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Sir,

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With regards to the above subject matter, we read the article published in your speak up column with enthusiasm and glad that the solid waste management continues to attract in depth discussion especially on the approach taken by the Federal Government. Nonetheless, incomplete or unavailability of information has lead to negative perception on the federalisation and privatisation of the solid waste management.

We wish to clarify that the studies mentioned by the Deputy Minister of Housing and Local Government is by no way indicating that there is no thorough study being undertaken before the Government decided to table the Solid Waste and Public Cleansing Management Act 2007 (Act 672) in Parliament in 2007. The decision to federalize and privatize solid waste management is not done in haste and as correctly stated by Dr Goh Ban

Lee, the process of federalization was initiated as early as 1995. What is meant by studies mentioned by the Deputy Minister is actually on the on going discussions undertaken by the Central Agencies, KPKT and the Concessionaires on the Agreement and financial cost as well as the new tariff to ensure a win-win situation for both the government and the concessionaire and for good value for money invested. We believed that the author is well aware that the fees paid to the concessionaires have not been revised since day-one that is more than thirteen years ago despite the increasing operating cost. Therefore, to reflect the actual cost vis-à-vis the quality of services required, detail discussion is required. In addition, we are also finalizing the several regulations needed under the Act As well as sorting issue with the states, to ensure a smooth execution of the Act.

The decision to privatize the solid waste management in the southern region to Southern Waste Management and the central region to Alam Flora was taken after due consideration given to the financial and human capability of the local authorities. The interim privatization which is supposed to last for a year before full privatization sets in, has dragged for more than 13 years. Without full privatization, the concessionaires are unable to secure the much needed loan from the financial institution for them to provide the necessary infrastructure such as vehicles, equipments, bins etc. Hence their performance is badly affected. However, to state that the solid waste management in Sungai Petani has taken a worse turn since the concession company appointed by the Federal Government took over is not projecting a real situation on the ground.

Since E-Idaman took over solid waste management in Kedah, in general there is improvement in solid waste management. In Alor Star for example, we received feedback that situation is improving. In Sungai Petani, we understand that there are teething problems to be settled with the Majlis such as workers and existing infrastructure that are in bad shapes before good quality services can be provided. We are confident that things will be better soon.

The Federal government is also aware that in most other countries in the world, solid waste management and public cleansing is within the responsibility and purview of the local authorities. While local authorities for example in Europe and USA continues to enjoy good revenue through the collection of various taxes, fees and user charges and are able to impose high charges on providing good solid waste management service, the local authorities in this country are depending on the assessment tax to pay for the management of solid waste. In most local authorities, the rates have not been revised for ages. To put further constraints on the local authorities, the cost of management solid waste cut deeps into their financial coffer where most local authorities spend 30% to 80% of their revenue on solid waste. As such, the Federal government has for many years been providing financial assistance running to millions of ringgit, vehicles and equipments to the local authorities to manage solid waste. In addition, the Federal government has also built sanitary landfills and other facilities to cater for the solid waste generated in the local authorities. Yet, the quality of solid waste management has not reached to the level that we yearn for. Therefore, based on such situation, the Federal Government after much debate in the Parliament decided to federalize the solid waste management.

We sincerely believe and subscribe to “people first and performance now”. And solid waste is close at the heart of the people. Poor quality of solid waste management service will deteriorate the environment and putting the health of the people at risk. Thus to safeguard the health of the people and mitigate pollution arising from the low quality of solid waste management service and unsanitary landfills, the approach taken by the federal government to federalize solid waste management and privatise the collection of household solid waste remains the best choice for the country.

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