In 2015, on the eve of the 16th anniversary of the establishment of the Macao Special Administrative Region, the State Council promulgated the updated map of administrative areas for the Macao Special Administrative Region. Macao officially took over jurisdiction of 85 square kilometres of territorial waters and new terrestrial boundaries, according to law. This fully demonstrates the Central People’s Government’s care and support for Macao, and creates a new favourable environment for Macao’s adequate economic diversification and long-term stability and prosperity.

The MSAR Government continued to uphold its administrative principles of “putting people first” and “scientific decision-making”, restructured the public administrative system, rationalised the functions of government departments, optimised the civil service system, and improved its legal system. It also abided by the principle of spending within its means, and adhered to the goal of economic development and livelihood improvement. While strengthening its risk-handling capability, the Government also implemented a wide range of medical and healthcare, education and social security projects and measures for the benefit of the public.

During the year, the Committee for the Establishment of a World Tourism and Leisure Centre, chaired by the Chief Executive, was established. The committee commenced its formulation of Macao’s Tourism Development Master Plan, and the master blueprint of Macao’s socio-economic development for the coming five years.
Delimiting maritime and terrestrial boundaries, and promoting economic diversification

The State Council promulgated Decree No. 665 on 20 December 2015, the 16th anniversary of the establishment of the Macao SAR, to announce the updated “Map of the Administrative Area of the Macao Special administrative Region of the People’s Republic of China”. This fully reflects the care and support of the Central People’s Government for the Macao SAR. According to the law, the Macao SAR has jurisdiction over a total of 85 square kilometres of territorial waters and new terrestrial boundaries.

The delimitation of the administrative area of the Macao SAR is beneficial to the effective jurisdiction over the relevant areas in accordance with the law, creating favourable new conditions for Macao’s adequate economic diversification and long term prosperity and stability. Chief Executive Chui Sai On expresses his gratitude to the Central People’s Government and the governments of Guangdong Province and Zhuhai Municipality for their support, and will lead the operation of a cross-departmental coordination mechanism to administer and make good use of the territorial waters in accordance with four major principles.

Macao is one of the world’s most densely populated cities, and its development is constrained by factors such as land and population. In the fifteen years since Macao’s reunification with the motherland, the Central People’s Government has been thoroughly considering ways to tackle the problem of land shortage, which hinders Macao’s development. Solutions include leasing an area of “no man’s land” between the Zhuhai-Macao border for Macao to build its Border Gate checkpoint.
building, approving Macao’s plan to reclaim land for developing new districts, and leasing land in Hengqin for the establishment of the new campus of the University of Macau. All these initiatives aim at supporting the economy, people’s livelihoods and development of Macao.

Macao citizens have been concerned about the jurisdiction and utilisation of the customary waters of the Macao SAR in accordance with law. Macao deputies to the National People’s Congress and the Macao members of the National Committee of the Chinese People’s Political Consultative Conference have put forward ideas to state authorities, which have received attention from the MSAR Government.

In 2014, while attending the ceremony of the 15th anniversary of the establishment of the Macao SAR, President Xi Jinping announced that the Central People’s Government would initiate and complete the relevant work concerning Macao’s jurisdiction over its customary waters, to support the MSAR Government governing Macao according to law, as well as the adequate economic diversification and sustainable development of Macao. Following a year of concerted efforts by the joint working group formed by numerous ministries and commissions at central government level and Guangdong Province, on 16 December 2015 the Standing Committee of the State Council approved the “Draft of the Map of the Administrative Area of the Macao SAR of the People’s Republic of China”, delimiting Macao’s maritime and terrestrial boundaries.

Delimiting Macao’s maritime and terrestrial boundaries

According to the appendix of State Council Decree No. 665, the Central People’s Government has decided to delimit 85 square kilometres of waters as under Macao’s jurisdiction. In addition, the area at the Border Gate checkpoint on the boundary of the Macao SAR and Zhuhai in Guangdong Province is delimited as being under the jurisdiction of the Macao SAR. After this adjustment, the jurisdiction of the Macao SAR comprises both terrestrial and maritime components. The maritime component comprises six segments: the Inner Harbour, the Cotai channel, the southern and eastern waters of Macao, the waters around an artificial island, and the northern waters of Macao. Macao’s land includes two segments: the Border Gate checkpoint building segment and the Canal dos Patos segment.

Giving consideration to the long-term development of Guangdong and Macao, Guangdong and Zhuhai actively supported the delimitation work. The delimitation of the maritime and territorial jurisdiction of the Macao SAR has brought new opportunities to Guangdong-Macao cooperation, complementing the strengths of both regions. The comprehensive collaboration between regions contributes to the prosperity and growth of all parties.

The MSAR Government expresses its sincere gratitude for the tremendous support from the Central’s People Government, and is indebted to the Guangdong Provincial Government and the Zhuhai Municipal Government for their on-going support and cooperation.

Four principles for and significance of administering and utilising the territorial waters

After the draft bill was passed at the executive meeting of the State Council, Chief Executive Chui
Sai On stated that the following are important implications of Macao’s jurisdiction over 85 square kilometres of territorial waters according to law and the delimitation of its terrestrial boundary:

1. It is conducive to the comprehensive and proper enforcement of the principle of “One country, two systems”, and effective governance of Macao according to law. Within the designated boundaries, the Government can perfect and execute the laws, by-laws, and administrative measures, and clarify the issues related to its jurisdiction. This is beneficial to the Government in enforcing the rule of Macao by law;

2. It significantly expands space available for the development of the Macao SAR, injecting fresh momentum into the adequate diversification and sustainable development of the economy;

3. It deepens and intensifies close cooperation between Guangdong and Macao, promotes construction of the Dawan Area, and promotes joint participation and support of the Belt and Road initiative, to create better opportunities and environment for development; and

4. It lays a solid foundation for improving livelihoods of Macao citizens.

Chui Sai On said the territorial waters administered by the Macao SAR are under China’s sovereignty. The Government shall administer the waters according to law, and ensure that it shall:

1. Fully obey and support the Central People’s Government’s authority over national defence and diplomacy;

2. Strictly and effectively administer the relevant maritime and terrestrial boundaries according to law;

3. Strictly follow the principle of scientific utilisation of the waters, focus on effective and appropriate utilisation of the sea, and continue to report to the Central People’s Government on land reclamation for non-gaming projects; and

4. Continue to cooperate with water resources departments, maritime departments, marine management departments, and maritime law enforcement departments of mainland China by signing relevant cooperation agreements; coordinate the management and reasonable use of the waters under the jurisdiction of Macao; and ensure smooth and safe passage in waterways.

During the past year, to fully support the work of the State Council’s Joint Working Group for the Delimitation of the Customary Maritime and Terrestrial Boundaries of Macao, a task force drawing its members from 14 governmental departments was formed under the leadership of the Chief Executive and coordinated by the Chief Executive Office. It has made huge efforts towards the delimitation of the maritime and terrestrial boundaries of the Macao SAR.

According to the Chief Executive, the Government has fully examined and sorted over 40 laws, by-laws and regulations that are currently in effect. Based on the results, the Government shall pass three essential new by-laws. Other laws and by-laws that are related to planning and development shall be introduced and enforced in an orderly manner. The Government is confident that it can effectively administer its territorial waters according to law. It has also responded to the needs of maritime administration and law enforcement, by formulating improved measures on staffing and facilities, which shall be enforced in an orderly manner.
The Government has already taken initial consideration of maritime economic development, and will actively undertake scientific planning in future. It always pays close attention to livelihood issues of public concern, such as environmental improvement. The delimitation of the maritime and terrestrial boundaries will help the Government to accelerate the study and formulation of effective solutions that improve people’s livelihoods.

The Government will also establish a cross-departmental coordination mechanism, led by the Chief Executive, to exercise effective governance, implement the tasks assigned by the Central People’s Government, utilise the waters with scientific approaches, intensify in-depth cooperation between Guangdong and Macao, and promote adequate economic diversification.

Chief Executive Chui Sai On said Macao society has reached a consensus on the necessity of promoting adequate economic diversification. The delimitation of the maritime boundary of Macao by the Central People’s Government provides enormous, powerful and timely support to Macao. Joining hands with the public, the Government will spare no effort in seizing this important opportunity for development through innovative thinking and arrangements in scientific planning, maritime economics, maritime and terrestrial coordination and regional integration, with a view to promoting adequate economic diversification.

This is also an opportunity for the Macao SAR to more effectively integrate with the development of the country. Sustainable growth can be achieved through jointly building the Dawan Area, promoting the establishment of “One centre, one platform”, and taking an active role in and supporting the development of “Belt and Road”.

**Signing cooperation agreement with ministries of the Central People’s Government regarding water resources, navigation and use of waters**

According to the updated “Map of the Administrative Area of the Macao Special administrative Region of the People’s Republic of China”, the Macao SAR began exercising its jurisdiction over a total of 85 square kilometres of waters with effect from 20 December 2015. The three pieces of legislation concerning maritime jurisdiction that have come into effect are: the amended Law on the Organisation and Operation of the Marine and Water Bureau, Regulations on the Navigation of Vessels and the Crew on Board, and System for the Management of Disposal of Dredged Materials at Sea.

Macao Customs also immediately implemented the new law-enforcement mechanism. A maritime operations command centre and three operational bases at sea have officially commenced operation, to implement regular deployment for the “30-minute response zone”. Macao Customs emphasised that they have the confidence and ability to enforce the law, ensuring long-term stability and security at sea.

On 5 January 2015, the Government signed agreements with relevant ministries of the Central People’s Government regarding water resources, navigation and use of waters. These include the Cooperation Agreement between the Ministry of Transport and the Macao SAR Government on Marine Traffic and Fairway Management for Waters Administered by the Macao SAR, the
Cooperation Agreement between the Ministry of Water Resources and the Macao SAR Government on Water Resources adjacent to Waters Administered by the Macao SAR, and the Cooperation Agreement between the State Oceanic Administration and the Macao SAR Government on Maritime Development within Waters Administered by the Macao SAR. These agreements aim to strengthen management and cooperation regarding the waters administered by the Macao SAR, promote synergy in managing maritime traffic between mainland China and Macao, enhance the management and cooperation on the use of waters under the jurisdiction of the Macao SAR, and fully implement State Council Decree No. 665.

The delimitation of Macao’s maritime and terrestrial boundaries is beneficial to Macao in terms of effective administration and use of waters under its jurisdiction; adequate economic diversification and sustainable development, provision of necessary geographical space for Macao’s development as a world travel and leisure centre, and adequate economic diversification; and deepening Guangdong-Macao cooperation and complementing one another’s strengths. Comprehensive cooperation in all areas shall bring shared prosperity and growth that benefit the people of both regions.

The Government will take this timely opportunity to plan for, administer and utilise the waters and territories, leverage their functions, and actively raise social and economic development to a new level, to ensure Macao’s long-term prosperity and stability.

Coordinating five-year development plan and deepening tourism city development
In 2015, Macao was acclaimed as a role model for the best tourism city and recognised as a diverse leisure and tourism destination by the United Nations World Tourism Organization (UNWTO). In addition, it was named the “Best Leisure Destination 2015” by an international travel magazine.

Macao received more than 30.7 million visitors in 2015, maintaining a steady growth rate. The Government continued to improve Macao’s ancillary facilities, attract diverse and international tourist sources, and fully leverage its unique advantages in history, culture, leisure and entertainment, to establish Macao as a world centre for tourism and leisure. To attract more tourists to the Historic Centre of Macao, eight walking tour routes were introduced. The Government strengthened regional cooperation to develop multi-destination tours, doing its utmost to promote Macao tourism in the international market.

On 28 October, the Government established the Committee for Development of the World Centre for Tourism and Leisure. Chaired by the Chief Executive, the committee began drafting the Tourism Development Master Plan, and created a broad blueprint of a five-year plan for Macao’s social and economic development, with a vision of developing Macao by the mid-2030s into a popular leisure travel destination featuring unique tourism experiences, leisure focused activities, world-class quality, and a liveable city of international standard with a favourable environment for employment, transportation, tourism and entertainment.

Forging Sino-Portuguese service platform and deepening regional cooperation

The Government followed the current trend towards adopting a cross-regional, multifaceted cooperation model, and continued to make use of the concept of grand culture against a huge backdrop in establishing a diverse service platform between China and Portuguese-speaking countries, to achieve synergy in the development of the exhibition and convention industry, commerce and trade, and talent cultivation.

The Economic and Trade Cooperation and Human Resources Portal Between China and Portuguese-speaking Countries (PSCs) officially opened in April 2015, to provide online services supporting the establishment of a food product distribution centre for PSCs, a commercial and trade services centre for small- and medium-sized enterprises (SMEs) in China and PSCs, and a convention and exhibition centre for economic and trade cooperation between China and PSCs. A PSCs products and services pavilion was first introduced at the 20th Macao International Trade and Investment Fair (MIF), to provide opportunities for Macao enterprises to visit and participate in exhibitions in PSCs, and offer assistance to enterprises in PSCs in organising investment promotional activities in mainland China and Macao.

The Government continued to support and follow up the implementation of 33 recommended projects at the Guangdong-Macao Cooperation Industrial Park in Hengqin. In addition, the Government introduced to local enterprises the investment environment and information about the Guangdong Pilot Free-Trade Zone and organised site visits to the industrial park. Through the regional cooperation mechanism, several agreements were reached regarding a study on cooperation and development of convention and exhibition industries in Guangzhou and Macao; joint promotion
of employment, entrepreneurship and cooperation for young people in Guangzhou and Macao; maritime arrangements for facilitated entry and exit of pleasure boats at pilot zones between Guangdong and Macao; and supplementary protocols of a framework agreement on cooperation in construction of Cuiheng New District, Zhongshan, between the Macao SAR Government and the People’s Government of Zhongshan Municipality.

In 2015, a cooperation agreement was signed between the Guangdong-Macao Chinese Medicine Industrial Park and two renowned companies in mainland China. Other achievements included organising the Traditional Medicine International Cooperation Forum 2015, establishment of China International Exchange Centre of Traditional Chinese Medicine; completion of the Prominent Experienced Chinese Medicine Practitioners Inheritance Workshop to recruit young Chinese medicine practitioners in Macao to work in the industrial park; setting up the State Key Laboratory of Quality Research in Chinese Medicine; and supporting the establishment of the World Health Organization (WHO) Collaborating Centre for Traditional Medicine in Macao. In 2016, the park will launch a pilot scheme in one or two Portuguese-speaking countries, to seek opportunities for closer cooperation in international registration and services.

The Government strengthened cooperation on finance, intellectual property and e-commerce between Guangdong and Macao. It will continue leveraging the best of the CEPA, facilitate Macao services providers to run trademark agency services in mainland China, and provide Macao SMEs, professionals and young people with a more favourable environment for growth.

In line with the state’s “Belt and Road” initiative, the Government will continue to facilitate and deepen interactions between Macao entrepreneurs and overseas enterprises, promote economic cooperation with the Pan-Pearl River Delta (PPRD) region and other cities in mainland China, and maintain contact and cooperation with ASEAN countries, Taiwan, the European Union and other international economic and trade organisations.

Fostering nascent industries and supporting development of young entrepreneurs and SMEs

Macao’s gaming industry underwent a deep correction in 2015. The Government closely monitored the situation, to ensure healthy development of the pillar industry. It conducted an interim review on the gaming industry, and rigorously assessed new applications for gaming tables based on market conditions and investments in non-gaming elements by the applicants. It also established an information gathering and monitoring mechanism for gaming operators, and introduced internal guidelines and regulations for gaming promoters to improve the management of this sector.

In addition, the Government started to establish a system of statistical benchmarks for adequate economic diversification of Macao, and worked with the National Development and Reform Commission on Macao’s long-term economic development, adequate industrial diversification and macroeconomic forecasting system. The Government will make further efforts to promote growth of other emerging industries – such as convention and exhibition, culture, and Chinese medicine – and complete the formulation of the statistical benchmark system.

Since its establishment in 2014, the Cultural Industry Fund has approved a total of approximately
112 million patacas for subsidising 70 projects. The total investment on these projects is 580 million patacas, allocated to creative design, cultural exhibition and digital media industries, and giving rise to 476 job openings. In 2015, subsidies totalling 23 million patacas were approved, to support eight projects in Macao. Also, the Government has launched a study on the convention and exhibition industry, and together with the Department of Taiwan, Hong Kong and Macao Affairs of the Ministry of Commerce organised a convention and exhibition talent training course in Macao.

The Government took a guiding and supporting role to implement and perfect a youth entrepreneurship policy. In June 2015, the Macao Young Entrepreneurs Incubation Centre was established, to provide one-stop support services, including training, consultations, free temporary office space, business-matching and market information. The centre continued to provide young people with career planning and employment counselling, as well as diverse support for young aspiring entrepreneurs.

The centre also invited the founder of Angel Investment Foundation to share experiences in Macao, and organised Hengqin and Nansha Free Trade Zone business tours for young businessmen, young entrepreneurs and related organisations. In 2016, a youth innovation and entrepreneurship scheme focused on the Internet will be launched. A study will begin on expanding the Young Entrepreneurs Aid Scheme to three free-trade zones in Guangdong province, to encourage young people to engage in regional cooperation.

Small and medium-sized enterprises constitute a major part of Macao’s economy. To cope with the economic correction and enhance economic vitality, the Government continued to launch a series of SME assistance schemes, including increasing the profit tax allowance for 2015 from 300,000 patacas to 600,000 patacas, thus reducing the number of taxpayers from 44,819 to 1,911; commencing work to increase the maximum credit guarantee of the SME Credit Assurance Scheme; waiving the annual and monthly subscriptions and software installation fees for electronic customs declarations for corporate users; considering abolition of fees for applications for industrial licences and certificates of origin; giving priority to processing applications for hiring non-resident workers for catering, retail, convention and exhibition, and cultural and creative industries; and expanding Building Maintenance Fund subsidies to cover industrial buildings.

The Government assisted businesses with exploring new markets and enhancing competitiveness. Supportive measures included increasing the financial incentives for participation in exhibitions and fairs for the first time, from 5,000 to 6,000 patacas; organising inbound and outbound exhibitions and trade fairs for Macao enterprises; increasing the subsidy for E-Commerce Promotion Incentive Measures from 20,000 to 30,000 patacas; and establishing the Interdepartmental E-commerce Promotion Task Force, through the joint efforts of the Economic Services Bureau, the Monetary Authority and the Macao Trade and Investment Promotion Institute.

The Government has completed its study on prioritising procurement of local products and services by the public sector. In addition, two projects with non-gaming elements, developed by two gaming enterprises, were completed in 2015. The Government also successfully encouraged gaming enterprises to prioritise using products and services designed and made in Macao, helping the development of SMEs, micro businesses and long-established shops.
To raise management standards of Macao enterprises and enhance their competitiveness, the Government implemented the Assistance Scheme for the International Management System Certification/Laboratory Accreditation, and completed its study on the import, export and re-export credit insurance scheme. The Community Economic Development Study Group was set up under the Economic Development Council, and the SME Outreach Scheme was launched to proactively support community economic projects organised by chambers of commerce in the community.

Regarding protection of employees, the Government always gives priority to safeguarding local employees’ rights, to enhance their upward mobility and horizontal advancement. In 2015, the System of Protection of Creditor’s Rights Arising from Labour Relations was promulgated, amending the compensation system for damages arising from work accidents and occupational diseases, adjusting the ceiling of compensation for unreasonable dismissal to 20,000 patacas; and establishing the minimum wage for cleaning and security workers of the property management industry. Within the first three years of enforcing the law, the Government will comprehensively implement minimum wages, and strengthen promotion, law enforcement and management regarding occupational health and safety, with the aim of ensuring the safety of employees and workers.

Also in 2015, an interdepartmental task force was established to coordinate work regarding and follow up on employment issues. The Government provided local workers with vocational training and job-matching referral services, to facilitate continuing employment or job changes to stabilise the job market. It also rigorously assessed each application and renewal from large-scale enterprises for hiring non-resident workers, encouraged employers – especially large corporations – to increase employees’ remuneration and give priority to local workers in recruitment and promotion.

**Perfecting public finance administration and optimising fiscal reserves**

In 2015, Macao underwent a deep economic correction, yet its economic fundamentals and job market remained solid and healthy. The Government continued to impose austerity measures in public finance, on the premise that it would not affect people’s welfare, livelihood and investment expenditure. The Government also considered carrying out a capital and interest guaranteed investment scheme with China Development Bank, Guangdong province and Fujian province, for effectively investing fiscal reserves, and completed the Internal Evaluation Report of the Macao SAR Investment and Development Fund.
Implementing functional restructuring and improving the legal system and people’s livelihoods

In accordance with the 2015 policy objectives, and in line with its administrative principles of “putting people first” and “scientific decision-making”, the Government launched and implemented a series of public administrative initiatives that aim to reform its administrative structure, rationalise departmental functions, optimise the civil service system, improve the legal system, and enhance services related to the people’s wellbeing.

Functional restructuring of public departments

Pursuant to the concept of administrative streamlining, the Government completed a comprehensive review of its departmental functions, and outlined the first-phase functional restructuring plan, which calls for restructuring 15 public departments and abolishing six of them within two years.

In 2015, the Government also finished restructuring its legal functions, combining the Legal Affairs Bureau and the Law Reform and International Law Affairs Bureau. In response to the restructuring of the Legal Affairs Bureau, the functions of juvenile correction and social rehabilitation were re-assigned to the Social Welfare Bureau and Macao Prison, according to their policy relevancy. Macao Prison and the Legal Affairs Bureau’s Reformatory for Juvenile Delinquents were merged to form the Correctional Services Bureau. The Macau Grand Prix Committee was dismissed, with its functions transferred to the Macao Sport Development Board.
The Government also reformed the Science and Technology Development Fund, increasing its responsibilities regarding administrative and technical support for the Science and Technology Committee. The functions of the Civic and Municipal Affairs Bureau (IACM) relating to culture and sports were transferred to the Cultural Affairs Bureau and the Macao Sport Development Board, respectively, with over 200 IACM staff members re-assigned to work in their respective fields under the new structure, while full protection of their rights and benefits was ensured.

In 2015, the Government established a research committee consisting of various department heads and legal experts. After an initial round of consultation and discussions, the research committee unanimously acknowledged the need for a municipal organisation that is not an organ of political power. In accordance with the relevant stipulations of the Basic Law of Macao, the committee conducted an initial study of the authority, functions, composition and membership formation of the envisaged organisation.

The Government also completed an initial analysis report on the review and streamlining of its consultative functions, after reviewing the 46 existing consultative bodies, and proposed ways to streamline consultative bodies in various administrative areas. In 2015, the Government also reformed the Legal Reform Consultative Committee to complement the functional restructuring of the Legal Affairs Bureau, and finished restructuring the Urban Planning Committee, the Science and Technology Committee and the Economic Development Council.

The full-time and part-time tenures of members of consultative bodies were also specified, in accordance with the relevant rules set out by the Government. It is specified that each tenure is limited to two or three years for all consultative bodies; and community members could be re-appointed for two to three terms, but not for more than six years. No person shall hold more than three consultant positions at the same time.

Establishing a coordinated legislative mechanism

To enhance legislative quality and efficiency, and to further strengthen and implement a legal institution that fully supports the Basic Law of Macao – and swiftly responding to Macao’s social demand for improving the legal system – the Government worked towards the gradual implementation of a legislative mechanism that incorporates decision-making, coordination, drafting and consultation, as well as setting out a medium-to-long-term legislative plan. In 2015, the Government drew up an implementation plan for establishing and improving a coordinated legislative mechanism, as well as its policy objectives and relevant measures. The Government also drafted guidelines for the internal workflows of a centralised and coordinated legislative mechanism, which will be conducive to the gradual realisation of coordinated legislation in 2016.

Pushing ahead with civil service reform

In 2015, the Government completed the consultation on amending the System for Recruitment, Selection and Training for the Promotion of Public Servants. It was suggested that a unified recruitment system be established to match the overall public administration reform, and it should
focus on both broad and specific capabilities for various posts, ranks and duties. It was also suggested that a comprehensive capability examination be introduced, allowing those who pass the examination to apply for the selection process of departments they wish to join, to boost efficiency in job matching and recruitment.

The Government also launched a full review of 20 special posts, and conducted a consultation among public departments, civil servants and civil servant associations. It also completed the preliminary study on a civil servant salary adjustment system based on ranking.

A pilot programme, involving a third-party academic institution being commissioned to investigate the service quality of three public departments, was conducted in 2015. This also examined how to apply performance data as a reference for evaluating leadership effectiveness. A study on the benchmarks and mechanisms for public service quality appraisals has also begun.

In addition, the Government increased public administration accountability and performance data transparency, by gradually publishing public services information and performance results on a website designed for communicating the Government’s efforts to streamline its public services. Meanwhile, a series of consistent efforts to organise government service quality awards has fostered an administrative culture that is performance-oriented and focused on equal rights and responsibilities.

**Improving care and support for the needy**

The Government also implemented its policy of caring for low-income civil servants by launching three new supplementary measures on top of the existing financial assistance scheme, targeting infant expenses, subsidies for children’s supplementary learning, and a scheme to subsidise expenses of elderly parents or grandparents in care homes. Civil servants of salary point 200 or below who have applied for family allowances for their children or elderly relatives are eligible applicants. These subsidies aim to relieve their burden of caring for their children and elderly relatives.

Also, an internal consultation was conducted regarding the establishment of a mechanism for handling complaints against civil servants, and a relevant by-law was drafted. The Government continued to promote volunteer work among civil servants, encouraging more serving or retired civil servants to participate in a variety of volunteer work in the community.

**Sparing no effort on livelihood-related work**

Through cross-departmental cooperation, the Government cracked down on venues and individuals that violated the Food Safety Law, to prevent any food safety issues and guard against misdemeanours. The Government also consistently inspected various eateries, restaurants, food processing factories, take-away outlets, supermarkets and retail points-of-sale, and provided instructions on food safety and improvement measures. In 2015, the Government gathered about 2,000 food samples from the consumer market and, based on risk levels, gradually expanded the scope of monitoring and increased the numbers of types of available food products for which samples are taken.
The Government also set two new food safety standards: Limits of Pathogenic Microorganisms in Infant Formulas, and Limits of Pathogenic Microorganisms in Dairy Products, and updated the List of Substances that are Prohibited from Use in Foodstuffs. It also issued 12 food safety operational guidelines, and organised food hygiene supervisor courses to train local food safety professionals.

To protect public health and safety, and to cut off channels through which avian flu spreads, in the first half of 2015 the Government completed a consultation among experts, academics, industry stakeholders and local community groups on a proposed policy to replace live poultry supplies with frozen and chilled poultry. A two-month public consultation was subsequently launched, in November. A report summarising on the consultations will be released to the public in 2016.

In 2014, the bill on Animal Protection Law passed its first reading at the Legislative Assembly. Since then, the Government has made further amendments to the bill after rounds of discussions with the standing committee, striving to expedite its legislation.

To help Macao develop into a world tourism and leisure centre, the Government continued to beautify urban areas, improve greening facilities, enhance environmental hygiene, and improve Macao’s image as a tourism destination.

Urban renewal for more comfortable living and commuting

The Government’s administrative principles stress people’s livelihoods. In 2015, the Government pressed ahead with various initiatives - from land and housing policy to environmental protection and urban beautification, and from improvement of transportation and supporting facilities to overall optimisation of the public security system. In striving to develop Macao into a more liveable city, the Government is committed to providing even better living conditions for citizens.
1. Addressing land issues and continuing to build more public housing units

Recovering government land

Every citizen strives for a decent job and shelter. Since its return to China, Macao’s rapid economic development, coupled with increasing population, has driven up housing prices, leading to emerging housing problems. To address the fundamental problems with housing, the Government has since 25 March 2015 separately recovered 22 pieces of idle land, which had not been developed on schedule, and revoked their land grants. The Government is currently assessing another batch of cases, and has publicly stated that for all idle land successfully recovered, uses will prioritise public housing development.

Meanwhile, the relevant authority has continued to combat illegal occupation of government land, and evict occupants, including during the land resumptions in March and May. In recent years, the Government has resumed 57 pieces of illegally occupied government land, with a total area of 235,000 square metres.

Building more public housing units

The Chief Executive places special emphasis on the rational allocation of public resources, and expedites public housing construction, to maintain a balance between public and private housing markets, and realise the policy objective of “homes for all in a contented society”. A project to build 19,000 public housing units is in progress. Over 17,000 units were completed by the end of 2015, while the remaining 1,507 units will soon enter the final stage of construction.

At the end of 2015, the Government announced a plan to amend the use of five pieces of land, in order to build 4,100 more public housing units. In addition, progress continued with the rational development of new urban reclamation areas, which is expected to provide about 28,000 public housing units in New Urban Zone Area A.

In September, 1,600 families on the public housing waiting list were screened and selected. About 1,000 families were allocated public housing units, and moved in after signing the rental contracts. Regarding Home-Ownership Scheme housing units, the initial assessment of the applications submitted in 2013 for multiple-bedroom flats was completed. A computerised random ballot was conducted on 5 October, followed by a detailed assessment.

Considering some citizens may lack purchasing power in the private market, while not meeting the criteria for applying for Home-Ownership Scheme housing units, the Government commissioned the University of Macau to conduct research on the feasibility of developing a new public housing category to come up with a solution.

Fostering healthy urban development

In June 2015, the Government completed the Master Plan for Macao’s New Districts, with the total planned population increased to 162,000, and a provision for 54,000 residential units. The Government immediately commenced the third-phase public consultation, which ran till the end of
August. During the consultation, the Government organised many consultation sessions, directly interacting with the public, social groups and professional bodies. By the time the consultation was completed, about 1,700 written opinion submissions were received. The relevant government department will compile a summary consultation report, including all opinions, within six months.

The healthy development of the real estate market is linked to social stability. In 2015, the Government worked towards improving the approval process for construction projects, actively paving the way for the amendment of the Legal System on Urban Construction. In October, the Executive Council concluded discussions on the bill of Strata-title Buildings Management Commercial Operation Law.

2. Studying ways to remediate transportation problems

At the end of 2015, the Government reviewed the implementation of the Road Traffic and Transport Policy of Macao (2010-2020). As part of its dedicated efforts to reform the public transport system and the design of relevant improvement measures, the Government responded to the heavy burden on the local transportation system, which was due to urban development and increasing number of tourists, by proposing to use strategic economic, technical and legal measures to lead people towards rational transportation choices. It also implemented planning on hardware and software for controlling growth in numbers of vehicles on the roads. All in all, the Government has put forward the principle of “streamlining public transport, controlling numbers of cars, smoothing road traffic flows, and promoting walking” with a view to solving transportation problems, and has prioritised public transport at the core of its integrated policy on transportation.

Optimising bus services and commuting environment

In carrying out the policy of putting public transport first, the Government continued with preliminary work on setting up a time-bound public-vehicle-only lane from A-Ma to Doca Lam Mau. On 11 December, the Government resumed piers 23 and 25 of the Inner Harbour, to expand and convert part of the Demetrio Cinatti Avenue into two lanes for one-way traffic, and complement the project to construct the future public-vehicle-only lane.

In 2015, the Government added new bus routes, and adjusted and optimised existing routes, bus station locations and service hours in phases, to improve public transportation. It also reached a consensus with various gaming enterprises, which agreed to move their pick-up points to Lotus Flower Bridge, for their non-resident employees travelling to work at Cotai, starting from May. The new measures have already achieved positive results, with improved tourist coach and hotel shuttle bus movements at the Border Gate, largely relieving the traffic pressure in this area.

Moreover, as a number of pedestrian facilities have gradually come into service or been completed, Macao’s walking environment has been further improved. Notably, the plan for beautifying Encosta Street, coupled with the sidewalks at the Outer Harbour Reclamation Area (NAPE) and Guia Hill, have linked the two districts, significantly reducing the walking distance and time around the areas of NAPE, Guia Hill, Guia district and the Conde S. Januario public hospital, providing local residents with more commuting options.
Reviewing taxi services and increasing taxes to control vehicle growth

Considering the demand for taxi services, in 2015 the Government commenced a review of the legal system for light passenger vehicles for hire (taxis), with a view to improving the overall service standards of taxi services. The amendment of relevant laws to combat illegal taxi activities has already been scheduled.

A total of 230 taxi licences expired in 2015 or will expire in 2016. The Government commenced preparations for issuing 200 more eight-year taxi licences and launched public bidding for 100 special taxi licences.

To better utilise limited public parking resources and further improve regulation of public car parks, about 1,000 parking spaces for private cars and motorcycles were put into use in December 2015, at the public housing estates in Fai Chi Kei and Ilha Verde. The Government also proposed amending the regulation of allocation of parking spaces in buildings, to increase provision of parking spaces. Also in December, parking fees were adjusted for 11 public car parks; fees for other public car parks will be adjusted in phases during 2016. Related Government departments are committed to optimising the regulatory mechanism for public car parks, and have stepped up inspection efforts. In November, the Transport Bureau found deficiencies in a number of car parks during on-site inspections, and swiftly imposed penalties on the management companies according to contracts, and demanded rectification by the end of the year.

Regarding control of numbers of cars, the Government has already adjusted vehicle taxes and implemented other integrated measures to suppress growth of vehicles, gradually carrying out rational control of private cars. On 24 December, the Macao SAR Gazette promulgated the revised Regulation on Motor Vehicle Tax with immediate effect, with the tax rates of new cars increased by 40 percent to 90 percent, average tax rate at settlement reaches a maximum of 72 percent, while the average tax rate of motorcycles increases from 24 percent to 50 percent.

Orderly progress with LRT, new ferry terminal and international airport projects

In 2015, the Government continued to tackle more difficulties faced by the Light Rapid Transit (LRT), studying ways to solve problems with the Taipa line, including the construction projects above the LRT depot. The Government is also considering extending the LRT network to Seac Pai Van district, whilst advancing planning of the Macao Peninsula Line, according to priorities.

In 2015, the Government also reached an agreement with the contractor on the Taipa Ferry Terminal construction work, which was then resumed and expedited. The project will be inaugurated in phases.

The expansion work at the northern part of the Macau International Airport passenger terminal also commenced. The capacity of the expanded passenger terminal is expected to increase from six million passengers to 7.5 million passengers per year, with the LRT Airport Station connected to the airport passenger terminal.
At the end of 2015, the Government announced a feasibility study was underway for the construction of the fourth Macao-Taipa cross-harbour route, which is expected to better support the current development of Macao.

3. Optimising community facilities and protecting the environment

Maintaining and upgrading community facilities are crucial for building a better living environment for local residents, and for society’s development towards a liveable city.

Providing aesthetically enhanced and up-to-date community facilities

In 2015, the Government continued beautifying the urban environment, by initiating a series of improvement and reformation works for roads, green zones, leisure facilities and parks, at all levels down to various neighbourhoods in the Macao peninsula and the Islands District. The Government also rolled out greening projects calling for planting trees wherever possible, and optimised the waterfront’s natural environment. In September 2015, the reconstruction of Patane Municipal Market began. This is scheduled for completion in three years, adding a new community facility with integrated functions to the neighbourhood. Also during 2015, the Government conducted improvement works at various markets in Macao.

Regarding urban hygiene, the Government continued to advance drainage system improvements, with works commenced for improving the sewers in Northern District and Cotai. A new sewage discharging station at Taipa also began construction, raising the city’s overall drainage capacity. In 2015, there were 137 additional closed refuse tips and 56 compacting trash bins in Macao, and various reusable waste sorting and recycling programmes were continued or expanded. To prevent a dengue fever outbreak, the Government cleaned up some 160 hygiene black spots, including vacant construction sites and buildings, to avoid spread of the disease. The Government also strived to promote the concept of environmentally friendly funerals and burials. In 2015, provision of tree burial services began at Sa Kong Cemetery, Taipa.

Enhancing safety and stability of water and electricity supplies

To ensure long-term stability and safety of electricity supplies, the Government consistently advanced Guangdong-Macao cooperation. The Ilha Verde high-voltage substation commenced operations in 2015, meeting the growing demand from the development of Northern District. Construction of the natural gas pipeline network at Cotai reached 70 percent completion, and negotiations with natural gas import and transmission services operators are in progress, to ensure long-term supplies.

Expansion of the third-phase of Macao Water Supply Company’s Main Reservoir Water Treatment Plant was completed, and from September it increased the total production capacity of Macao’s water treatment plants to 390,000 cubic metres a day. To cope with the islands area’s increasing demand for water supplies, Macao Water Supply has already finished devising the preliminary plan for the expansion and redevelopment work at Seac Pai Van Reservoir.

The preliminary design for the Dateng Gorge Hydraulic Project, funded by the Government,
received written approval from the Central People’s Government in May, marking an important step towards ensuring the safety of Macao’s long-term water supplies. Moreover, through cooperation with Guangdong province, the Government is moving forward with the construction of the fourth Macao-bound water supply pipeline as well as the Pinggan-Guangchang raw water supply infrastructure project.

**Pollution and noise control**

At the end of 2015, the Government launched a mid-term review of the Plan for Environmental Protection of Macao (2010-2020). At the same time, the Macao Solid Waste Resources Management Programme was being compiled, including through conducting a public consultation on the construction waste management system and restricting the use of plastic shopping bags. The Plan for Environmental Protection of Macao (2010-2020) includes introducing the polluter-pay principle and producer responsibility system; fostering a cost saving and recycling-aware society; and promoting environmental protection through incentive schemes and joint efforts by schools and the business sector. Meanwhile, the Law of Prevention and Control of Environmental Noise came into effect in 2015, safeguarding a more ideal living environment for the local citizens.

Regarding waste treatment and recycling, the Government fostered regional cooperation with mainland China for the disposal of scrap vehicles from Macao, transferring them to designated parks in Guangdong for harmless and recycling treatment, with the first-phase work beginning at the end of 2015. To complement the disposal of Macao inert construction and demolition materials through regional cooperation, in August 2015 the Government began building a screening facility for construction waste at the landfill. This was scheduled for completion in 2016. The Macao Incineration Centre also began a feasibility study on its expansion and optimisation. Other studies about waste disposal covered food waste and electronic waste.

On 8 April, the Government tightened up green car standards by reducing the number of types of vehicles eligible for tax incentives from 134 to 88, while those meeting the new green emission standards may enjoy a tax reduction of 50 percent with a cap of 60,000 patacas. To continue reducing air pollution and improving air quality, the Government also drafted by-laws regarding standards of in-use vehicle exhaust emissions and of unleaded gasoline and light diesel oil for motor vehicles; implemented a subsidy programme aimed at eliminating highly polluting motorcycles; and carried out measures to promote the use of green cars. In addition, the by-law regarding the emission standards of major fixed sources of air pollution such as oil storage tanks is now being drafted.

**4. Further improving people’s livelihoods and building a better Macao**

**Fostering cooperation between citizens and police to safeguard public security**

In 2015, Macao’s public security conditions remained steady. The Government closely monitored changes in the social environment during a time of economic restructuring, and kept track of the
extension of service hours of border-crossing checkpoints, the ongoing growth in numbers of visitors, and the increased complexity of public security. The Government strives to build and reinforce a security control and prevention system comprising the police, government authorities, social groups and the public. Through multiple efforts, including enhanced integrated management, environmental prevention and public participation, effective crime prevention measures are being put in place.

Ongoing decrease in serious crimes

In 2015, Macao maintained zero or low incidence rates of serious and violent crimes. According to the statistics of the security authorities, as of the end of 2015, thefts, robberies and extortion cases decreased by 15 percent to 75 percent year on year, arson case clear-up rates reached over 90 percent, and drug-related crimes also substantially decreased, by nearly 25 percent year on year. In 2015, the police smashed several pimp-controlled prostitution rings, and effectively combated prostitution and human trafficking through a regular communication mechanism with the hotel industry.

The Public Security Forces conducted cross-departmental exercises, enhanced overall prevention, advocacy and inspection efforts, and significantly developed e-governance and enhanced cooperation between citizens and the police in 2015.

Surveillance systems deterring crime

The Macao city electronic surveillance system, commonly known as “sky eye”, monitors every district in real time by integrating surveillance points throughout the city into one network, and transferring the images recorded by the network to a central monitoring station. Recorded images are also filed and archived in a systematic manner.

The first-phase installation began on 21 September, with the Border Gate being the first installation site. According to the existing plan, the installation of the “sky eye” is divided into three phases. The first phase targets each border-crossing checkpoint and surrounding region; the second phase targets major transportation channels and hubs; the third phase covers scenic spots, major facilities and public security black spots. To expedite the commencement of the system services, the Unitary Police Service, the Public Security Police, the Judiciary Police, the Public Security Forces Affairs Bureau and the Infrastructure Development Office formed a cross-departmental task force, which is closely monitoring progress with the first-phase work.

Facilitating extension of operational hours at border-crossing checkpoints

To facilitate the extension of operational hours of border-crossing checkpoints, the Government continued streamlining immigration clearance services at each checkpoint, aiming to provide safe, convenient and efficient border-crossing services for local citizens and visitors. Notably, there was an increase in the number of self-service clearance channels, where a face recognition system was installed in May. Spatial segmentation at the checkpoints was also modified.

Building a liveable city and sharing quality living
Perfecting livelihood measures and jointly building a better Macao

In 2015, the Government adhered to the principle of spending within means, in tandem with pursuing economic development and improving people’s well-being. It strived to strengthen the ability to withstand risk and continued a variety of measures concerning people’s livelihoods.

Refining the medical system and protecting people’s health over the long-term

To provide residents with convenient medical services and encourage reasonable use of emergency services, from 29 January 2015 the Health Bureau expanded subsidies for using services in non-profit medical institutions, by providing a fixed subsidy to eligible residents who seek treatment in subsidised non-profit medical institutions’ western medicine outpatient clinics or Kiang Wu Hospital’s emergency services. Also, for residents’ convenience, information on queues at clinics in various districts is available through a website, a mobile phone application and a telephone hotline.

To further shorten waiting times for specialist outpatient services, from 1 June 2015 the Orthopedics, Physiotherapy and Rehabilitation Medicine, Cardiology and Medical Imaging departments at Conde S. Januario Hospital extended the closing time for their outpatient services to 10.00pm.
As for primary health care services, the Tap Seac Health Centre and the Ocean Gardens Health Centre extended their operating hours to 10.00pm from 20 July 2015. Currently, in more densely populated districts, four health centres remain open until 10.00pm and three other health centres are open until 8.00pm, to serve residents who cannot seek medical services during daytime.

This series of measures can effectively shorten residents’ waiting times for medical services. Between January and October 2015, the overall queuing time for emergency services at Conde S. Januario Hospital decreased substantially, compared to the same period in 2014. Similar achievements are also evident in eight specialty departments, which recorded waiting times for first treatment dropping by 26.3 percent to 63.6 percent. After the opening hours of two health centres were extended, the number of patients served in evenings by all seven health centres from August to October was 1.5 times greater than during the same period in 2014.


To respond to elderly persons’ demand for medical services, in 2015 the Conde S. Januario Hospital launched an elderly healthcare support hotline, based on its existing platform of services for the elderly. Health centres also implemented a community elderly healthcare scheme, to improve the physical and mental health of the elderly.

The Government also implemented a series of measures to protect residents’ health, including the third phase of a smoking ban, the third Macao Residents Physical Fitness Assessment and a public health survey pilot scheme.

According to the cooperation agreement signed between the Government and the World Health Organization (WHO) in 2011, WHO approved the setting up of the World Health Organization Collaboration Centre for Traditional Medicine by the Health Bureau, to enhance cooperation in facilitating the inclusion of traditional medicine in the primary healthcare system, training of traditional medicine officials and professionals, and ensure quality and safety of traditional medicines.

**Improving multi-level welfare system and helping underprivileged families**

In 2015, the Government continued to improve social support and welfare measures, strived to enhance living standards of the underprivileged, provided residents in need with appropriate family and community support services, and promoted healthy development of social services.

To enhance support to underprivileged families, the Government cooperated with non-government organisations in the phased implementation of a three-tier prevention strategy, which includes community education, support services and professional therapy, aiming to achieve prevention, risk reduction, and family rebuilding. The strategy was implemented in the form of a pilot scheme with participation by 188 underprivileged families, aiming to improve care and
support for these families.

After the Bill of Domestic Violence Prevention Law passed its first reading in the Legislative Assembly on 13 January 2015, an inter-departmental collaboration meeting was held. Other relevant government departments also followed up in phases, and the work was reviewed and revised according to the legislation progress.

**Caring for health of the elderly and establishing a long-term retirement protection mechanism**

Regarding the retirement protection mechanism for the elderly, an inter-departmental study group and the executive team of the Macao Retirement Protection System held several meetings in the first three quarters of 2015. The policy framework for the Macao SAR Retirement Protection System was formulated, and recommendations were made for the 10-year action plan from 2016 to 2025. A public consultation was also conducted. Upon further optimisation, the plan will be published in 2016, and implemented gradually thereafter.

To improve community support for the elderly, the Government continued allocating resources for supporting the Peng On Tung Tele-assistance Service Centre, renewing equipment for home care and support service teams and elderly day care centres. The Government also implemented a safety assessment and equipment subsidy scheme for homes of elderly people, to reduce risks of domestic accidents.

To take care of elderly persons with dementia, the Government established two day care facilities for them in 2015. It also completed the assessment on the environment and services provided by such facilities, and developed a handbook on supervising services for homes for the elderly, to provide guidelines for subsidised homes for the elderly. The Government also held training courses to constantly improve standards of services in homes for the elderly.

**Creating an inclusive environment for integrating disabled persons into the community**

The Inter-departmental Study Group for the 10-year Planning of Rehabilitation Services endeavoured to draft and revise a 10-year action plan on all areas of rehabilitation services. Its Access for All Working Group, Life Cycle Development Working Group and Social Integration Team also held numerous meetings with other departments.

To fully understand the lives of disabled persons, the study group commissioned a consultant to conduct a survey regarding the lives of disabled persons. This was completed in the fourth quarter of 2015.

The Social Welfare Bureau and the Social Security Fund reached a consensus on the long-term solution for the temporary disability allowance scheme, and will study the feasibility of revising relevant laws. Phase two of the benefit scheme for Disability Assessment Card holders was launched
in March 2015. The discount benefits were extended to public services, non-profit organisations and commercial organisations.

In response to disabled persons’ commuting needs, at the end of 2013 the Social Welfare Bureau commissioned the Hong Kong Society for Rehabilitation to conduct research on the planning of Macao’s rehabilitation bus services. The research was completed in 2015, and the Social Welfare Bureau began working closely with relevant departments on following up and implementing recommendations. Regarding rehabilitation facilities, construction of a centre for chronic mental patients, a day care centre for the disabled and a vocational rehabilitation integrated services centre was completed in 2015.

Also in 2015, the Government increased Old Age Allowances and Disability Subsidies by 7.14 percent.

To improve financing and technical support to non-government organisations, the Government established a new social service organisation subsidy system. In the first half of 2015, a consultation exercise was conducted with 73 community organisations, to collect opinions and improvement solutions. The new subsidy system came into force in July 2015.

Continuing to implement two-tier social security system and consolidating the Central Provident Fund

Apart from supporting people in need, the Government continued to promote a two-tier social security system. After listening to the Standing Council on Social Concerted Action’ opinions on the Non-mandatory Central Provident Fund, the Social Security Fund immediately started to follow up on the legislation, and prepared for the commencement of the legislative process in 2016. Drafting of the relevant by-law has already begun.

To support promotion and development of the Non-mandatory Central Provident Fund, the Government continued to open Provident Fund individual accounts for eligible Macao residents, injecting 7,000 patacas as a special allocation from the fiscal surplus into each account. In 2015, the special allocation from the fiscal surplus, amounting to 2.6 billion patacas, benefited more than 350,000 residents. From 2010 to 2015, the Government injected a maximum of 42,000 patacas to each eligible Provident Fund individual account, accumulating capital for residents to invest and rollover together with the contributions.

To ensure the stability of Social Security Fund, the Government started injecting extra capital into the fund from 2013. The injection in 2015 totalled 13.5 billion patacas. A total of 23.5 billion patacas had been injected in the previous three years. Also, the Government again proposed an increase in Social Security Fund contributions to the Standing Council on Social Concerted Action. Both employers and employees basically agreed that mandatory contributions should be increased, but have not yet reached a consensus on the ratio between Government and mandatory contributions. The Social Security Fund will conduct further analyses and studies of the opinions of both parties.
To support Macao’s economic development, development of tertiary education should focus on quality and diversity. In 2015, the Government held fast to the guiding principle of “Improving Macao through education”, and expedited the legislative procedures regarding the law on the Tertiary Education System, while actively preparing the complementary legislation, including through continuing to improve the contents of the bills on the organisation and operation of the administrative departments responsible for tertiary education, the tertiary education foundation and the Tertiary Education Council; and completing the frameworks of the bills on the Regulations and Rules of Tertiary Education, Academic Credit System in Tertiary Education, and Tertiary Education Assessment System.

To ensure ongoing improvements in tertiary education, the Government actively prepared for the development of the Higher Education Accreditation System, including by launching a pilot accreditation scheme. A study has been conducted and preliminary preparations have been made for developing a set of guidelines for course reviews, while appropriate adjustments and amendments have been made to the general abilities benchmark framework for higher education, with reference to views collected from tertiary institutions.

In 2015, apart from providing institutions with resources for enhancing academic facilities and launching projects to improve teaching and research, the Government also strengthened support to
tertiary students by increasing the number and amount of scholarships and grants, and significantly relaxing the monthly household income limit for loan applicants. Two awards have been established, for excellent conduct and academic improvement, in addition to the existing awards for academic achievements in various disciplines. Additionally, a new type of scholarship was offered, for Integrated Bachelor and Master’s Degrees.

The Government coordinated with the working group formed by several tertiary institutions to prepare for implementation of the joint university entrance examination of Macao (language subjects and Mathematics).

Moreover, the Government has conducted the Survey on Macao College Graduates’ Choices for Further Studies and Occupations in 2015 and Post-graduation Tracking Survey of College Graduates in Macao, to enrich the Higher Education Talent Database.

Continuing to optimise basic education and gradually undertaking curriculum reform

Regarding non-tertiary education, the Government continued to improve the 15 years of compulsory education, by increasing free education subsidies and tuition fee subsidies for students at different education levels, and textbook allowance for primary and secondary students, and extending free education subsidies to senior secondary-one students based on the assumption that there are 25-35 students per class.

The Government carried out a mid-term evaluation of the 10-Year Plan for Non-tertiary Education, to review its implementation and summarise experience over the past five years. Regarding legislation, progress has been made in amending the General Rules for Private Schools, and a public consultation was conducted on the supervisory regulations governing private tutorial centres. The Regulations on Teaching Excellence Awards were also promulgated.

To nurture talents, the first Talent Training Scheme for Outstanding Secondary Students were launched. Under this, students were invited to participate in a study and exchange tour to Singapore, and schools were subsidised so they could provide financially disadvantaged students with opportunities to study overseas.

In July 2015, the Government promulgated the by-law on Requirements for Basic Academic Attainments for Formal Education Curricula, and put in place the requirements for basic academic attainments for kindergartens. It also continued the pilot schemes for primary and junior secondary curricula and launched a pilot scheme for senior secondary school curricula, to lay a solid foundation for curriculum reforms at different education levels.

The Government completed the public consultation on the amendment to the by-law on the Special Education System, formulated Supplementary Guidelines for the Integrated Education Subsidy Scheme, and held interdepartmental discussions regarding the cooperation mechanism for the identification, assessment and placement of people with special education needs.
Advancing heritage conservation and encouraging development of the cultural industry

The year 2015 saw the 10th anniversary of the inscription of the Historic Centre of Macao on the World Heritage List. The Government joined with a number of organisations in holding celebrations, which included 35 activities in five categories: commissioning of historical and cultural facilities, exhibitions, seminars, publications and performances. These cultural activities aimed to raise citizens’ and tourists’ awareness of heritage conservation and cultural succession.

The Government strictly complied with the Cultural Heritage Protection Law during heritage conservation. In 2014, over 100 investigations commenced regarding properties of cultural significance in Macao. More than 70 of the investigations were completed by the end of 2015, and ten of the properties have been selected for an assessment process.

In 2015, the Government continued launching arts and cultural education programmes such as Culture Lectures, Seeds of Art and Cultural Blitz, and provided subsidies to people studying film, music, design or art. It also continued promoting development of the local cultural industry according to the strategies in the Policy Framework for the Development of the Cultural Industry.

Besides, the Government has processed the first batch of 321 valid sponsorship applications, 86 of which were found to be eligible after assessment. Formal agreements were signed with the related parties regarding the 71 projects that received sponsorship.

The Government has also completed the first draft of the Cultural Industry Incentive System, which aims to recognise enterprises, individuals or groups that have made significant contributions to the cultural industry. The industry and academia will be consulted in the second half of this year.

Cultural venues such as the temporary black box theatre of Old Court Building, Taipa Library, Jao Tsung-I Academy and newly renovated historical and cultural facilities such as the Woodcraft World of Master Lu Ban, the Patane Night Watch House, and the Guia Fortress (including the Chapel of Our Lady of Guia and Guia Lighthouse) were inaugurated in 2015. The Government collected public opinion on the reutilisation of the old Hotel Estori and Estoril Swimming Pool, and organised briefing sessions attended by over 2,000 participants. The views collected were then analysed and summarised, for further improvement and optimisation of the project.

Legislative Assembly passes 14 laws to meet society’s needs

During the second session of the fifth Legislative Assembly (from 16 October 2014 to 15 October 2015), 37 plenary meetings and 129 committee meetings were held. A total of 14 laws, two resolutions and nine simple-majority resolutions were passed during the plenary meetings.

1. In accordance with its law-making function, the Legislative Assembly passed a law regarding the anti-corruption system, Law No. 10/2014 - “System for Preventing and Deterring Corruption in External Trade”, to enforce the stipulations of international treaties, ensure the smooth operation of external trade, and prevent and fight all kinds of bribery, and so ensure Macao meets international standards of anti-corruption work;
2. Regarding international tax obligations, Law No. 4/2015 - “Elimination of Bearer Shares and the Amendment to the Commercial Code” was passed, to ensure Macao is up to international standards in terms of transparency in legal procedures for tax collection and information exchanges, creating a transparent taxation environment for investment;

3. Regarding urban construction, Law No. 1/2015 - “Qualification System for Urban Construction and Town Planning” was passed, to improve the quality of professional workers and construction work, making a contribution to urban development;

4. Regarding housing, Law No. 11/2015 - “Amendment to Law No. 10/2011 Home-Ownership Scheme Housing Law” was passed, to expedite the application assessment process, so that residents will promptly learn the results of their applications and be allotted housing, to improve their living conditions;

5. Regarding labour rights protection, Law No. 2/2015 - “Amendment to Law No. 7/2008 Labour Relations Law”, Law No. 6/2016 - “Amendment to the Compensation System for Work-related Accidents and Occupational Diseases Damages”, Law No. 7/2015 - “Minimum Wage for Cleaners and Security Workers of the Property Management Industry”, and Law No. 10/2015 - “Workers’ Credit Rights Protection Scheme” were passed, to gradually optimise and strengthen workers’ rights in different areas through the legal system of the Macao SAR; and

6. Regarding the civil services system, Law No. 12/2015 - “Labour Contract System for the Public Sector” was passed, to advance the legal system reform of civil services, bringing a positive impact to labour protection and operations of public departments.
The Legislative Assembly also passed, via urgent procedures, Law No. 8/2015 - “Setting the 70th Anniversary of Victory in the Chinese War of Resistance against Japanese Aggression and World War against Fascism as a Mandatory Holiday”, and Law No. 9/2015 - “Amendment to the Appendix of Excise Duty Regulations”.

The above mentioned laws were proposed by the Government.

The Legislative Assembly also passed a law proposed by its members, namely Law No. 3/2015, “Amendment to Law No. 11/2000 - Organisation of the Legislative Assembly of the Macao Special Administrative Region”, to ensure technical support offices could effectively satisfy current and future operational demands arising from the development of the Legislative Assembly.

Regarding its supervisory function, the Legislative Assembly exercised its powers enshrined in the Basic Law of the Macao Special Administrative Region to supervise the Government budget and public finance, by scrutinising and voting on the 2015 Government Budget, preparing written advice and resolutions on the Government’s reports on budget implementation for 2013, and debating the 2015 Policy Address presented by the Chief Executive.

During the legislative session, legislators submitted 689 written and 63 oral questions to the Government, and held eight plenary meetings for these enquiries. During the plenary meetings, legislators gave 244 pre-agenda speeches regarding politics, society, the economy, culture, administration and other matters of public interest in the MSAR.

The Follow-up Committee for Land and Public Concession Affairs, the Follow-up Committee for Public Finance Affairs, and the Follow-up Committee for Public Administration Affairs actively followed up on and prepared seven reports on important administration issues and implementation of relevant laws.

Other responsibilities of the Legislative Assembly include listening to and fully reflecting different views, suggestions and criticisms from the public, and making prompt responses regarding public aspirations. During the session, legislators continued to strengthen the roster system of receiving public visitors and 20 residents were personally received by legislators through this service.

The Legislative Assembly received eight petitions from citizens and groups, and handled these appropriately.

**CCAC combating corruption according to law, and CA sparing no efforts in auditing**

In 2015, the Commission Against Corruption (CCAC), in strict adherence to the principles of handling matters according to the law, laying stresses on both punishment and prevention as well as sparing no efforts on investigation of every case and suppression of every corrupt act, employed the two-pronged approach highlighting both combating and prevention as well as strengthened the communication and liaison with judicial agencies and public departments. The CCAC strived to prevent and combat corrupt acts of public departments and private sector, render recommendations to public departments and entities against any administrative illegalities or irregularities, protect
the rights of the citizens and build a clean society. Moreover, the CCAC continued to closely support our country in the review on implementation of the United Nations Convention against Corruption (UNCAC) of the country conducted by experts of the United Nations. Meanwhile, the CCAC also actively participated and completed the review on Afghanistan’s implementation of Chapter III “Criminalization and Law Enforcement” and Chapter IV “International Cooperation” of the UNCAC conducted by China.

In 2015, the CCAC received a total of 793 complaints and reports, of which 744 were eligible for handling. Among these, 262 were criminal cases and 482 were administrative complaints. Throughout the year, the CCAC completed the handling of 568 cases, of which 256 were criminal cases and were referred to the Public Prosecutions Office or archived following completion of investigation, and 312 were administrative cases and were processed and subsequently archived. In 2015, the CCAC received a total of 1,104 enquiries of different nature, of which 431 were related to criminal matters and 673 were about public administration.

As for the works of promotion and education, the CCAC kept on disseminating the message of integrity in the community in order to foster a corruption-free and law-abiding culture. Throughout the year, 463 seminars and symposia were held, with a total of 25,540 participants including public servants, associations’ members, employers and employees of commercial institutions, teenagers, primary and secondary students. The CCAC also visited various primary schools of Macao to promote the third edition of the textbook and teaching material kit entitled Honesty and Integrity which were revised in 2014. Over 70 percent of schools adopted the newly revised teaching material kit in the academic year of 2015/2016. Moreover, the office hours of the CCAC’s Branch Office at Taipa were adjusted in August in order to further meet the needs of the citizens. In June, the
CCAC implemented an online complaint service platform so as to provide the citizens with more convenient and diversified channels for presenting their complaints and reports.

Regarding external exchange and liaison, in 2015, the CCAC led a delegation to visit the Hong Kong and Macao Affairs Office of the State Council, the Supreme People’s Procuratorate and the Ministry of Supervision. The CCAC also participated in the 6th ICAC Symposium, the 17th Asian Ombudsman Association (AOA) Board of Directors Meeting, UNCAC meetings in Vienna, Hong Kong and Beijing as well as the 8th Annual Conference and General Meeting of the International Association of Anti-Corruption Authorities (IAACA). The CCAC received as well various delegations from the Hong Kong and Macao Affairs Office of the State Council, the People’s Procuratorate of Guangdong Province, the Department of Supervision of Guangdong Province, the Intermediate People’s Court of Foshan Municipal of Guangdong Province, the Agency Against Corruption of Taiwan, as well as the European Anti-Fraud Office, the Consulate of Ireland in Hong Kong, the Consulate General of Mozambique in Macao, the Central Office for Combating Corruption of Mozambique Attorney General’s Office, the East Timor Anti-Corruption Commission and the Casino Regulatory Authority of Singapore. Such meetings deepened mutual understandings, facilitated the exchange of experiences and strengthened cooperation.

The CCAC will continue to fight corruption and enhance integrity in full compliance with the law and will carry out its duties in an independent and impartial way in order to deepen the integrity building of Macao SAR.

In 2015, the Commission of Audit (CA) released six audit reports. Three were performance audit reports: Management of the Taipa Central Park Construction Project, Assessment, Approval and Distribution of Financial Assistance and The Supervision on Financial Subsidy for Private Schools. The three other reports were: Light Rapid Transit System – 3rd Report, University of Macau staff

The performance audit report Management of the Taipa Central Park Construction Project revealed that the department responsible for the construction projects did not consult users or properly follow up their suggestions during the project implementation. A unilateral decision to change the design during the construction period resulted in additional work. The report also pointed out that there were deficiencies in monitoring the execution of the contract and in the provisional acceptance procedure after the project was completed. These deficiencies led to waste of time and resources and, in certain circumstances, might have constituted safety risks to users of the facilities.

The report recommended that in future, the department responsible for the coordination of public construction projects carry out projects in accordance with the law and all requirements set out in the relevant contracts, and perform their duty to ensure proper project management. Other departments responsible for carrying out public projects should also take the report into account, to avoid making the same mistakes.

The performance audit report on Assessment, Approval and Distribution of Financial Assistance revealed that the Social Welfare Bureau (IAS) was deficient in assessing subsidy applications and supervising the distribution of subsidies. There were no detailed instructions on how to assess subsidy applications, and each of the Social Service Centres of IAS adopted a different standard. Although there was a mechanism with specific requirements to verify the eligibility of applicants, officers carried out assessments according to their own understanding and standards.

In some special cases, IAS would suggest that general subsidy beneficiaries leave a large part of their monthly subsidy with IAS. The subsidy would then be disbursed in cash in several instalments, so that social workers could closely follow up their cases. Social workers would also withdraw cash from the cashier counter at the head office and pass it to non-regular subsidy beneficiaries. However, as a monitoring mechanism for such practices was lacking, IAS failed to monitor or ensure the timely receipt of the cash subsidies by the beneficiaries.

As education is a focal point of the Government’s policy, and directly influences the talent training and social development of Macao, the resources invested and the effects generated attract wide public attention. As the departments responsible for the financial aid provided to private schools, the Education and Youth Affairs Bureau (DSEJ) and the Education Development Fund should have formulated clear guidelines and monitoring measures to determine whether the financial aid allocated to private schools every year is used properly.

The issue was addressed in the performance audit report on The Supervision on Financial Subsidy for Private Schools, which revealed the deficiencies in different working processes of the DSEJ and the Education Development Fund, and provided audit opinions and suggestions for better use of public funds in a lawful and proper manner.

The Light Rapid Transit System – 3rd Report focused on how the Transportation Infrastructure Office (GIT) managed the project risks, supervised progress with the construction project and updated the estimated total cost, and provided audit opinion and suggestions according to the findings.

The audit report on University of Macau staff housing allocation regime – University of Macau’s
Zhuhai Research Institute – University of Macau Development Foundation focused on three specific issues: the staff housing allocation regime, the establishment of a research institute in Zhuhai, and the establishment of the University of Macau Development Foundation. These are related to the operation and management of University of Macau (UM). CA pointed out that although UM enjoyed a certain degree of autonomy, it should be prudent in using public resources, which should be allocated properly. It should also avoid abuse of resources and power, and set a good example of modern management to the community and students.

To enhance auditors’ professional knowledge, in 2015 CA invited speakers of different professional areas to Macao, including experts from the National Audit Office, the Court of Auditors of Portugal and the supreme audit institution of Pakistan, to give lectures on topics such as international standards for supreme audit institutions, information systems, risk management for internet safety, audit of the funds industry, and audit in China in the era of Big Data.

Besides, selected auditors were sent to Portugal, Beijing, Fuzhou, Nanjing, Shanghai, Xiamen and Guangzhou to attend classes and take up internships offered by the Court of Auditors of Portugal, the National Audit Office, the Audit Office of Guangdong Province and China Institute of Internal Audit, to ensure the auditors were up to international standards and to improve the effectiveness of auditing.

Apart from sending auditors to attend classes and take up internships, in 2015 CA also sent representatives to attend the Cross Straits, Hong Kong and Macao Audit Theories and Practices Conference 2015 in Taiwan, and the Guangdong-Hong Kong-Macao Audit Conference 2015 - Performance Audits in Zhuhai, Guangdong. The exchange activities enabled CA auditors to understand the development trends of auditing in different places, and enhanced their professional standards.

Regarding promotion and publicity, CA continued to organise talks on auditing culture for cadets of the Academy of Macao Public Security Forces, new government recruits and college students. It also promoted the optimisation of the use of public resources to relevant staff in public departments and community organisations.

**Macao courts promotes judicial transparency and prosecutors safeguards rule of law**

**Numbers of Cases Handled by the Three-tier Court System**

In 2015, caseloads at Macao’s three tiers of the court system hit a record high, with a total of 24,199 cases, representing a 22 percent increase from 2014, and exceeding 20,000 cases for the first time. Of these cases, 99 were filed with the Court of Final Appeal, 1,146 with the Court of Second Instance, 22,834 with the Court of First Instance (including the Examining Magistracy), and 120 with the Administrative Court.

The majority of the cases in the three tier court system were criminal cases, totalling 11,672 (excluding Examining Magistracy cases). Ranking second was civil and labour cases, which totalled 2,931. There were also 171 administrative cases, and 9,425 other cases.
The three-tier court system concluded 21,869 cases in 2015, of which 88 were concluded by the Court of Final Appeal, with 40 more cases pending; 1,101 were concluded by the Court of Second Instance, with 529 further cases pending; 20,576 were concluded by the Court of First Instance (including Examining Magistracy cases), with 11,963 cases pending; and 104 were concluded by the Administrative Court, with 119 cases pending.

Law Promotion and Legal Consulting Services

To strengthen the promotion of law and foster the transparency of the judicial system, starting from 9 October 2013, the court issues press releases about typical concluded cases, and publishes them on the court website and the Government news website. Various media may reprint and report on these cases, which can hopefully promote the law and law abidance in society, and inform the public regarding the judicial approaches and methods for settling various disputes. As at the end of 2015, an accumulated total of 339 articles had been released, 144 of which were released in 2015.

The Information Counter at the Court of First Instance and the Small Claims Court continued to provide a consulting service to parties involved in legal proceedings. In 2015, counter staff received 7,566 inquiries, involving 7,632 cases, of which 6,847 were directly handled by the information centre, 489 were transferred to the Public Prosecutions Office, and 287 to other departments. Also, 3,048 telephone inquiries were handled; while the Small Claims Court handled 1,495 inquiries.

Legal assistance and enforcement

Regarding delivery of judicial writs and assistance in investigations and evidence collection in
civil and commercial cases, in 2015 the Court of Final Appeal received 121 judicial writs from mainland China courts, and delivered 35 judicial writs to mainland China courts on behalf of courts in Macao.

By the end of 2015, the Court of Second Instance received 148 requests for reviewing and endorsing judgments made by mainland China courts or arbiters; of these, nine judgments endorsed by the Court of Second Instance were sent to the Court of First Instance for enforcement.

**Declaration of Assets**

In 2015, the Court of Final Appeal followed the regulations in Law No. 11/2003 in the process of receiving individuals for the declaration of assets. It opened 170 individual dossiers, processed 2,214 documents for the declaration of assets, and made arrangements regarding and updates to the contents of the individual dossiers.

According to the regulations stipulated in Clause 1 of Article 4 in Law No. 1/2013, effective from April 2013; and Clause 2 of Article 21 in Law No. 11/2003, which was amended according to the former law, the office of the Court of Final Appeal has uploaded the fourth part of the disclosure document of asset declaration to the website of the Courts of Macao, ensuring it is available in the public domain as required by law. In 2015, the disclosure documents of 283 individual dossiers were published online and can be retrieved. A total of 559 disclosure documents are now published online and can be retrieved.

**Third Cross-Strait and Hong Kong, Macao High-level Judicial Forum**

The Third Cross-Strait and Hong Kong, Macao High-level Judicial Forum was organised by the Court of Final Appeal in Macao between 7 July and 28 July 2015. The forum centred on the theme of Protection of a Just Judicial System, with four sub-topics: the boundary between judicial adjudication and judicial administration, the protection of the personnel system in court organisations, the protection of the court financial budget system, as well as the current situation and strengthening of judicial exchanges between cross-strait regions, Hong Kong, and Macao.

The forum was attended by 87 delegations from cross-strait regions, Hong Kong, and Macao, and again gathered high-level personnel from these regions, following previous forums in Nanjing, mainland China, and Hsinchu, Taiwan. As the first gathering of the judicial heads of the four jurisdictions, this forum is significant and influential, and will be included in Chinese judicial history.

The President of the Court of Final Appeal, Sam Hou Fai, summarised the consensus reached in the forum. He holds that judicial adjudication and judicial administration shall be demarcated by judicial independence. The premise of any form of work in judicial administration should be that it does not compromise judicial independence. Since judges exercise judicial power independently, court staff should be managed according to different categories; to safeguard judicial independence; the budget required by the courts should be drafted and managed independently. He also said that, to strengthen judicial exchanges and cooperation between the four regions across the strait, appropriate measures should be taken to consolidate this forum as a regular, institutionalised, standardised and systematic event.
Public security safeguarded through combating criminal offences

Effective judicial work is the cornerstone of a stable society. In 2015, the Public Prosecutions Office proactively and effectively enforced prosecution policies, and took important steps to enhance the quantity and quality of prosecutions. The Public Prosecutions Office also introduced measures in response to adjustments in organisational structure and staffing. With the help of all the office staff, in particular the concerted efforts of judicial officers, these measures delivered the anticipated results.

Statistics from 2015 reveal that the Examining Magistracy of the Public Prosecutions Office opened 14,462 investigations, 6.62 percent more than the 13,563 cases in the previous year. Following the rise in number of criminal cases, the numbers of prosecutions as well as concluded and closed cases also rose. In 2015, 4,630 cases resulted in prosecutions, involving a total of 6,111 people. The number of cases closed was 10,603; and in total, 15,611 cases were concluded, representing a 21.22 percent increase from the previous year.

In 2015, the Public Prosecutions Office handled 4,500 criminal cases with ordinary proceedings, 933 cases with simplified and summary proceedings, 5,294 cases of traffic misdemeanours, 73 misdemeanours involving labour, as well as 356 cases involving appeals and answers to appeals in criminal cases before the Court of First Instance. In accordance with the regulations in the
Code of Labour Procedure, it is the responsibility of the Public Prosecutions Office to represent workers and their family members in court during litigation related to labour laws. In 2015, the Public Prosecutions Office participated in 615 cases involving ordinary labour contracts, workplace accidents and occupational diseases.

The Public Prosecutions Office also initiated 1,048 administrative cases, and concluded 1,188 administrative cases. It also initiated 947 proceedings concerning litigation fees, settlement of unpaid taxes and interdiction. Public prosecutors stationed at the office in the Court of First Instance provided legal inquiry services to 3,434 citizens.

In the adjudication of administrative cases at the Administrative Court, the Public Prosecutions Office has the legal responsibility to safeguard legality and represent the interests of the Macao SAR. In 2015, the Administrative Court office of the Public Prosecutions Office, as the representative of the Macao SAR, participated in 62 cases; offered legal advice in 61 cases; and handled 19 cases involving tax issues and 26 cases involving urgent procedures. In the role of safeguarding legality, the Public Prosecutions Office participated in 488 judicial appeals to fulfil its role of monitoring law enforcement.

**Safeguarding the rule of law and ensuring legality**

Safeguarding legality to ensure the just enforcement of the law is an important function of the Public Prosecutions Office. In accordance with the regulations stipulated in the Macao SAR Judicial Organisation Framework Law, the Public Prosecutions Office shall provide legal consultation at the request of the Chief Executive or the president of the Legislative Assembly. In actual practice, apart from attending to draft bills in public consultation, the Public Prosecutions Office also accepts requests from the Legal Affairs Bureau to provide opinions on draft bills and major legal cases. In 2015, the Office of the Prosecutor-General provided legal advice to the Government on sensitive cases, such as the Sin Fong Garden incident and the seizure of the Pearl Horizon site. It is expected that the legal advice offered by the Public Prosecutions Office can serve as a constructive consultation service for the Government in its work on legal problems or social incidents.

**Regional stability safeguarded through promoting regional judicial assistance**

Statistics show that the Public Prosecutions Office initiated 60 legal assistance procedures in different categories in 2015. In regard to criminal judicial assistance related to mainland China, Hong Kong and Taiwan, regional criminal judicial assistance arrangements are not yet available between these regions under one country. Therefore, following the principle of “One country, two systems”, the leadership role of public prosecutors in relevant cases was strengthened, in order to prevent and combat cross-regional crimes and effectively initiate regional judicial assistance. Materials relevant to judicial assistance are incorporated into the cooperation framework, to improve the procedures for judicial assistance through the Public Prosecutions Office.

Statistics show that in 2015, the Public Prosecutions Office handled 26 cases involving judicial assistance regarding Hong Kong, Taiwan, and mainland China. New progress was also achieved in
Taiwan, where cases involving judicial assistance with Taiwan have developed towards a mutually beneficial direction.

Following the development of economic globalisation, cross-regional and trans-national crimes have been surging. Effective cooperation between judicial bodies of different regions is essential for preventing and fighting crimes. Under the principle of “One country, two systems”, before an agreement can be made regarding judicial cooperation between regions, the Macao SAR must take a pragmatic approach to address the shortcomings in legislation related to cooperative investigations between mainland China, Hong Kong and Taiwan. To achieve further progress, we shall uphold the principle of “One country, two systems”, and continue to strengthen communications with mainland China, Hong Kong and Taiwan in combating cross-regional crimes, foster cooperation, and maximise the effectiveness of judicial assistance within the current legal framework.