

Analysis Report: 13 Years After Macao's Handover

- Government reforms have completed, ushering in a new phase of political development
- The economy continues to grow in double-digit amidst inflation concerns
- The judiciary remains independent, though progress on related hardware and software development attracts attention
- Mainland China and Macao deepen relations
- The international community affirms developments in Macao but remains concerned over progress on democracy, freedom, and protection of human rights
- Substantive relations between Taiwan and Macao continue to improve

I. Overall Evaluation

The political operations of the Macao government remained stable in general over the past year. Government reforms have completed, ushering in a new phase of political development in Macao. In the economic sphere, Macao is expected to maintain double-digit growth this year (2012). However, the growth rate slowed from the year before due to global economic factors. High inflation also remained a focus of public concern. In the judicial sphere, the principle of judicial independence continued to be respected by the Macao government, though judicial circles felt that related hardware and software development should be accelerated to ensure judicial quality. The international community affirmed Macao's overall development over the past year, but also expressed concern over progress on democracy, freedom, and human rights.

The Mainland and Macao continued to maintain close relations and expanded cooperation and exchanges in various fields. However, issues followed by this deepen relationship, including public infrastructure burden, will become important policy issues for the Macao government.

Taiwan and Macao maintained close people-to-people exchanges in various areas, there were also good interactions in the areas of economic, cultural, education, academic, cultural and creative industry, and youth exchanges. Personnel contact between the two sides was also quite close. In addition, this year the Taiwan government simplified application procedures for Hong Kong and Macao residents visiting Taiwan to facilitate interaction

between the people of both sides. Official exchange visits between Taiwan and Macao remained warm. The plaque of the Macao representative office in Taiwan was officially unveiled in May, symbolizing the upgrading of substantive relations between the two sides.