



**Activity Title and Number:** Study assignment on foreign exchange administrations' negative lists; A413-C1

**Beneficiary:** State Administration of Foreign Exchange (SAFE)

**Location and Date:** Greece and France; 24-30 June 2015

**Stakeholders:** Legislative Affairs Office of the State Council, Bank of Greece, Huawei, OECD, Banque de France, European Court of Justice, and ICBC Paris branch

## Brief Activity Report

### Relevance and Impact

In July 2014, Shanghai released a revised version of its negative list which cut down the number of restrictions on foreign investment in the China (Shanghai) Pilot Free Trade Zone (Shanghai FTZ) from 190 to 139. Additionally, in late March 2015, PBOC expressed that China would further push capital account convertibility by adopting measures to facilitate cross-border investments by individual investors, strengthen capital market connectivity and amend the Regulations on Foreign Exchange Administration. It is a pressing task for SAFE to promote foreign exchange administration reforms and innovations.

In order to support these developments, EUCTP II organised a study assignment for SAFE officials to Greece and France to provide them with a better understanding of the European Union's experience in establishing negative lists, free movement of capital and economic and financial management.

### Activity Description

15 delegates from SAFE and its local branches and Legislative Affairs Office of the State Council led by Deputy Director General XU Weigang took part in the study assignment.

The meetings with the central banks of France and Greece, the OECD and Chinese companies established in France and Greece provided delegates with in-depth knowledge on the EU's best practices and experiences in cross-border capital flow movement. Delegates received one day training on the OECD code of liberalisation by OECD officials.

### Results and Dissemination

The study assignment provided Chinese foreign exchange regulators with knowledge that will:

- ✓ inform the reforms of China's FX administration system in order to better attend to companies in China and abroad;
- ✓ be helpful to changing the FX supervisory environment in China.