

LOCAL GOVERNMENT FEES COMMITTEE MEETING

Date: 10 September 2015

Venue: Bilik Mutiara

Present

1) YAB Tuan Lim Guan Eng	Chief Minister of Penang
2) YB Danny Law Heng Kiang	EXCO for Tourism Development
3) Dato' Mokhtar Mohd. Jait	Penang State Financial Officer
4) Tuan Sr Hj Rozali Bin Hj Mohamud	Municipal Secretary MPSP
5) Mr Ooi Chok Yan	CEO of PGT
6) Mr Khoo Boo Lim	Chairman MAH
7) Ms Suhaida bt Kamalul Arifin	MBPP
8) Mr Cheng Swee Thet	MBPP
9) Mr Ubaidillah Abdullah	MPSP
10) Ms Lai Yen Yi	MPSP
11) Mr Ben Ho Chang Peng	Sunway Hotel Seberang Jaya
12) Mr Raj Kumar	Eastin Hotel
13) Mr Michael Hanratty	G Hotel
14) Ms Masni Shaik Dali	Royal Hotel
15) Ms Elaine Yue	Shangri-la Rasa Sayang
16) Mr Nagaswaran	Sunway Hotel George Town
17) Mr Michael Saxon	E&O Hotel
18) Mr Jason Sim	PGT
19) Ms Pauline Yoon	PGT
20) Mr Danny Tan	PGT
21) Ms Nadia Ali	Exco Office

Approval of previous minutes

Motion: To approve minutes from previous meeting on 14 January 2015

Moved by Ms Masni and seconded by Mr Nagaswaran

Vote: Motion carried

1.0 Chairman's Opening Remarks

- 1.1. YAB Lim welcomed and thanked everyone for coming to the meeting.
- 1.2. YAB Lim remarked that the industry is facing extremely challenging times due to the business sentiments, depreciation of Ringgit, political factors and many more.
- 1.3. Industry players need to make Penang more attractive by introducing new products, new experiences
- 1.4. The meeting will discuss how the committee can invest in these new products with the Local Government Fee.

2.0 Collection of Local Government Fee

- 2.1 Dato Mohktar reported that as to date the State Treasury have received RM6.6million from both MPSP and MPPP. Some of the amount collected by the local councils are still in transit and have not been handed over to the State Treasury.
- 2.2 YAB Lim suggested a separate meeting with the State Treasury, local councils and MAH to coordinate and review the amount collected by both MBPP and MPSP.
- 2.3 YAB Lim urged the local councils to work out a mechanism to penalize hotels who do not pay the fees.
- 2.4 YAB Lim suggested to give the hotels 1 warning each time they do not pay the fee with a maximum of 3 warnings. After the 3rd warning the hotel's license will be revoked.
- 2.5

3.0 Usage of Local Government Fees

3.1 ITB Asia in Singapore

An offshoot of ITB Berlin, one of the largest tourism trade show in the world. ITB Asia will be held in Singapore from 21-23 October 2015. PGT will be organizing a networking cocktail reception for invited buyers and Penang players. 9 hotels from Penang will be participating in this networking session. The cost is **RM35,000**

Vote: Motion Carried

3.2 Advertisement and promotion with Air Asia

With the introduction of new direct routes to Penang, it is important to initiate a tactical promotional campaign at the destination. So far Air Asia has agreed to fly to Seoul and Yangon next year. The tie in with Air Asia will provide unique market insights for these destinations. The cost is **RM300,000**

Vote: Motion Carried

3.3 Asean Tourism Forum (ATF) 2016 in Manila, Philippines

One of the most important tourism trade show event in this region. ATF 2016 will be held in Manila from 19-22 January 2016. Penang Tourism will be participating with 6 hotels to form a Penang delegation. Total cost for this event is **RM200,000**.

Vote: Motion Carried.

3.4 World Travel Mart (WTM) Connect Asia

The inaugural World Travel Mart Connect Asia will be held in Penang from 18-20 May. This exclusive B2B event will give Penang's tourism industry players an opportunity to showcase their products to the invited buyers. PGT will take the lead to organizing a Welcoming Dinner and tours for the invited buyers. The total cost for this event is **RM350,000**.

Vote: Motion Carried.

3.5 Incentive of USD 10 per foreign passenger for Direct Flights

For the upcoming direct flights to Penang

- i) Penang-Yangon, Myanmar (Air Asia)
- ii) Penang-Seoul, Korea (Air Asia)
- iii) Penang-Bandung , Indonesia (Malindo)

An incentive of USD10 per foreign passenger will be paid to the airlines. Foreign passengers will be identified by passport and return tickets. The estimated cost is **RM2 million for the period of 1 year**.

Vote: Motion Carried

4.0 Matters arising

- 4.1 There will be a new direct flight from Penang-Tritchi, India by Malindo Air. They will also be introducing 6 new destinations from Kuala Lumpur
- 4.2 The committee should look into working with airlines to introduce more interesting direct flights to they are doing quite well for india

5.0 Adjournment

The meeting was adjourned at **6.20pm**

Prepared by Ms Nadia Ali.

Approved by,



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YB Tuan Danny Law Heng Kiang
Ahli Majlis Mesyuarat (EXCO)
Kerajaan Negeri Pulau Pinang.
Pengerusi Jawatankuasa MMK
Pusat Pengiraan dan Pelancongan

