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**17 November 2020**

**MEDIA STATEMENT ON TABLING OF PAC REPORT  
ON TRANSACTIONS INVOLVING THE TRANSFER OF LAND OWNED BY  
KUALA LUMPUR CITY HALL (DBKL)  
UNDER THE MINISTRY OF FEDERAL TERRITORIES (KWP)**

- 1) PAC today presented the Report on the Transactions of Land Owned by the Kuala Lumpur City Hall (DBKL) under the Ministry of Federal Territories (KWP) in the House of Representatives.
- 2) The issue has become a topic of debate among the people and it involves the interest of the country. Following that, PAC set terms of reference (TOR) as follows for conducting proceedings on the issue:
  - i) Identify the standard operating procedure (SOP) for the sales of land owned by DBKL;
  - ii) Identify the land development SOPs under the supervision of DBKL and the chances/platform provided for the people to give feedback;
  - iii) Size of the land owned by DBKL that has yet to be developed and by percentage, the lands dedicated for green zone, recreational, residential and commercial purposes that are affected by the application of the final version of the Kuala Lumpur City Plan 2020;

- iv) Questionable status of the lands being sold and the actions taken by the Ministry of Federal Territories and DBKL;
  - v) Existence of conflicts of interest in this issue, particularly through the involvement of the Yayasan Wilayah Persekutuan (YWP), either in the sale of land or being the co-developers of the lands owned by DBKL; and
  - vi) Status of Kiara Forest Park case.
- 3) PAC began the proceedings on this issue by calling the parties involved in the sales of land owned by DBKL, namely:

- **4 April 2019**

Ministry of Federal Territories:

- i) Hon. Haji Khalid bin Abd. Samad (Minister of Federal Territories)
- ii) Datuk Seri Haji Saripuddin bin Haji Kasim (Secretary General of Federal Territories)

- **23 April 2019**

Attorney General's Chambers:

- i) Mr. Tommy Thomas (Attorney General of Malaysia)

Malaysian Anti-Corruption Commission:

- ii) Dato' Sri Mohd Shukri Abdull (Chief Commissioner)

- **19 August 2019**

Lawyer:

- i) Mr. Derek John Fernandez

- **20 August 2019**

Kuala Lumpur City Hall:

- i) Dato' Nor Hisham bin A Dahlan (Mayor)

- **12 November 2019**

Ministry of Federal Territories:

- i) Hon. Haji Khalid bin Abd. Samad (Minister of Federal Territories)
- ii) Datuk Seri Haji Saripuddin bin Haji Kasim (Secretary General of the Ministry of Federal Territories)

Kuala Lumpur City Hall:

- i) Dato 'Nor Hisham bin A Dahlan (Mayor)

4) The last proceeding on the Sales of Land Owned by DBKL was held on 12 November 2019 of which the report was tabled in the House of Representatives on 16 November 2020.

5) Based on the proceedings, PAC concluded that:

- i) DBKL does not have any SOP for the disposals or sales of its land. Only after 2015 did DBKL improve the land sale and disposal process by empowering its privatisation committee with a checklist of more detailed procedures and ISO certification (year 2017) being achieved.
- ii) The method for settling the 97 sale transactions of the DBKL owned land sold since 2011 did not refer to any SOP. The process was too lax, prone to abuse of power and less protective of the interests of DBKL and the people of Kuala Lumpur.
- iii) The draft Kuala Lumpur City Plan 2020 approved by the Minister is different from the draft plan displayed to the public in 2008. The gazetted draft plan has yet to seek feedback from all stakeholders in Kuala Lumpur.
- iv) More than 200 development orders (DO) had been issued by DBKL pending the approval of the Minister of Federal Territories for the Kuala Lumpur City 2020 plan, resulting in the following changes:
  - Negative impact on the environment;
  - Changes to commercial zones; and
  - Increase in population density including plot ratio.
- v) YWP management was exposed to conflicts of interest as the Minister of Federal Territories and Mayor of Kuala Lumpur also held the position of Chairman and Member of the Board of Trustees respectively in YWP that had land dealings with DBKL. The role of the Minister of Federal Territories and Mayor of Kuala Lumpur is to be the custodian who protects the welfare of the people of Kuala Lumpur.

vi) The management of YWP as a company registered under the Companies Act 1965 (Companies Act 2016) is not monitored by any authority including National Audit Department.

6) In relation to that, PAC recommends to the Government that:

i) The sale and disposal of land owned by DBKL must be carried out transparently, openly and based on a comprehensive SOP. This should include the jurisdiction of the Minister of Federal Territories, Mayor of Kuala Lumpur and related work processes.

ii) KWP and DBKL need to review the Kuala Lumpur City Plan 2020 by taking into account the changes made to the original draft. This is because from the time when the plan was drafted to when it was gazetted, more than 200 DOs had been specifically issued, resulting in negative impact on the environment, changes to commercial zones and increase in population density including plot ratio.

iii) The Government needs to review the function and suitability of YWP in line with the purpose of its establishment to protect the welfare of the people of Kuala Lumpur. The existing structure and practice of YWP do not allow the involvement of the Minister of Federal Territories and Mayor of Kuala Lumpur without existence of conflicts of interest.

iv) The status of YWP should be changed to become a statutory body to enable more effective monitoring by the Government.

- 7) Members of the public who are interested to read and study the PAC Report on Kuala Lumpur City Hall (DBKL)'s Land Sale Transactions under the Ministry of Federal Territories (KWP) can download the report at PAC website [www.parlimen.gov.my/pac](http://www.parlimen.gov.my/pac).

Thank you.

Hon. Wong Kah Woh