

Interview with Minister of Tourism, Malaysia



Yang Berhormat Datuk Seri Tengku Adnan Tengku Mansor
Menteri Pelancongan Malaysia

Q1 What are tourism trends and prospects in Malaysia (inbound and outbound)?

Malaysia's tourism industry has shown some strong growth lately. Tourist receipts have grown from RM29.65 billion in 2004 to RM31.95 billion in 2005. In fact, foreign exchange earnings from tourism increased at an average annual growth rate of 12.4 per cent between years 2000 and 2005. Even the share of tourism revenue in total earnings of the services account of the balance of payments increased from 32.7 per cent in 2000 to 43.0 per cent in 2005.

The industry looks set to grow further. We estimate tourist receipts to reach RM37.6 billion in 2006. For Visit Malaysia Year 2007, we forecast some RM44.5 billion in tourist receipts.

The Ministry is forecasting arrivals of 20.1 million tourists for Visit Malaysia Year 2007. In terms of percentage, the biggest share will come from Asean, Eastern Asia and Northern Europe. There will also be significant contributions from Southern Asia, West Asia, Northern America, and Oceania.

traditional markets.

We will still maintain the country's tourism tagline, "Malaysia Truly Asia" as it depicts aptly the country's varied attractions and multi-racial composition. I believe it is still valid and compelling especially now since Asia is the focus of the world. Furthermore, not only are we racially diversified, but we are able to maintain a peaceful existence among all the races - which is something unique.

Q2 What is the 2007 tourism marketing plan?

Our main marketing objectives are to increase foreign arrivals, to increase the average length of stay of visitors and to increase per capita expenditure. We would also like to stimulate the growth of domestic tourism and encourage a planned holiday culture among Malaysians.

These are ambitious objectives but I am confident of our ability to accomplish them. These goals are to be accomplished through intensified marketing and promotion efforts that focus on maintaining tourist arrivals from the short haul market, augment inbound travellers from the fast-growing medium-haul market and revive the long-haul,

Q3 Why is the year 2007 designated as 'Visit Malaysia Year'? What programs do you have?

The year 2007 is a very important milestone for all Malaysians as it is the year we celebrate our 50th anniversary as an independent nation. Living up to its tagline of "One Golden Celebration," the year will be filled with over 240 exciting events that feature our culture and heritage, festivals, parades, fiestas, sports, and more.

Among the many things not to be missed are a ride on the "Eye on Malaysia" ferris wheel that gives you a spectacular view of the Kuala Lumpur city; the Flora Fest in January which will have a Pasadena-styled parade of floats decorated with exotic and colourful flowers; a chance to view a Russian space



shuttle and learn all about aerospace at the Malaysia International Aerospace Exhibition in June; and the KL International Buskers' Festival in December which showcases street performances by acrobats, jugglers, comedians, and others.

Visitors to Malaysia will be celebrating the year with some 25 million Malaysians. It is a showcase to the world of the nation's success at building peace and harmony among a people of such diverse race, culture and creed.

Q4 What is the long-term vision for the Malaysia tourism industry?

It's not impossible that with the growth of world tourism and Malaysia's own potential to develop further as a top-of-mind destination, the tourism industry could one day be the number one income generator for Malaysia.

In fact, by 2010, we hope to receive some 24.6 million tourist arrivals and bring in RM59.4 billion in tourist receipts. In the mean time, we will have to work harder. This means we have to look at the bigger picture when marketing Malaysia. We have to find ways to sell Malaysia not only as a tourist destination but also as a meetings, incentives, conventions and exhibitions (MICE) destination, a shopping and investment haven.

The MICE sector is very important to our

tourism industry as that is where we can attract more quality tourists - those who will stay longer and spend more. Those who come for MICE tend to spend twice the amount of the average tourist to Malaysia. Currently, MICE arrivals to Malaysia represent about 5 per cent of the country's total tourist arrivals bringing some RM3 billion or about 10 per cent of the total tourism revenue. We hope to increase the market share of MICE arrivals to 10 per cent of the total arrivals and contribute to one fifth of income derived from the tourism industry.

Q5 How do you attract investment for tourism facilities or resorts?

Without a doubt, the tourism industry is among the main revenue earner for Malaysia. Recognising the industry's potential for growth, the Government has allocated RM1.0 billion for developing tourist infrastructure and facilities in the second half of the decade.

In addition, two funds that provide soft loans to the private sector are in operation to encourage and assist private companies to develop and upgrade tourism infrastructure throughout the country. The fund is available for projects such as hotels, integrated or regional tourism centres and complexes,

theme and / or recreation parks, safari parks, marinas and waterfronts.

Q6 What deliverables do you have to promote tourism?

The tourism industry will continue to be a major source of new growth and a key driver in the development of the services sector. In order to accelerate the momentum of the tourism industry to realize its full potential, Malaysia will continue to enhance its position as an international tourist destination and promote the domestic travel and tour industry. Our focus will be on improving accessibility through improved air and surface transport including hassle-free travel with online visa applications and multiple-entry permits.

We will continue to encourage private sector participation in the development of innovative products and services, and offer attractive incentives and adequate funding for their projects.

In addition, sustainable tourism development will be given priority as the preservation and protection of natural habitats and environmental concerns become increasingly important, especially in the context of responsible tourism.

<Interviewed by Dr. Chulwon KIM>

