



THREE-YEAR ACTION PLAN FOR THE REFORM IN THE FINANCIAL SECTOR – BEIJING, CHINA

September 2019



ASIA BRIEFING



DEZAN SHIRA & ASSOCIATES

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In order to implement the "Comprehensive Work Plan for Comprehensively Promoting the Expansion and Opening up of Beijing's Service Industry" Guo Han [2019] No. 16, we will firmly grasp the opportunities of an open financial policy, enhance the international influence of the finance capital, and promote high-quality development.

I. Relaxation of market access for financial institutions

- (1) Promote the relaxation of market access for credit rating agencies and actively create favorable conditions for international rating agencies to enter the domestic rating market. Support foreign bank card clearing institutions settled in Beijing.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Municipal Market Supervision Bureau, Municipal Financial Supervision Bureau

- (2) Promote the relaxation of market access for financial institutions in the banking industry, support the establishment of foreign-controlled joint venture banks in Beijing, and support the establishment of joint venture consumer finance companies and joint venture local asset management companies in Beijing.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Bank Insurance Regulatory Bureau, Municipal Market Supervision Bureau, Municipal Financial Supervision Bureau

- (3) Promote the relaxation of market access for financial institutions in the securities industry, and support the establishment of foreign-controlled securities companies, wholly foreign-owned or joint venture asset management companies in Beijing.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau, Municipal Market Supervision Bureau, Municipal Financial Supervision Bureau

- (4) Supporting foreign-funded financial institutions to set up group companies or holding companies in Beijing, allowing the

group companies or holding companies to use the words of finance in the name of the company, facilitating foreign-funded financial institutions to strengthen their equity in domestic investment financial institutions through Beijing-based companies or holding companies management.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Beijing Bank Insurance Regulatory Bureau, Beijing Securities Regulatory Bureau, Municipal Market Supervision Bureau, Municipal Financial Supervision Bureau

- (5) Actively implement the 11 measures for the opening up of the financial industry in the Office of the National Finance Commission.

Supporting foreign-funded credit rating agencies in Beijing to obtain inter-bank market bond rating business licenses;

commercial bank financing subsidiaries, wealth management companies, pension management companies, currency brokerage companies and other institutions that support foreign participation are established in Beijing;

support for the relaxation of personal insurance and insurance asset management The company's foreign shareholding ratio, relaxation of foreign insurance company access conditions, cancellation of securities companies, fund management companies and futures company's foreign ownership ratio restrictions and other policies accelerated in Beijing;

support foreign institutions in Beijing to obtain inter-bank bond market A-type lead underwriting license Participate in the interbank bond market.

Completion Time Limit: December 2020;

Responsible Unit: People's Bank Business Management Department, Beijing Bank Insurance Regulatory Bureau, Beijing Securities Regulatory Bureau, Municipal Financial Supervision Bureau, Municipal Market Supervision Bureau.

II. Improve the level of cross-border trade and investment facilitation

- (6) Support multinational corporations to carry out cross-border capital centralized operation management business, further simplify foreign debt and overseas lending registration management, implement “one-time registration”;

optimize account function, domestic fund main account is multi-currency including RMB account, account currency There are no restrictions on the species and quantity;

the number of cooperative banks is removed; the multinational companies are allowed to directly carry out the pilot reform of the capital project income settlement and facilitation reform.

Completion Time Limit: December 2019;

Responsible Unit: Pedestrian Management Department

- (7) Deepen the pilot of the Zhongguacun Capital Project Facilitation Policy and strive to further expand the pilot scope of the facilitation policy.

Completion Time Limit: December 2019;

Responsible Unit: Business Management Department of the People's Bank of China, Zhongguancun Management Committee

- (8) Study and explore the convenience measures for foreign exchange receipts and payments in line with the actual situation of the goods, and support the banks to provide quality services for real and legal trade settlement.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department

- (9) Support qualified financial companies, securities companies and other financial institutions to obtain the qualifications for foreign exchange settlement and sales, and carry out foreign exchange spot and derivative transactions.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Beijing Bank Insurance Regulatory Bureau, Beijing Securities Regulatory Bureau

- (10) Foreign exchange management of goods trade Class A trade income of Class A enterprises does not need to open an account to be verified except for the remittance business and offshore reseller business.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department

III. Actively explore capital projects to open to the outside world

- (11) Explore pilot projects for cross-border financial capacity building. The study allows a small number of qualified financial institutions to explore two-way cross-border financial integrated services.

Completion Time Limit: December 2020;

Responsible Unit: Municipal Financial Supervision Bureau, Beijing Securities Regulatory Bureau, PBC Business Management Department

- (12) The study supports qualified domestic institutions to conduct Qualified Domestic Limited Partners Overseas Investment QDLP pilots, allowing qualified institutions to raise RMB funds from qualified investors and invest the funds raised in overseas markets.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Financial Supervision Bureau, People's Bank Business Management Department

- (13) Support qualified institutions to apply for qualified domestic institutional investors QDII, RMB qualified domestic institutional investors RQDII business qualifications, and actively strive for investment quotas.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau, Beijing Bank Insurance Regulatory Bureau, People's Bank Business Management Department.

(14) Expand the scope of qualifications of qualified domestic institutional investors to investment management institutions initiated by domestic and foreign institutions in Beijing, including domestic securities companies, fund management companies and futures companies.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau, People's Bank Business Management Department

(15) Based on market demand, explore the use of qualified trading venues as a platform to conduct pilot projects for cross-border transfer of non-performing assets in Beijing.

Completion Time Limit: December 2020;

Responsible Unit: People's Bank Business Management Department, Municipal Financial Supervision Bureau, Beijing Banking Supervision Bureau, Municipal Development and Reform Commission, Municipal State-owned Assets Supervision and Administration Commission

IV. Expand the cross-border use of RMB

(16) Accelerate the establishment of RMB overseas investment and loan funds to better support the cross-border development of the real economy.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Financial Supervision Bureau, People's Bank Business Management Department

(17) Relying on the Beijing Equity Exchange to develop RMB settlement business for cross-border transactions of property rights, support foreign investors to participate in cross-border transactions of state-owned property rights of domestic enterprises in RMB, and explore ways to expand the varieties and forms of property rights transactions.

Completion Time Limit: June 2020;

Responsible Unit: Municipal Financial Supervision Bureau, Pedestrian Management Department

(18) Develop cross-border RMB loan business, support commercial banks to build a "One Belt, One Road" cross-border financial service platform, and provide comprehensive financial services for "going out" in Beijing enterprises.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department

(19) Support qualified overseas enterprises to issue RMB bonds in China.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department

V. Expanding the business scope of foreign-funded institutions

(20) Promote eligible foreign-invested holdings or joint-venture brokers to obtain the qualifications for bond-to-market sponsorship business.

Completion Time Limit: June 2020;

Responsible Unit: PBC Business Management Department

(21) Promote foreign banks with demand to participate in customs duties such as import and export customs clearance and "collection taxation".

Completion Time Limit: December 2019;

Responsible Unit: Beijing Banking and Insurance Bureau

(22) Support auto finance companies to develop in Beijing and expand financing channels.

Completion Time Limit: June 2020;

Responsible Unit: Beijing Banking Supervision Bureau

(23) Enhance the risk-rewarding capacity and commercial sustainability of service science and technology enterprises, and explore new models of technology financial services.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Banking Supervision Bureau, Beijing Securities Regulatory Bureau

VI. Expanding the financial market to open to the outside world

- (24) Support and promote the two-way listing of Beijing enterprises in the New Third Board and the Hong Kong Stock Exchange.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau

- (25) Support the qualified foreign-funded corporate banks in Beijing to apply for the qualification of the primary dealer of open market business.

Completion Time Limit: March 2020;

Responsible Unit: People's Bank Business Management Department, Beijing Banking and Insurance Bureau

- (26) Support fund products that meet the conditions of mutual recognition to participate in mutual recognition of mainland and Hong Kong fund products.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau

- (27) Promote the development of carbon trading and environmental equity financing by the Beijing Environment Exchange, establish a green project reserve, and broaden the scope of green asset targets.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Securities Regulatory Bureau, Municipal Financial Supervision Bureau

VII. Enhance the internationalization of financial services

- (28) Further promote the mobile payment convenience project in the fields of public transportation, medical and health care, traffic fines, public payment, government services, etc. By the end of 2019, the universal mobile payment application in the subway airport line and bus network will be realized, and through three years of efforts in Beijing. Before the Winter Olympics was held, it was widely used to implement universal mobile payment for networking.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Municipal Transportation Committee, Municipal Public Transport Group, Municipal Rail Transit Command Center, Municipal Taxation Bureau, Municipal Health and Health Committee

- (29) Promote the "One Belt, One Road" responsible investment and the construction of ESG principles, promote the signing of the "One Belt, One Road" Green Investment Principles by international financial institutions, and establish the "One Belt, One Road" Green Investment Principles Secretariat in Beijing.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Financial Supervision Bureau

- (30) Drawing on domestic and international experience to develop catastrophe insurance, research and develop a feasible work plan for catastrophe insurance in Beijing.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Banking Supervision Bureau, Municipal Finance Bureau, Municipal Financial Supervision Bureau

- (31) In-depth promotion of intellectual property financing insurance such as patent rights.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Intellectual Property Office, Beijing Banking Supervision Bureau, Zhongguancun Intellectual Property Promotion Bureau

- (32) Explore the auto financing company to obtain the authorization of the customer and check the credit record by complying with the provisions of the Electronic Signature Law.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Beijing Bank Insurance Regulatory Bureau

- (33) Support qualified financial companies to develop cross-border business, carry out

buyer credit and extend industrial chain financial services.

Completion Time Limit: December 2019;

Responsible Unit: Beijing Banking and Insurance Bureau

- (34) Support international cooperation in the field of financial science and technology, and support various institutions to hold international seminars, exhibitions and exchange forums in the field of financial technology.

Completion Time Limit: December 2020;

Responsible Unit: Municipal Financial Supervision Bureau

VIII. Vigorously gather international financial talents

- (35) Coordinate and promote the comprehensive use of effective financial means by financial institutions, support the construction of the international talent community in the capital, and create favorable conditions for professionals with professional qualifications in the financial field to come to Beijing for development.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Talent Work Bureau, Municipal Financial Supervision Bureau

- (36) Coordinating and promoting the convenience of entry and exit of high-level foreign-funded talents, and granting a maximum of five years to foreign high-level talents in key service industries such as finance.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Human Resources and Social Security Bureau, Municipal Public Security Bureau, Municipal Financial Supervision Bureau

- (37) Encourage financial institutions to provide services for the establishment of enterprise annuities for foreign high-level talents.

Completion Time Limit: December 2019;

Responsible Unit: Municipal Human Resources and Social Security Bureau, Municipal Taxation Bureau, Municipal Financial Supervision Bureau

IX. Optimizing the financial security and stability environment

- (38) Implement the Beijing Financial Supervision Coordination Mechanism, establish a catalogue of regulatory information sharing, gradually expand the depth and breadth of information sharing, strengthen coordination and coordination of financial supervision, enhance regulatory cooperation, and maintain capital financial stability.

Completion Time Limit: December 2019;

Responsible Unit: People's Bank Business Management Department, Beijing Bank Insurance Regulatory Bureau, Beijing Securities Regulatory Bureau, Municipal Financial Supervision Bureau