



Regulatory

Developments

CBRC solicits opinions on the *Decision of CBRC to Amend “Implementing Measures for Matters of Foreign-funded Banks Subject to Administrative Approval”*

CBRC is recently planning to revise the Implementing Methods for Matters of Foreign-funded Banks Subject to Administrative Approval, which involves three aspects.

First, it adds regulations regarding the conditions, procedures and application materials for the approval of the investment and setup of foreign-funded banks and their equity investment in Chinese banking financial institutions, providing specific legal rules for those matters.

Second, it cancels approval procedures for four businesses of foreign-funded banks, namely overseas wealth management for customers, overseas wealth management and custody, securities investment and fund custody, and acquisition of interest-generating assets for liquidated foreign financial institutions. Instead of approval, the reporting system will be applied to these matters.

Third, it further unifies the standards for market access of Chinese and foreign banks: merge approval procedures for the establishment and opening of branches, with only the opening approval needed; optimize conditions for foreign banks to raise and issue debts and capital replenishment instruments; streamline approval procedures for senior executives with registration system to replace pre-transfer approval for same-level transfer or transfer to a lower position among foreign banking institutions of the same nature and type.

The revised Implementing Measures for Matters of Foreign-funded Banks Subject to Administrative Approval comprehensively reflects the concept of further opening up, streamlining administration, delegating power and strengthening prudential regulation. CBRC will continue to support foreign banks in taking an active part in the Chinese market and providing financial service, create a fair and transparent policy environment for Chinese and foreign banks alike, and boost solid development of banking institutions.

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

CSRC solicits opinions on further regulating behaviors of securities companies

CSRC has recently formulated the Opinion on Further Regulating Securities

Companies' Behaviors in Investment Bank Business Such as Engaging Third-party Institution and is soliciting public opinions on it.

The Opinion mainly involves four aspects.

First, it reiterates the basic principle of integrity and expressly prohibits securities companies from tunneling interests, making/accepting bribes and other malpractices in any form.

Second, it urges securities companies to implement their responsibility for preventing and controlling corruption risk, improve mechanism, intensify management and control, and curb violations at source.

Third, it specifies requirements on information disclosure regarding the employment of personnel by securities companies. Different types of hires are subject to information disclosure to varying degrees in view of the severity of risk, types of organization, service contents, fee standard, and other key factors.

Fourth, it demands the securities companies to inspect relevant employment matters, and the legality and compliance of such matters, in the customer that receives the investment banking service, and make comments thereon..

[CSRC News](#)(Currently Available in Chinese)

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