

Administrative Priorities of the MSAR Government in 2019

Seize opportunities for balanced development

2018 proved a critical year for continuing progress with implementing China's 13th Five Year Plan. Macao is moving towards a new era, with the mother country giving rise to unprecedented development opportunities. The Government will work together with the public to seize opportunities, secure our foothold with the support of the motherland to plan for the future, and advance the great cause of "One country, two systems", "Macao people governing Macao" and a high degree of autonomy.

In 2019, we will celebrate the 20th anniversary of Macao's reunification with the motherland. This year will also see a change of administration in the MSAR. We must create a harmonious social environment to ensure effective administration. We will strive to realise our policy goals of maintaining overall stable growth, prioritising livelihood projects, and emphasising balanced economic and social development.

1. Focus on improving people's livelihoods

Adhering to providing comprehensive support and multi-level coverage, the Government integrates short-, medium-, and long-term policies to enhance social security for people's basic quality of life.

The Non-mandatory Central Provident Fund System has come into effect, marking a milestone in development of the two-tier social security system. According to the related assessment mechanism, the Minimum Subsistence Index has been increased to 4,230 patacas. The Government continues 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 also continues implementing the Short-term Food Assistance Programme, and enhancing temporary and emergency relief measures.

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

Regarding caring for the disabled, the Ordinary Disability Gratuity and the Special Disability Gratuity will be increased to 9,000 patacas and 18,000 patacas per year, respectively. The Government continues providing a subsidy of 5,000 per month

to eligible employees with disabilities. Employers hiring people with disabilities are granted a tax deduction of up to 5,000 patacas on profit tax or personal income tax per employee with disabilities. The pension are also being increased to 3,630 patacas per month, while the old age allowance remains at 9,000 patacas per month.

Regarding students from families with financial difficulties, the Government continues disbursing tuition fee subsidies every academic year: each kindergarten pupil or primary school student receives 4,000 patacas, each junior secondary school student receives 6,000 patacas, and each senior secondary school student receives 9,000 patacas. A stationery allowance is disbursed every academic year: the allowance for each kindergarten pupil or primary school student is being increased to 2,500 patacas, while the allowance for each secondary school student is being increased to 3,250 patacas. The meal allowance per student is also increased to 3,800 patacas for every academic year.

The Government is upgrading the Positive Life Programme and the Community Employment Assistance Scheme, to enhance self-reliance among the underprivileged, and continues providing a monthly subsidy of up to 5,000 patacas for eligible low-income, full-time employees.

Pursuant to the law on Provident Fund Personal Accounts, the personal account of every eligible permanent resident of the MSAR receives a 10,000-pataca initiation allowance. The Government also continues injecting an extra sum of 7,000 patacas from the fiscal surplus into the provident fund account of every MSAR resident. We also continue the Wealth Partaking Scheme, through offering 10,000 patacas to each permanent resident and 6,000 patacas to each non-permanent resident.

The Government continues disbursing the Textbook Allowances. The allowances per academic year for each kindergarten and pre-school pupil, primary school student and secondary school student are being increased to 2,300 patacas, 2,900 patacas and 3,400 patacas, respectively. We also continue providing tuition fee subsidies for eligible Macao students who study in non-tertiary institutions in Guangdong 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.

The Government continues providing a stationery allowance to each Macao student pursuing tertiary education or postgraduate studies. This allowance will be increased to 3,300 patacas. The Government is also implementing the third phase of the Continuing Education Programme, offering a subsidy of 6,000 patacas per Macao citizen aged 15 or older, until the programme concludes by the end of 2019.

A 600-pataca healthcare voucher continues being offered to each resident of Macao. The Government also continues 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 implements the policy of promoting healthy births and increasing the fertility rate. The birth allowance under the Social Security Fund will be increased

to 5,260 patacas, and both parents can apply for this simultaneously.

To support the middle-income group, the Government continues implementing the 30 percent exemption in personal income tax applicable to all Macao residents, with the basic allowance set at 144,000 patacas. We also continue the 60 percent rebate of tax payable for 2018, subject to an increased ceiling of 14,000 patacas. The tax rebates will be disbursed in 2020.

The Government continues implementing tax cuts and waivers as follows:

- Profit tax allowance remains 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;
- Waivers of stamp duty for auctions;
- 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; and
- Waivers of profit tax for local enterprises on revenue gained from Portuguese-speaking countries.

The Government also implements the following four tax incentives:

1. To align with the implementation of the Greater Bay Area development plan, the Government encourages local enterprises to participate in innovative research and development. Enterprises can enjoy a triple reduction in profit tax for the first three million patacas of joint venture R&D expenditure, and a double reduction in profit tax for the additional expenditure, subject to a ceiling of 15 million patacas;
2. To encourage an increase in real estate rental market supply, the Government reduces the property tax rate for leased properties to eight percent, while property tax rate for non-leased properties remains at six percent;
3. To encourage employment of senior citizens aged 65 or above and eligible persons with disabilities, the Government is increasing the basic allowance of personal income tax for these persons to 198,000 patacas; and
4. To foster the development of specialised financial services, the Government provides waivers of profit tax on investment income from local bonds issued by

mainland China governments and state-owned enterprises, and exempts the stamp duty for issuing and acquiring these bonds.

In accordance with the Basic Law of Macao, the Government is responsible for managing land resources within the territory. The Government persistently fulfils its duties in accordance with the Land Law, to strictly manage and reasonably allocate land resources. As of September 2018, a total of 73 annulled land grants involving a total area of 530,000 square metres have been announced. The Government prioritises construction of public housing and public facilities on the recovered land.

The Government will complete the preliminary plan for Macao's urban development master plan and listen to public opinion. It will also implement the Medium-to-long-term Plan for Usage and Development of the Waters of the Macao Special Administrative Region (2016-2036), to achieve the short-term goals for coastline remediation and use of nearshore waters, and resolve major issues affecting people's livelihoods.

The Government will expedite development of new urban zones, including the design and construction projects of Zones A and E1, the design of the administration and justice zone in Zone B, as well as the reclamation work for Zones C and D.

The Government will fully implement urban renewal work and endeavour to conclude discussions on property rights percentages of redeveloped buildings. The Government will accelerate the legislative procedures of the Legal System for Provision of Interim Housing and Replacement Housing, to support the city's urban renewal scheme, and formulate the by-law for establishing a government-owned urban renewal corporation and the Articles of Incorporation of the urban renewal body.

The Government continues implementing the policy of "Public housing as the core, supplemented by the Home Ownership Scheme", enhances supervision of the quality of public housing construction, and improves the management of public housing estates.

The Government will expedite construction of the Toi San Public Housing project and phase 2 of the Mong Ha Public Housing project, and announce the finalised waiting list of public housing applications. Revisions of the Legal System for Public Housing have been submitted to the Legislative Assembly for deliberation. The amendment to the Home-Ownership Scheme Housing Law has been submitted to the Legislative Assembly for deliberation. The Government will resume the application process for about 4,000 Home-Ownership Scheme housing units.

The Government fully implements the "post-19,000 units" public housing construction plan. The target of constructing 28,000 public housing units in the New Urban Zone Area A will be realised in four phases. The first phase will provide about 7,000 housing units on seven pieces of land. An estimated 6,500 housing units will be provided on Wai Long Avenue; the phase one design work has commenced. An estimated 2,000 housing units will be provided on the western stretch of Jogos da Asia Oriental Avenue, Taipa; the land clearance work and initial preparatory planning have commenced. An estimated 1,500 housing units will be provided at the original site of the power station, where work has commenced on the pile foundations. The Government will expedite

building plan approvals for private residential developments, to optimise the business environment and foster healthy development of the real estate market.

Non-tertiary education – Perfect related laws and regulations to consolidate the 15-year compulsory education system; raise overall teaching quality; promote popular science education and develop smart campus; strengthen patriotic education; and expand the sister school partnership programme to enhance exchanges and interactions.

Tertiary education – The Law on the Tertiary Education System has come into effect, and the Tertiary Education Council and the Tertiary Education Fund have been established. The Government is committed to cultivating talented people in technology and enhancing technological innovation. We also reinforce the foundations and conduct research to strengthen cooperation between the industrial, academic and research and development sectors. The Government is steadily developing Macao as a base for tourism education and fostering cooperation around the Greater Bay Area; integrating Chinese and Portuguese bilingual teaching resources and infrastructure in tertiary institutions, and establishing a training base for cultivating bilingual talents who are fluent in Chinese and Portuguese. The Government supports local institutions of higher education with launching programmes in the Greater Bay Area, to foster synergy and cooperation.

Talent cultivation – The Government optimises a long-term mechanism for talent cultivation, enhances transparency and the mechanism for monitoring the import of talented people, fosters information exchanges regarding talented people in the Greater Bay Area, formulates policies to facilitate cross-border flows of talented people and regional integration, and is exploring a mechanism to import high-calibre talented people and experts, to enable local people to broaden their horizons through interactions. The Manpower Development Committee will conduct three studies on human resources and demand for talented people, including on supply of and demand for professional drivers, the ageing population trend in Macao, and the flows of talented people and competitive trends, to provide data for use as a reference in formulating related policies.

The Government diligently continues its youth development work to pass on the core values of loyalty to our country and to Macao, strengthen these values, and create a favourable environment for young people's growth. The first phase of the Thousand Talents Programme attracted over 3,000 participants, while the second stage of the Thousand Talents Programme has been launched, to discover and nurture more talented youth. The Government coordinates the Greater Bay Area Youth Cooperation Development Plan, and has launched the Greater Bay Area Macao Youth Internship Scheme. The Government also extends youth entrepreneurship support services to more cities in the Greater Bay Area, and leverages the functions of the China and Portuguese-speaking Countries Young Entrepreneur Exchange Centre, to consolidate the construction of "One Centre, One Platform".

The Government continues optimising the primary healthcare services network, to enhance cooperation between the Government, non-profit medical institutions

and private medical institutions; strengthen publicity and law enforcement related to smoking control; and raise citizens' health awareness.

Pile foundations have been completed for six of the seven planned blocks in the Islands District Medical Complex, and construction is expected to commence for three of the major blocks. The nursing academy that is under construction will also be completed soon. The Government will expedite the construction of the public hygiene specialist building. The Ka Ho Rehabilitation Hospital has commenced operations, providing 160 beds for rehabilitation and palliative care. In addition, two more health centres are planned for construction in New Urban Zone Area A, for perfecting Macao's healthcare services network.

The newly established Macao Academy of Medical Specialists provides centralised training for medical specialists in public and private hospitals. The System for Professional Qualification and Licensing for Medical Workers has passed its first reading at the Legislative Assembly.

The Government encourages employers to implement flexible and diverse working hours, to help employees fulfil both their work and family responsibilities. The Government also actively promotes breast-feeding, improves and builds children's playgrounds; strengthens protection of rights of women and children; and realises the development goals of women in Macao.

The Government will perfect the system to prioritise the distribution of childcare places for disadvantaged families, and pay attention to children with special needs and their families. Plus, the Government will implement the Legal System for Protection of Rights of the Elderly, the Ten-year Action Plan for the Provision of Services for the Elderly, and the Elderly Persons' Social Enterprise Scheme, and continue perfecting services for homes for the elderly. The number of subsidised places in homes for the elderly is expected to increase to 2,400.

The bill of the Professional Accreditation and Licensing for Social Workers is undergoing its second reading in the Legislative Assembly, and will provide a system for professional development and cultivation of social workers.

The Government is optimising the public sports network, and perfecting sports facilities. The construction of the Athletes Training Centre will soon be completed. An area of 26,500 square metres at the original site of Macao (Yat Yuen) Canidrome Club is earmarked for sports facilities. The Government also maintains and optimises the existing athletics grounds and football pitches, and is constructing a new sports complex. The Government will also strengthen regional sporting exchanges, and nurture and retain sport talents.

2. Deepen urban development

It is the Government's responsibility to protect the lives and property of the public. After developing a mechanism for long-term disaster prevention and mitigation, the Government has succeeded in overall implementation of 18 short-term measures and 12 medium- and long-term measures, which proved effective in limiting the impact of Typhoon Mangkhut.

The Government is proceeding with legislation of the "Civil Protection Fundamental Law", to improve the contingency planning system; and is implementing the "Medium-to-long-term Plan for Disaster Prevention and Mitigation in Macao" (2019-2028); facilitating development of an insurance scheme for catastrophes; optimising disaster prevention and mitigation software and hardware, and enhancing staff training. The Government also uses advanced technology to raise overall effectiveness of disseminating civil protection information, and is strengthening the capability for monitoring, anticipating and raising awareness of major incidents.

To ensure the safety of electricity and water supplies, the third Guangdong-Macao electric power transmission channel has been completed, improving electricity facilities in low-lying coastal areas; and construction of the fourth water supply pipeline has been completed, while construction of the Seac Pai Van Water Treatment Plant and work on expanding Ka Ho Reservoir will be expedited.

The Government is resolving flooding problems and improving the capabilities of flood prevention and drainage infrastructure – including by expediting construction of sluices at the Inner Harbour, flood barriers in low-lying coastal areas, drains to intercept rainwater and stormwater pumping stations in the Inner Harbour, and rainwater drainage in northern areas, which is expected to be completed before the rainy season; and implementing plans for flood prevention and drainage on the west shore of Coloane. The Government also clears sludge from river beds, and dredges anti-flood valves.

The Government continues optimising the city's disaster prevention and evacuation system and the system for providing disaster relief; plans and refines the distribution and training of community volunteer teams; and is establishing a system for education on contingencies by including public safety as a compulsory course in all non-tertiary institutions. The Government also enhances the overall capability for implementing contingencies in the event of large-scale public health incidents; makes food safety and its supervision a priority; and enhances publicity regarding post-disaster food safety, while strictly enforcing post-disaster food safety supervision and waste disposal.

The Government is optimising community policing, improving the disciplinary forces, and strengthening the efficiency and capability of law enforcement. The Government also promotes interactions to prevent and respond to major incidents in the Greater Bay Area; strengthens exchanges of information on and analyses of all cross-border

illegal activities; and combats and prevents all types of crime.

The Government is committed to promoting development of innovative technologies, and has established the Working Committee for the Construction of Guangdong-Hong Kong-Macao Greater Bay Area, and its Sub-committee on Technology, Innovation and Smart City. The Government has also established the Tax Concession Incentive Scheme for Scientific Research and Innovation, and commenced a study on a strategy for scientific innovation and development.

The Government is increasing subsidies for the existing State Key Laboratory, while providing one-off start-up funding to two new State Key Laboratories; and provides targeted subsidies to young scientific research scholars. Various studies have been launched – including on the mechanism for providing financial support for and forms of funding to support technological innovation; strengthening support for major domains, such as Chinese medicine, computer chips, the new infrastructure for the Internet of Things (IoT) and artificial intelligence, space science and deep space exploration; and optimising admissions to high-calibre scientific research.

The Government actively participates in construction and use of major scientific and technological infrastructure; engages in establishing a platform for regional collaboration in innovation; and improves policies supporting innovation and entrepreneurship, to encourage innovation by teams of entrepreneurs. The Government's cloud computing centre has been renovated and recommenced operations.

To promote smart governance, the Government has established a government data services platform, which increases value-added services through sharing and innovative application of data resources. The number of e-public service items has been increased to 90. The Government facilitates the electronic processing of licence applications and public services, and is digitalising the restaurant licence renewal process.

To implement smart policing, the Government is establishing an application platform to enable effective overall command during emergencies, thus enhancing the capacities for monitoring, forecasting and coordination. The Government facilitates smart transport through optimising the transportation system, transport configuration and road works coordination. Through big data analytics, the Government provides more scientific data to support decision-making on medical policies and services, as well as tourism policies. The Government has also begun preparations for rolling out a 5G network while pressing ahead with constructing infrastructure for telecommunications operators; and facilitates legislation of the Convergence of Telecommunication Networks and Services System, which integrates the three telecommunication networks.

The Government attaches great importance to citizens' concerns regarding mitigation of transportation problems, continues optimising the bus network, and has resume operation of the Border Gate underground bus terminal. Some 100 new ordinary taxis and 200 new special taxis have commenced operations in phases, and the Government will launch public bidding for another 150 ordinary taxi licences. Hence, the number of taxis in Macao is expected to increase to 2,050. The bill on the Legal System Governing Taxi Services is undergoing its second reading.

The Government perfects walking routes, strengthens greening and beautification of roads, and creates comfortable and convenient pedestrian pathways. The Government also expedites skyway construction, and improves old footbridges, to enhance convenience for pedestrians and accessibility of facilities; and constructs green open spaces and improves and lengthens trails and cycling tracks.

The Light Rapid Transit (LRT) Taipa line will soon commence operations; while the LRT A-Ma station and its transport interchange are under construction, and will connect Taipa and the Macao peninsula. The project to construct a connection with the Seac Pai Van line has also commenced. The Government is studying connectivity of LRT East line with Taipa Ferry Terminal, New Urban Zone Area A and the Border Gate, and the connectivity of Area A with the artificial island of the Hong Kong-Zhuhai-Macao Bridge and the Outer Harbour Ferry Terminal. The legislation on the future operation of the LRT has been submitted to the Legislative Assembly for deliberation. An LRT operating company has been established, and will be responsible for establishing and operating the LRT system.

The Government is expediting commencement of construction of the fourth Macao-Taipa cross-harbour bridge, and achieving progress with studies and preliminary design of the fifth Macao-Taipa cross-harbour route. The Government is also exploring the potential for new ferry routes in Macao and nearby waters, following up regarding modest opening of the civil aviation market, and facilitating the renovation and expansion of Macau International Airport. The Government leverages the commencement of operations of the Hong Kong-Zhuhai-Macao Bridge to improve passenger flows and logistics.

The Government is deepening ecological education; strengthening public awareness of environmental protection; encouraging reduction of plastic waste by introducing plastic bottle recycling machines; completing the legislation on “plastic bag levy”; implementing the Macao Sewage Treatment Facilities Master Plan; optimising the Macao Peninsula Sewage Treatment Plant and its operations and maintenance; and completing the design for upgrading Coloane Sewage Treatment Plant. The Government also promotes electric vehicles, and aims to instal 200 electric chargers throughout Macao.

The Government has allocated an area of 15,000 square metres at the construction waste landfill, to invite tenders from Macao’s recycling industry to build a facility to pre-process paper, plastic and metal wastes before they are exported; together with an area of 30,000 square metres for constructing a centralised food waste processing facility. The Government is also introducing the Food Waste Recycling Pilot Programme.

The Cooperation Agreement on Regional Air Pollution Control and Prevention in Guangdong, Hong Kong and Macao will be implemented, to jointly improve air quality with other cities in the region. Pilot operation of transfer of scrapped vehicles to Guangdong has begun, and will be expanded in the coming year.

The Government promotes cultural heritage education, popularises education on culture and art, and continues enriching cultural facilities and Macao people’s cultural

life. The Xian Xinghai Memorial Centre and the Seac Pai Van Library will be completed. The Government is establishing a cultural exchange and cooperation base, to foster cultural exchanges between China and Portuguese-speaking countries and enhance Macao's cultural soft power. The Government also perfects the heritage monitoring mechanism, expedites the formulation of the Plan for Protection and Management of the Historic Centre of Macao, and conserves tangible and intangible cultural heritage.

The Macanese and Portuguese residents of Macao have greatly contributed to the intermingling of Chinese and foreign cultures. The Government fully respects and safeguards their unique cultures, customs and legitimate rights, to support them with participating in the development of the Macao SAR together with the general public.

3. Continue Promoting Stable Economic Development

Though the trade relationship between the United States of America and China has led to uncertainties in the global economy, Macao's economic foundation remains sound. As of the third quarter of 2018, Macao's economy has achieved positive growth for nine consecutive quarters.

During 2019, the internal and external environments will remain complex and volatile, but the Government expects the economy to remain stable and will continue making progress while ensuring stability. The Government maintains cautious optimism, is well-prepared for adverse situations, and clearly assesses the current and foreseeable situations.

The Government encourages gaming operators to invest more in non-gaming elements, continues prioritising procurement of products and services that are designed and made in Macao, and helps gaming operators to cooperate with local traditional industries. The Government is continuing the follow-up work on the post-interim review of the gaming industry, persists with the principle of "adequate scale, sound management and sustainable development", and strictly controls the number of gaming tables, to achieve progress with developing the gaming industry in an orderly manner. The Government also strengthens the supervision of gaming promoters, and will continue carrying out special audits, while promoting responsible gaming and improving the industry's comprehensive competitiveness.

The existing concession agreements on gaming operations will expire in 2020 and 2022. The Government is expediting research on follow-up work, and extensively listening to opinions from all walks of life.

The Government will continue fostering development of budget hotels, theme parks and integrated shopping centres. The renovation of the Grand Prix Museum will be completed within the year. In helping continue Macao's gastronomic culture, the Government will enhance the influence of Creative City of Gastronomy, to enrich new business structures.

The Government promotes Macao tourism in countries along the Belt and Road, helps the industry to develop tourism products which cater to the market, promotes development of multiple-destination itineraries, deepens cooperation with the Greater Bay Area by broadening the scope of cross-boundary pleasure boat sailing and improving related services, and is exploring the feasibility of jointly establishing marine industry clusters and high-end service industry clusters.

The Government continues fostering the development of the convention and exhibition industry by attracting more quality conventions and exhibitions to be held in Macao, and promoting cooperative development of associated industries such as convention and exhibition, food and beverage, and retail.

The Government is consolidating and expanding the development of the Guangdong-Macao Traditional Chinese Medicine Technology Industrial Park, enabling priority projects and enterprises to more swiftly commence development in the park, and promotes international trade in Chinese medicine products and culture.

The Government is further striving to foster cultural and creative industries, and has launched the Community Cultural and Creative Production Subsidy Scheme, to integrate culture and creativity into the community.

To promote development of specialised financial services, the Government encourages Macao's financial institutions to develop financial leasing services, and attracts well-established foreign lease finance companies to establish bases in Macao. The Government is also exploring the formulation of the Trust Law, and is establishing a monetary services platform between China and Portuguese-speaking countries, to develop Macao as a Renminbi clearing centre for Portuguese-speaking countries.

Leveraging Macao's advantages in its geographical position within coastal waters and in policies, the Government is fostering a unique marine industry by promoting coastal tourism and water sports, and exploring regional cooperation to expand the scope of maritime tourism. The Government is also establishing a coastal, ecological and cultural tourism system, by developing accessible waterfront spaces, and recreational areas for residents and tourists.

Small- and medium-sized enterprises (SMEs) are vital components for promoting adequate diversification of Macao's economy. The Government continues optimising various financial and administrative supportive measures, and streamlining licensing procedures, to create a business-friendly environment. The Government is also expediting improvement of the import and export credit insurance scheme, and developing human resources targeting SMEs.

To promote integrated development of traditional industries and cultural and creative industries, the Government is strengthening support for "Made in Macao" brands, and fostering the "Scheme to Assist the Re-branding of Time-honoured Local Shops", to help local shops to enhance their competitiveness and brand value.

Making use of modern technology, the Government helps to open up the mainland

China market through cross-boundary e-commerce, supports chambers of commerce to establish Macao pavilions on recognised e-commerce platforms in mainland China, seizes opportunities for cross-regional development of Macao's quality products, strives to attract quality business operators in the Greater Bay Area to establish bases in Macao and cooperate with local SMEs, and is considering the establishment of a platform for women's innovation and entrepreneurship, to encourage women to participate in the development of the Greater Bay Area.

The Government sticks to the principle of importing foreign workers only to make up for inadequacies in local labour, to guarantee prioritised employment of local workers, to promote upward mobility and better career development.

The Government enhances administrative systems, protects labour rights, continues facilitating amendments to seven priority topics covered by the Labour Relations Law – including maternity leave, paid paternity leave, overlapping leave and compensation leave. The Government is also formulating regulations for part-time employment and the minimum wage, and following up regarding the legislative progress of the Employment Agency Law. Plus, the Government is fully implementing the occupational safety and health system, to create a safe working environment for employees.

The Government fully implements its regional cooperation and platform-based economic strategies. According to the country's needs, the Government fully leverages Macao's unique advantages to enhance overall capabilities. The Government actively engages in and facilitates the implementation of the "Belt and Road" initiative. With unimpeded trade, financial integration and people-to-people bonds as major goals, the Government coordinates policies and measures, and integrates all resources, to achieve complementary advantages and joint developments.

To pragmatically promote the development of the Greater Bay Area, and enhance exchanges and alignment between Guangdong province, Hong Kong and Macao, the Government is actively participating in development of Hengqin and Nansha sub-zones of the Guangdong Free Trade Zone, and deepening cooperation in livelihood areas, to enable residents to live, work, start business, study and retire in mainland China.

The Government is expediting the interconnectivity of border-crossing infrastructure, facilitating the construction of the new Guangdong-Macao border crossing, and moving the Lotus Flower checkpoints to Hengqin. The Government has introduced "joint inspections for one-stop border crossing", which will be implemented in other new checkpoints. The Government is also exploring development of the intercity ticket payment system. Against the background of the Greater Bay Area, the Government is working with other bay area cities to explore the feasibility of including Macao in the high-speed railway network in the development plan for the western coast of the Pearl River Delta.

The Government is coordinating cooperation with mainland China provinces and cities; deepening cooperation with Beijing-Tianjin-Hebei region, Changjiang economic belt and the Pan-Pearl River Delta Region; building the "Beijing-Macao Cooperative Partnership"; launching the Macao-Shanghai cooperation thematic year; steadily

establishing Jiangsu-Macao Cooperation Zone; working for poverty alleviation in Guizhou through the Pan Pearl River Delta regional cooperation network; deepening cooperation with Fujian, Sichuan, Hainan and Guangxi, to explore markets in the Portuguese-speaking, European Union and Southeast Asian countries; exploring exchanges and cooperation with Jilin in Chinese Medicine; and fully leveraging the functions of the Macao Economic and Cultural Office in Taiwan.

4. Committed to sound social governance

We realise sound social governance is necessary in upholding our principles to serve the public. Based on our established work principles and arrangements, the Government implements various reforms, and continues implementing work related to functional restructuring, which mainly involves departments concerned with economy and finance, public security, social affairs and culture. We also optimise the consultation system, and pursue the restructuring of consultation bodies related to tourism, cultural heritage and protection of consumer rights.

The Municipal Affairs Bureau has been officially established, and commenced operations on 1 January 2019, to strengthen interactions between community services and the public, and listen to residents' opinions and suggestions. The Government facilitates cross-departmental cooperation, to handle cross-departmental municipal affairs and improve municipal services. The Islands District Integrated Government Services Centre will be established this year, and is expected to provide up to 310 services.

Civil servants are invaluable assets of the Government, which continues improving the system for managing and training civil servants, and optimising measures to support their living, welfare and counselling. The Government follows up regarding the revision of the Civil Servant Ranking System, has commenced the second stage of revision of the Macao Public Servants Statutes and Regulations, is revising the system for assessing performances and optimising the promotion mechanism, and is implementing the government official accountability system, to strengthen its performance management. The government may also facilitate exchanges and studies between civil servants in Greater Bay Area cities, to integrate Macao into the overall national development plan.

After considering views and suggestions from civil servants' associations and the Civil Servant Pay Council, the Government has adjusted each point on the civil service salary scale to 88 patacas.

The Government is enhancing multiple communication mechanisms to enable public participation in social affairs, encourages young people and professionals to participate in consultative bodies, enhances administrative transparency, and lawfully safeguards freedom of the press, freedom of publication and freedom of speech.

The Government strives to promote the constitutional law and the Basic Law of Macao

to the public, to raise awareness of the Constitution of the People's Republic of China and enhance citizens' knowledge of the Basic Law of Macao. In strict compliance with the Chief Executive Election Law, the Government will ensure smooth implementation of the Chief Executive election 2019 in a fair, just and corruption-free manner.

To enhance the efficiency of legislation, the Government is expediting implementation of legislation in major areas, including revision of the Penal Code, Criminal Procedural Code and the System of Administrative Conditions, and laws and regulations related to protecting secrets of the state and the region.

The Government strengthens international and regional judicial cooperation, and facilitates bilateral discussions on judicial cooperation and criminal judicial assistance. In line with the development of the Greater Bay Area, the Government facilitates cooperation in legal services and mutual judicial assistance among Guangdong, Hong Kong and Macao, while intensifying its efforts to support the establishment of software and hardware of the judiciary, improve judicial training mechanisms, and enhance judicial effectiveness.

The Government continues emphasising building a corruption-free society, perfecting the anti-corruption system and safeguarding the public's legitimate rights and interests. The Commission of Audit continues exercising its authority in audit, based on the principles of law-abidance and independence; and makes good use of modern technology, to improve audit performance and intensify ongoing audits.

Conclusion

In the face of rapid developments and advances in innovation, the Government fully understands that, to achieve a brighter future, there is a need to strive harder. The Government will persist with the spirit of solidarity, and pass down the core values of loyalty to our country and to Macao, to enhance people's sense of national responsibility and mission.

The Government will continue strengthening its strategies and being aware of national development, to ensure stable implementation of the principles of "One country, two systems", "Macao people governing Macao" and a high degree of autonomy. The Government will also integrate into the overall national development plan, fully leverage Macao's advantages and uniqueness, and explore opportunities for innovative cooperation, driving regional cooperation to new milestones.

Expediting economic development and improving people's livelihoods are general trends, and the aspirations of the people. The Government has every confidence regarding forming a clear mindset in forging a consensus and joining forces, uniting people from all walks of life, broadening the horizons for the growth and success of the younger generation, improving people's livelihoods, expediting Macao's economic development and realising a civilised society, for balanced economic and social

development. The Government is determined to fulfil its duties, to achieve better results in Macao's contributions to our country.

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to read 'CSO'.

Chui Sai On
Chief Executive of the Macao SAR