



Activity Title and Number: EU-China Seminar on Futures Market Supervision; A286-C1	Beneficiary: China Securities Regulatory Commission (CSRC)
Location and Date: Beijing; 20-21 February 2014	Stakeholders: CSCR local branches, National Development and Reform Commission China Futures Association, Futures Exchanges, National People's Congress, Legislative Affairs Office of the State Council, Supreme People's Court; China Futures Margin Monitoring Center

Brief Activity Report

Relevance and Impact

In recent years, China's futures market has grown rapidly. According to [China Securities Regulatory Commission's 2012 Annual Report](#), total securities trading volume reached 1.45 billion contracts in 2012 with a total turnover of RMB 171.13 trillion. However, this market is still lacking a proper legislative framework. A Futures Law would help regulate commodity and financial futures trading activities and protect investors.

To support these efforts, on 20-21 February 2014, EUCTPII held a **Seminar on Futures Market Supervision** in Beijing for officials from China Securities Regulatory Commission. The seminar aimed at helping Chinese legislators and regulators improve China futures industry's legal and regulatory framework by learning from Europe's best practices in the field of operation and supervision of futures markets, including crude oil markets.

Activity Description

About 100 participants who are responsible for future market supervision and legislation attended this two day workshop.

Director General ZHANG Jinsheng of China Securities Regulatory Commission highlighted the importance of further regulating and supervising China's growing futures market while providing better protection for investors. The activity included exchanges on the scope of application of Europe's and France's futures law as well as on the legal framework for futures exchanges in Germany. In addition detailed analyses of the regulation, protection of investors, and opening-up of Europe's futures market were highlighted with European experts from both Europe's financial regulatory bodies and exchanges engaging and answering the audience's questions. The issue of crude oil was tackled through the angle of market regulation and the development of spot and futures crude oil markets.



Thibault Heuzé First Secretary and Financial Counsellor, Economic and Financial Affairs Section, EU Delegation to China opens the EU-China Seminar on Futures Market

Results and Dissemination

At the workshop, the interaction between EU experts and Chinese officials allowed the former to deepen the knowledge about Europe's futures markets supervision and regulation mechanisms while highlighting the challenges ahead if China wishes to open-up its own market to European market participants. This activity highlighted the urgent need for a sound and transparent carbon allowances and related derivatives market which could in the long term complement China's overarching efforts to reduce the rampant air pollution.