

RM10m incentive for airlines to promote KLIA

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PUTRAJAYA: A RM10mil incentive scheme has been approved by the Government for new international airlines using the KL International Airport (KLIA).

Transport Minister Datuk Seri Dr Ling Liong Sik said the scheme would see airlines being paid a ringgit for every ringgit they spent on promotions in Malaysia.

The incentive is among steps to turn KLIA into a regional hub and help promote tourism in Malaysia.

"Each airline is entitled to claim up to RM500,000 and that has to be done within a period of three years from the day they commence flights to KLIA," Dr Ling told

reporters after the Cabinet meeting here yesterday.

He said the scheme was effective yesterday and would be in place for the next five years.

Dr Ling said the promotion activities include inaugural dinners and advertisements.

KLIA hubbing committee chairman Datuk Zaharah Shaari will release the details today.

This incentive, however, would not apply to existing airlines which increase their frequencies.

On another matter, Dr Ling said there was a Cabinet briefing yesterday on Prime Minister Datuk Seri Dr Mahathir Mohamad's recent official trip to Luxembourg.

Dr Ling, who was part of

the entourage, said he would be signing an agreement on open skies between the two countries in Malaysia in August with Luxembourg Minister of Economy and Transport Henri Grethen.

Under the agreement there will be no limit on flight frequencies, aircraft types and intermediate points and beyond points.

Dr Ling said the agreement would apply to both passenger and cargo traffic.

He said Lux Cargo was keen to have Malaysia Airlines (MAS) as its partner for the region and had requested that he inform MAS and make arrangements for discussions on the matter.