

Regional Co-operation

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As a separate customs territory, over the years, Macao has been striving to strengthen its business and trade connections with Mainland China, the European Union, Portuguese-speaking countries, Southeast Asia, and other regions, as well as participating in and contributing to the construction of the “Belt and Road” Initiative. Particularly, the city has a unique role and outstanding advantages in serving as the intersection of domestic and international “dual circulation” strategy.

Economic Partnership with Mainland China

- Mainland China is Macao’s second largest trading partner. In 2022, the volume of merchandise trade between Macao and the Mainland totalled MOP 43.76 billion, accounting for 28.5% of Macao’s total external merchandise trade.
- The stock of foreign direct investment from the Mainland to Macao amounted to MOP 101.52 billion. The stock of foreign direct investment from Macao to the Mainland amounted to MOP 79.82 billion.

(As of the end of 2022)

The Mainland and Macao Closer Economic Partnership Arrangement (CEPA) has been implemented since 2004 and has undergone several supplementary amendments to enrich

its contents. At present, the CEPA covers four main areas :

1. Trade in goods: the CEPA Agreement on Trade in Goods was implemented in January 2019 and stipulates the rules of origin for over 8,000 taxable items, which allow goods of Macao origin (except for goods prohibited to be imported to the Mainland) in compliance with CEPA rules to be exported to the Mainland with a zero tariff. A dedicated mechanism has also been established to improve the rules regarding the place of origin.
2. Trade in Services: The Agreement Concerning Amendment to the CEPA Agreement on Trade in Services was implemented on 1 June 2020. As of November 2023, the Mainland has opened up 153 service trade sub-sectors to the Macao's service industry, including legal, accounting, construction and real estate services, among others. The number of service sub-sectors that fully implement the national treatment measures for the Macao's service industry increased to 69, which covers accounting, construction and design, engineering, equipment repair and maintenance, wholesale and transport services, among others.
3. Investment: the CEPA Investment Agreement was implemented on 1 January 2018. It stipulates the application of the Negative List to Macao and only 26 non-conforming measures in the non-services investment sectors have been reserved by the Mainland.
4. Economic and technical co-operation: the CEPA Agreement on Economic and Technical Co-operation was implemented on 1 January 2018, covering 14 key areas of collaboration such as tourism, convention and exhibition, traditional Chinese medicine and Chinese medicinal products, finance, electronic commerce, environment, culture, innovation and technology, intellectual property, and trademark and branding

- With the progressive implementation of the Pan-Pearl River Delta Regional Co-operation Framework Agreement, Outline of the Plan for the Reform and Development of the Pearl River Delta, Framework Agreement on Co-operation Between Guangdong and Macao, and Framework Agreement on Deepening Guangdong-Hong Kong-Macao Co-operation in the Development of the Greater Bay Area, the economic collaboration between Macao and the Mainland has been further intensified.
- In order to further integrate itself into the country's momentum, Macao has joined numerous regional co-operative mechanisms, including Mainland-Macao Commission on Economic and Trade Co-operation, Pan-Pearl River Delta Regional Co-operation, as well as high-level meetings, joint conferences and task forces with Guangdong, Fujian, Beijing, Shanghai and Sichuan, etc. The Macao SAR Government has also progressively commenced regional co-operation with Zhejiang, Jiangsu and other provinces and regions in the Mainland.

Guangdong-Hong Kong-Macao Greater Bay Area

- As of 2022, the Guangdong-Hong Kong-Macao Greater Bay Area occupied a total area of around 56,000 km² and had a population of more than 86 million. The GDP of the area was over RMB 13 trillion, making the area one of the regions that features strong economic vitality and a high degree of openness and internationalisation in China.
- Being one of the four core cities in the Greater Bay

Area, Macao has promoted the construction of the Guangzhou-Shenzhen-Hong Kong Science and Technology Innovation Corridor by making good use of its unique role as the China-PSCs Platform and a core engine for regional development. Macao continues leveraging their comparative advantages in striving for excellence and achievements, in a bid to strengthen the radiating effect in leading the development of nearby regions.

- Macao maintains close communication and co-operation with other cities of the Greater Bay Area. Under the Guangdong-Macao Co-operation Joint Conference System, Macao has established the Guangzhou-Macao Co-operation Task Force Meeting mechanism, Zhuhai-Macao Co-operation Meeting mechanism, Task Force for the Promotion of Zhongshan-Macao Co-operation mechanism, and Shenzhen-Macao Co-operation Conference mechanism in collaboration with Guangzhou, Zhuhai, Zhongshan and Shenzhen, respectively. The city has also established the Hong Kong-Macao Co-operation High Level Meeting mechanism and signed the Hong Kong and Macao Closer Economic Partnership Arrangement (HK-Macao CEPA).

One-hour Living Circle

World-class Airports

Macau International Airport, Zhuhai Jinwan Airport, Hong Kong International Airport, Guangzhou Baiyun International Airport, Shenzhen Bao'an International Airport

Bridges

Hong Kong-Zhuhai-Macao Bridge, Nansha Bridge, Humen Pearl

River Bridge, Shenzhen–Zhongshan Bridge (scheduled to open in 2024)

World-class Harbours in Pearl River Delta

Port of Guangzhou, Port of Shenzhen, Port of Hong Kong

Multi-layer Rapid Transport Network

High-speed rail + inter-city rail + highway

Guangzhou–Shenzhen–Hong Kong Express Rail Link, Guangzhou–Zhuhai Intercity Railway, link roads to the Hong Kong–Zhuhai–Macao Bridge, Macao Light Rapid Transit

Economic Relation with EU

- Macao and the EU signed the Agreement for Trade and Co-operation between the European Economic Community and Macao in 1992, which stipulates that the two parties may forge collaborations in areas such as industry, investment, science and technology, energy, information and training.
- The EU-Macao Joint Committee holds a meeting annually to review the implementation of the agreement as well as discussing future developments. A total of 23 meetings have been held as of 2019. Macao and the EU have also launched various co-operation projects, such as the establishment of the Institute of European Studies of Macau (IEEM) in the city in 1995. Over the years, the IEEM has been enhancing Macao's role as a "Commercial and Trade Co-operation Service Platform between China

and Portuguese-speaking Countries” and a “base of exchange and co-operation with traditional Chinese culture as the mainstream and other cultures flourishing in harmony” by organising various types of activities that promote Macao’s business environment to the European Union.

- The EU is the largest trading partner of Macao. In 2022, the volume of merchandise trade between Macao and the EU amounted to over MOP 46.02 billion, accounting for 30.0% of Macao’s total external merchandise trade.
- As of the end of 2021, the stock of foreign direct investment from the EU to Macao amounted to MOP 11.45 billion.

Three SAR Government’s offices in Europe
Macao Economic and Trade Office in Lisbon
Macao Economic and Trade Office to the European Union in Brussels
Macao Economic and Trade Office to the World Trade Organisation (Geneva)

Economic Relation with PSCs

- Due to historical ties, Macao has forged close and extensive connections with nine PSCs for many years, which have between them a population over 300 million in total, and plays the role as the Commercial and Trade Co-operation Service Platform between China and Portuguese-speaking Countries.
- The first Ministerial Conference of the Forum for Economic and Trade Co-operation between China and Portuguese-speaking Countries was initiated by the

Central Government and convened in Macao in October 2003. The Permanent Secretariat and a training centre of the Forum have also been established in Macao. To date, the Ministerial Conference of the Forum has been held five times. In addition, the Extraordinary Ministerial Meeting of the Forum for Economic and Trade Co-operation between China and Portuguese-speaking Countries was held both online and offline in Beijing and Macao in April 2022, with the main event venue set up at the China-Portuguese-speaking Countries Commercial and Trade Service Platform Complex in Macao. At the Extraordinary Ministerial Meeting, aside from the opening ceremony, various activities took place, including the inauguration ceremony of the China-Portuguese-speaking Countries Exchange Centre for Epidemic Prevention and the signing ceremony of the Joint Declaration. At the event, the Republic of Equatorial Guinea officially became the tenth member of the Forum Macao.

- The China and Portuguese-speaking Countries Co-operation and Development Fund involves an investment totalling USD\$ 1 billion. The headquarters for the Fund was established in June 2017 in Macao to provide enterprises from China and PSCs with assistance in developing collaboration regarding production capacity and infrastructure. Up to now, the Fund has invested in a number of projects in the sectors of agriculture, manufacturing, infrastructure and finance in different countries and regions such as Brazil, Mozambique, Angola and Macao, with China's total investment in Portuguese-speaking countries exceeding USD 4 billion. More than 20 investment reserve projects are widespread in most Portuguese-speaking countries and regions.
- China-Portuguese-speaking Countries Commercial and Trade Service Platform Complex, which occupies an area of around 14,200 m² and has a gross floor area of around 50,000 m², features integrated functions covering

commercial services, economic and trade negotiations, product display, cultural exhibitions and information exchange, thereby providing more convenient services to strengthen Macao's role as the China-PSCs Platform.

- In 2022, the volume of merchandise trade between Macao and Portuguese-speaking Countries exceeded MOP 1.07 billion, up by 45.9% year-on-year.
- "Three Centres" derived from the "China-PSC Platform"

1. Commercial and Trade Service Centre for SMEs of China and PSCs

2. Food Product Distribution Centre for PSCs

3. Convention and Exhibition Centre for Economic and Trade Co-operation between China and PSCs

Portuguese-speaking Countries

Angola

Brazil

Cape Verde

Guinea-Bissau

Equatorial Guinea

Mozambique

Portugal

São Tome e Principe

East Timor