



Activity Title and Number: Study Assignment on EU Corporate Bond Market Developments; A269-C1

Beneficiary: People's Bank of China (PBOC)

Location and Date: Germany, Belgium, UK; 13-24 October, 2013

Stakeholders: PBOC local branches, European Commission, European Central Bank, BaFin, Bank of England, Financial Conduct Authority, Clearstream, Frankfurt Stock Exchange, Euroclear HSBC, Deutsche Bank, HSBC, International Capital Market Association, London Clearing House

Brief Activity Report

Relevance and Impact

In the last two decades, China's bond market has grown into one of the world's largest (it now ranks fourth by value at about 21.73 trillion CNY). While China is in the process of establishing a more actively traded credit bond market, one goal of this effort is to encourage corporations to seek more financing through the marketplace rather than through bank loans.

To improve the development and reform of China's corporate bond market, the PBOC seeks to draw from EU regulatory practices for the issuance, trade, registration, trusteeship, settlement and clearance of corporate bonds. To facilitate this exchange, EUCTP organised a study assignment on **EU Corporate Bond Market Developments** for PBOC to give central bank officials a firsthand understanding of recent EU developments.

Activity Description

Fifteen officials from PBOC led by Mr. Lin Jianhua, Deputy Director-General of the Financial Market Department, participated in the study assignment..

The delegation discussed bond market supervision from both regulatory and industry perspectives with a range of EU and Member State regulatory institutions, including commercial banks and stock exchanges, and industry associations. Key issues covered included the institutional arrangements of bond clearing, bond trading, bond registration, deposits and bond market development.



Officials from the PBOC engage in discussions with European counterparts regarding corporate bond market developments 21 October - 1 November, 2013

Results and Dissemination

- ✓ Raised delegates' awareness of the European Union's bond market regulation which will be helpful in developing China's bond market in the future, particularly regarding bond issuance, trading and clearance;