

4

ECONOMY



Economy

Although Macao has a relatively small economy, it pursues an open economic policy. It is one of the two international free ports in China. Goods, capital, foreign exchange and people flow freely in and out of Macao. As a separate customs territory, it boasts one of the lowest tax regimes in the region. Macao is integrated with the global economy and maintains traditional and special economic ties with the European Union (EU) and Portuguese-speaking countries. Consequently, Macao plays a relatively important role in the regional economies and is an important gateway and bridge linking mainland China with international markets.

Investment Incentives

Macao provides a level playing field for investors from around the world. At the same time, the series of measures that have been implemented to encourage investment – including the provision of various tax and financial incentives – have gradually made Macao an ideal place for investors.

Tax Incentives

According to Law No. 1/86/M on Tax Incentives under Industrial Policy, the Government aims to provide concessionary tax benefits to entrepreneurs whose investment projects can contribute to Macao industries, stimulating increased investment, promoting the growth and development of local industries, through boosting productivity and levels of technology, the manufacturing of new products, and other developments related to manufacturing.

Eligible applicants can enjoy all or some of the following benefits:

1. Exemption from urban real estate tax: The exemption period for properties on the Macao peninsula is up to 10 years, while the exemption period for those on the Islands District is up to 20 years. The above exemption is only applicable to rental income on industrial properties;
2. Exemption from business tax;
3. Deduction of 50 percent on corporate income tax;
4. For any transfer of industrial properties, a 50-100 percent reduction of stamp duty for property transfer may be available; and
5. Deduction of 50 percent on inheritance tax and gift tax for the above-mentioned property transfer.

Financial Incentives

The Interest Subsidy Scheme on Bank Loans to Enterprises aims to encourage locally invested enterprises to increase their investments within their business fields, thereby facilitating diverse local economic activities, enhancing environmental protection, and assisting in technological innovation and transformation, to strengthen competitiveness and modernise business operations. Enterprises

that benefit from the scheme enjoy a four percent interest subsidy per year. The maximum period of subsidy is four years, counting from the first day of loan repayments, and the subsidy is calculated according to the outstanding capital in each instalment.

Coverage of Interest Subsidy Scheme in 2019 (as at end of Q4)

Type of industry	Percentage (%) ⁽¹⁾	Approved subsidy amount (MOP) ⁽²⁾	Approved cases ⁽²⁾
Construction and public works	23.52%	49,781,291.50	6
Corporate services	17.11%	36,208,730.52	5
Wholesale	14.17%	30,000,000.00	3
Retail	12.07%	25,544,400.00	3
Food, beverage and tobacco products	7.45%	15,765,506.61	4
Transport and warehousing, travel agencies	6.89%	14,575,104.00	5
Imports and exports	5.05%	10,690,000.00	2
Paper, printing and publishing	3.39%	7,170,698.40	1
Manufacture of chemical products from oil and coal	3.34%	7,064,405.00	1
Restaurants and hotels	2.98%	6,314,311.75	3
Hygiene and cleaning services	2.09%	4,417,914.50	1
Recreational, cultural and sports activities	0.99%	2,100,000.00	1
Education, healthcare, and social welfare	0.63%	1,325,200.00	2
Communications	0.17%	350,000.00	1
Metal products, machinery and transport equipment manufacturing	0.16%	342,490.00	1
Total	100.00%	211,650,052.28	39

Notes: (1) As a percentage of the total approved subsidy amount; (2) Subject to approval date.

Economic overview

Following the transformation of both internal and external economic environments, the four pillars of Macao's economy – manufacturing; tourism and gaming; banking and finance; and construction and real estate – have seen remarkable changes in terms of their shares of local GDP. Recently, the contribution to Macao's GDP of the tourism and gaming industry has overtaken the combined total of the other three industries. The manufacturing industry has been on the decline since the 1990s, with a constantly decreasing share of local GDP.

Gaming industry

Macao's gaming income maintained steady during 2019. The annual revenue amounted to 293.312 billion patacas, in which the annual gross revenue from games of fortune amounted to 292.455 billion patacas, representing a slight decrease of 3.4 percent compared with 2018. Macao's gaming industry remained the largest in the world. The Government strengthened the regulation of the gaming industry and continued encouraging gaming operators to invest more in non-gaming elements, to build a tourism development model which centres on tourism and leisure.

Lawful gaming businesses in Macao currently include games of fortune, interactive gaming, pari-mutuel and lotteries. Types of gaming are mainly categorised according to the Gaming Industry Regulatory Framework. Games of fortune form the biggest sector of Macao's gaming industry. Gross revenues from these games accounted for 99.71 percent of the industry's gross takings in 2019.

There are now six licensed gaming companies in Macao, each of which enjoys the right to autonomously operate casino gaming businesses as an independent legal person.

At the end of 2019, there were 41 casinos operating in Macao, of which 22 belonged to SJM, five to the Venetian Group, six to Galaxy, two to Wynn, four to Melco PBL, and two to MGM.

The number of gaming tables increased from 6,588 in 2018 to 6,739 at the end of 2019, a 2.6 percent rise; while the number of slot machines increased from 16,059 to 17,009, 5.9 percent more than the previous year.

At the end of 2019, there were 443 vacant gaming jobs, representing a year-on-year decrease of 878 vacancies. The majority of vacancies were for clerical positions, accounting for 34.7 percent of the total; there were 77 vacancies for dealers. By the end of 2019, there were 58,225 gaming industry employees, representing a year-on-year increase of 1.7 percent.

Regarding breakdown by job, there were 25,459 dealers, representing a year-on-year increase of three percent.

Regarding salaries (excluding incentive bonuses and rewards), the average monthly wage for full-time paid employees in the industry at the end of 2019 was 24,640 patacas, 3.8 percent higher than the 2018 figure. The average monthly wage of dealers was 21,080 patacas, 3.1 percent higher than in the previous year.

Legal Regulations Refined and Junket Commissions Capped

To regulate gaming and related activities more effectively in the wake of changes in the industry, the Government has formulated and promulgated a series of laws and regulations since 2001. They included laws to regulate gaming promoters and gaming-related loan activities.

By-law No. 6/2002 on the Qualifications and Regulations for Casino Gaming Promoters is the main provision for regulating casino gaming promotion activities. In August 2009, after being amended by By-law No. 27/2009, it was renamed the By-law on the Regulation of Casino Gaming Promotion Activities. It includes detailed requirements for mandatory qualifications and the liabilities of promoters, licensing processes and registration of promoters with gaming concessionaires. The by-law strictly regulates the mandatory qualifications of gaming promoter licence applicants, as well as gaming promoters who serve a company or individual business owner. Under the by-law, only persons granted a gaming promoter's licence by the Gaming Inspection and Coordination Bureau (DICJ) are permitted to engage in gaming promotion activities.

As the market competition became more aggressive, the Government decided to set a cap on junket commissions, to maintain market order and effective regulation of the industry, as well as safeguard the healthy development of the gaming industry.

On 21 May 2008, the Government held the first joint meeting with the management of the six casino operators, to discuss the cap on junket commissions. After negotiations in several meetings, the Government and the industry operators reached a consensus to cap junket commissions at 1.25 percent. In September 2009, the Secretary for Economy and Finance signed Order No. 83/2009 to cap junket commissions at 1.25 percent of bets, and require each gaming concessionaire to submit a monthly report to the DICJ.

Following promulgation of the by-laws, the Government continues maintaining communications, discussions and reviews with the gaming concessionaires and other industry operators. The Government will also listen to opinions from all parties, and introduce more refined and detailed guidelines. The amended by-law came into force on 1 December 2009.

Gaming promoters are legally obliged to pay tax at a rate of five percent on commissions they collect from concessionaires, and other remuneration they receive.

The Government has also made efforts to regulate gaming-related loan activities. The Law on Regulating Credit Related to Gaming and Betting in Casinos or Other Gaming Venues stipulates that only concessionaires and sub-concessionaires are authorised to conduct credit-related business. Gaming promoters and management companies are also allowed to conduct such business provided they have already signed relevant contracts with a concessionaire or sub-concessionaire. The credit provided in accordance with this law is regarded as statutory debt. The law also states principles and conditions governing the signing of contracts, credit activities and other related matters. It defines the granting of credit as being transfer of the ownership of casino gaming chips to a third party, when the lender is not immediately compensated by a monetary payment. It also clearly defines different types of money.

The Gaming Inspection and Coordination Bureau (DICJ)

The DICJ provides guidance and assistance to the Chief Executive on the formulation and

implementation of the economic policies for the operations of casino games of fortune or other ways of gaming, pari-mutuels and gaming activities offered to the public.

In 2019, the DICJ continued to monitor the gaming industry's negative externality and play a leading role in the formulation and implementation of responsible gaming policies, and encouraged relevant enterprises, institutions and sectors to work towards responsible gaming.

According to the Report on A Study of Macao People's Participation in Gambling Activities 2019 by the Institute for the Study of Commercial Gaming of University of Macau, the participation rate in gambling among Macao residents experienced a significant drop of about 10 percent to 40.9 percent compared with 51.5 percent in 2016, showing significant results in the Government's effort in minimising the potential impacts of the gaming industry on gamblers, casino staff, the community and surrounding areas.

The DICJ continued to perform its gaming monitoring functions and expedite optimising relevant legal and regulatory requirements of the gaming industry. Through close communication with and collecting opinions from the industry, the DICJ strived to strengthen supervision and maintain healthy growth of the gaming industry, to elevate its international competitiveness.

The DICJ's work during the year can be summarised as follows:

1. In 2019, the DICJ completed installation of doorways with metal detectors in Macao casinos, continued to work closely with the Government's security related departments and gaming concessionaires security departments, to improve the security of casinos and enhance their own security functions, including strengthening training for new security guards, formulating guidelines for emergency responses, and increasing the number and quality of video surveillance systems inside hotels.
2. In order to enhance the capability to coordinate and respond to incidents, the DICJ joined other relevant departments and gaming operators in conducting a drill code-named "Wolf Hunting 2019" at a designated gaming operator. The drill simulated emergency situations arising at casinos to test the smoothness of the communication, cooperation and coordination among the on-site DICJ inspectors, the DICJ office, the police and casino staff in responding to emergencies, so as to continuously improve the emergency liaison mechanism for major incidents and enhance the capacity to cope with emergencies.
3. Under Law No. 10/2012 – "Regulations on Conditions for Entering, Working and Gaming in Casinos" amended by Law No. 17/2018, from 27 December 2019 onwards, employees of gaming concessionaires and sub-concessionaires as well as junket workers who work in casinos, including gaming table staff, gaming machine staff, cashiers, public relations, food and beverage servers, cleaners, security and those connected to surveillance operations, are forbidden to enter casinos during off-duty periods. Offenders face a fine of up to 10,000 patacas. To enhance the understanding among casino staff members regarding the above regulations and implementation measures, the DICJ organised several briefing sessions for six gaming operators and casino workers associations to answer enquiries on the legal operation and implementation details.
4. The Directive No. 1/2019 – Preventive Measures against Money-laundering and Terrorist-financing further amended the money laundering control procedures and performed audits

on gaming concessionaires' identity verification measures, to prevent them from establishing any business relationships with suspected terrorists or other high-risk customers.

5. The Asia/Pacific Group of Money Laundering (APG) issued the Mutual Evaluation Follow-up Report of the Macao SAR in October 2019 that Macao has become the first member which passes all 40 FATF Technical Compliance Recommendations among all globally evaluated members.
6. To help gaming concessionaires further optimise the internal monitoring and control system, the DICJ continued to conduct regular inspection in respect of the Minimum Internal Control Requirements (MICR) to ensure that the internal control procedures of gaming concessionaires can effectively prevent irregularities in casinos.
7. The DICJ continued with financial audits of gaming promoters in Macao and reviewed the relevant accounts and business records of cash, transaction documents and chip inventories, to ensure that gaming promoters establish sound financial accounting systems, implement appropriate internal audit measures, maintain appropriate business records and comply with the commission ceiling.
8. As regards registration of gaming promoters, a total of 95 licences were issued in 2019, representing a decrease of five percent on the figure of 2018. Of these, 85 were issued to legal entities and 10 were issued to individuals.
9. The DICJ continued monitoring the accuracy and authenticity of data in gaming machine systems, to ensure that in-service gaming machine software is not modified, and that gaming operations comply with related regulations and technical standards. In 2019, several on-the-spot raids were conducted, requiring gambling concessionaires to follow up on suspected faulty gaming machines, to protect players' rights.
10. Jointly developed by the DICJ, other government departments and academic institutions, the responsible gaming kiosks were launched in 2012. After years of continuous system upgrades and optimisation, the kiosks have covered all casinos in Macao in 2019. The coverage rate is the highest among responsible gaming information and help platforms of the world's casinos.
11. The DICJ supports local responsible gaming institutions to organise responsible gaming seminars in tertiary institutions in different cities in mainland China. In 2019, responsible gaming seminars were held in two tertiary institutions. The DICJ staff also visited Hong Kong with gambling counselling centres to introduce Macao's policies on responsible gambling in Macao and promote self-exclusion application service.
12. During 2019, a total of 44 casino staff members completed the "Macao Responsible Gaming Instructor" certificate programme organised by the DICJ, to provide professional, localised training to gaming staff.
13. The DICJ provided a self-exclusion application service to the public. During 2019, the DICJ handled 564 applications, representing an increase of over 15 percent compared with the figure in 2018 and a record high since the establishment of the service in November

2019, which shows that residents and travelers are increasingly aware of the proper gaming attitudes.

14. The DICJ continued to actively promote responsible gaming. In 2019, all casino smoking rooms were banned to broadcast videos and messages to promote gaming, and were required to continuously broadcast messages on responsible gaming, including promotional videos on responsible gaming, 24-hour help lines, and self-exclusion application services.
15. The DICJ continued monitoring gaming operators to ensure they post clear notices at casino entrances and properly verify visitors' age, to prevent people under the legal age from entering a casino. By the end of December 2019, 426,450 persons under the age of 21 were prevented from entering casinos by security staff. Also, 130 persons under the age of 21 were found to have entered casinos illegally.
16. For more efficient monitoring of casino operators' performance regarding their obligations in concession contracts, according to the ratio of non-gaming components of casino operators set in the five-year plan of the Government, the DICJ continued to urge casino operators to add non-gaming components. In 2019, the DICJ continued gathering financial information about non-gaming components, and information and data about local procurement exercises and SME facilities at casinos and gaming venues for systematic analysis and classification. By doing so, the DICJ could help SMEs to seize opportunities arising from the development of gaming tourism.
17. Regarding administrative penalties for prevention and handling of illegal gambling, there were 10 cases of illegal gambling in 2019, 62 percent fewer than in 2018. A total of 54 individuals were involved. The DICJ would continue educating the public, while stringently combating and preventing illegal gambling.
18. The DICJ and other relevant departments conducted multiple inspections in conventions and exhibitions during the year to monitor if any exhibitors promoted illegal online gambling in any name, constructed betting websites, or carried out other activities involving illegal gambling. They also distributed promotional leaflets on combating illegal online gambling to the exhibitors and explained the relevant regulations in Macao.

The Contribution of Casino Gaming to Macao's Gross Gaming Revenue during 2019

(Billion Patacas)

Item	2019
Gross revenue from casino gaming	2,924.55
Gross gaming revenue	2,933.12
Proportion of contribution	99.71%

Source: DICJ

Gross Revenues of Different Types of Casino Gaming during 2019

(Billion Patacas)

Item	Gross revenue
Roulette	1.337
Blackjack	2.92
VIP Baccarat	135.228
Baccarat	120.773
Fan-tan	0.427
Cussec	9.373
Chinese Dominoes (Pai Gow)	0.116
Mark 8	-0.000006
Mahjong	0.137
Slot Machines	15.138
Three-card Poker	0.313
Three-card Baccarat	0.654
Wheel of Fortune	0.012
Live Multi Game	2.84
Stud Poker	1.199
Casino War	0.217
Dice/craps	0.29
Texas Poker	0.446
Fortune 3 Card Poker	1.035
Total	292.455

Source: DICJ

Manufacturing

Macao's manufacturing industry now faces changes in the worldwide manufacturing supply chain and disparities in regional manufacturing costs. Since the 1990s, Macao has gradually transformed into a more service-oriented economy. As a result, the manufacturing industry's share of GDP decreased from 20.6 percent in 1989 to 0.5 percent in 2018.

In 2019, the total value of Macao's exports was 12.8 billion patacas, representing a year-on-year increase of five percent, with Macao's domestic product exports accounting for 1.51 billion patacas, down 1.2 percent year on year. The value of re-exports was 11.28 billion patacas, up 5.8 percent year on year. Hong Kong continued to be the major export market for Macao, with a share of 63.8 percent of Macao's total export value. Mainland China accounted for 12.3 percent of Macao's total export value. The United States accounted for 2.3 percent.

In 2019, the value of products exported under CEPA was 86.74 million patacas. Tax with a total value of 4.77 million patacas was waived. During the past 16 years, the cumulative total value of zero-tariff goods entering mainland China in accordance with CEPA provisions was 1044 million patacas, with 71.86 million patacas of taxes waived.

Financial Services Industry

The financial services industry in Macao underwent rapid development towards the end of the 1980s. Following nearly 30 years of growth and refinement, Macao now boasts a sophisticated and open financial system, with characteristics that are unique in the region.

Macao's financial institutions consist of banks, insurance companies, financial companies, lease finance companies, financial intermediaries, bureaux de change, cash remittance companies, non-banking credit agencies, other financial institutions and the representative offices of overseas financial institutions. As of 31 December 2019, among financial institutions authorised to operate in Macao, there were 31 banks¹ (including one Government-owned Postal Savings Office), 25 insurance companies, two pension-fund management companies, one finance company, two lease finance companies, two financial intermediary companies, 11 bureaux de change, six bureaux de change counters, two cash remittance companies, one non-banking credit agency, two payment institutions, one financial asset trading company and one representative office of an overseas financial institution.

Note: One of the banks has been permitted to operate but has not yet commenced operation.

The Banking System

The primary legislation regulating Macao's financial services industry, the Financial System Act, was promulgated in 1993, and focuses on measures to strengthen risk management. In particular, it emphasises strict requirements on operators, and monitors the suitability of major shareholders and managers, and risks. The act also introduced a new monitoring system based on financial institutions and their subsidiaries. The act takes into account the recommendations of the Basel Committee on Banking Supervision and lessons learnt from the EU's experience in harmonising banking legislation, while drawing on the experiences of countries and territories whose financial systems are similar to that of Macao.

In accordance with the Financial System Act, the Chief Executive of the MSAR may, on an individual basis, approve the registration of credit institutions in Macao, the establishment of branches of overseas credit institutions, the setting-up of branches or representative offices outside Macao by locally registered credit institutions, and the establishment of financial intermediaries

and other financial institutions in Macao, after considering the advice of the Monetary Authority. However, this provision does not include companies regulated by special laws.

At the end of 2019, the 30 banks in Macao owned assets with a total value of 2,015.2 billion patacas. Deposits in Macao's banking system amounted to 1,163.6 billion patacas, while loans totalled almost 1,072.9 billion patacas; the loan-to-deposit ratio was 92.2 percent.

When classified by source of origin, the banking system of Macao – excluding the government-operated Macao Postal Savings – has 11 local registered banks, with the other currently operating banks being branches of banking groups registered overseas, which mainly come from seven countries and regions: mainland China, Portugal, the United States, the United Kingdom, Singapore, Taiwan and Hong Kong.

Moreover, the operations of Macao's banks now make extensive use of computer software and hardware. With the popularity of electronic banking, inter-bank ATMs are now found all over Macao, serving customers of different banks. Additionally, certain banks offer 24-hour banking services via channels including mobile phones and the Internet.

Notwithstanding their relatively rapid development in recent years, Macao's banks have continued to achieve new heights in terms of financial results, thanks to their strong business tradition, prudent operations, and stringent regulation. Macao's banks also boast healthy capital, full liquidity and quality assets, keeping the whole banking system safe and reliable.

The Insurance Industry

Market Overview

At the end of 2019, 25 insurance companies were permitted to conduct business in Macao. Of these, 12 were life insurance companies and the other 13 were engaged in non-life insurance. Classified by their origins, 10 of these companies were local, and the other 15 were branches of overseas companies. In addition, two fund-management companies were authorised to conduct pension-fund businesses in the MSAR. Also at the end of 2019, Macao's insurance industry employed 638 people. There were 6,725 authorised insurance intermediaries: 5,072 individual agents, 1,559 salespersons, 82 corporate agents, and 12 insurance brokers.

In 2019, total insurance premium income was 28.5 billion patacas, 34.5 percent more than that in 2018. Life insurance premium income accounted for 89.9 percent of the insurance market's total income, with the remaining 10.1 percent coming from non-life insurance. Life insurance premiums totalled 25.6 billion patacas, up by 37 percent from the previous year. Non-life insurance premiums totalled 2.9 billion patacas, representing an increase of 15.2 percent.

Regarding pension funds, at the end of 2019, seven life insurance companies and two pension-fund management companies were providing pension fund management services. So far, 59 pension funds have been established under the Legal Framework for Private Pension Funds, of which three are closed-end funds and 56 are open-end funds. To date, 1,703 private pension fund schemes and 54,000 non-mandatory central provident fund schemes have been established by businesses or individuals, benefiting more than 206,000 people. The assets of the managed funds totalled about 31.2 billion patacas.

Supervision and Regulation of the Insurance Industry

In Macao, the duty to supervise, coordinate and inspect insurance activities rests with the Chief Executive, with the Monetary Authority authorised to perform these functions.

The Macao Insurance Law, the Legal Framework for Private Pension Funds, and the Insurance agents and Brokers Law have been formulated to regulate insurance companies, private pension fund management companies, and insurance intermediaries, respectively.

The Macao Insurance Law stipulates the terms and conditions of insurance and reinsurance activities in Macao. The existing law was amended in 1997, with the purpose of aligning the regulatory levels of Macao's insurance activities with that of international standards. The law covers requirements for obtaining a licence, and the mandatory establishment of margins of solvency, technical reserves and financial disclosure. As the law has been enacted for many years, certain provisions required amending in response to the changing international trend in regulations, to meet the regulatory requirements. The proposed amendment bill was deliberated in the Legislative Assembly in 2019.

The Legal Framework for Private Pension Funds came into effect in 1999. The law requires that a pension fund must be managed by a life insurance company or a company established for the management of the pension fund. To further protect the interests of retirees, the legal framework also lays down articles regulating the management of pension funds.

The Legal System on Insurance Intermediaries, formulated in 1989 and amended in 2001 and 2003, regulates the business practice of insurance intermediaries, the minimum requirements for obtaining an intermediary licence, the rights and duties of an intermediary, and the statutory power of regulatory bodies.

Compulsory Insurance

There are seven categories of compulsory insurance in Macao, all of which require uniform policy wording and tariff rates. The compulsory insurance categories include: motor vehicle (third-party risks) insurance, employees' compensation insurance, professional liability insurance for travel agents, public liability insurance relating to the installation of publicity and advertising objects, third party liability for pleasure boats, civil liability insurance for lawyers, and civil liability insurance for medical service providers.

Insurance Intermediaries Quality Assurance Scheme

To raise the overall level of professionalism of insurance intermediaries, it is required that all applicants must pass a qualification examination before obtaining an intermediary licence and conducting insurance business in Macao. In 2019, a total of 7,900 candidates sat the insurance intermediary qualification examination, with a pass rate of 85.3 percent.

According to the requirements of the Continuing Professional Development Programme for Insurance Intermediaries, all intermediaries must declare sufficient training hours before renewal of licences starting from 2019. The Monetary Authority has established an online training hours inquiry system for intermediaries.

The Construction and Real Estate Industry

The average sales price for residential units in 2019, calculated in terms of usable floor area, was 107,522 patacas per square metre, 0.8 percent lower than the previous year's figure. The average prices of properties in Coloane (125,799 patacas) and Taipa (110,721 patacas) decreased by 7.2 percent and 1.5 percent, respectively; while the average property price in the Macao peninsula (104,346 patacas) increased by 2.4 percent. The average prices for completed units (100,977 patacas) was 3.9 percent higher than the previous year's figures, while uncompleted units (142,487 patacas) were 0.1 percent lower than the previous year's figures.

Due to some unit transactions of higher prices in 2018, the unit prices of offices and industrial units were 108,407 patacas and 54,979 patacas per square metre, down by 33.8 percent and 2.5 percent respectively in 2019.

In 2019, the number of housing units and parking space transactions was 11,022, down 26.9 percent year on year. The transaction value totalled 62.24 billion patacas, down 30.5 percent year on year.

A total of 8,277 residential units – representing a net year-on-year decrease of 2,545 units, totalled 51.05 billion patacas – representing a decrease of 26.5 percent. The transaction values of completed units (totalling 7,101) and uncompleted units (totalling 1,176) and were 40.61 billion patacas and 10.44 billion patacas, respectively.

In 2019, construction permits had been granted for a total of 325 residential units while occupying permits had been granted for a total of 2,886 residential units, in which 64.3 percent were in Coloane and 35 percent were in the Macao peninsula.

The price index of construction materials for residential buildings in 2019 rose by 2.5 percent year on year, to 110.

The real wage index for construction workers, discounted for inflation, averaged 91.9, down 7.5 percent year on year, while that of local construction workers decreased by 2.6 percent, to 94.9.

Employment and the Labour Market

In 2019, the full-year unemployment rate was 1.7 percent while the unemployment rate among local residents was 2.3 percent. Both represented a decrease of 0.1 percent compared with the figures in 2018.

In 2019, Macao recorded a labour population of 394,600 people, and a participation rate of 70.3 percent. The labour participation rate for males was 74.6 percent, and for females was 66.7 percent.

Employment

In 2019, Macao's employed population increased 0.63 percent over the previous year and totalled 387,800, of whom 48.63 percent were male and 51.37 percent were female. Broken down by sector, the working population was mainly engaged in cultural, entertainment, gaming and other service industries (25 percent); hotels and catering (14.5 percent); construction (7.9 percent); and

wholesale and retail (10.7 percent). Classified by occupation, clerical workers, service and retail workers, and non-technical workers accounted for 27.3 percent, 20.7 percent and 18.2 percent, respectively, of the entire working population.

Of the employed population, 11 percent had primary school education qualifications, 17.9 percent had completed junior secondary school education, 30.7 percent had completed senior secondary school education, and 38.3 percent had completed tertiary education. The main age group in the employed population was 25 to 34, accounting for 29.33 percent of the working population, while the age groups of 35 to 44 and 45 to 54 accounted for 25.26 percent and 21.42 percent, respectively.

Unemployment

In 2019, Macao recorded an unemployed population of around 6,800. Among the unemployed, 14.43 percent had completed only primary education; 20.94 percent had completed junior secondary, 26.36 percent had completed senior secondary, and 33.65 percent had completed tertiary education.

Among the unemployed, 20.71 percent were from the cultural, entertainment, gaming and other services sector, 16.69 percent from the wholesale and retail industry, 21.68 percent from the construction industry, and 17.04 percent from the hotel and catering sector.

Monthly Earnings

In 2019, the overall median monthly income of Macao's employed population was 17,000 patacas, representing a year-on-year increase of 1,000 patacas, while that of local residents was 20,000 patacas, which remained at the 2018 level. The median monthly income of the cultural, entertainment, gaming and other services sector, which employed the largest number of workers, was 20,000 patacas. Sectors with the highest median monthly income were, in descending order, public administration and social security (40,300 patacas), the education sector (28,000 patacas), and water, electricity and gas production and supply (20,500 patacas).

Non-Resident Workers

To alleviate local labour shortages, at the end of December 2019, Macao had 196,538 non-resident workers, representing an increase of 4.3 percent compared with the figure in 2018. The hotel and catering industry accounted for the largest share of non-resident workers (27.9 percent), which was followed by household jobs (15.5 percent), construction workers (15 percent), real estate and business and services (12.2 percent), and wholesale and retail (11.9 percent).

Financial Management

Financial Services Bureau

The Financial Services Bureau is mainly responsible for supervising, coordinating and monitoring the financial activities of public departments of the MSAR.

The Financial Services Bureau fulfils its public finance management function by supervising the

financial operations of the MSAR in accordance with the law. It puts in place a set of regulations and guidelines concerning budget management, and enhances its financial supervision over autonomous entities. The principle of setting budgets is that public resources should be allocated in the way that most appropriately serves the best interests of the public.

In accordance with the annual budget passed by the Legislative Assembly, the Financial Services Bureau oversees the financial status of each public department, and ensures compliance with the public accounting system and regulations, guaranteeing legitimacy of all expenses. These rigorous administrative measures are designed to maintain balance of the Government's revenues and expenses, foster steady economic development and increase the international competitiveness of Macao.

To fulfil the functions of coordinating and monitoring the financial operations of public departments, the Financial Services Bureau compiles the Budget of the Macao Special Administrative Region ("General Budget") and General Accounts of the Macao Special Administrative Region ("General Accounts") on an annual basis.

Budget of the Macao Special Administrative Region

The Budget of the Macao Special Administrative Region comprises three parts: the comprehensive government budget, the budget for specific organisations and the investment budget for specific organisations.

The comprehensive government budget adopts cash-basis accounting, and covers public departments that can be categorised into non-autonomous departments, autonomous administrative departments, and autonomous entities. A budget fiscal year is from 1 January to 31 December. Every year, the schedule for submitting budget proposals and the special requirements for compiling budget proposals are stipulated via an Executive Order. After consolidating the budget proposals of all public departments, a comprehensive budget proposal is submitted to the Chief Executive and later to the Legislative Assembly for discussion. The budget proposal can only come into effect after it has been approved by the Legislative Assembly and published in the Macao SAR Gazette. The General Budget lists all government income and expenditure. Any income that is not included in the General Budget should not be received. At the same time, expenses of public departments must not exceed the maximum levels stipulated in the General Budget.

The budget for specific organisations and the investment budget for specific organisations adopt accrual accounting, mainly as these organisations are engaged in special businesses such as credit, insurance, financial investment or postal services, as accrual accounting is necessary to truly reflect their financial status. Those considered as engaging in special businesses include the following eight organisations: Macao Post and Telecommunications Bureau, Macao Postal Savings, the Pension Fund, Monetary Authority of Macao, Automobile and Maritime Security Fund, Macao Foundation, Deposits Guarantee Fund, and the Social Security Fund.

General Accounts of the Macao Special Administrative Region

The Budget of the Macao Special Administrative Region regulates government income and

expenditure, while the General Accounts of the Macao Special Administrative Region record the Government's actual financial situation. The General Accounts are in two parts. The first part – on the general comprehensive government budget – reflects the results of implementing the general comprehensive budget as well as the year-end financial situation, and is prepared according to cash-basis accounting.

The second part – the budget of specific organisations – adopts accrual accounting to reflect the overall operating results of six specific organisations. The Financial Services Bureau is required to submit the information necessary for the General Accounts of the Macao Special Administrative Region to the Commission of Audit within five months of the end of a financial year, to facilitate the audit process.

Management of Public Property

The Public Property Management Department under the Financial Services Bureau is responsible for the management and maintenance of the durable assets of the Government. This includes carrying out procedures related to trading in the Government's physical property, assisting with clarification of the characteristics of vehicles owned by each government department, holding open tenders for goods and services required by the Government, organising and updating records of durable assets and lists of assets, and analysing the tangible asset accounts of public departments

To implement the above responsibilities, the Financial Services Bureau holds public auctions each year for vehicles and goods that are deemed unusable by government departments or are appropriated to the Government of Macao Special Administrative Region. To increase its revenue, the Government announces auction dates and ensures that auctions adhere to the principle that the highest bid wins. The Financial Services Bureau conducts open tenders for goods needed by various public departments. The tender notice is published in local newspapers, the Macao SAR Gazette and the Financial Services Bureau website, and the transparency of both options and tender procedures is thereby enhanced. Natural persons or companies already registered with the Business Registration Centre of the Financial Services Bureau as engaging in businesses related to items included in the tender can participate in the bidding for all or part of the commodities. The winner is generally the bidder who makes the best offer in terms of price, quality of goods, past delivery quality and delivery date.

The management of public property also includes the duty of allocating and managing government quarters and parking lots, as well as the maintenance of such quarters. Other duties include renting office venues, warehouses, housing and car parks for both non-independently and independently administered departments, as well as making recommendations on the usage of government-owned properties and community and infrastructure facilities, and handling property and facility transfers.

Sources of Tax Revenue

Government Tax Revenue

Tax income provides funds for the administrative activities of all public entities. Macao has adopted a simple taxation structure with low tax rates. The annual assessment period is from 1 January

to 31 December. Taxes levied in Macao include gaming tax, business tax, corporate income tax, personal income tax, real estate tax, tourism tax, excise duty, motor vehicle tax, asset transfer stamp duty, special stamp duty and additional stamp duty for acquisition of second residential property and beyond.

Gaming Tax

The operators of all types of gaming activities, including casino gaming, horse racing, dog racing and lottery bets, are liable to pay a certain percentage of their gross revenues in tax, or pay tax according to other levy scales. Gaming tax is calculated by gross casino gaming revenue taxed at the rate of 35 percent. Gaming tax is the Government's major source of revenue.

Business Tax

The Regulations on Business Tax require that business tax be levied on all natural persons and legal persons operating any activity with the nature of industrial or commercial business. The amount of tax depends on the fixed amounts stipulated in the Table of General Activities contained in the Regulations on Business Tax. Although business tax is typically 300 patacas a year for each business, for commercial banks the tax is 80,000 patacas, plus a sales tax of five percent.

Note: Pursuant to Article 10 under the Budget of the Financial Year of 2019, approved by Law No. 9/2018, in 2019, no amount of industrial tax set out in Table 1 and 2 under the Regulations for Industrial Tax shall be collected.

Profit Tax

Regulations on Profit Tax require that profit tax be levied on the total income of natural persons or legal persons from local industrial or commercial activities. Rates of profit tax are as follows:

Taxable annual revenue	Percentage
Revenue up to 32,000 patacas	Waived
Progressively in excess of designated amount:	
32,001 patacas to 65,000 patacas	3%
65,001 patacas to 100,000 patacas	5%
100,001 patacas to 200,000 patacas	7%
200,001 patacas to 300,000 patacas	9%
Over 300,000 patacas	12%

Note: Pursuant to Article 22 of the Budget of the Financial Year of 2019 approved by Law No. 19/2018, the tax allowance for profit tax in 2018 is set at 600,000 patacas.

Personal Income Tax

Regulations on Personal Income Tax require that personal income tax be levied on working income. Personal income tax payers are classified into two groups. One group is those working for others in any occupation, including daily wage earners and employees. The second group is self-employed freelance professionals. Personal income tax rates are as follows:

Taxable annual revenue	Percentage
Revenue up to 95,000 patacas	Waived
Progressively in excess of designated amount:	
Up to 20,000 patacas	7%
20,001 patacas to 40,000 patacas	8%
40,001 patacas to 80,000 patacas	9%
80,001 patacas to 160,000 patacas	10%
160,001 patacas to 280,000 patacas	11%
Over 280,000 patacas	12%

Note: Pursuant to Article 18 of the Budget of the Financial Year of 2019 approved by Law No. 19/2018, in 2019, all personal income taxpayers are eligible for a tax reduction of 30 percent of the personal income tax payable, while the tax allowance for personal income tax in 2019 is set at 144,000 patacas. The tax allowance for employees and casual workers aged 65 or above or with permanent disability level of 60 percent or above in 2019 is increased to 198,000 patacas.

Tourism Tax

Regulations on Tourism Tax require that a five-percent tourism tax be levied on the prices of services offered by hotels and similar establishments, gyms and saunas, massage parlours and karaoke bars.

Note: Pursuant to Article 16 of the Budget of the Financial Year of 2019, approved by Law No. 19/2018, in 2019, tourism tax shall be exempted for the settlement of services provided by luxury, class-1 and class-2 restaurants, and those venues that are established in hotels yet operating independently, particularly those under a different trade name.

Real Estate Tax

Regulations on Urban Real Estate Tax require that real estate tax be levied on the revenue of local housing properties, and that the tax rate shall be six percent on the taxable revenue for non-leased properties, while that for leased properties shall be ten percent.

Note: Pursuant to Articles 20 and 21 of the Budget of the Financial Year of 2019, approved by Law No. 19/2018, in 2019, a tax reduction of up to 3,500 patacas per property is available for urban properties for tax subjects who are natural persons with right of residence in the Macao Special Administrative Region. In 2019, the tax rate for leased properties is reduced to eight percent.

Asset Transfer Stamp Duty

Transfer of an immovable asset before death, whether such transfer be temporary or permanent, or paid or unpaid, is subject to asset transfer stamp duty at the following rates:

Taxable area	Tax rate
Paid transfer of an immovable asset with a value of up to two million patacas	1%
From over two million patacas to four million patacas	2%
Over four million patacas	3%
Unpaid transfer of an asset	5%

Note: (1) Pursuant to Article 12 of the Budget of the Financial Year of 2019 approved by Law No. 19/2018, in 2019, stamp duty shall be exempted for eligible taxpayers who purchase residential properties that are worth up to three million patacas; (2) Legal persons, individual business owners or non-local residents purchasing residential properties are subject to an additional 10 per cent tax, on top of the above mentioned tax rate.

Special Stamp Duty

Transfer of a residential property, commercial property, office premises, car-parking space within two years of its purchase, whether such transfer be temporary or permanent, is subject to special stamp duty at the following rates:

Taxable transfer	Tax rate
Transfer is made within a year of its purchase	20%
Transfer is made between one and two years after the purchase	10%

Property Acquisition Tax

Acquisition of a second residential property and beyond is subject to additional stamp duty at the following rates:

Taxable transfer	Tax rate
Acquisition of a second residential property	5%
Acquisition of a third residential property and beyond	10%

Excise Duty

Pursuant to Article 2 of Law No. 4/99/M of the Excise Duty Regulations which was amended by Law No. 8/2008 on 25 August, Law No. 7/2009 on 25 May, Law No. 11/2011 on 19 December and Law No. 9/2015 on 13 July, alcoholic drinks (Group II) and tobacco (Group III) are considered as excise duty taxable since the time they are produced or they enter Macao. Alcoholic drinks are levied an ad valorem tax subject to CIF (cost, insurance and freight) as well as fixed tax, while tobacco products are levied a fixed excise duty.

Motor Vehicle Tax

Natural persons or legal persons importing new motor vehicles for their own use, or buying new motor vehicles for resale or for their own use are subject to motor vehicle tax based on the taxable value of motor vehicles. The applicable tax rates are as follows:

Heavy and light motorcycles		
Level of taxable value (patacas)	Corresponding rate of each level	Effective average tax rate
Up to 15,000 patacas	---	24%
From over 15,000 patacas to 25,000 patacas	35%	32%
From over 25,000 patacas to 40,000 patacas	40%	42%
From over 40,000 patacas to 70,000 patacas	45%	50%
Over 70,000 patacas	---	50%

Cars		
Level of taxable value (patacas)	Corresponding rate of each level	Effective average tax rate
Up to 100,000 patacas	--	40%
From over 100,000 patacas to 200,000 patacas	50%	46%
From over 200,000 patacas to 300,000 patacas	80%	60%
From over 300,000 patacas to 500,000 patacas	90%	72%
Over 500,000 patacas	--	72%

Registered Auditors and Accountants

At the end of 2019, there were 14 registered auditing companies, three registered accounting firms, 126 registered auditors and 191 registered accountants in Macao.

The “Mainland Factor” in Macao’s Economy

Under the principle of “One country, two systems”, the Government actively strengthens economic and trade interaction and cooperation with provinces and cities in mainland China through appropriate institutions and mechanisms, further developing Macao’s role as a gateway and bridge. Implementation of the Mainland China and Macao Closer Economic Partnership Arrangement (CEPA) and the signing of the Pan-Pearl River Delta (PPRD) Regional Co-operation Framework Agreement in 2004 marked new milestones for economic and trade cooperation between Macao and mainland China.

In 2017, the National Development and Reform Commission and the governments of Guangdong, Hong Kong and Macao signed the Framework Agreement on Deepening Guangdong–Hong Kong–Macao Cooperation in the Development of the Greater Bay Area for to determine the preliminary division of responsibility, cooperative approach and coordination mechanism among the three governments. In 2018, the Central People’s Government set up the leading group for development of Guangdong-Hong Kong-Macao Greater Bay Area, marking the implementation stage of the development of Guangdong-Hong Kong-Macao Greater Bay Area. In 2019, the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area was officially promulgated, stating the development positioning and functions of each district and city in the Greater Bay Area.

In March and November 2019, the leading group for development of Guangdong-Hong Kong-Macao Greater Bay Area respectively held its second and third plenary meetings chaired by the Vice Premier of the State Council, Han Zheng, in Beijing.

In April 2019, the Symposium on the Guangdong-Hong Kong-Macao Greater Bay Area co-organised by the People’s Government of Guangdong Province, the Hong Kong Special Administrative Region Government, and the Macao Special Administrative Region Government was held in Tokyo. The Macao Trade and Investment Promotion Institute (IPIM) formed a delegation of 20 entrepreneurs to attend the symposium.

In November 2019, the Ministry of Commerce and the MSAR Government signed the Agreement Concerning Amendment to the CEPA Agreement on Trade in Services, to further reinforce liberalisation of trade in services between mainland China and Macao, promote bilateral commercial and trade exchanges, support and encourage participation in the development of the Guangdong-Hong Kong-Macao Greater Bay Area by all sectors of Macao, and facilitate Macao’s adequate economic diversification.

In November of the same year, the second meeting of the Mainland and Macao Economic and Trade Cooperation Committee was held in Macao. During the meeting, the two sides reached a consensus on further promoting the CEPA amendments and implementation, supporting Macao’s participation in the establishment of the “Belt and Road” initiative, jointly promoting development

of the Greater Bay Area and building a platform for China and Portuguese-speaking countries, and supporting Macao's adequate economic diversification.

Interconnections with Mainland China

While striving to maintain close economic and trade relations with its neighbouring regions, the Government actively explores and enhances exchanges and cooperation with other provinces and cities in mainland China.

In January 2019, the 15th China Expo Forum for International Cooperation was held in Hainan Province. The IPIM organised a delegation of 12 entrepreneurs to participate in the forum. In March, the Boao Forum for Asia Annual Conference 2019 was jointly held by 29 member countries. The IPIM organised a delegation of 11 entrepreneurs to participate in the forum.

In May 2019, the 11th Central China Investment and Trade Expo was held in Nanchang. The IPIM set up a 400-square-metre Macao Pavilion and arranged 37 entrepreneurs to join the event as exhibitors. Meanwhile, the IPIM and Department of Commerce of Jiangxi Province jointly organised the Forum for Investment Cooperation between Macao and Jiangxi – Promotion of the Economic and Trading Service Platform Between China and Portuguese-Speaking Countries. In May the same year, the China (Beijing) International Fair for Trade in Services was co-organised by the Ministry of Commerce and the People's Government of Beijing Municipality in Beijing. The IPIM set up a 185-square-metre Macao Pavilion and arranged 29 entrepreneurs to join the event as exhibitors.

In September 2019, the 16th China-ASEAN Expo was held in Nanning. The IPIM set up a 63-square-metre Macao Pavilion during the event.

In October 2019, the Summit on the Chinese Central SOEs' Support for Macao in Building a China and Portuguese-speaking Countries Co-operation Platform 2019 was held by the MSAR Government and the State-owned Assets Supervision and Administration Commission of the State Council in Macao. The IPIM arranged more than 400 representatives from enterprises, departments and institutes to participate in the event.

In November 2019, the Second China International Import Expo was organised by the Ministry of Commerce and the People's Government of Shanghai Municipality in Shanghai. The IPIM set up a 600-square-metre "Goods Trading – Foods and Agricultural Products Zone" and a 60-square-metre "Services Trading Zone". A total of 42 exhibitors and 100 entrepreneurs participated in the event. The IPIM also organised the Macao Forum for Investment Cooperation – Promotion of the Economic and Trading Service Platform Between China and Portuguese-Speaking Countries. In November, Shanghai and Macao signed the Agreement on the Macao-Shanghai Cooperation Meeting Mechanism to foster the bilateral economic and social development.

Relationship with Guangdong Province

In 2001, Guangdong and Macao established the Guangdong-Macao High Level Meeting Mechanism and the Macao-Guangdong Cooperation Liaison Group as a permanent establishment. To implement the Outline Plan for the Reform and Development of the Pearl River Delta (2008 - 2020), Hengqin

Master Development Plan, Mainland and Macao Closer Economic Partnership Arrangement (CEPA) and its supplementary protocols, and to promote closer cooperation between Guangdong and Macao, the two parties signed the Framework Agreement on Cooperation Between Guangdong and Macao which covered major cooperative projects including joint development of Hengqin Island, synergistic development of industries, infrastructure and customs clearance facilitation, community public services and regional cooperation planning, to propose specific, pragmatic and feasible cooperative measures and clarify the enhancement of the cooperation mechanism.

In 2014 and 2016, through the assessment mechanism under the Assessment Committee for Macao Projects for Hengqin Development, the Government recommended a total of 83 projects for Hengqin, including the first batch of 33 projects, and the remaining 50 projects that were intended for development in the Guangdong-Macao Cooperation Industrial Park. By the end of December 2019, 24 projects – mainly covering tourism and leisure, culture and creativity, new and high technologies, science, education, research and development, and trade and logistics – moved into their sites at the industrial park and commenced work on establishing their operations.

From 31 December 2018, the IPIM and Administrative Committee of the Hengqin New Area initiated a new phase of investment recruitment for Guangdong-Macao Cooperation Industrial Park and started accepting applications for using the remaining 2.57 square kilometres in the park, with a new assessment mechanism.

In January 2019, the Macao–Guangzhou Guangdong-Hong Kong-Macao Greater Bay Area Cooperation Commercial and Trade Fair 2019 was co-organised by IPIM and the Guangzhou Municipal Commission of Commerce in Guangzhou. The IPIM arranged 50 entrepreneurs to participate in the event. In January the same year, the Macao-Guangzhou Fine Products Fair 2019 was held in Guangzhou. The fair venue had an area of 11,300 square metres, with 205 exhibition booths, including 95 from Macao. The IPIM organised a delegation of 60 entrepreneurs to join the event as exhibitors, and lined up over 70 business pairings and negotiations.

In March 2019, the IPIM rolled out the Facilitation Services for Commercial Registration in Nine Cities of Guangdong-Hong Kong-Macao Greater Bay Area, including consultation on commercial registration in the nine mainland China cities of the Greater Bay Area, collection of commercial registration documents, forwarding written documents to relevant authorities and collection of operating licences. In the first phase, the services cover Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing.

In March the same year, the IPIM, Guangzhou Municipality Administration for Market Regulation and Guangdong and Macao Federation of Industry and Commerce signed the Guangzhou-Macao Commercial Services Cooperation Agreement to facilitate cooperation with chambers of commerce, expand service outlets, facilitate more investors to develop their business in cities of the Greater Bay Area and further promote cooperation between Guangdong and Macao.

In May 2019, the 125th China Import and Export Fair (Phase 3) was held in Guangzhou. The IPIM set up a 153-square-metre Macao Pavilion and arranged 15 entrepreneurs to join the event as exhibitors. The Energetic Macao Promotion Week – Guangzhou was held. The area of the expo venue was 5,000 square metres, with more than 200 exhibition booths. Around 300 entrepreneurs participated in the fair.

In May the same year, the IPIM and the Commercial Bureau of Yunfu Municipality signed the Memorandum of Understanding on Jointly Participating in Economic Co-operation in Guangzhou to reinforce the bilateral economic collaboration and service alignment. The 2019 Guangdong-Macao Cooperation Joint Conference was held in Macao. The two parties signed the Major Tasks in 2019 for Implementing the Framework Agreement on Cooperation between Guangdong and Macao, Memorandum of Cooperation on Strengthening Hengqin's Support for Macao's Adequate Economic Diversification and Expediting the Construction of the Macao-Zhuhai Pole in the Greater Bay Area, Work Plan on Joint Funding of Bilateral Cooperative Research and Development Projects and Guangdong-Macao Intellectual Property Cooperation Agreement (2019-2020).

In June 2019, Understanding Business Opportunities in Macao: The Promotion Seminar of the Economic Opportunities and Specialised Financial Services of China and Portuguese-Speaking Countries was organised in Zhaoqing and Foshan respectively.

In July 2019, the IPIM, the Zhuhai Municipality Administration for Market Regulation and the Macao Federation of Industry and Commerce signed the Framework Agreement on Commercial Services Cooperation, to facilitate commercial registration services for Macao enterprises in Zhuhai and support Macao enterprises in exploring business opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area.

In August 2019, the Guangdong 21st Century Maritime Silk Road International Expo was held in Guangzhou. The IPIM set up a 396-square-metre Macao Pavilion and arranged 30 entrepreneurs to join the event as exhibitors.

In September 2019, the 2019 Guangzhou-Macao Task Force Meeting was held in Guangzhou. The two parties signed three cooperation agreements after the meeting to strengthen the cooperation in betterment of livelihoods, science and technology, young entrepreneurship, Chinese medicine and cultural affairs between Guangzhou and Macao. The Guangzhou Nansha Youth Federation and IPIM signed a cooperation agreement concerning the building of an exhibition and trade centre in the Nansha district of Guangzhou, relating to products from Portuguese-speaking countries or places.

In September the same year, the Fifth IE Expo Guangzhou was held in Guangzhou. The IPIM set up a 36-square-metre Macao Pavilion. The Promotion Seminar of the Economic Opportunities and Specialised Financial Services of China and Portuguese-Speaking Countries - Huizhou was held.

In October 2019, the 126th China Import and Export Fair (Phase 3) was held in Guangzhou. The IPIM set up a 180-square-metre Macao Pavilion and arranged 17 entrepreneurs to join the event as exhibitors. The Macao-Zhuhai Entrepreneur Summit 2019 was held in Zhuhai, with 20 cooperation agreements signed. More than 1,200 entrepreneurs participated in the fair.

In November 2019, the Guangdong-Hong Kong-Macao Greater Bay Area Investment and Business Environment Fair (Zhuhai, Zhongshan) was held in Macao. More than 80 entrepreneurs participated in the event.

In December 2019, the IPIM and Department of Commerce of Guangdong Province co-organised a commercial exchange delegation for 35 Macao entrepreneurs to visit Zhaoqing and Yunfu in the Guangdong Province. The delegation visited the Zhaoqing National Hi-Tech Industrial Development Zone Management Committee and several Hi-Tech enterprises in Zhaoqing and Yunfu, and

organised an entrepreneur business matching session between Macao and Yunfu, to enable Macao entrepreneurs to gain an understanding of the latest developments and business environment of the Greater Bay Area, and to foster commercial exchanges between enterprises of the two places.

Relationship with Fujian Province

All along, the exchanges and cooperation relationship between Fujian and Macao have been further developed and strengthened, and gradually develop into multi-fields and deeper levels. In recent years, Fujian and Macao have signed a series of cooperation agreements including the Memorandum on Strengthening Cooperation between Fujian and Macao, the Agreement on Strengthening Economic and Trade Cooperation between Fujian and Macao, and the Agreement on Deepening Economic and Trade Cooperation between Fujian and Macao. Under the mechanism of Fujian-Macao high-level meeting and Fujian-Macao Economic Cooperation Promotion Committee, the economic and trade cooperation between Fujian and Macao was further promoted.

In June 2019, the 17th China Cross-Strait Technology and Projects Fair was jointly organised by 28 organisations including the the State Intellectual Property Office and MSAR Government in Fuzhou. The IPIM, the Science and Technology Development Fund and the Macau Productivity and Technology Transfer Centre jointly set up a Macao Pavilion and arranged 22 entrepreneurs to participate in the fair as exhibitors.

In September 2019, the 2019 Xiamen China International Fair for Investment and Trade (CIFIT) and the Belt and Road Investment Congress (BRIC) was jointly organised by the China Council for International Investment Promotion, the Investment Association of China and the Xiamen China International Fair for Investment & Trade Organising Committee in Xiamen. The IPIM set up a 90-square-metre Macao Pavilion and arranged 40 entrepreneurs to join the event as exhibitors. Fujian and Macao enterprises signed three letters of intent regarding environmental technology, environmental facilities and energy. In September the same year, the Seminar on Investment Cooperation Between China and Portuguese-speaking Countries was co-organised by the China Council for International Investment Promotion and Permanent Secretariat to the Forum for Economic and Trade Cooperation Between China and Portuguese-speaking Countries and supported by the IPIM in Xiamen, attracting more than 100 participants.

In November 2019, the 2019 Strait MICE Cooperation Forum and Xiamen International MICE Week was held in Xiamen. The IPIM arranged five entrepreneurs to join the event as exhibitors.

Relationship with Jiangsu Province

While enhancing cooperation with Guangdong and PPRD, the Government puts equal emphasis on cooperation along the Yangtze River economic belt by commencing specialised cooperation with provinces including Jiangsu, thereby becoming more deeply involved in the country's development through regional cooperation, and will strengthen our position and functions in the course of China's economic development and opening up.

Jiangsu has attached particular importance to leveraging the advantages of Macao as a platform for China and Portuguese-speaking countries. Since 2011, the Jiangsu-Macao Industrial and

Commercial Summit of Portuguese-Speaking Countries has been hosted by the Macao International Trade and Investment Fair for nine consecutive years. The two sides has established a cooperation mechanism and signed cooperation memorandums, which have in turn developed a system for regular cooperation between Jiangsu, Macao and Portuguese-speaking countries in commercial and trading, cultural and education fields. Besides, there has been cooperation between Jiangsu and Macao in tourism, education, training of social service personnel, healthcare and hygiene.

In September 2019, the “Water Charming Jiangsu, Encounter in Macao – Jiangsu Cultural Festival” was held in Macao, showcasing Jiangsu’s traditional culture, gastronomy, arts, industrial products and intangible cultural heritage to enhance Macao people’s understanding on Jiangsu culture.

In October 2019, Jiangsu Province, as a partner province of the 24th MIF, set up a 288-square-metre exhibition area with 32 booths. A total of 12 exhibitors participated in the event. The Jiangsu Province also organised several events, including the Ninth Jiangsu-Macao-Portuguese-language Business Summit and Jiangsu-Macao-Cape Verde Cooperation Forum, the Fourth Macao International Cultural Art and Intangible Cultural Heritage Exhibition, the Jiangsu-Macao-Cape Verde Children’s Painting Exhibition and the Jiangsu Hairy Crab Special Promotion Conference.

In November 2019, the Energetic Macao Promotion Week – Changzhou, Jiangsu was held in Changzhou, with an an area of 5,500 square metres and 200 exhibition booths. About 300 entrepreneurs participated in the event.

Economic Services Bureau

The Economic Services Bureau is mainly responsible for assisting in the formulation and implementation of economic policies covering economic activities, intellectual property and other areas designated by law as its responsibilities.

Industrial Licences

Under Decree-Law No. 11/99/M dated 22 March 1999, all assembly and processing manufacturing enterprises licensed under Decree-Law No. 55/97/M dated 9 December 1997 and listed in Category D of the first revised edition of the Macao Industries Classification Index must apply for industrial licences from the Economic Services Bureau. Under Article 11 of Decree-Law No. 11/99/M, it is strictly prohibited to carry out the above activities in residential buildings.

Applications for industrial licences are classified as “general system” (for industrial buildings), “special system” or “special activities”. In 2016, the charges for applying for all new or renewed industrial licences were waived.

In 2019, the Economic Services Bureau issued seven general-system industrial licences and 17 special system/special activity industrial licences. In addition, nine general-system industrial unit licences and 31 special-system/special-activity industrial unit licences were issued, 116 industrial licences and 52 industrial unit licences were revoked, and 164 industrial licences were re-issued due to the transfer, removal or merger of industrial establishments, or because information relating to them had changed.

Certificates of Origin

Certificates of Origin (CO) may be applied for from the Economic Services Bureau. These are used to prove to a third party that exports have been sufficiently assembled and processed in Macao, and are thus classified as products originating in Macao. According to By-law No. 29/2003 Regulations on Certificates of Origin, which was amended by By-law No. 20/2016 that came into force on 4 August 2016, the charge for issuing certificates of origin has been cancelled, to reduce trading operating costs.

Certificates of Origin are classified into four types: General Certificates of Origin apply to general customs clearance; Generalised System of Preferences (GSP) Certificates of Origin apply to customs clearance in importing countries and regions that use GSP; Certificates of Origin (Foreign Products) are used for proving that Macao was not the origin of products re-exported via Macao; CEPA Certificates of Origin are for goods of Macao origin that enjoy zero tariff and other incentives under CEPA.

In 2019, the Economic Services Bureau issued 2,348 general certificates of origin; major export destinations included the United States and mainland China, accounting for 65.5 percent and 8.9 percent of the total issuance, respectively. It also issued 703 certificates of origin for CEPA.

Certificates of Macao Service Suppliers

To enjoy the incentives and benefits under CEPA, all Macao enterprises that conform to Annex 5 of CEPA, all regulations in supplementary protocols and Annex 3 of the Agreement on Trade Services under CEPA are required to apply to the Economic Services Bureau for a Certificate of Macao Service Supplier. From 1 January 2004, when CEPA was implemented, to 31 December 2019, the Economic Services Bureau issued 796 Certificates of Macao Service Suppliers.

Export and Import Licences

Licences for Export and Import are regulated by External Trade Law (Law No. 7/2003), as amended by Law No. 3/2016 dated 4 July 2016. Under the law, any natural person or legal person may engage in external trade activities, provided the Government holds evidence that they have fulfilled their tax obligations, particularly those involving business tax and excise duty. Macao exercises minimal controls over import and export activities that are consistent with its international obligations, and considerations of environmental, sanitary, safety and security issues.

The laws and regulations that currently govern imports and exports include:

1. Law No. 7/2003 of the External Trade Law amended by Law No. 3/2016 dated 4 July 2016;
2. By-law No. 28/2003 on External Trade Operations amended by By-law No.19/2016 dated 18 July 2016 ;
3. Executive Order No. 487/2016 (Table of goods for self use or self consumption; Exportation Table [Table A] and Importation Table [Table B]; and table of goods requiring health quarantine/plant quarantine);

4. Law No. 2/2017 on enforcement laws and regulations regarding the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);
5. Law No. 4/99/M of the Excise Duty Regulations amended by Law No. 8/2008 on 25 August, Law No. 7/2009 on 25 May, Law No. 11/2011 on 19 December, and Law No. 9/2015 on 13 July;
6. Decree-Law No. 62/95/M about the formulation of policies and measures on the Control and Reduced Use of Ozone-Depleting Substances and its related regulations;
7. Executive Order No. 425/2009 setting a limit on the annual import of HCFCs, in Table C of Executive Order No. 78/GM/95, issued on 4 December;
8. Decree-Law No. 51/99/M regulating commercial or industrial activities concerning computer programs, audiovisual products;
9. Law No. 17/2009 prohibiting the illegal production, trafficking and consumption of narcotics and psychoactive drugs, amended by Law No. 4/2014 dated 8 April, Law No. 10/2016 dated 28 December and Law No. 10/2019; and
10. Law No. 15/2019 on enforcement laws and regulations regarding the Implementation of the Kimberley Process Certification Scheme for the International Trade in Rough Diamonds and other relevant regulations.

According to law, licences for commodities that are subject to the special regime, listed in Exportation Table A and Importation Table B (contained in Annex II of Executive Order No. 487/2016), must be applied for in advance, regardless of the type of import or export. These licences are issued by authorised institutions. The Economic Services Bureau is authorised to issue such licences.

Regulated exported goods include:

1. Species regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (contained in Chief Executive Notice No. 43/2017) ;
2. Ozone-depleting substances;
3. CD ROM production facilities;
4. Weapons, ammunition and related parts and accessories;
5. Pharmaceutical items and medicines, and certain chemicals; and
6. Rough diamonds.

Regulated imported goods include:

1. Drinks with alcohol concentrations of at least 30 percent by volume, and tobacco;
2. Motor vehicles;
3. Species regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (contained in Chief Executive Notice No. 43/2017);

4. Ozone-depleting substances;
5. CD ROM production facilities and materials;
6. Live animals, meat and seafood, eggs and certain milk products;
7. Pharmaceutical products and drugs, and certain chemicals;
8. Weapons, ammunition and related parts and accessories;
9. Inflammable explosives;
10. Certain telecommunication transmitters and receivers;
11. Petroleum products; and
12. Rough diamonds.

Since applications for export licences for textile and garment products were first processed electronically in the fourth quarter of 2000, the Economic Services Bureau has been stepping up its efforts to electronically process applications for import and export licences. Since the introduction of the pilot scheme for electronically processing the import licence applications of some products in 2004, the number of applications for electronic services gradually increased from 2005 to 2019, with product categories expanding to include cigarettes, alcohol, air conditioners containing HCFCs, goods regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and rough diamonds.

In 2019, the Economic Services Bureau issued 10,451 import licences and 1,594 export/re-export licences.

Protection of Intellectual Property Rights

The Intellectual Property Department of the Economic Services Bureau is responsible for managing and enforcing laws relating to intellectual property rights; handling registration affairs relating to industrial property rights, including registration of trademarks, business names and logos; patents for inventions; utility patents, designs/new prototypes, semiconductor product topographies, places of origin/geographical indicators and awards. It is also responsible for updating and recording any remarks, extensions and acts of termination relating to industrial property rights. In addition, the department registers copyright and other related rights collectively managed by relevant organisations.

The Macao Customs Service is responsible for enforcement of legislation regarding intellectual property rights and implementation of punitive measures should they be infringed, to enhance fair competition and combat counterfeiting, thus promoting compliance with intellectual property rights and authorship regulations.

Intellectual Property Rights System

The Copyright and Related Rights Code and the Industrial Property Law are currently the two major pieces of legislation related to intellectual property rights in Macao.

Copyright and Related Rights Code

In Macao, copyright is subject to legal regulation and protection. On 16 August 1999, the Copyright and Related Rights Law (Decree-Law No. 43/99/M) was gazetted; it came into effect on 1 October that year, protecting copyright under clearly defined terms. The regulation provides full protection for works of literature, drama, music and art, movies and television broadcasting, as well as all original productions, and it fulfils the requirements of Trade Related Intellectual Property Rights formulated by the WTO.

To comply with the international protection standards arising from the special features of the modern information society, in 2012 the Government amended the Copyright and Related Rights Law approved by Decree-Law No. 43/99/M to produce Law No. 5/2012, which came into effect on 1 June the same year. The amended law enhances the rights and protection of copyright holders, art workers and producers, providing them with the rights of Internet transmission, distribution and commercial lease. At the same time, the law also adequately modifies the relevant criminal penalty to further protect copyright in a digital environment. Together, these measures more closely aligned Macao's copyright system with the latest international protection standards.

In Macao, copyright is an inherent right. A piece of work, whether issued, published, used or operated, already lends copyright to the author upon completion, allowing the author to enjoy related legal protection, even without registration. In general, copyright in Macao expires 50 years after the death of the author, including for works issued or published after death. However, the period of protection of individual pieces of work varies, depending on their type.

The Industrial Property Rights System

The current Industrial Property Law was promulgated on 13 December 1999 and came into effect on 6 June 2000, replacing the previous rules and regulations. It was only then that Macao had its own industrial property rights laws and was able to completely fulfil its international duties.

The Industrial Property Law offers protection in the following eight areas: patents, including invention patents and utility patents; certificates of complementary protection for drugs and herbal medicines; topology maps of semiconductor products; industrial designs and new industrial products; trademarks; the names and logos of business establishments; places of origin and geographical indications; and awards.

Trademark Registration

Any trademarks that fulfil the requirements of the Industrial Property Law may be registered in Macao, but registration is not compulsory. Trademark registration is geographical: trademark regulations in the Macao SAR protect only trademarks issued locally. Separate applications must be made in other countries and regions for protection there.

In 2019, the Intellectual Property Department of the Economic Services Bureau accepted 15,391 applications for trademark licences, representing a decrease of 6.57 percent on the 16,474 applications processed in 2018. Applications were mainly from mainland China, Macao, Hong

Kong, the United States and Japan. As at 31 December 2019, the Economic Services Bureau had received a cumulative total of 179,354 applications.

Patent Registration

From 6 June 2000, all applications for patents – including invention patents and utility patents, designs and new products – may be submitted directly to the Economic Services Bureau.

The Economic Services Bureau and the State Intellectual Property Office (SIPO) signed the Cooperation Agreement on Intellectual Property between the State Intellectual Property Office and the Economic Services Bureau of the Macao SAR on 24 January 2003. They agreed to extend the applicability of SIPO patent approvals to Macao. The effective period of this agreement was five years, and it was extended for five more years in 2008, 2013 and again in 2018.

In 2019, the Economic Services Bureau accepted 470 applications for patent extensions for inventions, 70 patent registration applications, and applications for registration of 234 designs and new products. These applications were mainly from the United States, mainland China, Japan and Macao. As at 31 December 2019, the Economic Services Bureau had received a cumulative total of 3,980 applications for patent extensions for inventions, 1,914 applications for patents, and applications for the registration of 2,409 designs and new products.

SME Assistance Programme

Supporting the development of small and medium-sized enterprises (SMEs) has always been a focal point for the Government's policy. In 2003, in response to the prevailing socio-economic situation, three SME finance programmes were introduced.

The SME Aid Scheme aims to support SMEs with improving business and operating capacity. The maximum amount of the aid is 600,000 patacas. The maximum period for repayment of the loan is eight years. The scheme was again revised in May 2017, to offer secondary aid to enterprises that had already repaid their loans, streamline the application procedures, and refine the details of the scheme.

As at the end of December 2019, a total of 11,872 applications had been received, 10,430 of which were approved, involving financial aid amounting to 3.125 billion patacas. Enterprises receiving the loans are primarily engaged in retail, construction and public works, restaurants and hotels, corporate services, and personal services including automobile and motorcycle repair and maintenance, and hair and beauty salons.

The SME Credit Guarantee Scheme was launched in August 2003. The scheme is designed to assist enterprises in obtaining bank loans for business development. The scheme was again revised in May 2017. The MSAR Government provides eligible enterprises with credit guarantees of up to 70 percent of a bank loan up to 4.9 million patacas.

From the scheme's commencement to the end of December 2019, the Government received 799 applications, involving a total loan amount of 2.098 billion patacas; 731 of the applicants obtained government credit guarantees totalling 1.329 billion patacas. Most successful applicants

were from the construction and public works sector, retail, wholesaling, company services, transportation and warehousing, travel agencies, imports and exports, Chinese restaurants, other restaurants and hotels.

The SME Credit Assurance Scheme was launched in August 2003. The scheme is designed to assist SMEs in launching specific projects. On the financing front, the MSAR Government will provide eligible enterprises with credit guarantees of up to 100 percent of a bank loan up to one million patacas.

The scheme was revised in May 2017, to include an additional item for commencement of new businesses. Since the scheme's implementation, as of late December 2019, the Government received 79 applications, involving a total credit guarantee of 65.04 million patacas; 66 of the applicants obtained 100 percent credit guarantees from the Government, with a total value of 55.64 million patacas. Most successful applicants were from retailing, wholesaling, paper, printing and publishing, imports and exports, construction and public works, textiles, garments and leather manufacturing, Chinese restaurants, other restaurants and hotels, and personal services including automobile and motorcycle repair, and hair and beauty salons.

Young Entrepreneurs Aid Scheme

To encourage young people in Macao to fulfil their dreams of starting their own businesses, and thereby fostering economic diversification and innovation in Macao, the Government launched an interest-free business start-up loan programme specially designed for young people. Interest-free financial assistance is provided to those who already have conceived the idea of starting a business and have already started the relevant operations, to relieve them of the pressure of funds shortage during the business start-up stage.

The Young Entrepreneurs Aid Scheme was launched in August 2013, with a maximum interest-free loan amount of 300,000 patacas and a maximum repayment period of eight years. In August 2017, the scheme was revised, primarily to expand coverage to not only include young people who start businesses for the first time, but also provide assistance to enterprises established by young people who have previous experience of entrepreneurship; and enhanced training for youth entrepreneurship by requiring young entrepreneurs to enrol in relevant training programmes. By the end of 2019, a total of 2,076 applications had been received, 1,541 of which were approved, involving a total amount of 354 million patacas. The industries involved were mainly retail, restaurants and hotels, corporate services, automobile and motorcycle repair, and personal services including hair and beauty salons.

Monetary Authority of Macao

The Monetary Authority of Macao, formerly known as the Issuing Institute of Macau, functions as a quasi-central bank and has the statutory responsibility to supervise Macao's financial system.

In addition to supervising the monetary and financial markets according to current legislation, the Monetary Authority also actively promotes long-term financial stability and sustained development.

Monetary Policy

Capital flows freely and currencies are freely convertible in Macao. The Government's currency policies are to defend Macao's currency and maintain its foreign exchange stability. The two policy tools used to achieve these objectives are the deposit reserve and monetary bills. The deposit reserve ratio is three percent for current savings, two percent for time deposits of less than three months, and one percent for time deposits of over three months. Monetary bills are a short-term money market tool issued by the Monetary Authority; and they are used to adjust the liquid capital of patacas in the financial system. The interest rate usually remains competitive with interbank offer rates in Hong Kong. In addition, the Monetary Authority of Macao adjusts liquidity in the money market via repurchase agreements and currency exchange contracts with the banks.

The Pataca

The pataca has been the legal tender of Macao for more than a century. As early as 1905, the former Portuguese administration authorised the Banco Nacional Ultramarino (BNU) the monopoly right to issue pataca notes. The first pataca notes were issued on 27 January of the following year. At that time, the Mexican eight reales silver coin, called Pataca Mexicana in Portuguese, was very popular in Asia, and the pataca was named after it.

In 1980, the former Portuguese administration set up the Issuing Institute of Macau (Instituto Emissor de Macau), which was given the monopoly right to issue pataca notes. Since then, the Banco Nacional Ultramarino has continued to issue banknotes, but has acted only as the agent of the Issuing Institute of Macau. On 1 July 1989, the Monetary and Foreign Exchange Authority of Macau was created. The Government redeemed the right to issue patacas, but the Banco Nacional Ultramarino remained the agent bank for issuing notes. In October 1995, the Bank of China (BOC) became the second agent bank for note issuing. Although more than one bank is now authorised to issue notes in Macao, overall power to issue currency is retained by the Government.

Under the currency board system, all the patacas issued must be 100-percent-backed by foreign exchange reserves. As legal backing for the notes they issue, the agent banks for note-issuing are required to pay an equivalent amount in Hong Kong dollars to the Monetary Authority of Macao; in exchange they receive a Zero-Percent Certificate of Indebtedness at a fixed exchange rate of one Hong Kong dollar to 1.03 patacas. The 100-percent reserve backing system enables the Monetary Authority to ensure the full convertibility of the pataca into its reserve currency – the Hong Kong dollar – thus establishing the linked exchange rate relationship between the pataca and the Hong Kong dollar. As the Hong Kong dollar is pegged to the US dollar, the pataca is indirectly pegged to the US dollar at an exchange rate of one US dollar to about eight patacas.

The Government's policy is to support the circulation and use of the pataca without rejecting the circulation and use of other currencies. Decree-Law No. 16/95/M, Circulation of Local Currency – Mandatory Use of the Pataca, requires that any goods sold and services offered in local business transactions must be clearly priced in patacas; and they can also be simultaneously priced in one or more other currencies. Under the decree-law, regardless of the nature and objectives of the debts and transactions, no reasons or excuses can be used to decline settlement using the pataca.

Foreign Exchange Reserves

The Government consistently adheres to prudent investment strategies for managing foreign exchange reserves. Provided the balance of international payments remains healthy and the convertibility of the pataca is not compromised, investments in safe yet quality investment products will be made to achieve principal-guaranteed growth. The year-end balance of foreign exchange reserves in 2019 increased by nine percentage points over 2018, amounting to 178.2 billion patacas.

Fiscal Reserve

A fiscal reserve was established in early 2012, with the Monetary Authority of Macao responsible for its investments and management. Over the years, it has adopted a safe, effective and prudent investment approach. The capital of the fiscal reserve comes from the balance of the MSAR's reserve fund as well as the balance of past annual budgets. Balances amounting to 98.86 billion patacas were transferred to the fiscal reserve as start-up capital, while the remaining 54.2 billion patacas were transferred from the foreign exchange reserve. The MSAR's reserve fund was written off following the above transfers. At the end of 2019, the total asset value of the fiscal reserve, including the central budget balance for 2017 transferred early in the year, was 579.4 billion patacas, representing an increase of 70.6 billion patacas over the same period in 2018.

The fiscal reserve comprises two parts: the basic reserve and the excess reserve. The basic reserve refers to the financial reserves that provide ultimate protection for the Government's ability to cover public finances, at an amount equal to 1.5 times the provisions for expenditures of central departments set out in the latest fiscal budget reviewed and approved by the Legislative Assembly. Meanwhile, the excess reserve is used mainly to facilitate the implementation of the Government's public financial policies as well as to protect the liquidity of public finances, and is the fiscal reserve balance after meeting the basic reserve requirement.

Trade and Investment Promotion Institute

The Macao Trade and Investment Promotion Institute (IPIM) is a MSAR government department responsible for promoting external cooperation such as external trade, foreign investment, convention and exhibition, and economic and trade cooperation between China and Portuguese-speaking countries.

Expediting Establishment of “Three Centres” as a Trade and Economic Cooperation Services Platform Between China and Portuguese-speaking Countries

To further consolidate Macao's function as the trade and economic cooperation services platform between China and Portuguese-speaking countries, and provide a series of external services for enterprises in Portuguese-speaking countries exploring markets in mainland China and for enterprises in mainland China, Macao and other regions interested in developing businesses related

to Portuguese-speaking countries, the IPIM has taken an “online and offline” approach to expediting the construction of three centres, which are: a commercial and trade service centre for SMEs in China and Portuguese-speaking countries, a trading hub for food and produce from Portuguese-speaking countries, and a convention and exhibition centre for economic and trade cooperation between China and Portuguese-speaking countries.

By the end of 2019, the China and Portuguese-speaking countries’ trade and economic cooperation and talent information website had 35,528 registered accounts, with 3,828 registered suppliers and agents; 28,180 entries of information on food of Portuguese-speaking countries were published. There were 1,189 talents who are bilingual in Chinese and Portuguese, 2,557 professional service suppliers, and 405 entries of published information on investment projects of Portuguese-speaking countries.

The Portuguese-speaking Countries Food Products Exhibition Centre in Macao Tap Seac Square Commercial Centre showcases beverage and food from Portuguese-speaking countries. Each item on display was given a unique QR code so customers could easily access product information. A B2C online transaction service was available for certain products.

In addition, the IPIM cooperated with Macao organisations and commercial associations to set up exhibition venues for food products of Portuguese-speaking countries at six locations in Macao and in various provinces and cities in mainland China. Branches of the Portuguese-speaking Countries Food Products Exhibition Centre have been established at representative offices in mainland China (Fuzhou, Hangzhou, Shenyang, Chengdu, Guangzhou and Wuhan).

In 2019, the IPIM continued promoting a series of specialised products from Portuguese-speaking countries in the community. Hosted by the IPIM, the Macao Association for Promoting Community Economic Development and the Industry and Commerce Federation of Macau Central and Southern District, and organised by the Permanent Secretariat to the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries and the Federation of Entrepreneurs of China and Portuguese-speaking Countries, the “Vamos Desfrutar – Portuguese Speaking Countries and Macao Products Bazaar” was held in March and November in Macao. A total of 51 agents of Portuguese Speaking Countries products and Macao enterprises participated in the event as exhibitors. Apart from the bazaar, there were also singing and dancing performances, Lusophone cooking demonstrations, handicraft experiences and workshops, which attracted participation by more than 115,000 residents, merchants and tourists.

In 2019, the IPIM continued to arrange for enterprises from Macao and mainland China to participate in exhibitions and study tours in Portuguese-speaking countries, as follows:

- The IPIM organised a delegation consisting of Pan-Pearl River Delta “9+2” provincial and regional representatives for a commercial exchange tour to Portugal and Luxembourg focusing on environmental issues, especially green finance; and
- Co-organised by the Sao Tome and Principe’s Commerce and Investment Promotion Agency, the China Council for the Promotion of International Trade and the IPIM, the Forum for Economic and Trade Cooperation Between China and Portuguese-speaking Countries - São Tomé – 2019 was held in Sao Tome in July. During the event, six

agreements and memorandums were signed and more than 80 business pairings and negotiations were lined up.

External Cooperation

The Macao Trade and Investment Promotion Institute (IPIM) is a member of International Congress and Convention Association (ICCA), Global Association of the Exhibition Industry (UFI), World Association of Investment Promotion Agencies (WAIPA) and Asia Trade Promotion Forum (ATPF). In recent years, the IPIM has signed cooperation agreements with trading organisations of various Portuguese-speaking countries and many provinces and regions of mainland China as well as the trade and economic authorities of the Korea and Thailand, to help local and overseas travelling merchants to explore business opportunities. Also, the IPIM has established representative offices in Hangzhou, Zhejiang province; Chengdu, Sichuan province; Shenyang, Liaoning province, Fuzhou, Fujian province; Guangzhou, Guangdong province; and Wuhan, Hubei province.

In 2019, the IPIM:

- Attended the Sixth Session of the UNESCAP Committee on Trade and Investment in March;
- Attended the 48th APEC Small and Medium Enterprises Working Group (SMEWG) Meeting in May;
- Attended the 35th International Fair of Luanda hosted by the Ministry of Economy and Planning of the Government of Angola in July;
- Attended the 55th Maputo International Trade Fair (FACIM) hosted by the Ministry of Industry and Commerce of the Government of Mozambique in August;
- Attended the 49th APEC Small and Medium Enterprises Working Group (SMEWG) Meeting, the Fourth BRIDGE for Cities hosted by the United Nations Industrial Development Organization, and the 32nd Asian Trade Promotion Forum (ATPF) CEO Meeting hosted by the Mongolian National Chamber of Commerce and Industry in September; and
- Attended the 86th Global Association of the Exhibition Industry (UFI) Global Congress and the IBTM Europe 2019 hosted by Reed Exhibitions Limited, and organised a delegation of legal and arbitration experts to visit Brazil in November.

Enterprise Expansion Services

The IPIM provides a series of enterprise expansion services for investors, including providing support services necessary for business and market expansion for Macao enterprises; providing promotion incentives for electronic business, and promotion of B2C application platforms in support of marketing of Macao enterprises through an electronic approach; establishing an online business matching service platform; helping investors find business partners and expand their markets by holding business matching sessions in trade and investment promotion events organised or co-organised by the IPIM; organising or co-organising workshops and exchange sessions to provide

industry information to enterprises and inform them of the situation with business development in Macao, thereby promoting business exchanges; and providing general office support services, including temporary offices, and open office facilities for investors who are planning to establish a company, thereby reducing the startup costs for businesses in Macao.

Macao Ideas

Macao Ideas, established by the IPIM, is a permanent merchandise exhibition centre in Macao dedicated to all things “Macao-manufactured”, “Macao-branded” and “Macao designed”. Macao Ideas is a procurement venue for overseas buyers, agents and companies who intend to introduce Macao products. It also acts as a bridge between Macao and overseas enterprises through online and offline product displays.

Major Exhibitions and Events Hosted and Organised by IPIM

Events hosted and organised by the IPIM in 2019 included the 2019 Macao International Environmental Co-operation Forum (MIECF), 2019 Macao Franchise Expo (MFE), 2019 Guangdong and Macao Branded Products Fair (GMBPF), the 24th Macao International Trade and Investment Fair (MIF), 2019 Product and Service Exhibition of Portuguese-speaking Countries (Macao) (PLPEX) and the 10th International Infrastructure Investment and Construction Forum (IIICF), as follows:

2019 MIECF had an area of 16,900 square metres, with over 710 exhibition booths and over 500 exhibitors. A total of 44 contracts were signed and 350 negotiation meetings were arranged;

- 2019 MFE had an area of 6,000 square metres, with over 200 exhibition booths and over 170 exhibitors. A total of 12 contracts were signed and more than 180 negotiation meetings were arranged;
- 2019 GMBPF had an area of 9,000 square metres, with over 420 exhibition booths and over 370 exhibitors. A total of 119 negotiation meetings were arranged;
- The 24th MIF had an area of 24,000 square metres, with 1,500 exhibition booths and more than 740 exhibitors. A total of 85 contracts were signed and more than 400 negotiation meetings were arranged;
- 2019 PLPEX had an area of 6,000 square metres, with over 250 exhibition booths and over 260 exhibitors. A total of 85 contracts were signed and more than 400 negotiation meetings were arranged; and
- During the 10th IIICF, the Belt and Road Infrastructure Development Index (2019) and its 2019 Report were announced.

One-Stop Service for MICE Bidding and Support

The IPIM provides a one-stop service for convention and exhibition bidding and comprehensive support for event organisers in Macao.

The service includes: hosting leading overseas conventions and exhibitions in Macao; providing convention and exhibition information to organisers; appointing designated staff to follow-up on implementation of exhibition projects to be held in Macao; providing assistance on application under project subsidy schemes; assisting with promotion of local and overseas events that the IPIM participate in; assisting companies established in Macao to launch convention and exhibition projects; offering a matching service to parties; and looking for partners for collaborative conventions and exhibitions.

In September 2019, the IPIM set up an Information Service Counter at Hong Kong International Airport to promote convention and exhibition activities in Macao, provide convenient services for convention and exhibition participants and organisers, promote the investment and business environment in Macao, answer travellers' enquiries on trade and investment, and promote the three centres of the Sino-Portuguese service platform.

One-Stop Service for Investors

The IPIM's One-Stop Service for Investors provides all-round support and assistance to investors in Macao, throughout the implementation of an investment project. The IPIM contacts potential investors and appoints dedicated staff to support their investments in Macao – all the way from simple consultation, to assisting investors with implementing their investment plans, by providing information on the business environment, administrative procedures and starting investment plans, assisting investors with establishing communication channels with related public bodies, and arranging technical meetings, to help investors understand the business environment in Macao within a short time.

As for significant investments or investments involving complicated administrative procedures, the Investment Committee – comprising the IPIM, Municipal Affairs Bureau, Economic Services Bureau, Financial Services Bureau, Labour Affairs Bureau, Macao Government Tourist Office, Lands, Monetary Authority of Macao, Health Bureau, Fire Service, Environmental Protection Bureau, and Macao Productivity and Technology Transfer Centre (CPTTM) – followed up on all the necessary administrative procedures involved in launching and implementing investment plans in Macao. The Investment Committee also appoints dedicated public notaries to handle procedures involved in company set-up and business registration, providing comprehensive services to investors.

Applications for Temporary Residence Permits

Under the Investors, Managerial Personnel, and Technical and Professional Qualification Holders Residency Scheme (By-law No. 3/2005), natural persons listed below who are not local residents can apply for temporary residency in the Macao SAR:

1. investors who plan to make significant investments that facilitate Macao's development and whose plans are being considered by the relevant authorities;
2. investors who have made significant investments that facilitate Macao's development; and
3. management or technical personnel who have already been hired by Macao employers and

whose diplomas, professional qualifications and experience are regarded as conducive to Macao's development.

Macao Investment and Development Limited

To implement the projects under the Framework Agreement on Cooperation Between Guangdong and Macao, the MSAR Government approved the establishment of Macao Investment and Development Limited on 29 June 2011, pursuant to Chief Executive Notice No. 17/2011 in the Macao SAR Gazette and By-law No. 14/2011.

Macao Investment and Development Limited endeavours to contribute to Macao's sustainable economic development and continuous progress in external economic cooperation and trade, through a series of efforts including participating in regional economic and trade cooperation, and launching investment projects.

Among these efforts, on 18 November 2011 Macao Investment and Development Limited jointly set up with Zhuhai Da Hengqin Investment Company Limited the Guangdong-Macao Traditional Chinese Medical Science and Technology Industrial Park Development Company Limited, to follow up on the of the Traditional Chinese Medicine Science and Technology Industrial Park, which is a cooperative project between Guangdong and Macao. The cooperative company acts as the developer and operator of the park, to carry out its projects.

In addition, under the Framework Agreement on Cooperation between Guangdong and Macao, Macao and Zhongshan signed the Framework Agreement on the Joint Construction of Cuiheng New District, to expedite the adequate economic diversification of Macao and transformation and upgrading of Zhongshan's economy. The Macao Investment and Development Limited and Transferência Electrónica de Dados - MACAU EDI VAN S.A. (TEDMEV) established the Parafuturo de Macao Investment and Development Limited on 24 November 2015, with equity shares of 99 percent and one percent, respectively, to lay the foundation for future work in collaboration with Zhongshan.

Macao Productivity and Technology Transfer Centre

The Macao Productivity and Technology Transfer Centre (CPTTM) was established in 1996. It is a non-profit organisation jointly established by the Government and the private sector. The mission of CPTTM is to help enterprises effectively use new approaches, ideas, information and technology to enhance the value of their products or services. Its objectives are to increase productivity and competitiveness, encourage and support the establishment and development of new businesses, and encourage employees to pursue self-development and enhance their vocational skills.

Continuous Professional Training

Ongoing professional training provided by the centre covers the four areas of fashion and innovation, information technology, business language and business administration, which are covered through a series of training programmes that are well-structured and can meet the requirements of professional/

public examinations. The courses comprise: Industrial Development Series, Administration and Management Training Series, Business Start-up and Business Administration Training Series, and Business Language Training Series. There are also training programmes for specific groups of people, including a free enrolment scheme for the unemployed, vocational education programmes organised in collaboration with secondary schools and tertiary institutions, youth vocational and creativity training programmes organised in collaboration with schools and youth organisations, and entrepreneurship training programmes under the Innovation Development Scheme for Young Entrepreneurs.

In 2019, the centre held a total of 1,242 training programmes comprising a total of 20,897 learning hours. The number of students totalled 24,473. The centre introduced accredited courses and examinations on sake, from the Wine & Spirit Education Trust (WSET®), and became the approved programme provider and examination centre of International Therapy Examination Council (ITEC), and introduced courses and examinations for Level-2 Certificate in Make-up.

Professional and Open Examinations

The Professional Examination Resources Unit under the centre manages various professional qualification public examinations and provides the public with reference information about these and other local professional examinations. The unit also serves as the Macao Centre for National Vocational Qualification Assessment. In 2019, a total of 6,166 candidates applied for examinations via the Resources Unit.

At present, there are five types of public examinations available at the Professional Examination Resources Unit: information technology, commerce and management, languages, vocational skills and admission examination.

The centre reached a cooperation agreement on “One Examination, Two Accreditations” with the Labour Affairs Bureau in October 2011. All Macao residents awarded a National Vocational Qualification via the centre will receive the relevant local vocational skill certificates issued by the bureau.

The 2019 Microsoft Office Specialist World Championship and Adobe Certified Associate (ACA) World Championship were held in July, in the United States. Four out of nine Macao contestants, who had received extensive pre-match training provided by the CPTTM, won the first place in the categories of Adobe Poster Design and Excel 2013, second place in Word 2016, and third place in Word 2013.

In November 2019, the First Macao Vocational English Contest was organised.

Technical Training and Support Services

The House of Apparel Technology provides technical training, technological support, fashion and innovation seminars, and organises study tours on sewing equipment to help the garment industry move towards high added value, in-house brands and innovation. There are also fashion information stations, the online fashion information platform, WGSN (Worth Global Style Network) and

Fashion Snoops, to help Macao factory owners, fashion designers and cultural and creative industry professionals obtain information about fashion, retail trends and analysis. In 2019, computerised embroidery machines which offer higher speed, customisation and smart operation were introduced, to enhance service efficiency and inspire professionals and students in the fashion design industry in product development.

In 2019, CPTTM continued to hold the Ma Conseq fashion training programme and organise various skills competitions. The centre organised participation by Macao fashion brands and designers in various fashion events, including the Sixth Shenzhen Original Design Fashion Week, the 30th China (Dalian) International Garment & Textile Fair, Dynamic Macao Business and Trade Fairs, which were held twice in the year, and Hong Kong CENTRESTAGE, to help Macao fashion brands step out of Macao, exchange information and ideas with the fashion industries of other regions and create business opportunities.

The CPTTM also led groups of young Macao fashion designers to participated in the Dalian Cup International Youth Fashion Design Contest. It also continued cooperating with the IPIM to organise the Macao Fashion Festival 2019 during the 24th Macao International Trade and Investment Fair, with participation by 55 designers and brands from various regions.

In 2019, the CPTTM organised several high-end courses in clothing craftsmanship and design, including three-dimensional cutting, waistcoats and traditional qipao.

In the first half of 2019, the CPTTM became the approved programme provider of ITEC, which introduced courses and examinations for the Certificate in Make-up.

The CPTTM continued working with the Cultural Affairs Bureau to operate and manage the Macao Fashion Gallery in St. Lazarus Parish. The fashion gallery provides a demonstration and sales platform for Macao fashion brands, by hosting various themed fashion shows and activities. In 2019, the Macao Fashion Gallery hosted four fashion shows, one multi-brand store, three outdoor fashion shows and two fashion workshops, exhibiting the creativity and capability of Macao local brands to local residents and tourists.

On invitation by the Labour Affairs Bureau, the CPTTM participated in the 45th WorldSkills Competition in 2019, and was responsible for training and screening candidates, and sending experts for five contests (covering Fashion Technology, Beauty Therapy, Merchandise Exhibition, Web Technologies and IT Network Systems Administration).

The contest was held in Kazan, Russia, in August 2019. Contestants from Macao won Medallions for Excellence in Fashion Technology, Beauty Therapy, Web Technologies and IT Network Systems Administration. WorldSkills Juniors was held during the same period of the 45th WorldSkills Competition. The Macao representative won a silver award in Web Technologies.

Victoria Kuan, Deputy Director-General, and Thomas Mak, Manager of CPTTM, were appointed by the WorldSkills Competition 2019 to be the Skill Competition Managers for the categories of Fashion Technology and Web Technologies, respectively.

Macao took two seats out of the 42 Skills Competition Managers in the competition. This was the first time that people from China were appointed to the posts.

Management Information and Consulting Services

As a correspondent member of the International Organization for Standardization (ISO), CPPTM is committed to helping local organisations to raise their management and product quality levels to international standards.

In 2019, a total of 100 cases were resolved via management system consulting services. There were 39 applications under the assistance scheme for the International Management System Certification/Laboratory Accreditation. From the commencement of the scheme in October 1996 to the end of 2019, a total of 433 applications were awarded certification. The three ISO standards including ISO 22301 Business Continuity, ISO 41001 Facility Management and ISO 55001 Asset Management were included in the assistance scheme. There were 10 test categories under the External Testing Relay Service. A total of 2,053 applications were filed. The Macau Product Quality Certification Scheme organised by the CPPTM and the Industrial Association of Macau received nine applications. By the end of 2019, 12 certificates had been issued since the scheme's launch in September 2018.

The CPPTM continued to help local organisations to implement the ISO 14001 environmental management system, as well as realising green purchasing, understanding energy management, referring to the sustainable development report framework promulgated by the Global Reporting Initiative (GRI) and promoting sustainable development. The CPPTM continued to hold the 13th Envirokids Program – Children's Environmental Protection Action. The CPPTM also issued the Good Management Series on food safety management, retail shop management, convention management and the application of ISO9001 Quality Management by SMEs, to support development of the industry.

Information Technology Application and Training

The Cyber-Lab provides Macao students and working adults with the most comprehensive and professional information technology training programmes. In 2019, the Cyber-Lab continued implementing the gifted student training programme, providing information-technology-specific courses targeting gifted secondary school students. There were 36 participants in the programme. The CPPTM organised six IT-related competitions for 426 secondary students and 50 tertiary students.

The CPPTM is committed to assisting SMEs to adopt information technology, providing information system application support services, and promoting the application of freeware and providing related support services. In 2019, it provided technical support for various enterprises on 72 occasions. The CPPTM helped the Economic Services Bureau to develop the Macao Happy Play and SME360 system to facilitate easier access to information by the public, tourists and SMEs through the use of information technology.

External Interaction and Cooperation and Services for SMEs

One of the long-term functions of CPPTM is to provide SMEs with various support services. In

2019, it handled a total of 76 support cases.

In 2019, the CPTTM continued to join hands with the Science and Technology Development Fund to co-organise exhibitor groups to participate in the China High-Tech Fair, in which nine Macao enterprises and organisations participated. The CPTTM continued to organise exhibitor groups jointly with the Macao Trade and Investment Promotion Institute and the Science and Technology Development Fund to join the China Cross-Strait Technology and Projects Fair. A total of four Macao enterprises participated in the fair, which mainly introduced and promoted environmental protection technologies and products of information technology development.

In April and June 2018, the Government launched the SME Subsidy Scheme for Installation of Anti-flood Platforms and the SME Subsidy Scheme for Installation of Anti-flood Gates and Water Pumps, respectively. The CPTTM was commissioned by the Industrial and Commercial Development Fund to handle the applications for subsidies. By 31 December 2019, there were 542 and 2,636 applications for the SME Subsidy Scheme for Installation of Anti-flood Platforms and the SME Subsidy Scheme for Installation of Anti-flood Gates and Water Pumps, respectively.

Participating in the Construction of Guangdong-Hong Kong-Macao Greater Bay Area

The Guangdong-Hong Kong-Macao Greater Bay Area Productivity Service Alliance was established in 2018 as a member of the alliance. In May 2019, the CPTTM attended a meeting of the Guangdong-Hong Kong-Macao Greater Bay Area Productivity Service Alliance in Guangzhou. In April and October, the centre received delegations from the Guangdong Productivity Centre. In July, on the invitation of the Guangdong Productivity Centre and the Hong Kong Productivity Council, the centre organised the Guangdong-Hong Kong-Macao Technology Service Exchange activity.

World Trade Center Macau

The goals of the World Trade Center Macau are to promote and expand trading opportunities beyond Macao, to assist individuals and enterprises in searching for international business opportunities, and to pioneer the exploration of new markets for Macao business organisations. Through the World Trade Center Macau, members can stay in close touch with nearly 300 world trade centres around the world, building new market networks and researching potential international trading partners.

The World Trade Center Macau and the Arbitration Centre of the China Chamber of International Commerce (CCOIC) have co-established the CCBC-CCPIT Joint Conciliation Centre, for resolving commercial disputes between mainland China and Macao enterprises.

The Business Cooperation Centre of Enterprise Europe Network Central China Macao Office (EENCC Macao Office)

The Business Cooperation Centre of Enterprise Europe Network Central China – Macao Office

(EENCC Macao Office) is formerly known as the Euro-Info Centre Macao, which was set up in 1992 upon the recommendations of the Macao Government and under the auspices of the European Commission.

The Enterprise Europe Network is a European Union initiative aimed at providing business and innovation support to small and medium sized enterprises (SMEs) in Europe. As one of the network's partner organisations in China, EENCC Macao Office offers support to SMEs in Macao, mainland China and other Asian countries and regions.

The main missions of EENCC Macao Office are:

- Raising awareness and giving advice on EU legislation, standards and policies;
- Accessing EU programs, projects and funding;
- To find and connect with potential business partners across Europe;
- Facilitating business co-operation among SMEs;
- To act as interface between SMEs and European institutions; and
- Macao Industrial Parks Development Company.

Macao Industrial Parks Development Company

To attract investment, the Government made the decision in 1993 to set up an industrial park in the Concordia Reclaimed Zone in Coloane to foster industrial diversification. A total of 337,000 square metres of land was reclaimed, of which 160,000 square metres is occupied by the Concordia Industrial Park. In October 1993, Concordia Industrial Park Company (SPIC) was officially set up to take over the management of the industrial park.

On 5 December 2003, the Central People's Government approved the establishment of Zhuhai-Macao Cross-border Industrial Zone, in which Zhuhai would take up 290,000 square metres of land, and Macao would take up 110,000 square metres of land from reclamation in Ilha Verde.

In June 2004, the Government restructured Concordia Industrial Park Company (SPIC) to form Macao Industrial Parks Development Company, to develop and manage the Concordia Industrial Park, Zhuhai-Macao Cross-border Industrial Zone and other industrial parks. The MSAR and the Trade and Investment Promotion Institute own 60 percent and 40 percent shares of the company, respectively.

Labour Affairs Bureau

The Labour Affairs Bureau is responsible for implementing policies concerning labour, employment, occupational safety and health, and vocational training.

Employment Services

The Employment Department of the Labour Affairs Bureau assists job seekers looking for work

in the private sector.

The Employment Department continued offering target-defined employment services. In 2019, to facilitate employment of grassroots workers, the Department referred qualified job seekers to recruitment fairs for major construction projects and sent representatives to the recruitment activities of large enterprises to learn about recruitment needs. During the year, job seekers attended 98 recruitment activities and 1,866 success cases were recorded.

To support youth employment, the department continued to organise various activities, including seminars on career planning, employment information or interview skills, as well as mock interviews. The department also organised the youth career expo to provide a matching platform for young people and enterprises. In 2019, more than 3,700 people attended the expo. More than 70 enterprises offered over 4,100 job vacancies. In addition, to enable more young people in Macao to gain an understanding of the development opportunities and working environment of the Guangdong-Hong Kong-Macao Greater Bay Area, the department organised seven visits to the Greater Bay Area in 2019. A total of 176 Macao young people visited renowned enterprises and young entrepreneurs in Guangzhou, Shenzhen or Zhuhai.

The Employment Department also provided tailored employment and referral services to the elderly, serving a total of 60 elderly people with employment counselling services. A total of 5,111 referrals were made for 1,712 elderly people. The department also provided one-stop comprehensive services to those who came for help after being dismissed by their former employers. In 2019, the department provided one-stop services to 17 people, of whom seven have already found a job.

In 2019, the Employment Department recorded 11,683 job-seeking applications, of which 66 were from disabled persons, which were followed up by a dedicated task force under the department. A total of 37,210 referrals and matches were made according to the requirements of employers and the qualifications of job seekers, resulting in 12,180 people attending employment interviews, and 3,067 successful matchings (42 of which involved disabled persons). Successful matchings involved 87 different occupations.

Vocational Training

The Vocational Training Department under the Labour Affairs Bureau provides vocational training to citizens, meeting market needs. In addition, it strives to promote cooperation with other departments in terms of vocational training, and to align the development approaches of training programmes. It has also begun to establish a vocational skill certification system for different industries, to further improve professionals' skills and enhance recognition of their qualifications, supporting the upward or horizontal mobility of the labour force.

In 2019, the Vocational Training Department responded to changes and needs in the economy and the labour market by organising vocational courses that aimed at upgrading skills, certification-linked training, employment-linked training and on-the-job paid training. The department continued reviewing and optimising course design and provision through course evaluation and questionnaires. The courses offered in 2019 were attended by 8,112 persons.

Statistics on Vocational Training Department Students 2019

Training system	Training mode	Target participants	Number of courses	Number of students	Number of courses completed	Number of students who completed the course	Rate of successful employment one month after course completion
Occupational training	Apprentice training (2-year full-time)	F. 3 graduates or above, aged 14-24; to foster young people's skills and knowledge required by various professions	4	37	2	17	82%
	Pre-employment training programme	F. 3 graduates or above, aged 15-24; to help young people acquire a vocational skill within half a year; and to offer comprehensive pre-employment counselling for young people to integrate into the labour market	2	17	--	--	--
Continuous training	General training	The currently employed; to enhance the knowledge and skills of industry professionals and promote professional development along career paths	128	2,848	115	2,186	--

(Cont.)

Statistics on Vocational Training Department Students 2019

Training system	Training mode	Target participants	Number of courses	Number of students	Number of courses completed	Number of students who completed the course	Rate of successful employment one month after course completion
Continuous training	Facility maintenance skills training (on-the-job paid training)	Lower-ranking staff and newly-recruited repair workers; the currently employed who wish to change their jobs; to provide multiple-skill training in facility maintenance	23	339	23	333	--
	Hotel and catering chef training (on-the-job paid training)	Lower-ranking staff and newly-recruited chefs; the currently employed who wish to change their jobs; to provide training in Chinese and Western culinary skills	4	65	4	63	--
	Gaming Industry Vocational Capability Training Programme (on-the-job paid training)	Gaming industry employees; to reinforce professional ethics, core values and awareness of responsible gaming, to raise their overall capabilities and employment competitiveness	113	3,066	113	3,009	--

(Cont.)

Statistics on Vocational Training Department Students 2019

Training system	Training mode	Target participants	Number of courses	Number of students	Number of courses completed	Number of students who completed the course	Rate of successful employment one month after course completion
Continuous training	Rail transport training	Designed for rail transportation industry employees; to cope with the demand for technicians as the Light Rapid Transit System commences operation, and ensure there are suitable talents for future operations	4	43	4	43	--
	Vocational Training Programme for the Elderly	Designed for those aged 55 or above, to help elderly persons who are willing and able to remain in the workforce or to facilitate their re-employment	2	48	2	47	
	Domestic helper training	Designed for domestic helpers; to enhance their professional knowledge and service quality in taking care of families	1	25	1	20	--

(Cont.)

Statistics on Vocational Training Department Students 2019

Training system	Training mode	Target participants	Number of courses	Number of students	Number of courses completed	Number of students who completed the course	Rate of successful employment one month after course completion
Continuous training	Employment Enhancement Training Programme	To provide specific training to job seekers registered with the Labour Affairs Bureau, with a view to raising their skill level within a short period of time, thereby increasing their chance of being recruited through job interviews	5	15	5	11	--
	Vocational Rehabilitation Programme	Designed for rehabilitating persons, to facilitate their employment and social integration	2	18	1	5	--
	Fishing moratorium training programme	A 96-hour course, mainly to alleviate the financial pressure faced by fishermen during the moratorium, and to provide assistance in developing other occupational skills	19	399	19	382	--

(Cont.)

Statistics on Vocational Training Department Students 2019							
Training system	Training mode	Target participants	Number of courses	Number of students	Number of courses completed	Number of students who completed the course	Rate of successful employment one month after course completion
Continuous training	Skills Competition Enhancement Training Programme	To provide skill enhancement training for shortlisted skills competition contestants, and to identify strong performers to represent Macao in skills competitions	22	143	19	69	--
	Vocational skills pre-examination study course	For those who have signed up for vocational skills assessment; to provide focused revisions and information about examination rules	67	1,049	67	1,049	--
	Total		396	8,112	375	7,234	--

Skills Evaluation

In 2019, the Labour Affairs Bureau issued a total of 2,815 vocational skill certificates of various kinds. Breaking the figure down by sectors, the certificates mainly involved the engineering and maintenance industry, the real estate industry, and personal care industry, accounting for 40.2 percent, 25.9 percent and 13.3 percent of the total, respectively.

The Labour Affairs Bureau continued to actively work with Guangdong province on occupational skills testing, to explore skills testing or training programmes for “One Examination, Two Accreditations” or “One Examination, Multiple Accreditations” for more types of jobs and at various levels, thereby fully realising the advantages of regional cooperation. It continued to organise training and certification courses. In addition, the bureau continued to commission the Macao Productivity and Technology Transfer Centre (CPTTM) to hold “One Examination, Two Accreditations” programmes at various levels.

Vocational skill competitions

The Labour Affairs Bureau fosters vocational skills development, broadens horizons and arouses interest in skills training among young people, by participating in or organising vocational skills competitions, to facilitate talent cultivation. Also, it further enhances exchanges and cooperation with vocational training organisations worldwide, thereby learning from advanced training experiences and skills, increasing public awareness of the importance of vocational training, and promoting the development of vocational skills training in Macao.

The 45th WorldSkills Competition was held in Kazan, Russia, in August. The Labour Affairs Bureau led a Macao delegation to participate in 16 events in the competition and won 11 Medallions for Excellence, including Web Technologies, Pâtisserie and Confectionery, IT Software Solutions for Business, Fashion Technology, Bakery, Mobile Robotics, Beauty Therapy, Electrical Installations, Electronics, IT Network Systems Administration and Information Network Cabling.

More than 1,300 competitors from 62 countries and regions participated in 56 events in the competition. Macao ranked 17th in average point score among all participating countries/regions. Besides, the WorldSkills Juniors was held during the same period as the WorldSkills Competition. The Macao representative won a silver award in Web Technologies.

The Labour Affairs Bureau co-organised the 2019 Financial Industry Occupational Skills Competition and the First Occupational Skills Competition for Tourism and Leisure Enterprises in Macao, with the financial industry and the tourism and leisure industries, respectively. The bureau also led a Macao delegation to participate in the Second Guangdong-Hong Kong-Macao Greater Bay Area Cantonese Cuisine Master Skills Competition, which helps competitors to enhance their own skills and improve the service quality of the industry.

Labour Regulations

In the area of labour rights, duties and protection, the Labour Relations Law (Law No. 7/2008), the Law on Employment of Non-Resident Workers (Law No. 21/2009), the Compensation Mechanism for Labour Accidents and Occupational Diseases (Decree-Law No. 40/95/M), and the Law on Minimum Wage for Cleaning and Security Workers of the Property Management Industry (Law No. 7/2015) set out the minimum statutory requirements and protection for employees at work, balancing the legal interests of both employers and employees.

The Workers' Credit Rights Protection Scheme (Law No. 10/2015) establishes a protection scheme on credit rights arising from labour relations, to ensure that payments are made in relation to credit rights not fulfilled by debtors. The bureau has consistently implemented the Framework Law on Employment Policy and Workers' Rights (Law No. 4/98/M), ensuring that when employing non-resident workers, the employer must assure employment priority for local employees, and ensure equal rights, working conditions and benefits for local and non-resident workers.

Labour Relations

The Labour Inspection Department under the Labour Affairs Bureau provides free consultancy services on labour regulations to local citizens, accepts and mediates in labour-relations, and monitors enterprises' compliance with labour regulations. The department is also responsible for handling applications for business licences by employment agencies. To effectively monitor the employment conditions of foreign workers and curb illegal employment, the Labour Inspection Department, the Public Security Police, and the Macao Customs Service jointly or independently carried out regular or non-regular inspections, according to their authority.

In 2019, the Labour Inspection Department provided 5,078 consultations about labour regulations to enquirers visiting the office. Of the individuals who sought assistance, 85.1 percent were employees and 14.8 percent were employers. Most enquiries were from cultural, entertainment, gaming and other service industries, as well as from the construction industry. Consultation topics were mainly related to dismissal compensation, contract termination and wages, which accounted for 16.9 percent, 11.5 percent and 11.1 percent of all enquires, respectively. There were 26,895 enquiries via telephone.

A total of 1,611 complaints in person from 3,077 employee enquiries were handled, 15.9 percent more than in 2018. Most involved wages (22.4 percent), overtime compensation (16.7 percent) and dismissal compensation (9.2 percent). Categorised by industry, most complainants were from construction (37.1 percent), followed by real estate and business and services (18.8 percent), and gaming and other service industries (11.9 percent).

In 2019, there were 2,659 complaints related to employment disputes, illegal employment and other cases settled, involving 4,055 employees and 2,140 employer entities. There were 1,428 cases relating to creditors' rights issues involved in the employment disputes, totalling 45.39 million patacas and involving 2,578 employees, in which 83 were transferred for trial by the judiciary, accounting for 5.8 percent of total creditors' rights issues – mainly concerning wages, dismissal compensation and annual leave, with the rest being resolved by the department itself.

In 2019, the Labour Inspection Department received notifications of 86 cases of agreement on lowering basic remuneration, involving 832 local employees, and 111 non-resident employees. None of the notifications received required filing and follow-up due to alleged breach of reduction of employees' basic compensation.

In the department's efforts to combat illegal employment, 1,134 cases of illegal employment were filed, in accordance with the Regulation on the Prohibition of Illegal Employment (By-law

No. 17/2004) and the Law on Employment of Non-resident Workers (Law No. 21/2009) and its relevant supplementary laws. After investigation, in 2019, 1,261 offenders were penalised for breaches of the law, with fines imposed totalling 17.45 million patacas. In these cases, 180 non-resident workers were found to be working for others in the MSAR without permits. Also, 488 non-resident workers were found to be engaged in activities for their own benefit. Individuals in the two groups were fined a total of 10.7 million patacas.

In 2019, 231 applications for business licences by employment agencies were processed. A total of 35 cases involving alleged breach of law by employment agencies were filed. These cases involved 44 activities, which included 13 cases of operating without a licence, registration for employment of non-residents, and collection of agency charges. In 2019, the department revoked the business licence of one employment agency due to professional misconduct.

According to the legal regulation of the Workers' Credit Rights Protection Scheme, the administrative and technical support for the Protection Fund for Creditors should be provided by the Labour Affairs Bureau. In 2019, 123 employees applied for protection of workers' credit rights. Advice on all of these applications was provided within 60 days as required by the law.

Regarding labour inspection, the Labour Inspection Department proactively takes preventive inspection measures and promotes the laws; improves the exit mechanism for non-local employees; and establishes a joint exit mechanism for non-local employees, as well as a cross-departmental task force with the Public Security Police.

In 2019, 58 and 15 inspections were conducted on major construction sites and hotels, respectively, to monitor employers' compliance with labour laws and protect the legal labour rights of employees. Ten briefing sessions on exit mechanisms were held for contractors of and employees working in construction sites. Briefing sessions were held for frontline hotel executives, to enhance the understanding of employers and hotel middle management regarding labour laws.

Regarding new law promotion, the Law on Minimum Wage for Cleaning and Security Workers of the Property Management Industry (Law No. 7/2015) amended by Law No. 11/2019 came into effect on 1 September 2019. To help the industry with a smooth transition to the new law, the Labour Inspection Department adopted the measure of "educating before inspection" prior to and after the law came into effect.

Regarding education, the Labour Inspection Department organised four briefing sessions with relevant organisations and homeowners' councils, visited 38 property management companies for publicity and education, and provided legal enquiry services for employers and employees, to familiarise them with the new regulations.

Regarding inspection, in the first pay period after the law came into effect, inspections were carried out by collecting employee attendance records and payrolls, and conducting surveys with employees, to verify compliance with minimum wages.

During 2019, the Labour Inspection Department received 131 enquiries related to minimum wages. Two cases involving two employees were filed in this regard, which were complaints

regarding wages and contract termination. Investigations of the two cases were completed, and no breach of law was found.

The Labour Inspection Department continues promoting laws through various means, languages and media. The department organises various types of presentations on labour laws for partners and social groups. During 2019, 127 presentation sessions were conducted, with a total of 12,852 participants. “Services on the Doorstep” are provided by giving legal enquiry services in hotels, construction sites and employment agencies. Simulated calculation of labour benefits is provided on the website and through a mobile app. The app also provides samples of written documents of labour contracts. Besides, the department has been producing promotional leaflets and infographics, and enhancing the promotion of laws through various channels and media, including WeChat, Facebook, television and radio advertisements, to provide the public with easy access to information related to labour laws.

Occupational Safety and Health

The Occupational Safety and Health Department under the Labour Affairs Bureau has been conducting educational and promotional activities as well as supervision on occupational safety and health. To continuously raise the awareness and level of occupational safety and health in various industries, different types of occupational safety and health education and training programmes are organised, ranging from providing general knowledge on occupational safety and health, to training courses for various industries and specific work processes. The department also provides various courses on safety management and tiered occupational safety and health certificate courses, to train, nurture and retain professional safety technology and management talents.

According to the attributes and needs of various industries, the department adopts different approaches to promote occupational safety and health, conducts promotional talks on occupational safety and health at different enterprises and workplaces, and organises thematic lectures, seminars, symposia, field trips and sharing sessions on occupational safety and health for different industries. The department organises occupational safety and health competitions, industry incentive programmes, occupational safety and health equipment promotion programmes, to promote self regulation on occupational safety and health in the industry and raise occupational safety and health standards.

The Occupational Safety and Health Department conducts occupational safety and health inspections in different industries, and pays close attention to industries involving frequent industrial accidents that can have serious consequences. Take the construction industry for example: the department adopts a policy of “immediate penalty, suspension and education” when conducting inspections in Macao’s construction industry. The department also works with departments that regulate public works to introduce the “Safety Project Investment Plan” in designated public works projects, to create a safe environment in the industry through a variety of measures.

In 2019, the regular inspections, industrial accident investigations and related measures were conducted as follows:

Work item	Target	Number of inspections	Number of suggested improvements	Other actions
Routine safety and health inspection	1,412 construction sites	4,095	1,386	<p>1. Filed disciplinary actions against 120 construction sites involved in minor contraventions, with penalties of 542,000 patacas imposed. It was ordered that work be suspended in 14 cases due to high risk.</p> <p>2. Filed disciplinary actions against 10 employers and individuals for contraventions of regulations regarding occupational safety cards of the construction industry, with penalties of 10,000 patacas imposed.</p>
	54 food and beverage premises	55	9	--
	39 gaming premises	40	222	--
	8 food and beverage premises	7	7	--
	67 hotels	74	40	--
	3 piers	3	3	--
Safety inspection jointly conducted with other departments	179 enterprises	262	125	-
Industrial accident	7,997 victims in industrial accidents	--	--	--

Occupational safety and health training in 2019:

Course/activity	Number of classes	Number of participants	Number and types of certificates awarded
Occupational safety and health seminar	271	20,793	--
Occupational safety and health training module	132	2,798	2,750 (certificate of competency)
Construction Sector Occupational Safety Card Training Course and Open Exam	540	16,749	16,183 (Construction Sector Occupational Safety Card)
Construction Sector Occupational Safety Card Refresher Course and Renewal Exam	560	14,423	14,003 (Construction Sector Occupational Safety Card Renewal)
Construction safety designated training courses	70	1,606	1,478 (construction safety designated training certificate)
Hotel and catering sector occupational safety cards training courses	594	31,582	30,217 (Hotel and catering sector occupational safety card)
Assistant construction safety supervisor certificate courses (organised jointly with Macau Construction Safety Association)	3	105	86 (Assistant construction safety supervisor certificate)
Construction safety supervisor certificate courses (organised jointly with the University of Macau)	4	153	42 (Construction safety supervisor certificate) *Examination of classes 2-4 yet to be held.
Occupational Safety and Health Officer certificate courses (organised jointly with Macau University of Science and Technology)	2	57	(Occupational Safety and Health Officer certificate) *Examination of Class 1 was held; results yet to be announced. *Examination of class 2 yet to be held.

Occupational safety and health promotional activities in 2019:

Activity	Number of participants	Number of participating individuals
Occupational safety and health promotional activities	90 construction sites	8,811
	19 hotels	1,555
	8 schools	1,124
Safety shoes promotion	41 enterprises	291 (provided with safety shoes)
First-aid kit promotion	53 enterprises	-
Temporary anchor devices promotion	14 enterprises	67 (attended the relevant training)
Safety harness, fall-arresting device and independent rescue line (kit) promotion programme	16 enterprises	68 (attended the relevant training)
Construction industry occupational safety and health management – promotion programme on working on mobile platforms	52 enterprises	295 (attended the relevant training)
Portable residual current device promotion programme	23 enterprises	124 (attended the relevant training)
Cut- and heat-resistant gloves promotion programme	8 enterprises	--
Sun protection clothing and hat promotion programme	36 enterprises	--

Non-resident Workers Employment Department

The Non-resident Workers Employment Department under the Labour Affairs Bureau is mainly responsible for administrative work related to employment of foreign workers. The Government imports non-resident labour on the main premise that the employment and labour rights of local employees are not harmed, whilst ensuring the continuous and stable development of Macao's economy.

During 2019, the Non-resident Workers Employment Department handled 32,692 applications for work permits for professionals, non-professionals, domestic helpers, importation of non-resident

workers and renewal of permits, transfer of professional non-resident employees, and activities for personal interest. Of these applications, 20,905 were for non-professional employees, 3,047 were for professional employees and 8,718 were for domestic helpers. Also, there were 22 applications for work permits to engage in activities for the applicants' personal interest, with follow-up action on statements of objection and petitions.

At the end of 2019, there were 196,538 employees with non-resident ID cards in Macao, including 159,560 non-professional employees, 6,468 professional employees, four persons engaging in activities for their own benefit, and 30,506 domestic helpers, of whom 496 were from mainland China.

In January 2019, a one-stop application process for non-resident domestic helpers was launched. The public can complete the application for non-resident domestic helpers and receive the results of the application online, using the "One-stop Public Services Account" mobile phone apps. These apps include functions of login authentication, electronic signature and secure electronic postal services, without the need to visit the Labour Affairs Bureau in person. In 2019, a total of 400 applications for non-resident domestic helpers were processed through the "One-stop Public Services Account".

Consumer Council

The Consumer Council was established and commenced operation in 1990, and is responsible for providing comments on consumer protection policies to be implemented by the Government, and driving various efforts to protect consumers' rights.

Establishment of Cooperative Networks

In 1997, the council became a full member of Consumers International. Regarding international cooperation, it subsequently signed cooperation agreements with consumer rights departments or organisations of Portugal, Spain, Brazil, Singapore and Korea. In 2014, the Consumer Council joined the International Consumer Organization for Portuguese-speaking Countries as an observer. Regarding cooperation within Greater China, it has signed consumer rights protection cooperation agreements with a total of 30 consumer councils of various mainland China provinces and cities, Hong Kong and Taiwan, to exchange relevant information and undertake various cooperation programmes by 2019.

In April 2018, consumer councils of nine cities in Guangdong and the two special administrative regions within the Greater Bay Area signed the Cooperation Memorandum on Consumers' Rights Protection in the Guangdong–Hong Kong–Macao Greater Bay Area, which designated the Macao Consumer Council as the intermediary platform of disputes in Greater Bay Area cities and the Portuguese Association for Consumer Protection.

Consumer Arbitration Centre

The Consumer Arbitration Centre was established in 1998 with an aim of resolving minor disputes

that occur within the territory, and which do not involve more than 100,000 patacas, through mediation, conciliation and arbitration.

It is the duty of the Consumer Arbitration Centre to provide suitable legal assistance to a concerned party by one person-in-charge and a skilled officer. An arbitral decision shall be made by one judicial officer who acts as an arbitration judge on a part-time basis.

The centre provides a cross-border arbitration service. Tourists from mainland China can report consumer disputes to the consumer councils in their home cities, and complete the arbitration procedures across the border.

Businesses that value their reputations and wish to resolve potential customer disputes are invited to apply for membership.

By 2019, 1,543 active companies had joined the Consumer Arbitration Centre. They included Chinese and western pharmaceutical businesses, department stores, supermarkets, catering companies, jewellery and timepiece shops, insurance agencies, laundry and dyeing companies, beauty and fitness centres, mobile telephone companies, computer products companies, travel agencies and real estate agencies.

Consumer Rights

According to Law No. 12/88/M, anyone receiving goods or services for private use from individuals or organisations of occupational nature engaging in economic activities is deemed as a consumer.

Consumers have the right to receive health protection and be safeguarded against dishonest and irregular practices relating to the promotion or provision of goods or services; to receive guidance and be informed; to be safeguarded against risks that could damage their interests; to be protected against any loss and to receive compensation; and to be treated fairly and be able to participate in the legal and administrative defence of their rights and interests.

To promote consumer rights and the relevant law, the Consumer Council published the first Consumer Report in July 1993. In December 2019, the 316th issue was published, with a monthly circulation of 4,600 copies.

Complaints

In 2019, the Consumer Council received 2,529 complaints and 1,956 enquiries. The number of cases handled totalled 4,485. The complaints mainly concerned disputes arising from consumer activities involving jewellery, food and beverage, leather garments and shoes, personal care products and services, as well as catering services.

In line with the Government's strategy to develop gaming and tourism and the facilitated individual travel (FIT) scheme for mainland residents, the Consumer Council is strengthening its services for tourists, and is dedicated to promoting the development of a sound consumer rights protection mechanism in Macao. Of the 4,400 complaints and enquiries received, about 23 percent were made by tourists.

Research and studies

The Consumer Council works to realise consumer rights, based on information gathered through research, which includes quality spot checks on commercial goods. The research includes collecting and analysing the prices of various goods and services in the market.

To keep pace with the development of the information era, the Consumer Council has launched several mobile phone apps. In 2016, a mobile app known as the Macao Price Information Platform was developed to incorporate existing mobile apps including Macao Supermarket Price Information Platform, Macao Fuel Price Information Platform and Certified Shop. It provides information on everyday prices in the markets provided by the Municipal Affairs Bureau, as a one-stop information service platform for consumers to check prices and information about certified shops.

Yearly Quality Mark of “Certified Shops”

On 15 March 2001, the Consumer Council introduced the “Certified Shop” quality mark to the general public, which was well recognised by various authorities in Macao and mainland China. Since 2007, the quality mark has been jointly issued by the Consumer Council and the Chamber of Tourism of the All-China Federation of Industry and Commerce (ACFIC), as a way to enhance the protection of consumer rights in Macao and promote “good faith tourism”.

To qualify for membership of the Consumer Arbitration Centre and receive a “Certified Shop” emblem, a shop must not have had any complaints filed against it within the previous year. As at the end of 2019, the Consumer Council had issued the “Certified Shop 2020” emblem to a total of 1,125 establishments.

In order to enhance the retail and service culture of the tourism industry, in 2019 the Consumer Council and the Macao Government Tourist Office began cooperating to launch the Quality Tourism Services Accreditation Scheme, in conjunction with the Certified Shop mechanism. All merchants in dozens of retail industries with grading of A- and above are approved by the Jury Committee of the Quality Tourism Services Accreditation Scheme and awarded Star Merchant Awards. In 2019, 166 shops were awarded the qualified certificate and emblem.

The council has enhanced the regulation of Certified Shops by requesting these shops to abide by the following additional rules:

- To offer consumers after-sales service, and provide accurate information about the products and services they sell;
- To list the specific prices of products and services on their invoices; and
- To settle disputes with consumers within 14 days of receiving complaints, either through refunds, replacement of goods or submission to the Arbitration Centre.

The Consumer Council has also formulated a code of practice for each industry sector in keeping with social developments. At present, 19 industry sectors under the Certified Shops mechanism – covering cleaning and dyeing services, real estate agents, supermarkets, pharmacies, beauty services, souvenirs, photography equipment retail and photo printing services, gold and jewellery, leather garments and shoes, mobile phone retailing, computer products, birds’ nest products, electrical

appliances, eyewear, furniture retailing, watch and clock retailing, food and beverage services, tourism services (overseas tours), pet product retail and services – have implemented these codes of practice. The Consumer Council has also established a mechanism to assess whether the Certified Shops implement their general pledges and codes of practice.

Statistics and Census Service

The Statistics and Census Service (DSEC) is one of the authorities under Macao's statistical services system, and is responsible for compiling population, social, economic and environmental statistics.

Official Statistics

Under Decree-Law No. 62/96/M promulgated on 14 October 1996, all statistical information compiled by government statistical agencies is regarded as official. Another statistical agency is the Monetary Authority of Macao, which is responsible for information regarding finance, currency, foreign exchange and insurance business.

The Statistics and Census Service compiles a series of official statistics through research and by using administration information, providing the Government and investors with important references for the formulation of policies and business decision-making, respectively, and providing important references for academic studies.

Particularly noteworthy among the DSEC's regular investigations are the Population and Housing Census conducted every 10 years, and the By-Census and Household Budget Survey conducted every five years. Industries covered include construction, industrial manufacturing, hotel, food and beverage, service sector, transport, warehousing and communications, and wholesale and retail trade.

The DSEC collects and compiles monthly or quarterly data relating to Macao's economic activity, including external trade in commodities, tourism, convention and exhibition, retail, prices, employment, real estate transactions and construction.

The Gross Domestic Product value, the Gross Domestic Income and Direct Investment Statistics reflecting the macro economic conditions of Macao, are compiled by integrating and analysing Macao's comprehensive economic, social and public financial statistics.

Dissemination of Information

The DSEC publishes essential statistical data that is of public interest via press releases, as well as webpages and publications for detailed information. All official statistical data is provided free of charge. Users may download the data from the website, or obtain the data or make enquiries about it from the Documentation and Information Centre by phone, email, fax, online customer service platform or in person.

Preparation for Census Trial

The DSEC will conduct a census, which is conducted every 10 years, in 2021, and will conduct

a trial for the census in 2020. Preparation for the trial commenced in the fourth quarter of 2019, including evaluation and research on aspects including questionnaire content, application of information technology, human resources and publicity strategies, to ensure smooth progress with the census, so the data collected can meet users' needs.

Results of the Household Budget Survey 2017/2018

The DSEC announced the results of the Household Budget Survey 2017/2018 in April 2019. Based on the latest consumption pattern and structure, the Consumer Price Index was rebased. The Consumer Price Index, based on April 2018 to March 2019, was published starting from October 2019.

Report on Analyses of the Statistical Indicator System for Moderate Economic Diversification of Macao 2018

The DSEC publishes the Report on Analyses of the Statistical Indicator System for Moderate Economic Diversification of Macao annually, starting from 2016, to facilitate objective evaluation and ongoing observation of the progress of moderate economic diversification of Macao. The 2018 Report was released in December 2019. In this report, changes have been made to the method of calculating receipts from non-gaming activities of concessionaires engaging in games of chance. The new guideline issued by the International Accounting Standards Board (IASB) for revenue recognition has been adopted in compiling receipts from non-gaming activities, which may better reflect the contribution of hotels, food & beverage services, etc., to the total non-gaming receipts.

Release of Estimates of Economic Losses Caused by Typhoon Mangkhut to Macao

The DSEC conducted an estimation of the economic losses caused by Typhoon Mangkhut. Following the preliminary estimation, the DSEC immediately sent questionnaires to relevant government entities, to collect data on direct losses the typhoon caused to institutions and facilities under their management, and hence derive more accurate estimates of the economic losses. In addition, the DSEC reassessed the indirect losses of different industries due to the typhoon, based on the latest available economic statistics. The revised estimates were released in May 2019.

Supporting Office to the Permanent Secretariat to the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries

The Supporting Office to the Permanent Secretariat to the Forum for Economic and Trade Cooperation Between China and Portuguese-speaking Countries was established in Macao in accordance with Executive Order No. 33/2004, on the foundation of the Preparatory Office for China–Portuguese Speaking Countries Economic and Trade Co-operation Forum, established in 2003. It focuses on providing administrative and resources support to the secretariat, enhancing

economic and trade exchange and cooperation between mainland China, Macao and Portuguese-speaking countries, and give full play to Macao's advantages and its role as an economic and trade services platform between China and Portuguese-speaking countries.

Since its establishment, the supporting office has diligently coordinated with and assisted the Permanent Secretariat in various aspects of implementing the Framework of Economic and Trade Cooperation, and played important roles particularly in promoting governmental and civil cooperation between China (including Macao) and Portuguese-speaking countries in trade, investment, production capacity, agriculture, infrastructure, energy, natural resources, education and human resources, tourism, transportation and telecommunication, financial system, culture, healthcare, marine, cooperation between provinces and cities, and Macao's function as a cooperation platform.

In 2019, the supporting office continued following the administrative principles of the Government, strived to commence construction of the China-PSCs Commercial and Trade Service Platform, facilitated the Belt and Road development, and realised integration of the Guangdong-Hong Kong-Macao Greater Bay Area. In addition, the support office continued its support to the Permanent Secretariat, provided resources support to implement the Action Plan for Economic and Trade Cooperation 2017-2019, the Memorandum of Cooperation on Promotion of Productivity signed in the Fifth Ministerial Conference, and the 18 new measures announced by China, and carried out specific work in production capacity cooperation, investment and trade promotion, human resources cooperation, cultural exchanges, and cooperation between provinces and cities, and prepared for the Sixth Ministerial Conference.

In 2019, the supporting office organised:

- Seminar on Food Safety Inspections in China and Portuguese-Speaking Countries;
- A parallel forum, "Maximising the Role of Finance in Promoting Practical Cooperation between China and Portuguese-Speaking Countries" in the 10th International Infrastructure Investment and Construction Forum;
- The 11th Cultural Fair of China-Portuguese-speaking Countries; and
- A themed exchange session with the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Macao Special Administrative Region.

Co-organised events included:

- The Ninth Jiangsu-Macao Industrial and Commercial Summit of Portuguese-speaking Countries and the Jiangsu, Macao and Cape Verde Co-operation Forum;
- 2019 Traditional Medicine International Cooperation Forum (Macao);
- Seminar on Economic and Trade Cooperation of Portuguese-speaking Countries in Traditional Medicine; and
- Seminar on Promoting Investment and Financing Cooperation between China and Portuguese-speaking Countries.

The supporting office participated in the following events:

- The Macao International Environmental Co-operation Forum (MIECF, with a promotion booth of Forum for Economic and Trade Cooperation Between China and Portuguese-speaking Countries);
- The 24th Macao International Trade and Investment Fair (MIF, with exhibition areas for Portuguese-speaking countries);
- The Third Portuguese-speaking Countries Products and Services Exhibition (PLPEX);
- The Seventh Macao International Travel (Industry) Expo (with exhibition areas for Portuguese-speaking countries);
- Seminar Between Entrepreneurs from Henan, Macao and Portuguese-speaking Countries;
- 2019 Hunan-Greater Bay Area Investment and Trade Conference Week, and
- The Fifth Young Entrepreneurs Forum of China and Portuguese-speaking Countries.

In 2019, the supporting office visited provinces and cities in China for economic and trade activities; visited Portuguese-speaking countries such as Angola, Brazil, Cape Verde, Mozambique, Portugal, Sao Tome and Principe, and East Timor; implemented the Economic and Trade Cooperation Action Plan signed in the fifth Ministerial Conference and relevant measures; prepared for the sixth Ministerial Conference; and launched a series of economic and trade activities.

The supporting office organised five rounds of workshops and three tourism internship programmes for officials from Portuguese-speaking countries, providing training and internship exchanges to 139 individuals and more than 30 officials from Portuguese-speaking countries, respectively. Also, the supporting office provided internship opportunities for students pursuing bilingual education in Chinese and Portuguese languages in Macao and students from Portuguese-speaking countries studying in Macao through volunteer programmes; signed a cooperation agreement with the Macao Polytechnic Institute on the Chinese-Portuguese / Portuguese-Chinese Document Translation System, established an internship programme for bilingual talents who are fluent in Chinese and Portuguese; conducted a dialogue session between the director and students; organised several lectures for secondary students in Macao, to promote the advantages of the Forum between China and Portuguese-speaking Countries and the importance of Macao as a cooperation platform, and encouraged Macao students to broaden their horizons while based in Macao.

Consultative Bodies

Economic Development Council

Established under By-law No. 1/2007, the Economic Development Council is the Government's consultative department for formulating economic development strategy, especially regarding consultations on and structuring economic diversification, manpower policies, expansion and development of micro, small and medium-sized enterprises, and cultivating nascent industries.

The council comprises the Chief Executive as its chairperson and Secretary for Economy and Finance, together with representatives of organisations with different economic interests, professionals, outstanding and reputable people in relevant fields, and representatives of relevant

public organisations and departments.

Standing Council on Social Concerted Action

The Standing Council on Social Concerted Action is an advisory body to the Chief Executive on the formulation of labour policies. It was established in accordance with the Decree-Law No. 59/97/M. Its objective is to facilitate dialogue and coordination between administrative authorities, employers and employees. This aims to ensure their participation in the formulation of labour policies, and in activities that strengthen social development.

The council consists of the Chief Executive (who presides over its meetings); secretaries with responsibility for the economy, security, and culture; members of the Executive Committee; three representatives from Macao employers' associations (who must be the heads of their associations); and three representatives from Macao labour associations (who must be the heads of their associations).

In accordance with legal requirements, the Secretary for Economy and Finance is authorised to be the council's chairperson.

The council holds two plenary meetings each year. Special meetings may be called by the chairman or at the request of one third of the members.

In 2019, the council held 14 meetings: three plenary meetings and 11 executive committee meetings.



Incubation Centre

In 2015, the Government established Macao Young Entrepreneur Incubation Centre (hereafter referred as “Incubation Centre”) and handed it over to Transferencia Electronica de Dados - MACAU EDI VAN S.A. (TEDMEV) for operation. The centre is open 24 hours a day, to provide various facilities and support for innovation and entrepreneurship by Macao’s youth.

To leverage Macao’s position as a China-Portuguese Speaking Countries commercial and trade service platform, the incubation centre cooperates with Chinese and foreign incubation organisations through the platforms of the China-Portuguese-speaking Countries Young Entrepreneur and Innovation Exchange Centre and Macao Interactive Zone, to provide young entrepreneurs in China, Portugal and Macao with room and support for business start-up, commercial training and exchanges. Macao entrepreneurs may utilise quality local resources to enter the global market, and lay the foundation for leading overseas projects.



