

**EXECUTIVE
BOARD
MEETING**

SM/19/73
Correction 1

April 10, 2019

To: Members of the Executive Board

From: The Secretary

Subject: **People's Republic of China—Macao Special Administrative Region—Staff
Report for the 2019 Article IV Consultation Discussions**

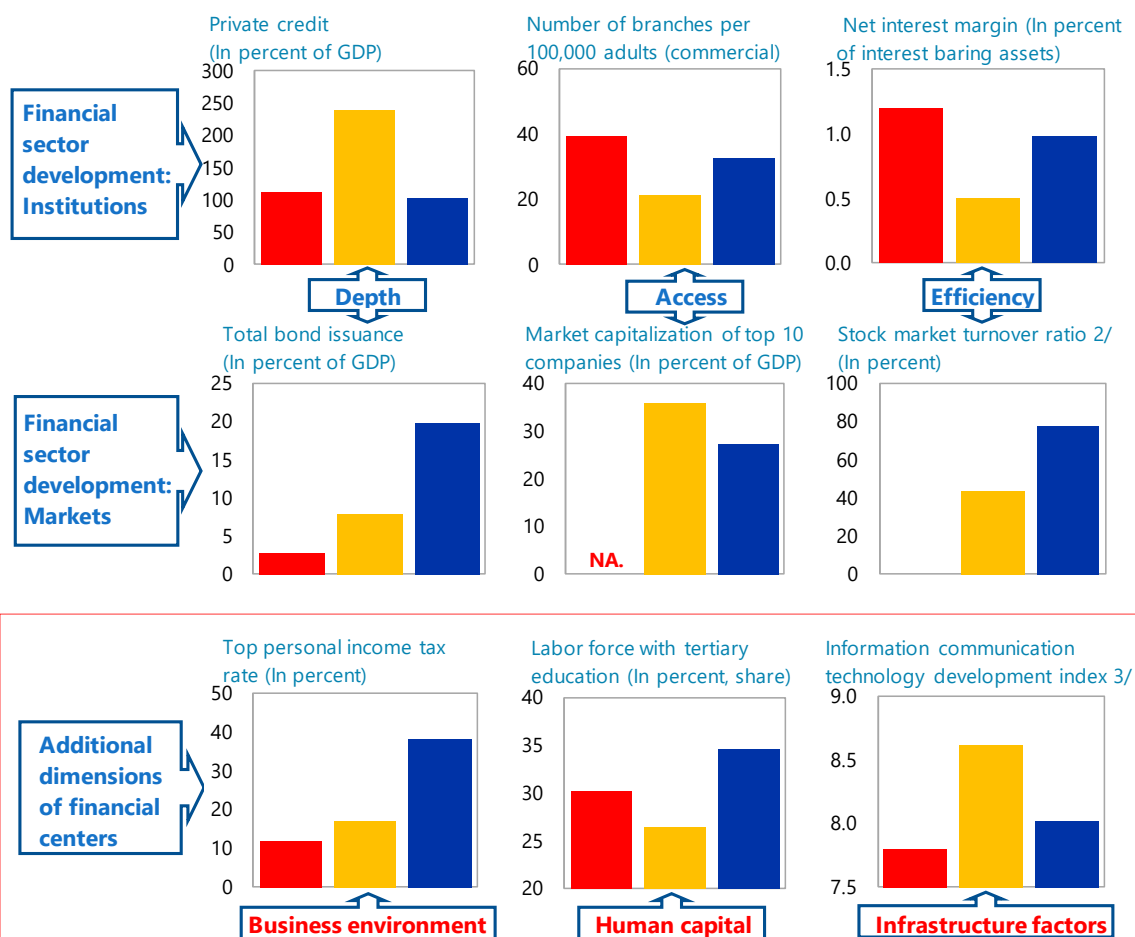
Board Action: The attached corrections to SM/19/73 (4/9/19) have been provided by the staff:

Evident Ambiguity **Page 16**

Questions: Ms. Colacelli, APD (ext. 36090)

bond issuances, (iii) more financial services including financial leasing and wealth management, and (iv) participation in the Belt and Road Initiative (BRI).

Macao SAR's Financial Sector Development Lags Compared with Other Financial Centers



1/ The assessment is based on two key features of a country's financial sector: size and interconnectedness with financial sectors in other countries.

2/ Calculated as value traded in percent of total stock market capitalization.

3/ Measures information communication technology development from three dimensions: readiness (infrastructure and access), usage (intensity), and capability (skills).

Source: 2013 IMF FSAP Board Paper, IMF financial development index (Sviryzdenka, 2016), OECD, World Bank Finstats database, WDI, UN ICT index.

25. Diversification policies should be guided by careful study of Macao SAR's comparative advantage. Guiding principles should include:

- *Incentives for new concessions:* With all six gaming concessions expiring in 2022, the authorities have the opportunity to further advance their growth strategy and should craft the new regulations with stronger incentives for operators to expand non-VIP tourism.