

POSITIVE IMPACT ON ECONOMY

'BORDER REOPENING WILL SPUR GROWTH'

# Manufacturing, tourism players laud move to endemicity

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**T**HE government's decision to fully reopen Malaysia's borders on April 1 is expected to spur the manufacturing sector's growth besides revitalising the tourism sector.

Federation of Malaysian Manufacturers (FMM) president Tan Sri Soh Thian Lai said the exit strategy to move Malaysia into the endemic phase coincided with growing external demand of the manufacturing sector.

Malaysia, he said, was well-protected to safely enter the endemic phase, as the country's high vaccination coverage and increasing booster uptake, has lowered the number of new Category 3, 4 and 5 infections.

"Based on the FMM-MIER Business Conditions Survey 2H2022, respondents indicated that heading into 2022, growing external demand is expected to improve manufacturing sector's recovery considerably.

"This exit strategy to move Malaysia into the endemic phase comes at an opportune time to further bolster businesses and the economy.

"The reopening of international borders for fully vaccinated travellers at this juncture is lauded and fully supported.

"This move will facilitate human capital movement for work and trade that will have a positive impact on the recovery of industries as well as help address the



Local tourists strolling along Armenian Street in George Town on Friday. (Inset) Malaysia Tourism Council president Uzaidi Udanis says tourism players are planning strategies to reduce tourism deficits. PIC BY MIKAIL ONG



unemployment caused by the Covid-19 pandemic," he said.

Soh said many companies were seeking new business opportunities, diversifying their business and products, as well as exploring new markets as part of their business revival strategies.

"The reopening of the international borders will allow company staff to travel overseas to meet buyers and promote products.

"It will also enable their business partners, customers, vendors and technical experts to be physically present in Malaysia for negotiations as well as to commission projects," he added.

Meanwhile, Malaysia Tourism Council president Uzaidi Udanis said tourism players were working out strategies to reduce tourism deficits.

He said this could be reduced by offering foreign tourists hassle-free travel through more flexible standard operating procedures (SOP).

Tourism deficits occur when the amount spent by Malaysians while travelling abroad surpasses the amount spent by foreign visitors in Malaysia, which is expected to happen when Malaysians go for vacations abroad when the border reopens.

"We should have fewer testing requirements because, in the case of the Langkawi International Travel Bubble (LITB), tourists are required to take Covid-19 tests at least eight times since they arrive in Malaysia.

"The government should review our SOP based on best practices of countries, such as Maldives, Dubai and Turkey that have ushered hordes of tourists last year.

"We also hope for the authorities to communicate the SOP more clearly to tourists and travel agents," he told the *New Straits Times* yesterday.

Uzaidi, who is also Malaysian Inbound Tourism Association

president, said border reopening was crucial for the tourism industry's recovery as the LITB and the Vaccinated Travel Lane (VTL) initiatives were unable to generate enough revenue.

"The island (Langkawi) has welcomed about 50 foreign tourists daily since LITB kicked off on Nov 15 last year. But this has done so little for the industry's recovery.

"Furthermore, we don't see any spillover effect from the LITB since few tourists that enter Langkawi travel to other parts of the country."

Tourism players, he added, would also focus on improving quality instead of quantity, as their new marketing strategy.

"This means we will strive towards getting tourists to spend more during their stay, rather than only increasing the number of tourist arrivals.

"In the last two years, our industry players have developed

over 100 new tourism products and the border reopening will allow us to market them," he said.

Malaysian Association of Hotels chief executive officer Yap Lip Seng said marketing and promotions for domestic tourism should also be intensified in preparation of the reopening of the country's border.

This, he said, included rolling out incentives for airlines to fly more passengers in.

"Malaysia must continue to establish VTLs with countries that have not fully reopened their borders to accommodate tourists from those countries."

He said news of border reopening would also encourage people to return to a career in the hospitality industry, which had been severely affected due to the pandemic.

Penang Association of Tourism Attractions chairman Ch'ng Huck Theng said the international border reopening would spur the momentum in generating revenue among players.

He said tourism players in the island were previously generating below 20 per cent revenue, compared with their pre-pandemic revenue levels.

Ch'ng also hoped that the process to enter the country at international arrival points would be hassle-free for tourists.

"Reopening international border requires deliberate management. Thus, we believe that border control management should ensure that our inbound visitor's entries are made as simple as possible, without any delays," he said.

Prime Minister Datuk Seri Ismail Sabri Yaakob, on Tuesday, announced that Malaysia would enter a transitional phase into endemicity, starting April 1.

Under this phase, he said, the country's international borders would be reopened after a two-year hiatus and the mandatory quarantine requirement for fully vaccinated travellers removed.