

# CHINA LEGAL BRIEFING\* 169

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## **Detailed Rules for Implementing the Measures for the Administration on Individual Foreign Exchange**

### **个人外汇管理办法实施细则**

**Issued By**                **The State Administration of Foreign Exchange**  
**Subject**                 **Individual Foreign Exchange**  
**Promulgated on**       **January 5<sup>th</sup> 2007**  
**Effective from**        **February 1<sup>st</sup> 2007**  
**Source**                  [www.safe.gov.cn](http://www.safe.gov.cn)

The Detailed Rules for Implementing the Measures for the Administration on Individual Foreign Exchange (the “Rules”) have been enacted by the State Administration of Foreign Exchange (the “SAFE”) in order to regulate and simplify the operation of banks and individuals on individual foreign exchange.

The Rules consists of 41 articles in 6 chapters, namely, the General Provisions, the Administration of the Personal Foreign Exchange under the Current Account, the Administration of the Personal Foreign Exchange under the Capital Account, the Administration of Personal Foreign Exchange Accounts and Foreign Currency Banknotes, the Personal Foreign Exchange Sale and Settlement Management Information System and the Supplementary Provisions.

The Rules also has two appendixes, namely, the Filling Form for the Withdrawal of Foreign Currency Banknotes, and the Technical Conditions for the Access of the Personal Foreign Exchange Sale and Settlement Management Information System.

The total annual amount shall be the value equivalent to USD 50,000 for each person every year, and the SAFE may make adjustments on the total annual amount in light of the position of payment balance. The foreign exchange purchased by an individual may be remitted abroad, deposited into his or her foreign exchange savings accounts or carried out of the territory of China in line with the related provisions.

Personal foreign exchange income and expenditure under the current account may be divided into business foreign exchange income and expenditure and non-business foreign exchange income and expenditure.

Where a bank is handling foreign exchange sale and settlement business for an individual, the main process shall be:

1. to enquire about the situation of foreign exchange sale and settlement of such individual through the personal foreign exchange sale and settlement system;

2. to check and verify the evidential documents provided by such individual;
3. to record the business data of foreign exchange sale and settlement into the personal foreign exchange sale and settlement system sum by sum; and
4. to print the Letter of Notice on Foreign Exchange Settlement/Purchase through the personal foreign exchange sale and settlement system and maintain it as accounting voucher for future reference.

### **Measures of the Supervision and Administration on Safety Production of Highway and Water Carriage Projects (Decree 2007 No. 1 of the Ministry of Communications)**

公路水运工程安全生产监督管理办法(交通部令2007第1号)

Issued By	<b>The Ministry of Communications</b>
Subject	<b>Safety Production of Highway and Water Carriage Projects</b>
Promulgated on	<b>February 14<sup>th</sup> 2007</b>
Effective From	<b>March 1<sup>st</sup> 2007</b>
Source	<a href="http://www.moc.gov.cn">www.moc.gov.cn</a>

The Measures of the Supervision and Administration on Safety Production of Highway and Water Carriage Projects (the “Measures”) have been promulgated for the purposes of strengthening the supervision and administration on highway and water carriage project and protecting the safety of person and property. The Measures shall apply to the activities of safety production of highway and water carriage projects, and the supervision and administration on such projects.

The term “highway and water carriage projects” as mentioned herein refer to the newly establishment, rebuilding, expansion construction, dismantlement and reinforcement of highway and water carriage infrastructure that listed into national and local infrastructure schemes. The term “the entities related to a highway or water carriage project” as mentioned herein refers to the entities engaged in construction, survey, designing, supervision, testing and verification, and safety evaluation.

The Measures consist of 44 articles in 5 chapters, namely, the General Provisions, Conditions of Safety Production, Safety Responsibilities, Supervision and Examination, and the Supplementary Provisions.

In Article 6, the Measures impose main responsibilities in ten categories on the competent departments of administration and supervision on highway and water carriage projects. The Measures also propose special construction schemes with checking computations on

safety for those dangerous projects, which have been classified mainly in ten categories by the Measures in Article 23 thereof.

Three main measures are stipulated by the Measures in Article 34 thereof in order to execute the administration and supervision by the competent authorities. Seven categories of main contents of such administration and supervision have also been stipulated. The Measures also propose administration and supervision on construction sites.

## **Operational Provisions and Procedures for the Application for the Establishment of Finance Companies of Enterprise Groups** 申请设立企业集团财务公司操作规程

Issued By	<b>The China Banking Regulatory Commission</b>
Subject	<b>Finance Companies of Enterprise Groups</b>
Promulgated on	<b>January 26<sup>th</sup> 2007</b>
Effective From	<b>January 26<sup>th</sup> 2007</b>
Source	<a href="http://www.cbrc.gov.cn">www.cbrc.gov.cn</a>

The Operational Provisions and Procedures for the Application for the Establishment of Finance Companies of Enterprise Groups (the “Provisions and Procedures”) have been promulgated by the China Banking Regulatory Commission (the “CBRC”) in line with the Banking Regulatory Law of the People’s Republic of China and the Measures for the Administration on Finance Companies of Enterprise Groups with the purposes of regulating the application for the establishment of finance companies of enterprise groups.

The term “finance company” as mentioned herein refers to those non-banking financial institutions which provide financial management services for the enterprise group member entities for the purpose of strengthening concentrated management of enterprise group funds and improving the efficiency of using the enterprise group funds. The Provisions and Procedures shall apply to the preparatory establishment and the business start stages for the application for the establishment of a finance company.

Where a finance company is established by a foreign funded investment company, and such foreign funded investment company holds more than 25% shares of such finance company, the Provisions and Procedures shall also be applicable. The examination and approval of the CBRC is required where a finance company is proposed to be established within territory of China.

The Provisions and Procedures consist of 43 articles in 6 chapters, namely, the General Provisions, Conditions for Establishment, Directors and Senior Managerial Personnel,

Application for the Establishment, Acceptance, Examination and Approval, and the Supplementary Provisions. Furthermore, there are also six supplementary such as the application form for preparatory establishment and the application form for business start.

There are two stages for the establishment application, namely the stage of preparatory establishment and the stage of business start. The parent company shall be the applicant. An Approval and Reply on Business Start shall be obtained first, a Financial License shall be obtained afterwards, and then the AIC procedures shall be started.

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