation of PAAB, we had successfully restructured water industries in 8 states and 2 more will be completed by end of this year (Kedah and Pahang).

Reality Check

4. However, as we approach the end of 11th Malaysia Plan, I feel there is much that we have yet to achieve. The Non-Revenue Water percentage is not at satisfactory level. Water disruption is common due to poor maintenance culture and absence of good asset management practice. Our water services industry is still far from full cost recovery and several water companies operate in deficit due to unsustainable tariffs. Our rivers, as the main raw water source, are constantly at risk of being polluted – no thanks to the lack of enforcement to punish non-point source polluters and unconnected private wastewater plants. These are just a few of the issues that we face.

Future Direction for RMK-12

5. Learning from these experiences, I believe there is a need to transform our water industry under 12th Malaysia Plan centered upon the key principle of “Shared Prosperity Vision” by 2040. We have been working closely with the Ministry of Economic Affairs (MEA) for the past 6 months to develop a new strategic direction for the water sector.
6. Let me briefly share the Visions for Water Sector Transformation as follows:
 - (i) achieve an inclusive and sustainable provision of safe and affordable water supply and sanitation systems;
 - (ii) recognizing water as a wealth creation sector;

- (iii) recognizing the potential of groundwater as a source of water supply to meet the demand of rising population and economic development; and
- (iv) putting Malaysia as a tropical Asian frontier in Integrated Water Resources Management (IWRM);

7. These strategic directions will enable the nation to meet the Sustainable Development Goals (SDG) by 2030 and successful transformation of the water sector by 2040. Our goal is to see high-quality water, reliable and sufficient supply & demand, cleaner rivers, efficient flood management and improved water storage management.

Budget 2020 for Water Sector

8. Providing good water and sewerage services for the *rakyat* is always a priority for the Federal Government. Thus, the increase of allocation for Ministry for the year 2020 from RM 4 billion to RM4.7 billion signals the commitment of the government to preserve our natural resources including water resources and services. Out of that figure, some RM3 billion (63.8%) is allocated to improve protection of water resources, research and development, water management, water services and sewerage services. Certainly, our next challenge is to ensure the budget is spent wisely and projects need to be delivered on time for the benefit of our people.

Closing

Ladies and gentlemen,

9. KATS is determined to ensure the success of water management in Malaysia. Towards that, we need to strike a balance between access to water as a necessity, as well as ensuring the financial and operational sustainability of the water sector. Only then can the interest of all parties be safeguarded. Hence, this dialogue serves as a great platform to collect ideas and concerns to mitigate any potential or ongoing problems to achieve effective and efficient water management in Malaysia.

10. I look forward to the interesting elaboration from panelists and wish all of you a fruitful and productive deliberation.

Thank you.