

Making Stable Economic Progress and Integrating into the Greater Bay Area to Enhance Driving Force



In 2018, the trade relationship between the United States of America and China led to uncertainties in the global economy, but Macao's economic foundation remained sound. Macao's gross domestic product (GDP) for the year amounted to 440.3 billion patacas, with a growth rate of 4.7 percent in real terms, somewhat slower than in 2017, when there was a 9.7 percent increase. The GDP per capita was 666,893 patacas.

Macao's public finances remained sound and healthy, and the job market was favourable. The unemployment rate for the year was 1.8 percent, representing a year-on-year decrease of 0.2 percentage points. This was the seventh consecutive year in which the unemployment rate remained at two percent or below. The overall median monthly income of Macao's employed population was 16,000 patacas, while that of local residents was 20,000 patacas; both figures were 1,000 patacas than in the previous year. For 10 consecutive quarters, the inflation rate has remained relatively low. The annual inflation rate was 3.01 percent.

Leveraging Macao's advantages and serving our country's needs, the Government rolled out a series of initiatives dedicated to actively engaging in the development of the Guangdong-Hong Kong-Macao Greater Bay Area, striving to strengthen its positioning as "One Centre, One Platform", and supporting the implementation of the Five-year Development Plan of the Macao Special Administration Region (2016-2020).

Engaging in regional cooperation and strengthening Macao's position as Sino-Portuguese platform

In 2018, the Government continued establishing a financial services platform between China and Portuguese-speaking countries, and developing Macao as a Renminbi clearing centre for Portuguese-speaking countries. The Monetary Authority of Macao signed the new Cooperation and Technical Assistance Agreement with the Portuguese Insurance and Pension Funds Supervisory Authority, while the Macao Branch of Bank of China signed the Renminbi Clearing and Settlement Agreement and the Renminbi Business Agreement with Portuguese Commercial Bank and Portuguese Agricultural Credit Cooperatives, respectively.

The Government also enhanced the promotion of Portuguese-speaking countries' products and expedited the development of Macao as a food trading and distribution centre for Portuguese-speaking countries. Through cooperating with chambers of commerce and enterprises, a display network for food products from Portuguese-speaking countries was formed in Macao and various cities in mainland China.

In the first half of 2018, Portuguese-speaking Countries Food Promotion and Business Matching Sessions were held in Foshan, Zhaoqing, Huizhou, Dongguan and Fuzhou; while in the second half of 2018, similar promotion and business matching sessions were held in Shenyang and Wuhan, to facilitate the entry of Portuguese-speaking countries' products to the mainland China market.

Fostering development of nascent industries to promote adequate economic diversification

The Government continued improving the supporting measures and incentives for the development of the convention and exhibition industry, with conventions as the priority. In 2018, the number of large-scale quality conventions with over a thousand participants was more than doubled compared with that of 2017; meanwhile, to enhance the internationalisation and professionalism of the industry, the Government continued joining hands with "Convention Ambassadors" to attract more professional conventions and events to be held in Macao.

The Macao Trade and Investment Promotion Institute received the "Best Convention and Exhibition Bureau" award at the 29th Annual TTG Travel Awards. To promote external interactions and cooperation and raise the quality of human resources of the industry, for the first time, training places at CEMCHINA Certified Exhibition Management and the UFI Exhibition Management Degree (EMD) in Macao were reserved for employees in the convention and exhibition industry in countries and regions along the "Belt and Road", and in Portuguese-speaking countries, the Guangdong-Hong Kong-Macao Greater Bay Area and Pan-Pearl River Delta cities.

In 2018, the Cultural Industry Fund launched the Community Cultural and Creative Production Subsidy Scheme and the Specific Subsidy Scheme for Brand Building. Subsidies totalling 6.3 million patacas were provided to 22 projects in the first phase of the scheme, with the aim of encouraging retail and catering companies in the community to embrace culture and creativity, in order to tie in with Macao's positioning as a world tourism and leisure centre and a Creative City of Gastronomy.

The Specific Subsidy Scheme for Brand Building aims to encourage collaboration between more Macao enterprises in various sectors, especially in the fashion, design, cultural performance, and film and television industries, in order to expedite the export of Macao's cultural products and services to overseas markets.

By the end of 2018, a total of 108 enterprises had registered in the Traditional Chinese Medicine Science and Technology Industrial Park of Cooperation Between Guangdong and Macao (GMTCM Park), including 26 Macao enterprises in fields such as traditional Chinese medicine, health care products, medical devices and health care services. The Government expedited the park's software and hardware development. The public services platform was completed and commenced operations.

Regarding regional cooperation in Chinese medicine, the Liaison Office of Guangdong Food and Drug Administration and the Research Centre of Traditional Chinese Medicine Technology and Policy were officially launched in the park in July 2018; the Chengdu University of Traditional Chinese Medicine (Macao) International Education project was also driven forward; while traditional Chinese medicine enterprises of Fujian were helped to register in Macao, and register their products and engage in trade in Mozambique. A plaque unveiling ceremony for the Preparatory Office for the Traditional Chinese Medicine Centre of Mozambique was held in Maputo in July 2018, and preparations were made for establishing an overseas centre for Chinese medicine in Mozambique.



Regarding specialised financial services, the Government strived to attract quality financial institutions to establish bases in Macao, improved the legal system, and implemented several measures to foster the development of the financial leasing industry. In May 2018, the Legal System Governing Financial Leasing Business passed its first reading at the Legislative Assembly; the Government will proceed with the legislation.

Legal experts were commissioned to study the feasibility of introducing the Trust Law to Macao; and the industry was encouraged to create more investment products, especially Renminbi-denominated wealth management products.

Work commenced on amending the Interest Subsidy Scheme on Bank Loans to Enterprises commenced, and consideration was given to making green financial loans eligible for interest subsidies.

The Government organised professional training courses to facilitate development of the financial services industry and, through the interdepartmental cooperation mechanism, financial institutions were assisted with bringing in overseas professionals and senior management personnel who can also nurture the industry.

Strengthening supervision of the gaming industry and promoting integrated development with non-gaming industries

In 2018, gaming revenue totalled 302.846 billion patacas, representing year-on-year growth of 14 percent, and a record high record since the peaks in 2012 and 2014.

The Government continued following up on the post-interim review of the gaming industry, and conducted special audits and audits of gaming enterprises and gaming promoters.

While strictly processing all gaming table applications, and regulating the pace of gaming industry expansion, the Government continued enabling gaming enterprises to increase input of non-gaming elements, and give priority to procuring local products and services, while monitoring how the gaming industry gave impetus to non-gaming industries and benefited local enterprises.

Improving the business environment to help SMEs grow and innovate

In 2018, the Government continued implementing various schemes to support small and medium-sized enterprises (SMEs). Partnering with social groups, the Government commenced the procedures for assessing “Time-honoured Local Shops”, to support

the development of these shops. A first batch of 12 shops were bestowed the title of “Time-honoured Local Shop”. Also, the Government continued supporting chambers of commerce with launching the one-stop cross-boundary e-commerce service, to help Macao SMEs to more effectively tap into the mainland China market.

In 2018, the SME Subsidy Scheme for Installation of Anti-flooding Lifts and the SME Subsidy Scheme for Installation of Anti-flooding Gates and Water Pumps were rolled out, to subsidise the installation of anti-flooding lifts and anti-flooding gates by SMEs.

By the end of 2018, 53 applications had been received for the SME Subsidy Scheme for Installation of Anti-flooding Lifts, and 1,164 applications for the SME Subsidy Scheme for Installation of Anti-flooding Gates and Water Pumps. Also, the SME Assistance Scheme had received 11,249 applications, of which 9,930 were approved, for assistance totalling 2.924 billion patacas.

Comprehensive support and multi-level coverage model to improve livelihoods



In 2018, the Government adhered to the administrative principle of “Be pragmatic yet enterprising, and share the fruits of development”, implemented the development