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Differences hold up plan to develop KTM's S'pore land

KUALA LUMPUR, Tues. - An agreement between Malaysia and Singapore to jointly develop KTM Berhad land could not take off following differences on how it should be undertaken.

Under the agreement signed in 1990 by former Finance Minister Tun Daim Zainuddin and former Singapore Prime Minister Lee Kuan Yew, KTM would need to move its Tanjung Pagar station to Bukit Timah and the land developed by a joint-venture company.

The KTM land in Tanjung Pagar, Kranji and Woodlands will be handed over to the company.

Also, the Singapore Government agreed to replace the 16ha Tanjung Pagar land with a piece of land with equal value to the company.

KTM has over 200ha of land in Singapore.

Sources said in line with the agreement, the Cabinet in 1993 directed KTM to develop the Bukit Timah land into a commercial complex to take over from the Tanjung Pagar station.

However, Malaysia had to reconsider the move after the relevant agencies responsible for conducting a study on the development of Bukit Timah reported that it was not commercially viable.

This was because the Singapore Government had no intention of developing the infrastructure facilities in Bukit Timah including to establish the Mass Rapid Transport service there.

In addition, the proposed KTM station in Bukit Timah would be located near a forest reserve and water catchment area.

The sources said therefore, the proposed KTM development of the Bukit Timah station was not feasible.

In the light of this, the matter was raised during bilateral discussions in 1994 when the republic indicated that it wanted KTM to move out of the island and all railway land were to be handed over, except for the land in Tanjung Pagar, Kranji and Woodlands which had been earmarked for joint development.

Under the Singapore Railway Transfer Ordinance 1918 the Singapore Government can reclaim KTM land which is not utilised for railway purposes by giving six months notice.

The sources were asked to comment on the statement made by Prime Minister Datuk Seri Dr Mahathir Mohamad last week that the Government faced problems trying to retain ownership of the Tanjung Pagar land.

Dr Mahathir said although Malaysia retained ownership of the railway land for 999 years, Singapore was pressuring the Government to give it up by various means, which he did not elaborate.

"There are many problems with the railway," Dr Mahathir said.

Sources said Malaysia then suggested KTM move its station to Woodlands and allowed the joint-venture company to develop the KTM land at Tanjung Pagar and Bukit Timah.

Moving the KTM station to Woodlands will allow the Government to save on development costs while the railway staff could stay in Johor Baru.

In response to this proposal, the Singapore Government suggested that Malaysia consider giving up the Tanjung Pagar and Bukit Timah lands for other land in a commercial centre.

When Malaysian authorities checked the value of the land proposed by Singapore, it was not on par with the value of the Tanjung Pagar property.

Sources said officials from the two countries met again in late 1994 to

iron their differences but could not resolve the problems.

Subsequently, the Malaysian Government decided KTM would give up its land at Bukit Timah and continue the service to Tanjung Pagar.

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