

Macao and the European Union

Until the 19th century, Macao played an important role in the economic and cultural exchanges between China and Europe. Despite being overtaken by the rapid development of Hong Kong as a trade hub, Macao has maintained its links with Europe in many aspects.

Macao has maintained good relations with the European Union (EU) in terms of economic and trade affairs since the establishment of the Macao Special Administrative Region (MSAR). The Chief Executive, Mr Edmund Ho Hau Wah, visited Portugal, France, Belgium and Germany respectively and met EU officials in Brussels to further strengthen these links.

Furthermore, the Macao Economic and Trade Office to the European Union (renamed as Macao Economic and Trade Representative Office to the European Union in 2007) has been set up at the Brussels headquarters of the EU to further enhance Macao's relationship with the EU.

The Macao-EC Trade and Cooperation Agreement

Official relations between Macao and the EU have been steadily built on the foundation of the Trade and Cooperation Agreement between Macao and the European Community (as the EU was then known), which was signed in 1992. During the transitional period, China and Portugal confirmed in the Sino-Portuguese Joint Liaison Group that this agreement would remain in force after the establishment of MSAR in 1999.

Under the agreement, both sides cooperate in industry, investment, science and technology, energy, information, training and other areas. Joint committees of both parties hold annual meetings to review the implementation of the agreement and discuss its future development. Macao and Brussels take turns to hold such meetings.

Macao-EU Joint Projects

Macao and the EU have rolled out a number of joint projects.

The Euro-Info Centre in Macao was established in 1992 and is linked with a

network of 250 information centres in Europe. It provides specialist services that enable Small and Medium Enterprises (SMEs) in Macao, Hong Kong, the Pearl River Delta and neighbouring regions to obtain useful information on Europe. It also helps SMEs to find business partners in the EU, European Free Trade Association and other countries.

The Macao-Europe Centre for Advanced Tourism Studies (ME-CATS) was established jointly by the EU and the Institute for Tourism Studies, and started operations in 1999. The EU regularly sends experts to Macao to conduct classes, and it offers various advanced tourism courses for local and overseas trainees.

The European Union also jointly held a Masters programme with the Macao Institute of European Study, a local academic institution established in 1995 to provide information on the European Unions internal economy and legislation. The institute also holds meetings, seminar and other study programmes.

Other joint projects included training programmes in services, public administrations and law, which are in line with the development of Macao.

In October 2006, the European Commission published the *Communication from the Commission to the Council and the European Parliament – The European Union, Hong Kong and Macao: Possibilities for Cooperation 2007-2013*. It states: “The existing policy and regulatory dialogues and cooperation between the EU and the Hong Kong and Macao SARs have provided an excellent base for relations. To move relations further forward, this base needs to be built upon and strengthened, and at the same time widened to include other sectors and take account of the much greater EU cooperation with mainland China. Hong Kong and Macao are indeed platforms for deepening cooperation with mainland China. The EU should now widen and deepen the scope for greater EU involvement in the ongoing trilateral cooperation between Hong Kong, Macao and mainland China.” The document also outlines objectives for moving forward with cooperation with Macao in several areas: trade and customs, finance, people-to-people and academic links, transport, health and food safety, and the environment.

Economic and Trade Relations

The EU has been Macao’s one of the most important trading partners for decades. About 10% to 20% of Macao’s exports go to EU countries, while about 10% of its

imports come from the EU.

The EU is Macao's second biggest trading partner. In 2009, Macao's exports to the EU totalled 631 million patacas while imports from the EU were worth approximately 7.815 billion patacas.

Asia-Invest Programme

The Asia-Invest Programme is another EU initiative that aims to promote and support economic and trade cooperation that benefits both the EU and Asia. It also facilitates communication between Asian and European business organisations, as well as trade and cross-border investment. At the end of 1998, the EU officially approved Macao as a beneficiary region for the Programme. Since then, intermediary business organisations in Macao have used it to form alliances with their counterparts in the EU and to apply for investment projects in Asia.

Visa-free Access

At the beginning of 2001, the European Parliament and the Council of the European Union officially ratified the European Commission's proposal to grant visa-free access to MSAR passport holders.

With effect from 10 April 2001, MSAR passport holders could stay for 90 days without a visa in 13 EU-member countries that are signatories to the Schengen Agreement. These are France, Germany, Italy, Spain, Portugal, Austria, Denmark, Finland, Luxembourg, the Netherlands, Belgium, Sweden and Greece. So far, all 27 member states of the European Union have granted MSAR passport holders visa-free access. The United Kingdom and Ireland have also granted visa-free access to MSAR passport holders since April 2002.

In addition, two non-EU countries, Norway and Iceland, which are also members of the Schengen Agreement, likewise grant 90-day visa-free access to MSAR passport holders. This decision facilitates mutual exchange between Macao and the EU countries.

More information:

Macao SAR Government (<http://www.gov.mo>)

Identification Bureau (<http://www.dsi.gov.mo>)

Euro-Info Centre Macau (<http://www.ieem.org.mo>)

10/2010