

MACAO FORUM FOR ECONOMIC AND TRADE COOPERATION BETWEEN CHINA AND PORTUGUESE-SPEAKING COUNTRIES



BRICS Policy Center Centro de Estudos e Pesquisas - BRICS

This factsheet presents an overview of the “Forum Macao”, focusing on the international cooperation between China and Portuguese-speaking countries it promotes.

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AUTHORS Fernanda Lacerda Pereira Gonçalves, Francisco Veras, Geovana Zoccal Gomes, Mariana Firmo Gomes and Paulo Esteves.



MEMBERS:

1. Angola
2. Brazil
3. Cape Verde
4. China
5. Guinea-Bissau
6. Mozambique
7. Portugal
8. São Tomé and Príncipe*
9. East Timor

Source: [Forum Macao, n.d.](#)

* The country joined the Forum in March 2017, as it kept diplomatic relations with Taiwan, until December 20th, 2016. In 2013, a representative from the African State participated at the Forum's Ministerial Meeting for the first time as an observer. However, the Country was not represented at the 2016 Meeting. China and the archipelago signed an agreement reestablishing their diplomatic relations after the African country cut relations with Taiwan ([Macahub, 2017a](#), [Forum Macao, 2017a](#), [Observatório da Língua Portuguesa, 2016](#)).

What is “Forum Macao”?

The Forum for Economic and Trade Cooperation between China and Portuguese-Speaking Countries (MACAO), also named “Forum Macao”, was created in 2003. Defined as a multilateral and intergovernmental mechanism for cooperation, the creation of the Forum was stimulated by the Central Government of China, with the coordination of seven Portuguese-speaking countries (São Tomé and Príncipe joined the Forum at a later point) and governmental collaboration of Macao – a Special Administrative Region of the People's Republic of China (SAR) ([Forum Macao, n.d.](#)).

Objective

The main objective of Forum Macao is to contribute to the development and strengthening of commercial and economic relations between China and its other members ([Forum Macao, 2003](#)). Furthermore, mutual benefits and the internal development of China, Macao and Portuguese-speaking countries are also a part of the forum's goal ([Xinhua Português, 2016a](#)).

Macao as a platform

Since Portuguese is one of its official languages, Macao is seen by the Chinese government as a link to facilitate and consolidate the commercial and economic relations between China and the eight Portuguese-Speaking countries ([Lee, 2016, p. 45](#)). In addition, it is also where the Permanent Secretariat of the Forum is located. That linguistic and cultural bond with the Portuguese-Speaking countries is rooted in the Portuguese colonization, present for more than 400 years – The colonization of Macao lasted until 1999 ([Macao-hub, n.d.](#)).

MINISTERIAL CONFERENCES AND STRATEGIC PLANS

Key issues

Source: [Forum Macao, n.d.](#)

Trade; Investments and Corporation Cooperation; Cooperation in agriculture, infrastructure, natural and human resources

2006

Launch of Financing Fund (US\$ 1 billion dollars)

2013

Natural Disasters and Climate Change Prevention

Further look at Tourist Cooperation

Cooperation in education, culture and environment

2003

2010

2016

Structure

The forum organizes Ministerial Conferences triennially in Macao since its creation (2003). The last conference, which theme was "Working toward Stronger Sino-Portuguese-speaking Countries' Trade and Economic Relations – Combining Efforts, Jointly Building a Platform, Sharing Fruits of Development", occurred on October, 2016 (Xinhua Português, 2016b). Furthermore, based on investment and trade support measures, Strategic Plans for Economic and Trade Co-operation are defined at every meeting in order to establish targets and models of cooperation among the forum members.

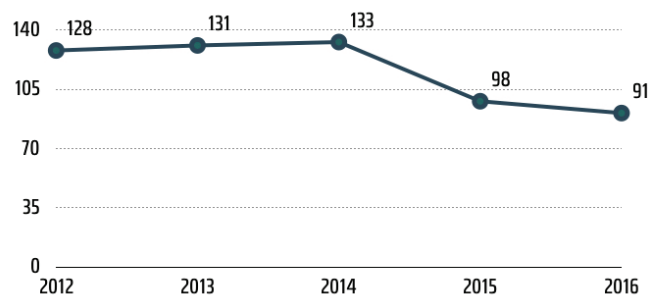


Source: [Forum Macao, n.d.](#)

Economy, Trade and Investment

Commercial Exchanges between China and Portuguese-Speaking Countries (in billions of US\$)

Source: [Forum Macao, n.d.](#)

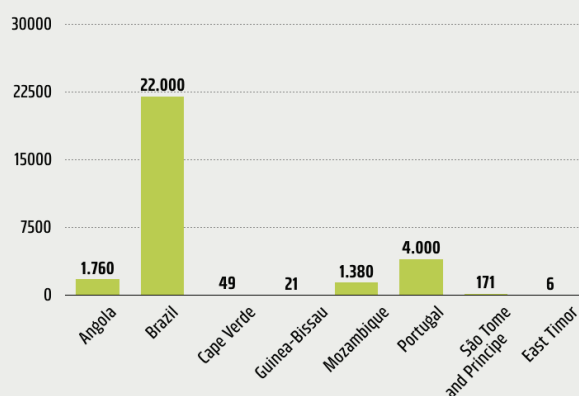


Chinese participation in Portuguese-Speaking Countries' exportations (2015) Source: [DEC, n.d.](#)

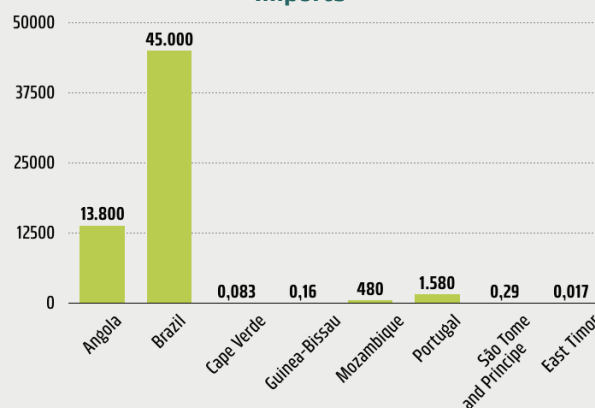
PORTUGUESE-SPEAKING COUNTRIES	PORTION OF EXPORTATIONS GOING TO CHINA	CHINESE RANKING ON COUNTRIES' EXPORTATIONS
Angola	42%	1st
Brazil	18%	1st
Cape Verde	1.6%	9th
Guinea-Bissau	5.7%	3rd
Mozambique	5.9%	6th
Portugal	2.1%	10th
São Tome and Príncipe	0.21%	29th
East Timor	0.23%	9th

2016 Chinese Exports and Imports to Portuguese-Speaking Countries (in millions of US\$) Source: [Forum Macao, 2017b](#)

Exports



Imports



- In order to promote investment, economy and trade, the Permanent Secretariat of Forum Macao organizes, annually, an event named "Business People Meeting for Economic and Trade Co-operation between China and Portuguese-speaking Countries". For the same purpose, the following activities are organized ([Forum Macao, n.d.](#)):

1. International Infrastructure Investment and Construction Forum (IIICF);

2. China and Portuguese-speaking Countries' Young Entrepreneurs Forum;

3. Summit for Trade and Industrial Development of Jiangsu Province, Macao and Portuguese-speaking Countries;

4. Roundtable Meeting between leaders of Provinces and Municipalities of China and Portuguese-speaking Countries;

5. China Small- and Medium-sized Enterprises International Fair.

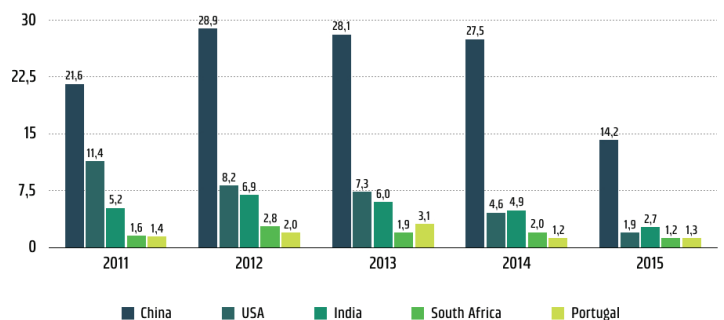
- The Chinese participation in Brazilian and Angolan exportations of soybean and crude oil, respectively, is notable. Angola, however, became one of the biggest exporters of crude oil to China in 2016. 175 thousand barrels (12% of the total Angola's exportations of crude oil) were exported daily just in April ([OPEC, p.73, 2016](#)). In the same year, Brazil was the main exporter of soybean to the Asian Country which bought around 6 million tons (77% of Brazil's total exportation of soybeans) in July, 2016 ([Revista Macau, p. 12, 2016](#)).
- In the first semester of 2016, 60% of foreign investments in Mozambique came from China, totaling around US\$ 154 million which were destined primarily to agriculture, civil Works and constructions, industry and agroindustry ([Revista Macau, p. 15, 2016](#)).

Chinese participation in Angolan crude oil and Brazilian soybean exportations (2011-2015). Source ([OEC, n.d.](#));

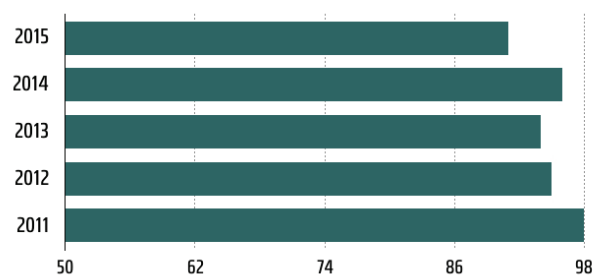
YEAR	PORTION OF EXPORTATIONS GOING TO CHINA FROM ANGOLA	PORTION OF EXPORTATIONS GOING TO CHINA FROM BRAZIL
2011	43%	66%
2012	52%	68%
2013	50%	74%
2014	49%	71%
2015	45%	74%



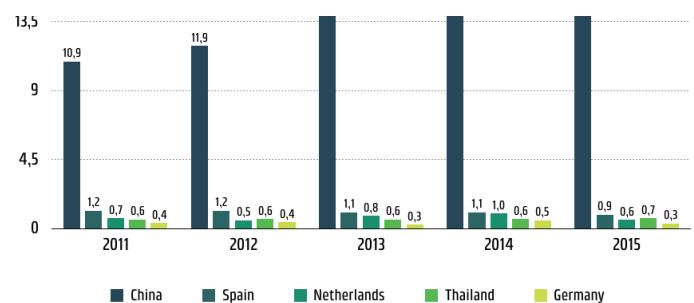
Angolan Exports of crude oil (in billions of US\$) Source ([OEC, n.d.](#)).



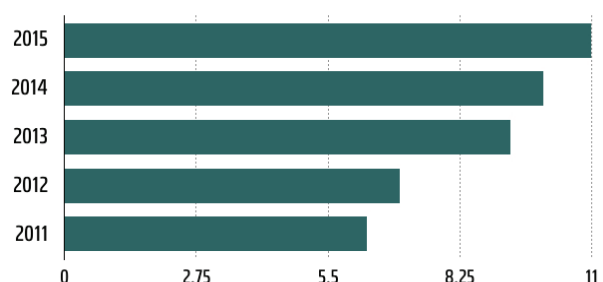
Crude oil's Participation in Angolan Exportations (%) Source ([OEC, n.d.](#)).



Brazilian Exports of Soybean (in billions of US\$) Source ([OEC, n.d.](#)).



Soybean's Participation in Brazilian Exportations (%) Source ([OEC, n.d.](#)).



China-Portuguese Speaking Countries Cooperation and Development Fund

- The fund was announced by the Chinese Government in 2010 at the 3rd Ministerial Conference of Forum Macao. It aims to promote the economic and commercial cooperation between China and the Portuguese-Speaking Countries, particularly in relation to members' development ([China-Portuguese Speaking Countries Cooperation and Development Fund, p.2, 2013](#)).

- PRINCIPLES** ([China-Portuguese Speaking Countries Cooperation and Development Fund, p.5, 2013](#)):

I. Promotion of Corporate Investment;

II. Compliance with the market's financing rules;

III. Mutual benefits: environmental protection, social responsibility and stimulus to the social development of member countries.

- The total value of financing corresponds to US\$ 1 billion and the projects financed by the fund must be from Forum Macao's members, including its platform, in order to promote "the local economic development and improving the quality of life for people" ([China-Portuguese Speaking Countries Cooperation and Development Fund, p.20, 2013](#)).



EDUCATION

- Mentioned in the "[Five-Year Development Plan of Macao \(2016 – 2020\)](#)", the government of Macao pointed out that local private schools will have to comply with a minimum workload of Portuguese classes. Besides that, the government also aims to increase the number of scholarships in Universities of Portugal to Macao students interested in Portuguese and/or Translation (Chinese-Portuguese) studies ([Revista Macau, p.26, 2016](#)).
- In order to foster the cooperation with the Portuguese-Speaking countries in the educational sphere, the Chinese government offers scholarships at [Macao Polytechnic Institute](#) to Portuguese-speaking students as well. The Institution offers courses of "Translation and Interpretation Chinese-Portuguese" and "Teaching Chinese as a Foreign Language", receiving students mostly from Brazil and Portugal. [The University of Macau](#), which offers undergraduate and postgraduate courses focused on Portuguese culture, literature and linguistics, is another institution involved in this cooperation ([Pereira, p.64-65, 2016](#)).



SOME PROJECTS



I. Agricultural Project in Mozambique (2013): first project approved by the fund. It holds US\$ 10 million financed by the Chinese Corporate, Wanbao Grains & Oils Co., to rice production ([CCILC, 2013](#));

II. Electrical Project in Angola (2014): second project approved by the fund, financing US\$ 50 million. ([IPIM, 2014](#));

III. Solar Project in Brazil (2017): project with the total value of US\$ 200 million. US\$ 20 million comes from the fund which is destined to the production of 200 megawatts of energy ([Macauehub, 2017b](#)).

- Among the fund's stakeholders, the [China Development Bank](#) acts as sponsor and the [China-Africa Development Fund](#) is a part of the fund's Management Team ([China-Portuguese Speaking Countries Cooperation and Development Fund, p.8, 2013](#)).
- On June 1st, 2017, [the fund's headquarte was transferred from Beijing to Macao](#), with the intention of strengthening Macao's role as a platform of financial services among the member countries and facilitating the flow of information about the fund by the concerned companies ([CCILC, 2017](#)).

CULTURAL

- Elaborated at the 4th Ministerial Conference of Forum Macao, the [Strategic Plan for Economic and Trade Co-operation \(2014-2016\)](#) establishes the importance of cultural integration between China and the Portuguese-Speaking Countries. In this context, festivals and other events, such as the [Lusofonia Festival](#) and the [Cultural Week of China and Portuguese-speaking Countries](#), take place gradually as effects of the cooperation in this area grow ([Forum Macao, s.d.](#)).
- The Lusofonia Festival, which is held since 1998, is promoted as a space of cultural expression of Portuguese-Speaking communities from Macao, Angola, Brazil, Cape Verde, Guinea-Bissau, Goa, Daman and Diu¹, Mozambique, Portugal, East Timor and São Tomé and Príncipe. The festival became an important event in Macao, and enjoys great popularity, being currently responsible for tourism growth in the region ([Cultural Institute of Macao, 2016](#)).
- The Cultural Week of China and Portuguese-speaking Countries was created in 2008 and is held in Macao annually since then. The week aims to promote the cooperation among the members of Forum Macao and reinforce the role of Macao as the forum's platform through the integration of the countries in different spheres ([Pereira, p.61, 2016](#)). In 2016, the [8th edition of the event](#) took place, promoting theatre shows, presentations of music and dance, handcraft and gastronomy fair and painting exhibition.



¹ Goa, Daman and Diu are Indian territories that were under Portuguese domain for more than 450 years. Because of that, they have cultural influences from Portugal until today.