

**Master Plan of the Development of the Guangdong-Macao
Intensive Cooperation Zone in Hengqin**

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Master Plan of the Development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin

As General Secretary Xi Jinping has emphasised, the original intention of developing the Hengqin New Area is to create a favourable environment for Macao's industrial diversification. Under the new trend and circumstances, development and opening up of the Guangdong-Macao Intensive Cooperation Zone in Hengqin is an important move for in-depth implementation of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, a significant layout for intensifying the realisation of "One country, two systems", and a great driving force for Macao's long term development, which is beneficial to Macao for maintaining long term prosperity and stability and integrating into the overall national development. To fully and thoroughly implement General Secretary Xi Jinping's important instructions and spirit regarding the development of Hengqin through the joint efforts of Guangdong and Macao, and to support the development of the Guangdong-Macao Intensive Cooperation Zone in Hengqin (hereinafter referred to as the "Cooperation Zone"), this plan is hereby formulated as follows:

I. General Requirements

(1) Foundation for Development

Hengqin is located at the southern edge of Zhuhai, separated from Macao only by a strip of water and linked up with Macao by a bridge. It has a natural advantage for facilitating cooperation between Guangdong and Macao, and is an important platform for promoting Macao's adequate economic diversification. Since the CPC Central Committee and the State Council made the decision on developing Hengqin in 2009, obvious success in socio-economic development has been achieved through joint efforts of all parties. In Hengqin, infrastructural facilities are gradually improved, innovative systems are intensively implemented. As Hengqin continues to enhance its opening up to the outside world, its gross domestic product and financial revenues increase rapidly. In the meanwhile, the real economic development of Hengqin is still insufficient, and its distinctive features for serving Macao are not evident enough. It still has room for enhancing its integrated development with Macao, therefore, promoting diverse development of industries in Macao is a very important and arduous mission.

(2) Guiding Ideology

Adopt “Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era” as the guiding ideology; fully implement the spirits of the 19th National Congress of the Communist Party of China and its second, third, fourth and fifth plenary sessions; keep a foothold on the new development stage; implementing new development concepts; foster a new development paradigm; focus on promoting Macao’s adequate economic diversification; uphold the principle of “One country, two systems”; act in accordance with the law; adhere to emancipation of the mind, reform and innovation; persist in mutual cooperation, opening up and inclusiveness; perfect innovative policies and measures; enrich and widen the scope of cooperation; adopt more effective and open measures to coordinate and promote Guangdong-Macao intensive cooperation; put great effort into developing new industries that facilitate Macao’s adequate economic diversification; expedite the building of a new home for Macao residents to live and work; construct a new high-standard and open system that integrates with Macao; continue optimising the new system of mutual discussion, joint construction, joint administration and shared benefits between Guangdong and Macao; support Macao to perfectly integrate into the overall national development; give

Macao a new impetus for stable and permanent practice of the principle of “One country, two systems”.

(3) Scope of the Cooperation Zone

The scope of the Cooperation Zone covers the customs supervision territory between the “first-tier” and “second-tier” subzones on Hengqin island, occupying a total area of 106 square kilometres. Of which, the area that lies between Hengqin and Macao is regarded as the “first-tier” subzone (hereinafter referred to as “first-tier”), while the area that lies between Hengqin and other areas within the customs territory of the People’s Republic of China (hereinafter referred to as “mainland territory”) is regarded as the “second-tier” subzone (hereinafter referred to as “second-tier”).

The Cooperation Zone will be administered separately by subzone and category in accordance with the objective and actual conditions of the entire Hengqin island. The Hengqin campus of the University of Macau and the Macao border crossing area at the Hengqin Port will be administered by the Macao Special Administrative Region (“MSAR”) Government as authorised by the Standing Committee of the National People’s Congress, where relevant Macao legal system and stipulations are applicable, and these areas are

physically separated from other areas by wire fences. The areas developed through mutual discussion, joint construction, joint administration and shared benefits by Guangdong and Macao will adopt an electronic wire fence monitoring and control system and a directory list, to implement a special policy on eligible market entities.

(4) Strategic Positioning

- A new platform for promoting Macao's adequate economic diversification: In conjunction with the endowment of Guangdong and Macao's own resources and the foundation for development, with the main approach of facilitating diverse development of Macao's industries, the supporting policies will be strengthened and great efforts will be made to develop new technologies, new industries, new forms of business and new models, giving new impetus to Macao's long-term development.
- A new space for Macao residents to live and work: Facilitate the Cooperation Zone to match with Macao's public services and social security system, for the convenience of Macao residents to study, work, set up businesses and live in the Cooperation Zone, creating an environment like that of Macao which is favourable for living and work.

- A new paradigm to enrich the practice of “One country, two systems”: Persist with the foundation of “One country” and leverage the advantages of “Two systems”, and based on the special regulatory system by tier district and the foundation of development of the Cooperation Zone, to pioneer over reform and opening up of important areas and innovation in critical processes, promote regulatory cohesion and system matching, create a regional development demonstration featuring Chinese characteristics and highlighting the advantages of “One country, two systems”, and expedite its integrated development with Macao.

- A new high ground for promoting development of the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”): Fully explore the potential of the Greater Bay Area in system innovation, sufficiently and effectively leverage the advantages of Macao as a free port and Zhuhai as a special economic zone, speed up enhancement of the Cooperation Zone’s comprehensive strength and competitiveness, strongly support the leading effect of Macao-Zhuhai apex on the Greater Bay Area that facilitates and accelerates the development of the western estuary of the Pearl River.

(5) Development Goal

By 2024, as of the 25th anniversary of Macao's return to the motherland, the mechanism of mutual discussion, joint construction, joint administration and shared benefits between Guangdong and Macao will run smoothly with a significant convergence of innovative elements, an accelerated development of distinctive industries, and public services and the social security system that match with those of Macao in an orderly manner, Macao residents living and working in the Cooperation Zone will significantly increase in number. The framework for the development of the Hengqin-Macao integration is preliminarily established and the support for promoting Macao's adequate economic diversification is preliminarily formed.

By 2029, the 30th anniversary of Macao's return to the motherland, the Cooperation Zone will highly synergise with Macao's economy, the system for in-depth cohesion of regulations will be comprehensively established, all border-crossing movements of essential elements will operate efficiently and conveniently, distinctive industries will be well developed, public services and the social security system will be improved, the Hengqin-Macao integrated development will be optimised, and the results in promoting Macao's adequate

economic diversification will be obviously achieved.

By 2035, the strong vitality and advantages of “One country, two systems” will be fully demonstrated, the economic strength and technological competitiveness of the Cooperation Zone will be greatly enhanced, public services and the social security system will be effectively operated, the Hengqin-Macao integrated development will be perfected, and the goal of promoting Macao’s adequate economic diversification will basically be realised.

II. Development of Nascent Industries to Promote Macao’s Adequate Economic Diversification

(6) Development of Scientific and Technological Research and High-end Manufacturing Industries

Plan to construct a batch of science and technology infrastructural facilities for the urgent need of development; organise and implement international mega science programmes and mega science projects; establish high standard industry-academia-research demonstration bases at the University of Macau and the Macau University of Science and Technology; establish a technological innovation and transformation centre; and facilitate the Cooperation Zone to establish itself as an

important pivot of the international science and technological innovation centre in the Greater Bay Area.

Make great efforts in fostering integrated circuit, electronic component, new material, new energy, big data, artificial intelligence, Internet of Things (IoT), and biomedicine industries; expedite the development of microelectronic industry chain for specialised chip design, testing and inspection; develop the artificial intelligence integrated innovative environment; and build the application demo projects for Internet Protocol Version 6 (IPv6), the Fifth Generation Mobile Communication (5G), and the next generation of Internet industry cluster.

(7) Development of Macao Branded Industries, such as Traditional Chinese Medicine

Aim to establish the world's premium traditional Chinese medicine product manufacturing base and innovation high ground; optimise the development path of the Guangdong-Macao Traditional Chinese Medicine Technology Industrial Park; develop traditional Chinese medicine services trade in the role of a national traditional Chinese medicine export base; and establish a medicine innovation, research and development and transformation platform with independent intellectual property

rights and Chinese characteristics.

Permit the use of “production supervised by Macao”, “produced by Macao” or “design by Macao” signs on traditional Chinese medicine products, food products and health products approved and registered in Macao and produced in the Cooperation Zone.

Study the ways to simplify the approval process of patent external-application of traditional Chinese medicine made in Macao for sale in mainland China markets in the Greater Bay Area; explore the possibility for Macao branded traditional Chinese medicine approved for sale in mainland China to be manufactured in the mainland territory of the Greater Bay Area; and prioritised assessment and approval of new medicine products made in Macao which conform to the relevant stipulations.

Support the development of rough diamond processing; and establish the Cooperation Zone as a world-class rough diamond and precious stone trading centre.

(8) Development of Cultural Tourism, Convention and Exhibition, and Commercial and Trade Industries

Develop Hengqin into a high standard international leisure tourism island; support developing Macao as a world tourism

and leisure centre; make great efforts to establish tourism related industries, such as leisure and vacation, convention and exhibition, sports event tourism, as well as healthcare related industries, such as leisure and nourishment, rehabilitation, and medical treatment.

Develop and enhance the use of tourism resources on peripheral islands; facilitate cross-border pleasure boats sailing between Guangdong, Hong Kong and Macao; support studies by Guangdong and Macao on the consideration of holding an international premium quality consumer goods expo cum a world bay area forum; and establish a convention and exhibition platform with influence across the globe.

During the process of jointly organising cross-border convention and exhibition with Macao in the Cooperation Zone, issue visas (or travel permits) in accordance with the regulations to convention and exhibition working staff, professional exhibitors, and domestic and foreign visitors holding tickets for conventions and exhibitions for multiple border-crossing travel.

Support cooperation between Guangdong and Macao to establish a quality imported consumer product trading centre, to create an industrial ecosystem for trading quality consumer goods; and establish an international trading centre serving

China and Portuguese-speaking countries and an international hub port for digital trade, to facilitate transformation from traditional trade to digital trade.

(9) Development of Modern Financial Industry

Fully leverage the functions of Macao as a window for connection with Portuguese-speaking countries, and support the Cooperation Zone to establish a financial services platform between China and Portuguese-speaking countries.

Encourage social capitals to set up multi-currency venture capital funds or private equity investment funds in accordance with market-oriented principles, to attract foreign capitals to increase their investment in high technology businesses and innovative ventures in the Cooperation Zone.

Support cross-border Renminbi settlement in the Cooperation Zone; encourage and support domestic and foreign investors to use Renminbi for venture investment and related investment trading activities.

Support Macao to develop modern financial services businesses, such as wealth management, bond market, and financial leasing in the Cooperation Zone.

Support the Cooperation Zone to open up for Macao to expand its service scope; and lower the market access threshold for Macao-invested financial institutions to set up banking and insurance institutions in the Cooperation Zone.

Support developing cross-border motor vehicle insurance, cross-border medical insurance, and letter of credit insurance businesses in the Cooperation Zone.

(10) Optimise Business Income Tax Incentive Policy

Eligible industries and enterprises in the Cooperation Zone are subject to a reduced tax rate of 15% on business income tax, so that such favourable policy will benefit all industries that facilitate Macao's adequate economic diversification.

The capital expenditure of businesses that meets the criteria will be allowed for a one-off deduction before tax for the taxation period in which the expenditure occurred, or accelerated depreciation and amortisation.

As for the tourism, modern services and high technology businesses set up in the Cooperation Zone, the newly added earnings from foreign direct investment will be exempted from income tax.

(11) Facilitate Aggregation of Domestic and Foreign Talented People

Formulate favourable policy and measures to attract and aggregate high-end talented people from around the world; make great efforts in attracting high-end talents and talented people in shortage; provide eligible international high-end talented people a high level of convenience to travel to and from the Cooperation Zone; develop and provide better quality services for high-end talented people in the Cooperation Zone; and exempt the tax amount that exceeds 15% of the personal income of the high-end talents and talented people in shortage.

Implement on-list management on high-end talents and talented people in shortage benefited by the favourable policy, while the specific management methods will be studied and proposed by Guangdong and Macao, and submitted to the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area for consideration and approval.

Improve the visa issuance policy for the convenience of talented people from around the world to participate in the development of the Cooperation Zone; support attracting globally renowned universities to the Cooperation Zone; and establish a national-level off-shore innovation and venture hub for overseas talented people.

III. Building of a New Home for Macao Residents that is Favourable for Living and Work

(12) Attract Macao Residents to Work or Set Up Businesses

Allow financial, architectural, planning and design professionals holding qualification for practice in Macao and other places abroad to provide services in the Cooperation Zone when complying with the requirements and conditions under the regulation of the respective sectors and are duly registered, and their working experience abroad can be regarded the same as local working experience.

Support implementing facilitation measures in the Cooperation Zone, to encourage those medical and healthcare professionals holding qualification for practice in Macao and other places abroad to obtain their qualification for practice in the Cooperation Zone according to law.

Establish a series of high standard makerspace, incubation centres, and scientific research and innovation carriers, such as the Macao-Hengqin Youth Entrepreneurship Valley, and the China-Portuguese-speaking Countries Young Entrepreneur and Innovation Base, to create a full chain service ecosystem.

Facilitate the Macao young entrepreneurs who set up businesses

and work in the Cooperation Zone to enjoy both the supportive policies implemented in Guangdong and Macao; and implement multiple measures to encourage enterprises in the Cooperation Zone to employ Macao young people. Macao residents working in the Cooperation Zone will be exempted from paying the personal income tax amount that exceeds their tax payable in Macao.

(13) Enhance Collaboration with Macao on Social and Livelihood Issues

Expedite the development of the Macao New Neighbourhood; dock with Macao's education, medical and healthcare, social services and other livelihood related public services, as well as the social security system, to effectively expand room for Macao residents to enjoy good quality of life.

Facilitate free flow of Macao-licensed motor vehicles travelling to and from the Cooperation Zone; support Macao medical and healthcare services providers to set up wholly-owned, joint-venture or cooperative medical and healthcare services institutions in the Cooperation Zone, to aggregate international and professional medical and healthcare service resources. Allow specified medical and healthcare services institutions to use Macao-registered drugs with urgent clinical use and

formula food products for special medical purposes, as well as to use medical devices used in Macao public hospitals with urgent clinical use and advanced clinical applications (except for large-scale medical equipment).

Consider supporting Guangdong and Macao to jointly establish a regional medical consortium and regional medical services centre, to enhance capacity in response to emergency public health incidents.

Develop a Guangdong-Macao cooperative mechanism for provision of social services; promote governance and integrated services in the communities of both places; and significantly reduce and gradually waive the long-distance calls and roaming charges for mobile phone communication between the Cooperation Zone and Macao.

(14) Facilitate Infrastructural Interconnectivity

Support Macao's Light Rail Transit System to extend into the Cooperation Zone and connect with Zhuhai's Urban Rail Transit Network, thus integrate into the rail transit network of mainland China; expedite facilitating the construction of transportation channels between the Cooperation Zone and its surrounding regions; implement, in an orderly manner, the

planning and development of Guangzhou-Zhuhai (Macao) high speed rail, Nansha-Zhuhai (Zhongshan) intercity rail; and enhance functional coordination and industrial synergy between the Cooperation Zone, Zhuhai Airport and Zhuhai Port.

IV. Construct a New High-standard and Open System that Integrates with Macao

(15) Goods Movements under the Principle of “First-tier” Relaxing Administration and the “Second-tier” Strict Customs Control

Goods moving inbound and outbound through “first-tier” between the Cooperation Zone and Macao will continue to be subject to registration-based management, to further simplify the customs declaration procedures and elements.

Consider to adjust Hengqin’s policy on the list of goods not exempted from tax (not bonded), so that except for those clearly stipulated by state laws and administrative regulations as goods and articles not exempted from tax (not bonded), all other goods and articles can enter “first-tier” free from tax.

In “second-tier”, all tax exempted (bonded) goods moving from the Cooperation Zone through “second-tier” into the mainland territory are required to undergo customs clearance procedures,

and are subject to tariff and import duties.

As for goods produced by enterprises in the Cooperation Zone and do not contain imported material or components, or goods containing imported material or components being processed in the Cooperation Zone to achieve an added value up to or more than 30% of the original value, tax will be exempted for moving into the mainland territory through “second-tier”.

Goods moving from mainland territory into the Cooperation Zone through the “second-tier” subzone will be treated as export, and are subject to value added tax and consumption tax refund in accordance with the existing taxation policy; taxable commodities are subject to export duties and are required to undergo customs formalities; and will consider adjusting the category of goods applicable to tax refund policy for implementing negative list administrative measures.

(16) Facilitate Convenient Inbound and Outbound Travel for Persons

In “first-tier”, both sides will adopt the customs clearance mechanism of “Joint Inspection and One-Time Release” based on the agreement of the parties and provided safety is ensured; continue enhancing convenience in customs clearance; strictly

implement entry-exit health quarantine and border control; and monitor and control according to law the belongings of passengers crossing the border.

Expedite implementing the construction of the exclusive passage between the Hengqin campus of the University of Macau and the Hengqin Port; explore the possibility to establish a new smart border crossing checkpoint between the Hengqin campus of the University of Macau and the Cooperation Zone for the convenience of teachers and students of the University of Macau to travel to and from the zone.

There will be no restrictions on the movement of persons from entering and leaving “second-tier”. However, formulation of appropriate taxation policy and regulatory control are being considered for regulating goods moving into the mainland territory from the Cooperation Zone through “second-tier”.

(17) Innovative Cross-border Monetary Control

Enhance the linkage between the financial market of the Cooperation Zone and those off-shore markets of Macao and Hong Kong; explore the possibility of establishing an electronic fence system; and facilitate the financial market of the Cooperation Zone to take the lead in high-level opening up.

In accordance with the national principles of “coordination and planning, service entities, risk control, and implementation in phases”, explore the possibility of allowing free flows of cross-border capitals to and from the Cooperation Zone and facilitating conversion of capital accounts.

Give instructions to banking institutions on enhancing standards of financial services; further facilitate cross-border e-commerce and other newly developed international trade settlements; and conduct reviews of trade authenticity and adopt post-trade audit instead of pre-trade check.

Cross-border direct investment transactions are subject to simplified administration according to the pre-establishment system of national treatment plus a negative list; enhance the level of conversion registration and conversion facilitation; and explore the adoption of a cross-border investment management system adaptable to new demands of the market.

Regarding cross-border financing, explore the possibility of establishing a new foreign debt management system; pilot merging the foreign debt transaction management framework; optimise the management of the registration system for foreign debts issuance by enterprises; fully implement the pilot programme of comprehensive macro-prudential regulation of cross-border financing; steadily expand the scope of cross-

border asset transfer; and improve the level of foreign debt fund transfer facilitation.

Support non-financial institutions, which satisfy specific requirements and under the comprehensive macro-prudential regulation of cross-border financing, independently borrow foreign debts according to their actual needs for financing; and realise step by step full conversion of debts of non-financial institutions in the Cooperation Zone.

Regarding cross-border securities investment and financing, focus on serving the real economy's needs for investment and financing; actively support the development of industries with distinctive characteristics and of advantageous positioning in the Cooperation Zone, including public listing and debt issuance in foreign markets; and simplify foreign exchange management.

(18) Establish a High-level Market Access Facilitation System

Implement the system of allowing market access with prior commitment; strictly implement the principle of “entry unless prohibited”. Under the premise of “controllable”, permission and approval process for the businesses classified into compulsory standards will be revoked, instead a well-

established registration system is formed, so that market entities may commence investment and business operations after promising to conform with the relevant requirements and producing relevant information and material for registration.

Continue relaxing the restrictions on qualification, shareholding ratio and industry access for all kinds of investor; formulate and implement special measures to relax market access in the Cooperation Zone; strengthen interim and ex-post supervision; and establish a supervision standard and regulatory system that match with those of Macao and around the world.

(19) Promote Safe and Orderly Cross-border Flows of Worldwide Internet Data

Under the framework of Security Control System for Cross-border Flows of National Data, develop and launch pilot work on security control of cross-border data flows; consider establishing a green channel to connect fixed network with the worldwide Internet; and explore the formation of a mechanism for the convenience and security of data flows.

Support tertiary education and research institutions in Zhuhai and Macao to realise cross-border interconnection and sharing of scientific research data under the premise of ensuring the

security of personal information and important data.

V. Perfect the New System for Mutual Discussion, Joint Construction, Joint Administration, and Shared Benefits between Guangdong and Macao

(20) Establish an Administration Body for the Cooperation Zone

With the leadership of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area, Guangdong and Macao will jointly form an administrative committee of the Cooperation Zone. Within the jurisdiction, the administrative committee will coordinate and make decisions on major plans, major policies, major projects, and major personnel appointments of the Cooperation Zone.

The administrative committee for the Cooperation Zone is run under a dual director system, jointly led by the Governor of Guangdong Province and the Chief Executive of the Macao Special Administrative Region, with a permanent deputy director appointed by the Macao SAR, and other deputy directors appointed through negotiation between Guangdong and Macao. Members of the administrative committee include relevant departments of the Guangdong Provincial Government

and the MSAR Government, as well as the Zhuhai Municipal Government.

(21) Establish an Executive Body for the Cooperation Zone

An executive committee will be set up under the administrative committee of the Cooperation Zone, to execute the duties related to international roadshow, investment promotion, industry introduction, land development, project construction, and livelihood management.

The person-in-charge of the executive committee will be appointed by the MSAR Government. Guangdong province and Zhuhai Municipality will appoint representatives to join the committee for coordination of work involving Guangdong province. Guangdong and Macao may form development and investment companies as needed, to support the executive committee on the work related to the construction and development of the Cooperation Zone.

(22) Management of the Territory of the Cooperation Zone

The Cooperation Zone will be integrated into the administration of the Guangdong province, and will set up field offices of the CPC Guangdong Provincial Committee and the Guangdong

Provincial Government respectively, to focus on the work related to Party building, national security, criminal judicial affairs, and public order; fulfil the management duties of the territory; and proactively support the work of the administrative committee and the executive committee related to the construction and development of the Cooperation Zone.

(23) Establish a Proceeds Sharing Mechanism for the Cooperation Zone

Support Guangdong and Macao to explore the establishment of a proceeds sharing mechanism for the Cooperation Zone, so that all proceeds from investment prior to 2024 will be reserved and allocated by the administrative committee for the development of the Cooperation Zone.

The Central Treasury will provide subsidy to the Cooperation Zone, of which the subsidy amount will depends on the results of the Cooperation Zone in attracting Macao enterprises to establish operations in the zone, enhancing employment, increasing real economic output value, and supporting key industries specified in this master plan. The subsidy amount will not exceed the tax revenue received by the Central Treasury from the Cooperation Zone.

(24) Establish a Permanent Assessment Mechanism

Innovate a statistical method for analysing national economic data; consider formulating an index system for the Cooperation Zone's facilitation of Macao's adequate economic diversification, to comprehensively reflect its achievement in promoting Macao's adequate economic diversification.

Keep a foothold on the current situation of land development in Hengqin; the land allocated within the Cooperation Zone in the future will be directly for facilitating Macao's adequate economic diversification; conduct annual assessment of the effectiveness of the Cooperation Zone on promoting Macao's adequate economic diversification; and the assessment report will be submitted to the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area.

VI. Safeguard Measures

(25) Strengthen Party Leadership and Party Building in the Cooperation Zone

Uphold and strengthen the overall leadership of the Party; enhance the "Four Consciousnesses" (consciousness of the need to maintain political integrity, think in big-picture terms, follow

the leadership core, and keep in alignment), boost the “Four Self-confidences” (confidence in the path, theory, system, and culture of socialism with Chinese characteristics), and achieve the “Two Defences” (defence of the status of General Secretary Xi Jinping as the core of the CPC Central Committee and the Party; and the authority and centralised and unified leadership of the CPC Central Committee), integrating the Party’s leadership into the whole development process of the Cooperation Zone.

Affirm with the overall requirements for Party building in the new era, and put Party building as top priority; adapt the new development format and new requirements for opening up of the Cooperation Zone; actively innovate Party building work in the internationalised environment; and transform organisational advantages into a strong protective force to support the Cooperation Zone’s comprehensive in-depth reform and expansion in opening up.

(26) Strengthen the Rule of Law

Fully leverage the advantages of the principle of “One country, two systems”; under the premise of observing the Constitution and the Basic Law of the Macao SAR, establish step by step a civil and commercial affairs regulatory system that matches with those of Macao and aligns with international criteria; and

consider formulating laws and regulations for the Cooperation Zone to provide institutional protection for long term development of the Cooperation Zone.

Make good and full use of the legislative rights of the Zhuhai Special Economic Zone; allow Zhuhai to keep a foothold on the Cooperation Zone's needs for implementing reform and innovation; and make adaption to laws, administrative regulations and local regulations in accordance with the authorisation.

Enhance judicial exchange and collaboration between Guangdong and Macao; formulate a well-established system with multiple solutions for resolving commercial disputes, such as international commercial trial, arbitration and mediation.

Consider strengthening and expanding the functions of the People's Court of Hengqin New Area, to provide high effective and efficient judicial services and protection to the development of the Cooperation Zone.

(27) Enhance Empowerment

Support the Cooperation Zone to apply for empowerment by batch on the list, enabling deepened reform and expand opening up in economic management, business environment, market

supervision and other major areas.

Regarding reform and opening up policy and measures that involve adjustment to existing laws, the concerned party is required to submit the related proposal to the National People's Congress or its Standing Committee in accordance with the statutory procedures for authorisation or decision before implementation; as for policy and measures that involve adjustment to existing administration regulations, the concerned party is required to submit the proposal to the State Council in accordance with the statutory procedures for authorisation or decision before implementation.

(28) Establish a Robust Risk Management Mechanism

More opening up requires more attention to security. Strengthen bottom-line thinking; enhance risk awareness and prevention; and timely study and deal with all kinds of risks during the process of reform and opening up.

Using consolidated monitoring and control means including checking, inspection, investigation, and anti-smuggling, to crack down smuggling and other illegal and criminal activities.

Establish anti-money laundering, anti-terrorist financing, anti-tax avoidance financial management and control systems, to

build a financial “firewall”.

The Ministry of Finance and the State Taxation Administration will join hands with relevant departments to strengthen supervision and inspection on the Cooperation Zone’s execution of financial and taxation policies, to avoid unlawful activities and irregularities.

Implement joint inspection and examination according to the law at border checkpoints and market entry control against prohibited, restricted and controlled items, and high-risk commodities, to safeguard the bottom-line of national security.

(29) Enhance Organisation and Implementation

Under the leadership of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area, Guangdong and Macao shall practically fulfil their principal responsibilities; expedite developing an open sharing and effectively operating regulatory system and administration mechanism, to facilitate high-standard and high-quality development of the Cooperation Zone.

The administrative committee of the Cooperation Zone shall make its best effort to formulate and implement the plan, and clearly define the organisational structures of development,

management and execution institutions and division of responsibilities in detail; and compile the Overall Development Plan of Hengqin according to the new requirements for the development of the Cooperation Zone.

The central state organs and relevant departments shall, based on their own functions and responsibilities, formulate practical measures, reinforce their support and guidance for the development of the Cooperation Zone, making the Cooperation Zone a test field and pilot zone.

The National Development and Reform Commission shall join hands with relevant departments to consider compiling a list of industries with incentives in the Cooperation Zone. The Office of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area shall join forces with relevant departments to enhance coordination work, timely investigate and resolve the difficulties and problems encountered during the development process of the Cooperation Zone, and report to the CPC Central Committee and the State Council any major issues in accordance with proper procedures.