

## Preservation of Cultural Heritage

### - A Joint Effort of Government & Commercial Sector

2004 PECC 2<sup>nd</sup> Eco-Tourism Forum – Speech of Ms Pansy Ho  
9 September 2004 Shangri-la, Diqing, Yunnan, China

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Mr Governor, Mr Wu Deping, Mr Khalid Malik, Mr Pedrosa, Distinguished Delegates and Guests, Ladies & Gentlemen,

I come from the Macau SAR of China where tourism accounts for over 80% of its GDP. As a fellow tourism industry stakeholder, I firmly believe that ultimate commercial success of tourism rests on good practice and conservations on the part of the private sector in its role of a responsible global citizen.

Although my immediate area of involvement in tourism is not exactly Eco-tourism, I would like to share with you my experience and observation in successful joint efforts developing cultural tourism between the government and commercial sector. Since Macau is only part of China, let's first talk a bit of the arrival of a new concept for the cultural and eco-tourism in China.

As our Country's economy rapidly develops, people's living standard improves. Alongside this enhancement in living standard, there is an urge to continue self-advancement through our cultural and heritage awakening and exploration as well as appreciation for our Country's vast natural endowment. The demand for cultural tourism and eco-tourism naturally soars. Cultural and heritage sites have become hot spots in the tourism market, which makes conservation programmes even more imminent than ever.

The Central Government pays much attention to protecting our natural and cultural heritage. At the 28<sup>th</sup> Session of the World Heritage Committee held in Sushou, China, President Hu Jintao reminded us in his speech, saying: ".....Strengthening World Heritage Conservation is a mission the international community cannot delay anymore." Both the Central Government and respective provincial governments have decreed a number of ordinances governing the protection and maintenance of cultural heritage, and regulating the development of heritage sites (such as the Law for the Preservation of Cultural Relics and the City Planning Rule). Moreover, the China Government has been actively exchanging ideas with counterpart countries; through organizing international conventions and activities on cultural heritage protection.

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China is one of the four ancient civilizations in the World, we have over 5,000 years of history and rich ownership of cultural heritage. As of today, we have already had 30 sites of natural and cultural heritage inscribed in the UNESCO's World Heritage List; ranking the third among all the UNESCO World Heritage countries. Moreover, nearly 100 other locations and sites are due to be proposed as World Heritage.

To be inscribed in the World Heritage List means international recognition, opportunity for tourism branding and marketing, and economic benefits. Take Ping Yao of Shanxi Province as an example, ever since it was inscribed as a World Heritage, its annual revenue from the tourism sector rose from Yuan 180,000 (RMB) to Yuan 5 million (RMB). Notwithstanding such economic benefits, however, instances of cultural heritage being damaged in the name of development seem unavoidable. Cultural heritage is history, and once ruined, they cannot be restored.

Cultural heritage are also shared resources and wealth; it belongs to the country as well as its people. The people, therefore, have their shares of responsibility to protect, manage and promote their very own cultural heritage. The conservation of such should be a total participation of the country from both the government, on a strategic and directional level, as well as from the community on a participative and co-operative level.

It is a common practice in Europe that cultural heritage conservation is championed by non-government and private sectors. In France, more than half of its cultural heritage sites, such as the Eiffel Tower, are managed by private sectors. And in Italy, the government is only responsible for conserving and maintaining the heritage properties while private enterprises manage and operate them.

The commercial and private sectors, indeed, should be in the forefront in supporting cultural heritage conservation. Should enterprises care only for short term business expansion and profit-making, and work against long-term goals and missions, the continuance of our cultural heritage would be at risk. Considerable effort should therefore be put into the conservation of cultural heritage by the same commercial operator benefiting from cultural tourism so that an optimal economic effect can be achieved and a sustainable growth can be secured.

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#### **A Case Study of Successful Co-operation between the Government and the Private Sector's on Cultural Heritage Conservation**

The commercial and private sectors in Macau have long been actively co-operating with the government in fostering heritage protection and supplementing its heritage protection policies.

#### **(1) The Relationship of Macau's Tourism Industry and its Cultural Heritage Conservation**

Although gaming-led tourism forms the "core industry" and main GDP contributor of Macau, the SAR government has been committed to investing much resources in the continued development of its overall hospitality infrastructure and its cultural tourism. The number of tourists visiting Macau increases year-by-year and in 2003 the number has reached over 11 million, by end of this year to reach 15 million. With the introduction of CEPA and implementation of the mainland's "facilitated individual travel (FIT)" policy, the growth rate of visitors to Macau is expected to remain at a relatively high level.

While Macau's tourism industry prospers, its heritage conservation programme is also healthily unfolding. Under the clear direction of the Macau government, the SAR's overall development policy is formulated with heritage protection and conservation in mind. The SAR government has been using various channels and formats, through both public and private domains, in promoting and enhancing the community's awareness on cultural heritage conservation. Foundations and scholarships for heritage conservation have been set up by the Macau government to generate and encourage public awareness and involvement, thereby imparting a stronger sense of social responsibility from among its people.

As a testament to its dedication for preserving its cultural heritage, Macau SAR Government has applied for inclusion into the World Heritage List for its clusters of heritage properties. With the tremendous support from the Central Government, Macau launched its promotional initiatives for the application of World Heritage Inscription in July 2001. The application included a cluster of 12 heritage sites, such as the Barra (A-Ma) Temple and the Ruins of St. Paul's, which demonstrated the unique cultural integration of the East and the West that co-exist harmoniously in Macau for over 450 years.

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#### **(2) Specific Strategies and Methodologies**

##### **(a) Government's Master Planning Future Development with Private Sector's Input**

In Macau, there is a strong mutual understanding between the government and the private sector with regard to the strategy for future development. The Macau Government Tourist Office leads a Steering Committee, which comprises both government officials and representatives from the commercial and industrial sectors. Through participating in the Steering Committee, the commercial sectors are kept well informed of the government's direction on culture and tourism development. Commercial operators and investors are encouraged through grant of land and development rights of new and expanded hospitality facilities and services to complement the government's master planning. Since the government has been clear in laying down long term strategic plans and policies in its culture and heritage programmes, it further stimulates private investors' own interests in the construction and development of a number of mega projects that further enrich the tourism component of Macau. Such projects include: the A-Ma Cultural Village, the Macau Fisherman's Wharf and Ponte 16, etc, which add up to an investment of over MOP5 billion.

##### **(b) Maximizing Productivity by Combining Government and Private Sectors Resources and Skill Sets**

Government and private sector should share financial resources and creative skills to fund and promote cultural activities and heritage conservation. As I have mentioned earlier, Macau's overall development policy is formulated with heritage protection and conservation in mind. With the opening up of the gaming industry in Macau and various new gaming facilities in place, not only is there an increase in the city's income from gaming tax, but also the resources for heritage protection. Gaming Concessionaires are required to set aside funds for the promotion and development of culture and tourism, which is indeed ingenious and instrumental in fostering a healthy and long-term heritage conservation policy.

The Macau government also maintains continuous co-operation and joint efforts with the commercial and private sectors in organizing various exhibitions promoting Chinese history and heritage and the culture of Macau. This can take the form of direct financial support to sponsorship of venues or exhibits. But more importantly, it is often through benefiting from the commercial arm's strength in creative concept input, marketing and distribution that make these co-organized events and projects popular and successful. The National Treasures on Exhibition jointly organized by the Macau SAR government and the Macau Convention and Entertainment Centre, and the exhibition on historical photos of Macau to be open in 2005 are such examples of successful collaboration between the government and the private sector.

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#### **(c) Finding a Balance between Preservation and Commercialization**

Many successful examples in commercializing heritage properties involve adopting new concepts and installing functional elements run by private sectors for profit such as putting in cafes, shops, restaurants, museums, even hotels, thus injecting new commercial usefulness and value, enhancing visitors' interests and responsibilities towards sharing in the preservation efforts and, thereby, rejuvenating and extending the properties life span. The recently opened "Cultural Club" in Macau is one such example. The Cultural Club is housed in an authentic old pawnshop, a valuable historic and cultural heritage in the centre of Macau. The old pawnshop no longer operates; part of the space is now turned into a museum and managed by the government, while the rest is rented to other business operators. Both the government and the community benefit from such kind of heritage conservation programme. In Macau, for instance, 60 percent of its annual retail revenue comes from the shops and retail outlets operating in those heritage sites.

#### **(d) Drawing from Synergies of Other Industry Sectors**

Convention and exhibition industry enhances the opportunity to showcase the country's cultural heritage. With the recent boom in the convention and exhibition industry, Macau has been selected as the venue of a number of regional and international events, such as the Macau International Trade & Investment Fair, the 54<sup>th</sup> Annual PATA Conference, and the 2005 East Asian Games, etc. Other than promoting the overall tourism development of Macau, this also provides opportunities for the SAR government to showcase Macau's valuable cultural heritage to the World.

#### **(e) Industry and Professional Associations' Own Initiatives to Support Government's Policy**

In anticipation of an even more thriving travel industry in the near future, the travel and hospitality industry in Macau is investing more in human capital development, and actively enhancing manpower training as well as its overall service level. Such organizations as the Macau Hoteliers Association, Macau Professional Tourist Guides Association, and the Macau Tourism Association, etc. have been enterprising in engaging idea exchanges with the government on more practical and innovative models with regard to heritage conservation and the tourism industry as a whole.

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#### **Conclusion**

Imbalance in and erratic exploitation of economic and tourism development often poses threat and damage to natural and cultural heritage. The preservation of natural and cultural heritage should be a total participation of the country from both the government as well as the community. The experience of Macau may perhaps shed some lights on how the government and the private sector can collaborate successfully and mutually benefit, providing a healthy development for cultural heritage protection and therefore a sustainable economic prospect. As a member of the commercial sector and an industry representative, I am confident that the private sector and corporations from our Country will fully support the Central Government's national preservation policies so that the natural and cultural heritage of our country would continue to flourish and our development goals realized.