

A BILL

i n t i t u l e d

An Act to amend the Town and Country Planning Act 1976.

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ENACTED by the Parliament of Malaysia as follows:

Short title, application and commencement

1. (1) This Act may be cited as the Town and Country Planning (Amendment) Act 2016.

(2) This Act applies to Peninsular Malaysia and the Federal Territory of Labuan.

(3) This Act comes into operation in a State on a date to be appointed by the State Authority, with the concurrence of the Minister, by notification in the State *Gazette*.

(4) This Act comes into operation in the Federal Territory of Kuala Lumpur, the Federal Territory of Putrajaya and the Federal Territory of Labuan on a date to be appointed by the Minister responsible for the Federal Territory of Kuala Lumpur, the Federal Territory of Putrajaya and the Federal Territory of Labuan by notification in the *Gazette*.

New section 20B

2. The Town and Country Planning Act 1976 [*Act 172*], which is referred to as the “principal Act” in this Act, is amended by inserting after section 20A the following section:

“Duty to seek advice

20B. (1) Without prejudice to section 20A, it shall be the duty of every Federal Government and State Government department or agency to seek advice from the Council on a development proposal relating to—

- (a) any coastal reclamation excluding reclamation for the construction of a jetty or beach rehabilitation; and
- (b) any construction of a major national infrastructure including—
 - (i) airports, seaports, inland ports, railway transportation networks, highways, power stations, dams and toxic waste disposal sites; and
 - (ii) other infrastructure of national interest as determined by the Council.

(2) For the purpose of seeking the advice from the Council under subsection (1), the Federal Government and State Government department or agency shall submit to the Council the development proposal together with a social impact assessment report and other reports as determined by the Council.”.

Amendment of section 21A

3. Section 21A of the principal Act is amended—

- (a) in subsection (1), by inserting after paragraph (e) the following paragraph:

“(ea) an analysis of and mitigation measures for the social impact and other impacts as determined by the local planning authority;” and

- (b) by deleting subsection (1A).

EXPLANATORY STATEMENT

This Bill seeks to amend the Town and Country Planning Act 1976 (“Act 172”).

2. *Clause 1* seeks to provide for the short title, application and commencement of the proposed Act.
3. *Clause 2* seeks to introduce a new section 20B into Act 172.

The proposed subsection 20B(1) seeks to impose a duty on every Federal Government and State Government department or agency to seek advice from the Council on a development proposal relating to any coastal reclamation excluding reclamation for the construction of a jetty or beach rehabilitation, and construction of a major national infrastructure including airports, seaports, inland ports, railway transportation networks, highways, power stations, dams and toxic waste disposal sites, and other infrastructure of national interest as determined by the Council.

The duty to seek advice from the Council is imposed because of the potential impacts of the development particularly on the environment, social development and the economic development of the nation and States. At the national level, the Council will be able to give advice on the development proposals within the framework of the national policy in particular in terms of the coordination between the States and optimization of the use of natural resources and finance. This duty is consistent with the duty imposed on the State Planning Committee under the existing subsections 22(2A) and (2B) of Act 172.

The proposed subsection 20B(2) seeks to require the Federal Government and State Government department or agency to submit to the Council the development proposal together with a social impact assessment report and other reports as determined by the Council for the purpose of seeking the advice from the Council under the proposed subsection 20B(1). The requirement for the social impact assessment report and other reports to be submitted to the Council is to enable the Council to give proper advice on the development proposal based on the reports made.

4. *Clause 3* seeks to amend section 21A of Act 172. *Subclause 3(a)* seeks to introduce a new paragraph 21A(ea) into Act 172 to require that the content of a development proposal report to also include the analysis of and mitigation measures for social impact and other impacts as determined by the local planning authority. The analysis of and mitigation measures for social impact and other impacts are essential to ensure that the development proposal is prepared after taking into account the needs of the local population and the negative social impact on the local population.

Subclause 3(b) seeks to delete the existing subsection 21A(1A) of Act 172 to remove the discretionary power of the State Authority in requiring an analysis of the social implications to be included in a development proposal report. This proposed amendment is in consequence of the amendment in *subclause 3(a)*.

FINANCIAL IMPLICATIONS

This Bill will involve the Government in extra financial expenditure the amount of which cannot at present be ascertained.

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