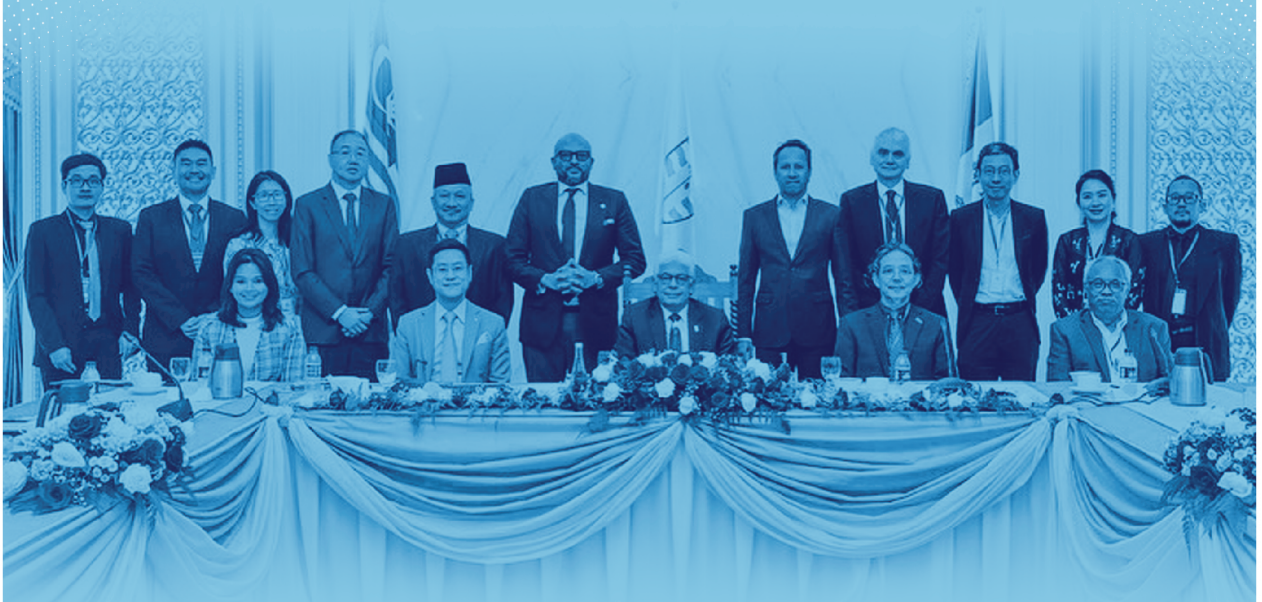


THE PROCEEDINGS

BEL RETIRO

ROUNDTABLE 2024

PENANG'S INFRASTRUCTURE BEYOND 20250



PENANG
INSTITUTE
making ideas work

THE PROCEEDINGS

BEL RETIRO

ROUNDTABLE 2024

PENANG'S INFRASTRUCTURE BEYOND 2050

Held on 12 November 2024
Anjung Mutiara, Seri Mutiara, George Town

Edited by Ooi Kee Beng, Tan Lee Ooi, Beh May Ting and
Fauwaz Abdul Aziz

PENANG
INSTITUTE
making ideas work

Contents

PART I: INAUGURATION

OPENING REMARKS: Dato’ Dr. Ooi Kee Beng	1
WELCOMING REMARKS: TYT Tun Dato’ Sri Utama Ahmad Fuzi Abdul Razak	3
KEYNOTE ADDRESS: YB Zairil Khir Johari	5

PART II: EXECUTIVE SUMMARY 13

PART III: TRANSCRIPT

Accessibility	15
Mr Mei Chee Seong	16
Mr John Bulcock	19
Encik Joe Sidek	26
Questions & Comments	
Mobility	29
Dr Muhammed Abdul Khalid	29
Dato’ Seri Dr Anwar Fazal	32
Mr Soo Hoo Khoon Yean	33
Questions & Comments	35
Blue Ocean, Green Technology	40
Dr Nungsari Ahmad Radhi	40
Dr Essam Yassin Mohammad	43
Allen Tan	46
Dr Ng Shin Wei	49
CONCLUDING REMARKS	50

Dr Beh May Ting: *A very good morning to Tuan Yang Terutama Tun Dato' Seri Utama Ahmad Fuzi Bin Haji Abdul Razak, Yang di-Pertua of The State of Penang, Yang Berhormat Zairil Khir Johari, Penang State Executive Councillor for Infrastructure, Transport and Digital, Puan Dyana Sofya Mohd Daud, Dato' Dr. Ooi Kee Beng, Executive Director of Penang Institute, Ung Berbahagia Dato'-Dato', Dr. Dr., and distinguished panellists. Welcome to Sri Mutiara and thank you all for being here today at the second Bel Retiro Roundtable, themed 'Penang's Infrastructure Beyond 2050'. I am Dr. Beh May Ting and I am your emcee for today.*

Ladies and gentlemen, to begin this morning's proceedings, please allow me to welcome Dato Dr. Ooi Kee Beng, Executive Director of Penang Institute, to give his opening remarks.

OPENING REMARKS: Dato' Dr Ooi Kee Beng

Welcome everybody, friends and supporters of Penang Institute to this second Bel Retiro Roundtable. Let me start by expressing the heartfelt gratitude of Penang Institute to TYT Tun Fuzi Abdul Razak for providing venue, support, and lunch for this year's Bel Retiro Roundtable. This year, TYT decided that it would be more intimate and comfortable to hold it here on his home compound at Sri Mutiara instead of at Bel Retiro up on the hill. So thank you for that, Tun Fuzi.

We will continue to use the brand name Bel Retiro Roundtable with Tun's permission. My hope is for this annual event to be the embryo for the subject of Penang Futurology, where thinkers are encouraged to imagine beyond the confines of the immediately impossible. As you know, the format we have is to invite about a dozen thinkers who are emotionally invested in the welfare of the State of Penang to think freely about its distant future. We do not want too many to be present at the roundtable, nor do we wish for the discussions to take more than one morning. So about a dozen thinkers is a good size. This year the theme is Penang's Infrastructure Beyond 2050, and our speakers have been categorized as those who will focus on: 1 Accessibility, 2 Mobility and 3 Blue Ocean Green Technology.

Now, the word infrastructure is used by us here in a very broad sense.

The French original denotes "the structure below" and is often understood to mean the physical foundation upon which an economy is built. Most clearly, this refers, according to Investopedia, to physical structures such as roads, power lines, or schools that facilitate commerce, transportation

and quality of life in a given region.

We wish to go beyond that. In short, for our purposes, infrastructure is about the physical foundation for quality of life in a given region, in this case Penang. We are therefore very lucky this year—just as we were last year when we managed to get YB Steven Sim, then-Deputy Minister of Finance, to speak here—to secure as our keynote speaker, the Penang EXCO member in charge of Infrastructure, Transport and Digital, my old young friend YB Zairil Khir Johari.

Let me quickly thank and introduce the other speakers of the roundtable before I hand the floor over to Tun. Under the Accessibility focus, we had invited Dato' Hamdan Abdul Majid, the Managing Director of Think City. He is unable to make it this morning, having just returned from Cairo. He sends his apologies. Present for this session are Mr. Mei Chee Seong, co-founder of ALM Architects and COEX, and Mr. John Bulcock, Director at Design Unit Architects.

Under 'Mobility' we invited Dr. Muhammed Abdul Khalid, an old friend as well, an economist presently attached to UKM among other places; Encik Joe Sidek, Managing Director of Joe Sidek Productions; and Dato' Sri Anwar Fazal. The first two are here. Sadly, Dato' Sri Anwar cannot come either. He has just had a knee operation and he's not really well enough yet to take part. So he's sent some thoughts and gives his apologies for not being able to attend. We also welcome Mr. Soo Hoo Khoon Yean, Managing Partner of PwC Malaysia.

For the broad 'Blue Ocean Green Technology' focus, we have Dr. Nungsari Ahmad Radhi, an old friend of the Institute who is the chairman of MAHB and Khazanah Research Institute, and Dr. Essam Yassin Mohammed who is the Director General of World Fish. Welcome.

We also have with us Mr. Allen Tan, until recently with Penang Hill Habitat who is a very well-known environmentalist in Penang. And finally we have Dr. Ng Shin Wei, another old friend is present. She is a Project Manager at Penang Green Council.

Lastly, also present are of course my own people, Dr. Tan Lee Ooi, Director of Research, Dr. Beh May Ting, Head of History and Regional Studies Programme, and Dr. Fauwaz Abdul Aziz. These are the three who have been doing all the groundwork.

I can perhaps repeat from our note to all of you on what we hope to hear from you, is a single forward-looking idea that addresses a critical future challenge, be it a new concept, strategic plan or innovative suggestion to inspire bold solutions and spark stimulating discussions.

With that, I will hand the floor back to May Ting.

***Dr Beh May Ting:** Thank you, Dato Dr. Ooi. Ladies and gentlemen, it gives me great pleasure to invite Tuan Yang Terutama Tun Dato' Sri Utama Ahmad Fuzi Bin Haji Abdul Razak, Yang di-Pertua of the State of Penang, to give his welcoming remarks.*

WELCOMING REMARKS: TYT Tun Dato' Sri Utama Ahmad Fuzi Abdul Razak

Thank you very much, Emcee. Dear friends and distinguished guests present here today. A very good morning to all of you and welcome to Sri Mutiara, the official residence of the Governor of Penang. At the offset, let me apologize for having to hold this second Bel Retiro Roundtable 2024 at Anjung Sri Mutiara. This is the name they gave to this particular Dewan. I hope we'll be able to return to Bel Retiro at our next roundtable. Inshallah.

I want to thank all of you for attending this roundtable this morning. In particular, and as mentioned by Dr. Ooi, YB Zairil and his charming wife, also present here this morning, Dr. Nungsari Ahmad Radhi, chairman of MAHB and Khazanah Research Institute, Mr. Mei Chee Seong, co-founder of ALM Architects, Mr. John Bulcock, Dr. Mohammed Abdul Khalid, economist from UKM, Encik Joe Sidek, a familiar face in Penang, Dr. Essam Yassin, Director General of World Fish—I'm not very familiar with your organization, and Dr. Ng Shin Wei, Project Manager of Penang Green Council. I think we began working with the Council when we embarked on the programme to plant 1.2 million trees in Penang on Earth Day on 22nd April this year, and also colleagues from the Penang Institute Bel Retiro Roundtable. Did I miss anybody? Allen Tan, of course. Welcome.

Well, gentlemen, we inaugurated this roundtable last year following exciting discussions with Dato' Dr. Ooi, the Executive Director of Penang Institute not long after I was sworn in on Labour Day 2021 as the 8th Governor of Penang. As you are well aware, Penang 2030 was launched by YB CM Chow Kon Yeow in 2018 and its stocks were soon thoroughly socialized within the civil service. I must say with pride that much has been achieved by the State government of Penang in transforming the state. The vision expressed in that document is now very much a part of Penang's official policy discourse. A family-based green, smart state to inspire the nation. You hear YAB CM and many of his EXCOs making references to it from time to time in many of their speeches.

In my discussions with Dr. Ooi, we thought that it would be exciting if we could develop further on the inaugural Roundtable by holding another brainstorming session. The idea, of course, is

to look beyond 2030 and to a Penang that is future ready, to think of the unthinkable or as is commonly said, to think out of the box, to dare to be bolder and allow our imagination to free itself from immediate practical and political limitations, to stretch our dreams further and from there find ideas or bits of ideas to inspire us in more immediate times and to gather thinkers who love Penang not only to know each other better, but to encourage them to let loose their thoughts and visions.

Last year, during the inaugural roundtable, most speakers found it hard to leave their present chain of thoughts and their present concerns behind. By and large they remain bound to the problems they deal with every day, indicating perhaps that Malaysians in general are excessively practical people. This is not a bad thing altogether, but I think we should also learn to fantasize a bit and not just plan. To imagine and not just strategize and to see tapestries and not just close ups. There is a value, I think, in being bold and visionary, but the bottom line is to look at the real potentials that exist in Penang and to adopt a positive outlook with the interest of Penang at heart. I must add also, we wish for a development of Penang without the negative aspects of Trumpian rhetoric. My own experience tells me that you never know where crazy and out-of-this-world ideas can lead you. Even in practical terms.

I must say that some of those ideas were touched upon during the RT last year and could be developed further with fresh ideas presented at this RT. At the same time any suggestions on how best to implement such ideas will be most welcome. I hope offering Bel Retiro and now Anjung Mutiara as a venue for this RT would be inspirational and an added attraction as well. And so for today I am just going to relax, listen to all of you over the next two hours or so and imagine that I am listening to science fiction writers discussing ideas related to this place that we all love called Penang.

Finally, I wish to thank the Penang Institute for obliging me to establish this incredible project and bringing along all of you here today on this intellectual journey. The proceedings will be recorded and published accordingly at some stage. We will also have lunch and a photo session later. I must share with you that Finance Minister 2 whom I met yesterday over lunch, is a Penangite himself and is keen to learn of the outcome of this RT. I hope we can get him to be personally involved and to speak to us at some stage in the future.

And so friends, with that, welcome again to Anjung Seri Mutiara and let us humbly and unashamedly share our ideas. Over to you now, Moderator. Thank you very much.

Dr. Beh May Ting: Thank you very much, Tun, for your warm welcome and for hosting all of us here today at beautiful Anjung Sri Mutiara. Now ladies and gentlemen, please

join me in welcoming YB Zairil Khir Johari, Penang State Executive Councillor for Infrastructure, Transport and Digital, to give his keynote address.

KEYNOTE ADDRESS: YB Zairil Khir Johari

Thank you, May Ting. Tuan Yang Terutama Tun, Yang Berbahagia Dr. Ooi, all my friends and colleagues here today. Firstly, I'd like to say Salam Madani and Salam 2030. It's a very big honour for me to be invited here for the Bel Retiro Roundtable and I'd like to thank Dr. Ooi for his welcoming remarks as well as for extending the invitation to me today, and also to thank Tun for his introductory remarks.

And actually it's interesting that you mentioned Dato Seri Amir Hamzah might be interested because I decided to speak today about a topic that is actually very much related to Dato Seri Amir Hamzah's line of work and we'll get into that very soon. So when Kee Beng first asked me to participate in this roundtable, I asked him, what do you want me to talk about? And he said, envision the future of Penang.

Well, he asked me to envision what the future might look like in Penang. And actually my first response was "I don't know". You remember that, Kee Beng?. I Asked "Are you sure you want a politician to talk about that? We're probably the worst choice for such a task. This is because a politician's field of vision is usually limited to five years, an election cycle. At best, maybe two cycles. It's really nearly impossible if not impractical for a politician to take too long-term a view. You know, as the old saying goes, a week is a long time in politics, what more 25 years. One can of course argue that this should not be the case because politicians who are successfully elected usually go on to become policymakers that make far-reaching decisions that can affect generations.

Certainly history has shown that political uncertainty and insecurity tend to lead to more unstable public policies. And in the event the political winds change, as they usually do, we end up with U-turns and flip flops. There are many, many policies that come to mind when we think about this. Well, be that as it may, I'm here today as a politician and a policymaker, attempting to convey my thoughts. I think not so much on what the future holds, but rather what can be done to ensure we have the necessary tools to construct a better future for Penang. So, as I said earlier, trying to predict the future is an onerous task. It's easy enough, of course, to simply concoct scenarios. And when we deal with the hypothetical, there are always endless possibilities.

But to do so responsibly when public policy is at stake, I think this is when it becomes truly onerous. So back in 2016—this was eight years ago—I tried my hand at it. I was invited to present a paper at the Australian National University in Canberra at which I attempted to rethink what the Malaysian polity would look like in the years to come, given the tumultuous circumstances we found ourselves in at the time. Let me just bring you back to eight years ago. In 2016, this was the situation: Nik Aziz had passed away. Pakatan Rakyat had broken up. Our leader, Dato' Seri Anwar Ibrahim had been jailed again. Mahathir was attempting a comeback through a fledgling party called Parti Pribumi Bersatu Malaysia.

And on the other side of the world, the U.S. Department of Justice had just published a report alleging an audacious money-laundering conspiracy by high-ranking Malaysian officials. The US Attorney General even held a press conference to announce details of the largest single action ever brought under the Kleptocracy Asset Recovery Initiative. So with that kind of backdrop, you know, it was indeed very, very uncertain times. And of course we all know now what happened afterwards. But at the time, there was really no way to predict anything because despite 1MDB and despite the other financial scandals that were happening at the time, like MARA and a few others, then -Prime Minister Datuk Seri Najib Razak still displayed resilience and confidence and did not appear at all like a fiddling Nero whose kingdom was burning.

And so, against such a backdrop in that small lecture hall in Canberra, I suggested that a metamorphic change was on the cards and one that was not merely superficial, but in fact fundamental and structural. Now, the Malaysian political landscape has of course naturally evolved a great deal over the last 70 years and one might be able to categorise a few eras.

So here's my take: Pre-1990 elections were typically a foregone conclusion. We had the virtue of a one-coalition system characterised by political consociationalism, which refers to a model of politics in divided societies where stability is achieved through the accommodation of political elites, each representing different segments of society. For four decades, the ruling coalition, first the Alliance and later Barisan Nasional, had dominated the elections, mainly due to a lack of a viable cross-ethnic opposition coalitions. However, things changed in the 1990 General Election. Following a deep schism within UMNO, the ruling party and the subsequent formation of Semangat 46, a theoretically viable two-coalition system emerged in the guise of Gagasan Rakyat. Finally the hitherto fractured opposition parties which were not only able to work together, were able to work together under the umbrella of a strong Malay leadership at the time under Tengku Razaleigh, a strong Malay leader reflective of mainstream Malays.

So this was the first time in the history of Malaysia that you suddenly had two coalitions that reflected the nature of Malaysia's polity. Before that, you obviously had attempts too. I mean the

Malaysian Socialist Front and so on and so forth, but these were not proper mainstream Malay-led coalitions. But suddenly you now had two coalitions that were competing, that were rivals and which reflected each other. We now know that the Gagasan Rakyat itself did not go very far, but it would eventually lead to the formation of Barisan Alternative in 1999 following the dramatic sacking and arrest of Dato' Seri Anwar Ibrahim.

And finally nine years later, we all know these that two coalition systems coalesced successfully in 2008 through what eventually became Pakatan Rakyat, which in 2008 successfully denied the government its 2/3 majority and managed to win power in five states, Penang included. These unprecedented gains were further improved upon in 2013 when Pakatan Rakyat won 51% of the popular vote but only 40% of the seats. Bringing you back to me speaking in Canberra in 2016, a two coalition system had emerged. But as we have seen in the 2013 general election, its limitations within the Malaysian political structure has also been reached; as the 2013 results showed, even winning a majority of the votes got you nowhere near the finishing line due to a heavily manipulated electoral system compounded by polarizing racial narratives. So as I said, we won 51% of the popular vote but only 40% of the seats.

So even winning a majority in a two-coalition system just got you nowhere. So it was in this context that I proposed that a new model would emerge in Malaysia. I saw that the limits of a two-coalition system had been reached. And I proposed that there would emerge a true multi-party democracy with non-permanent decentralized coalitions that would vary from region to region. Now this is not unusual. It's very typical of mature western democracies. If you look at Germany, you have different coalitions at the federal and state level. Different parties would form different coalitions and they would have varying coalitions both at federal and at state level. Today this has indeed materialized in Malaysia.

At the federal level today, we have a unity government of Pakatan Harapan and Barisan Nasional plus the two coalitions from Sabah and Sarawak. The same arrangement exists in Penang, in Selangor and Melaka. We have unity governments in Perak as well. That's not the case in Johor, which has a Barisan Nasional government. And despite being part of the unity government at the federal level, Sabah and Sarawak are ruled by their own regional coalitions completely independent of the federal arrangement. In fact, that started slightly earlier. Perak had paved the way even before the 2022 General Election when UMNO formalised an arrangement with Pakatan Harappan in exchange for legislative support for their Chief Minister despite UMNO at the time being part of Pakatan Harapan at the federal level.

Today, this is the norm, and it does not sound too incredible. But when I first posited this theory in Canberra eight years ago after the talk, distinguished Professor Shamsul A.B. happened to be

there in the audience. He came up to me and he said, you know Zairil, all this multi-party stuff, whatever you're proposing sounds very good in theory, but it will never happen in Malaysia. We're not mature enough, we're not ready for it. These were his exact words.

Of course in hindsight I can now claim credit because not only did it happen sooner rather than later, I think actually this dynamic political arrangement that we have today is not only stable but also more natural because it better reflects regional and state aspirations. The previous single- or two-coalition systems could only work for as long as the centre was able to dominate the periphery, therefore forcing obeisance as opposed to a politics of collaboration and compromise. And the weakness of the two-coalition system was that it failed to accommodate for the fact that different regions have different needs and demands and consequently, different political dynamics. You cannot force for example one coalition makeup onto the different regions. It just doesn't work anymore.

It used to work in a situation where the centre was very strong when there was a monopoly of information and thought. We no longer live in such a world. A coalition that works in the plural societies of Penang and Selangor, for example, would never work in the Malay heartland. The same goes for East Malaysia, which is made up of non-Muslim majority states. So, to sum up, what has changed? Political coalitions today are no longer permanent or contiguous as the power relationship between the centre and the periphery weakens. Having moved past the single-coalition and two-coalition eras, we have now entered the era of multi-party decentralized coalitions. At least that's the name I'm giving it.

And given the increasing number of younger voters who, unlike generations before, are not burdened by history, coupled with the democratization of information through social media, which has completely shattered the thought monopoly of yesteryears, it is only likely that dynamic multi-coalition politics will become the new norm, or has already become the new norm and will prevail for years to come. In such a situation, state nationalism and regionalism will only deepen further. Now, if I were to predict something today, it is that decentralized politics will lead to the politics of decentralization.

In fact, East Malaysia is already paving the way. Sarawak has been particularly motivated in pushing the envelope for greater devolution of powers, particularly in education autonomy as well as fiscal independence. In 2018, the Sarawak state assembly amended their state Sales Tax Ordinance, allowing them to impose a 5% tax on all petroleum products. Although initially challenged in court by Petronas, our national oil and gas giant eventually relented and a mutually agreed settlement was reached in 2020, whereby Petronas agreed to pay in full the sales tax due for petroleum products starting from year 2019, which at the time was in excess of RM2 billion.

And they continue to receive the tax every year now.

Despite questions of constitutionality, Sarawak had effectively managed to carve out a significant new revenue source which would ensure them billions of Ringgit every year. It is no wonder that their state reserves now stand at over RM40 billion, up from 31 billion in 2018 before the introduction of the sales tax. And more recently, Sarawak is seeking to gain further concessions with plans to implement another state law, the Distribution of Gas Ordinance, which would effectively allow their state-owned company PETROS to completely take over the buying and selling of natural gas produced in the state, replacing PETRONAS as the sole aggregator of gas. And in terms of education, historically a hot potato that has always been closely controlled by the federal government, Sarawak has reportedly been granted the right to allow English as a medium of instruction at both primary and secondary school levels. Now this is significant because, although seemingly innocuous, language of instruction as opposed to quality of language, has been one of the most fiercely polemical issues in Malaysian education; this is a legacy problem that dates back to even before independence.

Now, besides the use of English in schools, the state Education Department in Sarawak has also now been allowed to approve activities or projects funded by the state government without needing to refer to Putrajaya. Sarawak schools are now allowed to have their own independent policy on the dual language programme and to have the state involved in the planning of school projects. At the tertiary level, the government of Sarawak has announced that its five state-owned universities will no longer practice the quota system, indicating that student admissions will be purely based on meritocracy.

Once again, this has allowed them to differentiate themselves from the federal government on another controversial issue that has stocked Malaysian education.

In addition to the sales tax and education autonomy, Sarawak was also able to get the federal government to repeal the Bintulu Port Authority Act 1981, thus paving the way for the operations and administration of the port to be fully handed over to the state by the end of this year. Of particular note is the fact that Bintulu Port recorded revenues of around RM821 million in 2023, with a post-tax profit of 125 million. This represents not only another financial boost for Sarawak but also a significant concession, as all other port authorities in the country are federally controlled.

Now, while the East Malaysian states of Sarawak and Sabah already enjoy a certain degree of autonomy granted by the Constitution over matters such as immigration, the two states are now

staking their claim over many other areas, with Sarawak being more successful so far. But what is assured is that this pattern of regionalism and further calls for devolution of powers will only continue to grow and it is only a matter of time before other states begin to assert their claims. In Penang, for example, our Chief Minister made an official request to the federal government to review its tax redistribution system and to return at least 20% of taxes collected to the state. Considering that Penang contributes about RM8 billion annually in income tax alone, not counting other taxes to the federal coffers, a 20% return of that income tax would be about RM1.6 billion, which is three times the annual revenue collected by the state. Penang's state revenue is only about RM500 million a year.

If we were to get 20% of our income taxes back, we get an additional RM1.6 billion. And upping the ante, Johor followed up by making a request for 30% of taxes collected to be returned to the state. In the current system that we have, all taxes are collected by the federal government and redistribution is done through an arbitrary process in which states need to bid for development projects under the Malaysia Plans. In the absence of an institutionalized redistribution formula, it is essentially up to the pleasure of the federal government to decide what projects to approve for whatever state. And as one can imagine, such an arbitrary structure greatly politicises the entire process. And in the case of Penang, we have seen how being on the wrong side of the federal government for over 10 years can lead to fiscal side-lining. To illustrate this, I give you some figures:

Consider that Penang only received 2.7% from a total of RM588 billion worth of projects under the 9th Malaysia Plan, which is from 2006 to 2010. And in the 10th Malaysia Plan from 2011 to 2015, we got 2%. In the 11th Malaysia Plan, 2016 to 2020, this dropped to 1.7% of a total of RM936 billion. In other words, as a proportion of federal projects, Penang's share has declined over the last three Malaysia Plans. And in fact, just before the change of government, under my portfolio, I noticed that in 2022, out of the federal government allocations for the Drainage and Irrigation Department, JPS for the whole country, Penang had the lowest allocation. Perlis had much more than Penang. I cannot imagine what they're building in Perlis that requires so much money. But what I'm trying to highlight is the arbitrary nature of the problem.

So we should bear in mind that Penang is the largest exporter in the country, consistently contributing one third of national exports to the tune of approximately RM450 billion a year. In doing so, it is the single largest contributor to Malaysia's trade surplus. In 2023, we contributed 70% of Malaysia's trade surplus. Is it fair that we are allocated less than 2% of federal projects? Penang is already resource-starved as it is. And the arbitrary nature of federal allocations only serves to compensate for a dire situation. Without the requisite infrastructure improvements, Penang would not be able to provide the conducive environment that investors and also talent

require. This includes upgrading our roads, our rail and air infrastructure, water and electricity supply, flood mitigation and general quality of life improvements.

The state government, with a budget of less than 1 billion a year, can only do so much. And of course, admittedly, the Madani Federal government under Dato' Seri Anwar Ibrahim has been more inclined to support Penang and to grant us our fair share, what with recent budget approvals for the long overdue expansion of the Penang International Airport, the construction of Penang's first Light Rail System that will link the island to the mainland, the recently announced Juru Elevated Highway, and the Penang-Perak Water Transfer Scheme. We are of course very thankful for these projects, but I have to say they are just salves for wounds that have been festering for decades.

And it also must be said that the fact that Penang is finally receiving its dues does not mean that the problem has been resolved. Until an equitable formula for the redistribution of fiscal resources is institutionalized, Penang and indeed all the other states will continue to be at the mercy of the political centre. Penang's future hinges on the continued growth of our twin engines of manufacturing and services. And the key enabler for these and indeed all other sectors is infrastructure. Without adequate investment in infrastructure, Penang can only go so far.

Granted, the state has had no choice but to find creative means in financing infrastructure development, such as the land swap model for highway construction, public-private-partnerships for land reclamation, and even seeking grants from multilateral institutions. As effective as these have been, imagine what can be done if we had a fairer share of our own resources, particularly pertinent in the face of the challenges of the 21st century, such as climate change and the need for resilient infrastructure.

Sea-level rise, urban heat island effect, flash flooding, extreme weather patterns, these are all increasingly testing the limits of our natural and built environment. Without greater investment in infrastructure, Penang runs the risk of becoming less competitive. Therefore, it is imperative that Penang, and indeed more states and regions, continue to take advantage of the new decentralized political paradigm by asserting the agenda for greater devolution of powers, particularly where resources and revenue are concerned. Anyway, I hope that's food for thought for everyone today. I talk about infrastructure every day, so I thought maybe we talk about something still related in a sense, but maybe perhaps more existential.

I think if we are to really take a long-term view without these structural changes, it just continues to be very difficult because we are only reliant right now on the federal government. And imagine

when that government changes, we'll be back to Square One, right? So thank you very much, Tun and colleagues, and I hope that we can have a discussion on this today. Thank you.

PART I: EXECUTIVE SUMMARY

Here is a summary of a key point from each speaker at the Bel Retiro Roundtable 2024:

- **Mr. Mei Chee Seong (Accessibility):** *He proposed that to enhance Penang's liveability by 2050, we must move beyond traditional physical infrastructure and invest in virtual infrastructure—a collaborative ecosystem that connects government, corporations, researchers, and communities. By bridging gaps between grassroots creatives and corporate CSR/ESG initiatives, Penang can develop a sustainable, bottom-up creative economy that enriches the Penang Experience, attracts talent, and reduces reliance on government funding.*
- **Mr. John Bulcock (Accessibility):** *He emphasized the critical importance of integrating nature into urban and building design through maximizing green spaces, natural light, and ventilation for the psychological well-being of people and to combat the urban heat island effect.*
- **Encik Joe Sidek (Accessibility):** *His key point was the dream of establishing a “Festival of Asia” based in Malaysia (preferably Penang) to promote regional arts and culture on a global scale and develop a self-sustaining model for arts funding.*
- **Dr Essam Yassin Mohammed (Accessibility/Mobility):** *He highlighted the importance of considering the “net political gain” in addition to economic and ecological benefits when formulating policy recommendations for the government.*
- **Dr Muhammed Abdul Khalid (Mobility):** *He stressed the paramount importance of investing in the health and education of Penang's children as a crucial strategy for the state's future, suggesting initiatives like providing free, healthy food to all schoolchildren.*
- **Mr Soo Hoo Khoon Yean (Mobility):** *He suggested positioning Penang as a creativity hub via his plan on the Penang Island Creative Industries Framework by leveraging its existing strengths in arts, culture, heritage, and the free trade zone to attract talent, investment, and diversify the state's economy.*

- **Dr Ng Shin Wei (Blue Ocean, Green Technology):** *She proposed that Penang state should develop a comprehensive waste industry that attracts investments and promotes a circular economy, prioritizing waste reduction, reuse, and recycling over landfill solutions.*
- **Allen Tan (Blue Ocean, Green Technology):** *He advocated for Penang to fully embrace nature as central to all decision-making to ensure long-term socio-economic benefits and environmental protection, emphasizing the value of ecosystem services.*
- **Dr Nungsari Ahmad Radhi (Blue Ocean, Green Technology):** *He suggested that Penang should capitalize on upcoming major infrastructure projects to integrate green and liveability initiatives and to adopt an outward-looking regional integration strategy with neighboring countries to expand economic and cultural opportunities.*

PART III: TRANSCRIPT

Accessibility

Dr. Ooi Kee Beng: Thank you, Zairil. Well, first, if I may respond to what TYT was saying about Dato' Seri Amir Hamzah. I did meet him two days ago as well, and we will definitely get our proceedings for this roundtable done very quickly. We'll make sure that he gets a copy of that.

Zairil, I remember when I wanted you to be the keynote. Yes, you did say, what do you want a politician to talk about for 2050? But I know you more than as a politician, of course, I've always seen you as an academic who is a politician as well. You people might know that Zairil was actually my predecessor in the position as Executive Director of Penang Institute. So I'm very happy with the keynote in that you remind us that in the future a key element to think about is actually federalism, the devolution of power and resources to Penang. That will be key to everything that we are going to talk about today.

And the unsaid point, of course, is, we are all concerned about Penang's exceptionalism. If I put it another way, it's not only Sarawak that has to be different. Penang has always insisted it's different, and should be treated differently. And there are certain signs today that perhaps we are finally getting some advantages. But as you rightly mentioned, it might not stay that long. We'll have to do what we can today. And the discussion we have today I hope will be in the context of Penang exceptionalism and about how far we could go if Penang were properly and fairly treated. I also, Zairil, you being in charge of infrastructure is why we themed this Roundtable "Infrastructure Beyond 2050".

I think it's a good point you bring up today that maybe the principles of subsidiarity and decentralization are key to anything that we suggest today.

Dr. Ooi Kee Beng: *The format will be that lunch is around 1 o'clock; we'll try to keep to that. I will let each one speak for about 10 minutes and then [have] quick responses to those 10 minutes. And then at the end of the whole session, if there's time left, we could have a final discussion. We'll start according to what's written on*

the table sent to you. My old friend Dato' Hamdan is sadly not here, which means that we start with Mr. Mei Chee Seong.

Mr Mei Chee Seong, Co-founder of ALM architects & coex at aLM Architects

Good morning Tun TYT, and also YB Zairil, thanks to Penang Institute for having me here. I'm an architect and incidentally we set up a community space to go along with our architectural practice two years ago. I believe that's the reason why I'm invited here, and the topic is big.

We are talking about the future of Penang in 2050 and we are only given 10 minutes to talk about a few decades' future. This is pretty challenging for me because I don't have an academic background, I don't have a lot of data. I started with a small team, where I have been both overwhelmed and inspired by the community over the past two years. I believe this connection will hopefully guide us toward the future. Talking about today's main topic, which is infrastructure—specifically hardware infrastructure. My work is closely related to building infrastructure. However, as an architectural practitioner, I must admit that I have limited involvement with the larger infrastructure of Penang. That said, I have learned a great deal from the community, particularly about accessibility, which is partially connected to my field of work.

As an architect, I faced a bottleneck about five years ago. While I was designing impressive buildings, I began to realize the importance of considering the end-user experience. Unfortunately, I lacked the information and inspiration needed to address this effectively. In response, I took the initiative to establish a community experiment called COEX at Hin Bus Depot. I relocated my practice there to engage directly with the community on a daily basis, drawing inspiration and insights from those interactions to inform my work.

Over the past two years, I've had a deeply transformative and overwhelming experience that has significantly shaped my architectural practice. Once accessibility became a focus in my work, it brought the inspiration I needed to think beyond designing physical buildings. It encouraged me to approach my designs with the goal of creating meaningful experiences.

I want to discuss how this accessibility can be extended to larger corporate players in Penang, hopefully for this to lead to a broader, community-centred development strategy. Penang is well-known for its tourism, education, medical services, and retirement-friendly environment. However, we face challenges in attracting and retaining local talent, competing for global talent, and elevating the quality of tourism experiences. If you search for "Penang experience" online, the results are quite generic, showcasing the standard highlights of Penang. In contrast, I've

been inspired by the diverse grassroots creativity of local talents who present a wholly different, authentic perspective of Penang's culture and art. Unfortunately, these local talents often operate in silos, disconnected from the general public and lacking visibility.

On the other side, we see corporations—such as factories in Bayan Lepas—seeking meaningful ways to use their ESG (Environmental, Social, and Governance) or CSR (Corporate Social Responsibility) budgets. Instead of relying on conventional activities like weekly beach clean-ups or old folks' home visits, these companies could engage with the wealth of local talent. However, a lack of connection and infrastructure keeps these two worlds apart.

This disconnect raises an important question: Can we create a “virtual infrastructure” to bridge these gaps? Such a platform could connect local talents with corporations seeking creative and impactful initiatives, fostering mutual benefit. This is particularly crucial as we observe shrinking budgets for cultural initiatives, such as George Town Festival and other government-supported programmes. At the same time, corporations have untapped resources that could support these artistic and cultural communities.

The “Penang experience” is a dynamic phenomenon shaped by art, culture, and the creativity of local communities. To fully capitalize on this, collaboration among four key stakeholders—government, corporations, researchers, and the community—is essential:

For government sectors, administrative efforts are often top-down, and I concur with what YB Zairil said just now, which is that our politicians face a phenomenon of polarization of diversity; I think art and culture experience this as well.

Additionally, support for art and culture fluctuates with political interest. On the other hand, art and culture enthusiasts often initiate their efforts in silos. We see this, every day, in Hin Bus Depot, resulting in fragmented, small-scale sparks that are not sustainable and which shy away from broader local and tourist audiences.

As individuals, they struggle to access a bigger audience. At the same time, we have strong researchers who play an important role in setting up academic studies, narratives, and structures for all parties to better understand the creative industry. Corporations, with their CSR and ESG commitments, are running out of options beyond visiting old folks' homes and cleaning beaches. Meanwhile, there are passionate individuals working on initiatives that could complement their needs, but these two groups lack accessibility to each other.

Art and culture, which form an important part of the Penang experience, seem to be an “unwanted child” surviving very organically through individual initiatives. These valuable resources could be capitalized on and cross-subsidized to bring creators, audiences, researchers, and corporate resources together, achieving a bigger impact on the Penang experience with minimal financial input from the government.

The third chapter of my sharing will focus on infrastructuring the Penang experience. This involves creating a virtual infrastructure that synchronizes and fills the gaps between existing creators, audiences, and resources to build a sustainable ecosystem. In this ecosystem, the government will play a pivotal role in matchmaking, curating, coordinating, and encouraging collaboration. In return, these resources and investments will create a vibrant Penang experience, helping to make Penang more liveable. The corporate sector will have more meaningful options to execute their CSR and ESG commitments, enhancing their corporate branding, employee welfare, and community connectivity.

Lastly, the community will gain access to a larger audience and more sustainable funding, fostering a bottom-up, organic, and inclusive growth of the Penang experience. A possible backbone for this initiative could be a government-linked company (GLC) co-funded by the government and corporate entities to handle administrative responsibilities.

In this case, I see the existing Penang Art District being able to play this role. Second, a Penang Experience Credit, similar to a carbon credit, could serve as a voluntary measure to recognize and quantify corporate contributions. These credits could potentially be converted or transferred into incentives such as tax rebates or waivers on contributions.

The ecosystem would be mapped, analysed, and monitored through collaboration with researchers such as Penang Institute and USM, both of which have already initiated studies on this subject. These studies should be long-term, unlike the current project-based engagements. Corporations can contribute in the following ways: Sponsoring or collaborating on community-led initiatives, establishing their own community platforms, similar to what we are doing now, to follow their interests or create unique approaches, and adopting local creative initiatives or academic research projects.

By doing so, the creative community could benefit from these infrastructures, transitioning from hobbyist or part-time efforts to a more sustainable and professional approach. This would foster the development of a creative ecosystem that grows organically and bottom-up.

To conclude, this infrastructure will connect the fragmented efforts of federal initiatives into an organically and dynamically growing bottom-up creative ecosystem. This will contribute to the Penang Experience with fewer resources from the government, bridge corporate initiatives, and make community efforts more accessible.

Hence, the slogan “Experience Penang” will become more relevant when we have a confident and vibrant Penang Experience. Penang at large could potentially achieve the following outcomes: a unique government-initiated, corporate-driven, community-created creative ecosystem contributing to the Penang Experience, and a dynamic, organic, self-driven, self-regulatory, responsive, and passionate bottom-up creative community as a key component of liveability.

Those are my thoughts. Thank you.

Dato’ Dr. Ooi Kee Beng: Thank you Mei. Sorry for an oversight. Somehow I assumed everybody knew you well because you are now quite a figure in Penang. But for those of you who don’t know Mei, about two years ago, he co-founded an architect firm and then decided to move out of a corporate setting and actually moved to what is now called COEX, next door to Hin Bus Depot itself.

And the point of them doing that is quite experimental, I think. You’re trying to create a community platform to motivate and incubate community efforts by connecting individual efforts in the area of creative industries. And that’s why we thought you would be a good person to have here. Thank you for your input.

Dr Ooi Kee Beng: *Next speaker is Mr. John Bulcock, [who is] also an architect, very well-awarded in many ways [and] well known for his Factory in the Forest project. That was done a few years ago? And in 2017, you were awarded the Leading European Architects Forum award.*

Mr John Bulcock, Director at Design Unit Architects Sdn Bhd

Yes, we won that award. Thank you for having me. I’m very honoured to be here. I arrived in Malaysia 30 years ago for a two-week visit, and I stayed [on for] 30 years. Basically, I fell in love with the country, the people, and later a Malaysian lady. So I’ve been here 30 years. I’m not your typical expat. I arrived with my backpack and RM800 in my pocket. And I’ve enjoyed every minute of it.

I called this little talk “Touching Lives”. As designers and like stakeholders such as the government, this is what we do: we touch people’s lives. It can be in a positive way, with good meaningful design - or it can be a negative if it is not good design. So we have a great responsibility.

I always feel that as an architect, we have such a great responsibility, to design in such a way that is actually meaningful for people. We spend about 90% of our lives inside buildings. Contact with nature is vital for our psychological well-being as human beings, and living and working in natural light and in contact with greenery and the sky.

Working in this condition throughout the day brings stimulation, joy, improves mental health, as well as productivity. These are now well proven facts. There have been so many studies done on it.

It is vital. Nature is not only critical for our psychological wellbeing, it also saves us money.

If you surround our cities, our buildings, our public spaces with hard paving, 50% of the heat from the sun is stored throughout the day. What happens at night is, when the sun goes down, that heat radiates back and heats up the whole area, which actually then prohibits us from opening our windows for cross ventilation, and encourages the use of more air conditioning, which is what we don’t want.

If we have green areas around our buildings, only 5% is stored.

So making buildings and urban spaces that respond to their site and climate is crucial for me. What I’ve learned in the tropics is that shade and air movement, these two elements – never mind air conditioning and mechanical features –are the most important factors for creating comfortable spaces.

The landscape as an integral part of our built environment.

So what we do is, we plant. If you see the bottom two images here in my slides, these are the same image, the car park, actually, for one of our buildings. On the left, the image is of planting beds with trees. Normally, typically, you would get one or two trees planted in that. What we do is, we plant small trees, which are not expensive, in the planting bed. And in Malaysia, they grow so fast, so within three years we have a forest.

It doesn’t cost a lot of money. Something like actually makes cities green.

As you can see, this is the same image taken with a thermographic camera.

You can see that we have about 10 degrees of difference with landscape and shade. Landscape and shade will give us this in our cities. You can see that out on the road, [here where it's yellow] it's up to about 34 degrees. As you walk under the trees and the canopy, you feel the difference. It really does work.

When we designing buildings and urban spaces, we have to understand place, find the spirit of the place, and use the site for the benefit of the project. This would mean really spending time on the site, at different times of the day, different days of the week, and at different times of year. Really spend a lot of time to understand a place for the benefit of the project. This might mean simple things like a view, or a water body, or tree. But it's something that the designer needs to identify.

And the drama of thunderstorms... during my first year in Malaysia, I was sitting in a coffee shop, basically a shack with a tin roof and open sided, having coffee. Suddenly there was a mighty thunderstorm and the whole space changed. I couldn't see through [the rain]. I couldn't see out of the shack.

So the space became intimate as the water hit the ground and the landscape nearby. The scent was amazing, and it had a profound effect on me.

So we designed with thunderstorms in mind, to heighten awareness of tropical storms, to bring us closer to this climate.

For us, it's about bringing us closer to the climate so that we understand it and respect it.

And, of course, you can also channel the water for landscape use. It has the added benefit of having no gutters. The water is channelled and flows like fountains off the roof. Gutters actually get blocked and bring mosquitoes and other things.

So when designing in the city, three main points must be, for us, be present:

- reduced impact on Nature
- the comfort of people
- psychological wellbeing and stimulation

So why forests? I think we all probably know why. Trees

- clean the air
- provide oxygen
- cool the surrounding space
- combat climate change
- conserve energy
- provide shade
- cater to our physical and psychological well being
- save water
- help prevent water pollution
- help prevent soil erosion
- provide habitat for wildlife
- provide food
- heal
- reduce violence

All these are critical not only for the world's macro-climate, but also for the micro-climate in our lives, in our cities.

How do we put all of this to practical use in the urban environment and encourage new building developments that provide good quality, meaningful landscaping?

This might not sound earth-shattering, but I would argue that it is. Imagine if every factory in Penang had some sort of meaningful landscaping for the use of the occupants and to cool the environment. And if they link up, you get all sorts of recreational activities, etc. This would be very beneficial for the Penang population.

We could also look at "pocket forests". These could be introduced throughout Penang even on small plots, on wasteland, or in residential areas. It just requires good design, it doesn't have to be big. It depends on the plot of land. It could be a single bungalow plot.

If we introduce these elements throughout the city, it could be beneficial to everyone.

For the new proposed LRT line, imagine if each station had a small landscape forest at the station as a public square, public squares that could be used for waiting in the shade, for instance. It would soon be monopolized by stores and things like that, which would become very active spaces, but the whole line would then become like a Nature Line, which could actually be a globally recognised feature of Penang.

So these are ways that we can actually introduce meaningful landscapes into the urban environment.

It is critical that buildings and urban spaces belong to their climate, belong to their culture. And belong to architecture.

So to summarize:

- buildings account for approximately 35% of worldwide CO2 emissions.
- It is possible to have a comfortable life without fossil fuels, by using renewables.
- Malaysia's climate is so generous that it provides enough light and solar energy to cater for all energy needs.
- Encourage contact with nature for both physical and psychological wellbeing
- Preserve forests - don't cut hills
- Maximize natural light and ventilation. This does not add to the construction costs of building. It also saves on running costs.
- This approach to building and urban design demonstrates that we can live without disturbing the environment; our local environment can become a positive asset in combating global climate change and in our daily lives.

***Dr Ooi Kee Beng:** The next speaker for this session is Joe Sidek. Joe Sidek is, of course, most famous for having run the George Town Festival for 10 years. And, of course, he is a key figure in cultural matters in George Town and in Penang. Thank you for agreeing to come to give a talk to us. Over to you, Joe.*

Encik Joe Sidek, Managing director, Joe Sidek Productions

Thank you. A lot of people don't know I'm also an industrialist. I run a factory producing textile chemicals.

In recent months, we've been approached by an Austrian and a Swiss company – textile is a dead industry in Malaysia – but these two companies want to site their hub for Asia because their market is in Asia, [including] in Penang.

I want to touch back on culture. I have a dream that I want to share: Since I stopped working with George Town Festival, I went on a long sabbatical, asking, What should I do? What am I doing? For the last four years, Shanghai International Festival has invited me to speak. We

chaired a roundtable. And they've been pushing this thing called Belt and Road Initiative. They're connecting all the dots for international festivals along the Belt and Road.

So I proposed this idea of connecting the historic ports of Southeast Asia, and to complete the loop so that the Belt and Road goes all over Southeast Asia and back to Tashkent.

Why in Malaysia? My first love is Penang. I started working on a project called Festival of Asia because my late father used to push this thing on [Rabindranath] Tagore. And I wanted him to meet Tun (Fuzi Abdul Razak) because he's the only Malaysian politician that's ever spoken about 'Asianism'. Why are we looking at the West for all our benchmarks, for all our narratives, especially in the cultures and the arts? So I started working on a project called Festival of Asia. That's my dream and I've been pushing it in China.

And recently, I was invited to speak about this in Tashkent at the World Economic Creative Economy Forum. My first love is Penang, but because it's really hard for me in Penang, and because we're going to be chair of ASEAN next year, I was asked to present this to the Prime Minister's Office

My first question to the minister was, can we remember what Najib Abdul Razak did 10 years ago when he was ASEAN chair? What do you remember from the legacy or impact of Datuk Sri Najib? How many of us know that Indonesia spent US\$1 billion last year as chair of ASEAN? What is the legacy and impact? Something that ASEAN has always been pushing is integration among the ASEAN states. So I was asked to push this idea for Festival of Asia.

For 2000 years, the Straits of Malacca had been important. The Greek called us 'The Golden Archipelago'. Then came Bujang Valley, where metal was mined; the truth of the matter is that a lot of metal came out of Bujang Valley.

And then there was Melaka, which was the gateway between all of America, Europe, and Asia. Then comes Penang. In 1902, 60% of global tin came out of Butterworth. So I used that narrative to sell [Malaysia]. Why Malaysia? Because we're centrally placed in Asia. It's also one of Charles Landry's creative cities. My first love is Penang.

But I don't think it's going to work because I feel, as Jesus said, "Forgive them Lord, for they know not what they do". KL liked the idea and people wanted to bring it to the Prime Minister – but I really don't think they understand the idea of how we really need to rethink the arts and culture.

As many would say, 'Why would people give you money? For what? And especially with traditional Malay art forms - whether it's boria or bangsawan or whatever. With Western art forms, people pay to see ballet, opera, and classical music. We don't. We really need to rethink art and culture. So for me, the idea of Festival of Asia was to bring global branding to Malaysia. Of course, I would love Penang to be it, because everything points to Penang. But KL is where all the government agencies are, and where the government wants to put things.

But how to self-sustain after the first year? At the end of the day, it doesn't work if you're depending on the government for money and funding.

Governments change every four years; heads of corporations change, and they may not be supportive of the arts. So I think it's important for the arts to have a major retake of how we become sustainable.

Why did I think of Penang? Because Penang has everything. We've done it before with Georgetown Festival. We became a global brand. I'm an out-of-work festival director, but I still get invited to global capitals to talk about place-making and to share the story. We have great assets in Penang which I think we're not marketing well enough. I'm not attacking the government. I want to support the government.

I am chairman of Penang Arts Council [and] I feel as if one of the weaknesses in our education system is the access to knowledge and culture. Mecca is our religious capital, but young children don't know that there is a world beyond religion associated with Islam. I am planning with Penang Arts Council and the Rotary Club to take 30 students from small schools on the Mainland to visit the Islamic museums to expose young Malaysians and to say, 'You are not less of a Muslim if you learn that the glory of the Islamic world was art, culture, science, medicine, architecture [and so on].

If the state is really interested about pushing a global brand, there is a mechanism that I would love to speak to the state about, about how to self-fund, how to build a brand; Penang as a global brand that actually will work. Thank you.

Dr Ooi Kee Beng: When we were constructing this roundtable, when we decided to have accessibility as a focus, what I was thinking of – not being an urban planner and so on – was accessibility in the sense that if I live in a city, to what extent physically do I actually feel welcome or feel that I belong to that city? How accessible is it, actually, the city?

In many cities I've been in, you walk the streets. You don't belong anywhere unless it's a park and you can sit down and you feel [that] at least the park is yours. In a tropical area – I agree with what John Bulcock said, if you have a forest and you have shade, then you belong. If there's no shade, the sun will say you don't belong. Get out! Go to Starbucks or something.

That was part of the reason why we have a section on accessibility. How do we make citizens – meaning, the people living in the city – feel that they belong on a day-to-day basis? Are they welcome? To what extent are they welcome? That's the sort of idea [we had] for the discussion on accessibility.

Questions & Comments

Allen Tan: Dr Ooi, thank you so much for inviting all of us to be here today. I personally am very honoured to be in the presence of all these community leaders and thought leaders who are doing and have done amazing work for Penang.

I credit Joe Sidek with being one of the main reasons why I chose to move back to Penang, and why I was very excited to move back to Penang in 2014. The work that he did with GTF at the time really put us on the global map. It was never a question of what the value of it was. It transcended ROI, if you will. It really brought global attention to our small city. And I always quote Joe, who said, 'Singapore has more money, but Penang has authenticity'. We are raw, and we're real. And I think that's really, to me, the celebration of Penang exceptionalism which Kee Beng was talking about earlier, and which Mei Chee Seong celebrates every day in his work at CO-EX at aLM Architects. That is an amazing, amazing space. Tan Shih Thoe [owner and manager of Hin Bus Depot] and yourself really are leaders in George Town. I really highly commend you both and all your cohorts for the wonderful work that you do to really empower the grassroots in dance and culture. Community in Penang so important.

John [Bulcock], thank you for bringing up nature-based solutions in town planning and city planning. I recall a time when every single neighbourhood in Penang, every community, had a park in the middle of it. You still see remnants of it now in Green Lane, Midlands Heights, in Pulau Tikus. The park is the core of the community and the people who live in and around that park in the houses surround the park. I wonder why we lost that in the town planning for Penang. I think we should insist that developers honour their promises to give us accessible public spaces in every community development project. Because they are places not just for recreation. They don't only provide us shade and comfort, and all those other ecosystem services which John

touched upon in his presentation. They are also places for community engagement, important centres and places for us as a community.

Joe Sidek: Thank you. Can I respond to that, Dr Ooi?

Actually Penang has got a big asset, the people. The people are its a major asset.

And about accessibility: I know Penang is bigger than George Town, but we have developed George Town well. People know its streets. You can't pull a tree down without 10 NGOs complaining. So that's something that should work for us rather than against us. The fact is that people love the state. People want to do things with the state.

And talking about ROI and money: the state government spent RM42 million on George Town Festival over nine years. In our last year, 2018, we had RM110 million in PR value, substantiated by two international agencies.

So if you talk about ROI, what are the returns of what you put in? We spent RM6.2 million on local economy. But I feel the state needs to rethink. Mei [Chee Seong] was saying that the state pulled back the budgets on the arts, whereas other countries like Singapore, Taiwan, and [South] Korea, and Shanghai [are] pumping money in the arts; they see arts as a cultural balance and also as an attraction to tourism.

Dr Essam Yassin Mohammed: I've been in Malaysia for four years and I'm embarrassed to admit that I haven't really figured out the titles, yet, with all due respect for having us here.

My name is Essam Yassin Mohammed. I'm the director-general of World Fish. World Fish has been headquartered here in Penang for the last 25 years. Next year we'll be celebrating two occasions: the 50th anniversary since we were founded in 1975 in Hawaii; but also the 25th anniversary since we moved to Penang. So I just want to jot it down on your diaries for next year. Quite a lot of what has been said resonates quite strongly with me.

I am from Eritrea, a very small country in East Africa. In my student years I vividly remember this professor showing us a scattered plot of countries against certain parameters of health. What really struck me was how close Eritrea and Malaysia were, according to some health parameters. However, the two countries live in two different realities. Eritrea is one of the poorest countries in the world. Malaysia, as you know, is a middle-income country.

I started asking myself, ‘Why is that the case?’ I’m trying to relate to the question: “How do we enhance mobility?” as well.

I find places like Penang to be not necessarily pedestrian-friendly in some places. As we’re thinking about the future, in terms of its attractiveness, I think something that would enhance people’s activity would be really important.

Just sharing my personal experience: when an area where I have a bit more authority is in this kind of dialogue; there are a number of proposals that fly very high, and some that do not. I always challenge myself: Why is that always the case? Of course, one of the factors is ROI. That makes economic sense.

So for whatever dollar the government invests, what’s the return on investment? We are a science organization, and our scientists do research, and make recommendations. When the government doesn’t take up the proposal, they come back to me with two possible explanations:

They say either that the government is stupid, or they essentially question the authority and capacity of the government officials.

As a former government bureaucrat myself. I challenged that attitude: I’m sorry, but I think it’s the failure of the recommendations being made, i.e., not ensuring that whatever has been proposed takes into account the technical and institutional capacities [of the government body], to ensure that whatever we design is aligned with cultural values, for example. Is it aligned with our institutional priorities and capacities? So whatever we design has to reflect that reality.

But also, to the point made by YB [Zairil Khir] in his excellent keynote talk, the net political gain has to be delivered as well. Because as scientists, we take into consideration only two factors, two dimensions:

1. Will my proposal or recommendation bring maximal economic benefit?
2. Is it going to maximize ecological net benefit?

If the idea addresses the two dimensions, then it’s a brilliant idea. And if the government doesn’t listen, then something’s not right with the government.

But what we often forget to take into account is the net political gain.

Having this kind of dialogue has a huge value in bridging the gap in terms of how we deliver the net socioeconomic benefit and net ecological benefit.

The third dimension is the net political gain or benefit. I think we as thinkers have that responsibility, to ensure that we are delivering a net political gain. And the net political gain, whether it's the citizens or the bureaucrats, or the government of the day, those kinds of calculations are really important as we start designing policy interventions.

Mobility

Dr Ooi Kee Beng: Thank you, Dr Essam. We move to our next speaker, Dr. Muhammed Abdul Khalid, an old friend whose family home is actually right next door to Penang Institute. I've known you as the director of KRI, and then as advisor to Dr. Mahathir Mohamad during the latter's second tenure. He is now attached to the UKM.

Welcome back to Penang. I heard you speak yesterday as well in one of our events [Affin Hwang-Penang Institute Market Outlook: Propelling Malaysia Forward Penang, 11 November 2024]. Thank you very much for agreeing to come. And of course most of you might know that Mohammed is actually a distinguished fellow of Penang Institute. We don't use him enough; he doesn't come home enough! But welcome back today. Over to you, Mat.

Dr Muhammed Abdul Khalid, Economist/ Lecturer UKM

Thank you, friends. Dr Ooi made me work two full days on this trip; there hasn't been enough time this trip to savour Penang food. Since we're talking about the future, I'm looking one generation ahead.

Maybe if you look one generation before, if you were alive one generation before, or if you grew up in one generation before, did you like how Penang turned out to be in the 1990s to late-1990s.

One generation later is about now. Are we happy? It's cleaner. Jobs are there. Almost the same manufacturing and services are here, from hotels to factories. Quality of life is there, albeit that that one is a bit challenging to decide upon.

Is mobility changing? It's almost the same. Nothing has changed except that it's become more expensive, and we cannot swim in the sea anymore. We cannot play anymore. The Botanic Gardens that we have, the green spaces that were mentioned earlier, is a legacy of the British East India Company, not even the British government. Under the first governor of Penang, [Major General G.A. William] Leith. The British East India created Botanic Garden not to make the people happier, but to plant some spices that they could export; there were economic incentives.

But since then we have not had new parks. We have a new one along Gurney Drive, but you don't see people there playing football, sepak takraw, badminton, or hockey. You don't see anything.

When I was coming here, I took a Grab. The Grab driver, an Indian guy from Penang, said we should build more hockey fields; we don't have hockey fields.

So while we're happy about how Penang turned out from a generation ago, there are still some gaps. When you look to the future, one generation later, how do you want Penang to be?

Some of my friends earlier mentioned about greenness and sustainability. I think we should look at some trends.

One major trend that is affecting us in the long run is demographics. We're getting much older. We are the oldest state. In one generation, about 1 in every 5 of us are going to be classified as old. If I was a politician, by then, I wouldn't care about investments; I'd care about my electorate meaning healthcare and pensions. I wouldn't care about new schools. As a politician, my objective and voter base would have become quite different: they are largely old people. It's not going to be about mobility. It's going to be about the question, "Am I going to be taken care of?"

Demographics is very difficult to change. The government has tried. Many governments around the world have tried to reverse aging trends. It's not going to succeed. We don't reproduce – our birth rates is one of the lowest: 1.3 per child per woman. I think last year we only produced 60,000 kids, the lowest [for some time]. It was in fact slightly higher than expected because it was the Year of the Dragon. But come next year, it's going to be lower because no more "dragons" will be born. You will have to wait another 12 years.

This means that in one generation, the population will get much smaller. We need the kids that have been born to be healthy and to be smart, which needs two or three things. My key takeaways are:

Number one: we have to make them healthy, so in the next one generation, all kids will be as tall as those in South Korea. They're 10cm taller than us. Singaporeans are 5cm taller than us – that difference came in one generation. What did they do right? We have to feed our kids. We only produce 60,000 kids. Every kid that is going to school now or is starting next year should get free, healthy food. That's what Prabowo [Subianto] in Indonesia is doing. The first thing he said was, "I'm going to feed everybody. I'm going to borrow money to do this". Demographics is most important. The kids are the most important. It doesn't cost much money. It's small money: RM300 million per year perhaps. We can ask companies to sponsor. People around this table are loaded. Ask them to donate a bit. It is not a cost, it's an investment.

We do not have enough people, and unless Penang is ready to open up to everybody, you become [like] Singapore. You become [like] Hong Kong. You don't want to be Singapore. You don't want to be Hong Kong.

So, first: the state should feed all kids in Penang. That's number one. It doesn't cost a lot, but it's important. In manpower supply, we may have only small numbers, but we could be strong. Presently, we are not strong. Malaysians are not healthy. We know all the statistics. We are fat. We are the fattest in Asia. We are diabetic, and so on. If we intervene early, it will lead to higher productivity in the future. That's number one.

Number Two: even if they are healthy, if we don't have a good education system, there is no point. If you think one generation ahead, you might forget about what's happening in Penang right now – How do we want education to be in Penang? We can have one school system, the best education system we can create. We don't follow the national system; we follow the best. Have just one school, [with all our children having to] eat at the same place, play at the same place, study at the same place. We become the model. Not Sarawak, not Johor, not another country.

Number Three, to put our competitive advantage to good use, we must compete with cities around. The cultural aspect is the most important. Why do people come to Penang? Not to see Penang Bridge, not to see Komtar. I would change our symbol, from Komtar or the Bridge. No, it should be the Boriah tradition.

If you go to Spain, every night, you can watch flamenco [dancing]. People go to Spain, and take a train to Sevilla to watch flamenco.

When was the last time I watched Boria? I can't remember. Yesterday I had guests, but I couldn't bring them anywhere uniquely cultural. There's nothing cultural from our side. This is important.

South Korea did it well a generation ago, [look at] how they created K-Pop. It's not by chance [that it is so popular]. The president of S. Korea went to Hollywood, the boss [of] Paramount or Universal Studio said, 'I made more money from Jurassic Park than you make from selling all your cars.' The president shares that, 'When I went back to S. Korea, I changed the system'.

They carried out a Korean coup. It was a systemic plan, a policy to make *koi* cool; export the cultural economy. And they did it very well. We have that. So thinking of the 'future', what should be the source of growth for Penang? Is it going to be Intel? Is it going to be hotels? What is it? Culture is a new source of growth for Penang. So investment in that I think is very important. If it's not cool, it's not sexy. It may not be as sexy as Intel or companies coming in, but it is important. And the multiplier effects can be very high.

There are two requests that I have when I think in the future; we want Penang to be clean, and we want it to be inclusive, to be where everybody has a job.

That has meaning. I wouldn't measure success by GDP. I would measure how many times the Penangite laughs; how many times they see birds; kids swimming; how many birds are singing. It's important, because if birds are alive, it means the environment is good.

Lastly, can we get rid of postcode numbers on our signboard? If there's a DS Ramanathan, you don't put a postcode [under his name], but instead information about who he was: First Mayor of Penang. Then there's the appreciation of history. Pitt Street. Who is Pitt? He is a robber, having stolen money from India, then becoming prime minister of the UK. Jalan Zainal Abidin. Who was he? You put their name there, people will remember. And remembering history is important.

So if you want to have a good 2050 for the coming generation, I think these three things are good for us to seriously consider. Thank you very much.

Dato' Seri Dr Anwar Fazal, Chairman of Think City

***Dr Ooi Kee Beng:** Our next speaker was to have been Dato' Sri Anwar Fazal, chairman of Think City. But due to a knee operation and failure to recover in time, he can't be here. But he did send one point for us to ponder over:*

"Penang once had one of the best public transportation systems in the region. We lost it. The future lies in developing one of our greatest

assets - the seas around us. Make maritime transportation the new future, linking Penang, Kedah, Perak, Aceh, and Thailand. The Kra Canal in Thailand is seeing a serious resuscitation, and it is going to be transformational.”

This issue has indeed been something the state government has been discussing for many years, the fact that Penang does not make use of its waters well enough. Half of Penang is water, yet, we are almost totally land-based in how we think. That was the point Dato’ Sri Anwar wants to make.

Dr Ooi Kee Beng: Our next speaker is from PwC. He is Soo Hoo Khoo Yean, Thank you for coming.

Mr Soo Hoo Khoon Yean, Managing Partner, PwC Malaysia

Thank you Dr Ooi. Good morning.

First, a bit of background: I’m the territory senior partner for PwC Malaysia. I’m really honoured to be back here to share our perspective of how Penang can be in many years from now. But more importantly, I’m also deeply encouraged that I can play a part, because as you know, PwC Inc. has always been very measured in terms of our views. Today I think I can afford to be a little bit more adventurous. So hopefully you will bear with me and we can come up with something novel.

When listening to everyone, I took note of a couple of points that resonate with me.

A starting point, one of the things that is very, very telling to me is that each and every one of us here seems to resonate with [is thinking] about how Penang can be different. I think the same way. One of the sessions that we had with Tun Fuzi many months back was about how we could resurrect the free port status that we used to enjoy as a state.

Can we also convert the concept of ‘free trade zone’, which is essentially a product-based or manufacturing-based initiative, and consider that to be a service-based initiative? Like a creativity hub, for example?

To me, Penang as a creativity hub is an idea certainly worth considering. We have very strong arts and cultural activities. We already have the free trade zone, and we have the heritage of the

free port status, some of whose inherited economic elements we can use to drive the creativity industry in Penang in a coordinated way. We can combine heritage with public policy.

I hear from Dr. Muhammad that we are facing an old-age population. If we bring in young people, new people, into Penang into the creative industry, for example, we could mitigate that trend.

I hear from YB Zairil Khir that if you were to look at beyond the 2028 general election, for example, we need to self-sustain as much as possible. We need to create our own economy so that we can bring in more money. That can be a combination of an initiative that is not necessarily dependent on public funding alone but on public-private partnerships. We must be able to create an initiative for investment of time and effort in an industry that we can attract talent, private money, and be another differentiated state in this country, where we can contribute in our own right.

I have spent time in Sarawak and Johor. They have their own differentiated ideas. But none of them have considered the arts, culture, and creativity as a niche. To me, Penang can be a niche, not just for our own sake, but for the sake of the whole country.

We can attract skilled talents by making Penang more vibrant and attractive for visitors as well as residents. We can be as proud of Penang and attract people as, for example, Spain - the city that people go to for flamingo dancing. We can have that kind of attractiveness. We can create more high-value jobs. It could be the music industry or even batik, as an example of a creative industry. [We should] diversify Penang's economy and create more opportunities for R&D activities. Some aspects of the creative industry today are very much dependent on digitization and AI, and these can complement the semiconductor industry in Penang as well. We create connectivity between what we have done in the free trade zone, and new industries, propelling ourselves into the next decades.

Whether it's practical or not, we need to work with the Finance Ministry, to look at tax incentives for the creative industry and for workers to come to Penang. We need to consider duty exemptions for import-export of creative industry products or equipment. Reduction of red tape and simplification of processes, such as event licenses, or special visas for individuals related to creative industries such as artists. And we can work with the private sector in improving facilities and infrastructure, especially 5G connectivity.

The other strength that I always feel Penang has is education. The level of education in Penang is high. I think we can actually explore working together with some of Penang universities and education centres to create the kind of supply that can attract industries to invest in inter-state events.

At the same time, we can use this for data collection as well. These are some strategies we can think of. I'll just pause. Thank you, sir.

Dr Ooi Kee Beng: Before we move on. I'd like to respond to what Mr. Soo Hoo was talking about. It's true that Penang's educational level is generally diverse. This gathering is proof of that, really. You can bring together Penang people from all sorts of expertise and backgrounds.

Questions and Comments

Dr Ooi Kee Beng: Before I open this session for comments, with Tun's permission, I'd like to share an idea I have. Even though I didn't position myself as a speaker, of course I have ideas—perhaps even fantasies—about certain things that Penang could achieve.

I could jump in here to share an idea. I was thinking of a 'riverfront walk' that could be easily built with the help of the City Council (MBPP). It would stretch from where the cable car will be built, at the Botanic Gardens itself, all the way down to the river mouth. It might even pass somewhere near your residence [Tun], and we could call it the "Tun Fuzi Walk" or something similar. Perhaps, if the waterway goes past or into this residence, it could be opened for public visits, say, during Merdeka Day. The main idea is to have a proper walkway, shaded by trees—a wide and accessible path, similar to what you'd find in Seoul. Imagine being able to walk from the Botanic Gardens and stroll all the way to the mouth of Sungai Pinang. I think this idea could be realised without significant investment.

That's just something I wanted to throw into the discussion here—just sneaking in one of my own ideas. Thank you.

I'll open the floor now for comments on the last speaker. Shin Wei?

Dr Ng Shin Wei: Good morning, Tun and YB. Good morning, everyone. It's been a pleasure listening to all the presentations by such esteemed individuals. Just my two cents on arts and culture in Penang—I'm not really an expert in this area, but I have some personal views.

Looking at Penang with an outsider's perspective, I remember back in school, Penang felt so different. Penang has always been directly connected to the world—not through KL, not through intermediaries. It's always been open.

I think one reason Penang has developed and grown so confidently compared to other northern states, is its colonial past. That direct colonial experience with the British brought education, exposure, and a distinct character. Now that I'm living here and working with the state government, I see that this connection to the world will always remain.

Previously, much of this connection was focused on Western-domination—Western exposure, Western ways of doing things. For the older generation, there was even pride in not speaking Chinese, because they went to English schools and spoke only English. This Western influence was a defining aspect of Penang's identity.

But moving forward—and many people have said this—it's going to be the century of Asia. Penang, I believe, is in a very advantageous position, because when Chinese people now come here, they feel at home. When Indians come here, they feel at home. Even visitors from the Middle East feel at home, thanks to the accessibility of halal food, mosques, and other familiar aspects. Obviously, with the presence of Malay culture, we must also consider Indonesia, which is poised to become one of the strongest players in ASEAN and Asia as a whole. So, when it comes to arts and culture, we should really capitalise on our strengths as we look into the next five decades.

Penang's unique advantage is that we encompass everything. We have this privileged past with the West, which will always be part of us, but we must also fully embrace and utilize our connections with Asia, moving forward—whether in arts and culture, architecture, or cultural industries and programs. That's my two cents' worth.

YB Zairil Khir Johari: Thank you for all your very interesting thoughts. I thought I might respond here and there to some of the points raised.

Firstly, I agree with most of the views shared, particularly on urban design and how we can use nature or smarter design to address issues like rising temperatures, especially in urban centres. For your information, we're currently working on a project under the Penang Nature-Based Climate Adaptation Programme. We've secured about RM45 million from the United Nations Habitat for this initiative. This is also the reason why I was in Egypt last week—this project was exhibited at the World Urban Forum and showcased to the rest of the world. It's a small project from Penang. The scope of this project is to use nature-based solutions to address two key climate change issues: flash floods and the urban heat island effect. In George Town, the project focuses on tree planting, pocket parks, rain gardens, urban agriculture, and similar initiatives. The idea is to rely on nature-based solutions, incorporating friendlier materials, permeable surfaces, and so on.

Feel free to visit Union Square near Nasi Kandar Merlin's back alley—we've created a really nice pocket park there.

Additionally, we're working on creating a tree-lined canopy along the entire length of Beach Street, forming a loop with Weld Quay. The loop will encompass Chulia Street, Beach Street, and Weld Quay. So, it's a whole loop with a tree-lined canopy for better walking and improved accessibility. This is especially beneficial for people coming from the jetty or the cruise terminal, and it connects to Fort Cornwallis and the newly built seawall at the Esplanade. The idea is to create a "blue-green corridor," so to speak.

On water transport. Yeah, I completely agree—our waters are completely underutilized. We have water all around us, but it's not being used effectively. MBPP actually called for a tender about two years ago for water taxis. A company was appointed, but unfortunately, it has been unable to secure a license from the Ministry of Transport (MOT) and is still in the process of applying. There was an earlier conditional policy approval given by the previous Minister of Transport, and the latest update I have is that MBPP has written in to assist the company with the licensing process. If this goes through, we'll have our first water taxi services in Penang very soon.

I'd also like to talk a bit about the River Walk. Actually, we've already developed quite a few river trails in Penang, and you're essentially talking about one for Sungai Pinang. On the downstream portion, a trail is already part of the scope for the current federal project—the ongoing Sungai Pinang Flood Mitigation Scheme. This includes constructing parallel drains to intercept municipal water so that it doesn't flow into the river—essentially, similar to what's done in S. Korea. The trail will then be built on top of the culvert, which is the parallel drain. Of course, it won't cover the entire river, just the downstream portion, but it's definitely a good idea to eventually make the entire river walkable, except that we have to realize that in Penang, there's almost no river reserve because people have built right up to the river—and in some cases, even beyond it. This is a legacy issue, obviously, and it's not so simple to accomplish as to just bulldoze over people's houses. You can do that in Singapore, but not really in Penang.

As for creativity—generally on arts, culture, and innovation—I'm a proponent. Joe knows that I was a big supporter of his George Town Festival. It's not my portfolio, but whenever my opinion is sought, I always push for better funding for arts and culture. I believe there's a lot we can do in this area. I'll actually take a leaf out of your idea on PPP—more public-private partnerships can definitely be done in arts and culture.

Muhammed Khalid talked about healthier kids, and I think that's something that's completely underestimated. Besides having better future workers and contributors to the economy, you also

reduce healthcare costs in the long run if you have healthier people.

In terms of sports, yeah, Gurney Bay doesn't really have much happening. But if you go to all the other neighbourhood parks, you'll see people playing sports everywhere. For example, at Straits Green in Tanjung Tokong, people are playing sepak takraw every weekend, and football every evening. We're actually working on building another sepak takraw court there. We just had a sepak takraw tournament in Tanjung Tokong a few weeks ago, at which I had the honour of officiating. And if you go to Youth Park, you'll see people playing football there as well.

Maybe Gurney Bay, the way it was designed, isn't really meant for sports, but more for recreation. The only sport there is skating, and that's actually very well received. If you go there every night, you'll see skaters, skateboarders, rollerbladers, and so on. In fact, the whole skate park was designed by Malaysia's first X Games winner, a Malay guy from Kepala Batas. He's the designer of the park –we're using local talent to create something special. When it comes to sports like skating, it's not a huge thing yet, but there's a lot of local talent in Malaysia for this sport. If you go to KL, where Jalan Ampang meets Tun Razak, there's a beautiful skate park there. Every night until midnight, it's full of people—not just kids, but also people in their 20s and even younger ones—just enjoying the facilities. The same thing happens in Gurney Bay. The place is packed until nightfall, with people playing in the playground, but also enthusiasts skating and doing other activities.

As for education, I completely agree. Unfortunately, it's a bit more difficult, since education is under federal jurisdiction. We don't have as much political leverage as [does] Sarawak, which tends to have more flexibility in these matters. But as I mentioned in my speech earlier, I think as more and more states push for change, what I really want to do is create a broader conversation. If more of us begin talking about the need for decentralization, for devolution of powers, and for things like education to be managed at a more local level, we might be able to further this agenda. I believe education is one area where central control isn't always effective – at least not entirely. There needs to be a balance. Schools that succeed all over the world are generally those with significant local community involvement and stakeholder engagement. Even in Penang, when you talk about why Chinese schools tend to perform better than government schools, it's because the community owns the Chinese school. It is run by the school board, which is made up of alumni and parents, and they have a say in many aspects of the school. Unfortunately, in our current system, everything is centrally controlled, and the headmaster has limited autonomy. In the UK, a headmaster is appointed by the school board consisting of parents, stakeholders, and the community. The headmaster has the freedom to appoint teachers.

Here, on the other hand, the headmaster is sent by the education department, and the teachers

are government employees who are also assigned to him. The headmaster has no say in this. If teachers are underperforming, he can't dismiss them. He may be able to assign them to teach something less critical, but that's about it. And since they're civil servants, they essentially have jobs for life, and that might be the structural problem. But it's also very difficult to solve. However, with the government introducing the new SSPA [Sistem Saraan Perkhidmatan Awam], converting all government employees to non-pension schemes, and making new government employees non-pensionable, this could be an opportunity for change. If we really want to rethink education, we might have to consider contract teachers, with performance-based KPIs. If they don't meet the KPIs, they don't get their contract renewed. You can pay them better, of course, but unless you implement these structural reforms, it will be very difficult to achieve improvements in this area.

If Sarawak manages to gain more autonomy in education, it could set a precedent, and other states could then start saying, "Look, we want some of that too." And when enough states start saying that, I think it will be very difficult for the central government to deny them that. Of course, states like Johor are also pushing with a louder voice, and that might help our cause as well. As for culture, I agree—we don't do enough culturally. But I also want to point out that culture isn't necessarily traditional. K-pop is a completely new form of culture. Culture can be modern, and there's nothing wrong with that.

To address what Dr. Muhammad talked about, yes, it's not just GDP that determines success. We actually have a happiness index in Penang, which Dr. Ooi Kee Beng's Penang Institute developed. We use that as a quantitative measure of people's well-being.

Postcodes are important. But I also agree, maybe there should be a small plaque to explain things. [But] you should have postcodes and biodata, or whatever, of the person as well—we cannot just remove the postcodes. I think postcodes are very important, not just for the postman, but also for people in general.

As for the digital economy, it's definitely something we're moving into. The niche we're trying to create here in the digital economy space is to tie it to the existing manufacturing sector. We're trying to leverage and encourage more start-ups in the industrial field—using IR 4.0, and so on. And it all comes back to talent.

Talent is always the biggest challenge. I mentioned this in my forum [talk] yesterday as well [Affin at Hwang-Penang Institute Market Outlook: Propelling Malaysia Forward Penang 11 November 2024]. In Penang, we're doing our best. We recently launched the Penang STEM Talent Blueprint, and essentially, what we're trying to do is have interventions at every age group and school level. The interventions start from primary school, to secondary school, tertiary education, and even at

the workforce level with lifelong learning.

The problem we face is that STEM enrolment has actually decreased. It used to be one in four children enrolled in the science stream, but now it's one in five. So, it's getting less and less. Penang is slightly higher than the national average, but it's still declining, and that's alarming—especially since we have a big industrial economy, and we're trying to move into higher value-added sectors within the industrial economy, such as IC design, research and development, and so on.

We obviously need more and more engineers and science graduates, but enrolment in science subjects has declined. This is a real problem. So, part of the Penang STEM Blueprint initiative is to have more interventions. We have the Penang Tech Dome, the Penang Science Cluster, Penang STEM, and a few other agencies that create IT programming for children in schools, starting from primary school.

So again, we need to inculcate that interest in science. I was saying this yesterday at the forum: today, if you speak to kids, everyone wants to be a YouTuber or an influencer, right? But no one wants to be the person who builds the machine, the phone, or who codes the programs. They've got their priorities wrong. And unless we can really get our kids re-inspired about science and technology—not just as end users, but as creators—then it's going to be a big challenge for us in terms of producing enough science and engineering talent for our future economy.

Dr Ooi Kee Beng: Thank you, Zairil, for those comments.

Blue Ocean, Green Technology

Dr. Ooi Kee Beng: Our next speaker is a long-time friend of Penang Institute. He promised me many years ago that whenever I needed him, he would come. And every time I've asked, he has always turned up. So, welcome back to Penang and to this Roundtable. Dr Nungsari, is of course one of the most influential economists in the country.

Dr Nungsari Ahmad Radhi, Chairman of Khazanah Research Institute

Thank you, Kee Beng. Ladies and gentlemen, Assalamualaikum, good afternoon.

I'll say two things quickly. The first one is probably more directed at the state. I think you're going to have a couple of major infrastructure projects in the coming years: the [Mutiara] LRT and the expansion of Penang Airport. Initially, I thought it was to be six stations, but now it seems like [there will be] more than that many LRT stations, and the network will also be extended to the mainland. Yeah, now it includes the airport. So, a couple of things to consider.

One, it's going to be highly disruptive, and you're going to have a lot of people frustrated during the construction period. However, I think this disruption could actually present an opportunity to do something positive. I think some of the green initiatives that John [Bulcock] mentioned, such as greening the stations and implementing sustainability, walkability, and liveability features, could be integrated during this period. While the people of Penang have to endure these two years of construction, we could make the most of it.

If you look at the construction of MRT1 and MRT2 in KL, people tend to forget about the disruptions caused by LRT1 and LRT2; and even LRT3 is still under construction. The traffic jams were already bad. But because Penang is Penang, I imagine the traffic situation here will be even worse. So, we're going to have to pay the price.

I think the state should take this opportunity to integrate liveability and sustainability initiatives, especially in relation to buses and other forms of public transport. The federal government has recently approved a significant budget for more ETS trains and improved commuter services. It's crucial that the state takes a comprehensive approach to these improvements so that, after enduring the inevitable disruption, people will see a tangible benefit.

Disruption, when managed well, can actually be a chance to create something truly significant. If we miss this opportunity, we won't get another couple of years of bad traffic jams to motivate people toward change.

The second point comes from looking further ahead. When you examine the statistics, Penang's income is slightly above the national average, but it is lower than Selangor, Johor, Kuala Lumpur, and so on. This is a factor to consider. But the other factor actually comes from looking into the past. If you look at the Lim Chong Eu family, they were one of the prominent Hokkien families around. Chong Eu actually determined that George Town began in Sumatra because the tin trade in Penang was actually linked to Medan. Up until the early 1900s, most of the tin was exported out of Butterworth and smelted in places like Medan and Phuket.

Looking ahead to 2050, three out of the five largest economies in the world will be in our neighbourhood. It's going to be China, India, and Indonesia. Of course, China and India have

historical ties with us, but Indonesia is going to be next door. I think a policy shift is needed that addresses not just the economics but also, as Muhammad raised, the demographics, and most importantly, the mind-set. One of the things we've lost—and I won't place myself in Tun's vintage; he is actually older than me—is the romantic view of Penang. What we've really lost is the sense of looking outward. Penang has always been about looking out. And I think one of the things that makes sense economically, demographically, and from a pure purchasing power perspective, is to have better bilateral, multilateral, or even trilateral relationships with neighbouring countries. Of course, the state cannot do foreign policy, but it can shape its own strategies. States can do what Chong Eu did in the past. The Pesta Pulau Pinang was essentially a collaboration between Sumatra Utara and Penang, and it became something much bigger. This brings us back to regional integration—by adding in the demand from Sumatra Utara's 15 million and Aceh's 5 million, you significantly increase Penang's potential. Penang itself, with a population of just 1.8 million, is quite small, and even with Kedah's 2 million, it is still relatively limited. But by connecting with those 15 to 20 million people, and leveraging opportunities in arts and culture, it really opens up new possibilities. I don't know why, but it just makes more sense.

The World Heritage Site of George Town could be a platform to market regional arts and crafts, not just focusing on Penang alone. Instead of a narrow focus on Penang, I believe it would make more sense, as Tun mentioned, to project an outward-looking perspective. This approach would not only make economic sense but also expand purchasing power by tapping into the broader regional market. If we limit ourselves to Penang's demand alone, we will be constrained by its upper limits. However, by reaching beyond Penang to Medan, the southern part of Thailand, and other regions, we can truly grow.

For example, Phuket Airport handles nearly 15 million passengers per year. By connecting Penang's offerings to such high-traffic hubs, we can further expand opportunities.

Phuket Airport already handles 15 million passengers per year, while Penang Airport is currently at about 6 million passengers annually. With the ongoing expansion, Penang Airport is expected to increase capacity to 12 million passengers per year. However, looking ahead to 2050, even with the completion of the Bayan Lepas airport expansion, it's clear that this could be a progressive increase from 6 million to 12 million, then 12 million to 18 million, and potentially 18 million to 24 million passengers in the longer term. Maybe you have to acquire land on the other side, to cater for the numbers moving from 18 to 24 million. So it's not just about the airport; it's about the state government, too. We have to think beyond Bayan Lepas; otherwise, every other year, every other election, there might be some chief minister of Kedah or Perak coming up with a new idea of having a new airport somewhere. So we need to improve connectivity, but we also need to improve integration with the region.

So that's the original bit. I'll end with one key thing, and I don't know how the state is going to do this, but the key to growth on the industrial side, would be Bayan Lepas, Batu Kawan, and Kulim. Penang has done well with the water issue with Perak. If we can only work with Kedah, we can basically carve out that south-eastern part as an industrial conurbation and really do something. Batu Kawan is done, it's finished. If you can do Bandar Baru, Kerian, and Kulim, that would be the core, and that could be something bigger than anything else available in the region.

On the green agenda, I'd really like to support John's proposal. The airport is going to be a green airport, so it might as well be green everywhere else, including the MRT. It's also going to be a digital tower airport, maybe the first airport without a tower, so we should angle it as "modern".

I like the whole idea of positioning Penang as a hub for arts and culture, though I think we've become a bit too tight. Penang people used to be a bit looser, a bit more chill than they are today. So, I'm not sure how we can about doing that. Thank you.

Dr Ooi Kee Beng: *Our next speaker is Dr. Essam from World Fish. In connection with that, I'd like to mention that Penang Institute brought the World Seafood Congress to Penang in 2018. We organised that significant conference here. That was when we seriously realised the existence of World Fish, and that it was well-established here in Penang.*

It has been here for 25 years, but most Penang people don't know that it is based here. Apparently, it was a World Fish policy to not get involved locally. I'm not sure if that's true, but over to Dr Esam of World Fish as our next speaker.

Dr Essam Yassin Mohammed, Director General of WorldFish

Thank you very much, Chair. No, you're absolutely right. The mandate of World Fish is global in nature. We are an international organization, as I mentioned earlier, established about 50 years ago in Hawaii.

Then we moved our headquarters to the Philippines, and in 2000, by presidential decree, we relocated our headquarters to Penang. A lot of people ask me: Of all the places in the world, why Penang? I don't have an answer for that, but I'm so glad we are here. I've been here for four years now, and I have two young children. I asked them the other day, "Where are you from?" and they

said, “From Malaysia.” It’s fantastic! We may take this for granted, but you can’t say that in many places in the world. For the children to feel at home here—it’s really an immense pleasure for me. So, about World Fish—there are a few things I wish people knew about what Penang means, from a World Fish perspective.

Here’s a quick question: How many of you have eaten tilapia at least once in your life? What if I told you there’s a 50% to 70% chance that the tilapia you ate came from World Fish’s genetic material? That’s right—there’s a 50% to 70% chance that the genetic material of that tilapia came from us. What that means is that we have a genetic improvement programme at World Fish. One of the flagship projects we had in the 1990s was the genetic improvement of tilapia, and this is the fastest-growing tilapia strain in the world. And that genetic material is sitting in our facility in Batu Maung.

And this is the world-famous strain of tilapia, right? This is the significance of Penang for us. Another key aspect of Penang’s significance is the FishBase fish database system. Essentially, if you want to know anything about any kind of fish in the world—its population dynamics, when it breeds, when it spawns, how big it grows, and so on—you just go to FishBase database to learn about it. This database is visited by nearly 1 million people every month and is the most cited database in the world. That’s also sitting in Batu Maung.

I’m sharing these examples because what you said really resonated with me, especially when it comes to positioning Penang as an innovation hub. How do we position Penang in the world of innovation, science, and technology? I think, from our perspective, it already is. It has a conducive environment.

World Fish has a lot to offer. And next year, we’re planning to launch a regional hub for digital and data innovation in fisheries and aquaculture. We’re collaborating very closely with the Department of Fisheries of the Ministry of Agriculture and Agro-Based Industry of Malaysia, who’s our main patron here in Malaysia. Next year, there will also be a conference, with major economies and their representatives coming to Penang as part of the 25th anniversary celebrations, marking 50 years since our inception. So, I really wish World Fish can gain more visibility among the Penang community.

And to be honest with you, since I assumed this role about two years ago, my first motto has been: How do we become relevant in Penang first, in Malaysia second, and in the world third? Right? Our approach has always been, as you rightly said, outward-looking, a global approach. So, with that said, I move to the issue of the Blue Economy... I remember when we first started on the Blue Economy in the early 2000s, I quickly googled what Blue Economy meant at that point.

Blue Economy meant digital innovation, you know, in terms of things like machine learning and AI. Everything was lumped up and called Blue Economy. If you Google “Blue Economy” today, the first thing you see is about the ocean-based economy. And in that context, we’re speaking today about the ocean-based economy, and there’s a lot of interest in the Blue Economy. The Sustainable Development Goals have a stand-alone goal—Goal 14—that calls upon member states to sustainably manage their marine and freshwater ecosystems, particularly fisheries. So the momentum has grown over time, with increasing recognition of the significance of the Blue Economy to national economies, societal well-being, amenities, agricultural services, and many other services. But with the Blue Economy, you can always grow your GDP regardless. If I go to the sea and harvest the fish, GDP will go up. There’s no shred of doubt about that. If I go and clear my mangrove forest today, my economy will go up. I can guarantee you that, because GDP is directly proportional to our expenditure. So, whatever we spend, whether it’s destructive or constructive, our economy will go up.

So the thinking behind the sustainable ocean-based economy is: How do we utilize or exploit marine and coastal ecosystems sustainably over time. When you think about the next generation, and the generations to follow, how do we ensure that we treat the ocean as a natural asset or capital? If I owned a factory, whatever revenue I’m making and whatever profits I’m generating, I would inject something back in order to maintain the machinery in the factory, etc.

Similarly, in natural capital, what we’re pushing forward is a change in mind-set—seeing it as economic infrastructure. Therefore, we must reinvest in it so that it can enhance its provisioning capacity.

One of the most critical issues that we did not talk about today, and I thought would come up, is that Penang is famous for food, right? And in the world today, we have a growing population, our natural systems are under distress, and there’s the risk of climate change, and so on. So when we talk about the future, we need to think about our food systems. How do we continue to feed our population in the future, especially if many young people are moving away from the production of food in search of more glamorous urban lifestyles? Who’s going to feed our population? And can we afford to rely on others to produce our food?

As long as we can afford to buy it, that’s okay. We can always import food. But we’ve been through a pandemic recently, which created a lot of disruption to the food supply chain, and to food systems in general. Therefore, as we look to the future, how are we preparing our societies to feed themselves? As we think about the Penang of tomorrow, I believe attaining food and nutrition security, or self-sufficiency, is going to be incredibly critical.

Now, to conclude with a third point, and I think some of you mentioned this, let me end by referencing the potency of fiscal tools. I think, YB, you mentioned this, and Soo Hoo as well. I generally believe one of the most potent tools that governments have is fiscal policy. Once we know what we want to do in the future for sustainable management of food systems in general, we can align our incentives and investments.

To nudge some good and sustainable practices, for example, we have mushrooming fish farming plants. If you cross the two bridges in PEnang, you'll see an awful lot of cages out in the ocean. Do we have a policy to regulate those? For example, do we do any impact assessment of those projects? And if so, how rigorous is it? Could we incentivize fish farmers who are working so hard, to make their practices sustainable? Best management practices, regulation of feed, and antibiotics that are injected all the time—how do we incentivize good behaviour through fiscal allocations, for example, subsidies. Are they a free-for-all, or are they only for those who are practicing stable and sustainable methods?

I think deploying these kinds of fiscal tools, whether it's through fiscal ecological allocations to states or to individual farmers, can nudge our societies in the right direction towards sustainability. With that, let conclude my intervention. If there are any questions, I'll be happy to take them. Thank you.

***Dr. Ooi Kee Beng:** Thank you so much. Some of you are looking at your watches, but we're fine with the time. Tun has agreed that we can wait with lunch for a while.*

The next speaker is Allen Tan. Allen is someone I met when he came back from Hong Kong many years ago to work for Penang Hill Habitat. To me, he is one of the major environmentalists active in Penang. Over to you, Allen.

Allen Tan, Environmentalist

Yes, I realize it's a bit tricky because I've just recently stepped away from my role at the Habitat. I was the founder and the project director from the start. I helped build it, planned it, and implemented the project. Then, I was the founding MD for several years until recently.

But let's go back to the topic of today, which is Penang's infrastructure beyond 2050.

What I hope for Penang in 2050 is that we fully embrace nature as being central to all our

decision-making. Whatever we do, whether it's looking at socioeconomic benefits for society or protecting the environment, we should always consider the impact on nature. By doing so, we're not just conserving and protecting the environment, we're actually protecting ourselves. As John touched upon in his presentation earlier, the ecosystem services that nature provides us with—services we don't have to pay a cent for—are critical to our wellbeing as a species. Not just wellbeing as a society or community, but as a species, be this water catchment, forest providers, oxygen, or carbon sequestration. And being able to swim off the beaches of Penang again... I always have to apologize to my foreign guests that Penang's beaches and the sea aren't so great for swimming.

However, our sunsets are still beautiful. I always say that as a consolation. Unfortunately, I do remember the days when Rasa Sayang still had a beach, and I spent many a day there with my friends, enjoying the sunset, and happy hour, just relaxing. I remember the days when I used to wander... Thankfully, I can still do that. I used to go without a mobile phone at the time and hike the trails of Penang Hill solo. I wouldn't do that now. But I believe that if we can make that mind-set shift, where we consider nature in all our decision-making, we will not just be helping nature—we'll be helping ourselves in the process.

And as usual, Penang will take the lead. I commend the Penang State Government over the last three cycles for really being people-centric, listening to the people, and taking the lead. From the fact that you can now walk on a protected walkway from Batu Feringgi to Tanjung Bungah, all the way to George Town, with a security fence along the way. From there, you can continue onto Gurney Drive. Northam Road is still a little section that needs to be addressed, otherwise you can get to George Town on a proper world-class pavement with a guiding strip for the visually impaired. And you can also cycle from George Town all the way to Batu Maung. I think this has to be commended because not many governments in Malaysia, at least, would think of achieving something like that. They might think about it, but lack the political will to carry it through. YB himself, as I believe he has said, will continue to strive to serve his constituents in Tanjung Bungah to make it one of the most liveable, first-class districts on the island.

I really do commend all the efforts that have been put into making Tanjung Bungah, Tanjung Tokong, and Burma Road areas highly liveable neighbourhoods. Of course, I'm taking a very island-centric view here, but inevitably, I'm a Penangite at heart. That said, I think Tanjung Bungah is a great example of where the needs of nature are balanced with the needs of development. You can see some of the most wonderful apartments and condos all along the coast of Tanjung Bungah and Tanjung Tokong, but that hasn't negated the investment in green spaces, in the protection of green spaces, and in public infrastructure, especially pedestrian-friendly infrastructure. I think this is key if we think from a pedestrian-friendly perspective. For example, I remember when

Gurney Bay first opened, crossing the street on the zebra crossing from Ascott Hotel to Gurney Bay was tantamount to taking my life into my own hands, not to mention that of my 5-year-old. I'm so happy to see that there is now a pedestrian crossing with proper pedestrian lights at the intersection crossing from Ascott over to Gurney Bay. I think that's very, very important. The answer to this mind-set shift, which I referred to earlier, comes in two main ways. As Dr. Essam mentioned, public-private partnerships play a key role. The Habitat Group is a good example of that, and of course what we've done at The Habitat Penang Hill. That started as an initiative on Penang Hill but has now taken on a life of its own, going beyond our shores and beyond our state. Contributing towards protecting biodiversity and the environment is the central purpose of our existence as a company, as a private enterprise. I should say "they: now, since I recently stepped away from my role.

But the Habitat Group has really shown and demonstrated how business can be a force for good. The revenue we generate from The Habitat Penang Hill park, which is a rainforest discovery centre and nature education centre, goes back into supporting community groups, NGOs, and academic institutions. This is done in tandem with our partners at Think City, Khazanah, and Yayasan Hasanah to empower communities. This is the second critical element, and I know it's a big part of the SDGs. The focus of the SDGs is on empowering communities, listening to them, and recognizing the importance of the people on the ground who are doing the work. For example, the way YB Zairil has in Tanjung Bungah and Permai enabled the Langur Project Penang to install the second arboreal crossing bridge for arboreal animals. It's highly visible compared to the first one on the Teluk Pahang coastal road. I think, in this context, what they did is very important. It shows how government policymakers, those in power, and those with a platform can empower communities and listen to them; all the answers are there.

I always think about plastic, especially single-use plastic, and how, even when you go to the wet market nowadays in Penang, we are national leaders in the elimination of single-use plastic. However, when you go to the supermarket, you're more likely than not to get your vegetables put into one small plastic bag, and then that plastic bag is put into another plastic bag for you to take home. And I think to myself, what did our parents do? What did our forefathers do? They didn't need so much plastic.

Maybe the answers actually lie in looking back to look forward as well. Thank you.

Dr Ooi Kee Beng: Okay, we're now at the last speaker. Dr. Ng Shin Wei, you're also one of those I met after coming back eight years ago. And I see you and Allen as two environmentalists actively involved in Penang. You brought your family back to

Penang because you thought life here was better than in London, right? To those who don't know Dr Ng, she was a consultant from UCL living in London, and she decided to migrate back to Penang with her family. Over to you.

Dr. Ng Shin Wei, Project Manager of Penang Green Council

Thank you for inviting me to participate in this. I am representing Penang Green Council, a state agency focusing on promoting environmental causes in Penang. We are working through two arms. One is mostly policy advocacy and formulation. The other is through environmental education and outreach. Today, what I'm proposing might be a bit dry and boring, as I'm actually not touching on real infrastructure, but about rubbish—about waste.

I would like to propose that Penang state develop a waste industry that attracts investments and promotes a circular economy. Let me start from the beginning.

When we talk about infrastructure, we understand it as the structures that facilitate the smooth running of society and the economy. However, the definition of infrastructure evolves over time because society and economic structures change. Infrastructure also provides protection and security, and in this case, I would argue that waste infrastructure could not only provide a new source of economic growth but also help us prepare for future challenges, such as climate change and resource depletion.

For example, people are now discussing the possibility of China setting up a base on the moon to mine resources. But what do you think will be cheaper in the long run—buying minerals brought back from the moon or recycling those same resources locally? This is what we're proposing. Penang has already made strides in areas like reducing plastic waste, especially with initiatives like refusing plastic bags at supermarkets. We're also making efforts to phase out single-use plastics, starting with drinking straws.

But we can do much more. While the current efforts like reducing plastic bags are important symbolic gestures that help raise awareness, we need a more comprehensive approach. A waste industry policy in Penang should be part of our infrastructure development. At the moment, waste management is still largely reliant on landfills, and our landfill is filling up. We need to invest in new infrastructure, but from our perspective, the priority shouldn't be waste-to-energy solutions. While waste-to-energy may seem attractive—just burn the waste and generate energy—it's a short-term fix that doesn't address the bigger picture of circular economy principles or resource efficiency.

For us, the priority should always be reducing waste. If you can avoid using a plastic bag, don't use one. If you can't avoid using packaging, then at least ensure it kept within the economy through recycling and reuse. Waste reduction is our first priority, but when waste is unavoidable, we must ensure it doesn't end up in landfills or the environment. Instead, it should be reintegrated into the economy through responsible recycling and reuse practices.

Currently, we have an ad-hoc, hands-off approach to waste recycling in Penang. While we do have some well-known recycling companies, like Shan Poornam and others, these businesses are not thriving because of government support—they are successful because of market demand and the opportunities available to them. What we're proposing is for Penang to have a proactive waste industry policy that not only supports local needs but also serves the entire northern region. This would involve understanding the composition and needs of our waste, especially from key sectors like manufacturing and services, to create a more structured, efficient recycling ecosystem.

While Penang has made progress in recycling, a significant amount of waste still goes unaddressed. This is often due to a lack of infrastructure to collect certain waste types, insufficient demand for recycled products, or challenges in the market for recycled goods. To address these issues, we propose that the state focus on a waste industry policy that goes beyond just building the necessary physical infrastructure.

This policy should include initiatives to foster demand for recycled materials, incentivize market creation, and promote research and development (R&D) to support industries focused on waste collection, reuse, recycling, and repurposing materials. By doing so, we can create a sustainable industry in Penang that not only supports the local economy but is also resilient for the long term. As resource depletion becomes a more pressing issue, we must prioritize developing a circular economy where materials are kept in use for as long as possible. The demand for this kind of infrastructure and industry is already there. The challenge is whether Penang is ready to go beyond the easiest, short-term solutions and invest in building an industry that will benefit the environment, the economy, and the livelihoods of our people for decades to come.

CONCLUDING REMARKS

Dr Ooi Kee Beng: Thank you, Shin Wei. Everyone has had their 10 minutes or so, so we're now at the final comments. I ask YB Zairil if he has any remarks on the last four presentations.

YB Zairil Khir Johari: I think not much—I’ve already said a lot today. I just want to thank you for bringing up the bridge we built for the monkeys in Tanjung Bungah. So I’ve built infrastructure not just for humans, but also for primates. Now, the next step is to give them IDs so they can work for me. *[Laughs]*

Regarding waste policy, creating a waste industry is actually a very interesting and fruitful idea. Perhaps more discussions can be had on this. The only issue I see is that right now, the federal government is putting a lot of pressure on Penang and Selangor to do the opposite of federal devolution—essentially to give up our waste management powers to the federal government. So, if that happens, obviously waste management will no longer be under state control. If you want to intervene, you may need to engage more with those in charge.

Overall, I’d like to thank everyone for sharing their opinions. I see there’s a lot of alignment, not just within this room, but also with what the state is doing. As TYT Tun mentioned earlier, the Penang2030 Agenda, not 2050, but 2030, as outlined by our Chief Minister, generally aligns with the views expressed here. The tagline, “Penang as a green and smart state that inspires the nation,” encapsulates the concept of Penang’s exceptionalism while also pointing towards more sustainable solutions and infrastructure.

You know, bearing in mind the challenges we face in the 21st century, which include issues like waste management and others, mobility is a very important topic that was raised today by many people. I think there are opportunities, as Dr. Nungsari mentioned, within the traffic jams that will be created, not just on the island with the LRT, but also on the mainland with the Juru Sungai Dua highway construction. This will create simultaneous traffic jams on both the island and mainland. But, you know the JKR slogan, “Hari ini sedikit kesulitan, esok lebih selesa” (Today’s difficulties for better comfort in the future), reflects the reality. These are infrastructure projects that we need, and to be honest, we’ve been owed this infrastructure for years.

The Penang LRT has been discussed since 2007; that was the first time it was announced. However, when Barisan Nasional lost the government in 2008, the project was cancelled. Similarly, our airport expansion was also cancelled after the Sheraton Move in 2020. When we took power in 2018, even if just for a short time, we approved the expansion of Penang Airport. This decision was purely based on merit and economic reasons—the airport was already over-burdened, and we had to expand. You’d think that would be the natural course of action, especially since it would also generate more revenue for the federal authorities, as Penang Airport is one of the highest revenue earners for Malaysia Airports Holdings (MAHB). The project had progressed to the stage of receiving planning permission and building plan approval, with work just awaiting commencement. But that was when the federal government cancelled it because the government

had changed. So, again, these decisions are very arbitrary and politically driven. If we want to build a better future—not just for Penang, but for Malaysia in general—we need to address the root of these problems. I’m not saying we can solve it overnight, but problems can only be solved when people come together and push for change.

Thank you very much. I appreciate all the insights shared here today, and I truly hope we can continue keeping the conversation going. I’m very glad. Thank you again.

Dr Ooi Kee Beng: Before Tun fuzi gives his closing remarks, I would like to first thank everyone from Penang Institute for their work, and for making this event possible. To keep the conversation going, we should continue engaging with each other, even at an individual level. We all know each other, and we have our WhatsApp groups and so on. So, thanks again for all the remarks. I should admit that our secret agenda is that, after hearing all of you, my group now has enough ideas for the next two years or so, so we don’t have to work so hard. We’ll just keep picking your brains. Thank you again, and now I’ll hand over the mic to Tun Fuzi for the closing remarks.

TYT Tun Fuzi: Thank you very much. I just want to mention one or two points. Firstly, I’d like to echo what was just said and thank all of you for your participation and for attending this Roundtable. I think it has been very useful. There have been quite a few proposals made—some general in nature and others more specific.

I think what needs to be done now is for Penang Institute to compile and assemble all these points together. I know that YB Zairil has already responded to some of the points made. What we need is a communication channel where we can convey the proposals made in the form of a paper, which could then be presented, perhaps, to the EXCO. I’m not sure who the best EXCO member to deal with this would be, but for the time being, we can likely count on YB Zairil to champion this particular cause on our behalf. He holds an executive role and would probably be the best person to carry this forward to the next stage.

Now, I just want to briefly share the conversation I had with the Finance Minister yesterday. We touched on many issues, but specifically on Penang. I did mention to him, of course, the request made by the Penang State Government. He took note of it, but I don’t think we can foresee the federal government allocating that kind of funding to the state. However, I did tell him that we need to have some discretion in undertaking certain projects in Penang independently from the federal government. We can’t do that if we’re not allocated sufficient funds, like what Sarawak and Sabah, which are benefiting from such allocations at the moment. Perhaps they should consider allocating maybe one billion per year to the state government of Penang to allow the state government to pursue some of its projects.

You mentioned education. You can't think of autonomy in education if you don't have the resources to undertake specific proposals related to education, particularly.

What's important now is for us to continue engaging with decision-makers and policymakers. We need to be strategic in this regard. This is something that Penang Institute, together with the state government, can work on—engaging with the federal government. We need to have this process of buy-in, getting them to agree to some of the proposals we've been articulating for their consideration.

These are the two points I wanted to mention. So, once again, thank you very much to all of you, and I hope lunch is ready.



www.penanginstitute.org