



Activity Title and Number: Study Assignment on Securities Law Enforcement; A285-C1	Beneficiary: China Securities Regulatory Commission (CSRC)
Location and Date: Germany, France, UK; 23 September-1 October, 2013	Stakeholders: China Securities Finance Corporation Ltd; German Financial Supervisory Authority; Autorité des marchés financiers; UK Financial Conduct Authority; Euronext NYSE; London Stock Exchange; Frankfurt Stock Exchange; UK Upper Tribunal

Brief Activity Report

Relevance and Impact

A key challenge for China's developing capital market is effective enforcement of securities laws, particularly in relation to insider trading and market manipulation which undermines efficiency and confidence in the market.

Following an EUCTPII activity in November 2011 on Curbing Insider Trading (A080C1), a Study Assignment on Securities Law Enforcement was organised for CSRC to share EU and Member State expertise and current practices on securities law punishment mechanisms.

Activity Description

Nine officials from CSRC (responsible for enforcement) and China Securities Finance Corporation Ltd., led by Mr. Teng Biyan, Deputy Director-General, Administrative Sanction Committee of China Securities Regulatory Commission, participated in the study assignment.

Delegates met with several Member State financial regulators and stock exchanges to discuss EU enforcement and punishment mechanisms, particularly in relation to cross-market manipulation and short-trading. In particular, the delegates learned about the separation of investigative and punitive powers to improve the transparency and independence of enforcement decision-making.



*Officials from the CSRC engage in discussions with European counterparts regarding strategies for improving securities law enforcement
23 September - 1 October, 2013*

Results and Dissemination

- ✓ The study assignment raised delegates' awareness of the strategies used by the EU and individual Member State financial institutions to effectively enforce securities law
- ✓ The hands-on meetings and in-depth discussions reinforced CSRC's knowledge of market abuse investigations procedures, especially in the settlements regime