

Macro & Financial

Market News

National Development and Reform Commission holds a press conference jointly with relevant departments to introduce the high-level meetings of the Belt and Road Forum for International Cooperation

On May 10, the National Development and Reform Commission (NDRC), together with the Propaganda Department of the CPC Central Committee, the International Department of the Central Committee of the CPC, the Ministry of Finance, the Ministry of Commerce and other departments, held a press conference, introducing the general situation of high-level meetings of the Belt and Road Forum for International Cooperation. It is reported that the Forum will be held in Beijing on May 14-15. During the parallel meeting themed “accelerating connectivity of infrastructures”, more than 50 cooperative documents will be signed, such as the memorandum of understanding, roadmap, letter of intent among others that involve transportation, energy and communications, which will promote the implementation of cooperation projects, as well as pragmatic cooperation between the countries along the Belt and Road in infrastructure connectivity.

[SDPC News](#) (Currently Only Available in Chinese)

**Regulatory
Developments**

China Banking Regulatory Commission (CBRC) issues the Guidelines for Commercial Banks to Manage Collaterals.

Recently, CBRC issued the *Guidelines for Commercial Banks to Manage Collaterals*. The Guidelines, composed of seven chapters with 48 articles, emphasizing that commercial banks shall abide by the principles of legitimacy, validity, prudence and subordination, improve the organizational structure of collateral management, enhance risk management of key aspects such as classification and valuation of collaterals, the rate setting of mortgage/pledge among others, and regulate such processes as collateral investigation and assessment, pledge/mortgage establishment and duration management, return and disposal of collaterals, etc.

The *Guidelines* can guide commercial banks to improve the collateral-related systems and rules, as well as the information system, to define job responsibilities, and to regulate the collateral management processes. The *Guidelines* raises clear requirements for the classification and valuation of collaterals, concentration management, stress test and others, helping commercial banks strengthen risk management of collaterals.

[CBRC News](#) (Currently Only Available in Chinese)

China Insurance Regulatory Commission (CIRC) launched specific rectification work for investigation into risks concerning use of insurance funds

Recently, CIRC issued the *Notice on Specific Rectification Work for Investigation into Risks Concerning Use of Insurance Funds (Notice)*, which stipulates that insurance agencies shall attach great importance to and strengthen accountability. As the first responsible person, the main responsible person shall enhance organizational management and leadership, and comprehensively check the potential risks concerning the use of various types of funds (especially for key businesses, key projects, key posts and personnel), to ensure both quality and quantity. Any insurance agency that does not work seriously or give sufficient exposure to risk situation, and that report no risks shall be subject to major investigation. In case of any major violation of laws and rules, the involving insurance agency, shall be severely punished as much as possible according to the law once verified,. In addition, insurance agencies shall correct errors and make proper rectifications in a timely manner, improve the mechanisms and plug up loopholes to solve various problems found.

[CIRC News](#) (Currently Only Available in Chinese)

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