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closer Economic Partnership Arrangement

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Editor' s Note:

The first CEPA Senior Official Meeting of 2018 was convened in Macao on 20 March, symbolising the official start of the consultation on the Agreement on Trade in Goods under CEPA. With accomplishing the 13th Five-Year Plan's proposal to "open the Mainland up more widely to Hong Kong and Macao and work to improve the Closer Economic Partnership Arrangement between the Mainland and the two regions" being one of the goals, the consultation will further enhance the level of mutually beneficial cooperation between the two places.

In addition, the Enhancement of CEPA Forum in Macao jointly organised by the Ministry of Commerce of the People's Republic of China and the Government of the Macao Special Administrative Region was successfully held on 31 January at the Macau Tower Convention & Entertainment Center. The Forum helps promoting deeper understanding of the contents and measures of enhancement of CEPA, and of the Mainland's related policies and administrative support arrangements among the trades and residents of Macao.

Furthermore, the Macao Economic Bureau organised a group of 20 comprising representatives from the Macao Trade and Investment Promotion Institute, Parafuturo de Macau Investment and Development Limited, youth entrepreneurship organisations of Qianhai, Shenzhen, and eleven local youth organisations to visit Lisbon and Porto in Portugal for youth entrepreneurship exchange activities, with an aim of learning new knowledge about enterprise operations and discovering new opportunities for their companies' future development through the exchange programme for their exploration of markets and businesses after returning to Macao.

1. The First Senior Officials Meeting for Enhancement of Trade in Goods under CEPA Convened in Macao



The first CEPA Senior Officials Meeting convened in Macao

The first CEPA Senior Official Meeting of 2018 was convened in Macao on 20 March, symbolising the official start of the consultation on the Agreement on Trade in Goods under CEPA. Sun Tong, Director-General of the Department of Taiwan, Hong Kong and Macao Affairs of the Ministry of Commerce of the People's Republic of China, and Teng Nga Kan, Chief of the Office of the Secretary for Economy and Finance stated at the Meeting that with accomplishing the 13th Five-Year Plan's proposal to "open the Mainland up more widely to Hong Kong and Macao and work to improve the Closer Economic Partnership Arrangement between the Mainland and the two regions" being one of the goals, the consultation will discuss how to better promote trade facilitation and further enhance the level of mutually beneficial cooperation between the two places on the basis that trade liberalisation in the area of trade in goods between the two places has basically been achieved. Meanwhile, the consultation on the Agreement on Trade in Goods for enhancement of CEPA is to be done properly by taking the opportunities

brought by the development of the Guangdong-Hong Kong-Macao Bay Area, so as to achieve new breakthroughs in trade facilitation between the two places.

At the Meeting, both sides exchanged on and discussed the overall goals, basic principles, time schedule of the consultation, as well as the framework of the text and the major chapters and sections of the Agreement on Trade in Goods under CEPA and have reached a preliminary consensus. The related tasks will be carried out sequentially in future.

CEPA has come into effect since 1 January 2004. For trade in goods, the Mainland allows all goods of Macao complying with the CEPA rules of origin to be imported at zero tariff. After multiple phases of liberalisation, CEPA rules of origin have currently been specified for a total of 1,535 items of goods of Macao, which can enjoy zero-tariff benefit upon importation into the Mainland. The zero-tariff policy under CEPA enhances the advantages of Macao products in exploring the Mainland market, which favours promoting the upgrade and transformation of Macao's manufacturing industry, actively fostering the continuous healthy development of Macao's manufacturing industry.

To further promote the development of trade in goods between the two places, the Mainland and Macao will comprehensively review the systems and measures of trade in goods under CEPA, sum up the past implementation experiences, and take the actual needs of Macao's trades into account

to further optimise the environment and conditions for the development of trade in goods between the two places, so as to assist Macao in integrating itself further into the national development strategies and promoting the moderately diversified development of its economy.

2. Enhancement of CEPA Forum in Macao Successfully Held

Jointly organised by the Ministry of Commerce of the People's Republic of China and the Government of the Macao Special Administrative Region, the Enhancement of CEPA Forum in Macao was successfully held on 31 January at the Macau Tower Convention & Entertainment Center. Secretary for Economy and Finance Leong Vai Tac said in his speech that the Forum helps promoting deeper understanding of the contents and measures of enhancement of CEPA, and of the Mainland's related policies and administrative support arrangements among the trades and residents of Macao, enhancing their sense of acquisition, utilisation of the preferential policies accorded to Macao by China, and contribution to China's modernisation while achieving self-development.

Sun Tong, Director-General of the Department of Taiwan, Hong Kong and Macao Affairs of the Ministry of Commerce of the People's Republic of China, stated in his speech that enhancement of CEPA is a preferential policy established for Macao by



Over 300 representatives from multiple government authorities, associations, commerce chambers, and the business community attended the Forum

the Central People's Government to allow Macao to capitalise on its advantages, so as to integrate itself into the development of the Bay Area and the "Belt and Road" Initiative. The Investment Agreement fills the gap in the investment-related areas, and enhances liberalisation by means of a negative list again after the Agreement on Trade in Services in 2016. Macao investors are entitled to national treatment except in 26 specific areas; the second part is mutual investment protection which provides systematic protection to the Mainland's investment in Macao; the third part is service facilitation measures which provide more

facilitated services to investors. The Agreement on Economic and Technical Cooperation consolidates comprehensively the related contents in the previous agreements, establishing a policy arrangement with a clearer direction for Macao. Currently, enhancement of CEPA is the Mainland's most liberal external trade agreement. Director-General Sun hoped to strengthen the promotion and collect sufficient feedbacks from various sectors through this Forum, so as to arrange the follow-ups.

Secretary Leong stated that enhancement of CEPA is more liberalised and targeted on top of the existing basis, highlighting Macao's features, especially by coordinating with Macao's development of "One Platform, One Centre", which favours promoting moderately diversified economic development. At the same time, enhancement of CEPA broadens the room for development for Macao's micro, small and medium enterprises, professionals and youth, provides Macao residents with more facilitated measures for entering into the Mainland for their own development, creating more favourable conditions for all sectors of Macao to integrate themselves into the national development strategies. Secretary Leong reiterated that with an endeavour to open up new horizon of development for Macao, the SAR Government will continue to strengthen the communication and cooperation with the

relevant Mainland authorities, seize the development opportunities of China, gather the efforts of all sectors, and make full use of the various policies of the Central People's Government for benefiting Macao including CEPA to deepen the mutually beneficial cooperation with the Mainland in order to integrate into the national development strategies more comprehensively, deeply, proactively and closely, so as to promote moderately diversified and sustainable economic development.

Around 300 representatives from multiple government authorities, associations, commerce chambers, and the business community attended the Forum. Apart from listening to the review of the implementation of CEPA and the presentation on the content of the two agreements made respectively by representatives of the Ministry of Commerce and of the Macao Economic Bureau, they also conducted discussions on three themes, namely, financial cooperation, convention and exhibition cooperation, and quality monitoring, inspection and quarantine in groups according to the sectors they belonged to.

3. 2018 Youth Entrepreneurship Exchange Activities in Portugal



The exchange group visits Porto Design Factory

To further promote innovation and entrepreneurship exchanges and cooperation between the youth of China and Portugal, and give full play to the role of the Youth Innovation and Entrepreneurship Centre for Young Entrepreneurs in China and the Portuguese-speaking Countries (the Centre) as a pooling and exchange platform for startup enterprises of the Mainland, Macao and Portuguese-speaking countries (PSCs), the Macao Economic Bureau (DSE) organised a group of 20 comprising representatives from the Macao Trade and Investment Promotion Institute, Parafuturo de Macau Investment and Development Limited, youth entrepreneurship organisations of Qianhai, Shenzhen, and eleven local youth organisations to visit Lisbon and Porto in Portugal between 6 February and 10 February for youth entrepreneurship exchange activities.

During their visit to Portugal, the

exchange group first paid a visit to Mr. Cai Run, Ambassador of China to the Republic of Portugal in the company of O Tin Lin, head of the Macao Economic and Trade Office in Lisbon. Ambassador Cai briefed about Portugal's economic development and the economic and trade cooperation between China and Portugal in recent years, and hoped that Macao could play its role as a platform between China and PSCs in respect of entrepreneurship and innovation cooperation. Tai Kin Ip, Director of the DSE, gave Ambassador Cai an account of the SAR Government's work on promoting the Centre and the progress of the "innovation and entrepreneurship exchange programme for youth in China and Portuguese-speaking countries" ("the programme") launched at the end of last year. He was hoping to foster the exchanges between youth entrepreneurship organisations of Macao, the Mainland, and Portugal to inspire innovation and creativity among youth entrepreneurs of the three places.

During their stay in Lisbon, the exchange group visited Second Home, which focuses on inter-enterprise sharing and enterprise cluster building, Fábrica de Startups, an entrepreneurship incubation centre and an innovation workshop providing training and consultation services, Beta-i Lisboa, which assists the growth of startup enterprises by means of equity interest investments, and

ANJE, Portugal’s association of youth entrepreneurs which has an extensive overseas connection. While in Porto, they visited NIDE Porto, a co-working space focusing on youth employment and entrepreneurship training, OPO’LAB, which focuses on incubation of industrial product projects, and Porto Design Factory, a design workshop dedicated to training T-shaped talents and promoting revolutionary innovations.

Representatives from the youth entrepreneurship organisations participated in the exchange remarked that this was a rare opportunity to get to know the various incubation institutes in Portugal. They were expecting that making use of the experiences acquired and connections established during this exchange in their work on youth entrepreneurship in Macao would help to nurture startup enterprises in Macao successfully. In addition, the first batch of participants of the “the programme”, comprised of three Macao youth entrepreneurs, were also in this exchange tour, conducting exchange activities and sharing their thoughts acquired from the training and incubation in Portugal with members of the group. They said that they had learnt new knowledge about enterprise operations and discovered new opportunities for their companies’ future development through the exchange programme; their visions were broadened, and a wider business network and connections were

established through participating in the exchange activities. These would help them to explore markets and businesses after returning to Macao, and benefit their personal development.



The exchange group visits Fábrica de Startups, an entrepreneurship incubation centre and innovation workshop

4. Guangdong-Macao Service Industry Cooperation Task Force of 2018 Meeting Convened in Guangzhou



Representatives from the Guangdong and Macao sides at the annual working meeting

Jointly chaired by Ren Shao, Deputy Director-General of the Department of Commerce of Guangdong Province (DCGP), and Chan Tze Wai, Deputy Director of the Macao Economic Bureau (DSE), the annual working meeting of the Guangdong-Macao Service Industry Cooperation Task Force of 2018 was convened on 28 February in Guangzhou. Both sides discussed the cooperation plans in respect of the services industry in 2018. This was a highly productive meeting as both sides preliminarily agreed on accomplishing various cooperation projects within this year, including: exploring the establishment of Macao Pavilions with renowned cross-border e-commerce platforms, visiting Jieyang in eastern Guangdong with Macao's gold and jewellery industry to search for business opportunities, organising cross-border

e-commerce training activities in Macao, study visits to cities in northwestern Guangdong, organising study visits to cities in the Guangdong-Hong Kong-Macao Bay Area for Macao's services industry, etc. After the meeting, the two sides planned and implemented the projects in sequence. One of those is the visit of the DSE's delegates to renowned e-commerce vendors in Guangzhou on 16 March, which was assisted by the DCGP, for discussing the feasibility of establishing Macao Pavilions to display made-in-Macao products and products from Portuguese-speaking countries distributed by Macao enterprises, which is going to encourage small and medium enterprises in Macao to make use of the platforms for exploring Mainland markets and businesses.

5. The 3rd Youth Entrepreneurship and Innovation Nurturing Programme Officially Launched

To coordinate with the SAR Government's policy objective of "Letting Macao thrive through education" and "Building Macao with talent", and to allow youth of Macao to better seize the opportunities brought by China's policies such as the "popular entrepreneurship and mass innovation", "Belt and Road" Initiative and "Guangdong-Hong Kong-Macao Bay Area City Cluster Development Plan", the Education and Youth Bureau (DSEJ) and the Macao Economic Bureau (DSE), along with the Youth Entrepreneurship and Innovation Training Programme Preparatory Commission, jointly launched the inaugural Youth Entrepreneurship and Innovation Nurturing Programme in 2016 which has since received considerable attention, support, and warm welcome from the community. The Youth Entrepreneurship and Innovation Training Programme is launched in 2018 for the third consecutive time, for which a press conference was held on 5 March at the DSEJ's Confucius Conference Room, with Deputy Director of the DSE Lau Wai Meng, Head of the Youth Department of DSEJ Chan Iok Wai, the Youth Entrepreneurship and Innovation Training Programme Preparatory Commission's Assistant Coordinator Ieong Man Un, Assistant Coordinator Helena Lei, Secretary-General Lam Choi Sin, and Members Lei Ka Man and Chao Weng Hou

giving an account of the details of the Programme respectively.

This year's nurturing programme, which is the first project included in the SAR Government's "Youth Entrepreneurship and Innovation in the Bay Area Programme", is to be implemented in a 5-in-1 approach which refers to "Promotion of highlights + training + visits and exchanges + competitions and exhibitions + entrepreneurship incubation", and connects to the SAR Government's Youth Entrepreneurs Aid Scheme. With the incorporation of knowledge related to the opportunities brought to Macao's youth entrepreneurship and innovation by policies such as the "Guangdong-Hong Kong-Macao Bay Area City Cluster Development Plan" and the "development of commercial and trade cooperation service platform between China and Portuguese-speaking Countries" into the theory-to-practice, phase-by-phase, layer-by-layer and in-depth-but-plain nurturing of the trainees' creative thinking and the entrepreneurship capabilities education and training, youth of Macao will be able to understand the development situation and trend in the area of entrepreneurship and innovation, and at the same time develop a broader vision and social network, avail themselves better of the room for development granted to Macao

by China, enhance the competitiveness of themselves, capitalise on their advantages and utilise their talents for starting off their own startup enterprises.

The Programme targets youth of Macao aged between 15 and 29. The admission quota for the first phase (elementary) training, namely “Dream Builders”, is 150 trainees, who were divided into sections of “youth in study” and “youth in work” for the training started on 7 April. This year’s trainees will have an opportunity to participate in the 23rd Macao International Trade and Investment Fair (MIF) and the

Macao International Startup Week (MIS-Week) 2018. The Macao Youth Entrepreneurship and Innovation Competition will also be held during the MIS-Week.



Youth Entrepreneurship and Innovation Nurturing Programme press conference

6. Annual Meeting of the Guangdong-Macao Quality Inspection and Certification Task Force



Annual meeting of the Guangdong-Macao Quality Inspection and Certification Task Force

The annual meeting of the Guangdong-Macao Quality Inspection and Certification Task Force was convened on 23 January in Macao. The Guangdong side was represented by the Administration of Quality and Technology Supervision of the Guangdong Province (GDQTS), while the Macao side was led by the Macao Economic Bureau (DSE) and comprised of the Civil

and Municipal Affairs Bureau (IACM) and the Macao Productivity and Technology Transfer Center (CPTTM), with both sides aiming to promote exchanges and cooperation between the two places in the areas of quality inspection and certification. In-depth discussions on deepening the understanding of the functions of the Task Force’s participating authorities of the two places, annual work summary and the work plan for the next phase were conducted during the meeting.

The DSE, IACM and CPTTM gave respectively an account of their own scope of work and function, with the CPTTM emphasising on the upcoming “Macao quality products certification scheme”,

which aims to coordinate with the development of Macao’s manufacturing industry and is highly beneficial to propelling enterprises to provide quality products, as well as enhancing customers’ confidence and market competitiveness. The Guangdong side, apart from giving an introduction on the work of the GDQTS, also gave an account of the tasks such as quality inspection and certification, branding, measurement and standardisation. In future, the two sides will keep enriching the scope and level of cooperation, including promoting branding cooperation and strengthening cooperation in standardisation

and in technical tests and measurement technologies. After the meeting, the GDQTS and the DSE visited the Macau Laboratory of Civil Engineering – LECM together, meeting and conducting exchanges with the laboratory staff.



The Guangdong-Macao Quality Inspection and Certification Task Force visits the Macau Laboratory of Civil Engineering – LECM

7. Exchange with Guangzhou Nansha District Youth Federation



Guangzhou Nansha District Youth Federation visits the DSE

To promote in-depth cooperation in youth innovation and entrepreneurship between Guangzhou and Macao, and to make full and proper use of the youth entrepreneurship base services provided specially for Hong Kong and Macao by the Guangdong Pilot Free Trade Zones, a group led by Gao Fei, President of the Guangzhou Nansha District Youth Federation, visited the Macao Economic Bureau (DSE) on 25 January to conduct exchanges on strengthening the youth entrepreneurship

cooperation projects between the two places, such as the “Macao youth entrepreneurship space”, the Youth Innovation and Entrepreneurship Competition and the Portuguese-speaking countries products display and sales platform at the Nansha Creativity, Innovation and Entrepreneurship Park. The Park’s development is positioned to open to youth of Hong Kong and Macao engaging in the cultural and creative industry for incubating industries such as cultural entrepreneurship, new media operation and creative design; its specialised 600 square metre large “Macao youth entrepreneurship space” is currently accommodating 9 Macao groups. The Guangzhou delegate also visited the Macao Young Entrepreneur Incubation Centre located at The Carat after the meeting.

8. Presentation on Enhancement of CEPA at the Association of Property Agents and Realty Developers of Macau

To continue publicising the beneficial policies brought to Macao by enhancement of CEPA among trades after the Enhancement of CEPA Forum held in Macao on 31 January, the Macao Economic Bureau (DSE) visited various trade associations to make thematic presentations on the Investment Agreement and the Agreement on Economic and Technical Cooperation, particularly the preferential and facilitation measures that the trades are concerning with a view to facilitating the trades to jointly make proper and full use of the CEPA policies.

On 20 March, Director Tai Kin Ip led a visit to the Association of Property Agents and Realty Developers of Macau (APARDM) to meet and conduct exchanges with around 50 trade members and practitioners. President of APARDM Ung Choi Kun said at the meeting that since the implementation of CEPA in 2004, Macao's real estate industry has been entering the Mainland market by making use of the continuously optimised liberalisation policies, and the national treatment accorded to real estate enterprises by the Agreement on Trade in Services implemented in 2016 provides even greater support and impetus for the industry to set foot in the Mainland. At present, as the Investment Agreement and the Agreement on Economic and Technical Cooperation have been signed and have



Director Tai Kin Ip, Deputy Director Chan Tze Wai, and 3 other representatives from the DSE visit the APARDM to deliver a presentation on enhancement of CEPA

come into effect for enhancement of CEPA, he was expecting that the new policies could further facilitate the trade to invest and start up new businesses in the Mainland. During the meeting, the DSE made a presentation on the two agreements, with a focus on interpreting the new measures that are closely related to the trade, especially the investment admission preferences and protection that the trade can enjoy under the Investment Agreement. During the interaction session, the two sides conducted exchanges on issues of the trade's concern, such as capital transfer and obtaining of Certificates of Macao Service Supplier. Both sides agreed to continue maintaining close contacts, exchanging information on CEPA's latest facilitation measures and the latest market development in a timely manner, so as to enable the trade to benefit from CEPA to the greatest extent.