Policy Address for the Fiscal Year 2022

Making Concerted Efforts to Open Up New Horizons

The Government of the Macao Special Administrative Region 16 November 2021

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Preface

The Government of the Macao Special Administrative Region

Policy Address for the Fiscal Year 2022

Chief Executive Ho lat Seng

16 November 2021

President, members of the Legislative Assembly,

On behalf of the Macao SAR Government, I now present to the Legislative Assembly the Policy Address for the Fiscal Year 2022.

During 2021, due to the fluctuating COVID-19 pandemic, Macao's economic recovery faced uncertainty and repeated challenges. As all sectors and industries have been deeply affected since 2020, the public had to bear unprecedented pressure. Despite an increase in the unemployment rate and an ongoing deficit in the Government's finances, Macao's economy still showed signs of recovery and hope compared to the situation in 2020. It is hoped that in 2021, Macao's gross domestic product (GDP) can achieve double-digit growth.

During the year, with the full support of the Central People's Government and the joint efforts of the public, the MSAR Government intensively and persistently upheld the spirit of the series of instructions from President Xi; implemented all plans outlined in the policy address of fiscal year 2021; coordinated pandemic prevention and control for social and economic recovery; proceeded with various measures related to people's livelihoods, administration reform and development; and strengthened the enforcement mechanism for safeguarding national security.

By upholding the basic principle of "patriots governing Macao", we strictly followed the stipulations of the Basic Law of the Macao SAR and the Electoral System for the Legislative Assembly, to ensure a smooth and successful

election of the 7th Legislative Assembly; demonstrated the spirit of governing Macao according to law; and carried forward Macao people's splendid traditions of being loyal to our country and to Macao. Macao's overall economy showed signs of recovery through fluctuating challenges, readjusting its development trend from neutral to stable and maintaining social harmony and stability.

All these achievements of Macao were the fruitful results of unity and efforts of the public and all sectors in the community. Especially during the second half of 2021, when Macao was facing the volatile pandemic situation, all people of Macao joined hands to overcome all difficulties, and actively supported the community-wide nucleic acid tests and anti-pandemic measures, so that the rebound of the pandemic was suppressed. This again stood testimony to the fine traits of mutual aid and unity of Macao people.

I would like to express my sincere gratitude to various sectors and all Macao people for their support and cooperation, and to all the organisations and volunteers for their selfless contributions to pandemic prevention and control. I also pay special tribute to the frontline medical staff, police officers, firemen and all other civil servants for their persistence in combating the pandemic, as well as to the Central People's Government and all its representative offices, the Guangdong Provincial Government, and the Zhuhai Municipality Government, for their care and support for Macao's development.

At the conference celebrating the 100th anniversary of the founding of the Communist Party of China, President Xi Jinping solemnly announced to the world that China had realised its first centenary goal to establish a moderately prosperous society, and had begun its new march towards building China into a great modern socialist country. As 2021 marks the first year of our country's 14th Five Year Plan, national development has created many opportunities for Macao, but also new expectations.

Looking forward to 2022, facing new circumstances and missions, we will intensively and persistently uphold the spirit of the series of instructions from President Xi, strictly adhere to the principles of "One country, two systems", "Macao people governing Macao" and a high degree of autonomy, seize all opportunities for development, and effectively implement the Central People's Government's supportive policies for the development of Macao, and the Second Five-Year Plan for Economic and Social Development of the Macao Special Administrative Region (MSAR) Government (2021–2025). We will spare no effort in pandemic prevention and control, maintain the momentum for promoting adequate economic diversification, deepen public administration reform, and optimise people's livelihood projects.

Keeping in mind our original intention and core value of promoting Macao's

adequate economic diversification, we will make our best effort in the establishment of Guangdong-Macao Intensive Cooperation Zone in Hengqin. We will actively participate in the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and the "Belt and Road" initiative, and proactively integrate into the overall national development plan. We will make concerted efforts, and endeavour to go from strength to strength, to create a new landscape of successful implementation of "One country, two systems" with Macao characteristics.

I. Review and Summary of the Government's Work in the Fiscal Year 2021

Now, I will briefly review and summarise the Government's work in 2021.

(1) Continuous improvement in pandemic prevention measures

During 2021, the Government continued reviewing and improving its antipandemic work, and perfected and strengthened pandemic prevention measures, to effectively overcome the fluctuating pandemic. Macao maintained anti-pandemic policies that were consistent with the nation through close cooperation, and joint pandemic prevention and control.

In the second half of 2021, Macao recorded several import-related confirmed COVID-19 cases. The Government promptly declared a state of immediate prevention, activated the established infectious disease prevention mechanism and contingency plans, and implemented region-specific and multilevel disease prevention and control. Three rounds of community-wide nucleic acid tests were successfully carried out, with a total of 2.1 million tests conducted. As of the end of October 2021, Macao had recorded a total of 77 confirmed COVID-19 cases, of which 60 were imported cases, 17 were import-related cases; 73 cases had been cured, with zero deaths, and no medical staff infected.

Facilitating vaccination: with strong national support, the first batch of COVID-19 vaccines arrived in Macao in early February 2021, and our vaccination capacity increased from initially 500 persons per day to 10,000 persons per day. As at the end of October 2021, 811,000 doses of COVID-19 vaccine had been administered in Macao, while 355,000 people had received the second shot.

Perfecting pandemic prevention and control hardware and software facilities: we commenced operation of the sanitation and quarantine station at the Qingmao checkpoint; commenced construction of the Public Health Specialist Building; optimised the health code system; and increased the

regular nucleic acid test capacity from initially 500 persons per day to 34,000 persons per day, up to a maximum of 340,000 persons per day during emergencies.

(2) Ups and downs in economic recovery

To cope with the impact of the pandemic rebound on the economy, the Government adopted a series of measures to promote economic recovery:

Expanding investment in public projects – by the end of September 2021, 304 public projects of various sizes had been launched, with a public project investment budget of 16.38 billion patacas for the whole year;

Boosting the economy by expanding domestic consumption – to overcome the impact of the pandemic, the Government launched the "Electronic Consumption Benefits Plan", and from 1 June to 31 October 2021, this injected 4.573 billion patacas into Macao's consumer market; and

Enhancing support for micro, small and medium-sized enterprises, to maintain mainstream market vitality – to mitigate financial difficulties faced by the SMEs, the Government implemented a temporary measure to extend the repayment periods for various assistance schemes. By September 2021, the amount of adjusted repayment totalled 160 million patacas. The programme for promoting accredited shops with local characteristics was expanded, to encourage SMEs to upgrade their application of technology and management and operational quality. The Government also implemented a subsidy scheme, to encourage and support enterprises with upgrading and development. In October, in consideration of the impact of the fluctuating pandemic, the Government launched several more pandemic relief measures for SMEs.

Regarding promoting recovery of tourism, the Government launched the "Stay, Dine and See Macao" programme, and held "Macao Week" events in various mainland China cities, to promote a healthy image of Macao as a safe city for travel, and promoted synergy between tourism and other industries, to continue enhancing "Tourism+" crossover synergy.

During the first half of 2021, Macao's economy showed gradual recovery; however, due to the fluctuating pandemic in the third quarter, economic recovery slowed down again. Macao's GDP recovered to about 116.15 billion patacas in the first half of 2021, up 25.7 percent year on year. From January to September 2021, about 5.77 million tourists visited Macao, representing a year-on-year increase of 43.7 percent. In the third quarter of the year, the overall unemployment rate was 2.9 percent, while consumer prices basically remained stable.

By August 2021, the Government's revenues totalled 64.87 billion patacas, down 13.6 percent year on year. Macao's basic reserves totalled 150.866 billion patacas, the excess reserves totalled 497.95 billion patacas, and the foreign reserves totalled 212.186 billion patacas. The Government's fiscal standing broadly remained sound.

Given the economic slump, it is especially important to secure local employment. Therefore, the Government expanded the subsidised training scheme and other employment supportive measures, and enhanced job matching and referral services.

The Government controlled the number of non-resident workers. By September 2021, the number of foreign workers holding permits to stay in Macao was 25,120 fewer than the figure in December 2019. Meanwhile, the Government effectively implemented various welfare measures to ensure people's livelihoods.

The Government strived to promote healthy, lawful and orderly development of the gaming industry. As gaming began to recover, the proportion of income from the mass market increased. In the first nine months of 2021, gross revenue from games of fortune totalled 67.79 billion patacas, representing an increase of 75.6 percent compared with the same period in 2020. The Government is currently amending the Gaming Industry Regulatory Framework, and the public consultation process has begun, with the aim of promoting development of the gaming industry to benefit Macao's positioning as a world tourism and leisure centre.

To expedite adequate economic diversification, the Government promulgated the Law of Pharmaceutical Activities in the Field of Traditional Chinese Medicine and the Registration of Traditional Chinese Medicines, to create favourable conditions for fostering development of the traditional Chinese medicine industry. By September 2021, the Guangdong-Macao Traditional Chinese Medicine Science and Technology Industrial Park had completed registration for 213 enterprises, of which 52 were Macao companies, with many major "Big Health" projects reaching the completion stage. Moreover, several Chinese medicine factories in Macao have commenced production or are under construction.

To enhance hardware and software infrastructure for financial services, the Government finished establishing the first stage of the "Fast Payment System" (FPS), and continued to follow up regarding the legislative process for the Trust Law and other relevant laws, and revision of major finance-related laws.

Macao's bond market was steadily developing, and the establishment of the Central Securities Depository (CSD) system was completed during the year. By September 2021, a total of 65 undue bonds had been listed or issued through the bond transaction platform, with a total value of 196 billion patacas.

As of the second quarter of 2021, the capital adequacy ratio of Macao's banking industry was 14.7 percent. During the first eight months of the year, an accumulated profit of 12.3 billion patacas was recorded, representing a 7.6 percent increase year-on-year.

Regarding facilitating development of the science and technology industry, the law on Tax Benefits Scheme for Companies Operating Scientific and Technological Innovation Businesses came into effect on 1 April 2021. The industrial, academic and research sectors achieved positive results, and a batch of subsidised projects have been successfully transformed for industrial purposes. The convention and exhibition industry developed steadily, with continuous enhancements in professional exhibition planning and organisation, expansion and coordination.

(3) Continuous optimisation of people's livelihoods

To more effectively solve citizens' housing problems, the Government steadily implemented the housing ladder policy. This was also one of the important tasks and highlights of the policy agenda in 2021.

Expediting public housing construction – Mong Tak Building of the Mong Ha public housing project was completed, providing 768 public housing units; Toi San and Venceslau de Morais public housing projects are under construction and will provide 2,100 public housing units upon completion. As at the end of the third quarter, 804 families had been allocated public housing units; by the end of October 2021, more than 4,000 regular applications for public housing had been received. The Government continued disbursing temporary subsidies for families on the waiting list for public housing, and implementing a rent waiver for eligible public housing tenants, benefiting nearly 95 percent of tenants.

The first round of applications for Home Ownership Scheme (HOS) housing commenced, in accordance with the newly amended Home-Ownership Scheme Housing Law. The HOS housing project that became available for applications in 2021, in New Urban Zone Area A, will provide a total of 5,254 units. An open tender process for the construction project has commenced, and demonstration flats of the New Urban Zone Area A public housing were set up and opened to the public; these demonstrate the standard of public housing units that will be delivered in future. On the other hand, the process for detailed

assessment of the applications for the first batch of Home Ownership Scheme housing units for 2019 was completed.

During the year, the summary report of the public consultation on the "Sandwich Class Housing Plan" was announced. Based on this, the Government will follow up with drafting a related law and other related work.

The Government also expedited the construction of the senior housing complex. Demonstration units built according to the standard delivery requirements were completed and opened to the public. Drafting of the by-laws related to senior housing has also commenced.

Regarding implementation of social work in various areas, the Government fully realised 36 short-term measures concerning the development goals of women in Macao; commenced more than 60 long-term measures according to the Ten-year Action Plan for the Provision of Services for the Elderly; established the first multi-service centre for patients with dementia; commenced more than 72 long-term measures under the Ten-year Development Plan for Rehabilitation Services; and followed up regarding the applications and assessments for the Caregivers Allowance Pilot Scheme.

To perfect social security, the Government actively promoted the Non-mandatory Central Provident Fund System. By the end of September 2021, 264 employers had joined the scheme, with participation by about 24,000 employees, while 73,400 residents had set up voluntary personal Central Provident Fund accounts. The Government had also completed and announced a review of the Non-mandatory Central Provident Fund System.

The Government facilitated healthcare services development; intensified inspection and supervision of pharmaceutical activities; implemented more than 200 convenient electronic medical services and management measures; commenced the hardware projects of the Islands District Medical Complex and its pre-operational preparatory work; continued implementing smoking controls; and announced the third smoking control assessment report.

Regarding promoting sports development, Macao successfully applied to jointly organise the 15th National Games of the People's Republic of China with Guangdong and Hong Kong in 2025; was granted the rights to live broadcast Tokyo Olympic Games events by the China Media Group (CMG); opened and commenced operations of Mong-Ha Sports Centre, in phases; and implemented the subsidised training scheme for elite athletes.

To enhance food safety, the Government continued implementing quarantine for cold-chain food; established the "Registration System for

Establishments of Takeaway Activities"; and strengthened cooperation in food safety with other cities of the Greater Bay Area.

(4) Firm implementation of measures to safeguard national security and safety of Macao

The Government implemented the SAR's legal framework on safeguarding national security and the enforcement mechanisms; safeguarding national sovereignty, national security, and development interests of our country; and upholding the holistic approach to national security; and firmly implemented the basic principle of "patriots governing Macao".

Regarding safeguarding national security, the MSAR Government amended the "Law on Use and Protection of the National Flag, National Emblem and National Anthem" and its related regulations, in accordance with the amendments to the Law of the People's Republic of China on the National Flag and the Law of the People's Republic of China on the National Emblem by the Central People's Government.

The Government also promulgated the "Legal System on Immigration Control, Authorisation to Stay and Residence Permits in the Macao Special Administrative Region"; completed drafting of the bill on "Legal System for Interception and Protection of Communications"; and planned to commence a public consultation on the amendments to the "Law on the Defence of National Security".

With full cooperation of designated units for safeguarding national security, the Judicial Police strengthened their work on safeguarding national security and cyber security, and preventing and suppressing crimes of terrorism; and enhanced efforts to safeguard the nation and Macao from infiltration and interference by external forces.

The Government strongly defended "One country, two systems" as the social and political foundation; and joined hands with the Information Office of the State Council and the Liaison Office of the Central People's Government in the Macao Special Administrative Region to organise a photo exhibition for celebrating the 100th anniversary of the establishment of the Communist Party of the People's Republic of China, to showcase to Macao people the endeavours of the Chinese Communist Party over the past 100 years. The Government also organised the "National Security Education Exhibition", which was well received by the public, including teenagers and students.

Regarding implementation of the new leadership system and operational mechanisms for civil protection, the Government comprehensively amended

and updated the "Civil Protection Master Plan", to strengthen the capacity for handling emergencies and providing rescue services; continued optimising the system and enforcement mechanisms for anti-money laundering and combating financing of terrorism and other financial crimes; as well as effectively combated all types of serious crimes and misdemeanours that impact people's livelihoods, to maintain stable and peaceful public order.

(5) Steady progress in public administration reform and governance

Regarding public administration reform:

First, the Government continued integrating its executive structure according to administrative functions; planned to set up the Pharmaceutical Supervision and Administration Bureau; and optimised the functions of the Gaming Inspection and Coordination Bureau and other government departments.

Second, in reviewing the system for delegating authority, the Government completed the amendments to the by-law on the Organisation, Competences and Functioning of Public Services and Entities.

Third, to optimise the system for recruiting civil servants, and to control the total number of government staff, the ranking system was streamlined and the amended "Rank and Grade System for Civil Servants" came into effect. The Government also enhanced talent cultivation and continued organising the "Civil Servant Leadership Skills Training Programme".

Fourth, many internal government funds were reorganised. With the principles of designated management and effective supervision, the Government reviewed and reorganised the functions of various internal funds, including by optimising the structure and functions of the Science and Technology Development Fund, revoking the Giant Panda Foundation and the Coffer of Legal Affairs, merging the Culture Fund and the Cultural Industry Fund, and integrating the Education Development Fund, the Tertiary Education Fund, and the Student Welfare Fund.

Fifth, regarding deepening the establishment of e-governance, the scope of application and functions of the One-stop Public Services were expanded to cover 93 government service items. As at 30 September 2021, more than 230,000 users had opened One-stop Public Services electronic accounts, representing a 2.4 times increase year-on-year.

The Government continued facilitating internal application of the Official Documents and Filing Management System, and establishing the

Government's cloud computing centre; enhanced user-friendly notarisation eservices; and developed an information platform on business registration.

Regarding enhancements to legislative work, the Government actively supported the Legislative Assembly in more efficiently deliberating bills and laws, and regularly communicated with the Legislative Assembly on feedback regarding progress related to law making. As at 30 September 2021, six bills were drafted and submitted to the Legislative Assembly, 16 laws were formulated, and 34 by-laws were promulgated.

The Commission Against Corruption and the Commission of Audit implemented their work as scheduled, while the Office for Planning Supervision of the Public Assets of the MSAR expedited the establishment of various systems and regulations, to strengthen supervision of public corporations and autonomous funds.

(6) Orderly commencement of urban planning projects

The Government continued formulating Macao's Urban Master Plan, and in April 2021 announced the consultation summary report on the draft version of Macao's Urban Master Plan (2020-2040), while striving to announce the master plan before the end of the year, and commence with the follow-up work.

Regarding enhancing land management, as at 15 October 2021, land grants involving a total land area of 718,000 square metres were annulled in accordance with the law. A total of 51 plots of land were successfully recovered, involving a total area of 484,000 square metres. The Government will make good use of the recovered land to construct and plan for development of public housing, leisure facilities, government office buildings and archives, involving a total area of 180,000 square metres.

Regarding progress with major public projects, many livelihood-related public projects – such as the public housing in New Urban Zone Area A, housing for senior citizens, the fourth Macao-Taipa cross-harbour route, and the LRT Hengqin Line – have already commenced. The Government has completed and announced the summary report on the public consultation on the route for the LRT East line, which was followed by commencing the preliminary design for the LRT East line construction project.

To improve public transportation, the Government continued expediting construction of pedestrian systems, footbridges, and skywalks; while the skywalk at Avenida de Guimaraes on Taipa was completed and opened for public use. Barra Pier has commenced operation, and construction of the vehicle flyover at Rotunda da Amizade has commenced. The car parks at Mong

Tak Building and Qingmao Checkpoint have opened for use, providing a total of 634 private car parking spaces and 487 motorcycle parking spaces. The new contracts for bus services came into effect on 1 January 2021, while 100 special taxis commenced service in August 2021.

The Government implemented environmental protection work, including finalising the Macao Environmental Protection Plan (2021-2025); signing the new "Cooperation Agreement in Environmental Protection between Mainland China and the Macao Special Administrative Region" with the Ministry of Ecology and Environment of the People's Republic of China; installing marine mud dumping facilities at the construction waste landfill; and continuing to expedite the Macao Central Incineration Centre expansion project. From 2021 onward, import of disposable Styrofoam utensils into Macao was banned.

Regarding expanding open space for the public, the 15,000-square-metre Kun lam Statue Waterfront Leisure Area opened to the public in the first half of 2021.

(7) Cultivation of talented people in culture and education

The Government deepened the establishment of "One Base"; enhanced cultural heritage conservation; completed the third phase of procedures for classifying immovable heritage; successfully organised the 2021 International Art Biennial of Macao; and continued expanding festive platforms, such as the Macao Arts Festival. Three items, including Macanese Gastronomy, were included in the fifth batch of the "National List of Representative Items of Intangible Cultural Heritage".

Regarding perfecting education and youth policies, the Government completed the legislation regarding General Rules for Teachers in Public Schools of Non-tertiary Education; promulgated the Macao Youth Policy (2021-2030) and the Medium-to-Long Term Plan for Non-tertiary Education (2021-2030); and officially implemented the Performance Evaluation System for Students Enrolled in Formal Education Curricula.

To optimise allocation of educational resources, the Government basically completed integration of all tertiary scholarship schemes, and continued injecting various regular subsidies to assist students with financial difficulties. The Government also stabilised provision of non-tertiary education places; and prioritised the improvement of teaching and learning environments of schools that originally operated on podium floors of buildings.

Higher education institutions are gradually heading towards marketoriented development. Public tertiary education institution actively expanded the scope of student enrolment, to gradually reduce the allocation of government funding. The Government also promoted industrial, academic and research development, and set up the UMCERT Centre for Engineering Research and Testing, to provide testing services for local industries.

A first batch of 12 projects have already been established in a joint laboratory set up by the University of Macau (UM) and a company in Zhuhai. The Zhuhai UM Science and Technology Research Institute's work covers industry-academia-research projects related to smart cities, advanced materials, microelectronics, translational medicine, and traditional Chinese medicine. The Chinese-Portuguese / Portuguese-Chinese Document Translation System developed by the Macao Polytechnic Institute is already being widely used by government departments and the business sector.

To strengthen patriotic education, the Government stipulated that History is now a compulsory and independent subject for secondary school curricula, and published primary and secondary school supplementary teaching materials on the Constitution and the Basic Law of the Macao SAR. Macao leveraged its function as a patriotic education base, and jointly organised a "Diplomatic Speech Contest for Macao Higher Education Institutions" during the year.

Regarding establishing a methodical system for importing talented people, the Government prioritised industrial development and strategically and scientifically formulated policies to attract talented people, and explored ways to establish a system that suits Macao's social development. Meanwhile, several studies on demand for talented people in various sectors were launched. Currently, the Government is conducting a public consultation on systems for importing talented people.

(8) New breakthroughs in regional cooperation

Establishing the Guangdong-Macao Intensive Cooperation Zone in Hengqin is a major strategy of the Central People's Government, for supporting Macao's adequate economic diversification according to the national development strategy, and facilitating the implementation of "One country, two systems". The cooperation zone will inject fresh impetus into Macao's long-term development, providing new horizons and new development opportunities.

On 5 September 2021, the Government announced the Master Plan for the Development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin. On 17 September, the plaque of the administrative body of the Guangdong-Macao Intensive Cooperation Zone in Hengqin was officially unveiled, marking a new stage of Hengqin development. Guangdong and Macao jointly formed the administrative committee and the executive committee of the cooperation

zone, with members appointed by both parties, realising the principles of mutual discussions, joint construction, joint administration, and shared benefits.

At present, the "Working Rules of the Administrative Committee of the Guangdong-Macao Intensive Cooperation Zone in Hengqin (trial version)" and the "Working Rules of the Executive Committee of the Guangdong-Macao Intensive Cooperation Zone in Hengqin (trial version)" have been discussed and approved. All work regarding the cooperation zone has been smoothly implemented, realising synergy.

The Macao New Neighbourhood in Hengqin is a comprehensive livelihood project that integrates quality living, education, healthcare, social services, and commercial functions. It provides 4,000 residential units for sale, more than 200 rental residential units for talented people, and about 60 commercial units. Project construction commenced in early 2021, and is now progressing smoothly.

Regarding expediting infrastructure development in the Guangdong-Macao Intensive Cooperation Zone in Hengqin, construction of the LRT Hengqin Line began on 18 March 2021, while the bridge connecting the University of Macau and Hengqin Port is now in the design and preliminary preparation stage.

The customs departments of Guangdong and Macao are now exploring a more effective and convenient clearance mechanism for cross-border vehicles; and jointly discussing establishment of a "mega one-stop" cross-border vehicle clearance system at Hengqin Port. The total quota for Macao motor vehicles with single licences entering Hengqin increased to 10,000, while the requirements for applications were relaxed.

Regarding coordination of development of the Guangdong-Hong Kong-Macao Greater Bay Area, the Government implemented various construction projects in the Greater Bay Area in accordance with the "Arrangements of Key Projects for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area"; and participated in planning and formulating the "Cultural and Tourism Development Plan", the nation's 14th Five Year Plan, and the "Outline Development Plan for a Comprehensive National Transport Network".

To accelerate establishment of infrastructure interconnections between Guangdong and Macao, the new Guangdong-Macao border crossing checkpoint (Qingmao Checkpoint) commenced operation on 8 September 2021. The new checkpoint employs a "Joint Inspection and One-Time Release" clearance mechanism, designed for clearing 200,000 persons per day, to facilitate more efficient and convenient passenger clearance and logistics

between Guangdong and Macao.

The Government formed the "Working Committee for Integration into National Development", to strengthen top-down design and coordination; leveraged Macao's unique advantages in participating in and assisting the development of the "Belt and Road" initiative; and made good use of the advantages of "One country, two systems", to pragmatically deepen and optimise cooperation with sister provinces and cities in mainland China.

In general, the Government has basically realised all policy goals and implemented its administrative deployments in various areas. However, we also recognise our shortcomings in our administrative work, especially during the extraordinary situation of the pandemic, when the implementation of public policies was affected due to insufficient advance communications with the community. We can see room for improvement in pandemic prevention and control.

The Government will sincerely heed public opinion, earnestly learn from experiences, and spare no effort to improve our working approach and attitude. We will conduct more studies, listen to the voices of the public, and propose solutions for optimisation, to better fulfil our basic principles to serve the public.

II. Overall Direction of Administrative Policies for 2022

(1) The Macao SAR's second Five-Year Development Plan and its development vision for 2025

The 4th Session of the 13th National People's Congress discussed and approved the "Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035" ("The 14th Five-Year Plan"), marking China beginning a new stage in development of its establishment as a modern socialist country, and Chinese people are marching towards their second centennial goal.

The 14th Five-Year Plan suggests supporting Macao with consolidating and enhancing its competitiveness, integrating into overall national development, and participating in various major measures and plans. The favourable condition of national development and the beneficial measures create golden opportunities for Macao's development.

In the coming five years from 2021 to 2025, the Macao SAR will deepen its implementation of the principle of "One country, two systems", and seize the strategic opportunities of national development. The MSAR Government strictly followed the national 14th Five-Year Plan, in accordance with Macao's first Five-Year Development Plan, and based on the actual circumstances of Macao, the findings of research and studies, and public opinion, to compile the consultation document on the Second Five-Year Plan for Economic and Social Development of the Macao Special Administrative Region (2021-2025) ("The 2nd Five-Year Plan of the Macao SAR"). The public consultation process has been completed, and the official document will be announced by the end of 2021.

The objective of compiling the 2nd Five-Year Plan of the Macao SAR is to specify the goals of and major measures related to Macao's economic and social development in the next five years, formulate an overall blueprint for future development, provide Macao society with well-defined directions and guidelines for long-term and sustainable development, facilitate integration into the overall national development plan, and promote stable and long lasting implementation of "One country, two systems" with Macao characteristics.

The 2nd Five-Year Plan of the Macao SAR clearly defines the goals and directions of Macao's overall development in the next five years. By 2025, the contents of Macao as a world tourism and leisure centre will be enriched; the functions of Macao as an economic and trading service platform between China and Portuguese-speaking countries will be expanded; there will be steady progress with the establishment of a multi-cultural exchange and cooperation

base with an emphasis on Chinese culture; adequate economic diversification will be substantially achieved; people's livelihoods will continuously improve; cultural life will be enhanced; the quality of government administration will be optimised; and the laws and enforcement mechanisms for safeguarding national security will be perfected on an ongoing basis. Macao will further integrate into the overall national development plan, the interim goals for establishment of the Guangdong-Macao Intensive Cooperation Zone in Hengqin will be realised; the preliminary roadmap for integrating Macao and Hengqin will be created; and Macao's impetus for development, vitality and competitiveness will be strengthened on an ongoing basis. We will make our best efforts to realise the values of "exquisiteness, excellence, specialty, expertise, and beauty", and build a modern, beautiful, happy, safe and harmonious Macao

(2) An assessment of Macao's development situation in 2022

Looking to the year ahead, the domestic and overseas pandemic situation will be a critical factor affecting Macao's social and economic recovery and development. With accelerated vaccine research and development, and increased global vaccination rate, it is hoped that the pandemic can be under control, to create favourable conditions for certain countries and regions to resume normal cross-border flows of people and economic recovery, so that global economic growth can be maintained. However, we must remain alert regarding pandemic rebounds in some countries and regions, requiring adjustments to cross-border activities and restrictions of people flows from time to time.

Macao's economy greatly relies on external demand. It is hoped that Macao's development progress in 2022 will be more favourable than in 2021. As the situation is still critical and complicated, we must be cautious and proactive to overcome the challenges.

Our nation always serves as solid support for Macao's stable development. In 2022, with the national achievements in sustainable pandemic prevention and control and socio-economic development, Macao's economy is expected to show steady recovery, consolidation, and stable growth.

Against the backdrop of the national 14th Five Year Plan, Macao will align with the country's development strategy, actively participate in quality development of the Guangdong-Hong Kong-Macao Greater Bay Area, leverage its advantages as an intersection of the country's dual economic cycle, and explore more opportunities and horizons for development. Also, the progress with establishment of the Guangdong-Macao Intensive Cooperation Zone in Hengqin creates more favourable development opportunities for Macao's

nascent industries through adequate economic diversification.

Looking forward to 2022, along with the increase in the COVID-19 vaccination rate and continuous enhancement and perfection of pandemic prevention, it is hoped that travel restrictions can be relaxed, tourism and the overall economic condition will gradually recover, fostering and development of major nascent industries will be accelerated, employment will stabilise, and stable consumer prices can be maintained. However, economic recovery is still uncertain, depending on the anti-pandemic situations of Macao's main visitor sources.

(3) Overall direction and major tasks of the Government for 2022

The Government will seize opportunities in national development, spare no effort in pandemic prevention and control, actively promote stable economic recovery, resume work on enhancing employment and livelihoods of the public, comprehensively expedite all construction projects, converge strengths from all walks of life, and join hands to open new horizons for Macao's development. The general principles of administration for 2022 are: prevent the pandemic, stabilise economic recovery, protect livelihoods, promote diversification, strengthen cooperation, and explore development opportunities.

According to the general principles of administration, the main tasks of the Government in 2022 are: implementation of the Second Five-Year Plan for Economic and Social Development of the Macao Special Administrative Region (2021-2025) and the Master Plan for the Development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin, with "six perseverances" and "six advancements":

- Perseverance in comprehensively and correctly upholding the principles of "One country, two systems", "Macao people governing Macao" and a high degree of autonomy; and making progress with implementing and perfecting the legal system and law enforcement mechanisms for safeguarding national security, safeguarding the comprehensive jurisdiction of the Central People's Government over Macao, safeguarding national sovereignty, safety and development interests, and maintaining social stability of Macao.
- Perseverance in expediting adequate economic diversification; and making progress with fostering and facilitating development of nascent industries, optimising the business environment, and cultivating and promoting major industries.
- Perseverance in implementing the administrative principle of "Putting"

people first"; and making progress with optimising livelihood projects, putting people's life and health as the priority, continuously enhancing pandemic prevention, improving employment and people's wellbeing, actively responding to people's concerns, and launching relief measures to support the underprivileged.

- Perseverance in adopting problem-based solutions; and making progress with deepening public administration reform, and improving the efficiency of public services for the convenience of the public and businesses.
- Perseverance in upholding Macao's positioning of "One Centre, One Platform, One Base"; and making progress with building a modern, beautiful, happy, safe and harmonious Macao.
- Perseverance in integrating into the overall national development plan; and making progress with deepening regional cooperation, focusing on the establishment of Guangdong-Macao Intensive Cooperation Zone in Hengqin, and actively participating in the development of the "Belt and Road" initiative and the Guangdong-Hong Kong-Macao Greater Bay Area.

III. Policy highlights for 2022

(1) Consolidate anti-pandemic mechanism, and promote stable economic recovery

The Government will persist with the anti-pandemic strategy of "preventing imported cases and a rebound of the pandemic in Macao", and normalise pandemic prevention and control. Based on earnestly reviewing and learning from experiences, the Government will block any loopholes and strictly and seriously implement pandemic prevention, strengthen our ability to combat the pandemic, and always remain vigilant.

We will increase the overall vaccination rate among Macao residents, to strive to build herd immunity. The Government will appeal to all residents to bear their social responsibility, receive vaccinations, and increase the vaccination rate, to create the required condition for resuming normal flows of people between Macao and mainland China, Hong Kong and other regions.

We will strengthen and perfect our anti-pandemic system, ensure reserves of sufficient masks and other items for pandemic prevention, and consider importing new medicines for treatment. We will perfect our planning of region-specific and multi-level disease prevention and control and community-wide nucleic acid tests, and consider establishing more and larger quarantine facilities. Regarding food safety, we will safeguard the three anti-epidemic frontlines of cold chain food plus related workers and environments, and strengthen random sampling, disinfection, inspection, and contact tracing ability.

The Government will fully utilise the infectious disease alert system and the advantages of information technology, to enhance its ability to implement quarantine at border crossing checkpoints and survey epidemiology in society, to prevent the virus spreading in the community. We will leverage the coordination function of the Novel Coronavirus Response and Coordination Centre, enhance public health information exchanges according to the regional joint prevention and control mechanism, and effectively implement antipandemic and quarantine measures at border crossing checkpoints.

We will implement multiple measures – including increasing investments, cutting taxes, supporting businesses, and stabilising employment – to facilitate stable economic recovery, safeguard local employment and livelihood stability, and keep society operating normally with a healthy and stable financial system.

We will implement vigorous fiscal policies, and increase public investment. With a preliminary budget of 18.32 billion patacas allocated to the Investments and

Development Expenses of the Administration (PIDDA), the Government will proceed with a series of projects involving basic facilities, public housing, municipal service facilities, and new infrastructure, to expand domestic demand and boost the economy.

The Government will facilitate recovery of the integrated tourism industry and boost external demand. In the short- and mid-term future, integrated tourism is still the foundation of Macao's economy; hence, facilitating the gradual recovery of tourism is currently key to reviving Macao's overall economy. While implementing effective pandemic prevention and ensuring the pandemic is under control, we will resume normal flows of people with neighbouring regions, especially mainland China cities and Hong Kong, to attract more visitors to Macao.

The Government will actively promote Macao tourism and launch tourism products with specific themes; organise tourism roadshows in the Greater Bay Area and major tourist source cities; consider setting up "Macao tourism flagship webpages" on major e-commerce platforms in mainland China; and help businesses to expand their networking with visitor sources. We will also introduce new technological tourism elements on streets near border crossing checkpoints, enticing tourists to visit and shop in these districts.

We will strengthen assistance for stable development of small and medium-sized enterprises (SMEs), and encourage SMEs to seize the opportunities of Macao's economic recovery and the country's rapid development. The Government will also effectively implement policies to assist SMEs; and launch financial assistance measures as circumstances require, to afford businesses relief from difficulties related to capital, operating costs, human resources, and insufficient market demand; and provide specific support to SMEs affected by the pandemic. Industries also need self-reliance in adversity, while overcoming hardships, adjusting operating modes and proactively transforming their businesses, to enhance their competitiveness and resilience for new business development.

We will continue optimising the business environment. We have completed the legislation of the Tax Code, and are implementing the legislation of the Public Procurement Law. The Government will popularise the use of One-stop Public Services Accounts; broaden e-government services; optimise electronic declarations for external trade; and continue launching user-friendly registration and notarisation services.

We will enhance the functions of the information platform on business registration; improve online application procedures for registration and notarisation e-certificates; streamline procedures for property and business registration; and gradually realise paperless operations. We will also optimise

one-stop service workflows for investors; and enhance the linkage between exhibitions and conventions and activities soliciting foreign investment, to increase the effectiveness of attracting investors through exhibitions.

(2) Foster and develop various industries to expedite adequate economic diversification

Macao has been seriously impacted by the COVID-19 pandemic, which fully exposed the vulnerability of its one-sided economy. Therefore, promoting adequate economic diversification is the only approach for Macao to realise long-term, sustainable prosperity and stability.

During the 20th Anniversary Celebration of Macao's Return to the Motherland cum Inauguration Ceremony of the Fifth Government of the Macao Special Administrative Region, President Xi Jinping said, "We must implement plans according to Macao's actual situation and, based on scientific reasoning, identify the main direction and major projects for adequate economic diversification, and support the projects with government policies as well as human and financial resources."

Regarding promoting adequate economic diversification, the Government strives to establish a diverse and sustainable industrial structure that dovetails with Macao's actual situation. This is our priority mission, which brooks no delay.

The basic directions for promoting adequate economic diversification are: fully leverage Macao's unique advantages; keep in mind and uphold Macao's positioning as "One Centre, One Platform and One Base"; actively foster and develop industries that support the development of Macao, while consolidating and upgrading advantageous traditional industries; and establish a sufficiently diverse and sustainable industrial structure.

On one hand, we will leverage Macao's features as a world tourism and leisure centre, to enhance the quality of the comprehensive tourism and leisure industry, which includes elements such as gastronomy, vacations, sightseeing, shopping, entertainment, culture and creativity, healthcare, and sports. On the other hand, in accordance with the national development strategy, we will seize the development opportunities of the Guangdong-Hong Kong-Macao Greater Bay Area and the Guangdong-Macao Intensive Cooperation Zone in Hengqin, strive to develop the "Big Health Industry" with Chinese traditional medicine research and development as an entry point, along with modern financial services, high technology, exhibitions and conventions, commerce and trade, and culture and sports. We will foster new economic growth points, facilitating rapid development of major nascent industries.

To facilitate lawful, orderly and healthy development of the gaming industry, the Government will perfect gaming laws and regulations, and optimise gaming monitoring procedures and workflows. In accordance with the features beneficial to Macao's positioning as a world tourism and leisure centre, stable development of the gaming industry, and ensuring employment and upward mobility for local employees, we will lawfully and appropriately implement work related to re-bidding for gaming concessions. We will actively explore more competitive non-gaming elements, while continuing to urge gaming concessionaires to bear their social responsibility in an appropriate manner.

To deepen "Tourism+" crossover synergy and promote recovery of the tourism services industry, we will enhance interactive development between tourism and related industries, such as conventions and exhibitions, sports, ecommerce, and cultural and creative industries; facilitate in-depth integration of tourism and the "Big Health Industry" to jointly develop innovative tourism products and foster quality enhancement of the tourism industry.

We will consolidate and enhance our advantageous tourism resources – the Historic Centre of Macao on the World Heritage List and a Creative City of Gastronomy honoured by UNESCO. We will further utilise big data and intelligent information technology to convey targeted tourism promotion messages.

The Government will foster development of the "Big Health Industry", with traditional Chinese medicine (TCM) research and development as an entry point; strive for more Chinese patent medicine products to be approved for sale in Macao; and facilitate export of these products to the mainland China market. We will leverage the industrial agglomeration functions of the Guangdong-Macao Traditional Chinese Medical Science and Technology Industrial Park, expedite the development and transformation of production based on the achievements in Chinese medical and scientific research in Macao and Hengqin, and encourage prestigious pharmaceutical companies to establish bases in Macao.

With the National Traditional Chinese Medicine Service Export Base as the platform, we will promote internationalisation of TCM using the model of promoting medicines through medical treatment services; support leading research on "Big Health" and transformation of research results; actively perfect the hardware and software for developing the "Big Health Industry"; as well as using the construction of the Islands District Medical Complex as an opportunity, to explore and introduce high-end medical and healthcare projects and foster development of the "Big Health Industry".

The Government will pragmatically forge ahead with the development of

the modern financial services industry; expedite fostering the bond market; actively develop wealth management and financial leasing businesses; facilitate the establishment of the cross-border Renminbi clearing centre; and expand green finance businesses. We will enhance construction of financial infrastructure; perfect financial laws, regulations, and guidelines; re-formulate the Financial System Act; revoke the existing bond issuance examination and approval system; and introduce a licence for investment banks.

We will expedite development of the science and technology industry, commence specific planning for the industry, and formulate a blueprint for sustainable development of the industry. The Government will restructure the Science and Technology Committee; optimise the inter-departmental cooperation mechanism under the committee; perfect the mechanisms, systems, and policies that are beneficial to transformation of scientific research results and development of the science and technology industry; and intensify efforts to attract technology enterprises, experts, and scientific research institutions to set up their bases in Macao, while encouraging them to transform the technological innovations and research achievements in Macao.

We will leverage the functions of tertiary education institutions, the State Key Laboratories in Macao and related scientific research strength, to facilitate integration of the industrial, academic and research sectors, and establish a science and technology industry development system under the Government's leadership, with enterprises as the core, and supported by close collaboration between the industrial, academic and research and development sectors.

We will continue improving measures to support transformations; strive to attract more national science and technology innovation resources; and enhance our ability to innovate. We will promote development of a digital economy; commence preliminary studies on measures to support technology applications for SMEs; and support digital transformation of traditional SMEs.

The Government will facilitate professional and market-oriented development of the convention and exhibition industry; strengthen efforts to invite businesses and investments to Macao; and establish an exhibition and convention crossover platform, to enhance industrial synergy. We will take the opportunity arising through organising the 10th Macao International Travel (Industry) Expo to apply for exhibition accreditation from international exhibition organisations. We will support the convention and exhibition industry in all areas; continue implementing, reviewing, and optimising the subsidy system for the industry; develop online convention and exhibition activities to enhance the industry's effectiveness; and strengthen its functions in attracting investments.

Regarding fostering growth of the cultural and sports industries, the

Government will formulate a development plan for the industries in accordance with the Policy Framework for the Development of the Cultural Industry of Macao (2020-2024); and further promote development of the film and television industry, to provide the industry with better post-production support services. We will continue organising the Macau Grand Prix and many other branded mega sports events; enhance the synergy between sports events and the cultural and creative industry; and increase the economic and social effectiveness of sports.

Macao will join hands with Guangdong and Hong Kong to commence the preparation work for the 15th National Games, leveraging the impetus of the National Games in promotion of the sports industry. The Travel Stimulus Programme also includes projects that support sports tourism, to attract overseas sports teams and audiences to visit Macao for participation in competitions, watching the events and sightseeing, and jointly promote the development of sports tourism.

We will assist with transforming and upgrading SMEs; continue providing financial support for the development of SMEs; optimise the application and approval process for measures supporting SMEs; help SMEs to enhance their management, operations, and technological levels; and support SMEs with making good use of new media platforms. Through multiple measures, the Government will boost economic growth and promote the consumption cycle in the community, and encourage consumption by visitors in the community.

To facilitate industrial transformation and diversification, we will leverage Macao's unique advantages according to the actual circumstances in Macao; and realise industrial transformation with a high value-added and low labour-intensive development approach. We will develop trade in rough diamonds, and gradually diversify Macao's jewellery industry chain.

We will continue perfecting registration related to industrial property rights; continue negotiating with the Minister of Commerce on zero tariff measures under CEPA; assist with transformation and innovation of local industries; through regional cooperation, expand the horizons for industrial development; and enhance alignment of "Made in Macao", "Macao-branded" and "Macao designed" products with the mainland China market.

(3) Mutual discussions, joint construction, joint administration, and shared benefits for the pragmatic development of Hengqin

The establishment of the Guangdong-Macao Intensive Cooperation Zone in Hengqin is a new opportunity for Macao to participate in the construction of the Guangdong-Hong Kong-Macao Greater Bay Area and to integrate into

overall national development. It is a historic opportunity for Macao's future, which provides a new platform for Macao's adequate economic diversification, a new area for Macao people's living and employment, and a new horizon for Macao's long-term sustainable development.

All sectors in Macao should proactively seize this opportunity, to ensure good collaboration between Guangdong and Macao in developing Hengqin, and realise new development of Macao.

We must keep in mind President Xi Jinping's instruction - "The original intention of developing Hengqin New Area is to create a favourable environment for Macao's industrial diversification." We will uphold "One axis", "Four strategic positionings" and "Four major missions"; implement various reform and opening-up policies and measures in phases; and pragmatically expedite the construction of the Guangdong-Macao Intensive Cooperation Zone in Hengqin, to gradually achieve all interim goals of the intensive cooperation zone.

We will persist with the foundation of "One country" and leverage the advantage of "Two systems", strive to build a system that integrates Hengqin and Macao, and facilitate the establishment of the new system for mutual discussions, joint construction, joint administration, and shared benefits.

Under the leadership of the leading group for development of the Guangdong-Hong Kong-Macao Greater Bay Area, the Government will join hands with Guangdong to perfect the management of the Guangdong-Macao Intensive Cooperation Zone in Hengqin and the operational mechanism of the executive body, to enhance policy making and efficiency execution. We will also do our best in drafting the plan on implementing the Master Plan for the Development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin.

The Government will communicate with relevant national ministries and commissions on policies and measures to be adopted in the Guangdong-Macao Intensive Cooperation Zone in Hengqin; and expedite studying and drafting major supportive policies, such as the special measures for relaxing market entry requirements of the intensive cooperation zone, the list of the first batch of authorised items, the catalogue of encouraged industries, the opinions on financial support for the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, and the hierarchical management solution for customs control.

In accordance with the new requirements for the development of the intensive cooperation zone, the Government will join hands with our Guangdong counterpart to revise the Hengqin Master Development Plan, and study formulation of the regulations for land transfer in the zone.

The Government will develop new industries that facilitate adequate economic diversification in Macao through developing Macao-branded industries, such as science and technology R&D and high-end manufacturing, traditional Chinese medicine, cultural tourism, conventions and exhibitions, commerce and trade, and modern financial services in the Guangdong-Macao Intensive Cooperation Zone in Hengqin, expedite deploying a batch of major industries, and aggregate technology and innovation platforms, to develop new technologies, new industries, new business structures, and new operating models.

Given these aims, based on restructuring and optimising the existing industries in Hengqin, we will expedite formulating a series of goal-oriented and resource-rich supportive policies for industries, and consider compiling a catalogue of encouraged industries for the intensive cooperation zone.

We will focus on the direction of industrial development in the intensive cooperation zone and launch preferential policies and measures, to attract more domestic and overseas quality businesses and projects to set up their base in Macao, and boost development of key industries. At present, companies that have invested or are planning to establish operations in Henggin include high-technology and financial enterprises.

Regarding promoting development of traditional Chinese medicine industry, the Government will comply with the Master Plan for the Development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin, and support the implementation of the Law of Pharmaceutical Activities in the Field of Traditional Chinese Medicine and the Registration of Traditional Chinese Medicines, to assist the traditional Chinese medicines, foods and healthcare products made in the intensive cooperation zone with undergoing the approval and registration process in Macao, and using the "Products inspected by Macao", "Production supervised by Macao" or "Designed by Macao" signs for marketing and sale in the Greater Bay Area markets.

The Government will continue leveraging the platform functions and advantages of the Guangdong-Macao Traditional Chinese Medicine Technology Industrial Park in Hengqin; enhance cooperation and integrated development between the traditional Chinese medicine industries from Guangdong and Macao; and set up an innovative research and development and transformation platform for Chinese medicines, with ownership of intellectual property rights and Chinese characteristics.

We will foster and develop the "Big Health Industry", with Chinese traditional medicine research and development as an entry point; promote

market launches of pioneering "Big Health" projects, such as medical services and health preservation, showcases of traditional Chinese medicine culture, and healthcare tourism.

To promote development of a modern financial services industry, we will support the establishment of an electronic fence system, and strive for capital account liberalisation, in phases, for enterprises in the intensive cooperation zone, given the proviso of not affecting national financial security and foreign exchange control.

Based on the principle of being a service economy with risks under control, the Government will seek the Central People's Government's policy to support the development of a modern financial services industry in the intensive cooperation zone, focusing on promoting cross-border investment and financing and facilitating capital exchanges between Macao and the intensive cooperation zone, to attract high value-added enterprises to set up operations in the zone.

To support the financial sector's participation in development of the intensive cooperation zone, the Government will implement a development model requiring physical operations by privately-owned institutions, and specify the standards for assessment of physical operations, to encourage privately-owned institutions to support the development of key industries in the zone.

We will enhance cooperation between Macao-Hengqin tourism and related industries; encourage businesses to develop and promote Macao-Hengqin-Islands tours, traditional Chinese medicine health maintenance tours, and other distinctive tour routes; support integrated development of Macao-Hengqin tourism and cultural and sports events; launch incentive projects, such as the Travel Stimulus Programme, targeting group applicants holding conventions, joining incentive travel, and participating in sports events in Hengqin.

The Government will implement the tax protection policy; commence negotiations with taxation departments in mainland China to strive for gradual convergence of the taxation environment of the intensive cooperation zone with that of Macao; and enhance cooperation with audit departments in mainland China, to commence preliminary studies on the statistical approaches and standards for the zone's major social and economic statistical benchmarks.

We will actively participate in establishment of a legal system for the intensive cooperation zone; and join hands with Guangdong in planning and formulating laws and regulations to provide institutional protection for the long-term development of the zone. We will deepen legal and judicial exchanges and

cooperation between Guangdong and Macao and perfect the diverse dispute resolution mechanism, to provide effective and efficient legal services for the development of the intensive cooperation zone, and develop a stable, fair, transparent, and internationalised business environment with rule by law

We will establish an international mechanism for attracting capital and investment; achieve synergy with relevant departments of Guangdong province to promote major policies for the intensive cooperation zone; commence global business invitation exercises focusing on various industries and business development factors; and highlight the investment advantages of Macao, the Guangdong-Macao Intensive Cooperation Zone in Hengqin, and the Guangdong-Hong Kong-Macao Greater Bay Area to branded enterprises in Portuguese-speaking countries, to attract more investors and entrepreneurs to develop their businesses in the intensive cooperation zone. The Government will also compile and announce a list of the kinds of high-end talented people who are in short supply, and formulate policies and measures to attract international high-end talented people.

The Government will make every effort to build a new home for Macao residents that is favourable for living and work. We will gradually realise cross-border coordination of public services and social security in the intensive cooperation zone; and introduce more quality education, medical and health and other livelihood resources, to gradually expand Macao's education, healthcare, elderly care, and other livelihood supportive services into Hengqin.

We will expand favourable living space for Macao residents, provide convenient living conditions, create a favourable environment for living and work akin to Macao, and provide Macao people – especially young people – with more opportunities for studying, employment, innovation and operating businesses, and a broader platform for development.

The Government will expedite implementing a series of policies and measures that are beneficial for livelihoods, to enhance Macao residents' satisfaction. We will facilitate the establishment of the Macao New Neighbourhood project in Hengqin, including by commencing construction of the main structures and auxiliary projects, educational facilities, health centres, family and community service centres and elderly service centres, striving for completion by August 2023.

We will accelerate the construction of public services facilities, including the Hengqin Hospital of the First Affiliated Hospital of Guangzhou Medical University and the Cultural Integrated Services Centre; expedite the completion and inspection of Ziqi Primary school and Kindergarten, to ensure it commences operation on schedule; speed up the process for encrypted direct transmission of foreign TV channels through a cable network in the intensive cooperation zone; and implement innovative measures to relax the policy regulating hiring of foreign domestic helpers.

Regarding enhancing inter-connection of infrastructure, the Government will facilitate construction of the LRT extension line connecting Macao Lotus Flower Checkpoint to Hengqin Port, and commence construction of LRT stations, tunnels and elevated bridges.

To align with the progress with the second phase of Hengqin Port construction project, we will proceed with constructing the main structure of the bridge linking Hengqin Port and the University of Macau.

We will accelerate the phase-2 construction of Hengqin Port, which is expected to be completed by the end of 2022; and expedite the construction of Shizimen Tunnel, the Macao LRT extension line, the Hengqin Hill Tunnel (phase one), and the passage connecting the University of Macau and Hengqin Port.

Given the proviso of ensuring overall security of Hengqin Port, the Government will actively facilitate convenient border crossing movements of passengers, vehicles, and goods. We will closely cooperate with Guangdong on the project to construct Hengqin Port (phase two); establish a new "mega one-stop" cross-border vehicle clearance system; and formulate and perfect a working plan to facilitate fully opening the Guangdong-Macao Intensive Cooperation Zone in Hengqin for inbound and outbound Macao-licensed motor vehicles.

(4) Optimise social and livelihood-related work to enhance quality of social services

The Government will continue with the welfare measures for 2021. Since the pandemic is imposing great pressure on public employment and livelihoods, the Government persists with the principle that welfare and livelihood expenditures will not be reduced, and will continue implementing the tax incentives of the previous year, while continuing with the welfare measures on education, healthcare and social security, as well as the Wealth Partaking Scheme. We will also launch new welfare measures in response to new circumstances.

Improving people's livelihoods is one of the Government's major policies. We will strive to solve the issues of public concern – including housing, healthcare, social security, employment, and education – to provide Macao residents with a better environment for living and development, and enhance

Macao people's sense of satisfaction and happiness.

Housing policy affects hundreds of thousands of families. It is the current administration's basic housing policy to ensure housing for everyone, along with basic living conditions. In recent years, Macao's total housing market demand has basically attained a balance, but there is a problem of structural imbalance. To respond to the housing demand of residents with different financial abilities, the Government implements the "five-rung housing ladder" policy, helping people to solve their housing problems according to their own financial abilities and housing needs.

The Government's major tasks for 2022 are:

- 1. Complete the Bairro Tamagnini Barbosa public housing construction project; commence construction of the superstructure of the Venceslau de Morais public housing project; commence construction of 4,000 public housing units in New Urban Zone Area A; complete the allocation process for public housing applications submitted in 2017; and assess regular applications for public housing, while making arrangements for successful applicants to move in to public housing.
- 2. Commence construction of the superstructure of the Home-Ownership Scheme housing on plots B4, B9 and B10 in New Urban Zone Area A, followed by commencement of work on plots A1, A2, A3, A4, and A12; in accordance with the housing ladder policy, resume drafting the plan to build public housing on Wai Long Avenue, with consideration of the situation regarding applications and actual demand; continue with detailed assessment of Home-Ownership Scheme housing applications submitted in 2019; and compile the priority list for Home-Ownership Scheme housing applications submitted in 2021.
- 3. Implement the Sandwich Class Housing Scheme, to provide a home ownership option for citizens whose income exceeds the ceiling for Home-Ownership Scheme housing eligibility but cannot afford a private property, or for Home-Ownership Scheme housing applicants who are queued far below the top of the waiting list. To achieve these goals, the Government will expedite the legislative process, and plan to construct Sandwich Class Housing units in phases.
- 4. Construct the main structure of the senior housing complex; commence design and decoration work for social service facilities and procurement of related equipment; conduct research on the system for management of elderly housing; draft elderly housing by-laws; and strive to complete the senior housing complex in 2023.

5. Commence planning private housing land use in accordance with the situations of individual districts and the actual needs for social development; and continue selecting appropriate land for open tender processes in future.

The Government is implementing urban renewal works in an orderly manner. We will accelerate the legislative progress of the Legal System Governing Urban Renewal. To properly prepare for urban renewal, the Government will proceed with construction of interim housing in Areia Preta Zone P, to provide temporary units for households affected by building renewal projects.

We will improve the medical and healthcare system, to mitigate problems related to seeking medical consultations, and respond to the public needs for medical and healthcare services. We will also increase provision of and continue elevating the standards of specialist services.

The Seac Pai Van Health Centre has commenced operation. The construction of the general hospital, auxiliary building, general administration building, and staff dormitory building of the Islands District Medical Complex will be completed in 2022. The Government will establish the development positioning and operational mechanism of the Islands District Medical Complex as soon as possible, and introduce a new management model and a high-calibre management team, to enhance the standards of medical and healthcare services.

Regarding increasing public spaces for sports and leisure activities, we will adopt the approach of constructing sports parks for the public, follow up regarding progress with planning the land for sports facilities at the original site of Macao (Yat Yuen) Canidrome Club, to create more sports and leisure space for public use. The construction of sports facilities in New Urban Zone Area A will also commence.

To strengthen social services, we will actively respond to the needs of the elderly in view of the ageing population trend, increase the number of service centres for supporting carers, and implement a day respite service pilot scheme at the existing day care centres for senior citizens.

To ensure the basic quality of life of the underprivileged, the Government will conduct two assessments on the minimum subsistence index according to the related assessment mechanism; plan to establish an integrated services centre for the disabled; review the Caregivers Allowance Pilot Scheme; and formulate related policies and development direction.

We will promote the development of women and children affairs, perfect and facilitate implementation of family-friendly policies, continue developing family life education, and formulate the next phase of the child-care services development plan.

Regarding perfecting social security, the Government will implement a mechanism for regular adjustments of social security benefits; follow the principle of keeping the aggregate of the pensions and Old Age Allowance above the minimum subsistence index; review pensions and other benefits in a timely manner; continue encouraging public participation in the Non-mandatory Central Provident Fund System; and perfect the double-tier social security system.

To safeguard local employment and protect workers' rights, we will maintain the supply-demand balance of the employment market; facilitate voluntary job matching between employers and employees; continue organising multi-disciplinary vocational training courses; develop tests for various skills; and assist companies with assigning staff to participate in on-the-job paid training programmes.

In 2022, the Government will increase investment in public infrastructure, and strive to provide more jobs for Macao residents, to achieve the goal of the "welfare-to-work scheme". We will strengthen protection of labour rights, perfect labour laws and regulations, and continue following up regarding the amendments to the Law of Occupational Safety and Health in the Construction Sector.

Based on the results of a public consultation and opinions collected from all sectors, the Government will proceed with the legislative procedures of the Union Law. We will continue combating illegal employment, optimise non-local worker control; flexibly adjust the number of non-local workers; and enhance occupational safety and health promotion, education, and inspection.

I hereby hope that all residents of Macao will overcome the difficulties due to the pandemic, keep abreast of the times, pragmatically respond to changes, and continue enhancing our competitiveness.

Regarding enhancing protection of consumer rights, the Government will raise ship-owners' and consumers' awareness of the Consumer Rights Protection Law; regulate "Certified Shops", and optimise the "Online Certified Shop" system. To align with the public wet market management system coming into effect, we will implement a series of tasks to optimise public wet market management, maintain orderly business operations and environmental hygiene,

and strengthen supervision of wet markets.

To secure food safety, we will continue implementing food safety assurance work, and proceed with the implementation of the "Registration System for Establishments of Takeaway Foods" by-law.

(5) Safeguard and sustain national security and safety of Macao

National security is the premise and protection for Macao's long-term prosperity and people's wellbeing. Safeguarding national security is a matter of the basic interest of Macao people, and our duty and responsibility. The Macao SAR upholds the holistic approach to national security; comprehensively fulfils our constitutional responsibility to safeguard the sovereignty, safety, and development interests of our country; consolidates the favourable conditions under the principle of "patriots governing Macao"; and perfects the laws and institutional protection under the principle of "patriots governing Macao".

To perfect the legislation for safeguarding national security, the Government will strive to complete the amendments to the "Law on the Defence of National Security", and the legislation of the "Legal System for Interception and Protection of Communications"; ensure perfection of the legal system for anti-terrorism; and proceed with the legislation regarding the system on confidentiality.

To strengthen law enforcement for safeguarding national security, the Government will optimise the operation of designated units; continue perfecting the internal administration and the mechanism concerning the national security law enforcement bodies and anti-terrorism units; enhance crisis management and prevention and inter-departmental collaboration and support; strengthen connections and cooperation with mainland China, especially the cities in the Greater Bay Area, to prevent and suppress activities endangering national security; enhance prevention of infiltration and interference by external forces; effectively combat terrorism-related crimes; and actively prevent and resolve all types of security risks and crises.

To strengthen and broaden national security publicity and education, the Government will develop initiatives to promote and publicise the Constitution and the Basic Law of the Macao SAR; and enhance the effectiveness of raising legal awareness. We will deepen cross-departmental collaboration; continue enhancing national security publicity and education in an innovative way; consolidate the patriotic social and political foundation; and continue strengthening public awareness of national security.

Security is the foundation and bottom line for the development of a city.

The Government will strengthen the establishment of the urban security system, and improve the overall standards of protection, to safeguard the lives and properties of Macao people and ensure social stability.

We will perfect the legal system for safeguarding Macao; complete the legislative process of the "Legal System for the Control of Hazardous Substances" for prevention of serious accidents; and commence the relocation of the provisional fuel depot and construction of a permanent storage for hazardous substances.

We will fully implement civil protection laws and the legal system, and continue perfecting the application platform enabling effective overall command during emergencies, to enhance the effectiveness of synergy between the Government and society.

To strengthen the police force through technology, we will deepen the establishment and application of smart policing, optimise the overall distribution of "sky eye" CCTV surveillance cameras, expand the coverage of smart maritime surveillance, and expedite improvements of cyber security management and infrastructure, to strengthen alertness, prevention and control, and law enforcement, and comprehensively prevent and combat all types of crimes.

We will continue strengthening joint prevention and control with mainland China and the neighbouring regions, deepen the Guangdong-Hong Kong-Macao policing collaboration mechanism, and develop a quickresponse joint prevention and control system, to combat cross-border crimes and build a safe and peaceful Greater Bay Area.

(6) Deepen public administration reform, and strengthen legislation in major areas

Deepening public administration reform is one of the major administration directions of the Government. Based on the results of preliminary work, the Government will continue adopting a problem-based approach, to rationalise and solve deep-rooted problems in public administration.

The Government will review and improve the authorisation and accountability system, and strengthen the public administration system so duties are fulfilled according to the law, with distinct powers and responsibilities, a streamlined structure and high effectiveness.

Based on the review of duties and authority of officials at different rankings, the Government will propose amendment solutions on related laws and regulations, to define the powers and responsibilities in personnel and financial administration of officials at all rankings, and avoid unnecessary delegation of power. We will also consider establishing and preparing for legislation of a specific disciplinary system for department heads and supervisors.

The Government will strengthen and improve the civil servant management system. Given the proviso of strictly controlling the total headcount of civil servants, we will reform the management system related to ranking, recruitment, promotion and transfer, and build a team of efficient civil servants in the service of the public.

We will continue with the principles of "streamlining ranking structure, reducing special rankings, and rationally allocating duties", to perfect the civil servant ranking system.

The Government will organise recruitment examinations as scheduled, to invite talented people to join our public service team. We will propose a practical cross-ranking promotion mechanism, to broaden civil servants' career development. We will also revise the regulations for civil servant deployment, to facilitate transfers between positions and talent cultivation.

Regarding enhancing civil servant training, we will perfect our training system and mechanism; arrange for civil servants at all levels to participate in a series of courses on "The Constitution and the Basic Law of the Macao SAR", the "Law on the Defence of National Security", "National, the Greater Bay Area, and Regional Affairs", and "Chinese Culture", to raise civil servants' political consciousness, national awareness, alertness regarding the overall situation, and passion for public service.

We will continue strengthening the capability of civil servants, and organising civil servant leadership skills training programmes, and develop an induction programme for future department heads and supervisors, to form an appropriate talent cultivation and reserve system.

We will continue promoting e-governance. Following the "user-oriented" and "personalised" approaches, we will restructure the "One-stop Public Services Account" service. We will launch the 2.0 version of the "One-stop Public Services Account", to gradually integrate all the government information that is currently provided separately through individual departmental websites or applications into the "One-stop Public Services Account".

We will expedite digitisation of internal administration in government departments, proceed with making government data publicly accessible, enhance the development of digital government, and commence the study on issuing a new version of ID cards for Macao residents.

The Government will enhance communications and collaboration with the Legislative Assembly. We will implement the 17 duties stipulated by the legislative plan, such as formulation of the "Legal System for Corporations with Public Capital", the "Legal System for Treatment of Water Leakage in Buildings", the "System for Import of Talented People", and the "Legal System for Housing for the Sandwich Class"; as well as revision of Law No. 2/2009 - "Law on the Defence of National Security".

Regarding enhancing regional and international legal and judicial cooperation, the Government will discuss with the Supreme People's Court on the arrangement concerning mutual assistance in court-ordered interim measures in aid of arbitral proceedings, to perfect the judicial mutual assistance mechanism in arbitration.

We will join hands with Guangdong and Hong Kong to establish and promote the application of a mediation platform for the Guangdong-Hong Kong-Macao Greater Bay Area; and commence legal and judicial cooperation with Portuguese-speaking countries and neighbouring countries.

We will respect and uphold judicial independence, and actively support the hardware and software development of the judiciary.

To continue optimising anti-corruption and auditing work, we will improve the assets declaration data processing mechanism, enhance monitoring of individual cases, and continue promoting integrity education to all walks of life. We will perfect the auditing workflow, implement performance audits and special audits with a prudent and objective professional attitude, strengthen audit-related information technology infrastructure, and perfect the audit quality control mechanism. We will also enhance cooperation with the National Audit Office, to commence staff training and technical exchanges.

Regarding supervision of public corporations and autonomous funds, we will commence reformation and rectification of the legal system for public corporations and the legislation process, to preserve and boost the value of public financial investment, as well as restructure and optimise the functions of autonomous funds.

(7) Enhance education, youth development, cultural and sport affairs, and perfect the system for importing talented people

The Government will promote comprehensive and coordinated development of education. We will strengthen development of the education system, secure investment of education resources, optimise the education system and operating mechanism with information technology, and improve the hardware and software environment for teaching.

We will plan to build schools in New Urban Zone Area A, to solve the problems of schools established on podiums; and implement the outline plan for medium-to-long-term development of tertiary education and the medium-to-long-term plan for non-tertiary education, to continue enhancing the overall quality of education. We will also improve education for pupils with special needs and increase the provision of related facilities.

Regarding facilitating innovative development of tertiary education, we will enhance the transformation of industry-academia-research results, and promote market-oriented and high-quality development of higher education institutions in Macao. We will cooperate with outstanding education institutions in the Greater Bay Area and other mainland China cities, to organise more new courses and joint talent cultivation programmes.

The Macao Polytechnic Institute will be renamed as Macao Polytechnic University, with the aim of developing as a leading university adopting an applied academic approach in the Asia Pacific region. We will continue leveraging our advantages as a tourism education and training base in the Guangdong-Hong Kong-Macao Greater Bay Area, and a professional training and internship platform in the Greater Bay Area.

We will continue enhancing patriotic education, to cultivate and strengthen young people's and students' love for the country and Macao. In secondary schools, we will comprehensively implement the "Framework of Formal Education Curriculum", promote curriculum reform, and strengthen patriotic education and national security education.

We will fully leverage the functions of the youth patriotic education base, develop extended education activities to promote patriotism, deepen students' knowledge of history, organise "One country, two systems" study camps in summer for mainland China college students and young people, and explore the possibility of establishing a "One country, two systems" research base.

We will implement all work detailed in the Macao Youth Policy for the growth and success of the younger generation; support young people with pursuing studies, internships, and integration into the development of the Greater Bay Area; and create a favourable environment for young people to

demonstrate their talents and broaden their horizons. The Government will subsidise community associations and organisations to hold more activities for young families and young people of different races; and foster young volunteers to pass on the Chinese traditional virtues through caring for society.

As a city enjoying a history of more than 400 years of exchanges and coexistence of Chinese and foreign cultures, Macao is given the position of "One Base" in the Guangdong-Hong Kong-Macao Greater Bay Area. The Government will strive to develop this "One Base", commence compilation of Ao Men Tong Zhi (Chronicles of Macao); organise the First Macao International Cultural Forum in 2022 with "Maritime Silk Road" as the theme; jointly organise an exhibition of relics with the Palace Museum and Guangdong Museum of Art; and facilitate digitisation of cultural products.

We will perfect the cultural heritage conservation system. The Macao World Heritage Monitoring Centre will commence operation by the end of 2022, facilitating protection of World Heritage buildings and sites. We will expedite restoration of the former lec Long Firecracker Factory site; complete the revitalisation of the Lai Chi Vun Shipyard area; and launch the "Guidelines for Intangible Cultural Heritage Management", to enhance conservation and inheritance of intangible cultural heritage.

We will organise a variety of cultural and sports events; facilitate development of sport-for-all and competitive sports; organise diverse sport-for-all activities; and support Macao athletes with participating in the 19th Asian Games. We will also participate in the preparations for the 15th National Games; plan construction of the auxiliary building of the Athletes Training Centre; and continue implementing the Training Subsidy Programme for Elite Athletes.

We will establish a new system for importing talented people. While strengthening cultivation and use of local talents and enhancing local talents' competitiveness and upward mobility, we will also import talented people in consideration of the needs of development. According to our policy, we will establish a high-level talent importing assessment system; an open, impartial, and scientific assessment mechanism; and a rigorous and highly effective assessment process. The standards for importing talented people will be developed separately for different disciplines, and align with the needs of Macao's adequate economic diversification; and the quota for importing talented people each year will be assessed through scientific methods.

In the first phase, we will import high-end and outstanding talented people for four key developing industries: "Big Health", modern financial services, high technologies and culture and sports, as well as senior professionals who are especially in demand in Macao.

We will develop a mechanism to regularly examine the effectiveness of the system, based on experience with importing talented people and public opinion, to proceed with the legislation regarding the talent importing system.

(8) Perfect urban planning, to build a smart and liveable city

Smart city is the major trend of urban planning and development in the 21st century, with value and significance in sustainably promoting integration of science and humanity, planning and construction, and ideas and technology. It is an important strategy for a city's development, and a medium for people's wellbeing.

The Government will expedite construction of new infrastructure facilities, and enhance urban governance capacity; and strengthen the establishment of the Government's cloud computing centre, to provide all public departments with safer and stabler information services.

We will issue 5G licences in 2022, to expedite the construction of 5G networks; install optic fibre systems in all new public buildings; replace old electric meters with smart meter systems; install smart water meters on a trial basis; and facilitate development of Internet of Things (IoT) applications. We will promote smart applications in administration, healthcare, education, cultural and museum, tourism, municipal services, maritime, and transport, to gradually establish a smart city.

We will commence detailed urban planning in an orderly manner. Within the framework of Macao's Urban Master Plan, we will first draw up detailed planning for Eastern District-2 (i.e. New Urban Zone Area A) in 2022, and set up construction benchmarks for the land for public housing in New Urban Zone Area A.

The Government will implement major urban infrastructure projects. To relieve traffic pressure, enhance commuting capacity between the Macao peninsula and Taipa and Coloane, and to meet the transportation needs for the development of New Urban Zone Area A, we will proceed with the construction of the fourth Macao-Taipa cross-harbour bridge; and expedite the construction of LRT Barra Station, Seac Pai Van line, Hengqin line, and East line. We will also complete the reclamation for New Urban Reclamation Zone C.

To perfect the transport network, we will finish compiling the Macao Road Traffic and Transport Planning Study (2021-2030); maintain the annual vehicle growth rate at a level of three percent; implement the "Public Transport First"

policy; continue monitoring the effectiveness of bus services operating under the new contracts; and commence an open bidding exercise for taxi licences.

We will expedite implementation of the Master Development Plan for Macau International Airport; follow up regarding the application for use of waters for land reclamation for the airport expansion project; commence restructuring of certain facilities of the Taipa Ferry Terminal as part of the construction project of the second airport passenger terminal of Macau International Airport; and commence operation of Ka-Ho Tunnel.

Regarding enhancing management and use of maritime areas, we will effectively utilise marine resources, broaden the scope for development, and optimise the regional development strategy, to facilitate population growth and socio-economic changes. We will facilitate legislation of the Law on Use of Maritime Areas; strive to finish drafting the bill on marine zoning based on functions, and the planning of maritime areas; deepen cooperation in Guangdong-Macao smart maritime application; and strengthen regulation of maritime traffic and vessels.

We will perfect our disaster prevention and mitigation system; expedite the establishment of disaster prevention and mitigation projects; commence the preliminary design of sluices in the Inner Harbour and engineering investigations; and proceed with the flood prevention and drainage projects from the Outer Harbour and Fai Chi Kei to Ilha Verde, Praca de Ponte e Horta and the west shore of Coloane, to resolve Macao's flood and drainage problems as soon as possible. We will also enhance weather monitoring and forecasting services, and improve the scientific approach, accuracy, and timeliness of weather forecasts.

We will implement all environmental protection projects and works; facilitate studies on long-term carbon reduction strategies; follow the carbon reduction goal of the Macao SAR to phase out the public buses of Euro 4 emission standard, and gradually apply more advanced standards to all heavy passenger vehicles. The Government continues taking the lead in using electric vehicles; and is formulating an electric vehicle promotion plan, to provide electric charging facilities for all parking spaces in newly built car parks and public buildings.

The Government will proceed with the expansion of the Macao Peninsula Sewage Treatment Plant, and complete construction of the new Macao Special and Hazardous Waste Treatment Centre. From 2022 onwards, we will prohibit the import of non-degradable disposable plastic straws and beverage stirrers, optimise the resources recycling network, and commence construction of a recycling centre for organic resources.

We will implement a "reclaimed water reuse" project, targeting completion of the plan for constructing water reclamation facilities and related pipe networks in 2022, and then commencing the preparations for network installation.

We will commence construction of a sewage treatment plant on the Zhuhai-Macao Port Artificial Island of Hong Kong-Zhuhai-Macao Bridge; complete the tender process for the project to upgrade Coloane Sewage Treatment Plant; commence operation of the temporary sewage treatment plant near the Outer Harbour Ferry Terminal; and strengthen cooperation in environmental protection with the cities in the Greater Bay Area.

We will optimise the land management information system; perfect the land management mechanism; make good use of recovered land; and continue selecting appropriate virgin land for building community facilities, such as temporary playgrounds or parks. We will make rational use of land resources, support economic diversification, and optimise living space for residents.

We will continue constructing municipal facilities; create a community environment with leisure and comfort; continue developing accessible and convenient walkways to encourage green commuting; complete the construction of the pedestrian system around Guia Hill; enhance management of the public drainage system; construct more stormwater pumping stations; and step up efforts to combat illegal sewage discharges.

(9) Actively promote regional cooperation to integrate Macao into the overall national development plan

The Government will leverage the functions of the Working Committee for Integration into National Development, to better coordinate regional cooperation. While focusing on the establishment of Guangdong-Macao Intensive Cooperation Zone in Hengqin, we will actively and pragmatically cooperate with mainland China in various areas, to integrate into overall national development.

The Guangdong-Hong Kong-Macao Greater Bay Area is the region in China enjoying the highest openness and strongest economic vitality. To promote high-quality construction projects in the Guangdong-Hong Kong-Macao Greater Bay Area is the core value to promote innovative systems and mechanisms, and more efficient flows of people, goods, and capital.

With the guidance and support of the Central People's Government, we will reinforce policy coordination and innovation, expedite promoting

cooperation in finance, trade, innovative technology, customs clearance, livelihoods, and other key areas.

We will implement various financial policies and measures in the Greater Bay Area; help Macao businesses to make good use of their free trade accounts to process cross-border fund exchanges; and optimise cross-border payment and settlement systems.

We will perfect the policies and measures for the convenience of Macao residents to pursue development and living in mainland China; enhance cooperation in consumer rights protection in the Greater Bay Area; continue improving the occupational skills recognition system between Guangdong and Macao; and promote the application of mediation services in the Greater Bay Area.

We will actively participate in cooperative projects of the technological innovation corridor of the Greater Bay Area; continue attracting more outstanding technology enterprises to establish their bases in Macao; fully utilise national technology resources to enhance Macao's scientific research capabilities and standards; and encourage and assist local scientific research teams to apply for engagement in national scientific research projects.

We will implement an innovative customs clearance policy, and jointly establish a "Single Window" integrated services platform at border checkpoints, to provide customs clearance for goods between Guangdong and Macao with a single customs clearance form.

We will also implement policies regarding Macao drivers entering mainland China, construct an information management platform, and continue promoting cross-border vehicle insurance applicable under the "unilateral recognition" policy.

We will commence steadfast cooperation with other mainland China provinces and regions and the Hong Kong SAR in the areas of culture, tourism, trade, and finance; and will enhance cooperation with sister provinces and regions in the Pan-Pearl River Delta region in trade, tourism, traditional Chinese medicine, and conventions and exhibitions.

We will leverage Macao's advantages in promoting the "Belt and Road" initiative and our positioning as "One Centre, One Platform, One Base", with unimpeded trade, financial integration and people-to-people bonds as major goals. We will also actively arrange for Macao enterprises to participate in the China International Import Expo and other major national trade events.

We will perfect the "Belt and Road" scholarship policy; promote exchanges and cooperation with the countries and regions along the "Belt and Road" in education, tourism, healthcare, sports, culture, and talent cultivation; continue striving for cooperation on taxes with more Portuguese-speaking countries and countries and regions along the "Belt and Road"; and sign the Agreement for Elimination of Double Taxation and Prevention of Tax Evasion and Avoidance.

We will expand and leverage our functions as a platform between China and Portuguese-speaking countries; assist in preparations for the Sixth Ministerial Meeting of the Forum for Economic and Trade Co-operation between China and Portuguese-speaking Countries; and facilitate the establishment of the China and Portuguese-speaking Countries Science and Technology Exchanges and Results Transformation Centre.

We will enhance cooperation between China and Portuguese-speaking countries in medical and healthcare services; provide assistance to the permanent secretariat to the forum to support Portuguese-speaking countries in combating the pandemic and jointly promoting economic recovery; make use of online platforms and offline activities to bridge the mainland China market and Portuguese-speaking countries, to promote cooperation in various areas; and support industries and society with leveraging their functions in promoting cooperation between China and Portuguese-speaking countries.

Conclusions

President, members of the Legislative Assembly,

Hardships always come with opportunities, and challenges always co-exist with hope. Despite the global impact of the pandemic, mankind will ultimately overcome and emerge from this crisis. We must have every confidence and work together to conquer all difficulties, explore and seize opportunities, to realise new development for Macao.

We must leverage and consolidate our competitiveness and advantages as proposed by the country's 14th Five Year Plan, and seize the opportunities to integrate into the overall national development plan. We will leverage Macao's unique positioning and advantages, stimulate our development potential, serve our country's needs, actively participate in the establishment of the nation's domestic-international dual economic cycle, and achieve success in the grand stage of national development.

We must focus on long-term planning, effectively implement all tasks and measures of the Second Five-Year Development Plan of the Macao Special Administrative Region, and unswervingly expedite Macao's adequate economic diversification, to lay a foundation for Macao's economy to achieve long-term stability.

We must seize the important opportunities arising through the development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin; persistently uphold the decisions and deployment of the Central People's Government, to pragmatically proceed with the establishment of the intensive cooperation zone through an effective and scientific approach according to the law, and make every effort to provide Macao residents with a new horizon for entrepreneurship, employment, development and living.

We will persist with our administrative principle of sharing development and prosperity, with the concept of serving for the benefit of the people; improve and safeguard people's wellbeing; actively respond to the concerns of the public; strive to resolve problems related to housing, transportation, healthcare, education, and elderly care; pay special attention to assisting and supporting disadvantaged groups; and continue enhancing Macao people's sense of satisfaction and happiness.

The development of the Macao SAR relies on the hard work of Macao residents. With the strong leadership of the Central People's Government, we have full confidence and determination to overcome difficulties, strive for success, and converge the wisdom and power of the community, to jointly move

forward through challenges, and continue expediting the development of Macao in all areas, to open up a new chapter of the successful implementation of "One Country, Two Systems" with Macao characteristics, and make our due contributions to realise the Chinese dream of national rejuvenation in this historic era.

Finally, I would like to express our sincere gratitude to the Legislative Assembly, all Macao residents, civil servants, the Central People's Government and all its representative offices in Macao for their full support for Macao.

This is the end of my report. Thank you, President and members of the Legislative Assembly.