Passion for the Grand Prix

- Revival of Cantonese Opera
- Guangzhou Renaissance
- New frontiers for Chinese investors
MACAO INTERNATIONAL FIREWORKS DISPLAY CONTEST

DIRECTOR
Victor Chan Chi Ping

EXECUTIVE EDITOR
Alberto, Au Kam Va

EDITOR
Eva Lei Sao Iok

PUBLISHER
Government Information Bureau (GCS) of the Macao SAR
Address: 15/Floor, China Plaza Building, Avenida da Praia Grande, 762 - 804 Macao, China
Phone: + 853 2833 2886
Fax: + 853 2835 5426
E-mail: info@gcs.gov.mo

PRODUCER AND DISTRIBUTOR
Macaolink News and Information Services, Limited
Address: 8/Floor L, The Macau Square, 43 - 53A, Av. Infante D. Henrique Macao, China
Phone: + 853 2835 5315
Fax: + 853 2835 5466
E-mail: macaulink@macaulink.com.mo

EDITOR-IN-CHIEF
Gonçalo César de Sá

CONTRIBUTORS
Allan Salas (photos), Carmo Correia (photos), Catarina Aleixo, Christian Ritter, Eric Tam (photos), Fernando Correia, Francesca Luk (photos), Gao Ming, José Carlos Matias, José Goulão (photos), José Miguel Encarnação, José Simões Morais, Louie do Rosário, Luis Almohes (photos), Maria João Janeiro, Mark O’Neill, Mark Phillips, Mécia Gonçalves (photos), Michael Burke (photos), Nuno Mendonça, Rita Alvarez Tudela (photos), Thomas Chan, Wong Sang (photos)

COVER PHOTO
Francesca Luk
(Macao Grand Prix Museum)

NEWS AGENCIES
Macaunews

GRAPHIC DESIGN
Soluções Criativas, Lda.

SUBSCRIPTION ORDER
www.macaomagazine.net

PRINTER
Welfare Printing Company, Lda Macau

PRINT RUN 3,000
ISSN 2076 - 5479
All rights reserved
Editor`s note

The Macao Grand Prix has been Macao’s premier international sporting event for decades. In fact, the car and motorcycle racing extravaganza has put Macao firmly on the global map of international sporting events. The annual motor-racing weekend has produced some of the world’s top drivers and riders.

Macao has also become a training ground for the promotion of a raft of other sports, such as artistic cycling, which is now one of its top medal-winning sports.

The end of 2010 is approaching, and once again Macao’s economic development is standing out for its high growth rate. This has characterised the local economy since 2004 when the liberalisation of the gaming industry got off the ground, ushering in an unprecedented development boom that would have been unimaginable just a few years ago.

Macao is much more than just an international tourist destination. In fact, it has grown into an important hub for trade, investment and other business services between China and the Portuguese-speaking world. China’s increasingly close business ties with Brazil and Angola are ample proof of this.

Moreover, Macao has become an integral part of the complementary relationship among the main players in the Pearl River Delta – alongside Hong Kong and Guangzhou. Yunnan province is also forging increasingly close business ties with Macao. The province in southwest China has become a hub for the development of trade and investment ties between the 10-member Association of Southeast Asian Nations (ASEAN) and the greater China region.

Guangzhou continues to be at the forefront of China’s economic development drive. However, the southern metropolis is also growing into a major international cultural and arts hub. The provincial capital’s new Opera House and Guangdong Museum are proof of its rising importance on the international stage of arts and culture.

Also on the culture front, this year’s International Macao Music Festival includes Chinese Opera performances for the first time.

Another feature article presents the past, present and future of the Macao Polytechnic Institute (IPM) through an in-depth profile of its president whose professional career is a perfect example of a hard-working self-made man.

The colourful life of Robert Morrison, who translated the Bible in Chinese and worked and died in Macao is also featured in this edition.
Speed and Nerve
The Battle of Guia Circuit

By Mark Phillips
In its 57-year history the Macao Grand Prix has seen some of the biggest names in racing take to the streets of this small territory to battle it out on the treacherous circuit, with its solid concrete barriers, high-speed straights and incredibly tight corners and bends.

As one of the oldest and certainly one of the few street circuits left in the world, the Macao track has a certain mystique and prestige that few other tracks in the world can claim. To race and win in Macao is to prove that as a driver, you truly have the skill and mettle to take on one of the riskiest races around.

The race circuit is 6.2 km long, with the track opening to 14 metres at its widest point, and down to just 7 metres at its narrowest. Beginning on the picturesque Macao waterfront, it today stretches past some of the newest and most glamorous hotels and casinos in the world, before snaking through the blind corners of Guia Hill. Uniquely, the event which takes place on the third weekend of November every year, plays host to Formula 3, World Touring Car and Superbike championship races all at the same meet, together with other race categories for regional and local drivers.

The track itself is too narrow to accommodate the larger Formula 1 race cars, but is ideal for the more nimble Formula 3 cars. Formula 3 is seen as a breeding ground for future Formula 1 stars and as such many of the most successful F1 drivers began their careers testing their nerve on the streets of Macao.

Motor racing giants like Michael Schumacher, Ralf Schumacher, Rubens Barrichello, Nelson Piquet, David Coulthard, Takuma Sato, Jacques Villeneuve, Nico Hukenberg, Lewis Hamilton and of course the great Ayrton Senna have all raced in Macao, many taking to the podium. Indeed no fewer than 19 of the 24 Formula 1 drivers in the 2010 series have competed at the Macao Grand Prix.

And today, a new generation of racing superstars still view the Macao Grand Prix as one of the ultimate challenges and most sought-after prizes in the world of motor racing with the event attracting the best of the best from around the world annually.

The demanding twists and turns of the Macao Grand Prix street circuit are indeed the stuff of legend, and have served as the training ground for some of the greatest names in motor racing.
Tiago Monteiro
With its long Portuguese heritage, it’s not surprising that Portuguese driver Tiago Monteiro enjoys racing in Macao. His first experience of the treacherous street circuit was behind the wheel of a Formula 3 car in 2000 when he finished a very credible 9th. In 2005, Monteiro began his brief Formula 1 career with a highly successful first season finishing every race and taking the record for most consecutive finishes for a rookie driver in Formula 1. He returned to Macao in 2007, this time competing with the SEAT Sport Team in the WTCC, driving a SEAT Leon. While a podium finish still eludes Monteiro on the Guia track, he is one of the most consistently strong competitors here finishing in 6th and 4th place in races 1 and 2 respectively in 2007, 11th in race 1 in 2008, and 4th in race 2 in 2009. In 2009 he set a new WTCC lap record in Macao of 2 minutes 32.076 seconds.

Stuart Easton
Scotsman Stuart Easton feels he has definitely served his apprenticeship at the Macao Motorbike Grand Prix, having raced here six times since his first visit in 2002. It was on his fourth attempt in Macao that he really started to show his potential as a dominant force here narrowly missing a podium finish in 4th place. In 2008 however he finally achieved his dream of first place and then he returned in 2009 to successfully defend his title in a thrilling race that saw him lose and then regain his lead in the final lap. In winning the 2009 race, Easton also broke the record for the fastest lap on a motorbike, completing a lap of the circuit in 2 minutes 25.170 seconds. The 27-year-old was the 2002 British Supersport Champion and finished 3rd overall in the 2009 season of the British Superbike Championship. He is currently in 9th place in the championship and is already focused on returning to Macao to try for his hat-trick.
Driver’s impressions of the famous street circuit

Mortara:
I don’t know why but in Macao I always feel confident and drive fast. Even in the first year I was competitive, I qualified 3rd. I definitely feel suited to the track. I would not say that it’s the most difficult track in the world but it’s quite particular and you need to go really close to the walls. Each track has its own characteristics that make it a challenge. In Macao it’s because you have the walls and you cannot make any mistakes. On a normal race track you can make some mistakes and just go off the track and it’s no problem. Any mistakes here and you are in the wall and you can crash pretty badly. Also it’s a street circuit so the track gets rubbered and better and better everyday. So the first day it’s really slippery and you need to run with more down force and you’re trying not to push as hard. The final days the track has more grip and you can feel it. You can run with really low down force.

Farfus:
2005 was my first race and I won my race on my first time. Macao has something very special for me. I don’t know a driver who has been to Macao who doesn’t like the circuit. Even if you go to the F1 paddock and start talking to the F1 drivers, most of them will pick Macao as the best circuit on the planet. For our championship you have the fastest corner and the slowest corner for the whole year on the same circuit. You take Mandarin Corner at around 220 km/h and Melco Hairpin at around 38 km/h, so these two features of the circuit make it very challenging. Macao is so special because there are so many tricky points and requirements which make it something different compared to the rest of the circuits in Europe. You need a quick car on the straight, but a quick car on the straight most of the time does not like corners. The SEAT has the highest top speed so they have a benefit on the straights, but BMW has an advantage in traction through the corners. In the end it’s a combination which is why it’s always so close.

You get to a certain point in Macao where you have to squeeze everything you can out of the track and the car, and when you do that you often touch the walls and then the mirrors start to fly off! Probably for the whole season we use only about five mirrors, but in Macao in one weekend we use about ten! You really need a little bit of craziness in you to drive around this circuit.

Monteiro:
Macao is one of the most exciting and at the same time crazy race tracks in the world. Not only the track itself which is very difficult and tricky and treacherous, but you’ve got so many people, casinos, the night life, it really is an amazing and different venue compared to anything else you see, even in F1. So it’s always a great pleasure to go there and I really love it. It’s a very complete track with a bit of everything. You’ve got fast areas, very narrow and bumpy and technical areas, and at the same time, the outside walls of the track are amazing. It’s really a big challenge and I guess that’s why so many drivers love it.

I have been lucky enough to drive both F3 and touring cars in Macao. In F3 lots of corners are flat out. On the straights you have the down force which gives you a lot more grip, but it’s also bumpier because it’s a stiffer car, so it’s very difficult in F3. I remember the first time in my career that I really thought I was doing something crazy was in Macao. Everywhere else you just enjoy the ride and don’t think too much about the risks, but over there you always think about it.

When I saw other drivers driving touring cars and rubbing their mirrors against the wall and the rails, I thought it would be a lot of fun. If you’re not rubbing mirrors in Macao you’re not pushing hard enough. I kept some of my mirrors as souvenirs. But actually it was a big shock and it’s probably harder than F3 in some ways because you have a bigger, heavier car. It’s very challenging because you’re trying to stop the car on very high-speed corners with high-speed braking, with walls around you and the cars jumping on the bumps. And you’re moving around because of the weight of the car with no down force whatsoever to help you, so it’s a lot more slippery.

Easton:
For me Macao is the most fun race of the year. It always used to be classed as a kind of holiday race but in the last ten years it’s become a lot more serious, and its getting more so every year, and more prestigious in Europe and the UK. More people recognise the status of it now.

I first went there in 2002 on a Supersport bike. I had road raced and street raced before so I thought I was ready for it but I never really knew what I was getting myself into. I got there and I was absolutely shocked. I couldn’t believe it. I honestly thought about pulling out of the race for a bit, I was so scared. I was 18 years old and the youngest-ever competitor in the bike race. But when I got on the circuit and did a few laps, I relaxed a bit, settled in, took it at my own steady pace, and grew to really enjoy the place. The surface is really smooth and grippy because of the cars. The cars lay a lot of rubber down. Of course you have to watch the dangers of the barriers and the walls, but being smooth and grippy is a big help. As a street race you would forgive it for being slippery, but as it is, by the time the race comes, it’s relatively grippy. One of the hardest things in Macao is judging your braking marker. A lot of the time it can be difficult because the yellow and black barriers are constant nearly the whole lap, so at some corners you haven’t got that many reference points.

In 2009 it was unbelievably cold for Macao, just 12 degrees, and all the tyres that we brought were for warmer weather as it’s always really hot in Macao. In the beginning the race was stopped due to a false start, so by the time we started the race I’d already done four laps on my tyres. It was the last tyre that we had so I had to start the race on this used tyre with still the full race distance to go. I got to about lap 7 and the tyre fell to bits. I could really feel lap after lap the grip levels dropping real fast. I had one moment on the last lap when I lost the rear and clipped the wall but at that stage all I was thinking about was trying to win the race. Connor Cummings caught me really rapidly and passed me on the last lap so I had to really dig deep to come back and get the win. By the time I got to the end of the race the tyre was just hanging off the rim. So I feel like I won that one against the odds riding the whole race on basically a part-worn tyre.
The Macao Circuit through the drivers’ eyes

The Starting Grid, Mandarin Bend and the first straight

Mortara:
At the start we have a huge straight which is really nice for the drivers because it gives us a chance to overtake. If you exit from the corner pretty close to the guy in front then you can have a chance to overtake. Then you arrive at the first corner and here the challenge starts with lots of tight corners. You need to go as close as possible to the walls, and brake as late as you can, and basically put as much speed into the corners as you can. You really need to be focused on every corner to get the most out of the car.

Farfus:
In the WTCC we have a rolling start and need to start between 70 and 90 km/h according to the FIA regulations, so you are very close to 90 when you get the green light at the start. By the time you approach Mandarin Bend you are already close to 240 km/h. If you approach Mandarin with two cars side by side, the corner becomes really tight, especially at that speed. Then you are into one of the longest straights of the season, followed by one of the slowest corners, Lisboa.

Monteiro:
In the warm-up lap before the rolling start you really have to warm up your tyres in Macao perhaps a bit more than on other tracks. And your brakes as well because you have that long straight with the hard braking at the end at Lisboa, so you really need to be careful and be sure that your car is 100 per cent ready when you take the start. In the rolling start you have to try to take advantage and recover some positions, which I did last year. I started from 5th and moved straight up to second as I had a very good start from the inside. Before Mandarin Bend a lot can happen, you can have as many as four or five cars packed up side by side, so it’s pretty hectic. You want to try to be the one on the inside or if you are on the outside to have a little bit of a lead. It’s possible to have two cars going through Mandarin side by side but it’s dangerous. But it can’t be three or four, so somebody has to give at that point. That first corner in touring cars is very tricky as you are nearly going flat out so it’s hard to control, especially when you have lots of guys all around you. But it’s crucial because if you don’t take it well, you have another very long straight down to the Lisboa, and you will lose more places until the next braking point.

Easton:
The moments before the race in Macao are the worst thing ever. You sit there knowing that you are really going into quite a dangerous race, and you never really know what’s going to happen. It is quite daunting when you’re sitting on the grid looking down to the first corner with the big barrier on the side. For me quite honestly I’m really scared and nervous, and that’s the worst part of the whole trip. It’s a mass start with everybody off the grid at the same time and straight into the fastest straight on the circuit leading into the first corner. For a motorbike it’s a really serious corner; you approach in top gear and come back one to fifth and just touch the brake a tiny bit. You tip into the corner and it’s just ridiculous, you’ve got the barrier on the inside and the barrier on the outside and you come out of the corner in fifth gear. So for the bikes it’s certainly not a straightforward corner. You can make a lot of time up on the corner because there’s a big long straight approaching it and a long straight after it, so if you’re brave enough to run through there fast you can gain a lot of time.
The infamous Lisboa Corner

Mortara:
In the first year my mechanics and engineers told me this was the toughest corner because you arrive down the straight at about 270 km/h. Normally in F3 we don’t reach that speed, and then you arrive at that speed at a really tiny right-hand turn where everything is happening because everyone is trying to overtake and you are trying to overtake. If you’re lucky and you are at the front, then it’s OK. You’re braking and it’s bumpy, and you try to brake as late as possible, but arriving at 270 km/h and having the car jumping on the bumps is really difficult. If someone hits the wall and the other drivers are close, you cannot avoid the guy in front, so it’s a real mess and that’s why it’s important to qualify in front and stay out there. When you have an accident in front of you, you can do nothing. You have no space to avoid it.

Monteiro:
Positioning at Lisboa is very important. Ideally you want to be inside, but on the inside you have to brake earlier. On the outside you can brake a little later and gain some places, but then there is a big risk of getting a car that spins out and crashes into you, so it’s a trade-off. You’re safer on the inside but you might lose some places. The other thing that happens at Lisboa is everybody pushes each other so the guy in front brakes, then the guy behind you doesn’t brake as hard and pushes a little bit, and it can get very confusing as everyone is trying to get an opportunity to pass. As long as it’s just a bit of rubbing it’s OK because you can still turn, but if someone locks their wheels, then things can go wrong very easily.

Easton:
For the bikes, the Lisboa Corner is actually a pretty straightforward 90-degree right-hander and there is a slip road if the worst comes to the worst in practice. The strategy is to brake as late into the corner as possible and get in there. It’s all about the brakes.

Up San Francisco Hill and into the messes

Mortara:
Macao really suits F3 cars - they are probably one of the few cars that are really comfortable on that race track. Compared to touring cars, we are going much faster on these corners. On the straight the speeds are quite similar, but even in the slow corners, the speed we can achieve is impressive, so this part of the track requires a lot of concentration.

Farfus:
Once you start to run up the hill everything settles down and you can’t do a lot. Then you get this sequence of left and right turns to Dona Maria. All of the corners are completely blind so you cannot see what’s happening ahead of you. It’s good to go through Dona Maria very well and then on to the hairpin.

Monteiro:
Along the hill the circuit is very tight, with just one car at a time, and no overtaking. Even if the guy in front of you is slower, you can’t pass. The hardest part is that it’s completely blind, it goes up and down, there are walls everywhere, it’s very difficult, very fast and has lots of technical sections. So this is the most challenging part of Macao. Your rhythm here is very important as well. You have to have a great car but also good feeling and confidence.

Easton:
For me this is one of the best sections of the circuit, when you go up to the right after Lisboa to San Francisco Hill, through second, third, and fourth gear to the top. There are a lot of tracks in the UK and Europe that are a bit hilly, but this one’s a bit different. For me it’s a buzz every lap to go up the hill. You can hear the bike popping when you change gears because of the barriers and you can really hear the thing howling up the hill. And you feel the speed as well, flat out in fourth, and you’ve got no room for error at the top.
Through the tight Melco Hairpin

Mortara:
I remember the first time I drove through the hairpin there. I was really surprised because it doesn’t look like it’s that tight. If you are not prepared to go full lock with the wheels and you don’t have the right line you won’t make it. It’s pretty amazing because in F3 we are not used to that type of corner. I never experienced such a corner on other race tracks. You have to go full lock with the steering wheel with just one arm - you can’t use two - and just hope that the car is going to turn.

Farfus:
You need to brake very well coming into the Melco Hairpin, and then it’s right down to first gear and you also have to use the clutch to launch the car out of the corner. It’s critical to slip the clutch a bit to keep the revs up, then you can try to get a good run to the straight.

Monteiro:
Braking is already difficult because it’s bumpy here and it’s very easy to lock the wheels, and then you have this amazingly tight hairpin going down the hill, so it requires even more steering than usual. You really need to make sure you turn at the right moment otherwise you might not turn at all.

Easton:
The hairpin is so tight; it’s hard enough trying to get through it let alone trying to make a move on another rider. I’ve seen some people try to make moves on it and I don’t know how they do it. You get right down to first gear and sometimes I even put the clutch in a bit to stop the bike from stalling, and the balance is very difficult. It’s my least favourite corner on the track but it definitely adds to the spectacle of the event. You can’t take it for granted. Gotta be on your toes!

Flat out to Fisherman’s Bend and R-Bend

Mortara:
Here you go out of the hairpin and you come to one of the fastest parts of the race track. You really need to be fast on these two corners because otherwise you can miss the opportunity to overtake the guy in front. These two corners after the hairpin are really important in Macao because it’s where you can make a difference and create a gap between the guy behind and get as close as possible to the guy in front.

Monteiro:
These are the two places where you can overtake and you need to pick up speed for the straight ahead. Fisherman’s Bend is actually quite tricky even though it doesn’t look like it. It’s quite fast and bumpy as hell and always very slippery, so all that combined makes it very difficult.

Easton:
As you come down the hill from hairpin and onto the straight there’s a nice little kink to the right which you can take flat out. Again Fisherman’s is quite a hard corner. It’s difficult to judge your brake marker for it but once you’re in the corner it’s pretty simple and you can accelerate out onto the straight. R Bend is quite difficult and I’ve seen a few guys go over the barrier there. The last two corners are not easy at all.
**Worst Macao moment**

**Mortara:** The first year when I arrived in 2007, I was not expecting anything really special from the meet, but we qualified really fast, 3rd in qualifying, but then I crashed in the qualification race and that really ruined my weekend. Then of course in 2008 losing the race after dominating the whole weekend, was probably the biggest frustration in all my career. We made some mistakes with the level of down force that we were using, and had some technical problems with accelerating out of the corners. We were clearly the fastest that year but I had some critical problems in the final so I could only finish in second.

**Farfus:** Thank God up to now I have always had a good performance there.

**Monteiro:** I was running 3rd in F3 one year, and there was a big crash in front of me and I got stuck and then there was a big pile-up behind. All over!

**Easton:** The first year I was there I was 18 years old. I ended up slipping off in qualifying on the long left before the hairpin. There was some debris left from a previous accident and I clipped it and fell off. It wasn't a big crash but it was a bit embarrassing really to crash at a place like that. I was just a kid and everyone had been telling me to take it easy and not to crash, so what did I do...I crashed!

**Best Macao moment**

**Mortara:** I was so frustrated in 2008 to lose it, that I was very happy to come back and win it in 2009. For me it's one of the most important races that you can win as a driver. I was coming from a pretty bad season in Grand Prix 2 in 2009 so I was really motivated to finish well in Macao. I was really hoping to win after the frustration of 2008, so I was super happy to win. It was really incredible!

**Farfus:** 2006 was my first race and I won my race on my first time, which is something very few drivers have ever done in Macao.

**Monteiro:** Every time I'm racing on the track and fighting for a podium in Macao is my best memory there. The adrenalin is so high, the risks you are taking are so great, you just get amazing pleasure out of it. I finished fourth in my first year in Macao in the WTCC, so that was pretty exciting.

**Easton:** Both of my wins are pretty much on a par. It was nice to finally win in 2008 after racing there four times before that. I missed the year before and qualified 6th in 2008 and nobody really expected me to win. To be fair, Cameron Donald's bike stopped while he was leading which gave me the lead, so the win was always a bit because of Cameron breaking down. So to go back in 2009 and win, no matter what happens, because you don't win them back to back just out of luck I'm happy now that I've won two. I've got two trophies now sat next to each other, so I feel like I've done it now. Just after the race when I finished and I had won it for two years running, it was the best feeling ever!
FINE BALANCING ACT
Young athletes excel in artistic cycling

By Louise do Rosário
Every Saturday, a few young people gather at the East Asian Games Dome in Cotai to practise for hours a sport in which Macao is world-class: artistic cycling.

This indoor sport is similar to skating and gymnastics, requiring riders to perform complex and elegant movements on specially made bikes with fixed brakes. These young athletes move with dexterity, bringing their bicycles forward and back with speed and ease. In a competition, they have to perform, in singles, pairs or teams, a series of difficult movements within five minutes, on a court of 11 by 14 metres.

Ku Cheng Nam, 10, the youngest of the group, has been practising diligently since the age of eight. Nicknamed 'The Bicycle Kid' by his friends, Ku came third in a recent local match. “My Dad brought me to the class here. I love cycling very much,” he says.

If Ku works hard, he will eventually reach the senior ranks, following the footsteps of veteran riders like Wong Hang Cheong and June Kuan Sok Mui. Both are household names in Macao, having broken records in many international artistic cycling events.

Macao is a latecomer to the sport but is now a leader among other nations in Asia. It has taken part in the Asian Indoor Cycling Championships since 1998 and twice in the Asian Indoor Games, racking up gold, silver and bronze medals in almost every match.

In 2004, Wong, then only 18, finished sixth in the World Indoor Cycling Championship in Hungary, the top-ranked Asian. In 2007 and 2009, Wong was fifth and fourth respectively, in similar championships in Switzerland and Portugal.

Another moment of glory came in December 2009, when Macao athletes won three gold medals and one bronze for artistic cycling at the Fifth East Asian Games in Hong Kong. They beat their formidable Hong Kong rivals, who often beat them by a narrow margin. As usual, Wong excelled, while the women riders also shone.

The bicycle queen

June and her sister, Suki Kuan Sok In, basked in the media limelight when they got their gold medals, the first for Macao at the Games. June, queen of the sport in Asia, was thrilled. "I was not expecting to win. I told myself to do my best and found myself doing better than usual," she says modestly.

The sisters have a long list of prizes under their belts. They came first in the women’s doubles competition at the Eighth and Ninth Asian Indoor Cycling Championships of 2007 and 2008. In fact, June has been the winner of the women’s singles event every year since 2004, with the exception of 2007.

Wong and the Kuan sisters owe their success to their coaches, Lou Lan Fong, 64, and his son Lou Weng Meng, 35. Without the dedication and passion of the Lous for the sport, indoor cycling could not have flourished as it does today in Macao. Starting from scratch nearly two decades ago, they introduced the sport to Macao and, for no pay, trained athletes to become leading riders in the world.

The pioneers

It all started in 1993, when Hong Kong invited the two Lous to attend its indoor cycling championship. The eighteen-year-old son was impressed by what he saw. “It was the first time I was exposed to the game and I knew immediately that it would be a good sport for us. It was not difficult to master the first few basic movements. There was much room for development in Macao for the sport,” he says.

Lou knows much about bicycles, thanks to the grooming by his father, a veteran winner of road cycling events and a coach. He remembers growing up surrounded by bicycles at home. “Our 700-square-foot home had bicycles everywhere. They were mounted on the walls and there were parts and tyres too. In such a domestic setting, there is no choice but to love cycling,” he says.

In his teens, Lou was trained to be a racing cyclist by his father. “I practised at five in the morning for two hours before going to school. In the evening, it was another one or two hours of practice,” he says.

Lou eventually felt that he would do better as a coach than an athlete. Artistic cycling, a sport few in Macao knew about, opened up a new career opportunity for the young Lou fresh out of secondary school.

In 1993, Lou took part in a one-week training of artistic cycling by a German coach, who came briefly to Macao as a side-trip to a tour of Hong Kong. This brief encounter with artistic cycling stoked the passion of father and son. They crossed the waters to Hong Kong at the weekends for training at their own expense. “Those were crazy days,” says young Lou. “We had a tight budget and had to turn up at hotels at midnight when the rates were cheaper.”
Bitter-sweet training

In 1994, father and son started to organise training classes every weekend at Tap Seac, the public playground in downtown Macao. There were only a handful of players but the Lous’ enthusiasm was undiminished.

In November 1994, the father-and-son team went to Germany to take part in the Indoor Cycling Championship. The young Lou came nearly last but the experience was invaluable. “It was the first time we attended a world championship. The people there had never heard of Macao. When we arrived at eight in the morning for the match, they presented us with a small gift as a gesture of friendship.” They also gave Lou five used bicycles to bring to Macao for training purposes.

Lou recalls the tortuous journey he and his father made from the hotel to the airport, carrying the five plus their own bicycles. “There was a traffic jam and we were late for the flight. Worse still, the taxi-driver went to the wrong terminal and we ended up carrying the five bicycles by ourselves, up and down stairs.”

Their bitter-sweet experience in Germany paid off on their return to Macao: in 1995, the Government finally selected artistic cycling as one of its summer-holiday activities for school children. In the months of July and August each year, there are two to three classes every afternoon, lasting 90 minutes each. The young Lou remembers fondly those days at Tap Seac. The barren playground had no shade, no lockers or other facilities for training riders. It was hot and exposed to air pollution from cars speeding by. The bicycles had to be transported to the playground each day from a faraway warehouse, as there was no storage space for them nearby. Still, the summer classes attracted young athletes like Wong and June Kuan, who were able to overcome the hardships and go on to become champions later.

“1 started learning the sport at Tap Seac in 1999, when I was 12.” says June Kuan, who found it hard at the beginning to practise in the open with fixed-gear bicycles. Her sister, Suki, joined years later and has since become a perfect partner in all-important competitions.

Victories at international races

In the year 2000, the training was moved indoors, to various stadiums, as Tap Seac was converted into a square. In October 2000, Macao won its first international gold medal at the Third Asian Indoor Cycling Championship held in Hong Kong, for its young men’s team. In total, it won one gold, one silver and one bronze, an excellent result for a team that had been assembled only recently.

In the next few years, Macao took part in other competitions in Asia, gaining experience and starting to move higher up the rankings. 2007 was another bumper year for Macao’s artistic cycling; it was the host of the Second Asian Indoor Games and won three gold and two silver medals. The young Lou, now a sports teacher, is spending less time on coaching the team, but his father is still taking time to train youngsters for free.

“Artistic cycling is very suitable for Chinese. We have smaller statures that allow us to be more flexible in our movements,” he says.

Lou senior hopes that more youngsters will be attracted to the sport. “At the annual summer
training programme, I always try to spot those with potential. I then encourage the parents to allow their children to have more training with me and develop their talents fully.

Challenges ahead

Despite the outstanding results of artistic cycling achieved by Macao athletes, the sport faces major challenges. First is the problem of coaches and ‘commissaires’ (judges). In Macao, there are only two commissaires who have passed the international exams for artistic cycling. Coaches are few and most are not athletes themselves. There are also not enough athletes, with the same familiar faces taking part in competitions every year. Many have dropped out, because of the heavy pressure at work and school.

The young Lou says that the Government should provide living allowances to coaches and athletes so that they can concentrate more on the sport and less on their livelihood -- something which mainland China has done to keep up talent in various sports. Schools should organise artistic cycling teams to take part in local competitions. This would encourage more young people to pursue the sport and build up the pool of talent over time. Then there is the problem of inadequate training facilities. As there are no premises dedicated to artistic cycling, riders have to go to a different rented venue every week for training. In contrast, the former Tap Seac playground, for all its drawbacks, was a fixed and conveniently located venue.

The young Lou hopes that the Government will devote resources to the sport in which Macao has done so well so far. “The sport is still not popular in China and does not pose strong competition to us yet. This will allow us to establish ourselves firmly in the international arena.”

Lou no longer does coaching but still keeps close contact with Wong, the Kuan sisters and other athletes he has trained. “We are like close friends, having grown together in sweat and tears for 12 to 13 years.”

Despite his advanced age, Lou senior is still working hard. At the weekends, he can be found in playgrounds and stadiums, helping youngsters to realise their dreams on their bicycles.

Photos by Eric Tam
Look West
Macao investors find their place in booming Yunnan

By Mark O’Neill
Close to Kunming’s international airport is a building that looks like an Italian palazzo – a three-storey building in pink and white around a large courtyard with gold-coloured chandeliers and white statues of figures from Roman history and legend. The Royal Garden Hotel is the largest Macao investment in western China’s Yunnan province, of which Kunming is the capital. It has 120 rooms and involves an investment of 150 million yuan.

According to Government figures, there have been nearly 80 Macao investment projects in Yunnan as of the end of 2008, involving a direct investment of US$50 million. Last year the province approved projects from the SAR worth US$7.72 million.

The status of Yunnan changed dramatically on January 1 this year, the day the China-ASEAN Free Trade Area agreement came into effect. In 2008, the 10 members of ASEAN and China had a combined nominal GDP of US$6 trillion, making it the third largest in the world in terms of GDP and the largest in terms of population.

The agreement reduced tariffs to zero on nearly 8,000 product categories, or 90 per cent of imported goods, in China and in six ASEAN members. The other four members will follow suit in 2015. Of China’s provinces, Yunnan is the greatest beneficiary of the agreement; it borders four ASEAN countries – Vietnam, Laos, Thailand and Myanmar.

The agreement had a dramatic effect on border trade in the first five months of this year: China’s trade with ASEAN countries increased 58 per cent year-on-year to US$111.8 billion.

Yunnan as ‘bridgehead’

In a visit to Yunnan in July 2009, President Hu Jintao summarised the new role of the province as a ‘bridgehead’ towards ASEAN. From July 12-20 this year, more than 160 officials from 46 departments of the Central Government and companies met in Kunming to discuss how to implement this strategy of the ‘bridgehead’.

In addition, Kunming is the eastern terminus of a pipeline and railway that will connect it with the
Burmes port of Kyaukphyu, 1,650 kilometres away on the Indian Ocean, of which 690 km are in Yunnan. Construction of the two are underway.

To meet the future needs of this bridgehead, Kunming has embarked on a series of major investments. One is a new international airport, involving investment of 23 billion yuan and designed for 26 million passengers and 1.3 million tonnes of cargo a year; it will be the fourth largest in China and is due to open in 2011.

Another is a new central railway station which will have 12 trunk lines, one of them to Hanoi. The Government is spending more than 100 million yuan to upgrade this line, built by the French from 1904-1910.

Kunming is also the starting point of a 5,400-km railway line being built to Singapore, linking seven ASEAN countries – Singapore, Malaysia, Thailand, Myanmar, Laos, Cambodia and Vietnam.

All these developments present major new opportunities to business people from Macao and the Pearl River Delta, enabling them to take advantage of the links between Yunnan and its neighbours.

Yunnan itself is a large economy, with GDP last year of 616.8 billion yuan, an increase of 12.1 per cent over 2008. It is China’s biggest grower of tobacco, wild mushrooms, cut flowers and Arabica coffee, and a major producer of tea and dairy products. It is one of China’s main production bases for copper, lead, zinc, tin and aluminium. Blessed with natural resources, a developing tourism industry and excellent conditions for development, with rich neighbours.

Yunnan Joint Association (MYJA) and the Macao-Yunnan Business Association (MYBA).

“Macao investment there has been limited, because Yunnan is far away and Macao people are not familiar with the local environment,” says Lin Zhuohua, chairman of the MYBA. “But it has excellent conditions for development, with rich natural resources, a developing tourism industry and the establishment of the China-ASEAN Free Trade Zone.” His association plans to set up in Macao a long-term exhibition of Yunnan products, such as Pu Er tea, flower pots and ham. The MYJA promotes exchanges in culture and sport; Yunnan is home to 26 ethnicities who have rich cultures and traditions.

Hotel – struggle and tears

The Royal Garden hotel is a story of tragedy and hard work. It was established in 1997 by Lin Cangwei, a Fujianese whose family had emigrated to Myanmar. In the 1960s, the country’s new military government under General Ne Win gave Chinese immigrants the option of taking Burmese nationality or expulsion, leaving their assets behind.

Wishing to keep their Chinese citizenship, Lin and 20 members of his family left in 1967 and returned to Fujian. They migrated to Macao in 1977, where Lin began a decorating and engineering business. After 1980, he started work on projects in the mainland, including the refurbishment of the Sakura, one of the biggest hotels in Kunming.

In 1997, he began development of his own property, the Royal Garden. It was a project close to his heart – he designed everything himself, from the overall structure to the interiors, the furniture and the wall colours, incorporating themes from Macao and Italy. He planned to open it in time for the return of Macao to China in December 1999; but when the project was two thirds complete, his Chinese partner was arrested for fraud. He had mortgaged the site to several different banks and not obtained the proper land title. Work on the project stopped.

It took years of effort for Lin to obtain the necessary permits; the project became a wholly owned foreign hotel. On June 2006, after nine years of blood and sweat, the hotel opened, at a ceremony attended by the then Macao Chief Executive Edmund Ho and leaders of the provincial government. But the effort exhausted Lin, a man who had previously enjoyed good health; a month after the opening, he was diagnosed with brain cancer and died a year later.

Taking over from father

Lin’s eldest daughter, Lin Hong-ling, a senior manager at CTM, the Macao Telecommunications Company, was faced with the question of whether to move to Kunming and take over the hotel. “My father put his heart and soul into this project,” she says. “He put so much blood into it. For him, a very patriotic overseas Chinese, it was not just a hotel but a contribution to the nation. If I had let it go, I would have felt very sorry toward him.”

So she gave up her good job and left her husband, a restaurant owner, and two children in Macao to move to Kunming. For her, as with her father, it has been an uphill struggle, working to obtain all the necessary permits and pay off the debts accrued by the former partner, who has disappeared.

Now the hotel is breaking even and she feels more optimistic; she is considering whether to turn the area she owns in front of the hotel into commercial space. The district, which used to be farmland, has been zoned as a commercial area; the airport nearby will lose many of its flights when the new international airport opens next year.

She spends about a week a month with her family in Macao, a journey that now takes six hours door to door after direct flights were cancelled three years ago due to lack of traffic. She hopes that, in future, she can train local managers to run more of the operations and enable her to spend more time with her family and the restaurant, which is a seven-day business.
Investing in Yunnan

Lin Hong-ling says that Macao investment in Kunming is limited. “One investor has bought land near the Dianchi lake, to build a hotel, but the work has stopped because of environmental issues. Another investor, a native of Yunnan who has a Macao identity card, is in the tea business.” Her advice to potential investors is to be cautious and look carefully at projects. “The behaviour of the Government is improving but is not as good as that of governments on the coast. Limit investment of your own money. Do not invest in hotels, since there are too many.

“Kunming has many resources but local people are not good at packaging. Market goods better and make them more attractive, for export,” she says. One happy investor is Liang Hua-jin, who owns the Cafe de Algarve Sol coffee house in the old town of Lijiang, a UNESCO heritage site in northwest Yunnan. A town boasting a history of more than 800 years, Lijiang is one of the province’s most popular tourist sites for both Chinese and foreigners.

Liang first went to Lijiang as a tourist in 2003. “I had worked in finance for more than 10 years. Every day my job was watching the markets in Hong Kong, Europe and the US. It was exhausting and separated me from my friends. It was only business talks and no friends.”

So, with his savings, he moved to Lijiang and opened the coffee house in a building of more than 200 years old. It has a Macanese flavour, with the flags of Portugal and Macao hanging outside and the decor of an ordinary Portuguese home, as well as magazines from Macao.
The Hong Kong-Macao-Zhuhai Bridge is expected to open in 2016. This coincides with the completion and launch of the high-speed Express Rail Link between Hong Kong and Futian in Shenzhen and Panyu in Guangzhou, though it is years behind the start of the Zhuhai and Guangzhou fast-speed train service scheduled for later in 2010. Although there are still six years to go, there has been much excitement about the bridge that will integrate the two Special Administrative Regions of China, both of which also serve as gateways to and from mainland China via their international free ports.
Hong Kong versus Macao

Hong Kong and Macao have long been in cooperation and competition over the past centuries. The rise of Hong Kong since the mid-nineteenth century as the bridgehead of British commercial, financial and political interests in the Far East eroded the role of Macao as the gateway port for Southern China. After 1949, the closure of mainland China to the outside world made Hong Kong the only international city for China, eclipsing both Shanghai and Guangzhou. With the economic link to the Pearl River Delta region denied and without the economic scale and international connections to the Anglo-Saxon global system, Macao was unable to compete with Hong Kong. It retreated into a quiet ‘South European’ town next to the rapidly expanding British colony. Hong Kong became the ‘city’ and the route to the wider world (except the Portuguese world) for residents and companies of Macao. The opening up and reform of China, spearheaded by the Pearl River Delta region, has at least partially restored the economic dynamism of Macao.

In preparation for the handover in 1999, just two years after the handover of Hong Kong, there was an influx of people and capital from the mainland. Thanks to this, Macao has been able to expand again. Undoubtedly, it is impossible to compare between Macao and Hong Kong in terms of scale and size. But, in the brief span of little more than 10 years, Macao has succeeded in coming from a long way behind to overtake Hong Kong in per capita GDP, showing the enormous competitive advantage it has gained from its return to mainland China, and more precisely, to the Pearl River Delta region.

Macao is now no longer just the sleepy town next to the bustling city of Hong Kong. It is a city in its own right, albeit smaller and with a different economic focus, on a par with Hong Kong and enjoying the same political status in the hierarchical national system of China.

Guangzhou becomes central city in Pearl River Delta

The recent integration of the Pearl River Delta region, or more precisely, metropolitanisation process centering on Guangzhou, offers challenges and opportunities to both Hong Kong and Macao. The revival of Guangzhou as the central city of the region poses a direct challenge to Hong Kong. Over the last decade, it seems that Guangzhou has been able to stand on its own feet again. It has been using the economic restructuring of the regional economy, its political controls over policy resources within the province and access to national support to subdue localism, including that from the semi-detached special economic zones of Shenzhen, and to a lesser extent, Zhuhai.

The outline of the PRD Reform and Development Plan (2008-2020) and the framework agreements of economic cooperation with Hong Kong and Macao all have explicit, strong Central Government endorsement. They are indicative of the success of Guangzhou to re-establish its indisputable leadership in the region even beyond the province of Guangdong, through the high-speed railway hub it is due to create in the next few years, incorporating the new networks in Fujian, Hunan, Guangxi, Guizhou and Hubei.

For Hong Kong, the metropolitanisation process initiated by Guangzhou serves more as a challenge than throwing up opportunities. Local industrial processing and producer services have already relocated to Shenzhen and Dongguan, while consumer services in Guangzhou are catching up fast and attracting most local demand in the PRD cities away from Hong Kong. Even the new initiative of Qianhai includes plans to relocate financial services away from Hong Kong. The fundamental problem for Hong Kong is that its economy lacks further development to create new industries and economic competitiveness, while the existing industries, services and the market they have set
up over the past decades have all now been either relocated or import-substituted and taken over by the Guangzhou-centered PRD cities. The metropolitisation process is simply enhancing further the agglomeration and scale economies of the collective efforts of the PRD cities and the leadership of Guangzhou, thereby speeding up the processes of relocation, substitution and diversion from Hong Kong.

**Macao benefits from PRD metropolitisation**

Macao, on the contrary, has not been threatened by the PRD metropolitisation process. Its economy has been so unique and guarded by institutional factors that its main competitive advantage could not be reproduced elsewhere in the PRD or further afield. In other industries and services, Macao is in fact lagging behind Guangzhou, Shenzhen and even Zhuhai. Deep integration led by Guangzhou or others, leading to faster development in the PRD, would simply create more demand for both the current core services or any new services to be set up that enjoy late-comer benefits. Even Hengqin Island will increase space for the expansion of the Macao economy and the infrastructure built there will improve its accessibility and connectivity with the PRD.

**Connecting Macao up**

Macao will also find itself better connected than Hong Kong within the PRD. This year and next will see the two Guangzhou-Zhuhai railways coming into operation. The Zhuhai terminal of the railways at Gongbei will reach Macao city centre in around half an hour. Hong Kong, by contrast, is much larger than Macao, and from the boundary checks to Hong Kong city centre it will take much longer - over an hour, even by train. The Zhuhai terminal for intercity railways could serve easily as the terminal for people going into and out of Macao and be connected to the PRD fast-speed railway network and inter-provincial high-speed train services. Meanwhile, Hong Kong will have only the XRL in operation probably no sooner than early 2016; before then, the Futian Railway Terminal, which will be in operation in 2012, will still be too far away from the city centre in Hong Kong. Connectivity means ease of transportation of passengers to and from Macao with the PRD. Thus the integration of Macao with the integrating and metropolitising PRD will be greater in breadth and depth than that of Hong Kong, and at a much lower cost in time and money. Macao may also benefit more than Hong Kong from the 2015 opening of the Hong Kong-Macao-Zhuhai Bridge. For the first few years, the road traffic, and
therefore passenger flow, between Hong Kong and Macao might not be able to increase too much and too fast, due to the lack of railway connections and the inconvenient immigration and customs controls. The bridge will mostly serve to provide a 24-hour service and more convenient connections to Hong Kong than the current ferry services. The improvement in connectivity will be small and therefore optimal in the sense that it will prevent too large an inflow of people and cars into the already congested small city of Macao. The bridge will be both a facilitator and constraint to Hong Kong-Macao passenger flow in an optimal mix that will not cause too much of a burden to the city, as it gains improved connectivity with Hong Kong. Physical integration with Hong Kong will therefore be restrained to defend domestic transport and urban lifestyle within Macao.

**Linking east to west**

According to integration planning of transport and other key infrastructure investment projects for the PRD, published by the Guangdong Provincial Government in August, there will be more crossings in the estuary of the Pearl River connecting the west coast to the east coast. Before 2020 we will see the connection -- tunnel rather than bridge -- between Shenzhen and Zhongshan and a second Humen Bridge at the tip of Nansha in Guangzhou. Both will improve the connectivity of Zhuhai to Shenzhen, Dongguan and, indirectly, to Hong Kong. Without immigration and customs controls, it will take less time to travel across from the east to west coast and vice versa. These crossings will definitely reduce the importance of the Hong Kong-Macao-Zhuhai Bridge. But they will also certainly improve the connectivity of Macao with the east coast cities, especially with Shenzhen and Dongguan, and beyond to Huizhou and Eastern Guangdong along the new high-speed railway that goes from Shenzhen all the way to Chaoyang and Fujian, Zhejiang and Shanghai. With the use of the Zhuhai railway terminal and the Zhuhai highway links, Macao will be able to use these crossings to gain greater connectivity and integration with the eastern PRD cities, probably more effectively than through and from Hong Kong.

On the other hand, the Guangdong Government is committed to putting the western coastal railway into operation by 2013. Western Guangdong will then open up to Macao via Zhuhai. Macao will also be able to use Foshan, via Zhuhai, as the link to the two inter-provincial high-speed railways to Guiyang in Guizhou and Nanning in Guangxi and further to southwestern China and to countries in Indochina. As not only Hong Kong but also Guangzhou and Shenzhen are more concerned with the more developed localities in the eastern part of the PRD, the western part of the PRD and Western Guangdong could well be an exclusive hinterland for Macao, in cooperation with Zhuhai.

Macao will be at a great advantage in having better physical integration with the PRD cities, mostly due to the economic complementarities it has with these cities. Apart from gaming, Macao has no vested interests in opposing any upgrading of its services and its internationalisation directed towards the Portuguese-speaking world, including those Portuguese-speaking countries in Africa and South America -- part of the emerging markets --, the EU and the wider world through Hong Kong. The cost of services in Macao are lower than in Hong Kong and, at least for the western cities in the PRD, no major cities could have strong enough service industries to compete with Macao, even Zhuhai, whose local services are too small in scale and too narrowly based.

**Macao’s challenge**

The challenge for Macao is how to build up service industries alongside the gaming industry to capture the great market opportunities offered by the rapid metropolitanisation of the PRD and the greater connectivity and physical integration of Macao with the PRD. Given the small scale of the local economy and population, it will be impossible to rely on organic growth of the local service sector. The best strategy is probably to rely on the advanced and no doubt also saturated service industries of Hong Kong. To do so, Macao could and should try to integrate its local industries and market with those of Hong Kong.

One quick fix would be for Macao to merge its free-port economy with that of Hong Kong by means of a bilateral free trade agreement (FTA), built on the basis of the CEPAs of the two Special Administrative Regions with mainland China and the two economic cooperation framework agreements with Guangdong. Such a Hong Kong-Macao bilateral FTA should be broader and more liberalised than the CEPAs and framework agreements, as the two SARs are already free-trade economies with little market entry and trade barriers. Because of the smaller scale of the population and industries in Macao and the much higher local per capita GDP, Hong Kong would not be afraid to integrate its market and economy with Macao. And for Macao, since Hong Kong is not a low-cost production base, there would be no danger of low-cost labour flooding the Macao market; the constrained connectivity between the two SARs, even after the opening of the Hong Kong-Macao-Zhuhai Bridge, would also serve as a barrier against a free flow of low-skill and low-cost daily workers from Hong Kong.

With the bilateral FTA, Macao would gain free access to the established service industries and well-trained and experienced professionals and service workers from Hong Kong almost at no cost. Indeed, the cost of training and educating professionals and service workers as well as institutional and infrastructural investments would entail inward direct investment of service companies. Macao could become the physical extension -- even for daily commuting from localities in Hong Kong -- of the multinational service industries of Hong Kong and immediately upgrade the local economy and reduce its dependence on the gaming industry.

Both the Central Government in Beijing and the Guangdong Government in Guangzhou would be happy to see a bilateral FTA between Hong Kong and Macao; all parties involved would benefit, creating a long-term win-win situation.

**A new transborder region**

Under a bilateral FTA and with the Hong Kong-Macao-Zhuhai Bridge, Macao and Hong Kong may be able to repeat the successful example of the Oresund Bridge connecting Copenhagen in Denmark to Malmo in Sweden, with an annual passenger flow of 26 million per year after 10 years’ operation, to form a flourishing trans-border region in Europe.}

*Head – China Business Centre - The Hong Kong Polytechnic University*
Cultural ambition

Guangzhou unveils landmark projects as city of culture

By Mark O’Neill
The treasure box

Winning the competition to design the Museum was a milestone for Rocco Yim and Hong Kong. It was the first major cultural project in the mainland to be designed by a Hong Kong architect. “To provide a landmark for a city which can be enjoyed by anyone is a dream for any architect, especially a building that is open to the public,” he says. “In Guangzhou, entry to the Museum is free. It is culturally and socially very meaningful.”

Following an edict from the Central Government in March 2008, all provincial museums are free. The Guangdong Provincial Museum is attracting an average of 8,500 visitors a day, with a maximum of 18,000 at the weekend - so many that their entry has to be regulated.

Yim’s design is original -- a five-storey rectangular building that resembles a Chinese treasure box, with dark grey cladding and irregular rectangular cut-outs on the exterior; the inside of the cuts are a bright Chinese red.

“Culturally, a museum is a container of heritage, and traditionally Chinese people put precious objects in exquisite treasure boxes, which were often as valuable as the contents they held,” he says. “The imagery we conceived for the Museum is therefore a treasure box – an object of art in itself and one that exudes a quality of mystique. In my mind, what differentiates Chinese artefacts, like jade and wood carving, from Western ones, such as large Greek statues, is that the former usually possess this delicate quality that entices you to explore and contemplate, to look for something beyond what you see. Like its contents, the architecture of the Museum is intended to entice...”
you to explore and discover beyond its envelope," he says.

He notes that the Museum needed to establish an urban relationship with the Opera House and create a dialogue in terms of visual intensity and symbolic meaning, because the two represent the new cultural aspirations of the city. “The deliberate visual contrast and tension that we set up between the precise and man-made box – the Museum – and the fluid and plastic boulders – the Opera House – is intended precisely to establish that relationship.”

The project had a budget of 900 million yuan and took four and a half years to build. The biggest engineering challenge was that the structural system is a large cantilever with all the floor slabs suspended off a steel roof-truss mega-structure, supported centrally off the ground. “The intent was to allow flexible space for the galleries inside, with no intrusion of columns and to liberate the ground floor that creates an uncluttered fusion of public and private space,” he says.

Diverse collection

The main door opens into an atrium of 4,300 square metres lit by sunlight from the ceiling; hanging from the roof is an aluminium gauze. A wide staircase with low steps leads to the first floor and the first galleries.

The permanent collection offers a great diversity of exhibits -- inkstones; seals; clay figurines; Chaozhou wood carvings; painting and calligraphy of the Tang and Song dynasties and pottery and porcelain, as well as a history of Guangdong Province and its natural resources, including minerals, gems, Chinese medicines, wild and sea animals and fossils.

There is a room containing a 42-metre dragon boat. The history gallery has a wooden boat like those used in the Ming dynasty to carry Chinese voyagers to South-East Asia and East Africa. It includes recreations of shops from earlier eras and presentations of Chinatowns created by the Cantonese in foreign lands.

We see models of the Kaiping towers – built with the money of wealthy expatriates – and photographs of the many Cantonese who played such a prominent part in their nation’s history. Without them, there would have been no Xinhai revolution in 1911 and no reform and open-door policy. Also included are foreign faces, for example, Catholic missionaries Matteo Ricci and Saint Francis Xavier.

“In the early Qing dynasty, we Chinese were arrogant and rejected everything from abroad because we believed we had all we needed,” says the young graduate student showing me around. “Then came the Opium Wars and the humiliations by foreign powers, which left us with an inferiority complex.

“Now, after 30 years of economic success, we have recovered our self-confidence. We are ready to accept the best things from the outside world. Cantonese have played a critical role in this process, ready to adapt to the outside and accept foreign ideas and people.

“Guangzhou is full of African and Arab merchants, their wives plump in flowing dresses or in burqhas. Europeans may have a problem with burqhas but we do not. In the Tang dynasty, Guangzhou was a centre of international commerce and many Arabs lived here. This is in our historical memory,” he says.

On each floor, there are irregular alcoves between the exhibits where visitors can rest and enjoy a view over the Pearl River. The corridors are wide, providing a great deal of public space, so that visitors can move freely and easily.

Yim says that they ensured optimum diffused light in the central atrium and brought in light at the break-out and rest spaces, major circulation points and selected special rooms, such as the restaurants and club-room for the Friends of the Museum. “On the other hand, it is imperative to block or divert the natural light in specific galleries, so that vulnerable items such as ancient scrolls and paintings could be protected,” he says.

Born and educated in Hong Kong, Yim is one of the best-known architects in the SAR. After graduating from the University of Hong Kong, he joined the firm Spence Robinson for two years before starting his own practice in 1979, which eventually evolved into a partnership with two other architects in 1982. He has won awards for his work in Hong Kong and internationally. In 2008, he won the design for the new Hong Kong SAR Government headquarters in the Central district of the city and the Yunnan Provincial Museum in Kunming. In Macao he designed the Star World hotel and casino with the double-layer exterior glass wall. His firm has submitted a design for the Guangzhou City Museum, to be built in the Baiyunshan area of the city.
‘Pebbles from the river bed’

Facing the Museum is the new Opera House, another building that stands out conspicuously among the forest of skyscrapers. The big ‘boulder’ contains an 1,800-seater auditorium for opera, ballet, theatre and music performances, and the small boulder a 400-seat multi-purpose space for theatre, conferences and exhibitions.

It was designed by Zaha Hadid, one of Britain’s most famous architects, who in 2004 became the first female recipient of the Pritzker Architecture Prize, architecture’s equivalent of the Nobel Prize. The London-based practice she founded in 1980 employs 400 people.

Asked how they came up with this eye-catching idea, Simon Yu, her project architect on site, says that they had a design repertoire of landscapes and geographic formations. “We liked erosion and stones. It worked well next to the Pearl River. The metaphor is two pebbles picked from the bed of the river and placed on the river bank.”

The project, with a budget of 1.38 billion yuan, attracted nine bids from major international firms, of which four were short-listed. The city invited residents to vote: Hadid’s entry won the most votes and was chosen by the selection jury.

“We were very excited. It was our first project in China,” says Yu. Its partner was a unit of the China State Construction Company (CSCC), one of the country’s biggest contractors, which built the Birds’ Nest Olympic Stadium in Beijing.

Nothing is straight

For the CSCC, building the Opera House was an enormous challenge, as everything is leaning outward or cantilevered; nothing is straight or regular. “It was very difficult at the start,” says Yu. “Our Chinese partner had not done it before. They were keen to try and were up to the challenge. We learnt from each other and were humbled by the people.”

What keeps the building standing are heavy-duty steel sections joined by extremely rigid connections, using more than 100 cast steel connections or ‘nodes’. “They hold the lines together, like diamonds. The nodes were cast in advance. They brace and hold every line,” he says.

The exterior structure is clad with a mixture of glass and granite panels; black granite with a flamed or rough-textured finish has been used on the upper parts of the building, to reinforce the idea of a pebble washed up on the bank.

Acoustics in the main auditorium were also a challenge. “There are three principles – reverberations, clarity and sound pressure. For Western opera, the natural voice is emphasised. But Chinese opera emphasises the visual aspect, which requires more stage equipment, speakers and lighting,” he says.

The firm chose an asymmetrical auditorium, an unusual feature. “Our vision was like a cave, seamless and minimalist, which has shock appeal,” he adds.

It worked with Marshall Day, an international consultant of acoustics based in Melbourne. It used glass-reinforced gypsum panels to clad the interior; these were roughened up near the front of the auditorium.

Richard Margison, lead tenor in ‘Turandot’, the opera showing on the opening night, said the auditorium was large but had an intimate feel. “The acoustic is fantastic – not too dry and not too bright. During rehearsals, it felt a little too bright but, with the audience in there, it warmed up and the balance felt just right. The new building is spectacular and is definitely going to be a landmark.”

Social and civic venue

Jenny Liang, a public relations officer for the Opera House, said that it had the best acoustics in China. “We will host at least 200 cultural performances a year. Prices will vary according to the event. ‘Turandot’ was very expensive because the performers came from abroad.” The prices ranged from 380 to 2,800 yuan; for other events, the tickets will be as low as 80 yuan.

The second ‘boulder’ houses a multi-purpose venue that will host exhibitions, conferences and theatre. “We hope this space will be used all the time,” says Yu. “We want it to be a social and civic venue, open 24 hours a day, with a restaurant and coffee shop.” The space looks over what will become the Cultural Plaza, when the workmen have completed it. “Most opera houses tend to be expensive and exclusive to the public.”

The Guangzhou project includes elements of an opera house which Hadid designed for the Welsh capital, Cardiff. It won the bid and was accepted
by the City Government; but a debate and lack of funding meant that it was never built. The firm is doing two other projects in China – a property development in Beijing with 300,000 square metres for Soho China, and the ‘Innovation Tower’ at the Hong Kong Polytechnic University, to house its School of Design. Born in October 1950 in Baghdad, Hadid obtained a degree in mathematics from the American University of Beirut before moving to study at the Architectural Association School of Architecture in London. She worked with her former teachers, before setting up her own practice in London in 1980. She has won many international competitions and completed landmark projects around the world.
Gaming, beyond gaming

By José Carlos Matias
Six years after the first foreign casinos opened their doors in Macao, the region is to embrace a more diversified and sustainable model for its gaming and tourism industries. The breakneck growth of casino revenues – a four-fold increase in six years – has brought unprecedented economic prosperity. In this short period of time it has changed the urban landscape and brought down the jobless rate to what can be considered a full-employment situation – below three per cent.

In 2010 casino gross revenues will hit a new record high. The Secretary for Economy and Finance, Francis Tam Pak Yuen, says he expects Macao’s casino gross receipts to grow by about 30 per cent. This would result in record casino gross revenues of 155 billion patacas. In just a few years, Macao has become the world’s leading gaming hub topping Las Vegas as number one in terms of gaming revenues. It seems that the sky is the limit.

A ’revolution’

“It was a revolution,” says Manuel Neves, Director of the Gaming Inspection and Co-ordination Bureau (DICJ). The Government was expecting strong growth, but not like this: “The sudden boom came as a surprise,” he admits.

The Government, society and entrepreneurs had to adapt quickly to these changes. Neves says, “At the beginning, there was an adjustment period in terms of the management style and regulatory procedures in practice in Macao as opposed to the way the American operators were used to.” Following the influx of investment in the gaming sector, thousands of imported workers came to the region to meet the needs of the construction and hotel industries due to the scarcity of the labour force in Macao.

The casino boom brought a number of challenges for local businessmen, especially for Small and Medium-sized Enterprises (SMEs). Production costs and competition increased, and local SMEs had to introduce new products and rejuvenate their business models to survive. However, many benefited from the growing number of tourists. Looking ahead, the main challenge is not so much about how much more revenue and tourists Macao can attract. It has to do more with how to take the quality of services – beyond gaming – to new heights. The strategy for this was laid down in March by the Secretary for Economy and Finance, Francis Tam.

In this year’s Policy Address debate in the Legislative Assembly, Tam said the future competition “is in the leisure and tourism industry”. He pointed out that “the gaming sector’s ultimate goal is to help reinforce Macao’s entertainment function”. In addition, the Government is keen to foster the development of the Meetings, Incentives, Conventions and Exhibition (MICE) business. The casino-hotels integrated-resorts model, introduced in Macao after the liberalisation of the gaming industry, has been expanding gradually. It has enabled gaming operators to play a key role in hosting and promoting both MICE events and shows, and entertainment activities.

The Director of the Gaming Inspection and Co-ordination Bureau (DICJ), Manuel Neves, stresses that “the aim is to offer new attractions so visitors stay longer, so we can rely less on day-trip tourists”. In order to promote more sustainable growth for the gaming industry, the Government has decided that the number of gaming tables will not go beyond 5500 in the next three years. The current number is 4700.

MICE and entertainment

Looking further ahead, the main challenge is not so much about how much more revenue and tourists Macao can attract. It has to do more with how to take the quality of services – beyond gaming – to new heights. The strategy for this was laid down in March by the Secretary for Economy and Finance, Francis Tam. In this year’s Policy Address debate in the Legislative Assembly, Tam said the future competition “is in the leisure and tourism industry”. He pointed out that “the gaming sector’s ultimate goal is to help reinforce Macao’s entertainment function”. In addition, the Government is keen to foster the development of the Meetings, Incentives, Conventions and Exhibition (MICE) business. The casino-hotels integrated-resorts model, introduced in Macao after the liberalisation of the gaming industry, has been expanding gradually. It has enabled gaming operators to play a key role in hosting and promoting both MICE events and shows, and entertainment activities.

The Director of the Gaming Inspection and Co-ordination Bureau (DICJ), Manuel Neves, stresses that “the aim is to offer new attractions so visitors stay longer, so we can rely less on day-trip tourists”. In order to promote more sustainable growth for the gaming industry, the Government has decided that the number of gaming tables will not go beyond 5500 in the next three years. The current number is 4700.

Diversify within and beyond

Neves declares: “The cap on the number of tables in the coming three years is aimed at fostering the development of non-gaming activities.” This means that the two casinos scheduled to open their doors in the near future – Galaxy Macao and Sands China’s new hotel-casino resorts – can accommodate combined no more than 700 tables. In the eyes of the Government the aim is not to hamper the development of the gaming sector. “We don’t want to hinder the growth of the casino industry,” says the head of DICJ.

Neves underlines that the main goal is to “promote an effective economic diversification within the gaming and tourism industries, and reduce the dependence on gaming revenues”. As direct taxes on gross gaming revenue accounts for the lion’s share of the overall taxes collected by the Government, authorities want to push for a more balanced and stable economic model, with casinos as ‘the eye of the dragon’. Thus the Government will be more demanding when analysing new projects regarding non-gaming components.

And the future of the gaming industry lies on Cotai – reclaimed land between the Taipa and Coloane islands – where the new ventures will be built. “We decided not to allow more casinos on the Macao peninsula; all future gaming compounds are to be erected in Cotai,” declares Manuel Neves.

Integrated model, the way ahead

Looking further ahead, SJM, Wynn and MGM, the gaming operators who have not yet set foot on Cotai, are planning to build their casino-hotel resorts. Their projects may be completed within the next six years. And the Government has made it clear that the new casinos have to tap into the strategy laid down to diversify the tourism industry, bringing to Macao more families and young visitors looking for fun and entertainment. Some analysts say at this stage casino operators should have more to offer. Manuel Neves admits that “the Government was expecting more non-gaming attractions” to be provided by the casino operators. But he also stresses that “it has been only half a dozen years since the liberalisation of the gaming industry”. Moreover, in recent years casino operators have been hosting and sponsoring large-scale sports events, music concerts and shows. Among them have been tennis and NBA basketball exhibition games or Cirque du Soleil shows at the Venetian, or more recently, Dragone’s show at the City of Dreams.

Davis Fong, Director of the University of Macao’s Institute for the Study of Commercial Gaming (ISCG), believes that the integrated model can be successful in Macao and suit the needs of local economic development. He says, “The integrated-resorts model is under way, and Macao is currently halfway through that process.” Davis Fong notes that recent surveys show that more
and more young tourists from Hong Kong, Taiwan and the Pearl River Delta (PRD) say they come to Macao to enjoy a romantic time in a hotel as they find price-quality relations in Macao competitive.

“Ten years ago, hardly anyone would come to Macao just to stay in a hotel,” he says.

**Bright prospects for entertainment industry**

The casino-hotel resort integrated model includes four main components: gaming, hotel, retail and shows. To be fully successful, each one of the non-gaming activities should be able to survive independently from gaming. Fong says in Macao the key question is whether retail and shows can make it. “Shopping malls at the Venetian, Wynn and City of Dreams have been showing that retail can be successful and sustainable.”

What about shows and entertainment? Based on the business models adopted by both Cirque du Soleil and Dragone, Davis Fong presumes that “shows can potentially survive independently from gaming”. Each show creates a new wave of attraction. “The entertainment industry is really becoming an industry.”

The integrated model will be in full swing when it is able to offer packages to its visitors composed of each one of the four main components.

Davis Fong adds that in the future, with the Light Railway Transit (LRT) system in Macao in connection with the Guangzhou-Zhuai Railway, it will be easier and more convenient for people living in PRD cities such as Guangzhou, Foshan and Jiangmen to come to Macao just to watch a show and have dinner. Mobility in the PRD will increase dramatically, and Macao, as the region’s gaming and tourism hub, is to reap huge benefits from it.

**Singapore, not so much of a threat**

The added value in Macao’s gaming and tourism industry is seen as crucial also in facing external challenges, namely the rise of other gaming jurisdictions in East Asia. Singapore poses the most direct challenge. The lion-city’s first casinos opened this year – Las Vegas Sands’ Marina Bay Sands and Genting Resorts World’s Sentosa – aiming at bolstering tourism to the city-state.

The Macao Government shrugs off the threat of new casinos in Singapore. “I don’t believe that, in the short term, the opening of casinos in Singapore will
Improving the regulatory framework

The Government is about to adopt new regulations and changes in Macao’s gaming legal framework. In 2009, following an agreement between the six gaming operators, the Government imposed a cap on junket operators’ commissions, a move seen as very important to promote a healthy and sustainable business operation for the casino companies.

Junkets are very important in Macao’s gaming business model, as they are responsible for bringing customers to their VIP gaming tables, extending them credit, and eventually collecting gambling debts. Following the liberalisation of the gaming industry, another purpose of the new regulations was to limit the weight of the VIP market in the gaming revenues and increase the share of the so-called mass market.

Davis Fong agrees. "Macao has a geographic competitive advantage over Singapore given the profile of the majority of its visitors," he says. They come from South China and for them it is much more convenient to come to Macao. In addition, many are middle class, and to fly and stay in Singapore is costly for them. Fong admits that high rollers and gamblers from North and East China will be eager to go to Singapore because it is something new. But in Macao they can find a more diverse supply whereas in Singapore there are only two casinos.

Moreover, despite the lower taxation in Singapore, VIP gaming is more controlled than in Macao. Therefore, he foresees "no intensive competition between Macao and Singapore".

Affecting Macao, since we're talking about different segments of the market in a region that hasn't been important to Macao," Neves says.
High rollers still account for the lion’s share of gross gaming revenue: 67 per cent in 2009. Still, mass-market gamblers are on the rise. For example, slot machines used to be virtually absent here, representing less than one per cent of the revenue just six years ago. However nowadays, with nearly 15 thousand slots, this segment accounts for almost eight per cent of the overall revenue. Increased slot machines is good news for the growth of the mass market, but the Government doesn’t want slot machines to be on the doorstep of the city’s residential districts.

Therefore, a new administrative regulation will address this issue. Also in the pipeline is a revision of the Gaming Industry Regulatory Framework law, the main legislation governing casino activities in the territory. The proposal increases the minimum age for entering casinos from 18 to 21. The revision will also cover issues like the preventive interdiction of players entering casinos and the existence of lists of players forbidden to step into a casino.

The six gaming operators

**SJM – Sociedade de Jogos de Macau**
80% owned subsidiary of STDM, the former monopoly holder
Chairman: Stanley Ho
Number of casinos: 20

**Venetian Macao Limited**
Subsidiary of Las Vegas Sands
Chairman: Sheldon Adelson
Number of casinos: 3

**Galaxy Casino**
Subsidiary of Hong Kong-based Galaxy Entertainment Group
Chairman: Lui Che Woo
Number of casinos: 5

**Wynn Macau**
Subsidiary of Wynn Resorts
Chairman and CEO: Steve Wynn
Number of casinos: 1

**Melco Crown Gaming (Macau)**
Joint venture of Crown (Australia) and Melco International Development (Hong Kong)
Number of casinos: 2
Chairman and CEO: Lawrence Ho (son of Stanley Ho)

**MGM Grand Paradise**
Joint venture between Pansy Ho and Las Vegas’ MGM Mirage
Managing Director: Pansy Ho (daughter of Stanley Ho)
Number of casinos: 2

16 – number of casinos in 2003
33 – number of casinos in 2010

The six gaming operators

**Gaming in Macao – timeline**

1847 – Government legalises gaming for the first time

1850-1860 – Over 200 ‘Fantan’ stalls operating in Macao

1930 – ‘Hou Heng Company’ wins the monopoly concession

1937 – Monopoly concession granted to ‘Tai Heng Company’

1962 – Monopoly concession granted to STDM (Stanley Ho)

2002 – Macao liberalises its gaming sector

2004 – First post-monopoly casinos open their doors

2006 – Gaming revenues in Macao eclipse those of Las Vegas
Ever Closer Ties
China expected to become Brazil’s biggest foreign investor in 2010

By Gustavo Pena
After becoming Brazil’s biggest trading partner in 2009, China is set to break another record in the Brazilian economy this year. The Asian giant is expected to become the biggest foreign investor in Brazil with direct investments of US$12 billion, according to market projections based on recent announcements from Chinese companies. This volume accounts for almost one third of the total US$38 billion in foreign investment that Brazil is set to receive this year, according to the Brazilian Central Bank’s official target.

If it is confirmed, total Chinese investment this year will represent growth of around 14,000 per cent against volume in 2009, when just US$82 million was invested. Investment volume over the last nine years shows the change in appetite of Chinese multinational companies for the Brazilian market as of this year. Between 2001 and 2009 just US$215 million were invested, a figure very far from the US$6.52 billion invested by the Netherlands, the main foreign investor in Brazil in 2009. If all the announcements by Chinese companies go ahead, the Asian giant will have a stock of direct investments in Brazil greater than those of traditional investors in the Brazilian market such as Portugal, Canada, Italy and the United Kingdom.

“China has done an immense amount of work in getting closer to Brazil over the last few years,” Luiz Fernando Furlan, Brazil’s former Minister for Development, Industry and Trade, tells Macao magazine. “It is work involving consistency and persistence, with a growing trade and investment relationship between the two countries,” he says.

The former Brazilian minister notes the ‘important’ role played by Macao in this process, via the Forum for Economic and Trade Co-operation between China and the Portuguese-speaking Countries - Brazil, Portugal, Angola, Mozambique, Cape Verde, Guinea Bissau, East Timor, Sao Tome and Principe. Between 2002 and 2009 the trade between China and the Portuguese-speaking countries jumped from US$6 billion to over US$62 billion per year.

Macao Forum as platform for closer relations

Furlan is now the Chairman of the Board of Brasil Foods (BRF), the biggest Brazilian multinational company in the food sector. Furlan notes the work Macao has done as a platform for closer relations between China and the Portuguese-speaking countries. “Two ministerial meetings (of the Forum) have been carried out. I was there myself (Macao) on both occasions, and a good many of the approved resolutions are being carried out,” he says. The third ministerial meeting of the Forum for Economic and Trade Co-operation between China and the Portuguese-speaking Countries (FCECCPLP) is due to take place this year in Macao.

With an annual turnover of around US$14 billion, BRF is the fourth largest Brazilian exporter, the world’s biggest poultry exporter and the biggest worldwide protein company by market value. It is also one of the main Brazilian milking companies. With 64 factories and 105,000 staff in Brazil, BRF exports its products to more than 110 countries. In Asia, its biggest market is Japan, but the company has increased its sales to China as a result of agreements signed as part of Forum Macao. “Exports to China are growing, with the regulation of sanitary agreements already signed and due for completion this year,” the former minister says.

Apex to open business centre in Macao

The boost to the trade and investment relationship between the two countries led the Brazilian Agency for Export and Investment Promotion (Apex) to include opening a second business centre in China in its plans. The proposal is to also have an office in Macao, after the agency opened its first office in Beijing in May 2009. “We received several offers from provinces in China and we are studying the possibility of covering southern China via Macao, because it covers Hong Kong, Guangzhou and Guangdong province, which are extremely important regions,” says Alessandro Teixeira, the President of Apex.

The opening of the second office is part of the strategy of the National Industrial Confederation (CNI), a body that represents the industrial sector in Brazil, to promote Brazilian products in China. The aim of the plan is to double the number of events with Brazilian participation in China, with estimates pointing to Brazilian products being on display to 80 million Chinese at these events. For example Expo 2010 in Shanghai, which will run until October, has in attendance 192 countries, 50 international organisations, as well as dozens of large companies.
offers in relation to the Portuguese language to
intermediate contact with the Chinese,” Sidnei
Docal, the Director of ACSP tells Macao magazine.
“Trade and investment relations between Brazil and
China are going at full steam and we want to be
part of this historic process,” he says.
Since opening its office, the ACSP has received
several requests for information from Brazilian
business people interested in finding suppliers
in Brazil as well as from Chinese business people
seeking Brazilian importers. “We work both ways,”
Docal says. The office has also provided support
to Brazilian business missions taking part in trade
events in southern China, such as the 2010 Canton
Fair. “The more business people know about the
office in Macao, the more the demand for our
services and support will increase in the future,” he
notes.
According to Chairman of the Brazil-China Chamber
for Economic Development (CBCDE), Fernando Ou,
constant visits by representatives from Macao and
mainland China to Brazil have been an example of
the efforts of both countries to boost the trade and
investment relationship. “Macao is an important
platform linking mainland China and the Portuguese-
speaking countries, especially for Brazil,” he says.
Ou also notes that, as well as the facility of using the
Portuguese language, Macao is part of the important
commercial and industrial region of the Pearl River
Delta. The PRD covers, amongst others, Hong Kong
and part of Guangdong province, including nine
cities: Dongguan, Foshan, Guangzhou, Huizhou,
Jiangmen, Shenzhen, Zhaoqing, Zhongshan and
Zhuhai. “This geographic location makes it easier
for foreign products to enter China via Macao, with
excellent tax incentives,” says the Chairman of the
CBCDE.
Diplomatic relations increase
Brazil and China re-launched diplomatic relations
in 1974, but it was in 2001, with the Asian giant’s
membership of the World Trade Organisation
(WTO) that trade and investments between the two
countries began to increase. Trade since then has
risen at a rate of almost 30 per cent per year. Last
year, China became Brazil’s biggest trading partner,
overtaking traditional markets for Brazilian exports
and imports, such as the United States, Argentina
and the European Union.

Macao as intermediary
“The natural role of intermediary in trade and
investment relations between China and the
Portuguese-speaking countries is already a reality
in Macao,” CNI’s representative in Brussels, Rui
Mendes tells Macao magazine.
“The Permanent Secretariat of the Forum for
Economic and Trade Co-operation between
China and the Portuguese-speaking Countries has
implemented several very promising initiatives to
carry out its role,” he says.
According to Rui Mendes, that lived before in
Macao, Brazilian companies interested in the
Chinese market in Macao have the “facility to talk”
in the Portuguese language. “That all makes things
easier, certainly, for activities in the Chinese market,
with Macao serving as an interface, a gateway, even
for big companies that have their own negotiation
channels with Chinese companies,” he says.
Since August 2008, the Sao Paulo Commercial
Association (ACSP), the body that represents the
sector in the wealthiest and most populated state
in Brazil, has had an office in the Macao Business
Support Centre of the Macao Trade and Investment
Promotion Institute (IPIM). The aim is to provide a
support base in Macao for Brazilian companies
interested in carrying out business in China. “Macao
is a point of support mainly because of the ease it
offers in relation to the Portuguese language to
intermediate contact with the Chinese,” Sidnei
Docal, the Director of ACSP tells Macao magazine.
“Trade and investment relations between Brazil and
China are going at full steam and we want to be
part of this historic process,” he says.
Since opening its office, the ACSP has received
several requests for information from Brazilian
business people interested in finding suppliers
in Brazil as well as from Chinese business people
seeking Brazilian importers. “We work both ways,”
Docal says. The office has also provided support
to Brazilian business missions taking part in trade
events in southern China, such as the 2010 Canton
Fair. “The more business people know about the
office in Macao, the more the demand for our
services and support will increase in the future,” he
notes.
According to Chairman of the Brazil-China Chamber
for Economic Development (CBCDE), Fernando Ou,
constant visits by representatives from Macao and
mainland China to Brazil have been an example of
the efforts of both countries to boost the trade and
investment relationship. “Macao is an important
platform linking mainland China and the Portuguese-
speaking countries, especially for Brazil,” he says.
Ou also notes that, as well as the facility of using the
Portuguese language, Macao is part of the important
commercial and industrial region of the Pearl River
Delta. The PRD covers, amongst others, Hong Kong
and part of Guangdong province, including nine
cities: Dongguan, Foshan, Guangzhou, Huizhou,
Jiangmen, Shenzhen, Zhaoqing, Zhongshan and
Zhuhai. “This geographic location makes it easier
for foreign products to enter China via Macao, with
excellent tax incentives,” says the Chairman of the
CBCDE.
Diplomatic relations increase
Brazil and China re-launched diplomatic relations
in 1974, but it was in 2001, with the Asian giant’s
membership of the World Trade Organisation
(WTO) that trade and investments between the two
countries began to increase. Trade since then has
risen at a rate of almost 30 per cent per year. Last
year, China became Brazil’s biggest trading partner,
overtaking traditional markets for Brazilian exports
and imports, such as the United States, Argentina
and the European Union.

Macao as intermediary
“The natural role of intermediary in trade and
investment relations between China and the
Portuguese-speaking countries is already a reality
in Macao,” CNI’s representative in Brussels, Rui
Mendes tells Macao magazine.
“The Permanent Secretariat of the Forum for
Economic and Trade Co-operation between
China and the Portuguese-speaking Countries has
implemented several very promising initiatives to
carry out its role,” he says.
According to Rui Mendes, that lived before in
Macao, Brazilian companies interested in the
Chinese market in Macao have the “facility to talk”
in the Portuguese language. “That all makes things
easier, certainly, for activities in the Chinese market,
with Macao serving as an interface, a gateway, even
for big companies that have their own negotiation
channels with Chinese companies,” he says.
Since August 2008, the Sao Paulo Commercial
Association (ACSP), the body that represents the
sector in the wealthiest and most populated state
in Brazil, has had an office in the Macao Business
Support Centre of the Macao Trade and Investment
Promotion Institute (IPIM). The aim is to provide a
support base in Macao for Brazilian companies
interested in carrying out business in China. “Macao
is a point of support mainly because of the ease it
offers in relation to the Portuguese language to
intermediate contact with the Chinese,” Sidnei
Docal, the Director of ACSP tells Macao magazine.
“Trade and investment relations between Brazil and
China are going at full steam and we want to be
part of this historic process,” he says.
Since opening its office, the ACSP has received
several requests for information from Brazilian
business people interested in finding suppliers
in Brazil as well as from Chinese business people
seeking Brazilian importers. “We work both ways,”
Docal says. The office has also provided support
to Brazilian business missions taking part in trade
events in southern China, such as the 2010 Canton
Fair. “The more business people know about the
office in Macao, the more the demand for our
services and support will increase in the future,” he
notes.
According to Chairman of the Brazil-China Chamber
for Economic Development (CBCDE), Fernando Ou,
constant visits by representatives from Macao and
mainland China to Brazil have been an example of
the efforts of both countries to boost the trade and
investment relationship. “Macao is an important
platform linking mainland China and the Portuguese-
speaking countries, especially for Brazil,” he says.
Ou also notes that, as well as the facility of using the
Portuguese language, Macao is part of the important
commercial and industrial region of the Pearl River
Delta. The PRD covers, amongst others, Hong Kong
and part of Guangdong province, including nine
cities: Dongguan, Foshan, Guangzhou, Huizhou,
Jiangmen, Shenzhen, Zhaoqing, Zhongshan and
Zhuhai. “This geographic location makes it easier
for foreign products to enter China via Macao, with
excellent tax incentives,” says the Chairman of the
CBCDE.
Diplomatic relations increase
Brazil and China re-launched diplomatic relations
in 1974, but it was in 2001, with the Asian giant’s
membership of the World Trade Organisation
(WTO) that trade and investments between the two
countries began to increase. Trade since then has
risen at a rate of almost 30 per cent per year. Last
year, China became Brazil’s biggest trading partner,
overtaking traditional markets for Brazilian exports
and imports, such as the United States, Argentina
and the European Union.
The flow of trade between the two countries totalled just over US$3 billion in 2000, rising to US$36.3 billion last year, with Brazil posting a trade surplus of around US$5 billion. From January to July of last year, Brazil’s sales to China were greater than its acquisitions by US$5.32 billion, which fell to US$3.6 billion in the same period of 2010.

In the first seven months of this year, Brazil became China’s tenth biggest trading partner, rising two places in the Asian giant’s trade ranking. According to figures from the Chinese Government, two-way trade totalled US$32.51 billion in the period, which was an increase of 54.6 per cent against the same period of last year.

The volume of exports and imports in the first seven months of the year exceeded that of China with traditional partners such as Singapore (US$32.3 billion), Russia (US$30.7 billion), the Netherlands (US$30.3 billion), Thailand (US$29.2 billion) and the United Kingdom (US$26.6 billion).

Brazil diversifies exports

The Brazilian Government is focusing on boosting trade with China, namely by diversifying the products exported to the country. The list of products traded between the two countries is still restricted and focused on large companies. Soy, soy oil, iron ore and steel products account for almost two thirds of Brazil’s exports to China. In the opposite direction, China sells machinery, equipment, electronics and coal to Brazil.

"Last year, despite the world economic crisis, we did not see a reduction of trade between the two countries, which continues to post positive results in the first few months of 2010," says Ivan Ramalho, Brazil’s Deputy Minister for Development, Industry and Trade. "What we really want is to diversify the list of exports to China, which is currently very focused on primary products, such as iron ore and soy," he notes.

The Brazilian Government recently launched a plan to triple exports to China, by selling products with greater added value. The ‘China Agenda – Positive Action for Sino-Brazilian Economic and Trade Relations’ includes promoting Brazil’s image in the Chinese market, diversifying export products and increasing partnerships between companies and public bodies of both countries. "We are starting a new stage," announces Miguel Jorge, Brazil’s Minister for Development, Industry and Foreign Trade.

"The flow of trade and investments between the two countries, which is economically so important, requires a co-ordinated strategy that is increasingly aware of matters of common interest," the Minister says. The plans have selected 619 industrialised products from 48 different sectors as priorities, representing almost 70 per cent of Chinese imports. Amongst the products in the list of priority exports for China are oil and its derivatives, non-ferrous metals, paper and pulp, poultry and pork meats, precision instruments, tools, paints and pharmaceutical products.

Change in exchange rate

The Brazilian Government closely followed the recent announcement by the Chinese authorities of making the yuan flexible against the US dollar. "Some change in the exchange rate may help Brazil (to export more to China), but it will not be at all significant in the short term," said Ivan Ramalho. He was talking in June of this year at the opening of the office of the Bank of China in Brazil. One of the four biggest state Chinese banks, the office of the Bank of China in Sao Paulo is the first of a Chinese-owned financial institution in Latin America.

"We are going to encourage trade between the two countries with various financial services between Brazil and China, with the credibility and knowledge that the Bank of China has of the two markets," said Zhang Jianhua, Chairman of the Bank of China in Brazil. He said that the bank would offer financial transactions directly in local currencies (real and yuan), doing away with possible losses to importers and exporters from China and Brazil caused by the variation in the US dollar. "We are going to be actively involved in this process, reducing losses from fluctuations in the dollar for our main customers, such as Chinese multinationals in Brazil and large Brazilian companies," the executive said.

Chinese companies invest in Brazil

Another financial institution with plans to invest in Brazil is the Industrial & Commercial Bank of China (ICBC), the world’s biggest bank by market value. The Brazilian market is part of the bank’s internationalisation plans, which include opening
five new offices in Europe, ending 2010 with a presence in 21 countries via 108 branches. With assets of US$1.43 trillion and the biggest supplier of loans in China, the ICBC is controlled by the Chinese Government, and one of its minority shareholders is US bank Goldman Sachs.

The opening of the Bank of China office in Sao Paulo took place a month before the announcement of China’s biggest-ever investment in Brazil. The State Grid Corporation of China, the world’s largest electricity company, with over 200,000 kilometres of transmission cables, acquired seven companies in Brazil from Plena Transmissoras, a Spanish group controlled by Elecnor, Isolux and Cobra, for 3.1 billion reais (US$1.72 billion). The seven companies have concessions on 3,000 kilometres of transmission lines in several Brazilian regions. The investment was also the first time a Chinese company has been involved in the Brazilian power transmission sector. The deal has yet to be approved by the Brazilian sector regulator, the National Electrical Energy Agency (Aneel).

In March of this year, the East China Mineral Exploration and Development Bureau (ECE) acquired mining company Itaminas Comércio de Minérios for US$1.2 billion. Itaminas, which is located in the state of Minas Gerais, in Southeast Brazil, has estimated iron ore reserves of 1.3 billion tons. The company produces around 3 million tons of iron ore per year. As the world’s biggest manufacturer of steel, with around half of all world production, China is one of the biggest importers of iron ore. Chinese growth has transformed Brazil into one of the main suppliers of iron ore, which in 2009 represented nine per cent of Brazilian exports to China.

Transforming Brazil’s oil potential

This year in May, China, the second-largest world consumer of oil, behind only the United States, provided one of Latin America’s largest companies, Petrobras, with a loan. The Brazilian state company signed a loan contract worth US$10 billion with the China Development Bank Corporation (CDB). The resources will be invested in the exploration of large oil reserves, recently discovered on the coast of Southeast Brazil.

At an average depth of 7,000 metres and along 800 kilometres, these oil reserves are located in 150- million-year-old sedimentary basins. The production potential of the region is estimated at 80,000 barrels, which could transform Brazil into the sixth largest oil reserve in the world, behind Saudi Arabia, Iran, Iraq, Kuwait and the United Arab Emirates.

“This funding (for Petrobras) became symbolic for the financial amount involved and as it represented a new phase of development of relations between markets in clear development,” the Financial Director of Petrobras, Almir Barbassa says. In exchange for the loan, Petrobras will guarantee oil exports to China for ten years, mainly oil of the heaviest type, with Brazilian refineries having trouble processing the oil because their refineries are technically prepared for light crude.

With the loan, a long-term agreement also came into force between Petrobras and Unipec Asia, a subsidiary of China’s Sinopec, one of China’s largest onshore producers. The agreement included export of 150,000 barrels of oil per day in the first year and 200,000 barrels of oil per day in the following nine years. Petrobras and Sinopec also have co-operation agreements in refining, petrochemistry and supply of goods and services.
Coast of the state of Rio de Janeiro, in the southeast of Brazil, it is responsible for around 60 per cent of Brazilian production. Chinese state company Sinochem paid US$3.07 billion for the Peregrino field, which previously belonged to Norway’s Statoil. The deal is the biggest ever carried out outside China by the giant Chinese state conglomerate, which also works in the chemical, financial and real-estate sectors.

In the steel-making sector, Chinese state company Wuhan Iron & Steel (Wisco) announced an agreement with the EBX group, owned by Brazilian businessman Eike Batista, worth a total of US$4.7 billion, for construction of a steel-making plant. The new steel-making facility, which is still at the stage of its feasibility study, will be the biggest Chinese investment in the sector outside China. Last year, Wisco invested US$400 million in acquiring a 21.5 per cent stake in MMX, the Eike Batista mining group.

The international tender to choose the companies responsible for construction and operation of the high-speed railway system (TGV), the total cost of which is estimated at around 33.1 billion reals (US$19.5 billion), is due to be awarded on 16 December of this year.

The CDB has also negotiated a loan of US$800 million for construction work for Banco Nacional de Desenvolvimento Econômico e Social (BNDES), the Brazilian Government’s development bank. Within the scope of increasing economic relations between the two countries, the CDB is also preparing to open an office in Rio de Janeiro. “It is a spectacular bit of news because the arrival of the bank’s office will be the platform for Chinese investment in Brazil,” the Governor of the state of Rio de Janeiro, Sérgio Cabral says.

Another large Chinese investment in the oil sector this year was the announcement of the acquisition of an exploration field in the Campos basin. On the coast of the state of Rio de Janeiro, in the southeast of Brazil, it is responsible for around 60 per cent of Brazilian production. Chinese state company Sinochem paid US$3.07 billion for the Peregrino field, which previously belonged to Norway’s Statoil. The deal is the biggest ever carried out outside China by the giant Chinese state conglomerate, which also works in the chemical, financial and real-estate sectors.

In the steel-making sector, Chinese state company Wuhan Iron & Steel (Wisco) announced an agreement with the EBX group, owned by Brazilian businessman Eike Batista, worth a total of US$4.7 billion, for construction of a steel-making plant. The new steel-making facility, which is still at the stage of its feasibility study, will be the biggest Chinese investment in the sector outside China. Last year, Wisco invested US$400 million in acquiring a 21.5 per cent stake in MMX, the Eike Batista mining group.
In agriculture, state Chinese company Chongqing Grain Group recently announced it planned to invest over US$300 million in an acquisition involving buying 100,000 hectares of land in the northeast of Brazil. Located in the state of Bahia, the property should focus on soy growth. In the same region, the Pallas International Group, made up of private investors and the Chinese Government, signed a protocol of intentions with the local authorities with the promise of investing in production of renewable energy, namely biodiesel, solar, wind and biomass.

**Motor vehicles and aircraft**

Another chapter that shows the growing commercial closeness between the two countries is the import of Chinese vehicles by Brazil, the world’s sixth-largest producer of cars, with 3.22 million units produced last year. There are currently six brands of Chinese vehicle vying for the Brazilian car market. The most recent of them was manufacturer JAC, the 26th largest manufacturer, according to the International Vehicle Manufacturing Association. JAC plans to sell 620,000 units in Brazil over the next ten years with production capacity of 150,000 units per year. Construction, meanwhile, will depend on the future approval of the Brazilian consumer automotive sector. The target for this year is to launch four models in Brazil, have a network of 80 showrooms, and over 15,000 units of these models sold.

In China, one of Brazil’s most emblematic investments is that of Embraer, the world’s fourth-largest manufacturer of aeronautical equipment. The company started working in China in 2000, when it opened a representative office in Beijing. The aim was to develop a market strategy, secure after-sales services and promote products and industrial co-operation with pioneers of Chinese aviation. In 2003, Embraer and the Aviation Corporation of China set up the Harbin Embraer Aircraft Industry (HEAI), in the city of Harbin, northeast China. The joint venture to manufacture commercial jets for Chinese airlines delivered its first aircraft in 2004. Recently, the Brazilian company took another step to consolidate its presence in the Chinese market, with the creation of a company to provide assistance to its customers - an investment of US$18 million.

The creation of Embraer China Aircraft Technical Services Company (ECA), headquartered in Beijing, took place in a year in which the manufacturer is celebrating the tenth anniversary of its arrival in China. The new company provides logistics support and sells replacement parts, as well as consulting services for technical issues and flight operations. “The creation of Embraer China Aircraft Technical Services shows our long-term commitment and confidence in the growing Chinese aviation market,” the Chairman of ECA, Guan Dongyuan, said at the time. “Continuous improvements in customer support are vital for the success of Embraer’s operations in China,” the executive noted. Currently there are over 70 aircraft in service in China manufactured by Embraer, of a total 105 firm orders. Embraer is the world leader in the manufacture of commercial jets with up to 120 seats, with units in Brazil, China, the United States, France, Portugal and Singapore. Founded in 1969, Embraer designs, develops, manufactures and sells aircraft to the commercial, executive and defence segments.

**Science and technology**

Relations between Brazil and China also include agreements for the technical and scientific side of several sectors. One of the oldest was signed in 1988 for joint construction, launch and operation of satellites. The Chinese Brazilian Earth Resources Satellite (CBERS) makes it possible for the two countries to produce data and images of their territories at a reduced cost for the formulation of public policies in the environmental, agricultural and urban planning sectors. Since the agreement was signed, three satellites have been launched into space. A further two, more advanced satellites are in the development phase and will be launched by 2012. The CBERS satellite covers the entire planet in a period of 26 days, using three different sensors, with transmission of images to three stations in China and one in Brazil. The two governments recently announced free distribution of these images to the entire African continent. The aim is to make it possible to use the images to monitor natural disasters, deforestation, drought and desertification, threats to agricultural production, food safety and risks to public health. The two countries also committed to supplying images to the entire African continent. The aim is to make it possible to use the images to monitor natural disasters, deforestation, drought and desertification, threats to agricultural production, food safety and risks to public health. The two countries also committed to supplying images to the entire African continent. The aim is to make it possible to use the images to monitor natural disasters, deforestation, drought and desertification, threats to agricultural production, food safety and risks to public health.
China and Angola
The perfect match

By Maria João Belchior

President Hu Jintao (R) with President José Eduardo dos Santos (L)
**“Mutual advantages,” says João Bernardo, Ambassador of Angola in China. It’s his straightforward answer to the question of what fuels the bilateral relations between two countries that are closer than ever today. Angola and the People’s Republic of China share more than 25 years of diplomatic relations. During this long-term relationship the last six years have been of vital importance.**

Angola is one of the most successful economies in Sub-Saharan Africa. With a two-digit GDP growth – 14.80 per cent of growth in 2008 - and a stable political environment, the country has become one destination for Chinese foreign direct investment. In the main cities throughout the country there are Chinese companies and Chinese workers taking part in what is called the ‘Angola national plan of reconstruction’.

With bilateral relations in place since 1983, China and Angola enjoy a strategic partnership in all sectors of the economy. More than 100 projects are on course covering all eighteen provinces of the country. Angola has the resources and raw materials that China needs whilst the PRC has the means for development of the African country, making the two a perfect match.

**Long-term engagement**

In his last visit to Luanda in 2009, Chen Deming, Chinese Minister of Commerce, announced that Angola has become China’s largest trade partner in Africa. In 2008 bilateral trade hit 25.3 billion US dollars, the highest so far. Angola runs a large trade surplus with China due to Chinese oil importation. With around 18 million inhabitants, Angola is a resource-rich country, though it has never fully exploited this. The end of the civil war in 2002 left a country almost destroyed in its basic infrastructures but with a new chapter of peace about to begin. The first China-Angola trade agreement goes back to 1984. Four years later in 1988, both countries created the Joint Economic and Trade Commission. But it took more than 10 years for the first meeting of the Commission to happen. The years of civil war in Angola delayed the growth of the relationship between Beijing and Luanda, and the Joint Economic and Trade Commission only met twice before 2007. Luanda was never unknown to Beijing. Back in the 80s, China was still in the first phase of its opening and reform policy. Trade with foreign countries was limited while Beijing was trying to find its place in the world market. In three decades, China has moved from receiving foreign direct investment in its Special Economic Zones, to becoming a key investor itself in foreign countries.

The Ambassador João Bernardo presents 2004 as the key year, “the moment Angola began its process of national reconstruction in part supported by Chinese credit”. In 2003 the Chinese Ministry of Trade and the Angolan Ministry of Finance signed an agreement defining the framework for economic co-operation. Valued at US$2 billion, the first financing package was approved in March 2004. Directed at public investments projects, the loan by China’s Eximbank is to be paid in 12 years, with a grace period of three years. Hospitals, schools, roads, railways and basic infrastructures for each province are part of the first phase of co-operation. In November 2006, when Beijing successfully hosted the China-Africa summit, Angola received the first part of the loan.

The credit was used for energy, education and public works. China Roads and Bridge Corporation, a state-owned foreign trade and economic corporation, opened an office in Angola and has been working in the country since the loan was approved. In 2006 the loan was doubled to 4 billion US dollars, turning China into a bigger player in Angola. The loans are managed by the Angola Minister of Finance.

In 2007 an additional 500 million US dollars were lent for ‘complementary actions’. Since 2004 a total amount of 4.5 billion US dollars have been given to Angola by China. China’s Eximbank is the main lender to the projects although the Chinese Government also donates money and equipment.

“The results we see in the projects made with the help of China are very positive,” says Bernardo. With oil as a means to an end, China has received barrels of the fuel from Angola since 2004. In 2007 Angola became a member of the Organisation of the Petroleum Exporting Countries (OPEC) and in 2009 held the organisation’s presidency. According to the US Energy Information Administration, in 2009 Angola became the seventh biggest producer among OPEC members. The national consumption is estimated at 65,000 barrels per day, leaving the rest for export. Angola oil production should reach 2 million barrels per day by 2011, according to projections published by the Economist Intelligence Unit (EIU).

In 2009 the country had a total production of 1.95 million barrels. In the first half of 2009 China imported approximately 500,000 barrels per day from Angola, making it the third largest source of Chinese imports after Saudi Arabia and Iran. The oil-backed loans are boosting the national economy. In March 2010, Sinopec, China’s national refinery - the biggest in capacity in Asia - announced the purchase of a 55 per-cent stake in Sonangol Sinopec International Ltd for 2.46 billion US dollars. The consortium between Sinopec and Sonangol, Angola’s national oil company, dates back to 2004. The 2010 acquisition of deep-water oil assets has been the first made by Sinopec overseas. In 2009 the Chinese company more than doubled its net profit to 9.05 billion US dollars. China is not the only importer of Angola’s oil. But the assets acquisition by Sinopec shows the country’s engagement in the future of Angola.

**Building bridges**

The level of destruction after the war left Angola without the most basic structures. Today China has the leverage power that the war-torn country needs.

“At the moment we are not focused on having highways,” says Bernardo. “The importance is to connect the country through roads and bridges and railways.” And that’s where China comes in. The rehabilitation of the 371-kilometre road from the capital Luanda to the northern city of Uige has been one of the main projects by the China Roads and Bridge Corporation. Valued at 211 million US dollars, this road is only one in the long process of paving the way for the development of Angola.

Last year more than 3,000 kilometres of road were paved and 34 bridges built. The country has more than 6,000 bridges, and by the end of 2009 more than 1,000 were already rebuilt. The engineering projects are of vital importance to the country’s economic development. The railways of Angola are another sector with a strong Chinese investment presence.

The added value of China goes further than the open credit line. The Chinese Government provides not only the money but also the know-how of engineers and specialised technicians who take part in the Angola reconstruction plan.

Currently there are 40,000 Chinese living in Angola,
according to the Angolan Embassy in Beijing. The numbers are increasing though. The Chinese projects in Angola have already employed 70,000 Chinese, although many only stayed for the duration of a specific project. Since 2005 the number of visas that Angola has issued to Chinese citizens has more than doubled.

The national reconstruction plan is the first of a broader strategy. The rehabilitation of roads, bridges and rail networks is connecting the main cities of the country.

“Today we can travel for three hours over a distance that took more than ten hours before,” says Bernardo, praising the work of Chinese companies in Angola. On the outskirts of Luanda all the villages are already connected by new roads. And in the countryside the improvement of the infrastructure works as an input for development.

China has waived almost 10 million US dollars’ worth of debts that Angola owed it. The loan package given in 2004 was divided into two phases, with 1 billion US dollars assigned to each phase. The first half was used by March 2007. Today Angola is receiving the second part of the credit.

In 2002 the China Construction Bank and the Eximbank provided the first funding for development in Angola. But the money was provided directly to Chinese companies. All the major state-owned Chinese companies are working in co-operation with Angola and employing Angolan people.

Since the financial crisis in 2008 relations have been getting stronger again and China is ready to diversify its investments in the African country.

**More than just oil**

Crude oil represents close to 95 per cent of China’s imports from Angola. The United States is still the number one importer of Angola’s oil, but since 2002 the exports to China have increased sevenfold. The People’s Republic of China, now the second biggest economy in the world, will continue to demand energy resources from Angola to drive its economic development. But Angola wants to diversify the national economy in order to make it stronger while China is looking for new areas of investment.

A win-win situation for both countries looks to the Chinese presence in the agricultural sector in Angola. Large-scale agricultural investments in Africa took off after the Beijing summit in 2006.
last few years and in which Chinese investors have already shown interest. “We are the ones who have all the interest in co-operating with China,” explained Canga while in Beijing. “A strong partner with experience is what Angola needs at the moment,” he added.

Rice, soy and cotton are some of the crops in which China wants to invest. The development of the crops should contribute to the employment of many rural families in Angola, lifting them out of poverty.

The research on hybrid rice receives a large proportion of Chinese investments in Africa. In 2008 Beijing marked 5 billion US dollars for the agricultural projects in Africa.

For the Chinese Ministry of Agriculture, the self-sustainability of African countries will continue to be a reason for investments. But with dozens of projects all across the continent, China also forecasts the import of agricultural products from Africa.

On the sea as on land

With 1650 kilometres of coast line, Angola has the potential to be home to some of the main ports of West Africa. Luanda and Lobito, two major ports in the country, receive millions of tonnes of cargo per year. Angola also has the ports of Malongo and Namibe.

Luanda Port is managed by the Luanda Port Company. It receives mainly containerised imports, like flour, rice, cereals, construction materials, vehicles and transport equipment. The main exports are petroleum, diamonds, iron ore, and fish products.

Lobito, in Benguela province, is the second main port in Angola. A natural harbour, Lobito was once the main terminal of the country as a result of being the oceanic terminal of the Benguela Railway. The ongoing reconstruction of the railway, in which the Chinese are participating, is of primary importance to reclaiming the main role of the port. Once it is working at full speed the railway will connect Benguela with the Democratic Republic of Congo and Zambia. The dream of linking coast to coast is closer than ever with the vitality of Chinese contribution.

The maritime routes from China to Angola have been running since they were restored in 2002. At present, the ships used are Chinese as Angola is still in the process of creating its own merchant navy and sailors. Besides machinery, the ships transport day-to-day products such as shoes and clothes from China to Angola. Guangzhou has 30 Angolan private companies working in trade, buying Chinese products and exporting them to Angola. It takes around 40 days for a ship to reach Lobito from Shanghái.

Fishery products and agricultural goods will be the next step in the import/export trade. In both sectors bilateral trade is just beginning.

China wants more private investments in Angola, and Beijing announced stimulus for medium and large companies who want to invest in the agriculture sector of the African country. At the moment China doesn’t import agricultural products. Canga agrees this will be the goal for the future. “Right now China imports only some wood but it’s not significant in quantity yet,” he said.

Corn, soy, cotton, and some more high-class products like coffee and exotic fruits with a stamp from Angola are expected to become more common in Chinese supermarkets over the next five years.

Academic exchanges

Every year students from Angola are invited to study in Asia. The destination is China. In their first year, Angolan students learn Mandarin as a way of getting the basic skills they will need when they enrol at the Chinese national universities. With scholarships from the Chinese Government and Chinese state-owned companies, such as Sinohydro, Angolan students spend on average four to five years in China before heading back to Angola. A unique opportunity for the majority, the students have tailored language classes prepared in the main part for them.

At the moment, there are around 60 students in cities from Beijing to Wuhan in central China or Guangzhou in the south of the country. Computer Science and Engineering are the top priorities for the Angolan Government which also invests in this new generation of academic studies. From 18 to 22 years’ old on average, the young Angolans arrive in China as students and leave as engineers. The idea is for them to integrate the teams who work in Angola
in partnerships with Chinese. Once they know the language the exchange gets easier.

For the year 2010/2011, the Chinese Angola scholarship will bring 24 Angolan students to study at Chinese universities.

Professor Liu Hongwu is the General Director of the Institute of African Studies in Zhejiang Normal University. Invited to the China Africa Agricultural Forum, the professor stressed the importance of having more academic exchanges between China and Angola. The Institute of African Studies organises seminars that have already trained officials from more than 40 countries. Liu considers that the new trend of agricultural investment in Angola will gain from having the support of an academic community exchanging ideas and programmes.

Across China’s main universities there is a centre focused on Sino-Africa co-operation. Peking University, one of the biggest in China, opened the first Institute of Afro-Asian Studies in 1964.

Political and economic relations with Angola have since entered a new paradigm. With a partnership more than an alliance, China and Angola have established a relationship of mutual interests that is vital for both sides.

Deborah Brautigam, an American professor and researcher on China’s Africa relations, published the book ‘The Dragon’s Gift’ where the author explores China’s aid and state-sponsored economic engagement in Africa. The loans China is giving to African countries, with Angola being one of the main recipients, are given on a commercial basis by China’s Eximbank. They are given with the same interest rates as the Western banks that grant loans to Africa. “Oil and minerals are a huge part of Chinese interest but there are many other things we have to take into account when we look at China in Africa,” said Brautigam during a recent visit to Beijing.

For Angola, the relationship with China is not one based on debt. China’s Eximbank invests in the country on a commercially friendly basis with mutual trust as its foundation.

The potential impact of China’s engagement in Angola will be seen for many years to come. Angola has become a country on the forefront of Chinese foreign relations.

In China agriculture was once the foundation for the development programme, followed by the renewal of the main industries in the 80s. For the Beijing Government the model which has worked at national level can be used in other countries.

In Angola major projects are on the way to achieve stable development. This year the Government announced a plan to invest 18 billion dollars in the energy sector until 2018. In Cabinda some major infrastructure work will include a deep water port, new power lines and an undersea gas pipeline. More than half of the first package of loans, valued at 2 billion dollars, have been spent. According to the Economist Intelligence Unit, Angola is now going through its second wave of infrastructure rehabilitation.

Exporting energy will permit the West African country to keep up the pace of development. The trend for the future is to continue using its resources at a national level and also to export. And China, as one of the main buyers of oil, will diversify its investments in the country as part of the plan to put Angola’s main richness to its best use.
Large Chinese companies with projects in Angola

Sinopec (China Petroleum & Chemical Corporation)
Huawei Technologies ZTE de Angola Lda.
ZTE Corporation
China International and Trust Investment Corporation (CITIC)
Sinohydro Corporation
China Railway 20 Bureau Group Corporation (CR-20)
Dongfeng Nissan
China Road and Bridge Corporation (CRBC)
Wuhan Iron and Steel
China General Machinery and Equipment Import and Export Corporation
SinoMach
Jiangsu International

CNOOC
China International Water & Electric Corporation
China Overseas Engineering Corporation (COVEC)
China State Shipbuilding Corporation (CSSC)
Sinosteel Corporation
China Machinery Building International
China International Fund Limited
Shanghai Urban Construction Group
China Nantong Holding Corporation
Pan-China Construction Ltd
Top Builders International Angola Lda – Special Administrative Region of Macau
Geocapital - Special Administrative Region of Macau

Clarification:
In the Macao magazine of July 2010, in the article “George Chinnery - a Life on Canvas”, the photos of the Self-portrait were published by “Courtesy of HSBC Holdings pic” and the Praya Grande, Macau by “Courtesy of HSBC Holdings pic”.

Taylor is the prime choice for Macao students studying abroad
Macao, China, 28 Jul - More local students flocked to Taiwan to study this year, continuing an upward trend of 20 per cent growth per annum over the past five years in the number of students choosing the island’s tertiary institutions over local universities. A total of 921 local students commenced studies in Taiwan last year, up from 775 in 2008, according to a local survey.

Macao Government unveils Matteo Ricci statue
Macao, China, 7 Aug - A 2.2 metre bronze statue of Italian Jesuit priest Matteo Ricci has been unveiled at St Paul’s College site, next to the Ruins of St Paul, to commemorate his death over 400 years ago, as well as his visit to Macao.

Taiwan is the prime choice for Macao students studying abroad
Macao, China, 28 Jul - More local students flocked to Taiwan to study this year, continuing an upward trend of 20 per cent growth per annum over the past five years in the number of students choosing the island’s tertiary institutions over local universities. A total of 921 local students commenced studies in Taiwan last year, up from 775 in 2008, according to a local survey.

Macao population rises to 18,461 per sq km
Macao, China, 18 Aug - Macao’s estimated population rose by 2,200 from the end of March to 544,600 at the end of June, the Statistics and Census Service (DSEC) announced. Based on Macao’s land area of 29.5 square kilometres, its population density reached 18,461 inhabitants per square kilometre - the world’s highest.

Macao Government unveils Matteo Ricci statue
Macao, China, 7 Aug - A 2.2 metre bronze statue of Italian Jesuit priest Matteo Ricci has been unveiled at St Paul’s College site, next to the Ruins of St Paul, to commemorate his death over 400 years ago, as well as his visit to Macao.

Visual arts and graphic design priority for creative industry development in Macao
Macao, China, 31 Aug - The Government of Macao will prioritise the development of visual arts, graphic and fashion design for the future development of Macao’s fledgling creative industry. Cultural Affairs Bureau (ICM) President Guilherme Ung Vai Meng said Tuesday.

Senior official of the Macao Government starts official visit to Taiwan
Macao, China, 6 Sept - Secretary for Social Affairs and Culture of Macao, Cheong U, arrived in Taiwan on a historic trip that includes meetings with one of the seven vice-presidents of the ruling Kuomintang (KMT). Cheong is the first policy secretary of the Government of Macao to visit the island.

Senior official of the Macao Government starts official visit to Taiwan
Macao, China, 6 Sept - Secretary for Social Affairs and Culture of Macao, Cheong U, arrived in Taiwan on a historic trip that includes meetings with one of the seven vice-presidents of the ruling Kuomintang (KMT). Cheong is the first policy secretary of the Government of Macao to visit the island.
Macao newsline

Bank of China and Banco Nacional Ultramarino renew banknotes issue until October 2020
Macao, China, 6 Sept - The Macao Government signed with Bank of China (BOC) Macao Branch and Portugal’s Banco Nacional Ultramarino (BNU) a 10-year extended note-issuing agreement allowing the two banks to continue issuing pataca banknotes until October 15, 2020.

Macao’s GDP grows 49.1 per cent in 2nd quarter
Macao, China, 7 Sept - Macao’s gross domestic product in real terms grew a record 49.1 per cent year-on-year in the second quarter and 40.2 per cent in the first half of this year, the Statistics and Census Service (DSEC) announced.

Macao’s casino receipts forecast to grow 30 per cent in 2010
Macao, China, 10 Sept - The Government of Macao announced that the coming panda pair, offered to Macao by the Chinese Government, will be named ‘Hoi Hoi’ and ‘Sum Sum’. When the two names are combined as ‘Hoi Sum’ it means ‘happiness’ in Chinese.

Macao receives 16.75 million visitors during first eight months of the year
Macao, China, 24 Sept - Macao received 16.75 million visitors during the first eight months of the year – an increase of 18 per cent compared with the same period of the previous year, according to figures released by the Statistics and Census Service (DSEC).

Macao’s economy to expand 20.6 per cent this year, and 10.1 per cent in 2011
Macao, China, 9 Sept - The Macao economy is expected to see expansion of 20.6 per cent this year and 10.1 per cent in 2011, according to the most recent edition of the report on Macao by the Economist Intelligence Unit (EIU), of The Economist group.

Macao launches free Wi-Fi at selected locations
Macao, China, 16 Sept - Melco Crown Entertainment, one of Macao’s casino operators controlled by the son of tycoon Stanley Ho, opened a new dance and music stage show named the ‘House of Dancing Water’ with a total investment of US$250 million and a daily operating cost of US$100,000.

Macao launches free Wi-Fi at selected locations
Macao, China, 16 Sept - Melco Crown Entertainment, one of Macao’s casino operators controlled by the son of tycoon Stanley Ho, opened a new dance and music stage show named the ‘House of Dancing Water’ with a total investment of US$250 million and a daily operating cost of US$100,000.

Macao Government issues guidelines to tackle property speculation
Macao, China, 6 Oct - The Macao Monetary Authority (AMCM) announced that new guidelines to tighten the loan-to-value ratio for mortgages were issued to local banks to ensure stable development of banks’ residential mortgage lending and to tackle property speculation.

Macao launches free Wi-Fi at selected locations
Macao, China, 16 Sept - Melco Crown Entertainment, one of Macao’s casino operators controlled by the son of tycoon Stanley Ho, opened a new dance and music stage show named the ‘House of Dancing Water’ with a total investment of US$250 million and a daily operating cost of US$100,000.

Government renews Jockey Club’s concession
Macao, China, 27 Sept - The Macao Government announced that it has extended the Macau Jockey Club’s concession to run bookmaking operations until August 31 next year.

Special economic zone of Zhuhai to be extended
Macao, China, 1 Oct - The special economic zone (SEZ) of Zhuhai, next to Macao, will see its area extended with the inclusion of the entire urban area of the municipality. The total area of the SEZ increased from 227.5 square kilometres to 1,687.8 square kilometres.

Chief Executive praises Macanese writer Senna Fernandes
Macao, China, 4 Oct - Macao’s Chief Executive Fernando Chui Sai On praised writer and lawyer Henrique de Senna Fernandes, who died at the age of 86, for his efforts to promote Macao’s culture.

Air Macau expects 100 million-plus patacas profit in 2010
Macao, China, 29 Sept - Air Macau’s Executive Vice-President, Wang Xuefang, said that the airline company expects to post a profit of 100 million-plus patacas (US$12.5 million) for the whole of 2010 after several consecutive years of losses.

Japanese company wins Macao fireworks contest again
Macao, China, 1 Oct - Tamaya Kitahara Fireworks Co. Ltd. from Japan won the 22nd Macao International Fireworks Display Contest concluded on China’s National Day.

Macao casino receipts rise 60.1 per cent in the first nine months of the year to US$16.5 billion
Macao, China, 5 Oct - Macao’s gross gaming receipts in the first nine months rose 60.1 per cent year-on-year to 133.2 billion patacas (US$16.52 billion), exceeding those for the whole of 2009, which stood at a record 119.4 billion patacas.

Macao’s economy to expand 20.6 per cent this year, and 10.1 per cent in 2011
Macao, China, 9 Sept - The Macao economy is expected to see expansion of 20.6 per cent this year and 10.1 per cent in 2011, according to the most recent edition of the report on Macao by the Economist Intelligence Unit (EIU), of The Economist group.

Macao’s GDP grows 49.1 per cent in 2nd quarter
Macao, China, 7 Sept - Macao’s gross domestic product in real terms grew a record 49.1 per cent year-on-year in the second quarter and 40.2 per cent in the first half of this year, the Statistics and Census Service (DSEC) announced.

Macao Government issues guidelines to tackle property speculation
Macao, China, 6 Oct - The Macao Monetary Authority (AMCM) announced that new guidelines to tighten the loan-to-value ratio for mortgages were issued to local banks to ensure stable development of banks’ residential mortgage lending and to tackle property speculation.
Exquisite embroidered costumes. Dazzling music produced by gongs, drums and traditional string instruments. Artists singing, moving and dancing in meticulously choreographed steps and movements. Sword fights, martial arts and acrobatics. This is the world of Cantonese opera, traditional Chinese theatrical performances popular in southern China and on a par with the Beijing and other Chinese operas well liked by the public.
The plays, performed in the southern Chinese dialect of Cantonese, are about emperors, generals, poets and other famous heroes in ancient Chinese history, myths and classical literature. The themes are romantic love, loyalty, patriotism and morals. Cantonese opera originated in the Ming dynasty in the 16th century and was performed in make-shift bamboo stages outdoors during festivals, celebrations and other events. Later, it moved indoors into theatres accommodating large audiences. The genre’s golden age was in the 1940s-1970s, when large numbers of accomplished artists fled from China to Hong Kong. The best-known of the talents was Tong Tik-sang, who wrote over 400 plays during his short life of 42 years. Equally famous were two actresses, Yam Kim-fai and Bak Sheut-sin, who played lovers in many romantic tragedies. Yam played men in the operas, making her the heartthrob of tens of thousands of single female fans in those days.

Rise and decline
At their peak, Cantonese operas were also made into movies and records, with millions of fans in the Cantonese-speaking world. Since the 1980s, however, the art has been declining, as young people opt for Western movies, pop songs, videos and other new forms of entertainment. Nevertheless, older fans remain loyal, attending the occasional plays that are staged. In the 1990s, the Hong Kong Government began spending millions of dollars each year to promote the genre as part of the cultural heritage. Hundreds of big and small opera troupes have therefore been able to survive due to generous official funding. Artists, screen-writers and scholars committed to the art form also do their best to revitalise it and bring in new viewers. Leung Hon Wai and Joyce Koi Ming Fai are two examples. Both performed at the Macao International Music Festival to a full house on October 16 and 17 this year. Leung, musical and artistic director as well as leading actor, appeared with Nam Fung, in the play ‘The Moon Pavilion’. Koi, famous for her male impersonation in operas, played alongside Ng Mei Ying, in the classic ‘The Purple Hairpin’.

UNESCO award
This was the first time Cantonese opera was included in the annual music feast, a year after it was inscribed on the United Nations Educational, Scientific and Cultural Organisation (UNESCO)’s list of Intangible Cultural Heritage of Humanity in October 2009. Leung, 66, is a man of many talents. He can act, compose music, play instruments, write screenplays, design the stage and do almost any other key task required for an opera performance. He has his own opera troupe, Hon Fung Cantonese Opera Group, and a research institute under it. He wears many hats in Hong Kong -- an arts advisor of the city’s Art Development Council and a member of the official Cantonese Opera Advisory Committee. He has been for decades a senior office-bearer of the Chinese Artists Association (or Bar Wo in Cantonese), the 57-year-old trade union of Cantonese opera artists in Hong Kong. He helped to set up a training academy under the association and has been a mentor to over 1,000 students over the years. In a typical month, Leung spends 10-15 days appearing on stage; the rest of the time, he is busy composing music, giving lectures, pursuing public duties and other tasks related to performances. In an artistically decorated studio inside an industrial building in Hong Kong, Leung reflects on his life on and off stage. “I did not like Cantonese opera at first, but fate left me with no choice,” he smiles. He came from a poor family, one of seven children and the only son. His father was an artist helping opera companies with posters, stage decoration and other design matters. “Life was tough, as my father was the breadwinner, but his income was irregular and modest.” The children started to work at a young age. Three of Leung’s sisters were opera actresses, so it seemed natural that Leung should join the profession too.

An early start
Leung began learning the trade at 13, doing odd jobs at opera companies and working as an apprentice under the veterans. He made his way up through hard work and a curiosity about all aspects of putting a show together.
He learned how to play drums first, before starting to perform on the stage as a third-tier actor in the 1960s.

His big break came in 1966, when he stepped in for the leading actor, who was injured during a tour in Southeast Asia. Since then, he has played numerous roles, such as king, general, tyrant, loyal minister, patriotic businessman and scholar.

The usually mild-mannered Leung packs a powerful performance on stage with his loud, clear voice and meticulous gestures.


“Opera players found it difficult to make a living. Many emigrated overseas, started a small business and some even ended up washing dishes in Chinese restaurants,” he recalls.

**Pushing for reform**

Despite the grim prospects, Leung never abandoned his passion for Cantonese opera. By the 1990s, Leung was back in full force with clear ideas on how to reform the art, based on his experience in modern dramas and observation of art reform in China.

He has taken part in modern plays, many with Hong Kong’s leading drama company, Spring Time, and obtained awards for his performances.

“We have to introduce a new culture of theatre to the traditional opera. There should be, for example, a proper raising and closing of the curtain at the beginning and closing of a play. The play should also finish before 11 pm, so that spectators can catch the last train to go home.”

These changes may sound reasonable, but not easy for an industry rooted in centuries of tradition. The big stars themselves are unwilling to move with the times, says Leung. “They are arrogant, not wanting to do rehearsals or to make major changes,” he says.

Leung notes that traditional operas elsewhere in China have introduced reform to their music, lighting, design and other aspects on stage. In Hong Kong and Macao, he says, reform should start with new content, to appeal to a younger and different audience. Old plays are based on the tastes of people of another era. Even old classics could be given a new interpretation, he says.

**Putting directors in charge**

Another reform needed is to have a director oversee the production of an opera. Traditionally, veteran performers have dictated the pace of a play and improvised as they wish – in short, they call the shots on stage.

“There is a system of directors with other operas, so why should Cantonese opera be an exception? A director’s job is to enhance the ambience and the aesthetics of the stage. Performers, preoccupied with their own acting, could not possibly have a comprehensive view of a performance,” he says.

Costumes and music are other reform issues. Actors mostly wear costumes bearing designs of the Ming dynasty, even though the opera they perform may be about a different dynasty. Leung himself spares no effort in getting the right costumes for his operas. He often goes to China to shop for the right fabrics and tailors.

Music needs to be done properly by a symphony orchestra with at least 20 musicians using traditional and modern instruments, and not the customary small team of less than ten, he says.

Joyce Koi, 43, is one of the younger artists who have embraced the changes Leung recommends. Her most recent performance at the music festival, for example, was in the new abridged form lasting less than two hours.

“The UNESCO award to Cantonese opera is very timely. It is a great morale booster. It will embolden us to make changes,” she says.

**Handsome male impersonator**

Koi knew early that Cantonese opera was her vocation, joining the training academy of the Chinese Artists Association at the age of eight. She was trained to play male roles, even though she was not a tomboy. “My teacher said I was much taller than the girls. So I was asked to cross-dress as a man.”

She made her debut in 1987 at 20. She soon impressed the audience with her male impersonation of heroes immortalised in many classical plays. Often, she played the faithful Romeo waiting for the return of his love. With her delicate features, she cuts a handsome figure of the opposite sex.
In 1990, the Ming Chee Sing Chinese Opera Company was set up, using Koi as one of the leading artists. The troupe has performed in Las Vegas, San Francisco, Singapore, Macao and other big cities that are home to opera fans. In 1993, Koi’s artistic development took another important step forward. Lam Ka Sing, one of the last surviving opera superstars, formally adopted Koi as his god-daughter – a traditional gesture signifying the passing of the torch from a veteran to a handpicked successor. Koi’s artistic and attractive personality caught the eye of television producers. Since 1995, she has been invited to appear in many television dramas, playing roles as diverse as a policewoman, a doctor and a Buddhist goddess. She has also been Master-of-Ceremonies at many high-profile charity fund-raising shows. In 2001, she was awarded the prestigious title of one of Hong Kong’s ten most outstanding young persons. Despite her many talents, Koi dedicates herself first and foremost to Cantonese opera. “This is a profession that requires endurance, hard work and patience. Sometimes you have to wait for years before you have a major break. Many talented artists have left the profession because opportunities did not knock on their doors. In my case, I have been lucky,” she says.
Talent grooming

Multi-disciplinary institute trains young professionals

By Louise do Rosário
Lei Heong Iok

Macao’s academic institutions have done much to groom local talent and meet the needs of its fast-expanding economy. One important but low-key player is the Macao Polytechnic Institute (MPI). Established as a small vocational school in 1991, the Polytechnic has grown into a major multi-disciplinary institute for training linguists; sports coaches and managers; accountants; business managers; nurses; physiotherapists; social workers; artists; designers; and other professionals.

Previously, MPI was only able to offer diplomas and certificates to its graduates. Now it confers bachelor’s and master’s degrees jointly with prestigious mainland and overseas universities such as Beijing Language and Culture University, Beijing Sport University, Hong Kong Polytechnic University, University of London, University of Westminster, University of Queensland and Polytechnic Institute of Leiria in Portugal.

Each year, the Institute accepts about 700 students, out of an estimated 5,000 local applicants and another 1,400 from the mainland. Competition among mainland students is fierce, as there are only 100 places available to them.

MPI had a budget of 353 million patacas last year, most of it from the Government. For undergraduate students, the fee is 24,800 patacas a year.

The man behind the institute

MPI has a curriculum close to that of leading overseas universities. This has allowed its students to easily continue their studies worldwide, should they wish to do so after one or two years in Macao. There are nearly five hundred academic and administrative staff to manage its six schools of languages and translation; business; public administration; arts; physical education; and sports and health sciences. It also has several research centres, some run jointly with overseas universities.

MPI is located in down-town Macao, with three lecture buildings, a multi-purpose block, an outdoor playground and a 6,200-sq-metre, 3,800-seat multi-sport indoor stadium. Its library is one of the largest in Macao.

At the helm of this fast-growing institute is President Lei Heong Iok, 57, a Beijing-born linguist whose fate has been intertwined with that of Macao for decades.

As the bespectacled President sits in his spacious office and talks articulately about his plans for the Institute, there is nothing to suggest his humble origins as a child without a proper education.

Rising from poverty

Born in Beijing to an ordinary worker family with seven children, Lei lived in poverty with little food or clothes. Whenever he wanted to read, he had to walk for hours to the closest Xinhua bookshop and paid a few cents to read a book there.

At 16, like thousands of young people during the fanatical days of the Cultural Revolution, Lei was sent to the north-east province of Heilongjiang to work on the farms. He was placed in charge of raising pigs; he quickly excelled himself even at such a humble task. Lei recalls that, as there was not enough to feed all the pigs, he burned grass, fermented it and then mixed it with the feedstock. The pigs happily ate it all up and rapidly grew fat.

Lei did well with another assignment: getting antlers from deer for use in Chinese medicine. “It usually took six or seven people to overcome a deer before securing its antlers. I cornered the deer in an alley, trapped it with ropes and could then safely remove the antlers,” he says. Today he continues the disciplined regime he had as a farmer -- going to bed at 10 in the evening and waking up at six for exercise before work.

Lei’s superiors were impressed by his quick wit and dedication to work; two years later, they applied for him to study at the Beijing Foreign Languages University. He obtained his bachelor’s degree in English Language and Cultural Studies in 1975.

On graduation, the Government assigned him to study Portuguese in Macao, where his future career would be. “Macao was a quiet city then, like a fishing village. In those days of tight political control, our activity was closely supervised. We were told Macao was a capitalist society and that we must resist its bad influences on us. Wherever we went, we had to go in threes. We were not allowed to watch local television, for fear that our thoughts would be contaminated.”

Lei said learning Portuguese was tough: “We studied from morning to night.”

Three years later, he returned to Beijing to teach Portuguese at the Beijing Foreign Languages University. “Life as teacher was busy and simple. Six years passed quietly,” he says.
Return to Macao

Then, fate brought him back to Macao, thanks to his language ability. In 1984, he was assigned as interpreter and translator in the office of the Xinhu News Agency in Macao. From 1988 to 1989, he was an official of the high-powered Sino-Portuguese Land Committee, which was set up to decide the future use of Macao’s land.

When Lei finished his official assignment in 1993, he had to decide whether to return to Beijing or to stay in Macao. “My colleagues from the Foreign Ministry went back to China, but I did not have a job there. However, I had made many friends in Macao. I felt I would have many opportunities here, especially after Macao’s reunion with China in 1999.” Finding a job in Macao was not easy at first, but Lei’s friendly personality and language skills soon landed him a post in the Government’s Department of Education and Youth Affairs. He worked as an editor of the department’s journal between 1994 and 1996.

In 1996, he joined MPI as Vice Director of the School of Languages and Translation; a year later, he was promoted to the post of Vice President of MPI. In 1999, Lei was made President of the Institute, the first Chinese to assume the post. In 2000, he received his doctoral degree from Zhongshan University. His thesis was on the history of Saint Paul’s College in Macao.

Lei still remembers vividly how dilapidated the two-hectare campus was when he first arrived. There were 400 old computers and the desks were small. “When it rained, we would be busy getting water buckets to cope with the building’s leaks.” The teaching staff were weak, with only a handful of doctoral-degree holders.

Difficult early days

MPI was not popular with students in those days. “We had to recruit four times a year before we could fill our 600 places. The standard of students recruited was also not satisfactory,” Lei says. Lei was determined to do better. “When the robe was placed on me in September 1999 at the appointment ceremony, I said to myself that, as the first Chinese to head the Institute, I have to do better than my predecessors.” Borrowing a phrase from China’s reform policy, Lei first launched the so-called Four Modernisations of the Institute – in information technology, management, research, and teaching standards.

“Now, we have over 3,000 computers, over 100 teachers who have doctoral degrees and 200 published research reports. We also host international seminars regularly,” he says proudly. Next, Lei made the Institute multi-linguistic, using language courses of Chinese, English and Portuguese to build a network of global partners. For its Chinese-language studies, MPI has over 20 mainland universities in Beijing, Shanghai and Guangzhou as partners. For the other language courses, its partners are in the United Kingdom, the United States, Australia and Portugal.

“Our partner universities send their teachers to Macao to teach our students. Teaching is also done via video. “Our partners have monitored our work and the standard of our students for many years. They have trust and confidence in us,” he says.

Popular Portuguese courses

MPI’s Portuguese-language courses have made great strides in recent years, thanks to its well-structured curriculum designed jointly with universities in Portugal and China. Lei says the Portuguese language has become more popular with mainland students. “China’s trade with the eight major Portuguese-speaking countries is growing. There are good career prospects for Chinese translators well-versed in Portuguese.”

Lei notes that China used to have only three or four institutes offering Portuguese-language courses. There are now about 20.

MPI is way ahead of its competitors, as it allows its students not only to learn the language but also to have exposure to the Portuguese culture.

On 20 March 2006, MPI signed an agreement with the Polytechnic Institute of Leiria in Portugal to launch a joint four-year bachelor’s degree programme in Translation and Interpretation of the Portuguese and Chinese languages. Chinese students would spend their second and third year in Portugal, with free accommodation and food offered by Portugal. Portuguese students would spend their second year in Macao and the third year in Beijing at the Beijing Language and Culture University.

In the academic year of 2008-9, there were 38 Chinese students studying in Portugal and 20 Portuguese students in China.

Following the success of the first accord, MPI and Leiria signed another protocol on 10 June 2010 to develop a master’s degree programme in the same subject. MPI plans to expand its network to have more Portuguese and Chinese universities pursue joint research projects and arrange more exchange of students and teachers.
It also plans to offer doctoral degrees for its Portuguese-Chinese language course in future.

**Useful practical training**

Another hallmark of MPI is its attention to practical training, drawing strength from its origins as a vocational school.

“For our translation courses, for example, about one third of our teaching staff are professional interpreters working in banks, multi-nationals, trading and the diplomatic field. This will ensure that what is taught in the classroom is useful in real-life situations,” he says.

Over 20,000 students have attended MPI’s professional training courses on a wide range of subjects, from internet computing to gaming management. Many of these alumni are senior personnel of Government departments, companies and academic institutions.

MPI’s Macao Tourism and Casino Career Centre has been particularly popular, thanks to the city’s growing demand for gaming professionals. In the 2008-2009 academic year, the Centre offered 513 courses, including 76 in croupier and slot-machine training, 17 in tourism and hotel training and 49 in lotteries.

Since 2006, MPI has been granting certificates to these graduates jointly with the Atlantic Community College in the United States.

Dr Lei has applied to convert MPI into a university and eventually increase the number of students to 5,000. As it stands now, MPI cannot confer doctoral degrees and its students cannot participate in research projects. As a university, MPI would also be able to attract more students, including those from China, Dr Lei says.

---

**MPI by Numbers**

- Number of applicants in 2009/2010: 7380
- Number of students registered in 2009/2010: 2758
- Number of Academic Units: 6
- Number of Programmes: 14
- Teaching Mediums: Chinese/English/Portuguese
- Proportion of computers to students: 1 to 3
- Application Period in 2010/2011: February — March
- Number (average) of students per class: 20 — 25
- Tuition fee: Higher Diploma Programmes – MOP$20,000 / per year
- Bachelor Degree (4-year) Programmes – MOP$24,800 / per year
- Bachelor Degree (1-year/1.5-year) Supplementary Programmes – MOP$24,800 /per year
- The year MPI was established: 1991
- Proportion of day-time to night time students in 2009/2010: 54% to 46%
- Proportion of males to females in 2009/2010: 44% to 56%
- Percentage of Mainland China and Overseas Students in 2009/2010: 15%
- Hostels capacity / accommodation in hostels: 435
- Number of Graduates in 2008/2009: 1133
- Campus Area: 19883m²
- Functional Area: 37000m²
Robert Morrison in Macao

Christians remember the man who brought Gospel to China

By Mark O’Neill
Every year thousands of Chinese Christians from all over the world come to a small chapel and cemetery in the middle of urban Macao to pay their respects to the British missionary who brought Protestantism to China. They come to the Macao Protestant Chapel and Old Cemetery, popularly known as ‘Morrison Chapel’. It was named after Robert Morrison (1782-1834), who arrived in Macao in September 1807 and lived here and in Guangzhou for most of the rest of his life. He is buried in the Protestant cemetery next to the chapel, beside his wife and two of his children. He had a remarkable life -- he was the first Protestant missionary to Asia, the first man to translate and publish the Bible in Chinese; and the first Chinese people to be converted and baptised were done so by him.

"He is an unofficial saint to the Chinese churches in the diaspora," says the Reverend Stephen Durie, the Australian minister of the chapel. "Believers come here from all over the world to pay their respects at Morrison’s grave. This place is very significant, particularly to Protestant Chinese Christians, as the birthplace of the Chinese church. The church in China is said to be the fastest growing in the world. You can say Morrison started it all. I feel very honoured to be serving here."

The stained glass above the altar has four Chinese characters, first translated by Morrison: ‘In the beginning was the Word’. They are the opening words of the Gospel according to St John, and also serve as a pun here, indicating that, in this place, the words of the Word of God ‘began’ for the Chinese people.

The first Christian service for the expatriate community in Asia was also held on this site, before the first chapel was built. It was conducted by Anglican clergy in the offices of the British East India Company.

**Humble beginning**

Morrison was born the youngest of eight children of a Scottish farm labourer who moved to Newcastle in north-east England to work in the shoe trade. Morrison followed his father into the business, working up to 14 hours a day. A devout Presbyterian, he decided to become a missionary before he was 20.

A minister proposed that he work in China, whose population of 350 million was double that of the whole of Europe. With a third of the world’s inhabitants, it was the largest country outside Christendom, containing only a small number of Catholics, and no Protestants.

Morrison agreed at once and began a study of spoken and written Chinese, a lifelong passion, of which he would become one of the leading Western experts.

To reach China at all was an enormous challenge. The East India Company, the principal British company involved in China trade, whose headquarters were in Macao, refused to carry missionaries on its boats. So Morrison left Britain on January 31, 1807 and travelled to New York, reaching Macao on September 4 on an American ship; it had taken more than seven months.

**Publishing the Bible**

His first years were very difficult. The Roman Catholic authorities in Macao resented the arrival of a Protestant minister, while the government in Beijing banned its people from teaching Chinese to foreigners and from missionary work.

Morrison divided his time between Guangzhou and Macao, improving his Chinese as best he could and hiding his books so that no one would report him. He lived on a shoestring budget. He began work on an English-Chinese dictionary and even prayed to God in Chinese, as a form of practice.

His luck changed on February 20, 1809 – on the same day, he got married and was appointed translator to the British East India Company, with a substantial salary of 500 pounds a year. This gave him status, a measure of protection and the opportunity to improve his Chinese legally. Outside working hours, he did preaching, which he considered the most important reason for going to China.
Establishing the first Anglo-Chinese college

Morrison spent 1824 and 1825 in England, where he presented his Chinese Bible to King George IV and was warmly received by all levels of society. He brought with him a collection of nearly 10,000 Chinese books, which he had built up over many years, with the aim of giving it to the nation. It is now in University College London.

Another project he created was an Anglo-Chinese college, to introduce Western and Eastern culture to students from all round the world and prepare people to spread Christianity in China. Since he could not set up such an institution in mainland China or Macao, he opened it in 1818 in the British Straits Settlement of Malacca; it was the world’s first Anglo-Chinese college. It later moved to Hong Kong and continues today, with the name Ying Wa (Britain-China) College.

This was also a milestone; in subsequent years, many similar institutions were set up and have benefited both Chinese and Westerners.

In 1826, Morrison returned to Guangzhou, to find relations between the British East India Company and the Chinese Government deteriorating. But the church he had founded was growing, with an increasing number of converts, missionary students and religious material in Chinese.

Remembered for generations

He died on August 1, 1834 at his residence in the home of a Danish trader in Guangzhou, at the age of 52, in the arms of his son. His body was taken to the Protestant cemetery in Macao and buried next to his wife and child.

The Chinese inscription on his tomb reads: “It is said that man may obtain immortality in this world only by his immortal words and actions. Robert Morrison is a great example of such a man. When he came to China, when he was still young, he studied diligently and worked arduously, thus dominating completely the Chinese language, both written and spoken.”

On the centenary of his death, a second Chinese inscription was added: “working in a dark and tyrannical age, he showed great courage and faced all dangers with bravery… With the exception of his eldest son, who was in his company, his family was far away in his native country. Out of the 200 or so letters he wrote to his family, only two arrived. Even though his life was hard, he worked hard without interruption and laid the foundation of the Chinese Christian church. This really was a remarkable feat.”

His eldest son, who was at his side, was John Robert Morrison, also a gifted linguist in Chinese. In 1834, he succeeded his father as interpreter of the Superintendent of British Trade in China, living in Guangzhou. After conflict broke out between China and Britain in 1838 over the issue of opium, he was the interpreter of the British command. He died in Macao of a fever on August 29, 1843, one year after the signing of the treaty under which China was forced to cede Hong Kong. He was buried next to his parents in the Protestant cemetery.

The governor of Hong Kong, Sir Henry Pottinger, said that the death of John Morrison was a ‘national calamity’. “He was well known and well loved, respected and esteemed by all that had the pleasure and happiness of knowing him or being his friend,” he said.

On July 16, 1814 he baptised the first Chinese convert to Protestantism, Choi Kou; an Anglican school in northern Macao bears Choi’s name. In 1815, he published a grammar of the Chinese language and, between 1815 and 1823, a six-volume dictionary of Chinese as well as, in 1823, the Bible in Chinese in 21 volumes. The dictionary was published in Macao and the Bible in Malacca, because it was illegal to publish such a book in China.

These volumes were of enormous historic significance in making the scriptures available to the citizens of the world’s largest country and as a bridge of understanding between East and West. He printed the Bibles in small editions which people could carry easily in their pockets and avoid detection; having Christian literature was against the law in imperial China.
Morrison Chapel

Ironically, Robert Morrison never preached at the chapel which bears his name. It was Anglican whilst he was a Presbyterian lay missionary.

The chapel was built on land acquired in 1821 by the East India Company. Previously, the former Portuguese Government had forbidden the burial of Protestants within the city walls. But the death of Mary, Morrison’s first wife, persuaded the Government to change the rule on the condition that the chapel had no bell and was surrounded by a wall.

The Government wanted to keep the Protestant community as small as possible. By 1921, white ants had destroyed the original structure. It was replaced by a new building, which was dedicated in 1922 as a House of God, not an Anglican church.

Its most famous minister was Rev Florence Li Tim Oi from Hong Kong, the first woman priest in the Anglican Church. She played an outstanding role during World War Two, when Macao was neutral, and attracted a flood of refugees. “I heard that she served and helped the poor and risked her life to conduct religious services in China during World War Two,” says Rev Durie. “She was a remarkable person and a faithful priest.”

Today Durie ministers to a congregation of about 60 people, including Filipinos, Caucasians and Chinese from many nationalities.

Fastest-growing church in the world

Morrison started what became one of the biggest missionary endeavours in history, inspiring thousands of others to follow him to China.

The most famous was James Hudson Taylor (1832-1902) who founded the China Inland Mission (CIM) in 1865 and spent 51 years in China.

He declared as the CIM’s objective: “It was formed under a deep sense of China’s pressing need and with an earnest desire, constrained by the love of Christ and the hope of His coming, to obey His command to preach the Gospel to every creature. Its aim is, by the help of God, to bring the Chinese to a saving knowledge of the love of God in Christ, by means of itinerant and localised work throughout the whole of the interior of China.”

This mission brought over 800 missionaries to China. They began 125 schools and converted 18,000 Chinese, as well as setting up 300 stations of work with 500 local helpers in 18 provinces. Taylor was able to preach in Mandarin and the dialects of Chaozhou, Shanghai and Ningbo. He arrived in Shanghai in March 1854 and made preaching tours in the city’s outskirts; he dressed in Chinese clothing, shaved his forehead and grew a pigtail, in order to blend in easily among ordinary people.

He spent his life evangelising in China and working abroad to raise support for the China mission. During the Boxer Rebellion of 1900, 58 CIM missionaries were killed, along with 21 of their children.

After Taylor’s death, the CIM became the largest Protestant mission agency in the world. His example inspired many people to follow him as foreign missionaries, in China and other countries.

After the foundation of the People’s Republic of China in 1949, the foreign missionaries were expelled and religion re-organised. The Government set up two official organisations, the Chinese Catholic Patriotic Association (CCPA) for the Catholics and the Three-Self Patriotic Movement for the Protestants.

The CCPA does not accept the authority of the Vatican and appoints its own bishops; likewise, the Three-Self Movement is self-governing and appoints its own ministers. In the last 20 years, there has been unprecedented growth, in both the official and unofficial churches and especially in the Protestant churches. Foreign estimates of the number of Christians in China today go as high as 80-100 million.

Morrison’s pioneering work has been handsomely rewarded.
Mandarin’s House

The Mandarin’s House was the ancestral home of the eminent Chinese intellectual Zheng Guanying. With great historical and architectural value, it is a remarkable example of the meeting of Chinese and Western cultures.

Come visit the Mandarin’s House and discover first-hand the architectural beauty of this unique example of Macao Heritage!

Opening Hours: 10am – 6pm (closed on Wednesdays and Thursdays)

Cantonese-language guided tours: Every Saturday at 2:30pm, 3:30pm, Every Sunday at 10:30am, 2:30pm, 3:30pm

Address: Travessa de António da Silva, N° 10 (across from Lilau Square)

Tel: (853) 2896 8820
www.wh.mo/mandarinhouse

Sincere gratitude to all those who have made such significant contributions to this project!

red dot design award winner 2010
(Interior design)

THE 46th CHICAGO INTERCOM COMPETITION
★ Silver Plaque ★ Certificate of Merit

Website: http://www.2010expomacao.gov.mo
BNU is a diversified and expanding local bank which is proud of its longstanding history of supporting and serving the local community in Macau. For over a century, whether it is a business or individual customer, BNU has been working with you as a partner. Today, BNU continues this mission.

Well supported by the CGD group in Portugal, one of Europe’s largest financial institutions with an extensive global network in over 20 countries in Europe, Asia, Africa and the Americas, BNU combines local knowledge with international experience to offer you comprehensive and innovative banking solutions.

Let BNU be your banking partner in Macau.