

**OVERVIEW OF THE MACAO
SPECIAL ADMINISTRATIVE
REGION IN 2016**

In 2016, China's 13th Five-Year Plan further specified Macao's special role and functions in supporting the country's overall development. The Government was committed to coordinating and preparing for demonstrating Macao's advantages in support of the national development strategy, by formulating the Five-year Development Plan of the Macao Special Administration Region (2016-2020), which clearly spelled out the objectives, roadmap and vision of the establishment of "One Centre, One Platform".

In October, Premier Li Keqiang visited Macao, and delivered his keynote speech at the opening ceremony of the fifth Ministerial Conference of the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries (PSCs). He also witnessed the opening ceremony of the China-PSCs Commercial and Trade Service Platform Complex, and announced 19 key policy measures of the Central People's Government that support Macao, together with 18 new measures for enhancing and deepening economic and trade cooperation between China and PSCs.

The Government further consolidated and enhanced its five major long-term mechanisms and measures for improving people's livelihoods. It established the Commission for Coordination in Managing and Developing the Maritime Area, headed by the Chief Executive, to expedite the administration and use of waters with an area of 85 square kilometres. The Government also completed the interim review of the gaming industry, basically completed the first phase of administrative structural reform, expanded the scope of regional cooperation, and essentially established the framework for cooperation in the three major economic "rings": the Pearl River Delta, the Yangtze River Delta and Beijing-Tianjin-Hebei. Multilevel, multifaceted and multi-directional cooperation with mainland China is gradually taking shape.



Premier Li Keqiang visited Macao to Announce Measures Supporting Macao's Development



On 10 October 2016, Premier Li Keqiang arrived in Macao for a three-day visit, during which he attended the opening ceremony of the fifth Ministerial Conference of the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries. This was his first visit to Macao in his position as Premier of the State Council.

The Central People's Government Affirmed the MSAR Government's Achievements

The significance of Premier Li Keqiang's visit to Macao lay in demonstrating the Central People's Government's full recognition of the work of the MSAR Government. Upon his arrival in Macao, the Premier said that this was his first visit to Macao. He remembered that six years ago, on the occasion of the tenth anniversary of Macao's reunification with the motherland, he represented the Central People's Government to attend the ground-breaking ceremony of the Hong Kong-Zhuhai-Macao Bridge, and paid a visit to Lotus Flower Bridge, from where he enjoyed a beautiful view of Macao. This time, he could visit in person this treasured lotus land, where the principle of "One country, two systems" is successfully implemented. He hoped he could see more of Macao, listen more to the people, and understand more about Macao's changes and development.

Beside listening to the Government's work report, and attending a seminar with representatives

from all sectors in Macao, the Premier also expressed the Central People's Government's full recognition of the work of the MSAR Government, and his hopes for and confidence in Macao's future development.

The Premier said that the MSAR Government, led by Chief Executive Chui Sai On, had steered the people of Macao towards consistent implementation of the principles of "One country, two systems", "Macao people governing Macao" and a high degree of autonomy, strict adherence to the Basic Law, upholding the policy-making principles of "Putting people first" and "Scientific decision-making", to face up to difficulties and challenges. He continued that the Government had taken good initiatives in facilitating Macao's adequate economic diversification and social harmony and stability – and these efforts deserve full recognition from the Central People's Government.

Premier Li Keqiang emphasised that it was not easy for Macao to arrive at its current achievements, as Macao was subject to the impact of the international financial crisis on its economy, in addition to the travails of industrial transformation. He stressed that the principle of "One country, two systems" was a great plan, that needed to be forged ahead in uncharted territory, yet Macao was often able to turn challenges into opportunities, demonstrating thriving upward momentum.

The Premier's visit to Macao indicated that the Central People's Government will continue to support Macao's development, to allow it to demonstrate its functions as "One Centre, One Platform". Premier Li Keqiang pointed out that Macao was the nation's first door open to the world, featuring diverse cultures. As China further opens up to the world, in particular with respect to expanding cooperation between China and Portuguese-speaking countries, Macao will perform its role as a pivot and a platform, which will also benefit adequate economic diversification.

The Central People's Government Supports Macao's Role as "One Centre, One Platform"

The 19 supportive measures announced by the Premier help to foster Macao's economic development and will enable Macao to further demonstrate and strengthen its functions as a platform.

These measures include:

- Support for Macao to annually host the Global Tourism Economy Forum;
- Support for Macao to develop as a Renminbi clearing centre for Portuguese-speaking countries, and for establishing a system for trade credit insurance involving these countries;
- Macao will become the headquarters of the China-Portuguese-speaking Countries Cooperation and Development Fund;
- Support for Macao to develop as a 'smart city', regarding information technology;
- Optimise capacity for customs clearing and quarantine inspections between mainland China and Macao;
- Support Macao to continue developing its "Three Centres" role;
- Support Macao's development of a centre of traditional Chinese medicine, in collaboration with the World Health Organization and China's health authorities, as well as the development

of the Guangdong-Macao Traditional Chinese Medicine Science and Technology Industrial Park in Hengqin New Area on Hengqin Island;

- Support Macao to strengthen its role in managing its territorial waters, and advance the development of the maritime economy in Macao;
- Support Macao to contribute significantly to cooperative projects in Pan-Pearl River Delta region, while encouraging industry players in the region to invest in Macao;
- Implement the arrangements for cross-boundary pleasure boats sailing between Macao and Guangdong, before 30 June, 2017;
- Implement the policy allowing vehicles with only Macao licences to enter and exit Hengqin, by the end of 2016;
- Provide direct assistance for enhancing the establishment of the platform between China and Portuguese-speaking countries;
- Encourage Macao's participation in national major development strategy and major external or internal exchange activities; and
- Consider supporting Macao to cooperate in an appropriate manner with the Silk Road Fund, and development funds related to China-Latin America and China-Africa industrial cooperation.

Premier Li Keqiang followed a tight schedule, visiting various locations in Macao. At the end of his visit, he noted that he had attended a meeting between senior officials of China and Portuguese-speaking countries, as well as seminars. He also visited local families, experienced the normal daily life of Macao people, and interacted closely with the general public. He was impressed by Macao's ability to maintain a financial surplus and high employment rate, realise economic development, improve people's livelihoods and secure social stability, while facing a global financial crisis, a stagnant global economy, and the grave challenges facing Macao's industrial structure.

Premier Li Keqiang also praised Macao for its successful realisation of the principle of "One country, two systems". He could feel the love for the country and for Macao among Macao people, their social inclusiveness, mutual support and spirit of striving for improvement. He believed that Macao would make an outstanding contribution to China's opening up policy. The Central People's Government will continue to fully support the Chief Executive and the MSAR Government's administration in accordance with the law, and will promote cooperation between mainland China and Macao. Macao will discover even broader horizons through the opening up policy, and will embrace a brighter future.

Premier Li Keqiang's visit once again demonstrated the Central People's Government's high level of concern and expectations for Macao, and marked its strong recognition of Macao's success in implementing the principle of "One country, two systems". Meanwhile, the series of measures launched by the Central People's Government after diligent study and research will certainly add momentum to Macao's economic development, improve people's livelihoods, maintain the city's long-term stability and prosperity, and bring huge long-term benefits to Macao people.

Chief Executive Chui Sai On said that the innovative ideas and new ways of thinking regarding

national development embodied in China’s Outline of the 13th Five-Year Plan in 2016 inspired Macao to vigorously seize its opportunities and seek innovative development.

In 2016, the MSAR Government formulated and implemented its first Five-Year Development Plan, which includes alignment with the country’s 13th Five-Year Plan, participation in and support for the “Belt and Road” initiative, and the establishment of a platform for cooperation between China and Portuguese-speaking Countries, addressing Macao’s short-term and long-term development needs. The MSAR Government is fully confident and determined to lead the way for Macao in the coming five years, to develop with a scientific and coordinated approach, raise its comprehensive competitiveness, demonstrate its unique advantages, and contribute to the implementation of “One country, two systems”.



Premier Li Keqiang leads a delegation of central government officials to visit Macao



Premier Li Keqiang visiting various locations in Macao

Fruitful Forum Highlights Macao’s Advantageous Position as a Platform



Initiated and organised by the Ministry of Commerce of the Central People’s Government, and held by the MSAR Government, the Fifth Ministerial Conference of the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries (“the Forum”) took place from

11 to 12 October 2016 at the Macao East Asian Games Dome. The theme was “Moving towards a Stronger China-Portugal Trade and Economic Relationship: Jointly Discussing Cooperation, Constructing a Platform and Sharing Development”.

The Forum aimed to further promote economic and trade relationship between China and Portuguese-speaking countries, following the direction of the “Belt and Road” initiative, and support Macao in expediting its establishment as an economic and trading service platform between China and PSCs. The Action Plan for Economic and Trade Cooperation 2017-2019 and the Memorandum of Understanding on Promoting Cooperation in Production Capacity – Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries were signed after the conference.

Premier Delivers Keynote Speech, Announcing 18 New Measures

Premier Li Keqiang delivered a keynote speech at the opening ceremony of the Forum, which he likened to an intangible bridge between China and PSCs, playing a significant role in fostering connections between China and the seven PSCs.

The Premier said the total value of trade between China and PSCs had reached 100 billion US dollars in 2015, making China one of the most important trading partners of PSCs and their fastest growing major export market.

The Central People’s Government fully supports the MSAR Government in expediting its establishment as an economic and trading service platform between China and PSCs, and the further development of a convention and exhibition centre for economic and trade cooperation, a commercial and trade services centre for small- and medium-sized enterprises and a product distribution centre for PSCs.

Additionally, 18 new measures were announced, to promote cooperation between China and PSCs in production capacity, development, humanities and maritime affairs, and deepen Macao’s functions as a platform.

During an interview with local and foreign media, Minister of Commerce Gao Hucheng said the new measures announced by Premier Li Keqiang provide new impetus for cooperation between China and PSCs. Their scope and content are richer than any previous achievements of the Forum.

Gao Yucheng said there were three major outcomes of the Forum:

1. It will actively facilitate deepening cooperation in traditional areas. Regarding traditional development and cooperation in the humanities, China promised during the Forum to provide Asian and African Portuguese-speaking countries with a concessionary loan of at least two billion yuan, and gratuitous assistance of two billion yuan. China will also appoint a medical team of 200 people, so it can annually provide the Forum’s PSCs with 2,000 training places and 2,500 government scholarships. The scale of assistance and numbers of training places are significantly higher than in previous years, and this was the first time there was a proposal to waive part of the debts of Asian and African PSCs due under interest-free loans, involving a total of 500 million yuan.

2. It will strive to expand cooperation in newly developed areas, to meet the needs of participating

parties that are in different stages of industrialisation. Also, as the Forum's participating countries are adjacent to oceans, China proposed assist the Asian and African PSCs of the Forum with building marine weather observation stations, and conducting marine fisheries development and research on marine ecosystem, to cope with climate change. These measures broaden cooperation between countries participating in the Forum, in the maritime economy and marine environmental protection.

3. It will further highlight Macao's functions as a platform. Premier Li Keqiang proposed promoting Macao's establishment as a financial service platform for commercial and trade cooperation between China and PSCs, and construction of the Commercial and Trade Service Platform Complex. He also supported the establishment of China-Portuguese-speaking Countries Federation of Entrepreneurs, a base for training bilingual talent, a cultural exchange centre and a young entrepreneur exchange centre in Macao. This will provide substantial support for cooperation in trade, investment, convention and exhibition industry, cultural affairs, training and education – further developing Macao as a hub and bridge for cooperation between China and PSCs.

Signing Action Plan and Memorandum to Leverage Macao's Functions as a Platform

The Action Plan for Economic and Trade Cooperation 2017-2019 of the Fifth Ministerial Conference of the Forum, and the Memorandum of Understanding on Promoting Cooperation in Production Capacity – Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries, were signed after the conference.

The Action Plan highlights and emphasises the leading role of the “Belt and Road” initiative in economic and trade cooperation between China and PSCs, implementation of the principles of “mutual consultation, mutual development and mutual benefit”, and expansion of traditional trade and investment cooperation to newly developed areas, such as cooperation in production capacity, finance, maritime affairs, environmental protection and healthcare.

The Memorandum, which was signed for the first time, initiated a new model of economic and trade cooperation between China and the seven PSCs. It has set the overall goals, principles to follow, tasks, project planning, policy support and protection, and mechanism to promote work on cooperation in production capacity between China and PSCs. A working group on cooperation in production capacity is to be established under the Forum's permanent secretariat, and will be responsible for planning and coordination, policy communication and creating a project database on cooperation in production capacity. To fulfil Macao's functions as a platform, seminars and other exchange activities will be organised each year in Macao.

During the Entrepreneurs and Financiers Meeting, which is a supporting activity of the Forum, the trade promotion agencies of mainland China, Macao and PSCs held the signing and plaque unveiling ceremony of the China-Portuguese-speaking Countries Federation of Entrepreneurs. The federation's secretariat will be established in Macao, to foster exchanges and cooperation between enterprises of the participating countries, realising Macao's functions as a platform.

During the Forum, 17 agreements on project cooperation between China and PSCs were signed, and about 100 business-matching sessions were held with participation by enterprises from infrastructure, finance, energy, technology, agriculture and trade industries.

Since the first Forum in 2003, the economic and trade cooperation between China and PSCs have made great strides and their trade and investment has been increasing. According to statistics, the cumulative value of trade between China and PSCs from 2013 to 2015 exceeded 360 billion US dollars, maintaining a relatively high value under the global economic downturn.

The total investment from China in different categories in PSCs was about 50 billion US dollars, while the cumulative turnover of completed contracted projects of Chinese enterprises in PSCs exceeded 70 billion US dollars; these figures were 60 percent and 50 percent, respectively, higher than those prior to the Fourth Ministerial Conference in 2013. PSCs have cumulatively invested around one billion US dollars directly in non-financial projects in China, representing an increase of about 20 percent since 2013.

The Fifth Ministerial Conference of the Forum affirmed the positive results and Macao's functions as an economic and trading service platform between China and PSCs. The participating countries agreed that the results of the conferences held in the Forum would enhance the level of economic and trade cooperation between China and PSCs, and facilitate co-development and prosperity. They showed willingness to play their roles within the framework of the Forum, proactively facilitate implementation of the results agreed to in the Forum, continue to enhance Macao's functions as a platform, and deepen bilateral and multilateral integration of economies and trade.



5th Ministerial Meeting of Forum Macao

MSAR Announces Five-year Plan, Formulating Direction of Social Development



The Macao Special Administrative Region (MSAR) compiled its first medium-to-long-term development plan - The Five-Year Development Plan of the Macao Special Administrative Region (2016-2020) ("the Plan"), which was officially announced on 8 September 2016. This was the first time since the Handover that Macao drew up a blueprint and determined the direction for its socio-economic development.

Since Macao's return to China, its society and economy have been developing rapidly, and people's well-being has been improving thanks to the institutional advantages of "One country, two systems" and the support from the Central People's Government. The MSAR Government has been actively seizing new development opportunities, deepening regional cooperation and integrating with China's development. The formulation of the Five-Year Development Plan of the Macao Special Administrative Region (2016-2020) (the Plan) matches China's 13th Five Year Plan, realising Macao's advantages in the country's future development and providing clear goals, routes and vision for expediting the establishment of "One Centre, One Platform". As Chief Executive Chui Sai On said, taking the initiative to respond to new circumstances and coordinating and planning Macao's future development with a top-down design is essential for pragmatically expediting the construction of the MSAR.

The Chief Executive said that, taking into account the short-, medium- and long-term needs of development, Macao's first future development master plan forms an important strategy for the MSAR to move towards systematic, democratic and sound governance. In the next five years, stability will be the central focus and people's well-being will be our first priority. The Government is determined to work hand in hand with all citizens to foster the establishment of "One Centre, One Platform", enhance the city's competitiveness, move in tandem with the country's development plan, meet advanced international standards, and promote people's quality of life.

Specifying Macao's future development

The Plan specifies Macao's future development as a world travel and leisure centre. It is in four parts - the Strategy, People's Livelihoods, Development and Sound Governance, and illustrates the vision for Macao's social economic development in the coming five years, while providing specific targets, evaluation benchmarks, and safeguard measures.

To expedite the establishment of "One Centre, One Platform", the Plan proposes seven major targets to be achieved in the coming five years: stable development of the overall economy, further optimisation of industrial structure, gradual formation of a macro business environment for tourism and leisure industries, continuous improvements in people's quality of life, continuous development of culture and education, efficient and effective environmental protection, and further improvements in administrative efficiency and legal governance.

The Plan mainly focuses on the development of a city with favourable measures concerning living, work, transportation, tourism and entertainment. People's Livelihoods is a relatively lengthy part, indicating that the MSAR Government prioritises livelihoods and citizens' prime concerns. It addresses the issues of land, infrastructure and transportation, along with plans and solutions, and spans two chapters: Expedite the Development of a Liveable City, and Enhance People's Livelihoods. The first chapter includes the following sections: 1. Build up a Land Reserve and Refine Urban

Planning; 2. Infrastructure Construction; 3. Accessible Environment and Smart City; 4. Promote Environmental Protection and Green Living; and 5. Enhance Crisis Management to Build a Safe City. The second chapter covers people's livelihood issues such as employment, education, people's well-being, population ageing and healthcare.

Citizens are concerned about Macao's land resources and housing allocation. According to the Plan, the Government will strive to complete the overall urban planning in 2019, further enhance land management, coordinate reasonable allocation of the city's various infrastructure projects through prioritisation, and foster the balance and coordination between urban development and conservation.

Regarding housing, the Plan proposes targets for public housing construction, planning to build 4,600 units in the short-to-medium term, expecting to build over 8,000 units in Avenida Wai Long, and planning to build 28,000 units in New Urban Zone Area A in the long term. Regarding transportation, it will mainly focus on planning and building the LRT, the Guangdong-Macao new border-crossing checkpoint, and the fourth cross-harbour passage.

Looking ahead to Macao's economic development in the next five years, the gaming industry will still be one of the pillar industries, and the tourism and gaming industries will continue to be the major sources of revenue. The MSAR Government therefore proposes synergistic development of gaming and non-gaming industries, utilising existing resources of the gaming industry to facilitate development of non-gaming elements and leverage synergy with and diversification of pillar industries, and promote mutual growth of related industries. The Government strives to gradually increase the percentage of non-gaming revenue compared to total gaming revenue, from 6.6 percent in 2014 to over nine percent by 2020.

Regarding overall economic development, the Plan hopes for breakthroughs in adequate economic diversification and regional economic development.

Proactively aligning with China's master development plan

The Plan also has chapters titled Establish Connections with the 13th National Five-Year Plan, and Participate in the "Belt and Road" initiative and Establish a Trade and Economic Cooperation Services Platform between China and Portuguese-speaking Countries (PSCs) – showing that mainland China's full support is indispensable for turning Macao into a city that is liveable, smart, healthy, safe, culturally enriched and under good governance. In fact, mainland China is the largest support for Macao's economic development and improvements in people's livelihoods, and deepening of regional cooperation can strongly spur progress with Macao's adequate economic diversification. Only through proactively aligning with mainland China's master development plan can Macao more effectively facilitate sustainable economic and social development.

The Plan proposes "attempt to deepen regional cooperation with a focus on Guangdong-Macao cooperation". At the same time, the MSAR Government is looking at the country's economic hinterland, and will place emphasis on cooperation along the Changjiang economic belt and establish Jiangsu-Macao Cooperation Zone in collaboration with the People's Government of Jiangsu Province – to effectively seize the opportunities for development in mainland China and widen the paths towards adequate economic diversification.

As “One Platform”, Macao can provide mainland China and Portuguese-speaking countries with professional intermediary services – facilitating cooperation and mutual development between mainland China, Macao and Portuguese-speaking countries, and striving to increase the total revenue from trade between Macao and Portuguese-speaking countries by 10 percent by 2020, from 600 million patacas in 2015. Also, the Government will fully utilise Macao’s advantages in positioning, language, culture and industries to actively participate in collaboration regarding tourism, convention and exhibition, and trade services within the “Belt and Road” initiative.

The formulation of the Plan was founded on public opinion, and commenced by the MSAR Government in 2015. With preliminary studies, two opinion collection processes and opinions from the country’s leaders, the Plan has become more comprehensive than when first drawn up. The content was increased from 37,000 words to over 48,000 words, while the number of chapters was increased from 24 to 27. Implementation of the Plan immediately commenced, and the Government established review, assessment, and adjustment mechanisms and introduced third-party assessment, aiming to facilitate more effective implementation of the Plan.

The Plan is an overall blueprint for the MSAR’s economic and social development in the coming five years. It is also an action plan for the Government and the public to consolidate their joint efforts, as well as an important, strategic step to becoming “United to achieve common goals and share in prosperity”. The Chief Executive emphasised that the Plan is holistic and adopts a macroscopic approach to putting people first, scientific decision-making and facilitating all-rounded development of local residents. These broad aims realise the Government’s administrative principle of striving to develop the economy and improve people’s well-being. Improving people’s livelihoods was a crucial factor in formulating the Plan, and is crucial to its execution. “The Plan belongs to all citizens and requires full participation. The Government will work hand in hand with residents to continue increasing overall competitiveness and realise the goal of building together and enjoying the results together.”

Commence a Study for the Medium-to-long-term Plan for Using and Developing Macao’s Waters

In December 2015, the State Council clearly demarcated Macao’s marine and land boundaries, with an area of 85 square kilometres of inshore waters falling under the administration of Macao, thus broadening the scope for Macao’s adequate economic diversification and sustainable development. The MSAR Government is now facilitating the relevant planning. The Commission for Coordination in the Management and Development of Macao’s Waters is chaired by the Chief Executive, and was established on 4 July 2016 to expedite the administration and use of waters with an area of 85 square kilometres. It also commenced a study of the Medium-to-long-term Plan for Usage and Development of the Waters of the Macao Special Administrative Region (2016-2036).

The MSAR Government attaches great importance to the administration of waters, to meet the national development of the “Belt and Road” initiative, realise the policy objective of “One Centre, One Platform”, promote sustainable development of adequate economic diversification and regional cooperation, centralise management of the use and development of the waters, and effectively implement scientific and legal utilisation of the waters.

Scientific Planning for Development of Industries and Progressive Advancement of Economic Diversity



In 2016, Macao's economy was still undergoing correction. The annual GDP stood at 358.2 billion patacas, representing a real decrease of 2.1 percent. The decline in GDP was narrower compared with the previous year. The first half of 2016 saw a negative growth of 9.7 percent while the second half of the year saw a positive growth of 5.7 percent, reversing the downward trend. The employment situation remained sound, while fiscal and financial conditions remained solid.

In 2015, the Government began formulating the Statistical Benchmark System for Measuring Progress with Macao's Adequate Economic Diversification. After nearly two years of fundamental research, project adjustment, information collection and consolidation, the Report on the Analysis of the Statistical Benchmark System for Measuring Progress with Macao's Adequate Economic Diversification 2015 was published in late 2016. We expect to illustrate Macao's economic diversification through different types of data, thereby enabling scientific measurement and planning for future development.

In 2016, the convention and exhibition industry developed steadily, with conventions as the priority. The Government succeeded in hosting several large-scale exhibitions in Macao. The benefits of conventions and exhibitions further spread to the community, and the professional level and effectiveness of renowned conventions and exhibitions continued to rise. The Government supported the industry with organising overseas convention and exhibition events, emphasising its features as the platform between China and Portuguese-speaking countries. To conduct more scientific analysis

of the current situation with the development of Macao's convention and exhibition industry, and to provide more effective policy measures for its future development, the Government began the Study on Development Blueprint of Macao's Convention and Exhibition Industry in the second quarter of 2016. The amendment to the External Trade Law was completed and the A.T.A. Carnet was introduced, thereby creating a favourable business environment for Macao's convention and exhibition industry and modern logistics industry.

E-commerce, the cultural and creative industry and the traditional Chinese medicine industry grew steadily. In 2016, the Government introduced new incentives for promotion of e-commerce (application of B2C platform), as well as an additional subsidy item for mobile applications under the website development subsidy scheme for small and medium-sized enterprises (SMEs). With support from the interdepartmental task force, local and mainland China payment institutions joined hands to launch new online and offline payment services. In July, approval was granted for the establishment of a new financial institution for provision of internet and mobile payment services.

Regarding the Guangdong-Macao Traditional Chinese Medicine Technology Industrial Park, some of the projects in the joint office zone within the park had already commenced operation, while others were conducting preparatory work. Starting with Mozambique, the industrial park initiated cooperation with Portuguese-speaking countries, and adopted products that are intended to be developed in the park as the first batch of trial products, while preparations are made for initial product registrations. The Liaison Office of the Appraisal and Certification Centre under Guangdong Food and Drug Administration, and the International Traditional Chinese Medicine Industrialization Base of the China Technology Exchange, established their offices in the industrial park. This created professional and branding advantages for the development of projects in the park, while also helping to attract enterprises to the park.

Also, the park signed the Framework Agreement on Cooperation between Guangdong and Macao in the Traditional Chinese Medicine Industry with Guangdong's representative of the taskforce on cooperation in the Chinese medicine industry in Guangdong and Macao, in order to facilitate regional cooperation, and further promote the State Renowned Veteran Chinese Medical Practitioner Heritage Workshop.

The Government actively explored the development of specialised financial services as an emerging industry, and established a task force to coordinate its development in various aspects, including taxation, laws and regulations, regulatory mode, talent cultivation and solicitation of investments. Particular emphasis was placed on lease financing, wealth management and financial services related to cooperation between China and Portuguese-speaking countries. Studies of specialised financial services were conducted, to promote Macao's position as the financial services platform for business and trade cooperation between China and Portuguese-speaking countries. The Macao Renminbi Real Time Gross Settlement System was officially launched. This would be conducive to establishing Macao as an RMB clearance platform between China and Portuguese-speaking countries.

The Portuguese-speaking Countries Food Products Promotion Platform gradually came into operation, with the Portuguese-speaking countries Food Products Exhibition Centre in Macao opening in March 2016. The Macao Trade and Investment Promotion Institute set up exhibition areas for mainland China and Portuguese-speaking countries food products in its liaison office in

Fuzhou and representative office in Guangzhou. The Government continued to enrich the contents and functions of the China and Portuguese-speaking countries trade and economic cooperation and talent information website.

Assisting Enterprises with Improving Quality and Innovation Supporting Young Entrepreneurs and Securing Employment

In 2016, the Government continued to optimise various support schemes for SMEs. It facilitated the establishment of the Procurement Partnership Scheme for Local SMEs, by bringing together all gaming enterprises and local commercial and industrial associations, spanning over 15,000 products and 400 services. A website on SME's business operations was set up, to consolidate procurement information. Government departments prioritised local products or services during procurement.

Starting in November 2015, the Government has worked with five commercial and industrial associations to provide advisory and document collection services, with the number of collection points in Macao increasing to 10 at present. The Government also launched an upgraded version of "Services on the Doorstep", and deployed "Enterprise Liaison Officers" in collaboration with representatives of local commercial and industrial associations. In this way, the Government is taking the initiative to arrange regular visits to SMEs, for introducing support schemes that provide them with diverse, convenient services and help them solve business problems. The SME Credit Guarantee Scheme was amended, to increase the credit guarantee from five million patacas to seven million patacas, and to offer secondary aid to enterprises that have already repaid their loans under the SME Assistance Programme. The Government adopted a practical approach in fostering the development of the community economy, by supporting the organisation of events that stimulate local community consumption, and enhancing the study on the development of the local community economy.

The Government introduced diverse measures and services to help young people start their own businesses. In 2016, the Government continued to implement and optimise the Young Entrepreneurs Aid Scheme, by expanding its coverage and streamlining the application procedures and formalities. The Government closely tracked enterprises run by young entrepreneurs, and consolidated experiences and effectiveness of the measures. The Government organised a team of professional consultants, to analyse enterprises with business difficulties, and to help them improve their ability to operate sustainably. The Economic Services Bureau, Education and Youth Affairs Bureau and Organising Committee on Innovation and Development of Young Entrepreneurs cooperated in launching the Innovation Development Scheme for Young Entrepreneurs, to identify quality concepts for business start-ups by young people, and to provide assistance in business incubation, in order to fully utilise the functions of the Young Entrepreneur Incubation Centre.

To support young people in innovation and business start-ups through regional cooperation, the Economic Services Bureau and the Young Entrepreneur Incubation Centre of Nansha (Guangzhou) signed a cooperation agreement to provide young Macao people with information on business environments, facilities and preferential policies. Enterprises run by young people were introduced into the centre for incubation, while support would be given to people from the above-mentioned regions and other provinces and cities in mainland China to start their business and investments in

Macao, as well as to collaborate with young entrepreneurs in Macao.

Several training programmes were organised. For the first time, the Government worked with labour organisations and gaming enterprises to organise the Gaming Industry Vocational Capability Training Programme. This provides on-the-job paid training for gaming industry employees, to raise their overall capabilities and promote vertical and horizontal mobility. The Facility Maintenance Technical Training Programme was also organised, to provide on-the-job paid training in multiple skills for repair workers who were lower ranking, newly recruited or wished to change job, and to encourage them to obtain certification of their skills. In the first half of 2016, six enterprises of different types participated in these programmes, and through them 90 people successfully entered the industry through referrals, and about 90 people changed jobs and joined the field.

We continued to enhance cooperation with mainland China and overseas institutions in establishing vocational examinations and professional accreditation. Also, to support employment of the elderly and the underprivileged, the Government completed the draft bill of relevant laws and by-laws, and studied the provision of tax concessions to employers who hire people with disabilities. We also offered subsidies to full-time low income employees holding valid Disability Assessment Cards issued by the Social Welfare Bureau.

Tightening Regulation of Gaming Promoters and Encouraging Investments in Non-gaming Elements

In the second half of 2016, the gaming industry in Macao experienced a rebound; though the annual revenue from gaming totalled 223.2 billion patacas, representing a decrease of 3.3 percent compared to 2015. During a time of correction for the gaming industry, the Government facilitated and encouraged the industry to continuously increase input of non-gaming elements, give priority to procuring local products and services, and solicit local enterprises to operate their business in its venues, to promote the development of local enterprises. Also, the Government optimised the data collection and statistical approach, to enable a more comprehensive assessment of how the gaming industry gave momentum to and benefited local enterprises.

The Government published the interim evaluation report on the gaming industry, which would help gaming enterprises gain a more in-depth understanding of their own and the entire industry's business conditions and competitiveness, so they could focus on developing non-gaming elements with more resources and enhanced training for local staff.

The administration of gaming promoters was further tightened through various measures, including reviewing the establishment of a proper financial and accounting system, compliance with regulations on the upper limit on junket commissions, compliance with anti-money laundering guidelines, etc. The Government also commenced the amendment to the By-law on the Regulation of Casino Gaming Promotion Activities. The use of phones at gaming tables was prohibited, to eradicate irregularities including placing bets over the phone. The Government commenced the amendment to the Regulations on Conditions of Entering, Working and Gaming in Casinos, and considered adding provisions to prohibit gaming industry employees from taking part in gaming activities. The Gaming Industry Vocational Capability Training Programme was organised for gaming industry employees, to raise their overall capabilities and employment competitiveness.

Caring for the Elderly, Children and People's Livelihood, and Developing a Leisure and Liveable City



The Government makes it a priority to continuously improve people's livelihoods and quality of life. In 2016, the Government strived to raise Macao's stability and harmony, diversity of development, and qualities as a liveable and tourist-friendly city – by adopting a multi-pronged approach, including enhancement of healthcare security, improvement of education quality, promotion of all-round development, care for the underprivileged, and implementation of long-term mechanisms.

Upgrading healthcare services through improvements to service and facilities

Regarding health-related issues, in 2016 the Government gave top priority to developing contingency and preventive measures against infectious diseases, to safeguard public well-being and health. The Government also progressively optimised the prevention and treatment of diseases of children and the elderly; extended the opening hours of out-patient clinics; enhanced management of hospitals and improved service procedures, in order to provide better medical and healthcare services.

Providing extra care for the elderly, children and patients

In response to the opportunities and challenges of an ageing population, in April 2016 the Government announced the Ten-year Action Plan for the Provision of Services for the Elderly for 2016-2025. Through the interdepartmental cooperation mechanism, the Government also established

an interdepartmental study group on Macao's retirement protection mechanism, comprising 13 public departments, to implement 421 short-term, medium-term and long-term measures under the Ten-year Action Plan for the Provision of Services for the Elderly. These spanned four aspects of a related policy framework: healthcare and social services, protection of rights, social engagement, and living environment.

Notably, with the ageing population, an increasing proportion of the elderly have been seeking medical services. In the light of this, the Government established geriatric wards in the healthcare system in 2016, for admission of elderly patients with multiple diseases, and provision of consolidated treatment and rehabilitation services by multiple groups of specialists.

The community rehabilitation ward of Conde S. Januario Hospital in Carmo Health Centre complements the physiotherapy and rehabilitation department and discharge programme for inpatient rehabilitation patients of the geriatric wards, thus making it possible to discharge patients during the early stage of rehabilitation, thereby expediting the turnover and management of beds in specialised hospitals.

The medical and healthcare department also set up a healthcare support hotline for the elderly, to enable timely and proper follow-up and referrals by actively understanding the situation with elderly persons' illnesses. There were over 400 regular service targets by the end of 2016, and the department planned to extend the service coverage to elderly patients admitted to care homes via hospitals.

The Government was also concerned about the impact of dementia on patients, their families and society. In addition to establishing an out-patient memory clinic in Conde S. Januario Hospital in 2016, the Dementia Treatment Centre commenced operation in September. It consolidated resources of health centres, specialist departments of public hospitals, the Social Welfare Bureau, and several social service institutions, in order to provide a one-stop diagnosis, treatment and social service support for patients with dementia in Macao.

Continuing to improve development of hardware and systems for medical and healthcare services

Early in 2011, the Government formulated its Ten-year Plan for Improvement of the Medical and Healthcare System, in response to social development and public aspirations, for establishing, expanding, reconstructing and upgrading public hospitals and the primary healthcare service network.

Several facilities were commissioned in 2016, including the Emergency Care Building of the Conde S. Januario Hospital and Carmo Health Centre. The former infectious disease rehabilitation centre in Coloane Peak had been refurbished to become the Public Health Clinical Centre, which came into operation on 27 January. The centre is designed as a contingency facility in compliance with standard specifications for isolation wards for infectious diseases and is equipped with an isolation ward that can accommodate up to 60 beds, in response to the risk of frequent outbreaks of infectious diseases worldwide in recent years.

On 21 March, the reconstruction of Coloane Health Station was completed and the station commenced operation. In June, the Housing Bureau granted a piece of land of nearly 1,000 square

feet for expansion of Seac Pai Van Temporary Health Station in Coloane, in order to better meet Seac Pai Van residents' need for medical and healthcare services. The Government further optimised and improved the population-to-bed ratio, as well as the distribution network of medical facilities.

After years of study, discussions and comprehensive consultation with the public and the industry, the Legal System on the Handling of Medical Incidents (Law No. 5/2016) was promulgated in August 2016, and came into effect on 26 February 2017. The promulgation and implementation of new laws on organ transplants and medical incidents and their complementary regulations, as well as the draft amendment to the law on professional registration of medical staff, are conducive to the continuous optimisation of the medical healthcare system.

Facilitating talent cultivation to meet the needs of social development

Regarding education, in 2016 the Government expedited the formulation of various laws and regulations related to and plans for tertiary education; stepped up efforts in cultivating talented persons who are bilingual in Chinese and Portuguese, with a view to laying the foundation for developing Macao as the cradle of these bilingual talents in the Asia-Pacific region, and providing a better learning environment for all-round development of young students. In 2016, several aspects of the promotion of patriotic education entered a new stage of development.

Ten-year Review of Non-tertiary Education Development

As the promulgation of the Fundamental Law on Non-tertiary Education marked its 10th anniversary in 2016, the Government conducted a forward-looking review of the system and the development of non-tertiary education through a seminar in October, and completed the interim review of the Ten-year Development Plan for Non-tertiary Education (2011-2020). Over the past ten years, non-tertiary education made remarkable achievements, as the Government had attached great importance to its development.

As an important basis for raising the quality of the public, the 15 years of compulsory education has been implemented by the Government since 2007, with significant increase in resources for education. In 2011, the Ten-year Development Plan for Non-tertiary Education (2011-2020) was rolled out, to establish a specific direction and blueprint for the ten-year development of education. In the same year, the Continuing Education Programme was launched, to encourage life-long learning and create conditions for the development of a knowledge-based society.

The Framework for Teaching Staff of Private Schools of Non-tertiary Education was formulated in 2012, to raise professional capabilities of and employment protection for teaching staff of private schools on a legal and institutional level. In the same year, the Macao Youth Policy (2012-2020) was issued. This provided a clear direction for promoting and implementing youth policies.

Since 2014, the Government has successively promulgated the Framework of Formal Education Curriculum and Basic Academic Attainments for Formal Education Curriculum for Local Education System by-laws, to provide guidance for schools on optimising the formal education curriculum, to raise the quality of talent cultivation and promote all-round development of students.

The Government has spared no efforts in optimising the above-mentioned work. The Government gradually increases resources allocated to education, moderately increases subsidies for free

education, tuition fees and other allowances, and increases the quotas for tertiary scholarship. These welfare-related measures are adjusted every year with regard to social development.

Besides, the Government launched the “Blue Sky Project”, to progressively improve the situation of schools operating on podiums through short-term, medium-term and long-term plans concerning existing resources and land for education. In 2016, after one year of efforts and trials, three schools that had been operating on podiums continued their operations in independent school premises. The problem of schools operating on podium was being solved. To meet the public’s aspirations, the Government expedited the construction of a public school, vocational education and practice centre and language training centre in lot CN6a in Seac Pai Van, Coloane.

Centralised registration for admission to the first year of kindergarten proved effective

In 2016, the education department further optimised school admission work. In January, the centralised registration for admission to the first year of kindergarten was successfully launched. It made the best use of information technology to reduce the workload of application formalities for parents and schools, and was well-received by the public.

In the second half of 2012, to meet the long-term aspirations of the education sector, students and parents to relieve pressure on students sitting several admission examinations held by different local tertiary institutions, the University of Macau, Macao Polytechnic Institute, Institute of Tourism Studies and Macau University of Science and Technology, started planning for and coordinating a joint admission examination. The preparations were completed in 2016, and the first joint admission examination (language and mathematics) coordinated by the four local tertiary institutions was scheduled for 30 March to 2 April 2017.

Hundreds of study tours under Thousand Talents Programme over three years

Young people are the hope of society. The Government creates favourable conditions for their growth, development and success, to cultivate younger generations with perseverance, a sense of responsibility and competitiveness. In 2016, the Government continued implementing various measures and plans under the Macao Youth Policy (2012-2020). Adding to various community organisations’ existing initiatives for cultivating young people, the Government has launched the Thousand Talents Programme, to annually choose 1,000 people for study visits to mainland China.

The Thousand Talents Programme is a key programme of the Government for cultivation of young talents. Through cooperation with the Ministry of Education and All-China Youth Federation, the Government organised visits, exchange and study tours for young people (including university and secondary school students) in Macao, enabling them to have a more in-depth and accurate understanding of mainland China’s latest developments. It also encouraged young people to build close links between their personal development and national development, and seize opportunities for growth. Through interaction with young people in mainland China, young people in Macao were motivated to raise their qualities and capabilities.

This programme was led by the Chief Executive Office and executed by the Macao Foundation

in collaboration with various secondary schools and youth groups that helped with implementation. The three-year overall plan for “Organising hundreds of tours under Thousand Talents Programme” was established, with participants divided into the secondary school group (lower and higher secondary schools) and open group. Each year, there are arrangements for 1,000 local secondary school students and young people to visit mainland China and take part in a variety of study and exchange activities. The Government closely tracks the participants’ growth and development.

Cultivating Chinese and Portuguese bilingual talents to tie in with Macao’s positioning

In 2016, the main focus of the Government’s work related to tertiary education was to assist with optimising institutions’ teaching conditions; raising the professional competence of teaching and research staff; promoting sharing of resources among institutions; and enhancing exchanges and cooperation in tertiary education with other regions. Making the best of its own advantages, Macao cultivated highly capable talents in support of the development of “One Centre, One Platform”.

To facilitate continuous development of soft and hard power and increase international influence, and to fully leverage Macao’s advantages in Chinese and Portuguese teaching, the Government launched the Chinese and Portuguese Bilingual Talent Training, Education and Research Cooperation Subsidy Scheme for Macao Tertiary Institutions in April. The aim was to reinforce Macao’s positioning as a world tourism and leisure centre.

The Government also continued to coordinate the Working Group for Cultivation of Bilingual Talents in Chinese and Portuguese, comprising six institutions, to commence programmes including publishing Portuguese teaching materials and training teachers, to achieve the target of developing Macao as a cradle for cultivating bilingual talents in Chinese and Portuguese.

In 2016, the Government continued with the legislative procedures for the Tertiary Education System, and drafting supplementary regulations. The preliminary proposal for the long term plan for tertiary education was established, while the Programme Accreditation pilot scheme was completed. The Government continued to disburse Stationery Allowance for tertiary students to support their pursuit of education; provided students with comprehensive information on further education and career development; and organised a wide range of activities to facilitate students’ comprehensive growth.

Raising social welfare standards and securing livelihoods of underprivileged households

Regarding social welfare, the Government continuously optimised social assistance and welfare measures, to maintain a reasonable standard of living for underprivileged households, and to provide appropriate social services for people in need. The quotas for childcare services were also increased.

Taking a crucial step towards Non-mandatory Central Provident Fund

In June, the Executive Council concluded discussions on the bill for the Non-mandatory Central

Provident Fund System, which subsequently passed its first reading at the Legislative Assembly, and underwent the second reading in the First Standing Committee of the Legislative Assembly. Drafting of by-laws commenced with full support of the Social Security Fund, representing a crucial step towards establishing a two-level welfare security system for the elderly in Macao.

Starting in 2013, the Government injected capital into the Social Security Fund in four yearly instalments, and completed injecting a total of 37 billion patacas by the end of 2016, thereby stabilising the financial situation of the Social Security Fund. The amount of contributions under the social security system was only slightly increased to 90 patacas since 2016, and the employee-employer contribution ratio remained at 1:2.

As for implementation of policy measures related to people's livelihoods, the Government followed the principle of keeping the aggregate amount of the pensions and Old Age Allowance above the minimum subsistence index. In July 2016, the Government made an upward adjustment of about three percent to pensions and other disbursements, increasing pensions and disability allowances to 3,450 patacas per month.

Also, the Government continued opening Provident Fund individual accounts for eligible Macao residents, and injected 7,000 patacas as a special allocation from the fiscal surplus into each account. Allocations made to eligible Provident Fund individual accounts over seven consecutive years could total up to 49,000 patacas.

In 2016, about 363,000 people were eligible for the special allocation from the fiscal surplus, of whom 14,000 were also given an incentive basic amount of 10,000 patacas, with the Government allocation totalling over 2.6 billion patacas. Eligible residents including elderly persons could begin claiming disbursements in phases, starting from August.

Planning for rehabilitation services and promoting social harmony

To provide better support for people with disabilities during rehabilitation and integration into society, and to develop Macao as a city that values equal rights and social harmony, in February 2016, the Government introduced the Ten-year Development Plan for Rehabilitation Services 2016-2025. The public consultation on the plan was conducted from 15 April to 30 May 2016. After due consideration and analysis of views collected during the consultation, the Government amended and finalised the plan in November. An interdepartmental study group on the ten-year development of rehabilitation services was subsequently established. It is coordinated by the Secretary for Social Affairs and Culture.

Since the implementation of the Ten-year Development Plan for Rehabilitation Services, various departments systematically commenced the tasks in the first phase (2016-2017). By the end of 2016, interim success was achieved in aspects including healthcare, employment, community support, livelihoods and education.

Regarding public hygiene, the screening service on hearing was expanded to cover all infants in Macao, in order to fulfil the principle of early diagnosis and timely treatment. With concerted efforts from different departments, the Children's Comprehensive Assessment Centre, which was established by the Health Bureau, commenced operation in June, providing diagnosis and treatment services for children with development disorders. After the centre was established, 150 backlog

cases were handled, with the assessment queue time significantly shortened to eight weeks.

Establishing systems, setting standards, and providing multiple security and safety measures

In 2016, the Government strived to ensure residents' security and safety through laws and regulations and establishing standards and systems with the support of technological progress and regional cooperation networks.

Domestic violence prevention law and food safety standards coming into effect

On 20 May, the Legislative Assembly passed the bill on Preventing and Combating Domestic Violence, which subsequently came into effect on 5 October 2016. The passage of the bill met public aspirations for zero tolerance of domestic violence, and provided a legal basis for combating and preventing domestic violence. This serves as a positive response to United Nations recommendations on policies for prevention of domestic violence.

In 2016, the Government issued the standards for the Maximum Levels of Mycotoxins in Foods and Nutritional Requirement for Infant Formula, as well as nine food safety guidelines. It also drafted the Standards for Use of Sweeteners in Foods and Standards for Use of Colours in Foods, sparing no effort in ensuring food safety through establishing a regional cooperation network.

Updating safety and security system to maintain public order

Regarding security and safety, the first phase of the Macao Urban Electronic Surveillance System, which comprised 219 surveillance cameras, came into operation at midnight on 15 September 2016. It has become an important means of supporting law enforcement.

Also, after the Central People's Government's demarcation of 85 square kilometres of waters administered by Macao, the Government divided the waters into six operational zones. With regard to the need for enforcement in different zones, different types of vessels are deployed for patrols and routine duties. The Government also established the regular operational arrangement of "30-minute emergency response circle", under which the Customs patrol fleet could reach any point in the waters administered by Macao to promptly respond to emergency incidents, in order to ensure proper maritime enforcement and safeguard maritime order and security.

Establishing interdepartmental groups for reviewing system for dangerous goods

To improve the management of dangerous goods in Macao, the Chief Executive gave instructions for the establishment of an interdepartmental working group to review and optimise the system for dangerous goods in Macao. Under the coordination of the Secretary for Security, participating departments commenced a study and proposed short-term, medium-term and long-term action plans. Several short-term tasks were carried out in an orderly manner.

The Government attached great importance to nuclear power safety. In response to construction of Taishan Nuclear Power Plant, the security authorities obtained the latest information in mid-2016; coordinated several departments to follow up on the assessment of and amendment to Macao's contingency plan; and constantly strived to facilitate the establishment of the Guangdong-Macao nuclear incident communication mechanism, for better protection of residents' safety and health.

Enhancing collaboration among culture, sports and tourism and expediting construction of leisure centres

Diverse development is the key to ensuring people's livelihoods. To expedite its establishment as a world tourism and leisure centre, in 2016 the Government organised several major festive events and developed several new tourism and cultural products, to enrich the leisure and cultural elements of tourism in Macao through collaboration among tourism, culture and sports.

Enabling better synergy to stimulate growth of the tourism industry

In 2016, as Macao's economic development entered a new stage of correction, there was a change in the composition of visitors to Macao, with notable increases in international tourists and several tourism indicators. The Government would seize the opportunities of the "Belt and Road" initiative; continue to leverage Macao's unique advantages in tourism and culture; take active steps to plan for and optimise supplementary facilities; and enhance management of the industry, with a view to raising the quality of tourism services.

With the momentum brought by the synergy of several festive events, several tourism indicators recorded positive growth in 2016. The number of visitors slightly exceeded 30 million, while that of overnight visitors increased by nearly 10 percent. This was the first time in over ten years when there were more overnight visitors than same-day visitors. In November, the Tourist Office completed the assessment of the effectiveness of Macao Light Festival and Chinese New Year Parade, to understand the support and satisfaction ratings of visitors, residents and retailers. This would provide objective indicators for assessing the effectiveness of and optimising large-scale events.

Launching Anim'Arte NAM VAN and realising cross-sector synergy

The Government actively facilitated interdepartmental synergy among tourism, culture and sports. Through a combination of sightseeing, cultural and creative, food and beverage and performance elements, a new tourism and leisure landmark has been established.

In May 2016, the Cultural Affairs Bureau worked with the Tourist Office, Institute of Sports and Institute for Tourism Studies, and other bodies to form an interdepartmental working group for launching Anim'Arte NAM VAN. This aimed to enrich the culture and leisure enjoyment of residents and expand the scope of marketing of local cultural and creative products through water sports, outdoor performances, art exhibitions, cultural and creative product showcases, art fairs and special food and beverage facilities.

A project to optimise Taipa Houses Museum was launched in September 2016, aiming to establish a local showcase and exchange platform for promoting Portuguese culture, as well as to further optimise the leisure space in the community.

Showcasing cultural Macao and preserving cultural heritage

Regarding cultural conservation, the selection of archives of Chapas Sínicas, which had been jointly nominated by the Archives of Macao and Arquivo Nacional da Torre do Tombo, was listed on the UNESCO Memory of the World Regional Asia-Pacific Register in May 2016, further manifesting the value of Macao's documentary heritage.

No. 80 Rua das Estalagens, which was built before 1892, was a typical mom-and-pop store. The Government acquired the premises in 2011 and completed revitalisation and renovation in 2016. On 15 December, the building was used as a temporary venue for the Revitalisation of No. 80 Rua das Estalagens cum Exhibition in Commemoration of the 150th Anniversary of Dr Sun Yat-sen's Birthday, and was open to the public.

Also, the cultural authorities endeavoured to implement the Cultural Heritage Protection Law and commence relevant work according to the law. They actively fostered the surveying of real estate with cultural value in Macao, and in 2016 completed the assessment procedures for the first batch of 10 real estate projects. In accordance with regulations, the Government compiled a collection of views about the Plan for Protection and Management of the Historic Centre of Macao on the basis of a comprehensive public consultation. Immediately afterwards, the Government commenced the second stage of public consultation and compilation of relevant documents.

Perfecting Urban Planning for More Comfortable Living and Commuting



The Macao SAR Government has spared no effort in developing Macao as a world tourism and leisure centre and improving its urban environment and city planning, with the goal of building a liveable and accessible city. To meet the needs of development, and achieve a balanced and sustainable long-term goal, the Government will focus on improving people's quality of life and strengthening environmental protection measures.

Forward-looking Urban Planning and Rebooted Urban Renewal

Refining urban planning is a blueprint for fostering development and effective management. Therefore, in 2016 the Government completed the Macao Special Administrative Region Urban Development Strategy Study (2016-2030), specifying the overall direction of the plan for future urban development, closely followed by overall urban planning formulation.

To plan and develop new urban reclamation zones, the General Report on the Third Phase of Public Consultation and Public Opinion Survey Regarding the Overall Planning of New Urban Areas was compiled and released. On the basis of the report data, the Government is now analysing and perfecting the master plan for Macao's new urban areas, and suggests first implementing projects that meet society's more pressing needs.

To promote orderly development, the Government has established a study for the Macao East Zone Coordinated Development Plan, covering the construction and planning of Areia Preta New Reclamation Zone, the NAPE, the reservoirs and their surrounding areas, New Urban Zone Area A and Zhuhai-Macao Port Artificial Island. Preliminary preparations have begun for planning infrastructure construction in the administration zone of Area B, and the planning of New Urban Zone E1 is on schedule, with finalised locations for transport networks and infrastructure facilities, along with details of land uses and the measures for enhancing transport interconnections by sea, land and air.

In February 2016, the Government set up the Urban Renewal Committee, which officially commenced work in March. There are 29 committee members, including representatives from government departments and non-government parties, aiming to formulate policies and measures to support social development and facilitate urban renewal.

Expediting Public Housing Construction and Ensuring Adequate, Good Quality Housing

To realise the objective of "Homes for all in a contented society", in 2016 the Government continued to expedite the construction of public housing and progress with applications by eligible families. Also, a forward-looking study on future public housing demand has been conducted, and land has been designated for public housing development.

Housing projects completed in 2016 included: Home-Ownership Scheme housing project - Cheng I Building, and public housing project - Iat Seng Building. In total, they provide 770 Home-Ownership Scheme flats and 694 public housing flats.

The Seac Pai Van Social Facilities Building has been completed and is now operating. It has six

floors, containing a bus terminus, market, public car park, community activity centre and library.

Furthermore, the Government reached an agreement with the contractor to terminate the contract for the redevelopment of phase 2 of the Mong Ha Public Housing cum Sport Centre, which has been re-tendered after the plan was revised. The plan for Toi San Public Housing Estate was also revised in 2016, to ensure the neighbouring buildings would not be affected. Regarding the public housing project on Avenida de Venceslau of Morais, the Government is preparing to evaluate the impacts on the surroundings arising from the demolition of current facilities.

To expedite progress with eligible families' applications for public housing, work on examining applications submitted in 2013 – and making allocations – was accelerated, with over 2,100 homes allocated.

Also, 1,900 eligible families that had applied for multiple-bedroom flats were screened, with two-thirds of the assessment work completed by the end of September. Arrangements are being made for the eligible families to select and purchase the flats.

In 2016, a priority-based rent waiver and reduction scheme for public housing tenants with financial difficulties was introduced. Public housing tenants with monthly income exceeding the statutory cap are required to pay higher rental fees, encouraging those who are well-off to move out, and ensuring reasonable use of resources. During the year, more than 12,900 public housing tenants benefited from the waiver scheme, and 34 public housing tenants whose income exceeded the statutory cap ended the tenancies of their own volition. The government has continued providing temporary subsidies for families on the waiting list for public housing, to relieve the pressure they face in renting private housing.

To meet social needs and improve the public housing system, in 2016 a consultation was conducted on the revised Legal System for Public Housing, and a summary report was released.

Continuing to Optimise the Efficiency of Public Administration and Encouraging Reasonable Use of Vehicles

With the development of urban areas, the demand for transportation is expected to continue growing. Macao faces significant challenges due to its limited space, which is an issue of great concern to the Government. Therefore, in 2016 the Transport Bureau completed the mid-term review report on the Road Traffic and Transport Policy of Macao (2010-2020). This includes 61 measures based on the principles of “public transport priority”, “control growth in vehicle numbers”, “ease traffic pressure on roads” and “encourage walking”; and 56 of these measures (i.e. more than 90 percent) have been implemented on schedule.

To encourage the use of public transport, the Government strived to enhance the efficiency of public administration and adjust the public bus frequencies and routes to meet actual needs. Time-limited public transport lanes from Barra to Lam Mau were implemented in 2016. These are solely for use by buses and emergency vehicles, significantly shortening travel times from Barra to Central District. The bureau has also adjusted bus stops in busy areas, to relieve traffic jams. The “Bus Travel System” mobile phone application was launched, providing information on bus routes and stops. Users can search for the nearest bus stops, using its positioning service.

To enhance travel conditions for the elderly and the disabled, the Government has encouraged bus companies to replace old buses with more accessible models, by amending the contracts.

To reduce inconvenience arising from the redevelopment of the ventilation system of the Border Gate underground bus terminal and its environmental improvement scheme, the expansion of tourist coach pick-up/drop-off points at Border Gate Square east zone was completed in 2016. The underground bus terminus will be solely utilised by public buses.

In the second quarter of 2016, the Government began coordinating with three gaming enterprises in their provision of free shuttle buses to and from casinos in Cotai. By the end of the year, the frequency of shuttle buses at various ports was decreased by 327 per day compared with 2015.

To meet public demand for taxi services, the Government has issued more taxi licences on a timely basis, according to the actual situation in Macao. A total of 200 taxi licences were opened for bidding in 2015, and the taxis commenced operations in 2016. The Government launched public bidding for another 250 ordinary taxi licences in April the same year. The tendering procedure for special taxi licences was completed. According to the contract, 100 special taxis must be provided and operated by the company responsible in phases; and of them, five must be accessible taxis and ten must be jumbo taxis. A designated taxi service centre and taxi management systems must also be established.

Following the completion of Cheng I Building and Iat Seng Building, about 1,170 parking spaces for private vehicles and motorcycles will be provided. To encourage people to establish a habit of reasonably using private vehicles, a new parking payment model has been implemented, with charges adjusted according to different time sections.

To encourage walking instead of taking public or private transport, the Government has continued to perfect the walking route networks. The Rua da Surpresa Escalator and Walkway System and the Beautification of Rua da Encosta and of the Pedestrian Access between NAPE and Colina da Guia projects were completed in 2016, greatly shortening the walking distance between the NAPE and Central District. Also, the walkway between Lago Building and Taipa Houses Museum, and the viewing deck of the Small Taipa Hill in the Islands were completed – improving the walking route environment and providing links to tourist attractions.

In 2016, there was significant progress with the future core of mass transportation - the Light Rail Transit (LRT) system. The civil engineering works of the 9.3-km elevated bridge for the LRT Taipa line and 11 stations were essentially completed by the end of the year, and work began on installing the railway systems. An issue regarding the contract for constructing the LRT depot superstructure was resolved. The superstructure plans were revised, the project was re-tendered, and construction has already begun.

To support the development of the LRT, the Government has commissioned consultants to conduct passenger flow forecasts and rationally plan the LRT network, including the Macao peninsula line. The feasibility study on the LRT Seac Pai Van line was completed, and followed by a study on connecting the LRT Seac Pai Van line and LRT Taipa line.

The Taipa Ferry Terminal was inaugurated, in phases, by July 2016. This followed completion of the terminal, and preparatory work by the Marine and Water Bureau before commencing operations,

ensuring a stable and smooth transition from the temporary pier to the new one.

It has been confirmed that the fourth Macao-Taipa cross-harbour passage will be a bridge. The feasibility study on its construction and the related marine environmental assessment were completed and submitted to the Central People's Government. Once these are approved, the Government will be expected to finish the design and construction tender, and commence the work in 2017.

Protecting the Environment for More Comfortable Living and Promoting Eco-transport for Better Commuting

To ensure sustainable development and build a liveable and accessible environment, the Government is committed to protecting the environment in Macao. The interim evaluation on the implementation and effectiveness of the Environmental Protection Plan of Macao (2010-2020) was completed by 2016, with updated and revised long-term objectives.

With urban development, the demand for treatment of a variety of solid waste and wastewater has steadily increased. To cope with this demand, the Government commissioned consultants to conduct an overall evaluation of the management of solid waste in Macao and a feasibility study on expanding and upgrading Macao Waste Incineration Centre.

In accordance with the Framework Agreement on Cooperation Between Guangdong and Macao in Environmental Protection, the Government has continued cooperating with mainland China on environmental protection, by finalising the exact waste collection sites in mainland China for the disposal of Macao's inert construction demolition materials; and initiating and purchasing hardware and software facilities for an inter-regional operating and control system for scrap vehicles from Macao.

To improve air quality, the Unleaded Gasoline and Light Diesel Oil for Motor Vehicles by-law was enacted, and the numbers of vehicles examined have been increased from 280 to 650 per day.

Short-, medium- and long-term plans for introducing and promoting environmentally friendly vehicles in Macao were formulated. To promote the use of electric vehicles, the Government issued the Technical Guidelines for Safety in Installations for Charging Electric Vehicles, and installed electric vehicle charging points at 60 public car parks. The Government also considered installing electric vehicle charging facilities in new buildings. Regarding public transport, the Government has continued encouraging bus companies to use environmentally friendly vehicles. At the end of the year, more than 44 natural gas vehicles had commenced operations.



Implementing large-scale infrastructure projects to build a perfect home

Pushing Ahead with Public Administration Reform and Continuing to Enhance the Legal System

In 2016, in line with Macao's development of "One Centre, One Platform", the administration



and justice authorities continued to deepen public administration reform, pushed ahead with legal system development, and strived to improve services related to people's wellbeing, with a view to actively responding to the needs of sustainable social development and the expectations of Macao people.

Steady progress with reforming public administrative structure and consultative bodies

The Government has worked towards rationalising and streamlining the division of functions among departments, to enhance overall operational effectiveness. Following the completion of the reorganisation of seven departments in 2015, during 2016 the Government continued with the remaining work required for eight departments under the first phase of the functional structure reform, as follows:

- Merging the Human Resources Office and the Labour Affairs Bureau;
- Reorganising the Fire Service and disbanding the Fuel Safety Commission;
- Integrating the functions of the Post Office and the Bureau of Telecommunications Regulation, to form the Macao Post and Telecommunications Bureau; and
- Submitting a proposal to the Legislative Assembly for abolishing the Public Security Coordination Office and integrate its functions into the Unitary Police Service.

Moreover, in line with the needs of functional reorganisation, the Government completed the structural reform of the Tertiary Education Services Office. Building on the groundwork of the first-phase reorganisation, the Government has also formulated the plan for the second phase of the reform project.

The Government has also gradually reformed or integrated the consultative bodies serving in the areas of public administration, legal affairs, economy and industry, public transport, social

culture, social work and healthcare. It has persisted in implementing the system regulating tenures and concurrent posts. It is also planning to review the operations of each consultative body, as well as mechanisms for public policy consultations.

At present, the reorganisation of the Law Reform Consultative Committee has been completed, while reorganisations of the Women's Commission and of transport and public works consultative bodies including the Transport Advisory Committee, the Public Housing Affairs Committee, the Logistics Development Committee, the Urban Planning Committee and the Advisory Council on the Environment are in progress.

Conducting research for a municipal organisation that is not an organ of political power and improving the performance review system

To establish a municipal organisation that is not an organ of political power, a cross-department research committee comprising various public department heads and legal experts has already conducted research on the definition of “non-political power”, along with ways to form the organisation, and its structure, functions, and membership. The committee has drafted an initial proposal as well as the relevant consultative documents, striving to conduct a public consultation as early as possible in order to collect public opinion, and push ahead with the legal establishment of the municipal organisation.

To continuously improve the performance review system, in the second half of 2016 the Government conducted a pilot scheme for a public service quality assessment mechanism, adopting a third-party review that involves commissioning a third-party academic institution to conduct research, as well as collecting comments from citizens on overall public services and the services of more than 50 public departments. The enhancements are expected to help achieve a more scientific and objective review. Also, the results of third-party review are now a constituent of the regular department performance review by the Public Service Review Committee, with a view to fostering improvements to departmental performances and services.

Simplifying inter-departmental service flows and actively developing e-governance

The Government has also focused on simplifying inter-departmental service workflows. In line with the Master Plan for MSAR e-Government 2015-2019, in 2016 it finished streamlining the services for approving 18 of the 45 Administrative Permits/Licences scheduled for the first phase – spanning retail, food and beverage, restaurant and intermediary industries.

Regarding e-governance, the Government has constructed and optimised e-management platforms and established the related networks. At the end of 2016, 15 types of services had been digitalised – involving natural person voter registration, unified recruitment examination, reply to requests for statistical data, trademark registration and self-service collection of parcels arriving through the post. In the area of internal administration, the Government has continued to optimise the Civil Servant Administration and Service Platform. At the end of 2016, the platform was used by or subject to trial testing by 30 departments.

Implementing unified recruitment examination and significantly optimising the civil service system

In accordance with the newly amended System for Recruitment, Selection and Training for the Promotion of Public Servants, the scope of application of the unified recruitment examination system has been expanded beyond covering only senior technicians and technical assistants, to span 14 general ranks and 19 special ranks including technicians and administrative assistants.

The recruitment process is directed by the Public Administration and Civil Service Bureau, and collaborated by the recruiting departments, ensuring that the simplification of the selection process and higher efficiency of recruitment are achieved with due consideration of applicants' expectations and the departments' needs. In 2016, comprehensive capability appraisals were conducted for senior technicians, technical assistants and office assistants.

The Government has pushed ahead with the comprehensive review of the ranking system. In 2016, it completed the first-phase consultation for the review of the Civil Servant Ranking System. Adjustments were made to the salary point system of three special ranks: vessel traffic controller, hydrographer and topographer. It has also begun a study on general rankings. The Government has also strongly pushed ahead with the review of the provisions for holidays, leaves of absence and working hours, and of the civil servant promotion, appraisal and salary system, as part of the research and review aimed at further improving the Macao Public Servants Statutes and Regulations.

Gradually establishing a coordinated legislative mechanism and continuing to enhance the legal system

The Government has worked towards the gradual implementation of a legislative mechanism that incorporates decision making, coordination, drafting and consultation, as well as setting out a medium-to-long-term legislative plan. It has continued to enhance the legal system, and is committed to realising the best possible legislation.

To enhance fairness of elections, thereby protecting the democratic rights of the people, in 2016 the Government amended the Electoral System for the Legislative Assembly of the Macao Special Administrative Region, and the amendment bill subsequently passed its first reading at the Legislative Assembly.

The Government also puts much emphasis on the improvement of fundamental laws, and has expedited legislative work related to people's livelihoods, including the important legislation of the Maritime Area Management Framework Law. In 2016, the Government completed the public consultation on the draft of the Maritime Area Management Framework Law, and the collected opinions and suggestions are being comprehensively studied and analysed by the drafting committee.

As part of the legal preparations supporting the official enactment of the Animal Protection Law on 1 September 2016, the Government rolled out a series of initiatives dedicated to popularising legal knowledge, law enforcement and civil education. It has also enhanced publicity on safeguarding against avian flu, including information on frozen and chilled poultry products.

Regarding food safety, the Government has strengthened the mechanism for supervision of food

items, by introducing safety standards and guidelines. It has also continued to promote education on food safety and risks, and fostered international and regional cooperation.

Further, the Government has enhanced municipal development and management, and improved city cleaning and greening, in a dedicated effort to build Macao into a world tourism and leisure centre.

Legislative Assembly Fulfils Duties and Deliberates Bills to Address Public Aspirations



During the third session of the fifth Legislative Assembly, from 16 October 2015 to 15 October 2016, a total of 42 plenary meetings and 154 committee meetings were held, with nine laws, one resolution and 16 simple-majority resolutions passed during the plenary meetings.

Regarding fulfilment of legislative function, the Legislative Assembly passed Law No. 13/2015 on Amendments to the Constitution of the Civil and Municipal Affairs Bureau (IACM), concerning public administration, thereby rationalising the work of the IACM and various administrative departments, and implementing the principle of streamlined administration, in order to better complement the future functional orientations of the IACM, and provide for the development of integrated, more convenient public services and measures.

Regarding social well-being and livelihoods, the Legislative Assembly also passed Law No. 2/2016 on Preventing and Combating Domestic Violence, thereby formulating a series of preventive, protective, punitive and remedial measures to ensure the maximum possible protection for those affected by domestic violence, prevent domestic violence, and foster family harmony and social stability.

The Legislative Assembly also passed Law No. 3/2016 on Amendments to Law No. 7/2003 of External Trade Law, thereby putting A.T.A. declarations under the External Trade Law and imposing a new transport licence system, to simplify procedures regarding temporary imports being re-exported in the short term, and enhance the scrutiny of transportation of regulated goods, thus increasing convenience for the exhibition and convention industry and making external trade more orderly.

The Legislative Assembly passed Law No. 4/2016, Animal Protection Law, thereby prescribing the duties of pet owners and the functional duties and authority of the relevant regulatory body, and officially criminalises cruelty to animals, in order to enhance animal management and safeguard public safety and health.

Concerning public health, the Legislative Assembly passed Law No. 5/2016 on the Legal System on Handling Medical Incidents, thereby clearly defining “medical incident” and installing mandatory occupational insurance against civil liability, whilst establishing a more sophisticated mechanism for handling disputes over medical incidents, to better meet the needs of Macao in safeguarding the legal rights of both medical practitioners and patients.

Regarding the fulfilment of international duties, in view of the application to Macao of various resolutions of the United Nations Security Council on combating terrorism and the widespread use of weapons of mass destruction – as mandated by the Central People’s Government, the Legislative Assembly passed Law No. 6/2016 on the Asset Freezing Regime, to prepare for legally enforcing the duties set out in the resolutions.

Through emergency procedures, the Legislative Assembly also passed Law No. 14/2015 on Amendments to Regulations on Motor Vehicle Tax and Law No. 1/2016 on Amendments to the List of Communicable Diseases Annexed to Law No. 2/2004 on the Prevention, Control and Treatment of Communicable Diseases. The former mainly aims to control growth in the number of vehicles, through increasing the cost of buying motor vehicles, and simplify the procedures for declaring details of motor vehicles; the latter mainly aims to respond, with appropriate control measures, to the global warnings against Zika virus issued by World Health Organization and the Pan American Health Organization, in order to safeguard public health in Macao. These laws were proposed by the Government.

In accordance with the authority conferred by the Basic Law of the Macao Special Administrative Region, the Legislative Assembly fulfilled its supervisory function in several ways, focusing on budget and public finance supervision. These included passing Law No. 15/2015 on the 2016 Government Budget, deliberating the Government’s Reports on Budget Implementation for 2014, and listened to and discussed the 2016 Policy Address delivered by the Chief Executive.

During the legislative session, legislators raised 719 written and 61 oral questions, and called for eight plenary meetings regarding the oral questions. Legislators gave 264 pre-agenda speeches, covering housing policy, public transport, health and medicine, economy and culture, gaming development, public administration and telecommunications services. Moreover, the Follow-up Committee for Land and Public Concession Affairs, the Follow-up Committee for Public Finance Affairs and the Follow-up Committee for Public Administration Affairs strived for progress with important issues regarding public administration and the implementation of related laws, and compiled eight reports.

Other responsibilities of the Legislative Assembly include listening to and fully reflecting different views, suggestions and criticisms from the public, and making prompt responses regarding public aspirations. During the session, legislators continued to strengthen the roster system of receiving public visitors, and 26 residents were personally received by legislators through this service. The Legislative Assembly received four petitions from citizens and groups, and handled these appropriately.

CCAC Combats Corruption While CA Persists with Rigorous Standards



In 2016, the Commission Against Corruption (CCAC) fulfilled its duties in accordance with the law and the principle of “all people are equal before the law”, prioritising investigation of corruption and related fraudulent activities in the public and private sectors. It cracked the case related to a former leader of the judiciary, and conducted special investigations into land usage and published a report on the investigations, demonstrating its determination to combat corruption and foster integrity, maintain the MSAR’s interests and governance credibility, and strive to develop Macao into an ethical, fair society.

In addition, the CCAC continued organising promotion and education activities focusing on freedom from corruption, expanding community relations networks and raising society’s awareness of integrity and fairness. The CCAC actively strengthened exchanges and cooperation with other cities in mainland China and neighbouring regions, and participated in conferences and training organised by regional and international organisations. The CCAC continued refining its workflows

and human resources, to enhance staff solidarity and motivation and improve efficiency.

In 2016, the CCAC received 910 complaints and reports, including 252 criminal cases and 658 complaints to the Ombudsman. Of the criminal cases, 182 were concluded and transferred to the Public Prosecutions Office or were closed, while 280 complaints to the Ombudsman were concluded and closed. The CCAC also received 1,102 inquiries of various kinds during the year, of which 453 involved criminal offences, while 649 were complaints to the Ombudsman.

Regarding promotion and education, with the aim of encouraging the public to report corruption and support the building of a corruption-free society, the CCAC continued educating the public on the importance of probity. In 2016, the CCAC organised 401 talks and seminars, which were attended by 20,213 participants. These activities targeted civil servants, members of community organisations, employers and employees in the private sector, young people, and students of primary and secondary schools.

The new edition of *Discretion*, a series of teaching materials on integrity education for secondary students, was published as supplementary materials for Ethics and Citizenship lessons at junior secondary levels. The two CCAC branch offices, at Areia Preta and Taipa, continued leveraging their functions. They received 752 complaints, requests for assistance and simple inquiries during the year.

Regarding external affairs, the CCAC organised delegations to visit the Hong Kong and Macao Affairs Office of the State Council, the Department of Supervision of Guangdong Province, the People's Procuratorate of Guangdong Province, the Bureau of Supervision of Guangzhou Municipality, the People's Procuratorate of Guangzhou Municipality, the Bureau of Supervision of Foshan Municipality, the Bureau of Supervision of Zhuhai City, and the People's Procuratorate of Zhuhai City and its Hengqin District and Jinwan District.

The CCAC also sent delegations to participate in the International Ombudsman Institute Asian Regional Meeting and International Forum in Japan; the 9th Annual Conference and the General Meeting of the International Association of Anti-Corruption Authorities in Tianjin; the 21st Steering Group Meeting and the 14th Regional Seminar of the ADB/OECD Anti-Corruption Initiative for Asia and the Pacific in Bhutan; the 14th Prosecutors General Conference of the SCO Member States and 2016 Meeting of the Heads of Prosecution Services of the BRICS Countries in Sanya, Hainan; a conference related to the United Nations Convention against Corruption (UNCAC) in Vienna; the 11th World Conference of the International Ombudsman Institute in Thailand; and the 4th Singapore Symposium on Casino Regulation and Crime, organised by the Casino Regulatory Authority (CRA) of Singapore in Singapore.

The CCAC received delegations from the Supreme People's Procuratorate of the People's Republic of China, the Hong Kong and Macao Affairs Office of Hunan Province, the Department of Supervision of Guangdong Province, the Guangdong Provincial People's Procuratorate, the People's Procuratorate of Zhuhai City and its Hengqin District, the Zhuhai City Intermediate People's Court, the Bureau of Supervision of Foshan Municipality, the Committees of the Timor-Leste National Parliament, the Procuratorate of the Republic of Mozambique and the Casino Regulatory Authority of Singapore, to enhance mutual understanding and commence exchanges and cooperation. The CCAC also met with the representatives of various institutions and organisations of Macao, to listen to opinions from different sectors, and accept social supervision.

The CCAC will continue to act in accordance with the law, uphold the principles of emphasising

both punishment and prevention, investigating all cases and fighting against all corruption, and steadfastly combat corruption and bribery. It will continue protecting residents' rights by investigating and making recommendations regarding any administrative infractions or misconduct in public departments and bodies, and maintaining the fairness and integrity of society.

In 2016, the Commission of Audit (CA) released four audit reports, including three performance



audit reports – on the Outsourced Services of Consultancy, Research and Public Opinion Polling; the Planning and Construction of Government Office Buildings; and the Management of Municipal Leisure Facilities by the Civic and Municipal Affairs Bureau – and the Commissioner of Audit’s Report 2015.

The performance audit report on the Outsourced Services of Consultancy, Research and Public Opinion Polling mainly reviewed the Government’s work on the outsourced services. According to the data collected, there were 1,514 consultations, studies, opinion polls and other similar outsourced projects between 1 January 2010 and 30 June 2013, accounting for expenditure of over 1.4 billion patacas. Of these, 280 projects with potentially high risk were investigated in accordance with established guidelines, 81 of which they were found to have problems.

The results revealed that the public departments lack understanding of the major laws and regulations that regulate the operation of financial accounts and the departments’ Articles of Association, and they deviated from the legislative intent of the relevant laws. Therefore, learning, understanding and thoroughly implementing the relevant laws and regulations is the responsibility of all public servants.

The audit report on the Planning and Construction of Government Office Buildings examined whether the Lands, Public Works and Transport Bureau had performed its duty to formulate the

overall planning of government office buildings, to ensure that the Government can work towards gradually implementing the construction of various government office buildings, and resolve the problems resulting from renting private properties as offices.

For the overall planning of government office buildings, the Lands, Public Works and Transport Bureau only processed the demands for constructing office buildings of some departments. In terms of both cost saving and public administration, the CA believed that it is not cost effective for the Government to rent many private properties as offices.

The departments that directly interact with the public, and have rented units in commercial buildings as offices for long periods, have led to difficulties in controlling levels of rents paid from public funds, and obstacles to long-term development.

In 2015, the total expenditure on municipal leisure facilities paid by the Civic and Municipal Affairs Bureau (IACM) was 98,672,749.75 patacas. The performance audit report on the Management of Municipal Leisure Facilities by the Civic and Municipal Affairs Bureau examined whether the IACM had formulated appropriate measures to ensure sound operation of the facilities and maintain good hygiene, so that residents could enjoy a comfortable and safe environment.

However, the results showed that many facilities were damaged and some had safety risks. Although according to the IACM a regular inspection and maintenance mechanism was established, the results showed that the design and execution of the mechanism were not comprehensive.

In addition, the report pointed out that users had to take good care of public assets and maintain cleanliness to keep public facilities in good condition.

In June 2016, at the invitation of the MSAR Government, the Auditor General of the China National Audit Office (CNAO) and President of the International Organization of Supreme Audit Institutions (INTOSAI), Liu Jiayi, delivered a lecture on “Promoting the Chinese Government: How to Fully Play the Role of National Audit” in Macao, and met with the Commissioner of Audit of Macao, Ho Veng On. He also inspected the current application of “Auditor Office (Macao version)”, a computer programme developed by CA with assistance from the CNAO, and conducted a meeting with CA staff who had attended the training courses held by the CNAO. He encouraged the CA staff to pursue further studies, stick to their principles and fully perform their duties.

In August 2016, at the invitation of the Commissioner of Audit of Macao, Ho Veng On, the Director General of the Audit Office of Guangdong Province (AOGP), He Lijuan, visited Macao and had a working seminar with the CA staff, to exchange views on management of audit institutions, development of computer-aided audit and personnel training.

To enhance auditors’ professional knowledge, CA invited speakers of different professional areas to Macao during the year, including experts from Portugal and Hong Kong, to give lectures on topics such as public contracts, management of audit risks, quality control, risks of financial audit in public domain, records of audit work and international standards on financial reporting. Besides, selected auditors were sent to Beijing to attend classes related to auditing offered by CNAO to ensure the auditors were up to international standards and to improve the effectiveness of auditing.

To maintain good communication with the audit industry and keep up with the latest information related to auditing, the Commissioner of Audit, Ho Veng On, led a delegation to Beijing in March

for an official visit with the Auditor General of the China National Audit Office (CNAO), Liu Jiayi. The two sides met to exchange views on various topics, such as assisting government in promoting the active role of audit work, discussing the optimisation and updating of the Auditor Office (Macao), and strengthening technical training for CA staff.

The Commissioner of Audit also attended the 9th General Assembly of the Supreme Audit Institutions of the Community of Portuguese-speaking Countries (OISC/CPLP) in the capital of Angola, Luanda, in September; and the 22nd Congress of International Organization of Supreme Audit Institutions (INTOSAI) in the capital of the United Arab Emirates (UAE), Abu Dhabi, in December.

Also, at the invitation of China Society of Audit, leading officials of CA led a delegation to participate in the Cross-Strait, Hong Kong and Macao Audit Theory and Practice Seminar 2016 held in Zhengzhou, Henan province, in December.

Regarding promotion and publicity, CA continued organising talks on auditing culture, for cadets of the Academy of Macao Public Security Forces and new government recruits. At the invitation of public departments, it also promoted the optimisation of the use of public funds to relevant staff. In all, 29 talks were held during the year, attended by about 1,000 participants.

Macao's Courts Enhance Case-handling Efficiency and Prosecutors Combat Criminal Offences



Numbers of Cases Handled by the Three-tier Court System

In 2016, a total of 25,001 cases were handled by the three tiers of courts, representing an increase of 3.3 percent over 2015, and exceeding 20,000 cases for the second consecutive year. Of these cases, 94 were filed with the Court of Final Appeal, 1,001 with the Court of Second Instance, 23,359 with the Court of First Instance (including the Examining Magistracy), and 547 with the Administrative Court.

The majority of the cases in the three-tier court system were criminal cases and criminal labour cases, which totalled 11,011 (excluding Examining Magistracy cases). Ranking second were civil and labour cases, which totalled 4,466. There were also 750 administrative cases, and 8,774 other cases.

The three-tier court system concluded 23,575 cases in 2016, of which 89 were concluded by the Court of Final Appeal, with 45 cases pending; 909 were concluded by the Court of Second Instance, with 621 cases pending; 22,439 were concluded by the Court of First Instance (including Examining Magistracy cases), with 12,936 cases pending; and 138 were concluded by the Administrative Court, with 528 cases pending.

Law Promotion and Legal Consulting Services

To strengthen the promotion of law and foster the transparency of the judicial system, starting from 9 October 2013, the court issues press releases about typical concluded cases, and publishes them on the websites of the court and the Government Information Bureau. Various media may republish and report on these cases, which can hopefully promote legal awareness and law abidance in society, and inform the public regarding the judicial approaches and methods for settling various disputes. As at the end of 2016, an accumulated total of 429 articles had been released, 90 of which were released in 2016.

The Information Centre of the Court of First Instance and the Small Claims Court continued to provide consulting services to parties involved in legal proceedings. In 2016, the staff of the Information centre received 8,033 inquiries, involving 7,590 cases, of which 6,958 were directly handled by the Information Centre, 520 were transferred to the Public Prosecutions Office, and 112 to other departments. Also, 3,821 telephone inquiries were handled; while the Small Claims Court handled 1,661 inquiries.

Legal Assistance and Enforcement

Regarding delivery of judicial writs and assistance in investigations and evidence collection in civil and commercial cases, in 2016 the Court of Final Appeal received 172 judicial writs from mainland China courts, and delivered 56 judicial writs to mainland China courts on behalf of courts in Macao.

In 2016, the Court of Second Instance received 16 requests for reviewing and endorsing judgments made by mainland China courts or arbiters; of these, three judgments endorsed by the Court of Second Instance were sent to the Court of First Instance for enforcement.

Declaration of Assets and Interests

In 2016, the Court of Final Appeal followed the regulations in Law No.11/2003 in the process of

receiving individuals for the declaration of assets and interests. It opened 152 individual dossiers, processed 2,010 documents for the declaration of assets that involved 1,556 people, and organised and updated the contents of the individual dossiers according to the law.

According to the regulations stipulated in Clause 1 of Article 4 in Law No.1/2013, effective from April 2013; and Clause 2 of Article 21 in Law No.11/2003, which was amended according to the former law, the office of the Court of Final Appeal has uploaded the Part IV of the disclosure document of asset declaration to the website of the Courts of Macao, ensuring it is available in the public domain as required by law.

In 2016, the disclosure documents (Part IV) of 430 individual dossiers involving 294 people were published online, and can be retrieved. A total of 1,932 disclosure documents involving 592 people have been published online and can be retrieved.

Review of and Outlook for Judicial Reform

Speaking at the Opening Ceremony of the 2016-2017 judicial year, President of the Court of Final Appeal Sam Hou Fai reviewed the reforms of the judicial system over the past 17 years.

Since the Handover of Macao, the Judicial Organisation Framework Law was amended twice; professionalisation of judges was facilitated through the establishment of special courts; manpower shortage of courts was alleviated by a gradual increase in the number of judicial officers and judicial support staff; proceedings were simplified through amending the relevant laws, thereby enhancing the efficiency and quality of litigation.

However, there is still plenty of room for improvement of the judicial system, operation and management. In this regard, it is hoped that the Government and the Legislative Assembly can put extra efforts into facilitating the amendment of the Judicial Organisation Framework Law, to further improve the operation of the judicial system. Emphasis should be put on adjusting and optimising jurisdiction, and making the best use of the existing resources of the courts, to raise judicial efficiency and protect the right of appeal of litigants, in order to enhance judicial justice.

First of all, the purview of the Collegial Panel of the Lower Court should be adjusted. To alleviate the burden on the Collegial Panel, the scope of participation of Judges of Single-judge Benches should be properly expanded to trials of civil litigation, labour civil litigation and administrative litigation cases.

Secondly, statutory claim limits of appeal cases for administrative, tax and customs litigation handled by the Court of Second Instance should be lowered, so that appeals can be made to the Court of Final Appeal in relation to the adjudication concerned.

Thirdly, the jurisdiction of the Final Court of Appeal and the Court of Second Instance over criminal cases should be adjusted, by assigning first-tier criminal cases that are currently handled by the Court of Final Appeal to the Court of Second Instance.

Fourthly, the jurisdiction of the Court of Final Appeal should be properly expanded, so that cases of high significance, with wide-ranging impact or involving material legal issues, could be considered by the Court of Final Appeal for final judgement. This would better reflect the nature and status of the Court of Final Appeal in exercising the right of final adjudication ascribed to it by the Basic Law.

Public Security Safeguarded Through Combating Criminal Offences

In 2016, the Public Prosecutions Office initiated investigations of 14,876 criminal cases, representing an increase of 414 cases, or 2.86 percent, over 2015 – a somewhat lower increase than in 2015. Meanwhile, the Public Prosecutions Office adjusted its strategy by focusing on further implementation of policies for raising prosecution and case-handling efficiency. During the year, a total of 17,283 cases were concluded, representing an increase of 1,672 cases or 10.71 percent over 2015, which gradually proved the effectiveness of the measures.

Among the above-mentioned concluded cases, 4,479 involved prosecution against 6,151 people, of whom 2,615 or 42.51 percent were Macao residents; 2,422 or 39.38 percent were residents of mainland China; 254 or 4.13 percent were residents of Hong Kong; and 860 or 13.98 percent were residents of Taiwan and other places. This showed that public order was complex, as foreign offenders continued to account for a notable proportion of the total number of offenders.

In all, 4,866 cases of theft, robbery and property damage were filed for investigation, accounting for the largest share of the filed cases; ranking second and the third were offences against physical integrity, and illegal immigration and related crimes, with 1,637 and 1,362 cases, respectively. Besides, there were 796 cases of illegal gambling and loan-sharking, as well as 223 cases of money-laundering, representing a considerable increase of about 35 percent over the previous year. There was a notable decrease in the number of fraud cases, work-related crimes, crimes related to traffic accidents and computer crimes.

Monitoring Law Enforcement and Safeguarding Legal Rights



Apart from criminal investigations and legal proceedings, the Public Prosecutions Office also participates in litigation on behalf of the Government, and monitors law enforcement to safeguard legal rights, including acting as the legal representative of workers and their families, and representing persons with disabilities, and unknown and missing persons in legal actions.

In 2016, the Public Prosecutions Office handled trial hearings for 10,147 criminal cases, as well as 386 cases involving appeals and answers to appeals in criminal cases. It also handled 75 procedural dossiers for exercising its authority to establish parenthood; 86 litigations concerning regulations on exercising parental rights; and 18 litigations related to disputes over parenthood.

In addition, 1,079 administrative cases were initiated in 2016, which included cases related to regulations of the exercise of parental rights, social protection, custodial rights, adoption, disputes over parenthood, and settlement of unclaimed estates. It also completed the handling of 1,457 internal administrative cases.

Regarding labour litigation, the Public Prosecutions Office initiated 692 cases, of which 264 were ordinary labour litigation, and 428 were work-related accidents and occupational diseases. The Public Prosecutions Office attempted to mediate with the parties involved in these cases according to the law. Mediation agreements were reached for most of the cases. Only 23 cases of labour litigation and 48 cases of work-related accidents and occupational diseases required litigation due to failure to reach an agreement. The Public Prosecutions Office will continue actively performing its duties to protect labour rights, so that they are well protected by the laws.

Regarding administrative litigation cases, the Administrative Court office of the Public Prosecutions Office handled a total of 354 administrative cases, including 291 judicial appeals, 13 litigation cases of varied nature, 26 cases involving urgent procedures, and 13 cases of administration of taxation, and participated in 11 litigation procedures on behalf of the Macao SAR.

In 2016, the Public Prosecutions Office participated in 1,118 cases before the Court of Final Appeal and the Court of Second Instance. These included criminal, civil and administrative cases, conflicts between jurisdictional and judicial power, and recognition of extra-jurisdictional verdicts. The office issued 907 written opinions and attended 182 court hearings or consultation meetings.

Initiating Legal Assistance and Strengthening External Exchange

In 2016, the Public Prosecutions Office handled 85 cases involving judicial assistance regarding mainland China, Hong Kong, and Taiwan, as well as 20 countries, including legal assistance for criminal, civil and administrative cases. As communications between the Macao SAR and mainland China and the rest of the world become more frequent, the establishment of an effective legal assistance system will lay an important foundation for Macao's external economic and cultural exchanges.

To perform the responsibilities of provision of enquiry services by the Public Prosecutions Office, as stipulated by the Judicial Organisation Framework Law, during 2016 the Office of the Prosecutor General submitted 12 items of legal advice to the Chief Executive; provided 790 legal consultations and opinions to public departments, community organisations and the public; and participated in 164 procedures for open tenders conducted by public departments for construction work, financing and labour services.

Regarding external exchanges, delegations were sent to attend the 29th International Conference of the International Society for the Reform of Criminal Law, the 21st Annual Conference and General Meeting of the International Association of Prosecutors (IAP), the 14th Portuguese-speaking Countries Procurators-General Conference, the 10th China and ASEAN Countries Procurators-General Conference, the 14th Shanghai Co-operation Organization Prosecutors General Conference, and the 1st BRICS Prosecutors General Conference.

Also, the Public Prosecutions Office received visits from the Supreme People's Procuratorate, the Supreme People's Court, the Consulate General of France in Hong Kong & Macao, the Portuguese Public Prosecution Service, and the Mozambique Public Prosecution Service. The Public Prosecutions Service also arranged exchange visits to mainland China for delegations from Portugal and Mozambique, fulfilling the role of Macao as the bridge between China and Portuguese-speaking countries.