

CHINA LEGAL BRIEFING* 166

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Provisions for the Administration of National Inter-bank Bond Market Makers (Announcement [2007] No. 1 of the People's Bank of China)

全国银行间债券市场做市商管理规定(中国人民银行公告第1号)

Issued By **The People's Bank of China**
Subject **Inter-bank Bond Market Makers**
Promulgated on **January 9th 2007**
Effective from **February 1st 2007**
Source www.pbc.gov.cn

The Provisions for the Administration of National Inter-bank Bond Market Makers (the "Provisions") have been enacted in accordance with the Law of the People's Republic of China on the People's Bank of China, and with the purpose of regulating the market making business operated by national inter-bank market makers, improving the market liquidity, perfecting the price discovery mechanism and promoting the rapid development of China's bond market.

The term "market maker" as mentioned herein refers to the financial institutions that conduct the markets making business in the inter-bank market upon the approval of the People's Bank of China, and enjoy the provisioned rights and bear the responding responsibilities.

The term "market making business" as mentioned herein refers to the business activity that a market maker consecutively makes bilateral quotations for the purchase and sale of the existing market making bonds in line with the relevant requirements in the inter-bank market and then enters into transactions with other market participants on the basis of such quotations.

According to the Provisions, a market maker shall make the bilateral quotations on the basis of the actual price and the price gap shall fall within the reasonable scope of the market. Also, the market maker shall not manipulate the market and if it does so and therefore cause any loss to the investors it shall compensate.

Article 3, 4, 6 and 7 of the Provisions separately stipulate the detailed qualifications for being a market maker, the documents required to support the application, and rights and responsibilities as a market maker.

Measures for the Administration of Food Safety in Circulating Field (Decree No. 1 2007 of the Ministry of Commerce)

流通领域食品安全管理办法(中华人民共和国商务部令第1号)

Issued By **The Ministry of Commerce (MOFCOM)**
Subject **Food Safety**
Promulgated on **January 19th 2007**
Effective From **May 1st 2007**
Source www.mofcom.gov.cn

The Measures for the Administration of Food Safety in Circulating Field (the “Measures”) have been promulgated with the purpose of regulating the order of food circulation, improving the industrial administration on food circulation, standardizing the business operation of food and safeguarding the security of food consumption.

The term “markets” as mentioned herein refer to wholesale markets and retail markets, including open markets, supermarkets, department stores, warehouse-type member shops, convenient stores, grocery stores and etc. The term “franchiser” as mentioned herein refers to organizations and individuals engaging in business of food wholesale, retail and field fabrication sales. The Measures shall apply to all food circulation activities within the territory of China. And the Ministry of Commerce is in charge of the industrial administration.

The Measures propose five main managerial systems by Article 7 thereof, and they are the so-called System of Access by Agreement, Management System of Franchisers, System of Claiming for the Certificate and License, Purchase and Sale Account System, and the System of Quit of Unqualified Food. The Measures also encourage the application for the green market attestation and use of relevant certificate symbols, and obviously forbid the plagiarisms of above attestation symbols.

The Markets shall set up management departments in charge of food safety, or shall arrange personnel of food safety, so as to supervise the food safety status of the markets. Where the markets are in violation of Article 6, 7 and Item (2) of Article 8 of the Measures, competent administrations of commerce shall warn and order such markets to correct within a limited time, and those who fail to do so shall be fined and announced to the public.

Measures of the Customs of the People's Republic of China for the Administration of the Unit Consumption in Processing Trade

中华人民共和国海关加工贸易单耗管理办法

Issued By	The China Customs
Subject	Unit Consumption in Processing Trade
Promulgated on	January 4th 2007
Effective From	March 1st 2007
Source	www.customs.gov.cn

The Measures of the Customs of the People's Republic of China for the Administration of the Unit Consumption in Processing Trade (the "Measures") have been formulated mainly under the provisions of the Customs Law of the People's Republic of China for the purpose of regulating the administration on unit consumption in processing trade and promoting the development in processing trade.

The Measures shall apply to the administration of unit consumption by the customs. The term "unit consumption" as mentioned herein means the quantity of materials consumed for processing per unit of finished product by a processing trade enterprise under the normal processing conditions. The unit consumption can be classified into net consumption and technique consumption.

The term "standards for unit consumption" as mentioned by the Measures means the norms may be used for general purpose or may be used repeatedly on the materials quantity consumed by per unit of finished product. A maximum upper value shall be fixed for the standards for unit consumption, and a minimum lower value shall be fixed for the standards for unit consumption of the exported taxable finished products thereof.

The standards for unit consumption shall be applicable to the processing trade enterprises beyond the areas under the special customs supervision or bonded supervision, and such standard for unit consumption shall not be applicable to the processing trade enterprise within such areas.

The Measures consist of five chapters, and they are separately the General Provisions, Standard for Unit Consumption, Declaration of Unit Consumption, Verification of Unit Consumption, and Supplementary Provisions. The previous measures dated on 11 March 2002 shall cease to be effective and shall be replaced by the Measures. Furthermore, there is an appendix of the Notice of the Customs of the People's Republic of China Concerning the Query of Unit Consumption in Processing Trade.

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