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Circular on Relevant Issues concerning Further Expansion of Foreign Cooperation on Coal-bed Gas Exploitation (Shangzihan [2007] No.94)

关于进一步扩大煤层气开采对外合作有关事项的通知[商资函[2007]第94号]

Issued By Ministry of Commerce, National Development and Reform Commission and Ministry of Land and Resources
Subject Coal-bed Gas Exploitation / Foreign Cooperation
Promulgated on October 17th 2007
Effective from October 17th 2007
Source www.mofcom.gov.cn

In accordance with the principle of disintegrating the sole dealing system and admitting experienced and competent enterprises both at home and abroad into the exploitation of coal-bed methane while at the same time avoiding a situation of "multi-layer system against foreign enterprises", the Ministry of Commerce and National Development and Reform Commission jointly with relevant departments shall select certain number of enterprises apart from China United Coal-bed Methane Co., Ltd to carry out pilot exploitation of coal-bed methane in cooperation with foreign enterprises within regions designated by the State Council.

Pilot enterprises shall have the capacity of coal-bed methane exploitation and some experience of cooperation with foreign enterprises. Good records of law-abiding, sufficient capital and coal-bed methane mining right or coal mining right in a certain area including those within the cooperation plan shall be essential prerequisites. The name list of pilot enterprises shall be determined by Ministry of Commerce and National Development and Reform Commission together with relevant departments through discussion. Those large-sized state-owned mining enterprises are particularly encouraged to take part in this program.

The foreign enterprise as a collaborator shall satisfy the following requirements:

- a. At least five years' experience of coal-bed methane prospecting and exploitation;
- a. Internationally advanced technology of coal-bed methane prospecting and exploitation as well as corresponding technicians;
- a. Management ability in organizing the prospecting and exploitation of coal-bed methane; and
- a. Good financial status and efficient capital. The foreign party's qualification shall be examined by the Ministry of Commerce.

The collaboration parties shall conclude a contract. Until and unless otherwise stipulated by laws and regulations or agreed by contractual parties, the foreign enterprises that signed the contract shall provide the prospecting fund solely and independently and bear the risks. Once coal-bed methane resources of commercial value are discovered, the exploitation work shall be undertaken by the foreign collaborators jointly with the Chinese enterprise.

The foreign collaborators may, under the contract, reclaim their investment and expenses from the coal-bed methane produced and receive profits. Other matters concerning the program shall be administered and implemented in accordance with Regulations of the People's Republic of China on the Exploitation of Onshore Oil Resources in Cooperation with Foreign Parties (Order No. 317 of the State Council).

Guidelines for the Compliance Management of Insurance Companies

保险公司合规管理指引

Issued By	China Insurance Regulatory Commission
Subject	Compliance / Insurance Company
Promulgated on	September 7th 2007
Effective From	January 1st 2008
Source	www.circ.gov.cn

The Guidelines consist of 37 articles in 6 chapters, namely, General Rules, Compliance Duties of the Board of Directors, the Board of Supervisors and the General Manager, Compliance Chief and Compliance Department, Compliance Management, External Supervision over Compliance Management and Supplementary Rules.

Joint-stock insurance companies, joint-stock insurance holding (group) companies, exclusively foreign-funded insurance companies and Sino-foreign joint venture insurance companies shall be subject to the Guidelines, while exclusively state-owned insurance companies, branches of foreign insurance companies and insurance assets management companies shall be under the present Guidelines by analogy.

The term "compliance" as referred to in the Guidelines means that insurance companies and their employees and marketing staff shall carry out insurance operation and management behaviors subject to the related laws and regulations, provisions of insurance regulatory organs, self-discipline rules of the industry, their internal management system and the ethic code of honesty and good faith.

The term "compliance risk" as referred to in the Guidelines means the risk of undertaking legal responsibility, supervisory punishment, financial losses or reputation losses as a result of an incompliant insurance operation and management behavior made by the insurance company or any of its employees and marketing staff.

The post of "compliance chief" shall be established by an insurance company. The compliance chief shall be a senior manager of the parent company, and may not concurrently take charge of the business department or the financial department. The compliance chief of an insurance company shall be responsible to the general manager and the board of directors, and shall perform duties as stipulated by the Guidelines.

An insurance company shall, by working out corresponding compliance policies or other formal documents, determine the organizational structure, duties and rights of the compliance department and compliance posts, and work out measures to ensure their independence.

An insurance company shall ensure the independence of the compliance department and each compliance post, and their budgets and evaluations shall be separately carried out. The compliance department and compliance posts shall be independent from the business department, the financial department and the internal auditing department.

The compliance department of an insurance company shall be responsible for organizing the study of the important supervisory documents circulated by CIRC, make risk indications and put forward compliance suggestions. The compliance department of an insurance company shall, in order to accurately apprehend the supervisory requirements, seek advice from CIRC, and feedback the opinions and suggestions of its company.

Working Rules on the Release of Export License

出口许可证签发工作规范

Issued By	Ministry of Commerce
Subject	Export License
Promulgated on	September 7th 2007
Effective From	September 7th 2007
Source	www.mofcom.gov.cn

The Ministry of Commerce has revised the Working Rules on the Application for and Release of Export License (WaiJingMaoPeiFa[1999] No. 743) of the former Ministry of Foreign Trade and Economic Cooperation.

Export license referred to in the Rules is the Export License of the People's Republic of China, and the Quota and License Administrative Bureau shall be responsible for conducting the uniform administration, surveillance, inspection and guidance of the work on the release of export license under the authorization of the Ministry of Commerce.

The Rules consist of 26 articles in 7 chapters, namely, General Rules, Acceptance of an Application for an Export License, Examination of an Application for an Export License, Release of an Export License, Use of an Export License, Administration of the Releasing Authority, and the Supplementary Provisions.

The validity term of an export license shall be not more than six months, and it shall be automatically invalidated at the expiration of such a time limit. If an export license is used beyond the year, the expiration date of the validity of the export license shall be not in excess of the end of February next year.

The Working Rules on the Application for and Release of Export License (WaiJingMaoPeiFa[1999] No. 743) and the Interim Working Rules on the Online Application for and Release of Export License (ShangPeiFa[2003]No. 475) of the Ministry of Commerce shall be repealed.

The Rules has three attachments, namely, Attachment 1: Application Form for an Export License of the People's Republic of China; Attachment 2: Application Form for the Return (Replacement) of an Export License of the People's Republic of China; and Attachment 3: Provisions for the Contents of an Export License of the People's Republic of China.

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