

**LAUNCHING REMARKS FOR
GEORGE TOWN HERITAGE HABITAT SEED FUND LAUNCHING CEREMONY
2018**

**BY THE RIGHT HONOURABLE TUAN CHOW KON YEOW
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GEORGE TOWN WORLD HERITAGE INCORPORATED, PENANG**

(VIP SALUTATIONS)

Members of the Press

Members of the Communities

Ladies and Gentlemen

Good afternoon and thank you for joining us today for the launching of the George Town Heritage Habitat Seed Fund, a ground breaking, first of its kind initiative in Malaysia by the Penang State Government, together with George Town World Heritage Incorporated (GTWHI) in safeguarding cultural heritage in the George Town UNESCO World Heritage Site.

Since its establishment in 1786, George Town has served as a port city along the historic seaway, playing a crucial role in the regional and global trades. The imported goods and trades from both East and West have over time enabled George Town to be as an administrative, cultural and political centre, serving the interests of trade and the residents of multicultural, multi-ethnic, multinational and multi-religious communities. As is the case in many cities, George Town faces economic and political challenges. The repeal of the Rent Control Act in particular has negatively affected the demographic fabric of modern inner city of George Town. We were once struggling, politically, economically, and socially to sustain the city.

We saw new opportunities when George Town was inscribed as a UNESCO World Heritage Site in 2008. There was renewed interest in the town with rapid growth of heritage-driven tourism and revitalisation of heritage premises. These created new opportunities for the local economy. At the same time, the increase in rent and changes in the city's ecological economy linking these factors have challenged the sustainability of local trades and the population. As most of the business operators and residents within the George Town World Heritage Site are renting their premises, the continuity and sustainability of their business rely heavily on the premises owners and tenants being on **good terms** with each other.

From these interpersonal relationships formed on the basis of goodwill and mutual understanding, the George Town Heritage Habitat Seed Fund has been initiated. The fund provides financial aid to participating heritage building owners to restore heritage buildings in exchange for long-term tenancy at subsidised rent. We, the State Government of Penang, are pragmatic when acknowledging the contributions of heritage building owners, particularly those who have hosted long-term tenants, in

sustaining the organic and dynamic identity and outstanding universal values of George Town.

The Penang State Government has allocated RM3 million, which we expect will help at least 10 Category 2 heritage premises owners to cover the expenses of materials and professional fees for the physical repair and restoration works of their premises. The works will be conducted in accordance to the George Town Special Area Plan. To all these heritage building owners, we do not take your contributions for granted. It is because of people like you that Penang is known for its exceptional social integrity that fosters a strong bond among the communities, and I believe this value is very much admired by other states in Malaysia.

With this Heritage Habitat Seed Fund, the participating tenants will be able to upgrade their tenanted living environment and secure a tenancy agreement ranging from 5 to 10 years with a negotiated rent, at an agreed increment rate. These long-term tenants have also played a pivotal role in the development and progression of George Town, as they are the living heritage of George Town that contributes to our Outstanding Universal Value of multicultural living heritage. With that being said, we are glad that this fund comes in useful to them as they are assured of having a space to live without needing to worry about the hike in rent.

Ladies and Gentlemen,

The pilot phase of the George Town Heritage Habitat Seed Fund will be implemented for a year starting with several pilot cases, including two participating Khoo Kongsi-owned heritage premises located in Lebuh Aceh. Physical repair and restoration works of the pilot cases are scheduled to take place in 2019 after Chinese New Year. We expect to include more cases for this seed fund, especially after today's launching ceremony when we finalise owners and tenants as potential participants of this initiative. On top of that, applications from kongsi-owned homes are welcome until March 2019. With that, I take this opportunity to thank the heritage building owners for instilling your trust and willingness to work together with the Penang State Government for George Town to progress as a sustainable city.

As the Chairman of the Board of Directors of GTWHI, I would also like to take this opportunity to welcome financial contributions from the Federal Government and other state parties. This much needed financial support will be a boost in our continuous efforts in making George Town a smart, sustainable and liveable city as elaborated in the Penang2030 plan. As you may know, it is costly to restore heritage houses. A simple restoration of the roof easily costs up to RM100,000 and George Town has more than 3,000 Category 2 shophouses within the World Heritage Site, making it one of the most complicated sites in the world to manage. As we launch the George Town Heritage Habitat Seed Fund initiative today, we foresee challenges and difficulties in the days ahead, ranging from gaining the trust of owners to solving the complicated multi-layered patterns of tenantship.

As elaborated by Dr Ang earlier, we know this path is going to be tough but the Penang State Government, together with help from GTWHI, will continue to do our

best to serve the people of Penang, especially those who are not influential either on social media or in society. It is the state's job to look after all levels of the social strata within the state, including women, the poor, the elderly, and those in less influential positions, as we consistently uphold inclusiveness in our work ethic.

As you may already realise, safeguarding our cultural heritage is not a one-man show but collective efforts that require contributions from all stakeholders, including the State Government, site manager, local communities and more. I am glad that George Town has made this breakthrough and achieved this far in our collective efforts. As the tagline goes, '**Together we safeguard**', the George Town Heritage Habitat Seed Fund is an example of collaboration between the Penang State Government and the local communities to safeguard our cultural heritage. It brings all of us together as we play our respective roles that complement one another.

I am confident that through the established system of clean, accountable and transparent practices, this Seed Fund initiative, which will be executed by GTWHI, the Site Manager Office of the George Town UNESCO World Heritage Site, will result in success despite the challenges waiting ahead.

The George Town Heritage Habitat Seed Fund is also included in the *Pakatan Harapan* manifesto for Penang and we are proud to walk the talk. This fund initiative marks the commitment and capacity of my government in making Penang the leading state that recognises the contributions of everyday people in sustaining our shared cultural heritage.

I now proudly announce the launch of the George Town Heritage Habitat Seed Fund.

Thank you.