



FOR IMMEDIATE RELEASE

Press Statement of George Town World Heritage Incorporated on concerns raised in the *Laporan Ketua Audit Negara: Pengurusan Syarikat Kerajaan Negeri Pulau Pinang 2016 (Siri 2)*

28 November 2017

This statement is issued to clarify some of the raised concerns on George Town World Heritage Incorporated (GTWHI) in the recently published “*Laporan Ketua Audit Negara: Pengurusan Syarikat Kerajaan Negeri Pulau Pinang 2016 (Siri 2)*”. The audit exercise which commenced since June 2017 was conducted with full cooperation from the team at GTWHI. We have responded fully, responsibly and honestly with the National Audit Department and have complied to all their requests and requirements despite our busy, and at times, unpredictable working schedules.

As rightly stated in the report, GTWHI is the site manager established by the State Government of Penang with the responsibility to maintain, promote and conserve George Town UNESCO World Heritage Site. Being the leading World Heritage Site Manager in Malaysia is never an easy task, as our function is so unique and niche that we have no precedence to refer to. Therefore, we are making new milestone with each move. We face challenges on daily basis, but we never give up. After I was appointed by the State Government of Penang in November 2015 to lead the new management, many reform strategies to promote effectiveness, efficiency and efficacy have been introduced. These strategies are inspired from experiences at other parts of the world, but with a twist to adopt and accommodate to the identity and resources made available to George Town.

The 46 pages full report by the National Audit Department's investigation from 2014 to 2016 can be downloaded online ([link](#)). The report has shown progressive improvement of our office. The National Audit Department in the said report opines that GTWHI's financial performance is satisfactory with positive overall cash flow compared to previous years. On top of that, GTWHI has also prepared quarterly financial report which is supported by Statement of Revenue and Expenditure to the Board of Director in every Board of Director's Meeting.

Further from that, the General Manager and Finance Officer submit written report and engage in consultation with the State Finance Officer after every Board of Director's meeting for advice. As a method to strengthen our financial planning for the future, GTWHI take careful deliberation in ensuring the staff's participation in budget planning. We also review our financials every six months to compare between the actual and budgeted amount so as to measure the performance and degree of project implementation. The National Audit Department also acknowledged that

GTWHI has conducted at least 31 projects and programmes between 2014 and 2016 as part of our efforts in safeguarding and conserving the site.

To further inform the public on the raised concerns, here are some of the strategies GTWHI is currently conducting to improve the procedural and processes of our projects and management:

1. New Standard Operating Procedures (SOP) have been introduced and the management will continue to improve our working procedures with inputs from all staff. Some of the SOPs which have been introduced are on project budget preparation, project management, asset management, and so on. The management aims to set SOPs that enhance competency, accountability and transparency of our works which at the same time also enable us to manage George Town UNESCO World Heritage Site professionally and effectively.

2. Since 2016, the management has accumulated inputs from staff of GTWHI in preparing comprehensive reports to our Board of Directors. Board Papers on new projects are prepared to seek for consideration and approval from the Board of Directors before any project is executed. From 2017 onwards, all our appointments of consultant or contractor are only conducted with permission from the Board of Directors. I hope by sharing these processes, more people, in particular our critics, can understand that accountabilities are in place before any project is executed.

3. The George Town Festival is the leading arts festival in Malaysia, and has successfully promoted George Town UNESCO World Heritage Site to the world. Meetings have been conducted with full cooperation from Joe Sidek Production Sdn. Bhd.--as the duly appointed contractor--to improve on the reporting and documentation of this festival. The details of the contract, appointment letters, assets and other issues raised by the National Audit Department will be presented for approval to our Board of Directors in a meeting scheduled on early December 2017. GTWHI will continue to supervise and ensure that George Town Festival is conducted in accordance to the signed contract as approved by our Board of Directors.

4. GTWHI takes note on the suggestion from the National Audit Department in restoring dilapidated buildings in George Town UNESCO World Heritage Site utilizing the donated money from external agency. According to the field survey conducted by GTWHI in 2016 and 2017, the ratio of dilapidated buildings within our Site has reduced significantly from approximately 10% in 2008 to only about 2% in 2016. This is a shared effort from the premises owners for willing to invest on the relatively expensive restoration and conservation of heritage buildings. While we are studying on the suggestion from the National Audit Department in restoring these dilapidated buildings, GTWHI also wish to highlight that such efforts can only be done with full cooperation from the buildings' owners, which might involve these owners surrender their right of properties to GTWHI before any action can take place



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I would like to thank all contributing parties in the preparation of our responses to National Audit Department over the past six months and I take this opportunity to invite our stakeholders and critics to understand that running a site management office can be more challenging and complicated as they have imagined.

GTWHI team is committed to improve all issues raised in this report and will continue to perform as the best World Heritage Site manager in Malaysia. We have taken immediate action after receiving comments from National Audit Department by restructuring and enhancing the capacity of our team. We have also implemented new procedures to improve our corporate decision making and project supervision's procedures and processes. We will continue to increase our collaborations with international agencies such as UNESCO and ICHCAP of Korea as part of our efforts to achieve our given missions.

DR. ANG MING CHEE

General Manager

George Town World Heritage Incorporated

(Who is currently representing Malaysia in attending UNESCO Global Action Programme on Education for Sustainable Development and Cities in New Delhi)