

***Conference of Central Banks and Regulatory Authorities of
Portuguese Speaking Territories
“Establishing a Platform for Financial Corporation and
Promotion of Economic and Commercial Interaction”
Francis Tam, Secretary for Economy and Finance, MSAR***

*Dear Delegates,
Distinguished Guests,
Ladies and Gentlemen,*

I would like to first convey my warm and heartfelt thanks to all our guests who have come a long way to Macao. This conference has been smoothly convened under the auspices of central banks and financial regulatory authorities of the Portuguese speaking countries, Portugal, Brazil, Angola, Mozambique, Cape Verde, São Tomé and Príncipe, Timor-Leste, Guinea-Bissau. We are honoured to have the presence of Commercial Attachés of our country’s embassies in Lusophone countries. For this, I would like to express, on behalf of the MSAR Government, my sincere thanks to the sponsorship and support of our guests.

At the end of last year, the Central Government laid down the guidelines relating to the reformation development plan of the Pearl River Delta for 2008-2020. The plan gave detailed development policy and direction for the future development of the Pearl River Delta, including the MSAR. Under the framework of environmental friendly economic development, each major city in the region should make full use of its own competitive edge to construct a new economic development scenario for the region via complementary cooperation and positive interaction.

The plan is not only beneficial to the comprehensive long term development of the whole Pearl River Delta, it will also have positive spillover effect on the local and the international markets, including economic and commercial relationship with Portuguese speaking countries. We are thus optimistic about the prospect of economic and commercial cooperation with the Lusophone countries as there is a deeper market which entails a greater demand for financial services. Some Portuguese speaking countries are at a market growth stage. It is noted that they, like China, are endowed with

abundant resources and excellent productivity. In the course of strengthening financial cooperation, both sides will achieve fruitful results. At the moment, through candid and cordial dialogues like we have today, it is imperative and timely to explore the next move relating to a mechanism for cooperation.

Through the well established friendship, a platform for economic and commercial development has been realized by making use of a financial cooperation mechanism. It not only gradually embodies the target promoted in the ministerial meeting of the Economic and Commercial Cooperation Forum of China and Portuguese Speaking Countries held in Macao in 2006, it is also an effective measure in exploiting the tremendous economic and commercial development potential of China and Lusophone countries. The MSAR is more than happy to serve as the service platform and bridge for the further development of economic and commercial flow between the two sides.

The MSAR has exhibited rapid economic growth since the adoption of an open policy in respect of its pillar industry in 2002. However, it is indispensable to diversify its economy if it wants to maintain an overall sustainable economic growth. The financial industry has already had an advantage as it is highly internationalized and open. It has a special feature of being a business partner of financial institutions of Portuguese speaking countries. It is equipped with a mature financial market system, the stability and competitiveness are safeguarded by the timely and regulated financial supervision. On the other hand, the MSAR is endowed with a unique advantage arising from its geographical position and historical heritage. All along, it has always played the leading role of a liaison platform serving the economic and commercial cooperation between China and Portuguese speaking countries. Thus, the standing secretariat for the Economic and Commercial Cooperation Forum of China and Portuguese Speaking Countries is domiciled in Macao which has always been endeavouring in promoting the realization of the various targets set by the Forum.

In view of the comparative advantages of the economic systems of China, Portugal and Lusophone countries and their demand/supply relationship, it is a feasible and meaningful idea to establish a cooperation mechanism between financial regulatory authorities of Portuguese speaking countries. The Monetary Authority of Macao (AMCM) has been striving to promote the implementation of this long term goal gradually. AMCM has organized

representatives of local financial institutions to visit Portuguese speaking countries in Africa, Europe and South America to study the financial industry and visit counterparts. Simultaneously, AMCM has concluded memoranda of understanding with the central banks and insurance regulatory authorities of a number of Portuguese speaking countries. Today, under the witness of the delegates, AMCM will conclude the document with Mozambique and São Tomé and Príncipe.

It is a bare fact that a closer cooperation mechanism between financial regulators can enhance economic leverage effect of financial industry in the economy of Portuguese speaking countries. Therefore the main theme for the conference today "Establishing a Platform for Financial Cooperation and Promotion of Economic and Commercial Interaction" has been picked. It is hoped that delegates will render an indepth discussion on this topic so as to realize the final target of setting up such a cooperation mechanism. The MSAR Government is strenuously implementing a policy measure aiming at industrial diversification. We are glad to more actively provide logistics to the service platform for economic and commercial flow between the Mainland and Portuguese speaking countries.

Distinguished guests, dear delegates, our gathering today carries special historical connotation. It coincides with the 60th Anniversary of the People's Republic of China, the 10th Anniversary of the MSAR and the 20th Anniversary of AMCM. We are very pleased to have friends here coming from 4 continents. We are here to endeavour to strengthen our economic, commercial and financial cooperation which will further improve the well being of the general public and enhance genuine economic communication between nations and regions. Our efforts will be well recognized by the vast general public.

Finally, I would like to convey my heartfelt wish to all our guests and delegates for a peasant stay in Macao. I would also wish this conference a huge success and wish all of you health, luck and happiness.

Thank you!