Chapter 3 provided several examples of the planning and management of urban heritage areas and their resources. This chapter describes the experience of George Town, where the government directed a top-down planning exercise, as expected of a World Heritage property. The process had significant government attention and investment, both financial and technical. Chapter 6 is organized around the topics presented in Figure 6.1.

**Figure 6.1**: Chapter 6 topics

**Context**

The island of Penang in northern Malaysia (Figure 4.2) has hosted a strong tourism industry since the 1970s when the state government decided to develop the tourism industry to complement local manufacturing, as part of a strategy to generate jobs. This policy resulted in the development of the island’s north coast as beachside resorts, which until the mid-1990s made Penang a top tourism destination. This beachside resort model was copied widely throughout Southeast Asia, resulting in competition from neighbouring countries, including Thailand.
and Indonesia. Meanwhile, Penang’s own appeal was undermined, however, by over-development and pollution.

Figure 6.2: Penang

To counter their loss of a competitive advantage in the beach tourism market, the state government diversified its tourism base, through encouraging conventions, exhibitions and medical tourism. This diversification strategy had only marginal impact at first, but became a success following the inscription of Melaka and George Town on the UNESCO World Heritage list in 2008. Visitor growth and diversification has seen heritage tourism in Penang become a key market segment. A 2015 survey by Penang Global Tourism indicated that over a quarter of all tourists visited a heritage attraction during their visit to Penang. Given that as of 2017 Penang was receiving over 6.3 million hotel guests per annum (up from 5.1 million in 2007), it can be inferred that heritage is a drawcard for more than 1.5 million tourists each year (Tourism Malaysia, 2017).

Prior to the inscription of Melaka and George Town as World Heritage in 2008, the development of industrial hubs and suburbs outside the city centre, coupled with a low-income tenant population in the inner city, had led to a hollowed-out heritage core, with dilapidated building stock. A conservation and revitalization strategy, based on the renovation of neglected historic building stock and a reinvigoration of prevailing but threatened traditional trades, formed the basis of the city’s World Heritage application. The successful listing provided an opportunity for the conservation and restoration of 5000 heritage buildings in the designated conservation district, as well as investment in new economic activities in the area through adaptive re-use of historic structures.

This strategy led to the introduction of the concept of a ‘greater conurbation’ planning catchment – as envisaged through the World Heritage inscription
process. Taking into account the World Heritage property and its immediate conurbation, two things come into focus: (i) the catalytic effect of using World Heritage inscription of a small area to drive development in a larger area; and (ii) the achievement of growth through land use diversification.

The Greater Penang Conurbation concept became the basis of several planning documents, which envision the gradual application of the planning and development principles espoused through the World Heritage Convention (UNESCO World Heritage Committee, 1972) and its operational guidelines throughout greater George Town. This approach is also designed to relieve pressure (both developmental and tourism related) on the World Heritage historic core and channel resources to neighbouring areas. Thus, heritage conservation is a consciously planned driver of development, including diversified and expanded use through visitation and tourism.

As of 2018, many of George Town’s heritage assets have been conserved to varying degrees of authenticity and the city of George Town has improved its public amenities, which service both visitors and residents alike. George Town today has a number of heritage-related businesses, including boutique hotels and cafes, and restaurants specializing in local, traditional cuisine. Visitor numbers have grown and, importantly, visitors are now spread across the annual calendar, resulting in less seasonal fluctuation than in the past and fewer hotel vacancies.

As experienced elsewhere, however, UNESCO World Heritage listing has been a double-edged sword. On one hand, it has spurred investment in building conservation; generated new job opportunities for conservation-minded architects, builders and crafts people; and has given rise to a better standard of service in the hospitality industry, as well as innovations in the form of boutique heritage hotels and traditionally-themed restaurants and cafes. On the other hand, the focus on the conservation of built heritage, which became a local political priority after the repeal of rent control and the consequent threat of massive developer-driver urban renewal to replace Penang’s characteristic traditional architecture, resulted in higher property prices within the protected World Heritage district and the pricing out of vulnerable communities. As more than 70% of George Town’s small businesses and residents had been renting their premises prior to UNESCO listing, they were driven out by property sales, which had a negative impact on living heritage (Geografia, 2010. Thus, while the listing put Penang on the world map, giving a boost to tourism, all of this came at a price to the city’s long-time residents.

The integrity of the nominated areas in Melaka and George Town is related to the presence of the elements expressing their outstanding universal value. As of 2018, the properties have largely retained their authenticity, and their listed monuments and sites have been restored with appropriate treatments regarding design, materials, methods and workmanship, and in accordance with conservation guidelines and principles.