



## Regulatory

### Developments

#### **CBRC issues Decision on Revising Implementing Methods for Administrative Permission of Foreign Banks**

According to the requirement of the national financial work meeting and to further expand the opening up and continuously promote the reform of the administrative approval system, the CBRC decided to revise the Implementing Methods for Administrative Permission of Foreign Banks, including the following three aspects.

First, further expand the opening up of the banking system. The revision added the conditions, procedures and application materials for foreign banks to set up or invest in banking financial institutions in China, which provided the definite legal basis for foreign banks to make equity investment in banking financial institutions.

Second, minimize matters subject to administrative permission and streamline the relevant procedures. The revision replaced the approval system with reporting system for four businesses conducted by foreign banks - overseas wealth management for customers, overseas wealth management and custody for customers, custody of securities investment funds, and withdrawal of interest-yielding assets by liquidated foreign financial institutions.

Third, further unify the market access standards for Chinese and foreign banks. The approval for the preparation and opening of banking branch is integrated; conditions for foreign banks to raise and issue debts and capital replenishment instruments are perfected; and the review and approval of the qualifications of senior executives is simplified, meaning that if the senior executive is transferred to a same-level or a lower-level position in a foreign banking institution of the same type and nature, the pre-approval system is replaced by registration system.

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

#### **CIRC revises four regulations**

To keep the insurance regulatory system coordinated and unified, the CIRC recently revised relevant articles in four regulations, including the Implementing Rules of the Regulations on Foreign Insurance Companies, Regulations on the Representative Office of Foreign Insurance Organizations in China, Regulations on the Subordinated Term Debts of Insurance Companies, and Regulations on the Qualifications of Members of the Board of Directors, Members of the Board of Supervisors, and Senior

Executives of Insurance Companies. The revision was mainly to adjust the articles concerning the cancelled agency services, such as "notarization of materials for setting up foreign insurance company", "notarization of materials for setting up representative office of foreign insurance organization in China and for the change of major matters", "providing the legal opinion on the insurance company issuing privately raised subordinated debts", and "notarization of the Chinese version of the employment materials for members of the board of directors, members of the board of supervisors and senior executives of insurance company". The revision also further reduced the application materials required for the insurance company to raise subordinated debts, which complies with the requirement for reforming the administrative approval system.

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

---

**Disclaimer:** NAFMII does not guarantee the accuracy of the information contained in the newsletter. Materials and data provided here are intended for general informational purposes only, and are not intended to provide specific investing, tax, business or legal advice to any individual or entity. Certain contents of this newsletter are copyrighted by NAFMII. You agree that information provided on this newsletter will be used solely for your own personal, noncommercial use and benefit, and this information is not to be distributed, sold, transferred or otherwise made available to third parties. You may not copy, recompile or create derivative works from the information provided on this newsletter. Readers are urged to consult with their own advisors before taking action based on any information appearing on this newsletter.