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Rules for the Establishment of Foreign-shared Securities Companies (2007)

外资参股证券公司设立规则（2007）

Issued By **China Securities Regulatory Commission**
Subject **Foreign-shared Securities Companies**
Promulgated on **December 28th 2007**
Effective from **January 1st 2008**
Source www.csrc.gov.cn

The Rules were originally issued by Decree No.8 of the China Securities Regulatory Commission on June 1, 2002, and revised in accordance with the Decision of the China Securities Regulatory Commission on Amending the Rules for the Establishment of Foreign-share Securities Companies on December 28, 2007, and the new Rules came into effect as of 1 January 2008. Some key points of such revision are:

Article 2 shall be revised as: The "foreign-shared securities companies" as mentioned in these Rules concerns:

1. The securities companies that are jointly contributed and set up by the foreign and domestic shareholders, and
2. The securities companies which are changed from domestic-invested securities companies by foreign shareholders through the acceptance or purchase of shares.

Article 5 shall be revised as: "The following businesses may be embarked upon by a foreign-shared securities company:

1. Underwriting and recommendation of stocks (covering RMB common stocks and foreign capital stocks) and bonds (covering government bonds and corporate bonds);
2. Brokerage of foreign capital stocks;
3. Brokerage and proprietary trading of bonds (covering government and corporate bonds); and
4. Other businesses confirmed by the CSRC."

Paragraph 2 of Article 8 shall be revised as: "One at least shall be a domestic-funded securities company among the domestic shareholders of a foreign-shared securities company. But the foreign-shared securities company altered from a domestic-funded securities company shall be an exclusion."

Paragraph 1 of Article 10 shall be revised as: "The proportion of the shares held by foreign shareholders or the equities owned by foreign shareholders accumulatively (both directly

held and indirectly controlled) in a foreign-shared securities company shall not surpassed one third of the total assets."

Item 6 of Article 22 shall be revised as: "Legal opinions and verification report on the aforesaid business settlements promulgated by the law firm resided in the territory of China and the accounting firm qualified for securities-related businesses",

An article shall be added after Article 24 as Article 25: "Foreign investors may hold the shares of a listed domestic-funded securities company through buying securities from the stock exchanges or setting up a strategically cooperative relation with the listed domestic-funded securities company upon acquiring an approval from the CSRC; the approved business scope of that listed domestic-funded securities company shall not be altered. With the premise which the controlling shareholder is a domestic one, the listed domestic-funded securities company shall not be limited by the proportion that at least one domestic shareholder holds one third or more of the total shares. The investor shall conform to the conditions provided for in Article 7 of these Rules, and comply with Article 129 of the Securities Law, if a foreign investor holds 5% or more of the shares of a listed domestic-funded securities company by buying securities from the stock exchanges or holding shares jointly with others by entering agreements or any other arrangements,. The proportion of the shares of a listed domestic-funded securities company held (including both directly held and indirectly controlled) by a single foreign investor shall not surpass 20%; and the proportion of the shares of a listed domestic-funded securities company held (converting both directly held and indirectly controlled) by all the foreign investors shall not surpass 25%."

Catalogue of Products to Be Attached with Energy Efficiency Labels of the People's Republic of China (Third Batch)

中华人民共和国实施能源效率标识的产品目录（第三批）

Issued By	National Development and Reform Commission, General Administration of Quality Supervision, Inspection and Quarantine, and the Certification and Accreditation Administration
Subject	Energy Efficiency Labels
Promulgated on	January 25th 2008
Effective From	June 1st 2008
Source	www.gov.cn

As of 1 June 2008, five kinds of products that manufactured or sold in China or imported into China market must be marked with the energy efficiency labels. The Catalogue is the third batch and the concerned five kinds of products are:

1. self-ballasted fluorescent lamps;
2. high-pressure sodium lamps;
3. electric motors;
4. water chillers; and
5. gas water heaters.

According to the Measures for the Administration on Energy Efficiency Labels, which came into force as of 1 March 2005, the energy efficiency label as mentioned in these Measures shall mean a kind of information label indicating the energy efficiency grade and other performance indices of energy consuming products, which belongs to product conformity labels.

The State practices a uniform energy efficiency label system to the widely used energy consuming products with great potential in energy conservation. The State formulates and promulgates the Catalogue of Products to Be Attached with Energy Efficiency Labels, and determines uniformly applicable product energy efficiency standards, implementation rules, specimen and specifications of energy efficiency labels.

For any product listed into the “Catalogue”, the uniform energy efficiency label shall be indicated on an eye-catching position of the product or its smallest packing, and shall be stated in the instructions of this product.

The name of the energy efficiency label is China Energy Label. The energy efficiency label shall include the following basic contents:

1. name or shortened name of the manufacturer;
2. specifications and type of the product;
3. energy efficiency grade;
4. energy consumption; and
5. number of the applicable national standards for energy efficiency.

Some Policies on Encouraging the Development of Digital TV Industry (Guobanfa[2008]No.1)

关于鼓励数字电视产业发展的若干政策（国办发[2008]1号）

Issued By **State Council**
Subject **Digital TV**
Promulgated on **January 1st 2008**
Effective from **January 31st 2008**
Source www.gov.cn

Technologies and investment on digital TV industry is welcomed in China. The State issued the Policies on the beginning day of 2008. China has ambitious goals. The TV programs of 2008 Beijing Olympic Game will be broadcasted via digital TV technology. Current technologies of analog signals is planned to be replaced totally by digital TV technologies in 2015.

The Policies clarifies that the annual sales amount of digital TV sets and the related products is planned to achieve 150 billion RMB and the export amount is planned to achieve 10 billion US dollars. Furthermore, China is planned to be the biggest production base for digital TV set and the main R&D base for key technologies, and thus become a great power in digital TV industry.

Foreign enterprises and research institutions are strongly encouraged by the Policies to establish R&D centers in China and cooperate with domestic institutions and enterprises especially on key technologies of digital TV industry.

There are six main competent governmental departments, namely, National Development and Reform Commission, Ministry of Science, Ministry of Finance, Ministry of Information Industry, State Administration of Taxation, and the State Administration of Radio Film and Television. Such departments shall be responsible for interpretation and jointly implementation of the Policies.

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