

**Regulatory  
Developments**

### **China Formally Adopts Special Data Dissemination Standards of the IMF**

On October 6, 2015, Zhou Xiaochuan, Governor of the People's Bank of China (PBC), wrote a letter in the capacity of the Chinese director of the International Monetary Fund (IMF) to the IMF President Christine Lagarde, formally notifying the latter of China's decision to adopt the Special Data Dissemination Standards (SDDS) of the IMF upon the approval of the State Council. This marks China has completed all the procedures for the adoption of the SDDS and will publish relevant statistical data according to the SDDS standards. On October 7, Deputy Governor Yi Gang of the People's Bank of China and David Lipton, First Deputy Managing Director of the IMF, attended a ceremony for China's adoption of the SDDS standards held during the annual conference of the IMF in Lima.

Since 2002, China has always improved the data preparation and publishing system in line with the General Data Dissemination System (GDDS) issued by the IMF before adopting the SDDS standards. The SDDS and the GDDS are both data dissemination standards established by the IMF. The SDDS and the GDDS have basically the same framework, but the SDDS sets higher requirements for data coverage, dissemination frequency, dissemination timeliness, data quality and public availability and requires the dissemination of data of five sectors, including real economy, public finance, finance, foreign sector and society & population.

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

### **Milestone of RMB Internalization: RMB Cross-border Inter-bank Payment System Starts Operation**

The Phase One of RMB Cross-border Inter-bank Payment System (CIPS) started operation on October 8, 2015. The CIPS, as an important financial infrastructure, provides clearing and payment services for financial institutions in the cross-border RMB and offshore RMB business. The CIPS is designed to be built in two phases. The first phase, when completed, facilitates processing of cross-border RMB business and supports settlement of cross-border trade in goods and services, cross-border direct investment, cross-border financing and fund transfer for individual customers. The CIPS Phase One has the following features: First, real time gross settlement of fund transfer of both individual customers and financial institutions; Second, one-point entry by all direct participants for centralized clearing through a shortened route of clearing to achieve efficiency; Third, the adoption of ISO20022

message dash board for straight-through processing of cross-border businesses; Fourth, its operation hours covering the time zones of Europe, Asia, Africa and Oceania, where the RMB business essentially take place. Fifth, it provides the special line access service for domestic direct participants.

The first batch of direct participants of CIPS are 19 banks, i.e. Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications, China Merchants Bank, Pudong Development Bank, China Minsheng Bank, Industrial Bank, Pingan Bank, Huaxia Bank, HSBC Bank China, Citibank China, Standard Chartered Bank (China), DBS China, Deutsch Bank (China), BNP Paribas China, ANZ Bank (China) and Bank of East Asia. Moreover, 38 domestic banks and 138 overseas banks located in Asia, Europe, Oceania and Africa have participated in the system as indirect participants. Moreover, 38 domestic banks and 138 overseas banks located in Asia, Europe, Oceania and Africa have participated in the system as indirect participants.

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## NAFMII Related

### **Circular on Publishing the Information Disclosure Guideline for Personal Consumer Loan-backed Securities (Trial)**

The National Association of Financial Market Institutional Investors of China (NAFMII) has entrusted its members to formulate the Information Disclosure Guideline for Personal Consumer Loan-backed Securities (Trial) in accordance with the Circular of the PBC on Relevant Matters Concerning the Issuance and Management of Credit Asset-backed Securities (PBC Public Notice [2015] No. 7), relevant laws and regulations for the purpose of regulating the information disclosure for personal consumer loan-backed securities, safeguarding legitimate rights and interests of investors, promoting the credit asset-backed securities to go regular and normal, propelling compliant and healthy growth of the bonds market and better supporting development of the real economy. The NAFMII has deliberated and adopted the Guideline at the sixth meeting of the Third Bond Market Professional Committee is now publishing the Guideline for implementation upon the approval from the PBC.

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