

Analysis Report:

11 Years After Macao's Handover

- **Smooth political operations**
- **The economy gradually recover, but worries remained**
- **The judiciary remains independent**
- **Public security continues to improve**
- **Guangdong province and Macao cooperated closely**
- **The international community basically affirmed developments in Macao**
- **Taiwan and Macao upgraded official interaction**

I. Overall Review and Analysis

The administration of the third Macao government continue to function smoothly over the past year. In the economic sphere, Macao started to recover from the financial crisis but its single-product economy, intensifying inflation, and other issues continued to attract attention. Overall criminal activity and violent crime declined, indicating improvement in public security. The international community basically affirmed developments in Macao with its economic freedom and general respect for civic human rights, though concerns remained over government corruption, human trafficking, and other issues.

In recent years, Macao has actively promoted cooperation with Guangdong province. In addition to strengthening cooperation in tourism, trade, and other service industries, Macao has also sought, in conjunction with the Pearl River Delta Economic Zone plan, to be the "World Centre of Tourism and Leisure," promote urban integration with Zhuhai, and establish University of Macau's Hengqin Campus. Whether it was to strengthen existing tourism and economic relations between the two sides, or to further enhance Macao's role in MICE tourism, cooperation with Guangdong province has become one of the goals of Macao's active integration moves.

On March 16 this year, Macao Chief Executive Fernando Chui delivered his first policy address. This was the first time that the development of relations between Macao and Taiwan was included. Chui also designated the Director of the Office of the Chief Executive, Alexis Tam, to be in charge of Taiwan-related affairs. On November 16, Chief Executive Chui gave

his second policy address. It stated that the government would strive for new achievements with Taiwan in cooperation on economic, trade, tourism, and culture. The government would continue to support Macao's high education institutions to gain academic accreditation in Taiwan. In addition, it encouraged exchanges and mutual visits between Taiwan and Macao companies, community groups, and individuals.

These developments indicated that, over the past year, official interaction between Taiwan and Macao improved significantly and the level of exchanges also rose. The Taiwan government also welcomed Macao government's proposal to set up an office in Taiwan to provide faster and more convenient services for the people of both sides, and said that it would further discuss the matter once Macao government put forth specific plans.