DBKL launches endowment fund

Minister: Alternative financial source needed for sustainable development

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TO STRENGTHEN fiscal security and ensure sustainable development, Kuala Lumpur City Hall's (DBKL) has launched an endowment fund.

It operates on a "plural funding" model, combining resources from the government and external parties.

Minister in the Prime Minister's Department (Federal Territories) Datuk Seri Dr Zaliha Mustafa said over the past three years, DBKL's budget had risen by nearly 9%, from RM2.604bil in 2023 to RM2.835bil in 2025.

"The fiscal deficit has widened from RM275.9mil in 2024 to RM325.9mil in 2025.

"More than 62% of DBKL's revenue relies on assessment tax, creating a high dependency on a single source," she said during the launch of the endowment fund at Institut Latihan DBKL, Cheras.

The fund was developed based on the results of a joint study with Universiti Teknologi Mara (UiTM) from last year to early this year.

It was established as an alternative financial source to support community development, education, social welfare and environmental conservation in Kuala Lumpur.

Dr Zaliha said, "Besides carrying out functions like urban development and maintenance, DBKL also assists the Federal Territories Department in handling state-like functions such as social welfare, transportation and local community services.

"The burden of these support functions is amounting to over RM140mil annually and increasing each year."

Kuala Lumpur mayor Datuk Seri Maimunah Mohd Sharif, who was at the launch, said the fund was established as a long-term instrument to support various initiatives in the city in accordance with Section 39(d) of the Local Government Act 1976 (Act 171).

"As of July 2025, we have received RM115,000 from six contributors namely Bank Simpanan Nasional, Mah Sing Group Bhd, TSLaw Land, KLCC Property Holding, Bank Muamalat and Koperasi CoopBank Pertama.

"I hope that more companies, organisations and individuals will contribute towards the DBKL Endowment Fund for the mutual benefit and well-being of the city's residents," she said.

Also present were DBKL executive director (socioeconomic development) Ismadi Sakirin and executive director (management) Nor Azlina Mohd Saad.

Dr Zaliha (second from left) and Maimunah (third from left) launching the endowment fund together with Ismadi and Nor Azlina at Insitut Latihan DBKL in Cheras. — LOW BOON TAT/The Star