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## NRW water losses in Sabah the third highest in nation

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Kota Kinabalu: Sabah ranks the third highest in terms of non-revenue water (NRW) losses in the country, estimated to have cost the State about RM175.4 million in 2010 alone, according to the Association of Water and Energy Research Malaysia (Awer).

Its statistics showed the State has remained at the same spot since 2008, where the estimated cost recorded then was RM150.6 million, while in 2009 it was RM142.39 million.

Sabah fared just a little better than Johor that ranked second with the estimated cost in NRW losses in 2010 being RM200.9 million.

Selangor was top with RM599 million in estimated loss of revenue.

Awer President, S. Piarapakaran, said these were the outcome when the NRW losses per state were converted into estimated loss of revenue, although in terms of volume in 2010 Selangor recorded the highest amount, followed by Pahang and Sabah, third. He said the total revenue for the water sector in 2010 was RM4,086,618,000, while the estimated loss of revenue due to NRW is almost 42.7 per cent of the total revenue in the water services sector.

"The sum of estimated revenue loss due to NRW for the year 2008, 2009 and 2010 was a staggering RM4.99 million," he said, in a statement, Thursday.

The association carried out a NRW modelling study based on year 2010 statistics from the Malaysia Water Industry Guide 2011, he said, adding the NRW percentage showed a drop from 36.63 per cent in 2009 to 36.37 per cent in 2010.

"However, the overall volume of treated water loss has recorded an increase from 1.80 billion cubic meters (m<sup>3</sup>) in 2009 to 1.87 billion m<sup>3</sup> in 2010, or equivalent to a 3.5 per cent increase," said Piarapakaran.

"Awer is still standing firm on our proposed target of 20 per cent national NRW level by year 2020 as a national indicator for the water industry set last year. The National Water Services Commission (Span) has refuted that the 20 per cent target is not achievable and not economical," he said.

Unfortunately, there was no calculation or modelling done by Span to prove this, he said, adding that surprisingly Span has since reported that 25 per cent NRW target can be achieved way before 2020.

"Is the regulator setting an easy target to achieve via ad-hoc basis?" he quizzed.

To achieve the 20 per cent NRW value, he said all water operators must be regulated under the Water Services Industry Act 2006 (WSIA).

"Through this, stricter Key Performance Index (KPI) and a National NRW Reduction Action Plan must be put in place," he said, adding the KPI must also be set for officers in Span and the Energy, Green Technology and Water Ministry to ensure the National NRW Reduction Action Plan will be prepared for the whole of Malaysia by mid 2012.

"There is no point having central agencies that pass this work to water operators and wait for results without proper planning," he said.

Awer also urged state governments that have not shifted to the WSIA regime to speed up the process.

"Delay in restructuring will only delay improvement of water services infrastructures and deny good services to the people," he said, while also urging Sabah and Sarawak to develop a similar framework to improve the water services industry and eventually be regulated under WSIA.

He said Malaysia needs to learn to manage NRW holistically, and that the Ministry and Span must have a National NRW Reduction Action Plan by June 30 this year, without anymore excuses because every drop counts.

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