

# Be Pragmatic Yet Enterprising, and Share the Fruits of Development

## Administrative Priorities of the MSAR Government in 2018

During the past year, the internal and external environments remained complex and volatile. Leveraging the institutional advantages of “One country, two systems”, we overcame the difficulties, facilitated a gradual economic pick-up, continued optimising the establishment of systems, and consistently improved people’s livelihoods.

During the year, we encountered severe impacts from the strongest typhoon to hit Macao since records began in 1953. With the support of the Central People’s Government and the assistance of the People’s Liberation Army Macao Garrison, sister provinces and regions and all representative offices in Macao, as well as the mutual support of the public, the Government joined hands with all sectors in society to overcome the difficult time, and maintain the stability of the economy and society.

In 2018, the Government will enhance our cognisance of larger interests and awareness of potential risks, strengthen our ability and mechanism for responding to emergencies, and continue to fully implement the Five-year Development Plan of the Macao Special Administration Region. With the public interest in mind, we will strive to improve policies and measures, to lay a more solid foundation for the future development of Macao.

### **I. Continue Perfecting the Five Long-term Mechanisms for People’s Well-being**

We will pursue people-oriented development and sharing our achievements. The Government will optimise the model of comprehensive support and multi-level coverage, continue perfecting our five long-term mechanisms regarding the social security system, housing, education, healthcare and talent cultivation, and optimise livelihood projects.

After the impact from Typhoon Hato, the Government implemented a series of emergency relief measures, to help affected residents, business operators and small and medium-sized enterprises (SMEs). As at the end of October 2017, 36 relief measures had been launched, involving expenses of about 1.757 billion patacas.

The Non-mandatory Central Provident Fund System has come into effect. The Government will continue adopting a three-pronged approach to perfecting the social security system: develop a two-tier social security system – with social support and social welfare, to enhance the fundamental social security network.

According to the related assessment mechanism, the Minimum Subsistence Index is maintained at 4,050 patacas. The Government will continue implementing the Short-term Food Assistance Programme, and disbursing an extra one month’s financial assistance to families registered with

the Social Welfare Bureau, a special subsidy for three categories of disadvantaged families, and a special living allowance through the Social Inclusion Scheme.

The Government will continue implementing a rent waiver for public housing tenants, and disburse temporary housing subsidies for eligible families on the waiting list for public housing.

The Government will step up caring for the disabled by considering the adoption of the current temporary disability allowance scheme as a long-term measure, and following up regarding amendments to related articles of the Social Security System.

The Ordinary Disability Gratuity and the Special Disability Gratuity will remain at 8,000 patacas and 16,000 patacas per year, respectively. The Government will continue providing a subsidy of 5,000 per month to eligible employees with disabilities. Employers hiring people with disabilities will be granted a tax deduction of up to 5,000 patacas on profit tax or personal income tax per employee with disabilities. The pension remains at 3,450 patacas per month, while the old age allowance is increased to 9,000 patacas per month.

Regarding students from families with financial difficulties, the Government will continue disbursing tuition fee subsidies every academic year: each kindergarten pupil or primary school student will receive 4,000 patacas, each junior secondary school student will receive 6,000 patacas, while each senior secondary school student will receive 9,000 patacas. A stationery allowance will be disbursed every academic year: the allowance for each kindergarten pupil or primary school student will increase to 2,400 patacas, while the allowance for each secondary school student will increase to 3,100 patacas. The meal allowance per student will increase to 3,600 patacas for every academic year.

The Government will upgrade the Positive Life Programme and the Community Employment Assistance Scheme, and continue providing a monthly subsidy of up to 5,000 patacas for eligible low-income, full-time employees.

We continue the Wealth Partaking Scheme, through offering 9,000 patacas to each permanent resident and 5,400 patacas to each non-permanent resident. Pursuant to the law on Provident Fund Personal Accounts, the personal account of every eligible permanent resident of the MSAR may receive a 10,000-pataca initiation allowance from the Government. We also propose continuing to inject an extra sum of 7,000 patacas from the fiscal surplus into the provident fund account of every MSAR resident.

The Government will continue disbursing the Textbook Allowance. The allowances per academic year for each kindergarten and pre-school pupil, primary school student and secondary school student will increase to 2,200 patacas, 2,800 patacas and 3,300 patacas, respectively.

We will continue providing tuition fee subsidies for eligible Macao students who study in schools in Guangdong Province, and propose expanding the coverage to include all cities in the province. The subsidy for each primary and secondary school student is up to 6,000 patacas, while the subsidy for each kindergarten and pre-school pupil is up to 8,000 patacas.

A stationery allowance of 3,000 patacas will continue being provided to each Macao student pursuing tertiary education or postgraduate studies.

The Government will continue implementing the third phase of the Continuing Education Programme, offering a subsidy of 6,000 patacas per person for a period of three years.

A 600-pataca healthcare voucher will continue being offered to each permanent resident of Macao, with extended validity, through an optimised disbursement system. We will continue offering an electricity bill subsidy of 200 patacas and a tap water tariff subsidy for each residential unit, and bus fare concessions for the elderly, students, people with disabilities, and other members of the public.

The Government will implement the policy of encouraging more healthy births to increase the fertility rate. The birth allowance under the Social Security Fund will be increased to 5,000 patacas, and both parents can apply for this simultaneously.

The Government will continue to implement the 30 percent exemption in personal income tax applicable to all Macao residents, with the basic allowance set at 144,000 patacas. We will also continue the 60 percent rebate of personal income tax payable by each Macao resident for the current year, subject to an increased ceiling of 14,000 patacas. The tax rebates will be disbursed in 2019.

The Government will continue implementing the following tax cuts and waivers: profit tax allowance will remain at 600,000 patacas; waivers of all business taxes, hawker licence fees, wet market stall rents, inspection and quarantine fees for live food, stamp duty on life or non-life insurance, and bank service charges; waivers of signboard taxes for businesses; exemption from tourism tax for restaurants; waiver of the first 3,500 patacas of real estate tax for Macao residents; waivers of stamp duty on entrance passes and tickets for cultural and arts performances, exhibitions and entertainment programmes; and waiver of real estate stamp duty on the first three million patacas of a home's value for Macao permanent residents purchasing a residential property for the first time. The Government will also provide waivers of stamp duty for auction activities, and launch a reduction or waiver of motor vehicle tax for purchase of a new vehicle to replace one damaged by Typhoon Hato, with total tax reductions or waivers estimated at 227 million patacas.

**Housing:** The Government will follow up the recovery and processing of idle lands and prioritise the construction of public housing when using the recovered lands. To continue optimising urban planning, the process for awarding the contract for compiling Macao's urban development master plan will be completed, followed by formulation of the draft plan. The Government will proceed with the zoning plan for the New Urban Zone Area A, on the basis of the overall plan for this area.

The Government will expedite urban renewal work, commence a consultation on the temporary housing programme and the percentages of property rights for redeveloped buildings, implement tax incentives, and set up a government-owned company, to gradually improve the urban environment, district by district.

Aligning Macao's development positioning with the national maritime strategy and planning, the Government will complete formulating the Medium-to-long-term Plan for Usage and Development of the Waters of the Macao Special Administrative Region (2016-2036).

We will continue implementing the public housing policy of "Public housing as the core supplemented by the Home Ownership Scheme". The Legal System for Public Housing has been

submitted to the Legislative Assembly for deliberation. Upon the completion of construction of 19,000 public housing units, the Government will commence its “post-19,000 units” public housing project.

The target of constructing 28,000 public housing units in the New Urban Zone Area A will be realised in four phases. At present, the Government is formulating the draft planning conditions in the first phase, involving 7,000 public housing units. The feasibility study on the public housing project on Wai Long Avenue of Taipa is being conducted in four phases. The phase 1 study has been completed, and phase 2 is expected to be finalised by the first quarter of next year. It is anticipated that the final report of the study will be completed in the fourth quarter of next year, and the project is provisionally forecast to provide about 6,500 public housing units. The planning conditions for the original power station site have been issued, and the housing project here is forecast to provide 1,000 public housing units. The Government is currently following up regarding the work related to the site on the western stretch of Jogos da Asia Oriental Avenue, Taipa, which will provide an estimated 2,000 public housing units. It is anticipated that the application process for Home-Ownership Scheme housing will resume during the coming two years.

We will assess auxiliary public facilities in a scientific, reasonable manner. The Seac Pai Van integrated shopping centre has been opened, to meet the needs of residents’ everyday lives. While dedicating intensive efforts to constructing public housing units, the Government will also expedite building plan approvals for private residential developments, to foster healthy development of the real estate market.

**Optimise a healthy city:** The Government will uphold the principle of “Improve medical services and prioritise prevention”, optimise the primary healthcare services network, enhance cooperation between the Government, non-profit medical institutions and private medical institutions, and perfect all medical services.

The Government will strengthen smoking control according to the law, and perfect food safety inspections. We will also implement coordination of medical specialist training, assessment and accreditation, and facilitate establishment of the System for Professional Qualification and Licensing for Medical Workers.

We will expedite the construction of infrastructure for the medical and healthcare system – including the Islands District Medical Complex and the public hygiene specialist building, and the expansion and redevelopment of the primary healthcare services network facilities. The construction of the Ka Ho Rehabilitation Hospital in Coloane will be completed in the first quarter of next year, while the Bairro da Ilha Verde Health Centre will commence operations in the middle of this year.

The Government will increase the quotas for various rehabilitation services, implement the Ten-year Development Plan for Rehabilitation Services, and increase subsidised places for day-care services for people with dementia. We will promote implementation of the General Guidelines on Design and Construction of Accessibility Facilities in the Macao SAR, to enhance the accessibility of community facilities.

We will implement a strategy in response to population ageing, improve the health conditions of elderly persons, women and children, and increase children’s playground facilities, and further promote the Family Policy Framework Law.

Regarding caring for the elderly, we will commence measures related to the Ten-year Action Plan for the Provision of Services for the Elderly, fulfil the medium-term objectives of Macao's retirement protection mechanism, and increase the subsidised places in homes for the elderly to 2,300.

The Government is highly concerned about those elderly, weak or disabled persons who live in old buildings without elevators and have difficulty walking up and down stairs. Based on optimising the existing home care and escort services, the Government plans to cooperate with social services organisations to launch a scheme to support commuting by mobility impaired residents living in old buildings. To assist senior residents with entering their desired employment, the Government will develop a social enterprise scheme for elderly persons, to subsidise social enterprises in creating employment opportunities for the elderly.

We will enhance maternal and child health protection, improve pre natal diagnosis and examination services, implement measures to support breastfeeding, and attach great importance to education and medical services for children with special needs. The Government has formulated the Five-year Development Plan for Child-care Services (2018-2022), and will achieve its target of increasing the subsidised places for child-care services to 11,000, to meet the needs for child-care services for two-year-old toddlers.

We will review and improve Macao's public sports facility network, expedite construction of the Athletes Training Centre, and seek appropriate sites for expanding sports facilities, cycling tracks and fitness trails.

**Building Macao with talent:** The Government will fully implement the development strategy of "Letting Macao thrive through education" and "Building Macao with talent", and increasing investment in education resources, to enhance the establishment of systems, and realise fairness in education.

The Tertiary Education System will come into effect. The Government is actively following up regarding related laws and regulations, and the formation of a new organisational structure which includes the Tertiary Education Council and the Tertiary Education Fund. Investments in technological research and development will also be increased, to boost cooperation between the industrial, academic and research and development sectors, to promote technological innovation.

Regarding the development of non-tertiary education, the Framework of Formal Education Curriculum by-law and the Requirements for Basic Academic Aptitude of Local Education System by-law will come into effect from the 2019/2020 academic year. The Government will implement a new integrated assessment model, with school self-evaluation as the core and supplemented by external evaluation. We will also expedite amendments to the laws and regulations on vocational and technical education and the Law on Special Education System.

We will optimise a youth and talent cultivation system with family as the foundation, supported by education and resources, guided by government policies, and built by the joint efforts of the community. We will enhance patriotic education and students' national awareness and belonging, and foster young people's sense of mission and responsibility regarding serving the community.

With the Thousand Talents Programme as the platform, the Government will focus on organising youth programmes related to knowledge of national affairs, entrepreneurship and

innovation in the Guangdong-Hong Kong-Macao Greater Bay Area, and voluntary poverty alleviation services. The programme mainly subsidises young people participating in four areas: programmes that promote Chinese history and culture, national branded competitions, exchanges and cooperation between Macao tertiary students and their mainland China or overseas counterparts, and diverse youth forums.

We will launch the Macao Medium-to-long-term Talent Cultivation Plan – Five-year Action Plan; implement an incentive scheme for talent cultivation and accreditation, to encourage citizens to pursue licensing and certification; continue implementing the action plan to motivate return of talent, by encouraging local talents who are currently abroad to consider participating in the development of the Macao SAR; and continue improving the functions of a talent database as a reference for solving the shortage of manpower in various industries.

The Government will also enhance cultivation of talented people in technology, plan to further develop science and engineering education and training, integrate and optimise policies and measures on Portuguese language training to strengthen Macao's position as a cradle for cultivating talented individuals who are bilingual in Chinese and Portuguese, and enhance the comprehensive quality of tourism education, to establish Macao as a base for tourism education.

## II. Expedite Urban Development

We will perfect the integration of government leadership and community participation, and the mechanism for everyday safeguards against and responding to emergencies; strengthen top-down coordination and inter-departmental synergy; and focus on establishing systems and investing in resources for implementing short-, medium- and long-term measures to develop a long-term disaster prevention and mitigation mechanism.

**Short-term measures include:** commence formulation of emergency response action plans in all departments, in order to be well prepared for establishing an overall emergency response programme; and establish a department focused on civil protection and emergency response coordination – with the main functions of coordinating regular disaster prevention and reduction work, including civil protection drills, education on society's emergency and safety awareness, and management of material supplies for disaster prevention and reduction, and disaster relief shelters.

We will perfect the laws and regulations on risk management and emergency responses, with a focus on revisions to the by-law on weather warnings and the scales for typhoons and storm surges, to raise our ability to forecast potential weather disasters such as typhoons and storm surges.

We will adopt a comprehensive management model to improve flood prevention and drainage infrastructure. Plans include constructing a new pump house at the Inner Harbour, with the tender exercise for this expected to be initiated in the first half of this year; studying the design for increasing the height of the sea embankment; inspecting all coastal sewer drainage and pipeline outlets, and repairing or installing safety valves to prevent seawater intrusion; commencing temporary flood prevention work, extended from the Inner Harbour to Ilha Verde; and enhancing communication with mainland China authorities to expedite construction of tidal sluices.

Through close cooperation with the water resource departments of mainland China, the

mainland China section of the fourth raw water pipeline is completed, while the construction of the Macao section has already commenced. This project will enhance safe operations and emergency water storage capacity of the tap water supply company.

The Government will provide additional means of emergency communication, clarify the social responsibilities of television and telecommunication operators for conveying emergency warnings and alert messages, and install warning and alerting systems at major border checkpoints and low-lying waterfront areas, for timely delivery of information on emergencies.

We will follow up regarding assessments of buildings damaged by Typhoon Hato, and plan to establish a wind resistance standard for windows, and improve management of basements and underground car parks, to optimise flood prevention during storm surges. We will investigate weaknesses in electricity supply equipment, and revise the standards for design and installation of electric facilities, to enhance safety of electricity supplies. We will also strengthen cooperation with mainland China, especially Guangdong province and Zhuhai, to establish a special border crossing system for emergency situations.

**Medium- and long-term measures include:** enhance safe operating capacity of the city by prioritising infrastructure development in new urban planning, including the planning of underground pipeline network and wind-resistance designs for buildings.

We will actively facilitate the construction of a third interconnection between the local power grid and China Southern Power Grid, accelerate construction of an additional gas-fired unit to prevent power outages in critical facilities, commence formulating a master plan for preventing and responding to disasters affecting the local power grid, and expedite progress with modification work.

We will also make good progress in medium- and long-term planning, and enhance Macao's water storage capacity with newly expanded water storage facilities. The target of the phase-one project is to expand the total capacity to 1,050,000 cubic metres.

We will make use of big data and other technologies to establish a crisis information management system, facilitate sharing of disaster information among disaster relief departments, establish a unified information release platform, upgrade the standards for communication networks, and strengthen the damage resistance of communication infrastructure. The Government will construct an office building on Macao peninsula for the newly formed Civil Protection and Emergency Operations Centre, to strengthen the software and hardware development of the centralised command centre.

We will establish a professional and efficient emergency rescue team, strengthen professional training for meteorological staff, and begin formulating a ten-year plan for disaster prevention and mitigation (2019-2028).

To build a safe city, the Government will implement diverse measures, such as optimise community policing, promote smart policing, establish an online security centre, enhance cooperation in regional security, combat and prevent all types of crime, intensify anti-terrorism drills, conduct more comprehensive and professional anti-terrorism drills at the international airport and casinos, enhance professional facilities for maritime law enforcement, to ensure and maintain public safety in the MSAR.

The new wholesale market is expected to commence operations, and will align with construction of the new Guangdong-Macao border crossing.

**Build a smart city:** The Government's cloud computing centre and big data platform will be completed and commence operations next year. We will strictly abide by the Personal Data Protection Act. With the support of cloud computing and the big data platform, the efficiency of data exchanges between public departments will be greatly enhanced.

The Government will speed up the formulation of a long-term development plan for the telecommunications industry, and update relevant laws and regulations, to regulate issuing and renewal of licences. We will facilitate e-commerce and support development of a third-party electronic payment platform.

**Transportation management:** Various transportation management approaches will be integrated, to create an effective, efficient and convenient green commuting environment.

The Government will continue promoting the use of environmentally-friendly vehicles and electric cars. We will perfect the Inspection and Administration System for Road Facilities, enhance project supervision, and reduce inconvenience caused by road works.

We will enhance bus services and spare no effort in the comprehensive renewal of the Border Gate bus terminal facilities. We will perfect the establishment of the system for taxi services, and strictly combat violations of the law. The Legal System Governing Taxi Services has already been submitted to the Legislative Assembly for deliberation, while 100 special taxis have already commenced service.

We will develop new walking routes and improve the walking environment. We will also facilitate construction of the LRT system, expedite the establishment of an LRT operation company responsible for construction and operation of the LRT system, and continue proceeding with the legislation on the future operation of the LRT.

The Government will accelerate construction of transport infrastructure facilities. Upon the Central People's Government's approval of the feasibility study report on the construction of the fourth Macao-Taipa cross-harbour route, we will commence the tender invitation procedures. We will leverage the advantages of the Macau International Airport, Taipa Ferry Terminal and nearby LRT stations – especially their close proximity, to develop a transportation hub in the Islands District that integrates land, sea and air transport.

The construction of the superstructure of the Macao border crossing area of Hong Kong-Zhuhai-Macao Bridge and related ancillary facilities will be completed at the same time as the main structure of the bridge. Guangdong province, Hong Kong and Macao will closely cooperate to ensure smooth and safe operations and management after the bridge becomes operational.

**Conserve the natural environment:** The Government will announce the Macao Solid Waste Resources Management Programme (2017-2026), affirming Macao's waste reduction target for the next ten years. We will also commence improvement of construction waste landfill soil, facilitate planning of the incineration centre's phase-3 expansion project, proceed with the optimisation and design of the basic facilities of Macao's sewage treatment system, and plan to establish a centralised food waste processing facility.

With the aim of reducing waste, the Government will proceed with the legislation on the scheme to subsidise equipment for the recycling industry, the management system for construction waste in Macao, and the restrictions on using plastic bags.

The Government will soon commence a tree re-planting and maintenance plan, and commence the greenery restoration project along the LRT Taipa line in phases.

**Foster cultural diversity:** The Government is committed to cultural heritage education and constructing cultural facilities, conserving tangible and intangible cultural heritage, compiling the List of Macao Intangible Cultural Heritage, establishing a heritage monitoring mechanism, and commencing the formulation of the Plan for Protection and Management of the Historic Centre of Macao by-law, encouraging local original art creation, facilitating cultural exchanges with overseas parties, and demonstrating Macao's unique multicultural charisma.

### III. Continue Promoting Stable Economic Development

The Government will facilitate rejuvenation of traditional industries, strengthen the vitality of nascent industries, promote healthy and stable development of tourism and gaming industries, comprehensively review and perfect the laws and regulations governing the gaming industry, regulate the operation of gaming promoters, and promote responsible gaming.

We encourage gaming operators to integrate more leisure tourism elements into their existing operations, prioritise using products and services designed and made in Macao, and foster synergy between gaming enterprises and local small- and medium-sized enterprises, long-established local shops and cultural and creative industries.

The Government will implement the MSAR's Five-year Development Plan and realise the tourism development goals set out in the Macao Tourism Industry Development Master Plan, optimise monitoring and assessments of the tourism carrying capacity, and improve management of tourist attractions. We will develop smart tourism, consolidate and expand tourist sources and markets, enhance exchanges and cooperation with international and regional cities, continue discovering tourism resources, and develop more family tourism facilities.

We will foster development of budget hotels, theme parks and integrated shopping centres; leverage Macao's multi-cultural advantages to develop more new cultural tourism products; leverage the success of becoming a UNESCO Creative City of Gastronomy to promote Macao's unique gastronomic culture; and bolster the vitality of SMEs.

We will adopt the "conventions as the priority" approach to attract more professional and international branded conventions and exhibitions to be held in Macao; and encourage high-end exhibitors and participants to visit and shop in the community, thus promoting comprehensive development of associated industries and SMEs. The Cultural Industry Fund will provide specific subsidies to support businesses with developing cultural and creative brands, such as for fashion designs, cultural performances, and publications.

The development of the Guangdong-Macao Traditional Chinese Medicine Technology Industrial Park has yielded positive initial results as the first batch of priority projects are gradually commencing in the park. Macao's Chinese medicine products have achieved good progress in

achieving international registration, with a pilot programme in Mozambique. Registration for the European Union markets has also commenced. We will leverage the technological strengths of state key laboratories, to transform original science and technology research results into traditional Chinese medicine products, and gradually realise industrialisation and internationalisation of Chinese medicine.

The Government will actively develop specialised financial businesses focusing on financial leasing and wealth management, to strengthen Macao's financial infrastructure; facilitate the establishment of a central credit information database; and complete the revision of the regulations on the finance leasing business. We will seize the opportunities arising through the establishment of the headquarters of the China-Portuguese-speaking Countries Cooperation and Development Fund in Macao to provide financial services for projects related to the "Belt and Road" initiative. The preparations for establishing the Investment Development Fund will be accelerated.

We will strive to facilitate traditional industries to adopt a high value-added business approach, help local enterprises with exploring markets, and utilise the consistently improving local and cross-border transportation infrastructure to develop a logistics centre at the Macao border crossing area of Hong Kong-Zhuhai-Macao Bridge, to boost improvement of the logistics industry, promote integrated development of associated industries, and foster adequate economic diversification.

We have launched an action plan to support SMEs, along with continuing to optimise various financial and administrative supportive measures, provide more and better assistance, and assist them with exploring human resources.

We will optimise the existing licensing schemes, and coordinate workflows of relevant departments, to create a favourable and convenient business environment.

The Government will seize the opportunity of smart city building to guide SMEs in adopting new business models; enhance cooperation with e-commerce operators in mainland China to build a foundation for exploring e-commerce markets in Portuguese-speaking countries; strongly support re-branding of time-honoured shops, to enhance their brand image; and enhance young entrepreneur training through the Young Entrepreneurs Aid Scheme.

The Government always prioritises the protection of local employees' rights, processes non-resident employment application strictly according to the law, perfects regulation of the domestic helper market, improves the exit mechanism for non-local employees, sticks to the principle of importing foreign workers only for situations in which there is insufficient local labour, and guarantees prioritised employment for Macao people.

The Government will follow up regarding the amendments to the Labour Relations Law, prioritising the items related to paid paternity leave, overlapping leave and compensation leave. The regulations for part-time employment and minimum wage have already been included in the proposals on legislation for 2018 and 2019. We will seriously listen to the opinions from all sectors, forge a consensus, and proceed to legislation.

The Government will continue deepening its regional cooperation and platform-based economic strategies. According to the country's requirements, we will fully leverage Macao's advantages and positioning to take part in regional collaboration. We will strive to develop joint forces to realise integration of Macao's "One Centre, One Platform" development positioning, the "Belt and Road" initiative, and the planning of the Guangdong-Hong Kong-Macao Greater Bay Area.

The Government will establish a department focusing on coordination of regional cooperation, to enhance the quality and standards of cooperation. We will fully leverage the coordination function of the Committee for Development of the Commercial and Trade Cooperation Service Platform Between China and Portuguese-speaking Countries, so that the “One Platform” can integrate with Macao’s adequate economic diversification for the advancement of mutual development.

According to the Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area, the governments of Guangdong, Hong Kong and Macao will join forces to develop the Greater Bay Area into a more energetic economic zone and a quality living area, favourable for living, work and tourism. It will be a demonstration zone of in-depth cooperation between mainland China and Hong Kong and Macao, and a world-class metropolis jointly developed by the three governments.

We will strive to create favourable conditions and opportunities for the sustainable development of Macao, through participation by SMEs especially, so that Macao people can enjoy the benefits arising from this strategic development.

We will consolidate the seven major areas of cooperation in the Guangdong-Hong Kong-Macao Greater Bay Area; establish a multi-cultural exchange and cooperation base with an emphasis on Chinese culture; and support all sectors of Macao to participate in the development of the Greater Bay Area.

We will facilitate construction of major border crossing infrastructure, to develop new operating models for more convenient border crossing arrangements; deepen cooperation in livelihood areas such as education, healthcare and social security, improve capability and standards of social management and public services, and encourage the education sector to seize the opportunities arising from the development of the Greater Bay Area to exchange ideas and develop innovative models for education.

We will deepen Guangdong-Macao cooperation, actively participate in the development of the Hengqin and Nansha sub-zones of the Guangdong Free Trade Zone, promote liberalisation of trade in services between Guangdong and Macao, and jointly create a competitive business environment.

The Government will coordinate regional cooperation with mainland China provinces and cities to widen the horizons for development; continue deepening Pan Pearl River Delta regional cooperation to explore the markets in Portuguese-speaking, European Union and Southeast Asian countries; facilitate Macao’s cooperation with Fujian; continue building the “Beijing-Macao Cooperative Partnership” brand; prepare for the establishment of Jiangsu-Macao Cooperation Zone; deepen Sichuan-Macao cooperation; explore commencing exchanges and cooperation with the old industrial bases in mid-western and north-eastern China; improve the mechanism for communications with Hong Kong, and fully leverage the function of the Macao Economic and Cultural Office in Taiwan.

#### **IV. Deepen Public Administration Reform**

The Government will uphold the responsibility for serving the public; and be positive and bold, diligent and accountable, to implement public administration reform for the overall enhancement

of quality and standard of governance.

We have completed the first phase of functional and administrative structural reform. From 2015 to 2017, we have restructured 15 public departments, abolished six public departments, restructured 11 consultative bodies, and dissolved three consultative bodies. The second phase of the reform, which will last three years, has commenced. It mainly involves 17 public departments that are responsible for the economy and finance, public security, and transport and public works.

We will optimise various economy and livelihood related cross-departmental procedures, increase fully digitised public services, and perfect “one-stop” integrated services, to provide higher quality and more convenient public services.

After considering opinions and suggestions from the Civil Servant Remuneration Consultative Council and civil servants’ associations, the Government has upwardly adjusted each point on the civil service salary scale to 85 patacas. The consultation on the second stage of revision of the Civil Servant Ranking System and the preliminary plan for a rank-based salary adjustment system has already commenced. We will optimise the promotion system for civil servants, to provide more training and promotion opportunities.

The Government will review the accountability system for government officials; specify the four major accountable elements: administration, politics, law and ethics; perfect the related support systems; strengthen performance assessments, refine the key elements and standard of assessments, and complete the third-party assessment; and promote national awareness and sense of responsibility of officials at all levels, to create a favourable administration culture of putting people first and ensuring parity of authority and responsibility.

We will adhere to the basic principle of “One country, two systems”, uphold the nation’s constitution and the Basic Law of Macao, and ensure the stability of Macao’s political system. We will commence the legislative procedures for the establishment of a municipal body that is not an organ of political power, in accordance with the relevant provisions of the Basic Law of Macao and based on preliminary studies and opinions collected.

Improving the channels for public participation in social affairs and establishing multiple communication mechanisms are the important approaches for achieving sound governance. The Government attaches importance to fostering talented people in governance, facilitating optimisation and restructuring of consultative bodies, enhancing rejuvenation and professionalism in consultation groups, enhancing administrative transparency, strengthening presentation and execution of policies, and lawfully safeguarding freedom of the press, freedom of publication and freedom of speech.

The Government will continue supporting the establishment of software and hardware of the judiciary, enhance professional knowledge of judicial officers while enriching their social experience. We will coordinate legislation and guarantee legislative quality. Revision of the Judicial Organisation Framework Law, the Civil Procedural Code and the Penal Code, and formulation of laws and regulations related to Macao waters will commence.

The Commission Against Corruption (CCAC) will combat corruption according to the law, handle complaints to the ombudsman, safeguard legitimate rights and interests of the public. The Commission of Audit will continue exercising its authority in audit based on the principles of law-abidance and independence, and intensify continuous audits.

## Conclusion

Today's Macao is enjoying unprecedented development opportunities and is far closer to achieving the common development goal. We must equip ourselves, truthfully listen to public opinion, properly respond to risks and challenges, practically resolve actual problems, and follow our determined direction towards better, further and more stable progress.

We shall strengthen our self-confidence in the theory and in the institution, consistently reach public consensus and converge collective forces, to implement plans and policies at full speed, and enable all Macao people to participate in development and share the achievements and happiness.

Central Government and participation by the people in Macao, we are fully confident of seizing the opportunities and overcoming all obstacles, and will endeavour to fulfil our social responsibility and historic mission.

A handwritten signature in black ink, consisting of stylized, flowing characters that appear to be 'CSO' followed by a flourish.

Chui Sai On  
Chief Executive of the Macao SAR