Restarting Tourism
Harnessing the Potential of Intra-regional Tourism and Sustainable Product Development

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Perhentian Kecil Island, Malaysia
Tourism industry contributed **15.9%** to GDP

Share of main contributors:

- **46.2%**
  - (2018: 46.5%)
  - Retail Trade
- **18.0%**
  - (2018: 17.2%)
  - Food & beverage
- **12.3%**
  - (2018: 12.6%)
  - Country-specific tourism (services)

**3.6 million persons engaged** in tourism industry and contributed **23.6%** to total employment

1 out of 4

**Domestic contribution to internal tourism consumption increased to 50.9%**

SOURCE: Tourism Satellite Account (TSA) 2019
2020: IMPACT OF COVID-19 ON TOURISM INDUSTRY

INBOUND TOURISTS
JAN-DIS 2019/2020

DOMESTIC VISITORS
JAN – DIS 2019/2020*

Arrivals: -83.4%
Expenditure: -85.3%

Arrivals: -45.8%
Expenditure: -50.0%

FOOD & BEVERAGE

ACCOMMODATION

Estimated Loss
> US$ 24 bil.
(RM100 bil.)

TRANSPORTATION
- Local transport
- Airfares

ARTS & CULTURE ACTIVITIES

LOSS OF JOBS/ ASSIGNMENTS

MEETINGS, INCENTIVES, CONFERENCES & EXHIBITIONS (MICE)

SHOPPING/ COLLECTION OF TICKETS

ORGANIZED TOURS

Source: MAH, MAHO, MyBHA, MITA, MICA, BECM, MAB, AirAsia, Malindo Air, MTGC & TM
TOURISM RECOVERY PLAN

SHORT TERM MEASURES

Boost Domestic Tourism
- Collaboration with tourism industry, airlines & government agencies to offer vouchers, rebates, incentives & special packages
- Meet in Malaysia campaign – incentives for MICE industry

Embrace Digitalisation
- Safe, seamless & touchless travel journey – focus on touch-points
- Big data framework for improved accuracy of tourism, arts & culture data
- Live/online streaming of tourism, arts & cultural events & performances

Easing of Regulations
- Use of tourism vehicles for delivery services – Act 829
- Waiver of license fees

Digital Platforms
- Business, promotional & marketing hub for tourism, arts & cultural products & services
- Live/Online streaming of tourism, arts & cultural events and performances

Sustainability & Responsible Tourism
- Conservation & restoration during downtime
- DMOs to consider carrying capacity
- Strategies to attract high value tourists
- Arts, culture & gastronomy packages for high value offerings

Restoring Confidence to Travel
- Enhance the quality of tourism & cultural products & services by adopting new normal SOPs – Health, Safety & Cleanliness
- Consistent Engagement Industry (TRAC, Crisis Communication)

Smart Partnerships
- Public-private partnership
- Collaboration in reinventing products
- Co-organising tourism, arts & culture programs/events

Reskilling/Upskilling Human Capital
- Domestic Tourism Vibes – online courses for tour guides
- Online courses on e-commerce
LONG TERM STRATEGIC DIRECTION

Transform Malaysia’s tourism industry by harnessing public-private sector partnerships and embracing digitalisation to drive innovation and competitiveness towards sustainable and inclusive development in line with the United Nations Sustainable Development Goals.
"...To rebrand Malaysia as among the Top-of-the-Mind Ecotourism Destinations of the World"
- Tan Sri Muhyiddin Yassin, Prime Minister of Malaysia
Launch of National Tourism Policy 2020-2030, Dec 2020

ECOTOURISM
Tourism experience evolves through collaboration between Government, the private sector and local communities that include:

- Respect for nature
- Contribution to conservation
- Benefit to local communities
- Components of education
- Sustainability

FOCUS AREAS
① INVESTMENT in Ecotourism
② Tourism CONCESSIONS
③ Ecotourism and CONSERVATION
④ Ecotourism MARKETING
⑤ Ecotourism CLUSTERS

5 STRATEGIES
19 ACTIONS
86
SUCCESS STORY

SUSTAINABLE FINANCING: TOURISM CONCESSIONS IN ECOTOURISM SITES

PPP SUCCESS STORY – THE HABITAT PENANG HILL

BENEFITS

• Better service quality and product development
• Enhanced visitor satisfaction
• Increase economic value
• Reduce administrative and financial burdens
• Reduce illegal activities such as wildlife poaching
• Create employment and develop capacity, skills and access to capital for local communities
RESTARTING INTRA-REGIONAL TOURISM

Implementation Approaches

- **Allows general travel** for low-risk countries and regions.
- Permission to travel is subject to entry requirements and travel restrictions imposed by the countries concerned.
- Requires agreement and cooperation between two countries/regions.
- Reciprocal and gives mutual benefit to the countries involved.

**UNILATERAL**

**BILATERAL / REGIONAL**

**Island-to-Island**
- Island destinations recognised as **safe green zones**
- Availability of **direct flights**
- Allows travel to islands and vice versa for **local residents** and **third party nationals**

**Destination-to-Destination**
- Focus on **specific destinations** recognized as safe within green zones
- Allows travel to safe destinations without the need for an entire country or region to be categorised as a green zone

**Country-to-Country**
- May be considered for general travel once conditions permit
- To target **green zone countries** according to source market composition for short-haul and long-haul markets
RESTARTING INTRA-REGIONAL TOURISM

BILATERAL / REGIONAL APPROACH

Reciprocal Green Lane / Travel Corridor Arrangements (RGL/TCA)

Niche Market Segment Tourists
- Special interest, high-yield
- Eco-tourism and outdoor
- Medical services

Meetings, Incentives, Conferences & Exhibitions (MICE)
- Short and long-term business travellers
- Meetings for small groups
- Conferences and exhibitions

Vaccinated travellers
Common travel protocols for cross-border travel including proof of vaccination

Singapore as a pilot project - The implementation mechanism for RGL/TCA between Malaysia and Singapore will be a benchmark and baseline for other green zone countries

- Brunei
- Indonesia
- Thailand
- China
- India
- Japan
- Australia
- New Zealand
- South Korea
RESTARTING INTRA-REGIONAL TOURISM

Niche Market Segment Tourists

- Golfing
- Bird watching
- Scuba diving
- Yachting
- Caving
- Mountain climbing
- Jungle trekking
- Hiking
- White-water rafting

Limited to small groups
Proof of vaccination or negative COVID-19 test result and valid travel & health insurance
Guided by licensed tour guides
Packaged group tour with pre-determined itinerary
Licensed travel agents recognised by both destination country and country of origin
Health check-ups performed regularly

UNILATERAL APPROACH
RECOMMENDATIONS

Seizing recovery potential & evolution of travel demand – open-air activities, nature-based and rural tourism – more sustainable, authentic and responsible experience

Improving evidence base for agile strategies – information gathering, research & data analysis

Investing in greener technologies – touchless service delivery, low-density and eco-sustainable tourism services

Addressing sustainability along the entire tourism value chain – improving long-term resilience to future shocks

SOURCE: APEC, IMF, OECD, UNWTO
THANK YOU

“Tourism Preserves, Conserves & Protects Culture, Heritage & Mother Nature”