



MANIVEST 宏傑

Originated in Asia, Based in Asia, Serving the World

源於亞洲·基於亞洲·服務全球

FACT SHEET

MACAO



Macao is located at the entrance of China's Pearl River Delta, 60 km from Hong Kong and 145km from Guangzhou. A previous colony of Portugal in Asia, Macao is a well-known resort in Asia. On 20th December 1999, Macao became the second Special Administrative Region of China. In accordance with its Basic Law (the Mini constitution), Macao SAR will retain its economic system for a further 50 years, with its own executive, legislative and judicial authorities and systems.

Like Hong Kong, Macao is a duty free port with a low-tax policy. No import duty is imposed on most goods and there is no restriction on the transfer and repatriation of capital and profits.

Macao has a population of over 469,800¹, with a GNP per capita of USD22,620². It has an area of just 23 Square kilometers and is traditionally a small market. The strength of Macao is its proximity to the Zhuhai Special Economic Zone, which renders it a gateway to China. The Zhuhai SEZ is 5 times bigger than the Shenzhen SEZ in area.

The major advantages of using Macao as a jurisdiction for business and asset planning are as follows:-

Infrastructure and Economy

Macao has never been considered as a tax haven. It is not on the list of OECD, FATF and other similar reports. Macao is an independent tariff region; it is a member of the World Trade Organisation and is also a beneficiary of the European Union General Scheme of Preferences scheme and WTO's Agreement on Textiles and Clothing.

WTO Secretariat's 2nd Trade Policy Review of Macao, released in March 2001, ranks Macao's economic system "among the most open in the world". With its strategic location at the entrance of Mainland China and close proximity to Taiwan, the Macao SAR serves as a regional hub for trade, finance, tourism, civil aviation, investment and communication.

The most important local industry of Macao is tourism and it is a well-known resort and gaming centre among Asians. In 2004, there were over 16 million visitors to Macao.

Currently³, there are 10 local banks, 13 branches of banks incorporated outside Macao, including 1 offshore bank, among them are well-known international institutions such as HSBC, Bank of China, Bank of America and International Bank of Taiwan. There are also 26 insurance companies.

¹ March 2005

² as of year 2004, equal to 97% of Hong Kong. GDP per capita of Macao is USD15,355 in 2001, a growth rate of 14%

³ Up to 31 December 2004

Macao – an Ideal Place for Back Office Support

Macao's proximity to the Pearl River Delta, in particular Zhuhai and Zhongshan, has made it a regional back office for business with manufacturing plants in Zhuhai and Zhongshan. The other strength of Macao is that its living and office running cost is only about half of that of Hong Kong.

Although Macao does not have a stock market and sophisticated financial infrastructure, its proximity to Hong Kong – only 60 km from Hong Kong with 24 hours transportation and customs services – has made up for such deficiencies.

There is a local Airport designed to handle over 6 million passengers each year. There are direct flights to Asia cities and Europe. There is also a container port at Ka Ho Port on Coloane Island in Macao.

The government is pro-commerce. Additional tax and investment incentives are available to investors establishing manufacturing center in Macao.

Macao's Relationship with Europe

Macao is a previous colony of Portugal. In 1992 a Trade and Co-operation Agreement was concluded between Macao and the European Union. As a result, the Euro-Info Centre of Macao, the only Euro-Info Centre in Asia and the Institute of European Studies were set up in 1992 and 1995. Due to historical reasons, there are deep links between Macao and the Portuguese-speaking countries.

Language

In addition to Chinese, English and Portuguese are also used in Macao. The official languages of Macao are Chinese and Portuguese. English is used in commercial operations.

Double Taxation Treaty

Macao maintains a double taxation treaty with Portugal and a double taxation agreement with Mainland China.

Finance, Currency and Exchange Control

There is no exchange control. Macao currency (Pataca) is maintained at a fixed exchange rate with Hong Kong at HKD1 = MOP 1.03, which in turn is pegged with USD at USD1 = HKD7.8.

Law and Legal System

Since Macao is a former Portugal colony, laws of Macao are drafted under the heavy influence of Portugal and are basically under a code law system, a system that is found to be familiar by professionals in continental Europe, mainland China and Taiwan. There are primary courts, intermediate courts and a Court of Final Appeal. The territory also has an Administrative Court, which has jurisdiction over administrative and tax cases. All judges are appointed by the Chief Executive, based on the recommendation of an independent commission.

The legislative assembly of Macao is the territory's law-making body, composed of 23 members. The head of the government of Macao is the Chief Executive.

How Maninvest Can Help You

The directors and management of Maninvest are professionals in the offshore industry having served the Asia markets for over twenty years. Through our offices in Hong Kong, Shanghai and Macao as well as our associates in other Asia cities, we offer a full range of comprehensive value-added services to professional advisors and their clients.

Maninvest offers the following services:

- Incorporation of Macao and other offshore/onshore companies and structures
- Full corporate management services
- Registered office, business office, mail redirection and business centre (available in selected locations only)
- Accounting services
- Re-invoicing services
- Asset protection and preservation advisory services
- Business establishment services
- Market exploration services