

State Administration of Foreign Exchange

2020

Annual Report

► Contents

vi	Administrator's Address
x	Management of the SAFE
1	Major Functions and Organizational Structure of the State Administration of Foreign Exchange
14	China's Macro Economy
17	Global Economy and Financial Market Review
20	The Foreign Exchange Administration Situation
20	China's Balance of Payments
24	China's International Investment Position
26	China's External Debt
28	Trends in the RMB Exchange Rate and Domestic Foreign Exchange Market Transactions
32	Foreign Exchange Administration under the Current Account
40	Foreign Exchange Administration under the Capital Account
47	Statistics and Monitoring of the Balance of Payments
53	Regulation of the Foreign Exchange Business of Financial Institutions
55	Building and Development of the Foreign Exchange Market
57	Foreign Exchange Compliance Inspection and Law Enforcement
62	Management of Foreign Exchange Reserves
70	Construction of the Legal System for Foreign Exchange Administration

75	Disclosure and Dissemination of Information on Government Affairs
78	Cyber Security and IT Application
82	International Communication and Cooperation
84	Internal Management
96	Foreign Exchange Statistics
160	A Chronicle of China's Foreign Exchange Administration in 2020
173	Major Foreign Exchange Administration Policies and Regulations Promulgated in 2020
	◆ Box
37	Box 1 Enhancing Regulations Integration to Improve the Effectiveness of Facilitation Measures under the Current Account
44	Box 2 Promoting High-quality, Two-way Opening-up of the Financial Market on an Ongoing Basis
50	Box 3 Pushing forward the Development of a High-level Statistical System for the Balance of Payments
60	Box 4 Cracking down Hard on Illegal Cross-border Financial Activities and Maintaining Benign Order of the Foreign Exchange Market
64	Box 5 Overview of Foreign Exchange Reserves Investments
65	Box 6 The 10th Anniversary of the Diversified Use of Foreign Exchange Reserves Witnesses Remarkable Achievement
67	Box 7 Actively Promoting Sustainable Development in the Foreign Exchange Reserves Management
72	Box 8 Positive Outcomes Accomplished in Supporting both Pandemic Prevention and Control and Economic and Social Development

88	Box 9	Implementing Follow-up Audit to Advance Effective Execution of Foreign Exchange Policies on Pandemic Prevention and Resumption of Work and Production
91	Box 10	Actively Promoting High-quality Building of the Party
94	Box 11	New Achievements on Targeted Poverty Relief Made by Creating New Models of Financial Poverty Relief
	◆ Table	
96	Table S1	China's Balance of Payments, 2020
99	Table S2	Abridged China's Balance of Payments, 1990-2020
105	Table S3	China's International Investment Position, 2004-2020
109	Table S4	External Financial Assets and Liabilities of China's Banking Sector, End of 2020
112	Table S5	China's Gross External Debt Position by Sector, End of 2020
116	Table S6	Structure and Growth of China's Long-term and Short-term External Debt, 1990-2020
118	Table S7	China's External Debt, National Economy, and Foreign Exchange Income, 1990-2020
120	Table S8	Flows of China's External Debt, National Economy, and Foreign Exchange Income, 1990-2020
122	Table S9	Annual and Monthly Averages of the Central Parity Rate of the RMB against the USD, January 1990-December 2020
124	Table S10	Central Parity Rate of the RMB, January-December 2020
134	Table S11	Foreign Exchange Reserves, 1990-2020
135	Table S12	China's Foreign Exchange Reserves, January-December 2020
136	Table S13	Qualified Domestic Institutional Investors (QDIIs) with Investment Quotas Granted by the SAFE

142	Table S14	List of Banks Engaging in Derivative Businesses for Clients
146	Table S15	Banks as Market-Makers in the Trading of RMB-Forex on the Interbank Forex Market
148	Table S16	List of Insurance Institutions Operating Foreign Exchange Businesses
	◆ Figure	
16	Figure 1	China's Monthly Trade Balance, 2020
16	Figure 2	Growth Rates of China's Imports and Exports, 2020
19	Figure 3	Performance of the Exchange Rates of Major Currencies, 2020
28	Figure 4	Trends in the Central Parity Rates of the RMB against Other Main Currencies, 2020
29	Figure 5	Trends in the RMB Effective Exchange Rate, 1994-2020
114	Figure S1	Components of the Full-scale External Debt by the Type of Debtors, End of 2020
115	Figure S2	Components of the Full-scale External Debt by the Type of Debt, End of 2020

► Administrator's Address

In 2020, with the unprecedented COVID-19 pandemic and complicated international situation, the State Administration of Foreign Exchange (the SAFE) adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and fully implemented the spirits of the 19th National Congress of the Communist Party of China (CPC), and the Second, Third, Fourth and Fifth Plenary Sessions of the 19th CPC Central Committee, as well as the Central Economic Work Conference. In accordance with the decisions and deployments of the CPC Central Committee and the State Council, combined with the requirements of epidemic prevention and control, the SAFE gave greater priority to serving the real economy, promoting reforms and opening-up as well as preventing and dissolving risks, while putting the best efforts to ensure stability in six key areas and meet “six priorities”, thus maintained the stability of the foreign exchange market and the basic equilibrium in balance of payments. Meanwhile, the SAFE strengthened the awareness of political organs and promoted the in-depth development of strict comprehensive governance of the Party. In rapid response to the COVID-19 pandemic, the SAFE set up a “green channel” of foreign exchange and provided full support for epidemic prevention and control and the overall economic and social development. While deepening the reform and opening-up in the foreign exchange sector, the SAFE promoted the opening of capital account in a steady and orderly manner. In order to promote prevention and resolution of major financial risks, the SAFE further improved the management framework of “macro-prudential management plus micro regulation” for foreign exchange market and cracked down upon illegalities

and irregularities in foreign exchange field. In the complex international political environment and volatile global financial market, the SAFE improved operation and management of foreign exchange reserves and ensured safety, liquidity as well as value preservation and appreciation of the foreign exchange reserves.

In 2020, China's cross-border capital flows were basically balanced. Current account remained within a reasonable range, registering a surplus of USD 274 billion, accounting for 1.9 percent of the GDP. The surplus of financial account excluding reserve assets reached USD 77.8 billion, which was dominated by large inflows of direct investment and active securities investment. At the end of 2020, China's foreign exchange reserves stood at USD 3,216.5 billion, up by USD 108.6 billion from the end of 2019.

Looking into 2021, the foundation for maintaining a basic equilibrium in China's balance of payments is expected to remain solid. First, China is accelerating a "dual circulation" development pattern with the major domestic cycle as the main drive and the domestic and international cycles reinforcing each other. China will also actively promote the coordinated development of domestic and external demand, imports and exports, foreign capital and outward investment, which will help maintain a basic equilibrium in balance of payments. Second, China is committed to promoting the high-level opening-up of the financial market in both directions, and accelerating liberalization and facilitation of cross-border trade and investment, and thus will create a favorable policy environment for two-way balanced cross-border capital flows.

Third, the increased flexibility of RMB exchange rate will continue to be an “automatic stabilizer” of macroeconomic adjustments and international payments.

2021 is the beginning year of 14th Five-Year Plan, the foreign exchange authorities will unite more closely around the CPC Central Committee with Comrade Xi Jinping as the core, enhance “the four consciousnesses”, bolster “the four confidences”, and achieve “the two upholds”, base on new development stage, implement new development concepts, construct a new development pattern, continue to ensure stability in six key areas and meet “six priorities”, carry out reform and improvement on the foreign exchange administration mechanism to improve the level of trade and investment liberalization and facilitation at the micro level and to safeguard China’s economic and financial security at the macro level. First, the SAFE will uphold and strengthen the Party’s overall leadership over financial and foreign exchange work, continuously improve political judgment, understanding, and execution, promote the high-quality development of Party construction. Second, the SAFE will pay close attention to the impacts of external shocks like the COVID-19 pandemic, strengthen macro-prudential and market expectation management, and prevent the risk of abnormal cross-border capital flows. Third, the SAFE will deepen reform and opening-up in the foreign exchange sector, further enhance trade and investment facilitation, create an open, diversified, and fully functional foreign exchange market, and build a new system of an open economy at a higher level. Fourth, the SAFE will keep improving the two-pronged management framework

of “macro-prudential management plus micro regulation” for foreign exchange market to maintain the sound order of the foreign exchange market and safeguard national economic and financial security. Fifth, the SAFE will continue to improve the operation and management of foreign exchange reserves with Chinese characteristics, and ensure safety, liquidity, and value preservation and appreciation of the foreign exchange reserves.

Pan Gongsheng

► Management of the SAFE



Pan Gongsheng

Administrator,
State Administration of Foreign
Exchange



Zheng Wei

Deputy Administrator,
State Administration of
Foreign Exchange



Xuan Changneng

Deputy Administrator,
State Administration of Foreign
Exchange



Zhang Xin

Deputy Administrator,
State Administration of
Foreign Exchange
(June 2017 - January 2020)



Lu Lei

Deputy Administrator,
State Administration of
Foreign Exchange



Wang Chunying

Deputy Administrator, State
Administration of Foreign
Exchange (June 2020 -
present)



Xu Weigang

Chief Accountant, State
Administration of Foreign
Exchange (December 2020 -
present)

► Major Functions and Organizational Structure of the State Administration of Foreign Exchange

I. Major Functions

(I) To study and propose policy suggestions for reforming the foreign exchange administration system so as to control balance of payments risks and to promote an equilibrium in the balance of payments; to study policy measures to make gradual advances in the convertibility of the RMB under the capital account and to cultivate and develop the foreign exchange market; and to provide suggestions to and a foundation for the People's Bank of China (hereinafter referred as the PBC) to formulate policy on the RMB exchange rate.

(II) To participate in the drafting of relevant laws, regulations, and departmental rules on foreign exchange administration and to release and carry out those duties related to the regulatory documents.

(III) To oversee the statistics and monitoring of the balance of payments

and external credit and debt, to release relevant information according to the regulations, and to undertake related work with respect to the monitoring of cross-border capital flows.

(IV) To supervise and manage the state foreign exchange market; to undertake supervision and management of the sales and purchases of foreign exchange; and to cultivate and develop the foreign exchange market.

(V) To supervise and check the authenticity and legality of foreign exchange receipts and payments under the current account according to the law; to implement foreign exchange administration under the capital account according to the law; to continuously improve management work in line with the process of the convertibility of the RMB under the capital account; and to regulate management of overseas and domestic foreign exchange accounts.

(VI) To implement supervision and inspections of foreign exchange activities according to the law and to punish behaviors which are in violation of foreign exchange administration.

(VII) To operate and manage official foreign exchange reserves, gold reserves, and other foreign exchange assets.

(VIII) To make developmental plans, standards, and specifications for IT-based foreign exchange administration and to organize the relevant implementation; and to carry out supervisory information-sharing with related administrative departments according to the law.

(IX) To participate in relevant international financial activities.

(X) To undertake other tasks as assigned by the State Council and the PBC.

II. Internal Departments

In addition to the SAFE CPC Committee, the SAFE Head Office consists of eight functional departments, including the General Affairs Department (Policies and Regulations Department), the Balance of Payments Department, the Current Account Management Department,

the Capital Account Management Department, the Supervision and Inspection Department, the Reserves Management Department, the Human Resources Department (the Internal Auditing Department), and the Science and Technology Department.

General Affairs Department (Policies and Regulations Department): Carries out ordinary work, such as document management, meeting arrangements, confidential materials and archives management, as well as work concerning security, confidentiality, emergency disposal, news releases, and so forth; exercises financial management, assets management, and foreign affairs management; studies significant issues regarding foreign exchange administration and makes policy recommendations; participates in the drafting of relevant laws, regulations, and departmental rules; examines the legality of regulatory documents and participates in the drafting of important comprehensive documents; and carries out relevant administrative responses to legal suits, administrative reconsiderations, and hearings.

Balance of Payments Department:

Undertakes the design and implementation of the statistical systems for the balance of payments, foreign exchange receipts and payments, and foreign exchange settlement and sales, and prepares the relevant statements; conducts monitoring, analysis, and early warnings on cross-border capital flows; exercises supervision and management of the foreign exchange receipts and payments of banks and of the banks' own foreign exchange settlement and sales businesses; takes responsibility for supervision and management of foreign exchange market; and monitors the RMB exchange rate and provides the PBC with recommendations and a basis for formulating RMB exchange rate policies.

Current Account Management Department: Carries out supervision and management of foreign exchange receipts and payments under the current account, examination of the authenticity of foreign currency exchange, and supervision and management of foreign exchange accounts both at home and abroad; undertakes management of market access for the relevant foreign exchange business of insurance financial institutions and management of foreign exchange receipts

and payments and foreign currency exchange; and draws up administrative regulations for entry-exit quotas regarding the carrying and declaration of cash in foreign currencies, and so forth.

Capital Account Management Department: Carries out supervision and management of transactions under the capital account, foreign exchange receipts and payments, foreign currency exchange, and the use of funds and foreign exchange accounts both at home and abroad; carries out registration for direct investments, management of foreign currency exchange, and relevant statistical monitoring in accordance with the law; exercises the relevant management of short-term external debt, contingent liabilities, external claims, and so forth; undertakes management of the registration and statistical monitoring of full-scale external debt; carries out management of market access for the relevant foreign exchange businesses of non-bank financial institutions other than insurance institutions and management of foreign exchange receipts and payments and foreign currency exchange; and carries out registration and management of foreign exchange receipts and payments related to

cross-border investments in securities or derivative transactions.

Supervision and Inspection Department:

Carries out foreign exchange inspections, investigates and imposes penalties in accordance with the law on activities in violation of the foreign exchange administration regulations; participates in campaigns to combat underground banks, assists the public security and judicial authorities in investigating illegal foreign exchange transactions, evasion of exchange controls, fraudulent purchases of foreign exchange, and other illegal foreign exchange activities; and conducts inspections of the foreign exchange receipts and payments of institutions and individuals and of other activities related to foreign exchange business.

Reserves Management Department:

Researches on strategies, principles, and policy recommendations for the operation and management of official foreign exchange reserves and gold reserves, and draws up and implements overall operational proposals; supervises and inspects the status of external-managed reserve assets; carries out coordination and cooperation with international institutions,

participates in international financial activities, and undertakes relevant work with respect to informational exchanges and cooperation with the Hong Kong SAR, Macao SAR, and Taiwan Province; and studies and draws up principles for the operation of other entrusted foreign exchange assets.

Human Resources Department (Internal Auditing Department):

Handles personnel work for the SAFE Head Office and affiliated institutions, undertakes management of retirees of the SAFE and conducts internal audit activities as authorized.

Science and Technology Department:

Draws up the science and technology development plan for foreign exchange administration and engages in science and technology development work for the national foreign exchange administration system; studies and formulates standards and specifications for IT-based foreign exchange administration and organizes the relevant implementation; and carries out supervisory information sharing with the relevant administrative departments according to the law and takes responsibility for the information security work of the

SAFE.

SAFE CPC Committee: Under the leadership of the CPC Leading Group of the SAFE and as required by the CPC Committee of the PBC, the SAFE CPC Committee is responsible for the work of the SAFE Head Office and its directly affiliated institutions that are related to Party building, discipline inspection, perambulation, labor unions, the Communist Youth League, women, the United Front, and paired assistance.

III. Affiliated Institutions

Four affiliated institutions are under the direct management of the SAFE, including the SAFE Investment Center, the Information Technology Center, the General Services Center, and the SAFE Research Center.

SAFE Investment Center: In accordance with the *Law of the People's Republic of China on the People's Bank of China and the Regulations of the People's Republic of China on Foreign Exchange Administration* as well as the operational strategies and principles of official foreign exchange reserves, the SAFE Investment Center is responsible for the operation and

management of official foreign exchange reserves and gold reserves; serving the development of China's real economy and promoting the diversified use of foreign exchange reserves; and the operation and management of other assets as entrusted upon approval.

Information Technology Center: Is responsible for network and application system construction, organizing construction and promotion of applications and operations, and maintenance as well as emergency security for the foreign exchange administration IT system and other technological projects; project initiation and use of IT construction funds; constructing e-government for foreign exchange administration; performing data collection, management, and supervision of foreign exchange businesses; guiding the network and IT system construction in branches and sub-branches; technical management as well as operation and maintenance of the intra-city/remote backup centers; safeguarding cyber security for foreign exchange administration; implementing the technological development planning and IT standards and specifications for the national foreign exchange administration

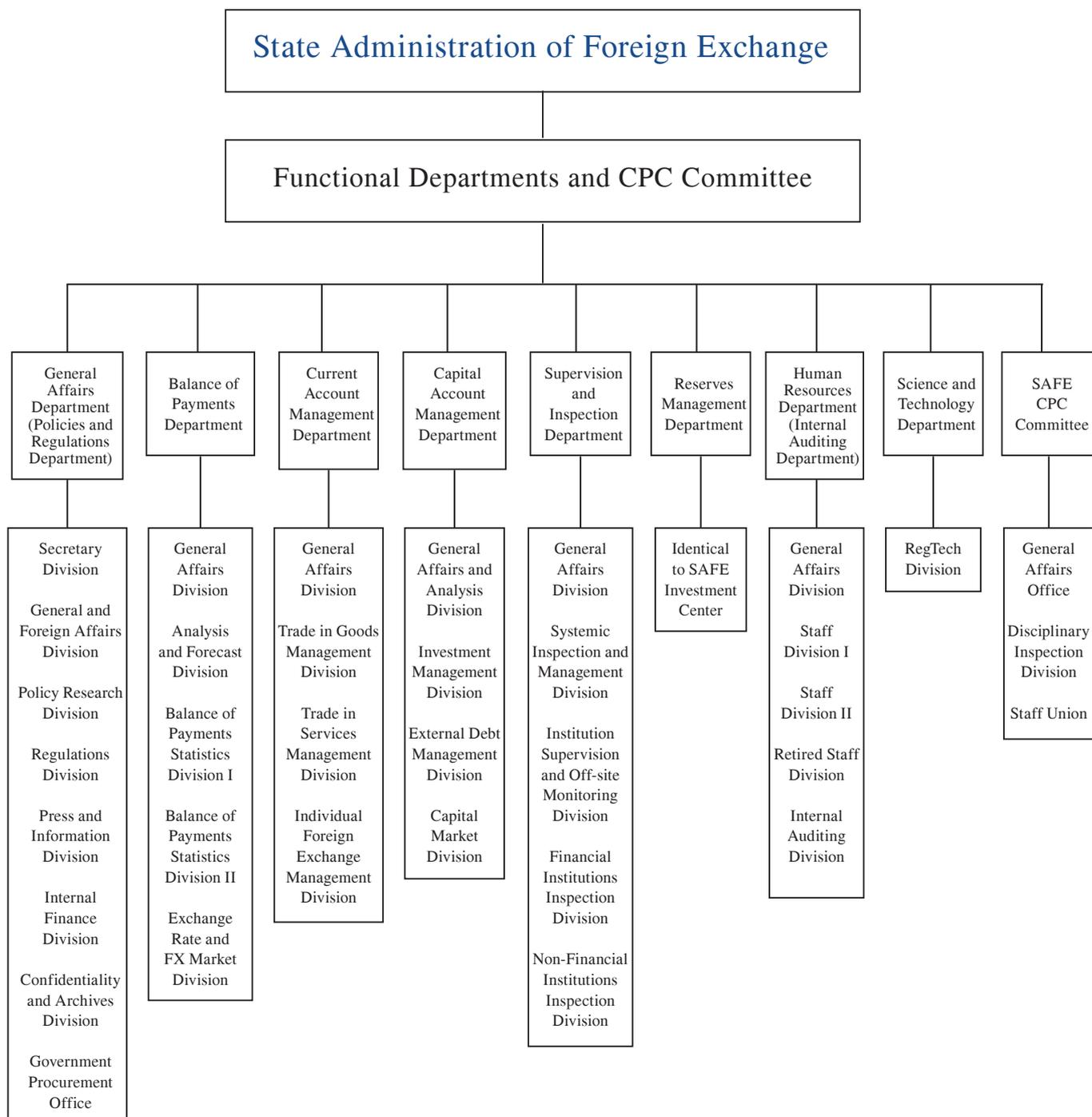
system; performing supervisory information sharing with relevant departments.

General Services Center: Formulates the work plan and regulations for the affairs management of the SAFE Head Office, handles its administrative affairs and provides logistical services for the SAFE Head Office.

SAFE Research Center: Is responsible for conducting systematic and in-depth theoretical and policy research related to foreign exchange administration practice and economic and financial

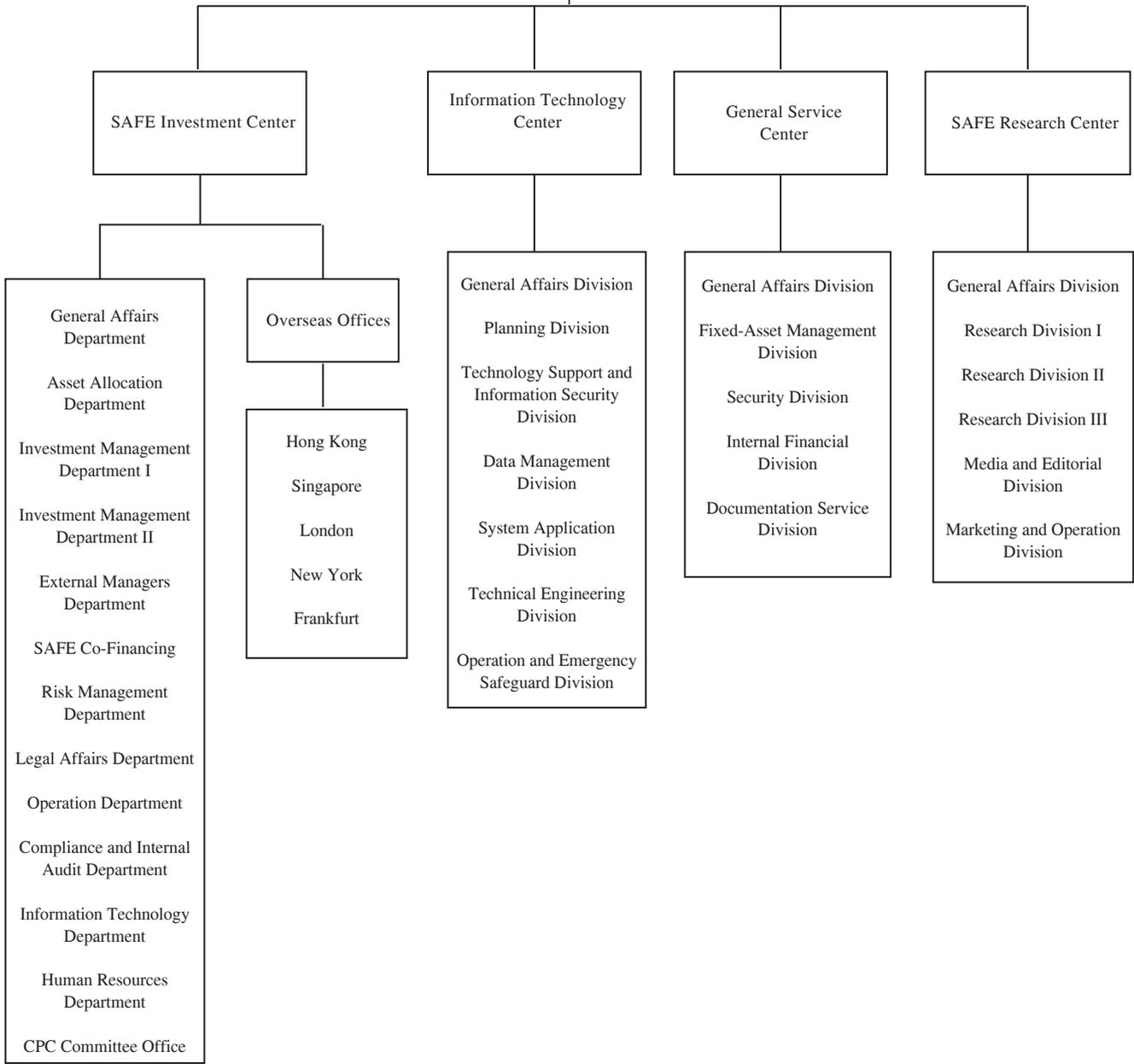
reforms, and providing advice for foreign exchange administration policies formulation, promoting foreign exchange administration reform, as well as risk prevention in the foreign exchange market; carrying out interpretation and promotion of foreign exchange administration policies and international academic exchange and cooperation related work; compiling and publishing the *Annual Report of the State Administration of Foreign Exchange, China Forex* and other publications.

Organizational Chart of the SAFE Head Office and Affiliated Institutions, 2020



State Administration of Foreign Exchange

Affiliated Institutions



IV. Branch Networks

The SAFE has set up branches or administrative offices in various provinces, autonomous regions, and municipalities directly under the Central Government, as well as in some cities with sub-provincial status. In addition, the SAFE

has established a number of central sub-branches in some regions (cities) and sub-branches in some counties (cities). These branch networks operate on the same premises as the PBC local branches and sub-branches. As of the end of 2020, the SAFE network consisted of the following:

SAFE Network	Branches (Administrative Offices)	Central Sub-branches	Sub-branches
Number of Institutions	36	309	517

Organizational Chart of the SAFE Branch Network, 2020

State Administration of Foreign Exchange

Branches (Administrative Offices)

1	Tianjin Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
2	Liaoning Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division

State Administration of Foreign Exchange

Branches (Administrative Offices)

3	Shanghai Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
---	-----------------	--

4	Jiangsu Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
---	----------------	--

5	Shandong Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
---	-----------------	--

6	Hubei Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
---	--------------	---

7	Guangdong Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division Foreign Exchange Business Office
---	------------------	--

8	Sichuan Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
---	----------------	---

9	Shaanxi Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
---	----------------	---

State Administration of Foreign Exchange

Branches (Administrative Offices)

10	Beijing Administrative Office	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
11	Chongqing Administrative Office	Balance of Payments Division Current Account Management Division Capital Account Management Division
12	Hebei Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
13	Shanxi Branch	Balance of Payments Division Foreign Exchange Administration Division
14	Inner Mongolia Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
15	Jilin Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division
16	Heilongjiang Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
17	Zhejiang Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
18	Fujian Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division

State Administration of Foreign Exchange

Branches (Administrative Offices)

19	Anhui Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	--------------	---

20	Henan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division
----	--------------	--

21	Jiangxi Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	----------------	---

22	Hunan Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	--------------	---

23	Guangxi Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	----------------	---

24	Hainan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division
----	---------------	--

25	Guizhou Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division
----	----------------	---

26	Yunnan Branch	Balance of Payments Division Current Account Management Division Capital Account Management Division
----	---------------	--

27	Tibet Branch	Foreign Exchange Administration Division
----	--------------	--

28	Gansu Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division
----	--------------	---

29	Ningxia Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division
----	----------------	---

State Administration of Foreign Exchange

Branches (Administrative Offices)

30	Qinghai Branch	Balance of Payments Division (General Affairs Division) Foreign Exchange Administration Division
----	----------------	---

31	Xinjiang Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	-----------------	---

32	Shenzhen Branch	General Affairs Division Balance of Payments Division Current Account Management Division Capital Account Management Division Foreign Exchange Inspection Division
----	-----------------	--

33	Dalian Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	---------------	---

34	Qingdao Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	----------------	---

35	Xiamen Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	---------------	---

36	Ningbo Branch	Balance of Payments Division (General Affairs Division) Current Account Management Division Capital Account Management Division
----	---------------	---

► China's Macro Economy

The national economy continued to recover steadily

In 2020, the national economy continued to recover steadily, with the overall national strength further improved. China was the first to achieve positive economic growth among the major economies in the world, with its economic aggregate reaching a new stage of 100 trillion yuan. In the year, China's GDP hit a record high of RMB 101.6 trillion yuan, a year-on-year increase of 2.3 percent.

Industrial profits increased and steady improvement was made in quality and efficiency

The industrial added value of enterprises above the designated size across the nation grew by 2.8 percent year on year. Industrial enterprises above the designated size gain a profit of 6.5 trillion yuan throughout the year, a year-on-

year increase of 4.1 percent. The profits achieved by equipment manufacturing industry increased by 10.8 percent year on year, stimulating the profit growth of industrial enterprises above the designated size by 3.7 percentage points, having an obvious driving effect over the manufacturing industry as a whole. The profits achieved by high-tech manufacturing increased by 16.4 percent, being the fastest growing industrial sector.

Growth in fixed asset investments returned and the recovery in consumption was consolidating

The annual total investments in fixed assets amounted to RMB 52.7 trillion yuan, a year-on-year increase of 2.7 percent. Total revenue from retail sales of consumer goods was RMB 39.2 trillion yuan, a year-on-year decrease of 3.9 percent.

The consumer price index (CPI) was basically stable, while the growth rate in industrial producer price index (PPI) fell

China's CPI rose by 2.5 percent year on year. The PPI dropped by 1.8 percent as compared with the previous year. The industrial producer purchase price (IPI) dropped by 2.3 percent year on year.

Growth in income of residents was basically in step with economic growth

The per capita disposal income of Chinese residents was RMB 32,189 yuan, an increase of 4.7 percent year on year, or an increase of 2.1 percent on an inflation-adjusted basis. The per capital disposal income of urban residents reached RMB 43,834 yuan, up by 3.5 percent year on year or 1.2 percent in real terms. The per capital disposal income of rural residents was RMB 17,131 yuan, up by 6.9 percent year on year, or 3.8 percent in real terms.

The total money supply rose steadily

The broad money supply (M2) posted a balance of RMB 218.7 trillion yuan, a rise of 10.1 percent year on year; the balance

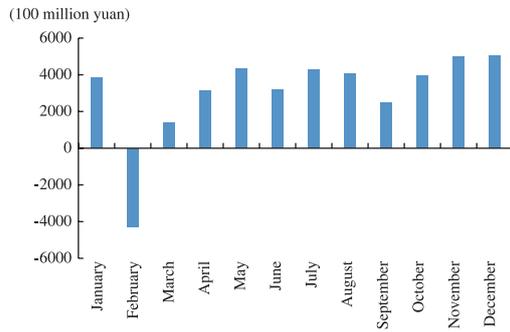
of narrow money supply (M1) increased by 8.6 percent year on year to RMB 62.6 trillion yuan; and the balance of currency in circulation (M0) increased by 5.4 percent year on year to RMB 7.7 trillion yuan. The increase of social financing for the full year of 2020 was RMB 34.9 trillion yuan, up by RMB 9.2 trillion yuan year on year as calculated on comparable terms. The balance of social financing at the year end was RMB 284.8 trillion yuan, a year-on-year increase of 13.3 percent. At the end of 2020, the outstanding loans denominated in domestic and foreign currencies of all financial institutions totaled RMB 178.4 trillion yuan, a year-on-year increase of 12.5 percent.

The gross amount of imports and exports was stronger than expected, and the foreign trade reached a historical high

The gross amount of imports and exports totaled RMB 32.2 trillion yuan, a year-on-year increase of 2.0 percent. Specifically, the gross amount of exports increased by 4.0 percent year on year to RMB 17.9 trillion yuan, whereas the gross amount of imports decreased by 0.4 percent to

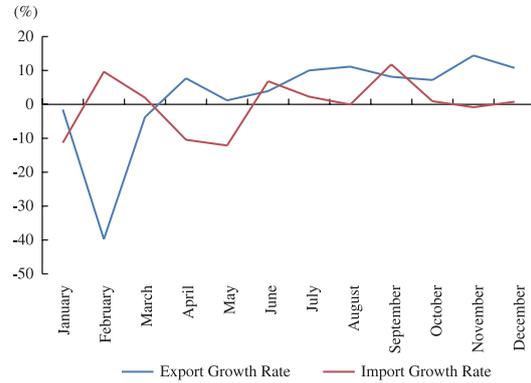
RMB 14.3 trillion yuan, leading to a trade surplus of RMB 3.7 trillion yuan, an

increase of 25.5 percent from 2019.



Source: General Administration of Customs.

Figure 1 China's Monthly Trade Balance, 2020



Source: General Administration of Customs.

Figure 2 Growth Rates of China's Imports and Exports, 2020

► Global Economy and Financial Market Review

Global economy slipped into a deep recession

The global economy was brutally hit by the COVID-19 pandemic and plunged into a “sudden stop” style of deep recession in 2020. According to the International Monetary Fund (IMF), the global economic growth rate dipped to -3.2%, down 6 percentage points over 2019. The U.S. GDP growth rate for 2020 stood at -3.5%, down 5.7 percentage points year on year. The Eurozone, Japan, and emerging market economies excluding China saw their growth rate plummet to -3.6%, -7.4%, and -5.3%, respectively. Of all the major economies across the globe, only China scored a positive economic growth rate, at 2.3% in 2020.

The pandemic was not yet to be brought under effective control, with new infections rising continuously across the world

The COVID-19 pandemic broke out in

February 2020. Ever since, it spiraled upward in the U.S., Europe, and some emerging market economies all over the world. By the end of 2020, the world has seen a total of 83.88 million confirmed cases, with the daily increase exceeding 740,000 cases. On a cumulative basis, the total confirmed cases in the U.S. and the Eurozone hit 20.45 million and 14 million, respectively. The emerging markets, as a whole, exceeded 39 million.

Developed economies exerted unprecedented relief efforts

In terms of fiscal policies, major developed economies adopted such relief policies as making payments directly to low and middle income residents, expanding unemployment insurance coverage, granting preferential loans to businesses, cutting taxes, etc. The financial stimulus provided by the U.S., Europe, and Japan government is, respectively, equivalent to 15%, 8%, and 13% of their annual GDP. In terms of monetary policies, the central

banks of developed economies made every effort to maintain financial stability and sufficient market liquidity. Also, bank regulations are loosened to support the private sector's financing demand. The Federal Reserve and the Bank of England lowered their interest rate by 150 and 65 basis points (bps), respectively, bringing their policy rate to near zero. The central banks of the U.S., Eurozone, U.K. and Japan saw their balance sheets expand USD 8.4 trillion in total in 2020, up by 55% in comparison with the pre-pandemic level.

Vaccine R&D and approval were optimistic overall

By the end of 2020, a total of 18 vaccines in five types have entered phase III clinical trial across the world. The five vaccines that had announced their interim results have all shown efficacy ranging from 70% to 95%, higher than the 50% level required by regulators. Vaccination campaigns kicked off worldwide, with the number of those already vaccinated reaching 9.9 million. Developed economies represented by the U.S. and Europe were expected to realize herd immunity in 2021, accelerating global economic recovery.

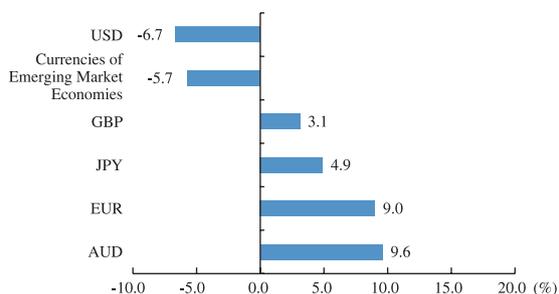
Global inflation dropped dramatically

The CPI dropped drastically in developed economies in 2020 thanks to sliding demand and oil price crash, with the annual inflation dropping to 0.7%. Across the emerging markets, however, the depreciation of sovereign currencies partly offset the effect of declining demand and oil prices. Therefore, inflation in the emerging market economies saw a slight reduction only and still rose 5% over 2019.

The foreign exchange market saw the U.S. dollar rise first and then fall

The U.S. dollar rose to a cyclical peak in the first half of 2020 due to the COVID-19 pandemic and a liquidity dry-up. Subsequently, it continuously bounced back due to the Fed's loose monetary policy, the end of the U.S. presidential election, and better risk appetite resulting from vaccine development. By the end of 2020, the U.S. dollar depreciated 6.7% over the year end of 2019. The Australian dollar, the Euro, the Japanese yen, and the British pound appreciated by 9.6%, 9.0%, 4.9%, and 3.1% against the U.S. dollar respectively. On the contrary, emerging market currencies weakened as a whole

by 5.7% against the U.S. dollar, where the worst performance came from Argentine peso—a 40.5% depreciation.



Note: The exchange rates of the currencies of the emerging market economies, the Japanese yen, the Euro, the Australian dollar, and the GBP are those against the U.S. dollar, while the exchange rate of the U.S. dollar is from the U.S. dollar index DXY. Performance of the exchange rates of major currencies refers to the percentage changes between the year-end exchange rates and last year end exchange rates.

Source: Bloomberg.

Figure 3 Performance of the Exchange Rates of Major Currencies, 2020

The global stock market experienced a V-shaped rebound, with the U.S. stock and bond prices both hitting a new high

The stock markets of a couple of countries plummeted dramatically and even triggered the circuit breaker several times after the onset of the COVID-19 pandemic. Due to the easing monetary policies, the lift of lockdowns, and the progress of vaccine R&D, however, the global stock market rebounded quickly and went up continuously. By the end of 2020, the S&P 500 Index climbed by

16.3%; the German DAX Index and the Nikkei 225 Index went up by 3.5% and 16%, respectively; the British FTSE 100 Index went down by 6.4%; and the MSCI Emerging Market Index increased by 15.2%. The U.S. 10-year Treasury yield fell significantly, down 100.4 bps over the end of 2019; the British and German 10-year Treasury yield dropped by 62.5 bps and 38.4 bps, respectively. The yield of the Japanese 10-year Treasury went flat.

International oil prices somewhat rebounded after sharp declines

Due to the pandemic, global demand for crude oil shrank drastically and the international oil prices plunged into a negative zone in March. Subsequently, the international oil prices gradually bounced back under the production cut by the Vienna Alliance and the expected rebound of the global oil demand. By the end of 2020, the S&P Goldman Sachs Commodity Index and front-month future price for Brent Crude Oil decreased by 6.1% and 21.5% respectively compared with year end of 2019. Meantime, gold price gained by 25.1%.

► The Foreign Exchange Administration Situation

China's Balance of Payments

I. Fundamentals of the Balance of Payments

China's balance of payments exhibited a self-equilibrium pattern in 2020. Specifically, the current account posted a surplus of USD 274 billion, accounting for 1.9% of the country's GDP and remaining within a reasonable range. The financial account excluding reserve assets registered a deficit of USD 77.8 billion, with the inward and outward investments both remaining active. The reserve assets remained stable at USD 3.2 trillion or so.

(I) The Current Account Remained in Surplus

The trade in goods generated a considerable surplus. According to the statistical coverage of the balance of payments, China's exports of goods amounted to USD 2.4972 trillion, up by 5%, from the level in 2019, and its import

of goods was USD 1.9822 trillion, largely the same as in 2019. Therefore, the trade in goods saw a surplus of USD 515 billion, growing by 31%. From a quarterly point of view, the goods trade surplus exhibited a rising trend after a fall: the surplus significantly downsized in the first quarter due to the outbreak of the COVID-19 pandemic; it then rebounded quite fast during the second-to-fourth quarters because of China's effective prevention and control of the pandemic and therefore earliest reopening of the economy to fill the gap in global production.

The deficit in services trade dramatically narrowed. In 2020, the revenue from trade in services stood at USD 235.2 billion, down 4% over 2019, and the expenditure reached USD 380.5 billion, down by 25% on a year-on-year basis. The deficit reached USD 145.3 billion, a drop of 44%. Due in large part to the cross-border travel ban amid the pandemic, the

travel expenditure was cut by 49% and the deficit under travel narrowed by 47% accordingly. In addition, the deficit under transportation shrank by 35%, too.

The Primary income generated a deficit.

In 2020, the revenue under the primary income reached USD 241.7 billion, decreasing by 12% over the previous year, and the expenditure amounted to USD 346.9 billion, increasing by 11% over 2019, leading to a deficit of USD 105.2 billion. In respect of the return on investment, a major item of the primary income, the revenue from outward investments posted USD 224.4 billion, and the expenditure for inward investment, including profits, interests, and dividends of foreign-funded enterprises, totaled USD 331.5 billion, generating a deficit of USD 107.1 billion.

The Secondary income continued a surplus. In 2020, on one hand, the secondary income registered USD 37.6 billion in revenue, up by 45% year on year. On the other hand, it posted USD 28.1 billion in expenditure, up by 80%. The surplus, therefore, stood at USD 9.5 billion, a slight drop of 8% in comparison with 2019.

(II) The Financial Account Excluding Reserve Assets Posted a Small Deficit

Direct investment remained in surplus.

According to the statistical coverage of the balance of payments, China's surplus in direct investment amounted to USD 102.6 billion in 2020, an increase of 100% over the previous year. In particular, China's outward direct investment (net increase in assets) stood at USD 109.9 billion, down by 20% year on year. Meanwhile, the inward direct investment (net increase in liabilities) increased by 14% to USD 212.5 billion, of which equity investments in the form of capital grew by 5%. This indicated that foreign investors highly recognized the success of China's pandemic prevention and control effects and thought highly of the prospect of the Chinese economy.

Portfolio investment continued to record a surplus. China's portfolio investment registered a surplus of USD 87.3 billion in 2020. The outward portfolio investment (net increase in assets) totaled USD 167.3 billion, up by 87% year on year, whereas the inward portfolio investment (net increase in liabilities) was USD 254.7 billion, up by 73%, indicating increasingly

active two-way securities investment.

Other investments resulted in a deficit.

In 2020, other investments, such as loans and trade credits, recorded a deficit of USD 256.2 billion, playing a due role in balancing the cross-border capital flow. In particular, the net outflows of other outward investments (net increase in assets) reached USD 314.2 billion, as opposed to USD 54.9 billion in the preceding year. The sharp increase is due in large part to the relative abundance of foreign exchange liquidity at home and the rising need for domestic investors to diversify their asset allocations. Meanwhile, the net inflows of other foreign investments (net decrease in liabilities) hit USD 57.9 billion, compared to the net outflows of USD 43.7 billion a year earlier.

(III) Reserve Assets Stayed Comparatively Stable

In 2020, the reserve assets formed as a result of transactions (excluding the effects of changes in non-transactional factors, such as exchange rates and prices) increased by USD 28 billion. Specifically, the foreign exchange reserves saw an

increase of USD 26.2 billion, staying largely stable. As of the end of 2020, the balance of China's foreign exchange reserves stood at USD 3.2165 trillion, up by 3.5% to USD 108.6 billion over the end of 2019, with transactions, currency conversion, and asset price changes all taken into account.

II. Outlook for the Balance of Payments

China's balance of payments is expected to maintain a basic equilibrium in 2021.

Internal and external factors that are conducive to China maintaining equilibrium in the balance of payments are increasing. From the fundamentals' point of view, China's economy recovers steadily. Under the new development pattern, the coordinated development between internal and external demand, import and export, and inward and outward investment will help to maintain a basic equilibrium of the balance of payments. From the policy's point of view, developing a new system for open economy on a higher level and promoting liberalization and facilitation of cross-border trade and investment will help to promote two-way, balanced flow of domestic and foreign capital. From

the market conditions' point of view, the growing flexibility of RMB exchange rate and the improvement of the foreign exchange market in depth, width and maturity will help the exchange rate to continue playing the role of a stabilizer for the balance of payments. From the external environment's point of view, the resulting recovery of economic and trade activities across the world have a positive effect on the macro-economy of China by and large.

[The surplus in the current account is expected to remain in a reasonable range.](#) Firstly, the trade in goods will maintain a considerable surplus. The global economic recovery and the external demand increase will underpin the export of China, and our stable production ability will make the export grow too. According to the July 2021 forecast by the IMF, the global economy is expected to grow 6.0% and 4.9% in 2021 and 2022 respectively, while it went down 3.3% in 2020. Secondly, the deficit in services trade will hardly rebound to the pre-pandemic level in the short run. If considerable progress is made in the global pandemic control and the restrictions on cross-border travel are eased accordingly, the expenditure for

outbound travel may gradually pick up, whereas it is a slow and gradual process. With all these factors considered, it is expected that the current account will maintain a reasonable size of surplus in 2021.

[The cross-border capital flow is expected to continue the overall equilibrium between inflow and outflow.](#) On one hand, the economic prospect of China is changing for the better, and the environment for doing business is improving on an ongoing basis, too. This will attract long-term foreign capital into the country for operation and development. Meanwhile, the financial market of China is steadily opening up further to the outside world; the stocks and bonds are being included into major global indexes; and the RMB assets remain considerably attractive to global investors. On the other hand, China is persistently promoting two-way opening-up of the financial market and widening the channels for outward investment to meet the needs for domestic players to increase their allocation of overseas assets. Therefore, the overseas assets held by the private sector are expected to grow in size and play a greater role in balancing the cross-border capital flow.

China's International Investment Position

Both external financial assets and liabilities increased. As of the end of 2020, China's external financial assets and liabilities were USD 8.7039 trillion and USD 6.5536 trillion, up by 11% and by 18% respectively from the end of 2019; the net external assets reached USD 2.1503 trillion, remaining on a considerably high level.

Reserve assets still dominated the external assets, while an increasing portion was held by the private sector. At the end of 2020, the reserve assets as part of China's external financial assets amounted to USD 3.3565 trillion, up by 4% year on year. As the largest component, reserve assets accounted for 39% of China's external financial assets, down by 2.5 percentage points from the end of 2019. Direct investment assets amounted to USD 2.4134 trillion, accounting for 28% of the total external financial assets, down by 0.8 percentage point. Portfolio investment assets amounted to USD 899.9 billion, accounting for 10% with an increase of 2 percentage points. Financial derivative assets amounted to USD 19.1 billion,

accounting for 0.2%. Other investments assets, such as deposits, loans and trade credits, amounted to USD 2.0149 trillion, accounting for 23%, up by 1.2 percentage points.

External liabilities were still dominated by foreign direct investment (FDI), and foreign capital accounted for a growing share in China's stock and bond market value. At the end of 2020, the FDI amounted to USD 3.1793 trillion, up by 14% year on year, and continued to be the largest component of China's external liabilities, though its share in the external liabilities dropped by 2 percentage points from the end of 2019 to 49%. Foreign portfolio investments in China amounted to USD 1.9545 trillion, accounting for 30%. Foreign investments in China's securities market increased on an ongoing basis. At the end of 2020, foreign investors' position on China's securities market valued about USD 1.0542 trillion, with stock holdings accounting for 5.3% of the total A-share market value, up by 1 percentage point from the end of 2019, and bond holdings accounting for 3% of

total domestic bonds under custody, up by 0.7 percentage point from the end of 2019. Other investment liabilities, such as deposits and loans, reached USD 1.4076 trillion, accounting for 21%, down by 1.8 percentage points year on year.

Both the return on outward and inward investment was stable overall. In terms of the return on inward investment by foreign investors, the return on foreign investment in China was USD 331.5 billion, with the rate of return lingering at 5.5% or so. In 2020, China was the sole major economy in the world that succeeded in posting a positive growth rate, with the profit generated by foreign-

funded enterprises improved in general. Meanwhile, the domestic monetary policy stayed normal and the yield on RMB assets was relatively stable. Therefore, the RMB assets in the form of equity and creditor's rights were favored by foreign investors. In terms of the return on outward investment by Chinese entities, the domestic entities adhere to the principle of diversification to disperse risks, stabled the return on outward investment at USD 224.4 billion amid a stark external environment characterized by a severe recession across the world and negative interest rates across major economies.

China's External Debt

As of the end of 2020, China's outstanding full-scale external debt (excluding those of Hong Kong SAR, Macao SAR, and Taiwan Province, the same below) reached USD 2.4008 trillion. With respect to the term structure, the outstanding medium- and long-term external debt was USD 1.0844 trillion, accounting for 45%; while the outstanding short-term external debt was USD 1.3164 trillion, accounting for 55%.

From the perspective of institutions and sectors, the government's outstanding external debt totaled USD 379.5 billion, accounting for 16%; the central bank's outstanding external debt totaled USD 38.1 billion, accounting for 2%; the banks' outstanding external debt totaled USD 1.0918 trillion, accounting for 46%; and that of other departments (including inter-company loans under direct investments) reached USD 891.4 billion, accounting for 36%.

In respect of debt instruments, the balance of loans amounted to USD 440.3 billion, accounting for 18%; that of trade credits and advances was USD 371.9 billion,

accounting for 15.5%; that of currency and deposits was USD 517.7 billion, accounting for 22%; that of debt securities was USD 726.7 billion, accounting for 30%; that of Special Drawing Rights (SDR) allocation was USD 10.1 billion, accounting for 0.5%; that of inter-company loans under direct investments reached USD 283.3 billion, accounting for 12%; and that of other debts reached USD 50.8 billion, accounting for 2%.

With respect to currency composition, the outstanding external debt in domestic currency totaled USD 1.001 trillion, accounting for 42%; and the outstanding external debt in foreign currencies (including SDR allocation) totaled USD 1.3998 trillion, accounting for 58%. Of the total outstanding external debt registered in foreign currencies, the U.S. dollar debt accounted for 84%; the euro debt 8%; the Hong Kong dollar debt 4%; the Japanese yen debt 2%; and the SDR and other foreign currency-denominated debt combined 2%.

As of the end of 2020, China's ratio of

external debt to GDP (the ratio of the balance of external debt to GDP) was 16.3%; the ratio of external debt to export (the ratio of the balance of external debt to the income of export) was 87.9%; the debt service ratio (the ratio of the amount of principal and interest repaid

to the income of export) was 6.5%; and the ratio of short-term external debt to foreign exchange reserves was 40.9%. As all of these indicators were within internationally recognized thresholds¹, China's external debt risks are under control overall.

1. The internationally recognized thresholds for external debt risk indicators, i.e. the ratio of external debt to GDP, the ratio of external debt to export, the debt service ratio and the ratio of short-term external debt to foreign exchange reserves, stated in the text, are 20 percent, 100 percent, 20 percent and 100 percent respectively.

Trends in the RMB Exchange Rate and Domestic Foreign Exchange Market Transactions

I. Trends in the RMB Exchange Rate

(I) The RMB Exchange Rates against Major Currencies Diverged

At the end of 2020 yuan/dollar, the central parity rate of the RMB against the U.S. dollar was 6.5249 yuan/dollar, an appreciation of 6.9% from the end of 2019, while the prices of spot transactions

on the CNY and CNH markets rose by an accumulated 6.7% and 7.1% respectively.

At the end of 2020, the central parity rates of the RMB against the euro, the Japanese yen and the Great Britain pound were 8.0250 : 1, 6.3236 : 100 and 8.8903 : 1 respectively, representing a depreciation of 2.6%, an appreciation of 1.3% and an appreciation of 2.9%, respectively from the end of 2019.



Source: China Foreign Exchange Trade System (CFETS).

Figure 4 Trends in the Central Parity Rates of the RMB against Other Main Currencies, 2020

(II) The RMB Remained Stable against a Basket of Currencies

According to the data of China Foreign Exchange Trade System (CFETS), at the end of 2020, the CFETS RMB Index was 94.83, rising by 3.8%; the RMB exchange rate index published by the Bank for International Settlements (BIS) was 98.68, rising by 3.8%; and the RMB exchange rate index against the SDR was 94.23, rising by 2.6%, all on a year-on-

year basis. According to the data from the BIS, the nominal effective exchange rate of the RMB against a basket of currencies appreciated by a total of 4.0% in 2020, with the real effective exchange rate appreciating by 3.2% after adjusting for inflationary factors. Since the reform of RMB exchange rate formation mechanism kicked off in 2005, the nominal and real effective exchange rates have appreciated by a cumulative 37.7% and 51.4% respectively.



Source: BIS.

Figure 5 Trends in the RMB Effective Exchange Rate, 1994-2020

II. Domestic Foreign Exchange Market Transactions

In 2020, turnover on the RMB foreign

exchange market totaled USD 29.9 trillion (with a daily average of USD 123.2 billion), 2.8% more than that of the previous year. In particular, the bank-

customer market and the interbank foreign exchange market¹ realized a turnover of USD 4.5 trillion and USD 25.4 trillion respectively.

(I) Spot Foreign Exchange Transactions Rose Steadily

In 2020, the accumulated turnover on the spot foreign exchange market recorded USD 11.9 trillion, an increase of 5.2% from 2019. Specifically, spot foreign exchange settlement and sales by banks (excluding forwards performance) achieved a total turnover of USD 3.6 trillion, a year-on-year increase of 4.3%. The turnover on the interbank spot foreign exchange market totaled USD 8.4 trillion, a year-on-year increase of 5.6%.

(II) Forward Foreign Exchange Transactions Grew Significantly

In 2020, the cumulative turnover on the forward foreign exchange market stood at USD 564.3 billion, increasing by 48.3%

from 2019. Specifically, the contract value of the forward foreign exchange settlement and sales between banks and customers totaled USD 460 billion, increasing by 51.0% over 2019. Specifically, the foreign exchange settlement and sales amounting to USD 305.3 billion and USD 154.7 billion respectively, increasing by 35.7% and 93.9% respectively over 2019. The cumulative turnover in the interbank forward market stood at USD 104.4 billion, a year-on-year growth of 37.4%.

(III) Swap Transactions Remained Stable

The cumulative turnover in the foreign exchange and currency swap markets stood at USD 16.6 trillion in 2020, increasing by 0.3% year on year. Specifically, the contract value of foreign exchange and currency swaps between banks and customers totaled USD 239.5 billion, increasing by 100.4% year on year. The cumulative turnover on the interbank foreign exchange and currency

1. The turnover of the bank-customer market uses the total sum of the customers' foreign exchange transactions, whereas the turnover of the interbank foreign exchange market uses the unilateral trading volume; the same below.

swap markets stood at USD 16.3 trillion, decreasing by 0.4% year on year.

(IV) Foreign Exchange Option Transactions Dropped Slightly

In 2020, the options market realized a total turnover of USD 841.2 billion,

decreasing by 1.0% from 2019. In particular, the bank-customer market realized a turnover of USD 274.6 billion, increasing by 2.1% year on year; the interbank options market reached a turnover of USD 566.7 billion, decreasing by 2.5% year on year.

► Foreign Exchange Administration under the Current Account

Assisting in the COVID-19 pandemic prevention and control to effectively meet “six priorities”

The SAFE ensured the availability of foreign exchange for use in pandemic prevention and control. For this purpose, it implemented such measures as simplifying the foreign exchange administration procedures for imports and exports used for pandemic prevention and control purposes, exempting donors from opening accounts for donation purposes, encouraging individuals to handle foreign exchange business online, etc. to ensure that the goods and funds for pandemic prevention and control were put in place in a timely manner. In 2020, 19,000 foreign exchange receipts and payments for trade in goods, amounting to USD 6.5 billion, were handled via “green channels” ; 944 donations with USD 170 million were processed without opening donation accounts; and 89% of the personal foreign exchange

business was conducted online. The SAFE assisted enterprises in resuming work and production. During the time window in which work and production resumed, it stepped up efforts to support the real economy by easing the procedures of document examination and endorsement, cancelling the registration requirement for the small and special foreign exchange refund, facilitating use of electronic documents in foreign exchange business, etc. with a view to assisting in procedural simplification and cost reduction.

The SAFE supported the development of innovative business, too. In this regard, it launched nine measures, including widening the channel of settlement, simplifying business processes, lowering settlement cost, etc., to meet the differentiated needs of market players in respect of small-amount, regular foreign exchange sales and purchases under trade, guide individuals to engage in new types of trade in a regulated and convenient

manner, and contribute to the healthy, fast growth of such new type of trade as cross-border e-commerce.

Promoting facilitation to serve the real economy

The SAFE pushed for expansion of the coverage and improvement of the quality of the pilot facilitation initiative. In this regard, it insisted on high standards for internal control and credit on pilot banks and enterprises, expanded the coverage of the pilot program for foreign exchange receipts and payments facilitation in trade in a steady, orderly manner, and expanded the experiment to 22 regions.

The SAFE integrated the rules and regulations for the current account administration. In particular, it issued the *Guidelines for Foreign Exchange Business under the Current Account (2020)*, which consolidated piecemeal regulations, cut down on regulations and redundant clauses substantially, repealed 29 regulations, reduced categories of foreign exchange accounts under the current account to 7, improved the classification of enterprises and the directory management, and simplified unnecessary

processes and materials for service trade and personal business. “all in one book” for business conducting was fulfilled.

The SAFE supervised and guided effective implementation of the facilitation policies. It provided online and offline policy training and lecturing for SAFE branches, banks and enterprises, collected questions and recommendations, and responded in the form of policy Q&A on its official website.

The SAFE facilitated the payment for trade in services. In this area, it realized a headquarter-to-headquarter style of tax filing information exchange for service trade payment, and supported banks to conduct cross-region, cross-bank checks of tax filing information across the country via the digital platform for foreign exchange administration.

The SAFE promoted the two-way facilitation for personal foreign exchange business. It facilitated settlement of foreign exchange from the salary of employees of Chinese enterprises located abroad, supported online handling of foreign exchange purchases and payments for study abroad, not occupying the facilitation quota, approved eight

regions, including Shenzhen, Beijing, Chongqing, and Shanghai, to conduct the current account facilitation pilot for foreign experts, and implemented the pilot program of facilitating domestic small-amount consumption by foreign individuals at two banks.

The SAFE improved the quality of services for personal foreign exchange business. It compiled the *Handbook for Personal Foreign Exchange Business*, addressing commonplace problems in handling personal foreign exchange business in a popular, comprehensible, concise, and practical manner. It also conducted a thorough survey concerning the personal foreign exchange business at nearly 100 outlets of several key banks, circulated 38 problems, specified solutions on a case-on-case basis, and urged banks to make corrections in a timely manner. Furthermore, the application scenario of bank check of the service trade tax filing information was established in the cross-border finance blockchain service platform.

Advancing opening-up to fuel the vitality of development

The SAFE boosted the opening-up and

innovation in important strategic areas. 4 pioneering measures were conducted including measures to support the foreign trade comprehensive service providers in Shenzhen to provide foreign exchange comprehensive service to cross-border e-commerce, in an effort to assist the Guangdong-Hong Kong-Macao Greater Bay Area in securing opening-up and development at a higher level. It issued settlement rules for the transfer of physical assets to facilitate the cross-border trading of physical assets at China Beijing Equity Exchange and in turn help Beijing build a demonstration zone for further opening-up of the service industry and build a pilot free trade zone.

The SAFE lent a hand to the Belt and Road Initiative. It supported the development of China-Europe Railway Express train marshaling hubs and implemented trade and investment facilitation policies at Shaanxi Free Trade Zone in China. It facilitated the centralized management of the funds for contracted projects overseas. In this aspect, it allowed 8 large-sized engineering project contractors to open 15 centralized management accounts for overseas funds in 9 countries, thereby helping them lower financial cost by more

than 5% and effectively activating the dormant funds in their overseas accounts.

Preventing risks to improve the quality and effectiveness of management

The SAFE optimized the regular monitoring mechanism for key players. It established and improved a monthly reporting mechanism for key monitoring under the current account, dynamically adjusting the library of key enterprises with relatively greater total or difference of the foreign exchange received and paid, and deeply looking into the causes. It created a regular communication channel with enterprises, and took the initiative to learn about and respond to the needs of banks and enterprises timely.

It also strengthened capacity building for off-site supervision. It focused on high-risk business and abnormal changes in key areas and circulated malicious violations timely such as fabricating trade, false deals, and organized split of foreign exchange. In 2020, it detected 46,000 suspicious clues through the off-site monitoring mechanism and handled 27,000 actual transgressions, among which 4,298 enterprises were downgraded, 3,834 enterprises were

cancelled from the directory, and 1,027 individuals were enlisted.

The SAFE standardized the foreign exchange monitoring and rating practices for payment service providers. It registered pilot payment organizations in a steady and orderly manner, followed up on their foreign exchange business, launched a foreign exchange business report form system, and enhanced the compliance accountability for them and their partner banks.

The SAFE furthered the sharing of abnormal information and the mutual assistance in supervision. It reinforced the sharing of data and information with customs and tax authorities to weave a closely-knit risk control network and take stronger disciplinary actions against violating businesses. In 2020, it informed other departments such as customs and tax authorities of 9,628 abnormal clues and enforced joint disciplinary actions against 481 violations.

The SAFE laid stress on situation analyses and policy optimization. It closely tracked the developments of the pandemic and the international financial market and undertook special investigations and

studies into the changes in the current account balance, the implementation of facilitation policies, the transformation and upgrading of industries, and the personal foreign exchange services through data analyses, field visits, symposia, etc.

Guidelines for foreign exchange administration under the current account in 2021

The SAFE will adhere to the keynote of making progress while ensuring stability. It will carry out the new development concepts in all respects. Notably, it will

make promoting safe, efficient, and low-cost cross-border settlement under the current account and high-quality development of trade as the theme, make deepening reform in the authenticity and compliance management under the current account as the cardinal line, and make institutional innovations and science-based governance as the knob. The purpose is to promote high-level liberalization and facilitation of trade, actively support national critical strategies and regional opening-up and innovation, and effectively prevent risks of abnormal fluctuations in the cross-border capital.

Box 1

Enhancing Regulations Integration to Improve the Effectiveness of Facilitation Measures under the Current Account

2020 was “a year of institutional development” for the foreign exchange business under the current account. The foreign exchange administration under the current account issued 6 policy documents, including those on ensuring the foreign exchange needs of pandemic prevention and control, supporting enterprises to resume work or production, assisting in trade innovation, simplifying business processes and materials, and increasing the operational autonomy of banks, to erect a framework for the foreign exchange administration under the current account and further the facilitation measures under the current account.

The *Guidelines for Foreign Exchange Business under the Current Account (2020)* (HuiFa [2020] No. 14, hereinafter referred to as *Guidelines*) represented the SAFE’s first attempt to integrate the results of institutional reforms in the foreign exchange business under the current account. It encompassed all the outcomes of previous reforms and innovations, institutional improvements, and technological upgrading. It covered all foreign exchange business under the current account, including trade in goods, trade in services, personal business, insurance, and payment services, realizing “all in one book”. The *Guidelines* cut down number of regulations, removed redundant clauses, and repealed 29 regulations, intending to improve the unification, standardization, conciseness and transparency of foreign exchange business policies under the current account and enabling market players to “understand, utilize and benefit from” such policies.

In a bid to deepen the reforms to streamline administration and delegate power, improve regulation and upgrade services, the *Guidelines* further optimized the foreign exchange business under the current account. Firstly, it facilitated the handling of foreign exchange business. It simplified administrative licensing practices, eliminated the registration procedures of directory modifying or deregistering for foreign trade enterprises, required fewer documentation for directory registration of enterprises and for depositing revenues overseas, and cancelled unnecessary preposition certificates, such as no need to surrender the

return receipt of filing for foreign trade operators when directory registering, removing the notarization certificates for donation agreements, and allowing the certificates of relatives to be replaced by a letter of undertaking by individuals. Secondly, it increased the autonomy for banks. It cancelled the practice of listing documents required and allowed banks to determine what documents are necessary according to principles applicable to their business in examining trade in goods, trade in services and personal business. Furthermore, it enhanced banks' autonomy in authenticity check to push for the transformation from on-site check to prior due diligence and from a formal check to substantive check, and further facilitated foreign exchange services of law-abiding and creditworthy enterprises. Thirdly, it made its foreign exchange administration more scientific. In this regard, it optimized the classification management and made the dynamic adjustment to such classification more scientific; it unified the practice of depositing income overseas by consolidating the provisions governing foreign exchange income from trade in goods and that from trade in services; it advanced the integration of accounts so that the foreign exchange accounts of insurance companies were included into the foreign exchange settlement account under the current account, facilitating the operation of funds by insurance companies.

Effective policy conduction and implementation are preconditions for promoting the transformation of achievements and giving play to policy dividends. Taking the issuance of the *Guidelines* as a turning point, the SAFE emphatically smoothed its policy conduction mechanism, revised its internal control systems, and strengthened its supervision over policy execution, ensuring that the *Guidelines* and a series of previously published foreign exchange facilitation measures under the current account be put in place and into effect. At the head office level, the SAFE offered online and offline training and lecturing for over 7,000 people from its branches and nearly 100 banks, collected 110 problems and recommendations from branches, banks and enterprises, sorted the problems and recommendations out, and fed back on a case-on-case basis. With regard to policies requiring clarification, it responded by way of Q&A on its official website; concerning recommendations not yet ready to be implemented, it included them into policy optimization studies; in respect of issues as a result of failure in policy

conduction, it urged branches or banks to make corrections promptly and incorporated them into the scope of performance appraisal. At the branch level, it resorted to training, symposia, visit, surveys, and media to propagate policies in banks, enterprises, and citizens on the forefront and addressed their queries and needs on a one-on-one basis.

In the new stage of development, the foreign exchange administration under the current account will deliver on new development concepts, practice the tenet of benefiting both enterprises and individuals, improve trade liberalization and facilitation, enhance the service quality, optimize the business environment, stoke the vitality of market participants, create a new development pattern and promote high-quality economic development.

► Foreign Exchange Administration under the Capital Account

Actively supporting pandemic prevention and control, and work and production resumption

Since the COVID-19 pandemic broke out in 2020, the SAFE carried out in the first instance the decisions and deployment of the CPC Central Committee and the State Council. Giving top priority to pandemic prevention and control, it created “green channels” for foreign exchange policies to ensure smooth foreign exchange services. Firstly, it eased documentation requirements for settlement and payment of foreign exchange income under the capital account of those items related to pandemic prevention and control. Secondly, it facilitated and met the needs of cross-border financing relating to pandemic prevention and control. Concerning enterprises in need, it permitted them to bypass the limit imposed on the external debt and to apply online for the registration of external debt. Thirdly, it satisfied the needs of

other foreign exchange business under the capital account relating to pandemic prevention and control according to the principle of “handling special matters by special means”. By the end of 2020, the SAFE has processed nearly 140,000 transactions of the kind, worth around USD 300 billion, providing stalwart support for the effort to win the battle against the pandemic and maintain the stable development of the economy.

Further facilitating cross-border investment and financing

In collaboration with the PBC, the SAFE raised the macro-prudential regulation parameter for full-scale cross-border financing from 1 to 1.25 in March 2020. As a result, all domestic organizations, except government financing platforms and real estate developers, had a greater space for utilizing external debt, which helped small- and medium-sized enterprises and private ones to make

better use of domestic and international channels to raise funds. In addition, the SAFE circulated the *Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support Foreign-related Business Development* in April 2020, rolling out the previously piloted reform in income payment facilitation under the capital account to all over the country to enhance the efficiency of fund operations by enterprises, and having the deregistration of overseas borrowings guaranteed by domestic entities and the deregistration of overseas loans released by Chinese entities, previously undertaken by the SAFE itself, conducted directly by banks. In a bid to fulfill the requirements of the reforms to streamline administration and delegate power, improve regulation and upgrade services, the SAFE continuously sorted out and integrated foreign exchange accounts and revoked 3 categories of accounts under the capital account. In addition, the SAFE issued the revised *Guidelines for Foreign Exchange Business under the Capital Account (2020)* to facilitate market players, e.g., banks and enterprises, in conducting the foreign exchange business

under the capital account.

Supporting pilot free trade zones to lead innovative foreign exchange business under the capital account

Based on the prior experiment conducted at the Zhongguancun national demonstration zone for independent innovation, the SAFE expanded the pilot external debt facilitation to Guangdong-Hong Kong-Macao Greater Bay Area, China (Shanghai) Pilot Free Trade Zone, China (Hubei) Pilot Free Trade Zone, and Wuhan East Lake New Technology Development Zone, and in the meantime, raised the external debt facilitation quota for Haidian Park of Beijing Zhongguancun Science City, to better meet the overseas financing needs of micro-, small- and medium-sized high-tech enterprises. Meanwhile, the SAFE experimented with the Guangdong-Hong Kong-Macao Greater Bay Area, Hainan Free Trade Port, China (Shanghai) Pilot Free Trade Zone Lin-gang Special Area to cancel the practice of registering the external debt of non-financial enterprises on a case-on-case basis and instead adopt the method of registering such debt in a one-off manner.

Moreover, the SAFE piloted a credit asset overseas transfer program for domestic banks in Guangdong-Hong Kong-Macao Greater Bay Area, Hainan Free Trade Port, and Beijing in an attempt to help banks activate their dormant assets and serve the real economy better.

Improving the qualified institutional investors system

The SAFE lifted the restrictions on domestic securities investment quotas for qualified foreign institutional investors (QFIIs) / RMB qualified foreign institutional investors (RQFIIs). It clarified and simplified the fund management requirements for foreign institutional investors to invest in domestic securities and futures. In collaboration with relevant authorities, it further lowered the threshold for QFIIs to access the Chinese market and expanded the scope of investment to facilitate foreign institutional investors to take part in the Chinese financial market. In light of the situation of China's balance of payments and foreign exchange markets, the SAFE distributed the qualified domestic institutional investors (QDII) quotas at

an appropriate time and established a regular and rule-based quota distribution mechanism to meet the reasonable need of domestic residents to invest overseas. By the end of 2020, a USD 116.7 billion-worth quota for foreign securities investment has been granted to 169 QDIIs on a cumulative basis.

Promoting the two-way opening - up of the financial market

In partnership with the PBC and China Securities Regulatory Commission, the SAFE studied the promotion of overall opening-up of the bond market to the outside world, and unified relevant rules and regulations, access management, and foreign exchange, to facilitate foreign investors' participation in the domestic bond market. Meanwhile, the SAFE improved the dedicated cornerstone investment system for listing overseas, optimized the scope of application for such system, and standardized the registration and fund management requirements, supporting domestic enterprises to get listed and raise fund overseas. Furthermore, the SAFE partnered with China Securities Regulatory Commission,

among other relevant authorities, to promote the return of China Concept Stocks and the domestic listing of tech and startup enterprises, supporting high quality enterprises with Chinese background to finance their development via domestic and international markets. In addition, the SAFE lent strong support to the development of such pilot services as the Shenzhen-Hong Kong ETF Connect, the Shanghai-London Stock Connect, and the Guangdong-Hong Kong-Macao Greater Bay Area's Cross-border Wealth Management Connect to drive two-way opening-up of the capital market.

Creating a cross-border investment policy framework for equity investment funds

The SAFE actively studied the cross-border investment policy framework for equity investment funds, drafted qualified foreign limited partnership (QFLP) guidelines, and solicited opinions from relevant parties to improve the QFLP policies. Meanwhile, the SAFE formulated qualified domestic limited partnership (QDLP) guidelines to enhance the in-process and

ex-post supervision and management of QDLPs. In addition, it expanded the scale and geographic areas of the QDLP pilot program by increasing the QDLP quotas for Beijing, Shanghai, and Shenzhen to USD 10 billion, respectively, rolling out the pilot program to Hainan and Chongqing with USD 5 billion quota respectively.

Guidelines for foreign exchange administration under the capital account in 2021

The SAFE will adhere to the keynote of seeking progress steadily, take both development and security into account, persist in serving the real economy, and facilitate cross-border trade, investment and financing. In the meantime, the SAFE will continue to deepen reform to push for high level and high quality opening-up of the capital account, and the formation of new development where the domestic circulation serves as the mainstay and the domestic and international circulations reinforce each other. It will stick to the bottom-line thinking and prevent cross-border capital flow risks.

Box 2

Promoting High-quality, Two-way Opening-up of the Financial Market on an Ongoing Basis

In carrying out the requirements of the CPC Central Committee and the State Council on integrating the pandemic prevention and control with the economic and social development, the SAFE in 2020 placed emphasis on serving the real economy, advancing reforms, preventing risks, deepening reforms in the foreign exchange administration and facilitation in cross-border investment and financing, and pushing for high-quality opening-up of the financial market to both domestic and foreign market participants.

Removing the investment quota limit imposed on qualified foreign investors. In May 2020, the SAFE issued the *Provisions on Managing the Funds Invested by Foreign Institutional Investors in Domestic Securities and Futures* in collaboration with the PBC to lift the quota limit for investment by QFIIs/RQFIIs, remove the restrictions on the geographic areas to pilot the RQFII program, improve the foreign exchange registration and the foreign exchange risk management, and simplify the procedures for remittance of funds. In September 2020, the SAFE issued the *Measures for Managing Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors* in partnership with China Securities Regulatory Commission and the PBC to lower the market access threshold, expand the scope of investment and facilitate the investment in domestic securities and futures by foreign institutional investors.

Restarting regular distribution of QDII investment quotas. In adherence to deepening opening-up, the SAFE kicked off the distribution of QDII quotas and established a regular, rules-based quota distribution mechanism in September 2020 in light of changes in the balance of payments and the foreign exchange market situation. From September to December 2020, it granted USD 12.7 billion in QDII quotas to 71 institutions, covering multiple types of organizations like funds, securities and wealth management subsidiaries, and several organizations

that applied for such quota for the first time. It met the reasonable need of domestic investors to allocate overseas assets abroad, and pushed for the building of a new pattern of opening-up the financial market in a two-way manner.

Further Facilitating foreign institutional investors to allocate RMB bond assets. In September 2020, the SAFE, in collaboration with the PBC and China Securities Regulatory Commission, drafted the *Notice on Foreign Institutional Investors Investing in the Bond Market of China (Draft for Opinion Solicitation)*, and in collaboration with the PBC alone, issued the *Provisions on Fund Management for Foreign Institutional Investors Investing in the Bond Market of China (Draft for Opinion Solicitation)*, soliciting opinions from the general public. The SAFE studied an overall institutional arrangement for the bond market of China to open up to the outside world, unified the opening-up rules and access management, optimized the procedures for foreign exchange and improve the management of foreign exchange risks, to facilitate foreign investors to take part in investment on the Chinese bond market.

Guiding red chip stocks to return to domestic capital markets in an orderly manner. In partnership with China Securities Regulatory Commission, among other relevant authorities, the SAFE promoted the return of China Concept Stocks and the domestic listing of tech and startup enterprises and supported high quality enterprises with Chinese background to finance their development via both the domestic and international markets. It standardized the fund management operations for foreign enterprises issuing stocks within the territory of China, supported eligible red chip firms to get listed on the STAR Market in an appropriate and orderly manner, and provided guidance for the exchange purchase and remittance of subsequent fund raising and holdings reduction on the part of foreign investors. In 2020, a total of 3 foreign enterprises raised around 51.9 billion yuan in funds by listing themselves on the mainland stock market.

Looking into the future, the SAFE will follow the decisions and deployment of the CPC Central Committee and the State Council and carry out the spirit of the Fifth Plenary Session of the 19th CPC Central Committee. It will deepen reforms

in the foreign exchange area, open the financial market further, improve the quality of two-way opening-up, and serve the real economy better. Meanwhile, It will take both development and security into consideration, enhance the “macro-prudential management plus micro regulation” two-pronged management framework for foreign exchange market, and maintain the stability of the foreign exchange market and the economic and financial security of the country.

► **Statistics and Monitoring of the Balance of Payments**

Releasing various statistical data for China's balance of payments (BOP) and improving statistical transparency constantly

The SAFE compiled and issued various BOP statistics, such as Balance of Payments and International Investment Position etc., and released the *Statistical Bulletin of China's Outward Foreign Direct Investment 2019* in partnership with the Ministry of Commerce and the National Bureau of Statistics. By way of publishing journalist interview and interpretive articles, the SAFE helped general public gain a better understanding of BOP data. It conveyed foreign exchange messages in a timely manner.

Updating and improving the BOP statistical system on an ongoing basis

The SAFE revised such normative documents as the *Guidelines for Statistics of the External Financial Assets, Liabilities and Transactions (2020)*, the *Implementing Rules for the*

Declaration for Statistics of Balance of Payments through Banks, the *Provisions on Voucher Management for Overseas and Domestic Receipts and Payments by Domestic Banks* and the *Statistical Verification Rules for External Financial Assets, Liabilities and Transactions (2020)* to help declarants gain an in-depth understanding of the declaration requirements and report BOP statistical data in a timely, comprehensive and accurate manner.

Advancing statistical reforms for the BOP

Based on thorough investigation and training, the SAFE piloted Declaration of External Financial Asset and Liability among a thousand selected non-financial enterprises, thus taking the first step in shifting the cross-border capital flow statistical method into direct declaration by enterprises. Reporting financial data on the accrual basis aligns better with the statistical standards for BOP, helps to balance the debits and credits of the

BOP, and is, therefore, a trend of the BOP statistics.

Employing multiple verification methods and consolidating the foundation for data quality

The SAFE integrated off-site verification with on-site verification, and conducted off-site verification on a monthly basis with respect to the Declaration of the Balance of Payments Statistics through Banks, Declaration of External Financial Asset and Liability and Survey of Trade Credit. In addition to the system-based verification, it conducted manual verification on a regular basis to ensure the reliability and accuracy of the data it released.

Strengthening statistical capacity building and cutting-edge statistical method research

In an effort to better serve market players and meet their training needs, during the pandemic, the SAFE conducted online training. 110,000 person-times took part in such live streamed training and training videos were posted online afterwards. Moreover, it conducted research on topics concerning BOP, thereby providing support

for improving BOP statistics and refining the BOP data granules. In addition, the SAFE participated in the trade value added accounting of the Asia Pacific Economic Cooperation (APEC), the national balance sheet accounting and international comparison projects, and make extensive use of BOP data.

Enhancing the monitoring of BOP developments and conducting in-depth research

The SAFE kept track of the BOP situations and enhanced the ability to forecast. It followed closely on the impact of changes in the macro-environment and market conditions at home and abroad on China's BOP. Furthermore, it looked into the operating conditions and structural characteristics of China's BOP from multiple points of view to better serve the policy making of foreign exchange administration.

Guidelines for statistics and monitoring of the balance of payments in 2021

The SAFE will respond to the G20's Data Gaps Initiative (DGI-2) by increasing data releases and refining statistical data. Meanwhile, it will continue to push non-

financial institutions to participate in the Declaration of External Financial Asset and Liability. Moreover, it will update its statistical systems on a dynamic basis to reinforce the legal foundation for BOP statistical systems. In addition, it will

strengthen training and verification to ensure the quality of data at the source. It also will take heed of cutting-edge statistical topics and draw on international experience to improve the statistical theories and practices.

Box 3

Pushing forward the Development of a High-level Statistical System for the Balance of Payments

The statistics of the BOP record all economic transactions between a country and other countries/regions in the world during a particular period of time. Both macro-decision-making and diplomacy need the support of the BOP statistical data. Since the reform and opening-up, the SAFE has been resolutely carrying out the decisions and deployments of the CPC Central Committee and the State Council to enhance BOP statistics in accordance with international standards and in light of national conditions. Thus far, China has preliminarily created a modernized BOP statistical system.

Actively exploring statistical practices for the BOP amid reform and opening-up. Required by the statistical need as a result of China's restoring its official seat in the IMF in 1980, the SAFE formulated the BOP statistical system for the first time ever in 1981 and began to compile and release the statement for the BOP in 1982, achieving the shift from zero to one. To meet the requirement of the 14th National Congress of the CPC to create a socialist market economy in China, the State Council enacted the *Measures for Statistical Declaration of the Balance of Payments* in 1995, giving birth to the "basic law" on the BOP statistics. Subsequently, such systems as Declaration of the Balance of Payments Statistics through Banks, Declaration of External Financial Asset and Liability, and Survey of Trade Credits were established one after another and the BOP statistical declaration system was initially set up in China. The country acceded to the IMF's General Data Dissemination System (GDDS) in 2002, thus achieving "accession to the WTO in statistical terms". In the wake of the accession, China compiled and released the statement of the international investment positions (IIP), among other data, at ever-increasing frequency to convey the BOP information to all walks of life.

The statistics for the balance of payments was significantly internationalized during the 13th Five-Year period. From the starting point where the State Council revised the *Measures for Statistical declaration of the Balance of Payments* in 2013, the SAFE has accelerated building a BOP statistical system comprising three pillars, namely, direct declaration, indirect declaration and specific survey. During the 13th Five-Year period, China enforced the new international standards *Balance of Payments and International Investment Position Manual* (sixth edition) (BPM6), took part in the IMF's Coordinated Portfolio Investment Survey (CPIS), Coordinated Direct Investment Survey (CDIS) and the BIS International Banking Statistics (IBS), filled the data gap in the first stage of G20, and joined the IMF Special Data Dissemination System (SDDS) standard. A slew of internationalization measures strongly supported RMB's accession to the SDR currency basket.

The BOP statistics advanced further steadily in 2020 despite the pandemic. The SAFE initiated the transformation in enterprise data sources by piloting Declaration of the Balance of Payments Statistics by a thousand selected non-financial enterprises. It proceeded with the rule by law efforts for statistics by amending 4 statistical systems for the balance of payments. To serve market players, it provided training for various market participants including financial institutions and enterprises via live streaming. Experts were sent to IMF to take part in the revision of *Balance of Payments and International Investment Position Manual* (seventh edition) (BPM7), emitting China's voice and contributing China's solutions.

In the future, the SAFE will firmly deliver on the CPC Central Committee's requirement on "making reforms to promote statistical modernization". It will make the law thinking as the core and the advanced statistical systems and methods as the basis, and follow the general standards of international statistics and the unique experience of China's practice. The aim is to continuously

promote the development of a high-level BOP statistical system and in turn offer strong safeguards for the macro-economic management.

► Regulation of the Foreign Exchange Business of Financial Institutions

Strengthening the monitoring of overseas transactions with bank cards

The SAFE strengthened the monitoring, analysis and research of cash withdrawals and consumptions of bank cards overseas, enhanced the identification and management of merchants involved in abnormal transactions, prevented illegal transactions and cash withdrawals involving the use of bank cards overseas, and put in place anti-money laundering, anti-terrorist financing and anti-tax evasion requirements. In the meantime, the SAFE started to explore the monitoring of the use of overseas bank cards within the territory of China.

Facilitating the use of foreign exchange by insurers

The SAFE incorporated the foreign exchange operation account of insurers into the foreign exchange settlement

account under the current account. By the end of 2020, a total of 151 insurance organizations across the country have obtained the qualifications to deal in foreign exchange.

Steadily piloting the foreign exchange settlement and sales by securities companies

The SAFE improved the rules governing the foreign exchange settlement and sales business conducted by securities companies on behalf of by their clients, standardized the filing procedures, enhanced the in-process and ex-post supervision of such services, and filed in an orderly manner the foreign exchange settlement and sales, the RMB structural product and the foreign exchange transactions on behalf of their clients, allowing securities companies to play a positive role in the foreign exchange market opening-up.

Guidelines for regulation of the foreign exchange business of financial institutions in 2021

The SAFE will improve the quality of the compliance and prudential operation assessment over the foreign exchange business of banks, perfect the supervision of overseas transactions on bank cards, strengthen the analysis and monitoring

of system data, screen abnormal cash withdrawals and consumptions, and ensure the compliance and convenience of bank cards in overseas consumptions and cash withdrawals. The SAFE will improve the online application process for banks to access the spot foreign exchange settlement and sales market and raise the effectiveness of off-site business operation.

► Building and Development of the Foreign Exchange Market

Improving institutional development for the interbank foreign exchange market

The SAFE revised the *Guidelines for Interbank Foreign Exchange Market Makers*, introduced comprehensive market makers, delegated the authorization and management work of trial market makers to China Foreign Exchange Trade System, optimized market structure and improved quotation quality and liquidity supply of market makers.

Facilitating foreign investors to manage foreign exchange risks

The SAFE issued the *Notice on Improving Foreign Exchange Risk Management for Foreign Institutional Investors on the Interbank Bond Market* to facilitate foreign investors to manage their foreign exchange risks and provide them with more foreign exchange hedging solutions, streamlined business processes and lowered trading

cost.

Facilitating enterprises to manage foreign exchange rate risks

The SAFE supported China Foreign Exchange Trade System to launch bank and enterprise service platforms to meet enterprises' need for flexible inquiry and price comparison. This is the first multi-bank foreign exchange trading platform for customers, which assists enterprises to better manage foreign exchange risks.

Enriching foreign exchange trading models

The SAFE guided China Foreign Exchange Trade System to issue the *Guidelines for Prime Brokerage Business on the Interbank Foreign Exchange Market* to enrich the trading models available on the interbank foreign exchange market, which meets multiple levels of trading needs on the part of market participants to facilitate their

management of foreign exchange risks.

Constantly enhancing market self-discipline

The SAFE guided China FX Market Self-discipline Regulatory Framework to carry out work in a step by step steady manner, including enhancing training and publicity efforts, guiding banks to conduct business within compliance with rules and regulations, and to maintaining order of the foreign exchange market. Meanwhile, the SAFE actively participated in the relevant conferences and work of the Global Foreign Exchange Committee.

Plans for building and development the foreign exchange market in 2021

The SAFE will continuously deepen the foreign exchange market reform, enrich the categories of foreign exchange options products, increase the participants of the foreign exchange market, and promote the opening-up of the foreign exchange market. In the meantime, the SAFE will keep advocating the management of foreign exchange risks, guide enterprises to establish awareness about foreign exchange risk neutrality and optimize the real needs management for RMB foreign exchange derivative products. The SAFE will also strengthen trading conduct management of foreign exchange market and boost formulation of related rules and regulations.

► Foreign Exchange Compliance Inspection and Law Enforcement

In 2020, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the strong leadership of the CPC Central Committee, the SAFE took an active stance against the challenges of the pandemic and the stark, complex economic landscape. It focally cracked down on such illegal cross-border financial activities as underground banking, cross-border gambling, illegal online foreign exchange margin trading etc., as well as on such substantive violations as false, fraudulent trading, to prevent and dissolve risks of abnormal cross-border capital flows and guide the finance to serve the real economy. Throughout the year of 2020, the SAFE investigated 2,440 foreign exchange violations and levied RMB 940 million yuan in fines and confiscation, effectively deterring foreign exchange-related violations and maintaining a good order on the foreign exchange market.

Cracking down hard on illegal financial activities and fend off and dissolve cross-border financial risks

In partnership with public security authorities, the SAFE persistently addressed specific treatment of cracking down underground banking and the capital chains of cross-border gambling. Throughout the year of 2020, it assisted the public security authorities in revealing over 90 underground banks, investigating more than 1,800 counterparty cases of underground banks and imposing more than RMB 500 million yuan in fines and confiscation. In the same year, it united the public security authorities to uncover more than 50 cross-border gambling cases, investigated over 400 gambling-related counterparty cases, with the amount of fines and confiscation exceeding RMB 30 million yuan. The SAFE continuously cracked down on illegal online foreign exchange margin trading and removed more than 200 domestic foreign exchange

speculation platforms throughout the year, thus effectively curbing the increase of illegal foreign exchange speculation platforms.

Reinforcing the capacity building for off-site inspection and targeting illegal foreign exchange activities accurately

The SAFE empowered the off-site inspection work with FinTech, tamp data basis, improve indicators and models, promote system upgrading, and make the off-site analysis smarter and more accurate. At the same time, it conducted risk monitoring against key entities, abnormal players and abnormal channels to make inspection more accurate and identify risks earlier. More than 50% of the clues to underground banking and false and fraudulent trading turned out to be true in the end.

Conducting integrated inspection over foreign exchange market players and holding the bottom line of no systemic risks

The SAFE conducted specific inspection over such key market players as banks,

securities companies, currency brokers, payment service providers, coordinating pandemic and risk prevention. Emphatically, it addressed such violations as false, fraudulent trading, held violating organizations and their principals to account according to law, and improved the compliance of foreign exchange business in all respects. Throughout the year of 2020, the SAFE handled close to 300 violations of financial institutions and levied around RMB 200 million yuan in fines and confiscation, with levies of such substantive violations as dereliction of examination accounting for 96.7%.

Establishing long-term law enforcement mechanisms and improve administration according to law

The SAFE enhanced institutional development and the quality and efficiency of law enforcement. It issued the *Measures of the State Administration of Foreign Exchange for Administrative Punishment* to fully protect the legitimate rights and interests of the administrative counterparts and exercise power under the supervision of the legal system. It constructed a sound internal control

system for law enforcement, conducted special supervision over internal control, tightened disciplinary constraint, promoted administrative punishment disclosure in an orderly manner and fend off law enforcement and incorruption risks.

Guidelines for foreign exchange compliance inspection and law enforcement in 2021

In the opening year of the 14th Five-Year period and basing upon a new stage of development, the SAFE will adhere to the

keynote of seeking progress in a steady manner, strengthen off-site supervisory capacity building, take a zero tolerance attitude to crack down hard on illegal activities in the foreign exchange sphere such as underground banking, cross-border gambling and fraudulent trading, and continuously fend off and resolve major financial risks, with a view to creating a good foreign exchange market environment in favor of China's new development pattern where the domestic circulation serves as the mainstay while the domestic and international circulations reinforce each other.

Box 4

Cracking down Hard on Illegal Cross-border Financial Activities and Maintaining Benign Order of the Foreign Exchange Market

The SAFE resolutely carried out the decisions and deployment of the CPC Central Committee and the State Council on warding off and dissolving major financial risks in 2020. In collaboration with public security authorities, among other government departments, it cracked down hard on illegal cross-border financial activities, such as underground banking, cross-border gambling and illegal online foreign exchange margin trading, to maintain order of the foreign exchange market.

The SAFE focused on combating foreign exchange crimes and curbing cross-border channels of illegal funds. In partnership with public security authorities, the SAFE helped to shed light on more than 90 underground banks and solve multiple major criminal cases. In the central and western China areas, in particular, it made a breakthrough in revealing underground banks there and prosecuted more than 1,000 counterparty cases. Meanwhile, the SAFE strengthened the prevention and control of gambling-related funding chains by partnering with public security authorities and combated over 100 illegal cases of exchange of gambling money. Crackdown campaigns were extended to such upstream crimes as smuggling and tax fraud, and major export tax refund fraud and underground banking cases were detected.

The SAFE tightened examination and approval responsibilities to hold banks and payment institutions to account for their business conduct. It continuously conducted specific inspection on the foreign exchange business of some banks, currency brokers and third party payment institutions, with the emphasis placed on whether they performed their duty to authenticate their transactions or offered cross-border financial services for underground banks, cross-border gambling and fraudulent trading. At the same time, it disposed of banking violations involved in underground banking strictly and urged banks to improve their internal control system. It gave briefings to banks and payment institutions, interviewed or alerted at-risk institutions of the risks, and required

relevant organizations to put their examination and approval duties in place to prevent cross-border financial risks.

The SAFE regulated illegal online foreign exchange margin trading platforms on a regular basis. Since 2018, it efficiently removed or regulated more than 1,000 domestic platforms engaged in illegal foreign exchange speculation following the principle of cutting down on stock platforms and controlling the increase of such platforms. It advocated a hard line against illegal foreign exchange speculation platforms, established a risk alert system, and improved a response system based on classification, to effectively curb the rising trend of illegal foreign exchange speculation and safeguard the security of property for the public.

The SAFE adopted multiple measures to build the capacity to govern illegal cross-border financial activities. It made in-depth research into the characteristics of underground banking and cross-border gambling funds and behaviors, explored the feasibility of applying artificial intelligence and big data technologies, and upgraded indicator systems and analytical models to improve the accuracy of the fight against illegal cross-border financial activities. Meanwhile, it ramped up alert education, disclosed typical cases and issued risk alerts to constantly convey the policy orientation of regulating illegal cross-border financial activities and promote legal use of foreign exchange by all parties.

► Management of Foreign Exchange Reserves

Properly coping with external shocks

The SAFE effectively copped with external shocks, such as the global spread of COVID-19 pandemic and the drastic fluctuations of the international financial markets with all efforts, to ensure the security, liquidity, as well as value preservation and appreciation of foreign exchange reserves.

Building full-spectrum capacity in investment and operation

The SAFE conducted in-depth analysis, actively grasped the market opportunities, optimized currency and asset structure, strengthened analysis on significant risks and refined the comprehensive risk management framework to safeguard the security of foreign exchange reserves. The operation and management of foreign exchange reserves were improved through tech innovations to secure 24 hours/7 days continuous operation globally.

Promoting the diversified use of foreign exchange reserves according to commercial principles

The SAFE explored to optimize the cooperation models of overseas investment, actively strengthen the role of a shareholder and urged equity investment institutions to enhance their operation and management to ward off investment risks from diversified use.

Continuously stepping up the construction of institution and talent team

The SAFE upheld the Party's overall leadership, strengthened political guidance and humanistic care, and improved the construction of institution and talent team.

Guidelines for the management of foreign exchange reserves in 2021

In close adherence to “the new

development stage, the new development philosophy and the new development pattern”, the SAFE will continuously improve the management of foreign exchange reserves, strengthen forward-

looking analysis, and optimize currency and asset allocation in a bid to safeguard the security, liquidity, as well as value preservation and appreciation of China’s foreign exchange reserves.

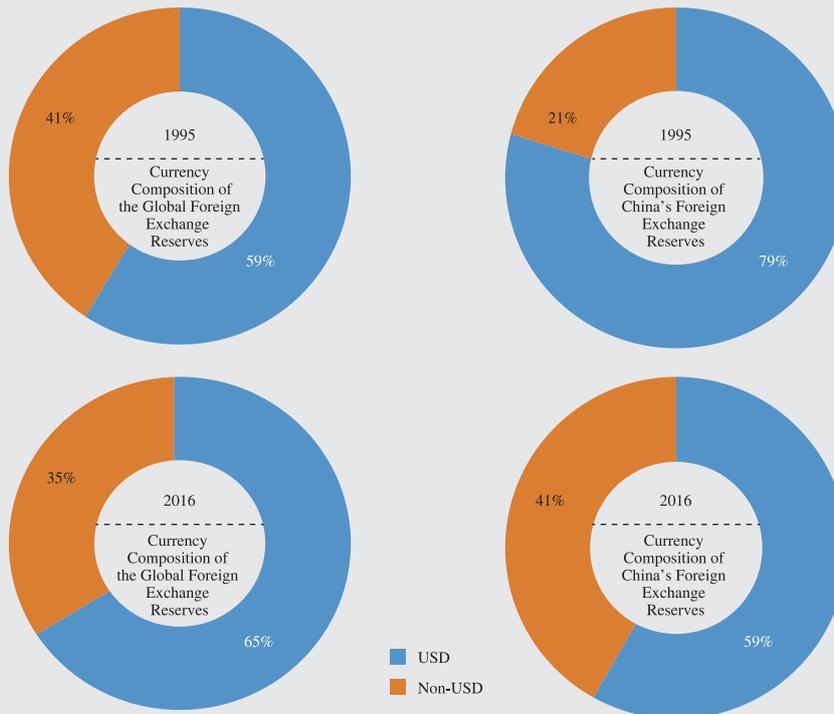
Box 5

Overview of Foreign Exchange Reserves Investments

Since 1994, when the centralized management was adopted, the SAFE has always pursued diversification in investment of foreign exchange reserves. As a result, foreign exchange reserves achieved steady returns across market cycles, a 20-year average yield of 4.23 percent from 1997 to 2016 and a 10-year average yield of 3.42 percent from 2007 to 2016, which were above the average level among global foreign exchange reserves management institutions.



The currency basket of the foreign exchange reserves is more diversified than the global average.



Note: The currency composition of global foreign exchange reserves is calculated based on the Currency Composition of Official Foreign Exchange Reserves (COFER) released by the IMF, which includes all official foreign exchange reserves in disclosed currencies.

The 10th Anniversary of the Diversified Use of Foreign Exchange Reserves Witnesses Remarkable Achievement

Over the past decade, the SAFE has maintained a strategic focus on serving national interests under market principles via various investment diversification arrangements, with risks soundly managed.

Diversified use of foreign exchange reserves innovated continuously.

The SAFE launched the entrusted loan business in 2010, establishing market-oriented partnerships with small-, medium- and large-sized financial institutions extensively. Subsequently, the SAFE initiated the establishment of the Silk Road Fund, the China-LAC Industrial Cooperation Investment Fund (CLAI Fund), the China-Africa Fund for Industrial Cooperation (CAFIC), and injected capital into CIC International Co., Ltd. and CNIC Co., Ltd., aiming at enhancing the financial sector's role in channeling capital to the real economy. Meanwhile, the diversified use of foreign exchange reserves also embraced international cooperation, forming co-financing partnerships with leading multilateral development institutions to jointly engage in third-party market investments. Thus far, the framework of diversified use of foreign exchange reserves has encompassed a wide range of debt and equity instruments in both foreign and local currencies, and of partnerships including domestic financial institutions and enterprises as well as international development institutions.

Tangible results seen in overseas direct investment. Over the past decade, the diversified use of foreign exchange reserves has focused on key investment areas in supporting domestic enterprises' overseas investments and implemented an array of projects in domestic and foreign currencies to contribute to the enhancement of regional infrastructure connectivity, thus played an important role in helping Chinese enterprises to integrate into economic globalization and stabilizing the global industry and supply chains. The diversified use of foreign exchange reserves has also promoted investments in developing economies through third-party market cooperation, which improved infrastructure, promoted employment and boosted social and economic development extensively in developing economies.

Investment risks rigorously managed. As a responsible investor, the SAFE followed international market practices in its diversified use of foreign exchange reserves. A “corporate governance+active management” framework has been implemented to strengthen the role of the shareholder. The SAFE has also established a performance appraisal system and various risk management mechanisms, covering areas such as moral hazard and concentration risks. As a result, the shareholder interests have been well safe-guarded. Over the past decade, the diversified use has gradually developed an investment portfolio with resilient asset quality and satisfactory investment return, thus has effectively played its role of serving national interests in a sustainable manner.

Box 7

Actively Promoting Sustainable Development in the Foreign Exchange Reserves Management

Today, extreme weather and climate events have increased in frequency, intensity and severity as a result of climate change, posing greater challenges to the global economy and people's rights to subsistence and development, leaving sustainable development a global concern. In China, the economy is transitioning from a phase of rapid growth to a stage of high-quality development, with ecological civilization construction written into the Constitution and the Five-sphere Integrated Plan of building socialism with Chinese characteristics. In September 2020, President Xi Jinping stressed that "China will strive to peak carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060" at the general debate of the 76th session of the UN General Assembly.

The PBC and SAFE attach great importance to the call by constantly enhancing top-level design for green finance, timely evaluating the impact of climate change on the financial system, and proactively addressing climate challenges. In April 2021 at the Boao Forum for Asia, Yi Gang, governor of the PBC, declared that the nation will continue to "increase allocation of green bonds in the foreign exchange reserves, restrict investment in high-carbon assets, and incorporate climate factors into the risk assessment framework". In June 2021 at the Lujiazui Forum, Pan Gongsheng, the SAFE Administrator, declared that "the SAFE will take sustainable investment as a long-term goal along with principles of security, liquidity, as well as value preservation and appreciation".

Factors such as climate change and green investment have been incorporated into investment and management mechanism of the foreign exchange reserves. Firstly, the SAFE has conducted green bond investment through multiple channels in supporting and leading green and low-carbon development. With its debut in the green bond market in 2012, the SAFE has increased its green bond investment at a 63% compound-annual-growth-rate during the past five years. Meanwhile, the SAFE has engaged proactively in green project investment and financing, instructing the Silk Road Fund and other wholly-owned subsidiaries and share-holding enterprises to incorporate green investment principle into their

fundamental investment framework. Secondly, the SAFE has integrated factors such as climate change, green investment, and ESG (environment, society and governance) into the process of foreign exchange reserves investment. Since 2007, the SAFE has been working on incorporating sustainable investment philosophy into its risk management framework. By widely accepted ESG standard, the SAFE's bond portfolio outperformed the reference market on a variety of indicators, making the SAFE a relatively outstanding performer among other major central banks and sovereign wealth funds by the end of 2020. Thirdly, the SAFE has actively engaged in ESG communication with financial organizations and international wealth management institutions. The SAFE joined the China Green Finance Committee of China Society for Finance and Banking in 2017 and workstream on scaling up green finance of Network for Greening the Financial System (NGFS)¹ in 2019, to engage in domestic and international practices and discussions on green investment. In addition, the SAFE has advocated green operation, public welfare donation, partner-assistance program, and etc., to respond to national poverty alleviation strategies.

1. In December 2017, the People's Bank of China, together with the central banks and regulatory bodies of such seven countries as France, the UK, Germany, the Netherlands, Sweden, Singapore and Mexico, initiated founding the Network for Greening the Financial System (NGFS). The network is designed to push central banks to conduct exchange and research on a voluntary basis, promote realization of the long-term goals set by the Paris Agreement, enhance risk management for the financial system and mobilize capital to invest in green projects. By April 2021, the NGFS has had 90 central bank and regulatory body members and 14 observers.

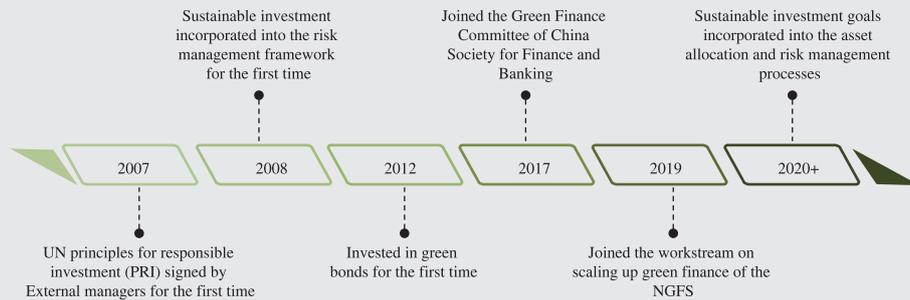


Figure The Course of SAFE's Sustainable Investment

To further increase the depth and width of green sustainable investment in the future, the SAFE will take solid steps toward its ESG goal by implementing three core concepts of “low-carbon transition”, “social responsibility promotion” and “long-term value creation”. Besides achieving its management goals, the SAFE will actively explore more channels to expand sustainable investment in addition to increasing investment in green bonds, consistently enhance its monitoring and analyzing mechanisms of climate change, and constantly boost the unity between social and economic benefits.

► Construction of the Legal System for Foreign Exchange Administration

Actively improve the legal system of foreign exchange administration

In a problem-oriented manner, the SAFE enhanced research on rules concerning foreign exchange administration in key and emerging areas and continued to promote the amendment of the *Regulations of the People's Republic of China on Foreign Exchange Administration*. Meanwhile, it persisted in improving the rule system for foreign exchange administration and sorting out issued regulations to promote trade and investment facilitation on one hand and enhance the efficiency of supervision on the other hand. In 2020, the SAFE issued 12 new regulations for foreign exchange administration and abolished or announced invalid in a centralized manner 17 regulations for foreign exchange administration. Efforts were made to specify concrete work items and promote effective execution by carrying out the *Regulations on Optimizing Business Environment* and releasing implementing

plans.

Enhance law-based foreign exchange administration

The SAFE deepened reform of decentralization, regulation and services in the foreign exchange sector, added a function of evaluating the quality of service objects to online administrative service system, allowing users to comment on the services, and encourage foreign exchange administration departments at all levels to enhance their service awareness and handle administrative licenses in an efficient and convenient manner. Furthermore, it updated the service guidelines for administrative licensing in foreign exchange administration. It also published the law enforcement procedures in foreign exchange administration to fulfil the publicity requirements for law enforcement. The *Administrative Review Procedures of the State Administration of Foreign Exchange* was amended to boost

supervision of administrative review and promote administration according to law.

Intensify training on law popularization and rule of law

The SAFE provided a considerable amount of training on rule of law to preach policies and regulations concerning foreign exchange administration via multiple channels. It laid stress on learning and publicizing the *Constitution of the People's Republic of China (hereinafter referred as the Constitution)*, spread knowledge on the *Constitution* by numerous means, and propagated its implementation. It simultaneously focally studied and publicized the *Civil Code of the People's Republic of China*, considering it an important scale for administrative decision, management and supervision. Staff members' attendance of court trials as observers has been routinized to sharpen their competence in applying the rule of law at work. In addition, the SAFE actively took part in the 17th national short animation video collection and exhibition concerning rule of law. By making the short videos, the SAFE strongly publicized policies and regulations closely tied to the

production and life of the general public and reminded them of the risks entailed by illegal foreign exchange transactions.

Guidelines for the construction of legal system for foreign exchange administration in 2021

The SAFE will earnestly implement the Xi Jinping Thought on the Rule of Law to give a better play to rule of law in foreign exchange administration. Actively adapting to the requirements of basing on the new development stage, implementing the new development concept and constructing the new development pattern, the SAFE will endeavor to improve the quality of regulations and promote further optimization of the legal system concerning foreign exchange administration. The SAFE will perform its duty according to law, enforce law in strict accordance with rules, and deepen reforms in the foreign exchange area following the rule of law to safeguard economic and financial security of the country. It is aimed to build a high caliber legal workforce for foreign exchange administration by strengthening rule of law thinking.

Box 8

Positive Outcomes Accomplished in Supporting both Pandemic Prevention and Control and Economic and Social Development

The COVID-19 pandemic is a major public health emergency with the fastest speed of spread, widest areas affected and largest difficulty in prevention and control. It had an unprecedented impact on the economic and social development across the country. Under the strong leadership of the CPC Central Committee with Comrade Xi Jinping as the core, the SAFE carried out the decisions and deployment of the CPC Central Committee and the State Council in an earnest manner, went to all lengths to coordinate pandemic prevention and control and economic and social development, deepened reform and opening-up in the foreign exchange field and effectively addressed various risks from external shocks. As a result, it accomplished positive results.

Creating a “green channel” for pandemic prevention in a quick response. The SAFE issued a notice as early as on January 27, 2020 (the third day of the Lunar New Year) to simplify procedures of the foreign exchange business relating to the import and export of goods for pandemic prevention and the pandemic-related business under the capital account, effectively meeting the needs of foreign exchange for the imports of pandemic-related goods in the early period of the pandemic. Throughout the year of 2020, it handled around USD 6.5 billion in foreign exchange receipt and payment for trade in goods through the “green channel”, primarily involving trade of such pandemic-preventing goods as masks, thermometers, protective clothing, etc..

Promoting trade and investment facilitation. Firstly, the SAFE launched several facilitation measures for cross-border trade and investment, expanded the pilot facilitation programs for foreign exchange receipt and payment of trade and for external debt, supported the development of new types of trade

e.g. cross-border e-commerce and stepped up support to stabilize foreign trade and foreign investment. Secondly, it updated the guidelines for foreign exchange business under the current and capital accounts and realized handling foreign exchange business “all in one book”. Thirdly, it enriched the scope of application scenarios for cross-border financial blockchain service platforms and launched five of such scenarios including export-related receivable financing, verification by banks of electronic tax filing for trade in services, and authorized verification of enterprises’ cross-border credit information, which smoothed cross-border trade, investment and financing and assisted small- and medium-sized enterprises in addressing financing difficulty and cost.

Deepening reform and opening-up in the foreign exchange sphere.

Firstly, the SAFE advanced the opening-up of the capital account in a sound and orderly manner. In this respect, it expanded the two-way opening-up of the financial market, removed the investment quota limit imposed on QFIIs/RQFIIs, simplified the management of funds used to invest in domestic securities and futures, and routinized the distribution of QDII quotas. Moreover, it improved the management of foreign direct investment and expanded the scale and scope of the QDLP and qualified domestic investment enterprise(QDIE) experiment to meet the need of domestic investors for global asset allocation. Secondly, the SAFE supported the building of new high ground aimed at opening-up. In this field, it supported the development of Shanghai international financial center, Guangdong-Hong Kong-Macao Greater Bay Area, Hainan Free Trade Port and Beijing’s national integrated demonstration zone for greater openness in the service sector and pilot free trade zone and supported pilot free trade areas to implement reforms and innovations in foreign exchange administration. It also bolstered up the high-quality development of the Belt and Road Initiative.

Effectively blocking risks from external impact. Amid the pandemic and the stark, complex international situation, the SAFE constantly fought the battle

against major financial risks in the foreign exchange area, improved the “macro-prudential management plus micro regulation” two-pronged management framework for the foreign exchange market, implemented stiff crackdowns on illegal foreign exchange activities, and enhanced policy responses and expectation guidance, effectively maintaining the stable development of the foreign exchange market and the basic equilibrium of the balance of payments. In 2020, the exchange rate of RMB floated in a two-way manner, became more resilient and remained basically stable at a reasonable, balanced level; the supply and demand of foreign exchanges maintained balance in general and the foreign exchange reserves stabilized and increased. The foundation for the stable operation of the foreign exchange market was consolidated steadily.

► Disclosure and Dissemination of Information on Government Affairs

Ramping up efforts to interpret policies

Following the requirements to effectively make sure stability in six key areas and meet “six priorities”, the SAFE improved the efforts involved in interpreting and publicizing the policy of supporting both the COVID-19 pandemic prevention and control, and the work and production resumption on the part of enterprises. Main and related principles of the SAFE attended 10 press conferences, including three convened by the State Council joint prevention and control mechanism, to introduce the measures to support the pandemic prevention and control, work and production resumption. Also, it enhanced the interpretation and publicity of such important policies as supporting the development of new trade forms, further opening the financial market, etc.. Furthermore, the SAFE conducted thematic publicity campaigns around supporting pandemic prevention and control, facilitating cross-border trade

and investment, promoting reform and development in foreign exchange administration during the 13th Five-Year period, securing the final victory in the battle against poverty, etc.. The new media such as illustrated policy reading was used to improve the effect of dissemination.

Publishing statistical data on foreign exchange steadily

The SAFE published the *Timetable of the State Administration of Foreign Exchange for the Release of Major Statistical Data 2020* and provided cross-statement inquiry services regarding time series data. Meanwhile, it timely published the statement of the balance of payments, the statement of the international investment positions, the full-scale external debt, the foreign exchange settlement and sales by banks, the foreign exchange reserves, etc., and illustrated the data with Q&A, to facilitate the public understanding of changes in the situations of the foreign

exchange market. *China's Balance of Payments Report for the Year 2019* and *China's Balance of Payments Report for the First Half of 2020* were issued to conduct in-depth reading into the foreign exchange situations and respond to hot spot issues.

Actively doing a good job in disclosing government information

The SAFE disclosed policies and regulations on foreign exchange administration and developments of government affairs in a timely manner. It publicized information on supporting the pandemic prevention and control, as well as work and production resumption, hastening the opening-up of the financial market, etc.. On a semi-annual basis, it updated the catalogue of effective regulations on foreign exchange administration and marked the repeal and invalidation of such regulations timely. The SAFE compiled and published the government information disclosure report 2019, disclosed its budgets and final accounts, as well as procurement on time, subjecting itself to public supervision voluntarily. It also improved the construction of special column for

government information disclosure to facilitate public inquiry and access to key government information. Throughout the year of 2020, the SAFE posted a total of 3,080 pieces of government information, replied to 2,941 online business inquiries, and updated 48 Q&As regarding foreign exchange administration policies, on its official website. Moreover, it received 29 applications for government information disclosure and replied all of them in accordance with law, except three cases which were carried over to the next year.

Successfully disposing the proposals made by deputies of the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC)

In 2020, the SAFE handled 54 NPC and CPPCC proposals, which primarily covered topics on supporting the establishment of the Guangdong-Hong Kong-Macao Greater Bay Area, the opening-up of such special areas as free trade zones, the joint building of the Belt and Road, the Go Global initiative for enterprises, the further opening-up of the financial market, and the prevention of

risks from cross-border capital flows. The SAFE optimized its work mechanisms and managed the entire process of the proposal handling to ensure institutionalized and standardized handling. Importantly, it regarded communication and collaboration as a necessary part of the effort to handle the proposals. Therefore, it seriously listened to the opinions and recommendations from the NPC and CPPCC deputies aiming at working out feasible solutions collaboratively and closing to the original intention of the proposals.

Guidelines for disclosure and dissemination of information on government affairs in 2021

Following the requirements to deepen

reforms to streamline administration and delegate power, improve regulation and upgrade services, and to optimize business environment, the SAFE will take the initiative to disclose government information, enhance the publicity and interpretation of important policies and reform measures to respond to public concerns in a timely manner and stabilize market expectations. It will also properly handle the requests for government information disclosure according to law. Moreover, it will create improved content for its official website, Weibo and WeChat and fully serve the function of public platforms to provide better services to the public. Besides, it will constantly improve the quality and efficiency of the proposal handling.

► Cyber Security and IT Application

In 2020, around the “digital” and “safe” foreign exchange administration, the SAFE actively explored FinTech innovation, promoted application of the blockchain technology and improved the IT services for foreign exchange administration reform and risk monitoring. Meanwhile, it enhanced the safeguards in key areas to ensure information system safety and cyber security.

Promoting online provision of government services amid reforms to streamline administration and delegate power, improve regulation and upgrade services

Firstly, amid the reforms to streamline administration and delegate power, improve regulation and upgrade services, the SAFE optimized its online processing system for government services to facilitate “contactless” handling of foreign exchange business of enterprises and banks during the pandemic. Throughout the year of

2020, the SAFE accepted around 124,000 cases submitted online, accounting for nearly half of the total cases accepted throughout the year, with evaluation of “very satisfying” of enterprises and banks exceeding 99%. Secondly, the SAFE launched a function of assessment between “good and poor” to allow enterprises and banks to comment on the quality of the government services, and in turn provided technological support for policy optimization. Thirdly, to facilitate “contactless” foreign exchange business handling of enterprises and banks, the SAFE expedited the function of registering foreign debt online during the Spring Festival and established “green channel” to facilitate enterprises to conduct cross-border financing. Fourthly, the SAFE promoted “on-palm services” to widen the channels for foreign exchange-related government services. It developed mobile and “QR code” access to the online government service system and launched a progress inquiry app on the National

Government Service Platform (<http://gjzfwfwww.gov.cn/>) to facilitate market players.

Actively developing cross-border financial blockchain service platform to facilitate financing

To facilitate the financing efforts of small and medium foreign trade-related enterprises and logistics enterprises, the SAFE expanded the scenarios of the export-related receivable financing and the authorized verification of enterprise credit information nationwide, and started its application to the new scenario of logistics financing for new land and naval routes in Chongqing. By the end of 2020, over 280 corporate banks had attended the cross-border financial blockchain service platform voluntarily, and USD 60 billion-worth loans were extended to more than 5,700 enterprises, with the amount of loans released after the pandemic accounting for more than 70%. In July 2020, the application of the platform to the scenario “authenticity review of the payment of revenues under the capital account” was piloted in Shandong, Guangdong and Chongqing. In November

2020, the application to the scenario “verification by banks of the tax filing for trade in services” was experimented across the country. By the end of the same year, the platform verified 46,800 tax filing forms from more than 18,000 enterprises, involving more than USD 84 billion.

Promoting “digital foreign exchange administration” and improving IT services and new technology application capabilities

Firstly, the SAFE improved the application systems of capital account information, monitoring of foreign exchange for trade in goods, and personal foreign exchange business to further facilitate the handling of foreign exchange business. Secondly, it accelerated the implementation of the visualized analytical function for foreign exchange business data, expanded and consolidated the foundation of big data analytics for foreign exchange regulation continuously, and studied the usage of machine learning technologies and data mining tool SAS to accurately identify violating entities to further promote the application of such new technologies as big data, visualization

and AI. Thirdly, the SAFE formulated and issued the *Provisions on Management of Information System Code Standards* which further simplified the procedures and documentations required to apply for such codes and facilitated the code management. Meanwhile, it actively advanced the use of international codes by applying the LEI code to such foreign exchange administration scenarios as QFII registration, organizational archives management and assignment of codes to special organizations.

Ensuring “safe foreign exchange administration” and improving cyber security and safe operation

Firstly, the SAFE fulfilled the task of ensuring the safe operation of information system and cyber security during the pandemic and other important, sensitive periods. It coordinated the pandemic prevention and control with the technological work to ensure the secure and stable operation of the foreign exchange information system. Secondly, it conducted emergency drills for major breakdowns to sharpen its emergency response capabilities. Thirdly, it upgraded

the cyber security monitoring tools to strengthen the monitoring of internet traffic and block malicious attacks timely. Fourthly, it enforced a cyber security grade protection system to reinforce security management and the protection of important data and personal information. Fifthly, it enhanced exchange and sharing of information with external entities and managed to discover and dispose of several cyber security risks.

Guidelines for cyber security and IT application in 2021

In close deference to the spirit of the Fifth Plenum of the 19th CPC Central Committee and the Central Economic Work Conference, the SAFE will stick to the bottom line of ensuring the safe operation of IT system and cyber security, fully apply technologies to enhance service capabilities and levels. It will formulate an *Outline of the Cyber Security and IT Development for the 14th Five-Year Period of SAFE*. It will actively and cautiously advance the application of the cross-border financial blockchain service platform and widen the coverage of financing participants. It will continuously enhance

the “internet + government services”, widen and perfect the government service channels, raise the efficiency of “all in one net” and “on the palm” of government services and meet the needs of market players. It will also boost the research of application of regulatory technologies such as big data and AI to consolidate the foundation of the “macro-prudential management plus micro regulation” framework of the foreign exchange

market. Furthermore, it will conduct drills on a regular basis, improve the operating environment for its information systems and sharpen the capabilities to monitor the operation, analyze failures and respond to the emergency of the “three centers in two places”. Finally, it will implement the requirements for cyber security grade and critical information infrastructure protection to improve the comprehensive preventing capabilities for cyber security.

► International Communication and Cooperation

Conducting international communication in a proper and orderly manner under normalized COVID-19 pandemic prevention and control

The SAFE deeply implemented Xi Jinping Thought on Diplomacy, orderly promoted international exchanges and cooperation through online communications with a focus on the core tasks of foreign exchange administration. The SAFE actively participated in online meetings with the IMF, the OECD, the Euroclear Bank, the BOPCOM, the GFXC, and the ASIFMA, etc., and attended the IMF Article IV consultation. The SAFE co-hosted the Annual Conference of Financial Street Forum 2020, and enhanced communications with overseas regulators such as the Federal Reserve Bank of New York.

Strengthening research on international regulatory experiences, and carrying out analysis of international economic situations

The SAFE constantly broadened the staff's visions and intensified efforts on tracking and researching topical issues regarding international finance. The SAFE followed closely the framework documents of international financial organizations, translated and published the *IMF Papers on Cross-Border Capital Flows Management*; *OECD Code of Liberalisation of Capital Movements and Code of Liberalisation of Current Invisible Operations*, so as to provide reference for improvement of the foreign exchange administration framework.

Guidelines on international communication and cooperation in 2021

The SAFE will continue to serve the core

tasks of foreign exchange administration, conduct international communication under normalized epidemic prevention and control in compliance with regulations. The SAFE will track and

research the international financial regulatory dynamics, further strengthen analysis and research on topical issues in the global financial markets and draw on international experiences.

► Internal Management

New progress achieved in Party building

The SAFE went to great lengths to study and carry out Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the decisions of the Fifth Plenary Session of the 19th CPC Central Committee with a view to creating an exemplary government agency with the trust of the CPC Central Committee and the satisfaction of the public. In the meantime, it undertook education for enhanced awareness of political organs, strengthened guidance for Party building during the pandemic, enhanced organizational capacity of the grass-roots party organizations comprehensively, promoted system construction of Party building continuously, consolidated and deepened the effect of targeted poverty relief work and conducted various forms of mass and league activities. Moreover, the SAFE constantly enhanced the

political responsibility to manage and govern Party, strictly implemented the eight-point decision of the CPC Central Committee on improving Party and government conduct, refrained from formalism and bureaucratism, realized full coverage of disciplinary inspection, took strict supervision, discipline enforcement and accountability, thereby advancing strict governance over the Party in depth and lifting Party building to a new height.

Strengthening building of the contingent of cadres

The SAFE earnestly implemented the Party's organizational line in the new era and guiding principles of the national conference on organizational work, prioritized the political excellence, highlighted the inspection of cadres' political quality, established a correct orientation for personnel appointment, did a solid job in selecting and appointing

officials, conducted well the selection and appointment of and accelerated the cultivation and selection of outstanding young cadres. Particularly, it attached importance to the pertinency and timeliness of cadre education in order to improve the professional ability of cadres. The SAFE established and improved an incentive and protection mechanism, which persisted in strict management and supervision of cadres, and focused on improving the institutionalized, standardized and scientific level of cadre work.

Improving internal audit and control in both quality and efficiency

The SAFE resolutely implemented the spirit of important instructions of General Secretary Xi Jinping, integrated pandemic prevention and control with economic and social development, deeply conducted follow-up audit over the implementation of important policies, expanded the audit work in depth and width constantly, served the overall work of the Party and state with high quality audit, and promoted standardized, efficient foreign exchange administration.

Constantly improving office work efficiency

The SAFE promoted normalization and standardization of document handling and meeting organization, altered the style of writing and meeting, and prevented the resurgence of the mountains of documents and endless meetings. It organized meetings, circulated documents, reviewed documents, and kept watch efficiently. Moreover, it optimized the supervision mechanism constantly and promoted supervisory work to be standard and efficient, ensuring the implementation of the decisions and deployment of the CPC Central Committee and the State Council. It strengthened the institutions of confidentiality, password, building of people's defense line for national security and complaint letter, and handled complaints properly according to law. It perfected the management of archives. It implemented the requirement to practice austerity, reinforced hard constraints on budgeting, tightened financial disciplines, guaranteed expenditures in prior areas and improved the efficiency of the use of funds. It also conducted government procurement complying with laws and

regulations and improved the performance of procurement.

Constantly improving asset management

In close adherence to the decisions and deployment of the CPC Central Committee and the State Council, the requirement to keep a tight budget and the basic guidelines of 13th Five-Year work plan on government affairs, the SAFE constantly enhanced the whole process asset management mechanism, put in place the main body responsibility for asset occupancy and use, strengthened the management of asset transfer, conducted stocktaking, implemented the institutions on statistical reporting and performance appraisal, strengthened asset guarantee, and elevated the efficiency of asset management. The SAFE gripped the management of asset entry and exit, strictly controlled the increase of assets, effectively activated the stock assets, and therefore improved the efficiency and effect of asset use. It innovated in the measures to supervise the disposal of electronic devices and enhanced the procedures to verify such disposal.

The practice was widely recognized and promoted, and was shared at a work conference on state-owned asset management of the central state organs.

Making innovations to do a good job of the serving and management of retired cadres

The SAFE secured the pandemic prevention and control of retired cadres in all respects, conducted publicity, guidance and hardship relief in various forms, and played the role of retired cadres in assisting the resumption of work and production. It stepped up the Party organization building of retired cadres, provided them with online and offline ideological and political training, and maintained their political standing. It enriched the home life of retired cadres by ushering in new work methods such as conducting online “Cloud” activities and mobile “Micro” lessons. The SAFE conveyed care and concern to retired cadres in forms of home visit, assistance provision and mentoring, etc. to ensure that serving and management job for retired cadres was both “fast” and “warm”.

Guidelines for internal management in 2021

Following the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and giving top priority to political building, the SAFE will conduct a series of activities in commemoration of the 100th Anniversary of the CPC's founding, and advance the Party history learning and education campaign. In adherence to the spirit of the Fifth Plenary Session of the 19th CPC Central Commission for Discipline Inspection, the SAFE will also constantly govern Party organizations strictly in all respects, advance all-in-one an environment in which officials dare not, cannot and are not willing to engage in corruption, and provide solid political safeguard for high-quality development of the foreign

exchange administration. Further, it will proceed with the targeted poverty relief and support rural vitalization. It will strengthen capacity building of cadres and conduct well in serving and management of retired cadres. Moreover, the SAFE will enhance the quality of audit to ward off risks and promote duty performance. The SAFE will enhance the abilities of document handling, meeting organizing, coordination and operation ensuring to fully play the role of advisers and assistants. The SAFE will improve the system of the Party taking charge of the confidentiality work and promote high-quality development of the work of confidentiality, password and construction of people's defense line for national security. Building firmly the thoughts of keeping a tight budget, it will further standardize budget and financial management.

Box 9

Implementing Follow-up Audit to Advance Effective Execution of Foreign Exchange Policies on Pandemic Prevention and Resumption of Work and Production

Under the CPC's deployment of promoting pandemic prevention and the development of economic and society, the SAFE implemented the spirit of General Secretary Xi Jinping's speech at the first meeting of the Central Audit Committee. The SAFE carried out audit investigations on implementing the policies of pandemic prevention and control, resumption of work and production, the reform to streamline administration and delegate power, improve regulations and upgrade services in foreign exchange account. We fully evaluated the work of the foreign exchange management system to implement the requirements of pandemic prevention and control, ensured stability on the six fronts and security in the six areas. We strived to implement foreign exchange management facilitation measures in place.

The SAFE is dedicated to pandemic prevention and control in accordance with the requirements of CPC and the State Council. In order to ensure the implementation of foreign exchange Green Channel policies on the COVID-19 pandemic, and effectively release the dividends of policies, the SAFE has organized 36 branches (including foreign exchange management departments) to carry out audit investigations on effective execution of Foreign Exchange facilitation measures. The survey issued 1025 bank questionnaires and 2115 corporate questionnaires. The audit investigation shows that the foreign exchange administration department attaches great importance to pandemic prevention and control, fully implements the spirit of General Secretary Xi Jinping's important instructions on the promotion of pandemic prevention and economic and social development, supports the resumption of work and production of foreign-related enterprises. 96.12% of banks said that the foreign exchange "green channel" policy fully met the needs of market entities for pandemic prevention and control and the resumption of enterprises. 97.59% of companies expressed satisfaction with foreign exchange policies related to pandemic prevention and control. 98.43% of enterprises said they could be satisfied with interpretation and

guidance of policies during the pandemic.

The SAFE conducted audit survey on the foreign exchange account consolidation to promote the implementation of policies benefiting business and the public. In order to promote the implementation of foreign exchange accounts management facilitation, the SAFE has organized 10 branches (including foreign exchange management departments) to conduct audit investigations on the reform to streamline administration and delegate power, improve regulation and upgrade services in foreign exchange account. It focused on investigations and evaluations of the foreign exchange account administration, the life-cycle management of foreign exchange accounts and the requirements of business environment optimization. The survey distributed 141 bank questionnaires and 734 corporate questionnaires. The audit investigation shows that the foreign exchange management department can implement the deployment of the CPC Central Committee and the State Council, promote the implementation of the streamlining of foreign exchange accounts. Banks can improve the service quality of foreign exchange accounts, actively simplify processes, and reduce corporate foot-cost. Market participants generally agree with the effectiveness of foreign exchange account cleanup and integration. 98.23% of the surveyed companies believed that the integration of foreign exchange accounts can meet the needs of business development.

The SAFE focused on the institutional obstacles of foreign exchange administration and persisted in promoting the application of audit results. The SAFE attaches great importance to the use of audit investigation results, and insists on rectifying problems as a crucial link to promote the improvement and effective implementation of policies. The SAFE strengthens the analysis of the cause for the problem and put forward a rectification plan. For the perspectives of improving the level of government services, smoothing policy transmission channels, improving the accuracy of facilitation policy measures, and preventing financial risks, it is proposed to strengthen the guidance of market entities, especially small, medium and micro foreign trade enterprises, operational and post- operational oversight, research and introduction of post-pandemic transitional system measures, the coordinated supervision of foreign

exchange accounts, the cross-border financial blockchain service platform and government service online management system management and other audit investigation suggestions. These proposals constantly enhance the effectiveness of foreign exchange administration policies supporting pandemic prevention and resumption of work and production.

In the next step, under the guidance of the spirits of the Fifth Plenary Session of the 19th CPC and Central Audit Committee meeting, the SAFE will make audit as the knob to promote the effective implementation of the Party Central Committee and the State Council's major decisions about deployments in the foreign exchange field and important policies for foreign exchange management, continuously improve the performance of foreign exchange administration.

Actively Promoting High-quality Building of the Party

The Party building inspired the fight against the pandemic in the foreign exchange administration system. The SAFE organized Party organizations at all levels and youth theory study groups to study the spirits of General Secretary Xi Jinping's important speeches on pandemic prevention and control both online and offline, which further deepened understandings and improved political stance. The SAFE resolutely took pandemic prevention and control as a major political task and fulfilled it in a detailed, solid and firm way. Various platforms were employed to publicize the efforts of the SAFE's Party organizations and cadres at various levels in fighting the pandemic in order to generate synergy to fight against pandemic. It also called for staff members to donate for the pandemic fight and allocated part of the retained Party membership fees to purchase protective materials, conveying the care and warmth of the Party organization.

The political organ awareness education yielded significant results. The SAFE formulated the task lists of political organ awareness education for the SAFE Party Group and various Party organizations affiliated to it. The SAFE Party Group head and Administrator Pan Gongsheng gave a special Party lecture on "strengthening the political organ awareness, marching well as the first phalanx, and building an exemplary government agency with the trust of the CPC Central Committee and the satisfaction of the public". Moreover, the SAFE organized Party member representatives to celebrate the political birthday on July 1. The Party organizations at the grass roots level conducted Party Day activities with the theme of "sticking to original aspiration and promoting fine family traditions". It also held a special debate on strengthening political organ awareness. These various measures enhanced the political organ awareness of Party members and cadres.

The efforts to build an exemplary government agency were exerted in a sound and orderly manner. The SAFE formulated a *Work Plan on Building*

an Exemplary Government Agency with the Trust of the CPC Central Committee and the Satisfaction of the General Public as well as relevant task lists to specify the work items to be completed and reinforce the guidance. Also, it actively constructed propaganda platforms to communicate its achievements on multiple levels and in all respects. In 2020, it did such communication via various channels including the Qizhi website, the *Qizhi* magazine, and the column of Building an Exemplary Government Agency of the SAFE's official WeChat public account.

The full and strict Party governance saw in-depth development. The SAFE studied and carried out the *Provisions for Party Committees (Groups) to Enforce the Principal Responsibility for Full and Strict Party Governance* to specify concrete assignments. The SAFE conducted specific correction of light black problems and various special supervisions. Moreover, it established correction work agenda for internal and external inspection, thematic education, and internal and external audit, created a library of cases serving to alert and educate cadres, and arranged incorruptness and one-on-one talks to enhance the education, supervision and management of Party members and cadres in all dimensions.

The quality of youth work was continuously improved. The SAFE organized a series of activities with the theme of *Letting your youth bloom in the fight against pandemic and strengthening the confidence in our institutions* and held an online recital contest in the name of *11 Letters that Witnessed Original Aspirations and Missions*. It held an activity of soliciting academic papers from the foreign exchange administration system and hosted a youth academic salon *Zhi Hui Ke*. It conducted a survey to learn youth's ideological and political stance, and organized selection of excellent League member on May 4, the Youth's Day, and reporting and rating of the work of Youth League secretaries. The SAFE Youths, a WeChat public account, extensively publicized the work and achievements of Youth League at the SAFE.

The work mechanisms of Party building were improved. Based on the adjustments of former relevant leading groups, the SAFE founded leading group

for Party building and formulated work rules for the group. It distributed work rules for the SAFE Party Committee and Disciplinary Inspection Commission to improve the work mechanism of Party building. It formulated quantitative appraisal measures for Party building, perfected the appraisal indicator system, and circulated pocket books of Party affairs for Party branches and task lists for Party branch secretaries to strengthen Party building at grass roots level in all respects. Furthermore, it promoted SAFE branches to enforce “One Post Dual Responsibility” and enhance Party building, thereby giving rise to a new Party building landscape where the headquarter leads the branches in Party building.

Box 11

New Achievements on Targeted Poverty Relief Made by Creating New Models of Financial Poverty Relief

2020 was the closing year of the national poverty relief campaign. Earnestly implementing the decisions and deployment of the CPC Central Committee and the State Council, the SAFE took multiple measures in an enhanced sense of responsibility to assist Julu county in Hebei province in making new progress in poverty alleviation.

Financial support was intensified constantly. Taking advantage of being a financial authority at the central level, the SAFE created a “SAFE-county-banks-enterprises” poverty eradication model, which merged resources from multiple parties and enhanced coordination in project introduction, industry optimization and credit input. The SAFE helped Julu county to usher in more than 30 emerging industry projects, with the project and credit input worth RMB 2.7 billion yuan, providing powerful financial support for the county to upgrade its traditional industries.

Poverty relief through industrialization was improved increasingly. In view of the objectives of targeted poverty alleviation and the characteristics of industrial development, the SAFE assisted Julu county in creating a “3+6+N” industrial poverty elimination system. Further, it donated RMB 13 million yuan to help fund such projects as supplementary agricultural insurance, selenium-rich organic fertilizer production, and grape growing.

Poverty relief through education accomplished more significant progress. The SAFE donated to help build two primary schools and one kindergarten. It also helped poor university students from Julu county to get student loans worth RMB 10.02 million yuan from China Development Bank. Furthermore, it trained various types of talents for the Julu county 3,561 person-times through multiple tiered training programs. It also coordinated with domestic online education resources to provide free courses to students. Furthermore, it helped to send core teachers of Beijing Haidian Experimental

Primary School to teach in Julu county, thus forcefully promoting high-quality development of the compulsory education there.

E-commerce contributed to poverty relief through consumption. The SAFE introduced e-commerce poverty relief correspondents who were stationed locally to assist in poverty alleviation. In the network broadcast booth, live personnel were invited to help advertise local agricultural and specialty products, with the daily sales exceeding RMB 1 million yuan. Furthermore, it ushered in internet consumption for poverty relief, organized e-commerce training and helped to market agricultural products worth more than RMB 3 million yuan on a cumulative basis.

Foreign Exchange Statistics

Table S1 China's Balance of Payments, 2020

		Unit: USD 100 million	
Item	Amount	Item	Amount
1. Current Account	2740	Debit	-123
Credit	30117	1.A.b.7 Financial Services	10
Debit	-27377	Credit	43
1. A Goods and Services	3697	Debit	-33
Credit	27324	1.A.b.8 Charges for the Use of Intellectual Property	-292
Debit	-23627	Credit	86
1.A.a Goods	5150	Debit	-378
Credit	24972	1.A.b.9 Telecommunications, Computer, and Information Services	59
Debit	-19822	Credit	389
1.A.b Services	-1453	Debit	-330
Credit	2352	1.A.b.10 Other Business Services	198
Debit	-3805	Credit	702
1.A.b.1 Manufacturing Services on Physical Inputs Owned by Others	127	Debit	-504
Credit	132	1.A.b.11 Personal, Cultural, and Recreational Services	-20
Debit	-5	Credit	10
1.A.b.2 Maintenance and Repair Services n.i.e	43	Debit	-30
Credit	77	1.A.b.12 Government Goods and Services n.i.e	-11
Debit	-34	Credit	25
1.A.b.3 Transport	-381	Debit	-36
Credit	566	1.B Primary Income	-1052
Debit	-947	Credit	2417
1.A.b.4 Travel	-1163	Debit	-3469
Credit	142	1.B.1 Compensation of Employees	4
Debit	-1305	Credit	147
1.A.b.5 Construction	46	Debit	-144
Credit	126	1.B.2 Investment Income	-1071
Debit	-81	Credit	2244
1.A.b.6 Insurance and Pension Services	-70	Debit	-3315
Credit	54	1.B.3 Other Primary Income	16

Table S1 (continued)

Item	Amount	Item	Amount
Credit	26	2.2.1.1.2.1 Equity and Investment Fund Shares	1700
Debit	-10	2.2.1.1.2.2 Debt Instruments	425
1.C Secondary Income	95	2.2.1.1.2.a Financial Sectors	200
Credit	376	2.2.1.1.2.1.a Equity and Investment Fund Shares	123
Debit	-281	2.2.1.1.2.2.a Debt Instruments	76
1.C.1 Personal Transfers	4	2.2.1.1.2.b Non-financial Sectors	1925
Credit	42	2.2.1.1.2.1.b Equity and Investment Fund Shares	1577
Debit	-38	2.2.1.1.2.2.b Debt Instruments	348
1.C.2 Other Secondary Income	91	2.2.1.2 Portfolio Investment	873
Credit	334	2.2.1.2.1 Assets	-1673
Debit	-244	2.2.1.2.1.1 Equity and Investment Fund Shares	-1310
2. Capital and Financial Account	-1058	2.2.1.2.1.2 Debt Securities	-363
2.1 Capital Account	-1	2.2.1.2.2 Liabilities	2547
Credit	2	2.2.1.2.2.1 Equity and Investment Fund Shares	641
Debit	-2	2.2.1.2.2.2 Debt Securities	1905
2.2 Financial Account	-1058	2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	-114
Assets	-6263	2.2.1.3.1 Assets	-69
Liabilities	5206	2.2.1.3.2 Liabilities	-45
2.2.1 Financial Account Excluding Reserve Assets	-778	2.2.1.4 Other Investment	-2562
Assets	-5983	2.2.1.4.1 Assets	-3142
Liabilities	5206	2.2.1.4.1.1 Other Equity	-5
2.2.1.1 Direct Investment	1026	2.2.1.4.1.2 Currency and Deposits	-1304
2.2.1.1.1 Assets	-1099	2.2.1.4.1.3 Loans	-1282
2.2.1.1.1.1 Equity and Investment Fund Shares	-836	2.2.1.4.1.4 Insurance, Pension, and Standardized Guarantee Schemes	-33
2.2.1.1.1.2 Debt Instruments	-263	2.2.1.4.1.5 Trade Credit and Advances	-369
2.2.1.1.1.a Financial Sectors	-200	2.2.1.4.1.6 Other	-149
2.2.1.1.1.1.a Equity and Investment Fund Shares	-215	2.2.1.4.2 Liabilities	579
2.2.1.1.1.2.a Debt Instruments	14	2.2.1.4.2.1 Other Equity	0
2.2.1.1.1.b Non-financial Sectors	-899	2.2.1.4.2.2 Currency and Deposits	774
2.2.1.1.1.1.b Equity and Investment Fund Shares	-622	2.2.1.4.2.3 Loans	-354
2.2.1.1.1.2.b Debt Instruments	-277		
2.2.1.1.2 Liabilities	2125		

Table S1 (concluded)

Item	Amount	Item	Amount
2.2.1.4.2.4 Insurance, Pension, and Standardized Guarantee Schemes	33	2.2.2.1 Monetary Gold	0
2.2.1.4.2.5 Trade Credit and Advances	76	2.2.2.2 Special Drawing Rights	1
2.2.1.4.2.6 Other	51	2.2.2.3 Reserve Position in the IMF	-19
2.2.1.4.2.7 Special Drawing Rights	0	2.2.2.4 Foreign Exchange Reserves	-262
2.2.2 Reserve Assets	-280	2.2.2.5 Other Reserve Assets	0
		3. Net Errors and Omissions	-1681

Table S2 Abridged China's Balance of Payments, 1990-2020

(1)

Unit: USD 100 million

Item	1990	1991	1992	1993	1994	1995
1. Current Account	120	133	64	-119	77	16
Credit	525	602	736	800	1121	1389
Debit	-405	-469	-672	-919	-1045	-1373
1. A Goods and Services	107	116	50	-118	74	120
Credit	491	555	668	743	1046	1319
Debit	-385	-439	-618	-861	-973	-1199
1.A.a Goods	70	62	19	-143	35	128
Credit	411	460	543	597	844	1074
Debit	-341	-398	-524	-740	-810	-947
1.A.b Services	37	54	31	25	39	-8
Credit	81	95	126	146	202	244
Debit	-44	-41	-94	-120	-163	-252
1.B Primary Income	11	8	2	-13	-10	-118
Credit	30	37	56	44	57	52
Debit	-20	-29	-53	-57	-68	-170
1.C Secondary Income	3	8	12	12	13	14
Credit	4	9	12	13	18	18
Debit	-1	-1	-1	-1	-4	-4
2. Capital and Financial Account	-89	-65	19	217	21	162
2.1 Capital Account	0	0	0	0	0	0
Credit	0	0	0	0	0	0
Debit	0	0	0	0	0	0
2.2 Financial Account	-89	-65	19	217	21	162
Assets	-138	-160	-59	-109	-367	-247
Liabilities	49	94	77	326	389	409
2.2.1 Financial Account Excluding Reserve Assets	-28	46	-3	235	326	387
Assets	-77	-49	-80	-91	-62	-22
Liabilities	49	94	77	326	389	409
2.2.1.1 Direct Investment	27	35	72	231	318	338
2.2.1.1.1 Assets	-8	-9	-40	-44	-20	-20
2.2.1.1.2 Liabilities	35	44	112	275	338	358
2.2.1.2 Portfolio Investment	-2	2	-1	31	35	8
2.2.1.2.1 Assets	-2	-3	-5	-6	-4	1
2.2.1.2.2 Liabilities	0	6	4	36	39	7
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	0	0	0	0	0	0
2.2.1.3.1 Assets	0	0	0	0	0	0
2.2.1.3.2 Liabilities	0	0	0	0	0	0
2.2.1.4 Other Investment	-52	9	-74	-27	-27	40
2.2.1.4.1 Assets	-66	-36	-35	-41	-38	-3
2.2.1.4.2 Liabilities	14	45	-38	14	12	43
2.2.2 Reserve Assets	-61	-111	21	-18	-305	-225
3. Net Errors and Omissions	-31	-68	-83	-98	-98	-178

(2)

Unit: USD 100 million

Year Item	1996	1997	1998	1999	2000
1. Current Account	72	370	315	211	204
Credit	1645	1986	1990	2124	2725
Debit	-1573	-1617	-1675	-1913	-2521
1. A Goods and Services	176	428	438	306	288
Credit	1548	1874	1888	1987	2531
Debit	-1373	-1446	-1449	-1681	-2243
1.A.a Goods	122	366	456	329	299
Credit	1268	1532	1637	1693	2181
Debit	-1147	-1167	-1181	-1364	-1881
1.A.b Services	54	63	-18	-23	-11
Credit	280	342	251	294	350
Debit	-226	-280	-268	-317	-362
1.B Primary Income	-124	-110	-166	-145	-147
Credit	73	57	56	83	126
Debit	-198	-167	-222	-228	-272
1.C Secondary Income	21	51	43	49	63
Credit	24	55	47	54	69
Debit	-2	-3	-4	-4	-5
2. Capital and Financial Account	83	-147	-127	-33	-86
2.1 Capital Account	0	0	0	0	0
Credit	0	0	0	0	0
Debit	0	0	0	0	0
2.2 Financial Account	83	-147	-127	-33	-86
Assets	-357	-788	-479	-452	-666
Liabilities	440	641	352	419	580
2.2.1 Financial Account Excluding Reserve Assets	400	210	-63	52	20
Assets	-40	-431	-415	-367	-561
Liabilities	440	641	352	419	580
2.2.1.1 Direct Investment	381	417	411	370	375
2.2.1.1.1 Assets	-21	-26	-26	-18	-9
2.2.1.1.2 Liabilities	402	442	438	388	384
2.2.1.2 Portfolio Investment	17	69	-37	-112	-40
2.2.1.2.1 Assets	-6	-9	-38	-105	-113
2.2.1.2.2 Liabilities	24	78	1	-7	73
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	0	0	0	0	0
2.2.1.3.1 Assets	0	0	0	0	0
2.2.1.3.2 Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	2	-276	-437	-205	-315
2.2.1.4.1 Assets	-13	-396	-350	-244	-439
2.2.1.4.2 Liabilities	15	120	-86	39	123
2.2.2 Reserve Assets	-317	-357	-64	-85	-105
3. Net Errors and Omissions	-155	-223	-187	-178	-118

(3)

Unit: USD 100 million

Item	Year	2001	2002	2003	2004	2005
1. Current Account		174	354	431	689	1324
Credit		2906	3551	4825	6522	8403
Debit		-2732	-3197	-4395	-5833	-7080
1. A Goods and Services		281	374	358	512	1246
Credit		2721	3330	4480	6074	7733
Debit		-2440	-2956	-4121	-5562	-6487
1.A.a Goods		282	377	398	514	1243
Credit		2329	2868	3966	5349	6890
Debit		-2047	-2491	-3568	-4835	-5647
1.A.b Services		-1	-3	-40	-2	3
Credit		392	462	513	725	843
Debit		-393	-465	-553	-727	-840
1.B Primary Income		-192	-149	-102	-51	-161
Credit		94	83	161	206	393
Debit		-286	-233	-263	-257	-554
1.C Secondary Income		85	130	174	229	239
Credit		91	138	185	243	277
Debit		-6	-8	-10	-14	-39
2. Capital and Financial Account		-125	-432	-513	-819	-1553
2.1 Capital Account		-1	0	0	-1	41
Credit		0	0	0	0	42
Debit		-1	0	0	-1	-1
2.2 Financial Account		-125	-432	-512	-818	-1594
Assets		-541	-932	-1212	-1916	-3352
Liabilities		416	500	699	1098	1758
2.2.1 Financial Account Excluding Reserve Assets		348	323	549	1082	912
Assets		-67	-177	-150	-16	-845
Liabilities		416	500	699	1098	1758
2.2.1.1 Direct Investment		374	468	494	601	904
2.2.1.1.1 Assets		-69	-25	0	-20	-137
2.2.1.1.2 Liabilities		442	493	495	621	1041
2.2.1.2 Portfolio Investment		-194	-103	114	197	-47
2.2.1.2.1 Assets		-207	-121	30	65	-262
2.2.1.2.2 Liabilities		12	18	84	132	214
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options		0	0	0	0	0
2.2.1.3.1 Assets		0	0	0	0	0
2.2.1.3.2 Liabilities		0	0	0	0	0
2.2.1.4 Other Investment		169	-41	-60	283	56
2.2.1.4.1 Assets		208	-31	-180	-61	-447
2.2.1.4.2 Liabilities		-39	-10	120	345	502
2.2.2 Reserve Assets		-473	-755	-1061	-1901	-2506
3. Net Errors and Omissions		-49	78	82	130	229

(4)

Unit: USD 100 million

Year					
Item	2006	2007	2008	2009	2010
1. Current Account	2318	3532	4206	2433	2378
Credit	10779	13842	16622	14136	18484
Debit	-8460	-10310	-12417	-11703	-16105
1. A Goods and Services	2089	3080	3488	2201	2230
Credit	9917	12581	14979	12627	16564
Debit	-7828	-9500	-11490	-10425	-14334
1.A.a Goods	2068	3028	3445	2355	2381
Credit	8887	11227	13346	11191	14781
Debit	-6820	-8199	-9901	-8836	-12400
1.A.b Services	21	52	44	-153	-151
Credit	1030	1353	1633	1436	1783
Debit	-1008	-1301	-1589	-1589	-1934
1.B Primary Income	-51	80	286	-85	-259
Credit	546	835	1118	1083	1424
Debit	-597	-754	-832	-1168	-1683
1.C Secondary Income	281	371	432	317	407
Credit	316	426	526	426	495
Debit	-35	-55	-94	-110	-88
2. Capital and Financial Account	-2355	-3665	-4394	-2019	-1849
2.1 Capital Account	40	31	31	39	46
Credit	41	33	33	42	48
Debit	-1	-2	-3	-3	-2
2.2 Financial Account	-2395	-3696	-4425	-2058	-1895
Assets	-4519	-6371	-6087	-4283	-6536
Liabilities	2124	2676	1662	2225	4641
2.2.1 Financial Account Excluding Reserve Assets	453	911	371	1945	2822
Assets	-1671	-1764	-1291	-280	-1819
Liabilities	2124	2676	1662	2225	4641
2.2.1.1 Direct Investment	1001	1391	1148	872	1857
2.2.1.1.1 Assets	-239	-172	-567	-439	-580
2.2.1.1.2 Liabilities	1241	1562	1715	1311	2437
2.2.1.2 Portfolio Investment	-684	164	349	271	240
2.2.1.2.1 Assets	-1113	-45	252	-25	-76
2.2.1.2.2 Liabilities	429	210	97	296	317
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	0	0	0	0	0
2.2.1.3.1 Assets	0	0	0	0	0
2.2.1.3.2 Liabilities	0	0	0	0	0
2.2.1.4 Other Investment	136	-644	-1126	803	724
2.2.1.4.1 Assets	-319	-1548	-976	184	-1163
2.2.1.4.2 Liabilities	455	904	-150	619	1887
2.2.2 Reserve Assets	-2848	-4607	-4795	-4003	-4717
3. Net Errors and Omissions	36	133	188	-414	-529

(5)

Unit: USD 100 million

Item	Year				
	2011	2012	2013	2014	2015
1. Current Account	1361	2154	1482	2360	2930
Credit	22087	23933	25927	27434	26199
Debit	-20726	-21779	-24445	-25074	-23269
1. A Goods and Services	1819	2318	2354	2213	3579
Credit	20089	21751	23556	24629	23602
Debit	-18269	-19432	-21202	-22416	-20023
1.A.a Goods	2287	3116	3590	4350	5762
Credit	18078	19735	21486	22438	21428
Debit	-15791	-16619	-17896	-18087	-15666
1.A.b Services	-468	-797	-1236	-2137	-2183
Credit	2010	2016	2070	2191	2174
Debit	-2478	-2813	-3306	-4329	-4357
1.B Primary Income	-703	-199	-784	133	-522
Credit	1443	1670	1840	2394	2238
Debit	-2146	-1869	-2624	-2261	-2760
1.C Secondary Income	245	34	-87	14	-126
Credit	556	512	532	411	359
Debit	-311	-477	-619	-397	-486
2. Capital and Financial Account	-1223	-1283	-853	-1692	-912
2.1 Capital Account	54	43	31	0	3
Credit	56	45	45	19	5
Debit	-2	-3	-14	-20	-2
2.2 Financial Account	-1278	-1326	-883	-1691	-915
Assets	-6136	-3996	-6517	-5806	95
Liabilities	4858	2670	5633	4115	-1010
2.2.1 Financial Account Excluding Reserve Assets	2600	-360	3430	-514	-4345
Assets	-2258	-3030	-2203	-4629	-3335
Liabilities	4858	2670	5633	4115	-1010
2.2.1.1 Direct Investment	2317	1763	2180	1450	681
2.2.1.1.1 Assets	-484	-650	-730	-1231	-1744
2.2.1.1.2 Liabilities	2801	2412	2909	2681	2425
2.2.1.2 Portfolio Investment	196	478	529	824	-665
2.2.1.2.1 Assets	62	-64	-54	-108	-732
2.2.1.2.2 Liabilities	134	542	582	932	67
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	0	0	0	0	-21
2.2.1.3.1 Assets	0	0	0	0	-34
2.2.1.3.2 Liabilities	0	0	0	0	13
2.2.1.4 Other Investment	87	-2601	722	-2788	-4340
2.2.1.4.1 Assets	-1836	-2317	-1420	-3289	-825
2.2.1.4.2 Liabilities	1923	-284	2142	502	-3515
2.2.2 Reserve Assets	-3878	-966	-4314	-1178	3429
3. Net Errors and Omissions	-138	-871	-629	-669	-2018

(6)

Unit: USD 100 million

Year	2016	2017	2018	2019	2020
Item					
1. Current Account	1913	1887	241	1029	2740
Credit	24555	27471	29473	29304	30117
Debit	-22641	-25585	-29231	-28275	-27377
1. A Goods and Services	2557	2170	879	1318	3697
Credit	21979	24293	26510	26310	27324
Debit	-19422	-22123	-25631	-24992	-23627
1.A.a Goods	4889	4759	3801	3930	5150
Credit	19895	22162	24174	23866	24972
Debit	-15006	-17403	-20374	-19936	-19822
1.A.b Services	-2331	-2589	-2922	-2611	-1453
Credit	2084	2131	2336	2444	2352
Debit	-4415	-4720	-5257	-5055	-3805
1.B Primary Income	-549	-165	-614	-392	-1052
Credit	2267	2897	2685	2735	2417
Debit	-2815	-3062	-3299	-3127	-3469
1.C Secondary Income	-95	-119	-24	103	95
Credit	309	282	278	259	376
Debit	-404	-400	-302	-157	-281
2. Capital and Financial Account	272	179	1532	263	-1058
2.1 Capital Account	-3	-1	-6	-3	-1
Credit	3	2	3	2	2
Debit	-7	-3	-9	-5	-2
2.2 Financial Account	276	180	1538	266	-1058
Assets	-2320	-4239	-3620	-2605	-6263
Liabilities	2596	4419	5158	2871	5206
2.2.1 Financial Account Excluding Reserve Assets	-4161	1095	1727	73	-778
Assets	-6756	-3324	-3432	-2798	-5983
Liabilities	2596	4419	5158	2871	5206
2.2.1.1 Direct Investment	-417	278	923	503	1026
2.2.1.1.1 Assets	-2164	-1383	-1430	-1369	-1099
2.2.1.1.2 Liabilities	1747	1661	2354	1872	2125
2.2.1.2 Portfolio Investment	-523	295	1069	579	873
2.2.1.2.1 Assets	-1028	-948	-535	-894	-1673
2.2.1.2.2 Liabilities	505	1243	1604	1474	2547
2.2.1.3 Financial Derivatives (other than Reserves) and Employee Stock Options	-54	4	-62	-24	-114
2.2.1.3.1 Assets	-65	15	-48	14	-69
2.2.1.3.2 Liabilities	12	-12	-13	-37	-45
2.2.1.4 Other Investment	-3167	519	-204	-985	-2562
2.2.1.4.1 Assets	-3499	-1008	-1418	-549	-3142
2.2.1.4.2 Liabilities	332	1527	1214	-437	579
2.2.2 Reserve Assets	4437	-915	-189	193	-280
3. Net Errors and Omissions	-2186	-2066	-1774	-1292	-1681

Table S3 China's International Investment Position, 2004-2020

Unit: USD 100 million

Item	Year	End of 2004	End of 2005	End of 2006	End of 2007	End of 2008
Net International Investment Position		2408	3572	5187	9524	13926
Assets		9362	12315	17009	24421	29661
1 Direct Investment		596	725	1009	1411	1948
1.1 Equity and Investment Fund Shares		583	671	812	1142	1481
1.2 Debt Instruments		13	54	197	269	468
1.a Financial Sectors		—	—	—	—	—
1.1.a Equity and Investment Fund Shares		—	—	—	—	—
1.2.a Debt Instruments		—	—	—	—	—
1.b Non-financial Sectors		—	—	—	—	—
1.1.b Equity and Investment Fund Shares		—	—	—	—	—
1.2.b Debt Instruments		—	—	—	—	—
2 Portfolio Investment		922	1170	2654	2854	2527
2.1 Equity and Investment Fund Shares		2	2	16	204	216
2.2 Debt Instruments		920	1167	2637	2650	2311
3 Financial Derivatives (other than Reserves) and Employee Stock Options		0	0	0	0	0
4 Other Investment		1658	2164	2539	4683	5523
4.1 Other Equity		0	0	0	0	0
4.2 Currency and Deposits		553	675	736	1380	1529
4.3 Loans		590	719	670	888	1071
4.4 Insurance, Pension, and Standardized Guarantee Schemes		0	0	0	0	0
4.5 Trade Credit and Advances		432	661	922	1160	1102
4.6 Other Accounts Receivable		83	109	210	1255	1821
5 Reserve Assets		6186	8257	10808	15473	19662
5.1 Monetary Gold		41	42	123	170	169
5.2 Special Drawing Rights		12	12	11	12	12
5.3 Reserve Position in the IMF		33	14	11	8	20
5.4 Foreign Currency Reserves		6099	8189	10663	15282	19460
5.5 Other Reserve Assets		0	0	0	0	0
Liabilities		6954	8744	11822	14898	15735
1 Direct Investment		3690	4715	6144	7037	9155
1.1 Equity and Investment Fund Shares		3381	4367	5731	6527	8527
1.2 Debt Instruments		309	349	413	510	628
1.a Financial Sector		—	—	—	—	—
1.1.a Equity and Investment Fund Shares		—	—	—	—	—
1.2.a Debt Instruments		—	—	—	—	—
1.b Non-financial Sector		—	—	—	—	—
1.1.b Equity and Investment Fund Shares		—	—	—	—	—
1.2.b Debt Instruments		—	—	—	—	—
2 Portfolio Investment		994	1353	2527	4083	2784
2.1 Equity and Investment Fund Shares		860	1224	2385	3907	2612
2.2 Debt Securities		133	130	142	176	172
3 Financial Derivatives (other than Reserves) and Employee Stock Options		0	0	0	0	0
4 Other Investment		2271	2675	3152	3778	3796
4.1 Other Equity		0	0	0	0	0
4.2 Currency and Deposits		381	484	595	791	918
4.3 Loans		880	870	985	1033	1030
4.4 Insurance, Pension, and Standardized Guarantee Schemes		0	0	0	0	0
4.5 Trade Credit and Advances		809	1063	1196	1487	1296
4.6 Other Accounts Payable		200	257	377	467	552
4.7 Special Drawing Rights		0	0	0	0	0

Table S3 (continued)

Item	Year	End of 2009	End of 2010	End of 2011	End of 2012	End of 2013	End of 2014
Net International Investment Position		13044	14841	15348	16781	18184	16103
Assets		34549	41424	47551	52353	60205	64839
1 Direct Investment		2630	3393	4435	5519	6913	9225
1.1 Equity and Investment Fund Shares		1758	2343	3312	4117	5002	7807
1.2 Debt Instruments		872	1050	1123	1402	1911	1418
1.a Financial Sector		—	—	—	—	—	—
1.1.a Equity and Investment Fund Shares		—	—	—	—	—	—
1.2.a Debt Instruments		—	—	—	—	—	—
1.b Non-financial Sector		—	—	—	—	—	—
1.1.b Equity and Investment Fund Shares		—	—	—	—	—	—
1.2.b Debt Instruments		—	—	—	—	—	—
2 Portfolio Investment		2435	2586	2063	2428	2620	2683
2.1 Equity and Investment Fund Shares		553	645	883	1320	1566	1670
2.2 Debt Instruments		1882	1941	1180	1108	1055	1012
3 Financial Derivatives (other than Reserves) and Employee Stock Options		0	0	0	0	0	0
4 Other Investment		4952	6304	8495	10527	11867	13938
4.1 Other Equity		0	0	0	0	0	0
4.2 Currency and Deposits		1310	2051	2942	3906	3751	4453
4.3 Loans		974	1174	2232	2778	3089	3747
4.4 Insurance, Pension, and Standardized Guarantee Schemes		0	0	0	0	0	0
4.5 Trade Credit and Advances		1444	2060	2769	3387	3990	4677
4.6 Other Accounts Receivable		1224	1018	552	457	1038	1061
5 Reserve Assets		24532	29142	32558	33879	38804	38993
5.1 Monetary Gold		371	481	530	567	408	401
5.2 Special Drawing Rights		125	123	119	114	112	105
5.3 Reserve Position in the IMF		44	64	98	82	71	57
5.4 Foreign Currency Reserves		23992	28473	31811	33116	38213	38430
5.5 Other Reserve Assets		0	0	0	0	0	0
Liabilities		21505	26583	32203	35573	42021	48736
1 Direct Investment		13148	15696	19069	20680	23312	25991
1.1 Equity and Investment Fund Shares		12284	14711	17842	19425	22149	24076
1.2 Debt Instruments		864	985	1227	1255	1163	1915
1.a Financial Sector		—	—	—	—	—	—
1.1.a Equity and Investment Fund Shares		—	—	—	—	—	—
1.2.a Debt Instruments		—	—	—	—	—	—
1.b Non-financial Sector		—	—	—	—	—	—
1.1.b Equity and Investment Fund Shares		—	—	—	—	—	—
1.2.b Debt Instruments		—	—	—	—	—	—
2 Portfolio Investment		3941	4514	4227	5467	5985	8343
2.1 Equity and Investment Fund Shares		3789	4336	3856	4724	5097	6893
2.2 Debt Securities		152	178	371	742	889	1449
3 Financial Derivatives (other than Reserves) and Employee Stock Options		0	0	0	0	0	0
4 Other Investment		4416	6373	8907	9426	12724	14402
4.1 Other Equity		0	0	0	0	0	0
4.2 Currency and Deposits		937	1650	2477	2446	3466	5030
4.3 Loans		1636	2389	3724	3680	5642	5720
4.4 Insurance, Pension, and Standardized Guarantee Schemes		0	0	0	0	0	0
4.5 Trade Credit and Advances		1617	2112	2492	2915	3365	3344
4.6 Other Accounts Payable		227	222	106	277	144	207
4.7 Special Drawing Rights		0	0	107	107	108	101

Table S3 (continued)

Item	Year	End of 2015	End of 2016	End of 2017	End of 2018	End of 2019	End of 2020
Net International Investment Position		16989	19849	20652	21075	22996	21503
Assets		62232	65788	71915	74327	78464	87039
1 Direct Investment		11560	14237	18450	20015	22366	24134
1.1 Equity and Investment Fund Shares		9725	11938	15949	17023	19341	20844
1.2 Debt Instruments		1836	2300	2501	2993	3026	3290
1.a Financial Sector		—	—	2371	2518	2839	3077
1.1.a Equity and Investment Fund Shares		—	—	2276	2416	2739	2990
1.2.a Debt Instruments		—	—	95	102	100	87
1.b Non-financial Sector		—	—	16079	17498	19528	21057
1.1.b Equity and Investment Fund Shares		—	—	13673	14607	16602	17854
1.2.b Debt Instruments		—	—	2405	2891	2926	3203
2 Portfolio Investment		2685	3724	4992	5065	6575	8999
2.1 Equity and Investment Fund Shares		1692	2207	3044	2786	3853	6043
2.2 Debt Instruments		993	1518	1948	2279	2722	2955
3 Financial Derivatives (other than Reserves) and Employee Stock Options		36	52	59	62	67	191
4 Other Investment		13889	16797	16055	17505	17226	20149
4.1 Other Equity		1	1	54	69	84	89
4.2 Currency and Deposits		3598	3653	3611	3896	3962	4865
4.3 Loans		4569	5768	6373	7097	6963	8389
4.4 Insurance, Pension, and Standardized Guarantee Schemes		172	123	101	106	135	166
4.5 Trade Credit and Advances		5137	6145	5319	5972	5604	5972
4.6 Other Accounts Receivable		412	1107	597	364	479	668
5 Reserve Assets		34061	30978	32359	31680	32229	33565
5.1 Monetary Gold		602	679	765	763	954	1182
5.2 Special Drawing Rights		103	97	110	107	111	115
5.3 Reserve Position in the IMF		45	96	79	85	84	108
5.4 Foreign Currency Reserves		33304	30105	31399	30727	31079	32165
5.5 Other Reserve Assets		7	2	5	-2	0	-5
Liabilities		45243	45940	51263	53252	55468	65536
1 Direct Investment		26963	27551	27257	28271	27964	31793
1.1 Equity and Investment Fund Shares		24962	25370	25150	25858	25296	28814
1.2 Debt Instruments		2002	2181	2107	2413	2668	2979
1.a Financial Sector		—	—	1351	1422	1605	1826
1.1.a Equity and Investment Fund Shares		—	—	1241	1277	1426	1627
1.2.a Debt Instruments		—	—	110	145	179	199
1.b Non-financial Sector		—	—	25906	26849	26359	29967
1.1.b Equity and Investment Fund Shares		—	—	23909	24581	23869	27187
1.2.b Debt Instruments		—	—	1997	2268	2490	2780
2 Portfolio Investment		8583	8483	11775	11628	14526	19545
2.1 Equity and Investment Fund Shares		6384	6168	8405	7506	9497	12543
2.2 Debt Securities		2200	2316	3370	4122	5029	7002
3 Financial Derivatives (other than Reserves) and Employee Stock Options		53	60	34	60	65	122
4 Other Investment		9643	9844	12197	13294	12913	14076
4.1 Other Equity		0	0	0	0	0	0
4.2 Currency and Deposits		3267	3166	4365	4833	4245	5266

Table S3 (concluded)

Item	Year	End of 2015	End of 2016	End of 2017	End of 2018	End of 2019	End of 2020
4.3 Loans		3293	3205	3922	4169	4605	4555
4.4 Insurance, Pension, and Standardized Guarantee Schemes		93	88	100	109	135	167
4.5 Trade Credit and Advances		2721	2883	3523	3931	3644	3719
4.6 Other Accounts Payable		172	408	188	154	189	267
4.7 Special Drawing Rights		97	94	100	97	97	101

Notes:

1. This table employs rounded-off numbers.
2. Net International Investment Position refers to assets minus liabilities. Positive figure refers to net assets and negative figure refers to net liabilities.
3. Since end of March 2015, this table has been compiled and disseminated according to the principles of the *Balance of Payments and International Investment Position Manual* published by the International Monetary Fund (IMF).
4. Since the end of 2017, stock of trade credits have been revised based on the latest survey results. There are no revisions on trade credit data prior to end of 2017.

Table S4 External Financial Assets and Liabilities of China's Banking Sector, End of 2020

As of December 31, 2020

Unit: USD 100 million

Item	Sum (1=2+3, 1=10+19)	Incl.: RMB (2=11+20)	Incl.: Foreign Currency (3=4+5+ 6+7+8+9, 3=12+21)	USD	EUR	JPY	GBP	CHF	Other Foreign Currencies
	1	2	3	4	5	6	7	8	9
Assets	13724	1496	12228	9430	791	101	107	5	1795
Deposits and Loans	10033	1339	8695	7188	663	79	83	5	677
Bonds	1816	115	1701	1570	60	10	7	0	54
Other Assets	1875	42	1833	672	68	11	17	1	1064
Liabilities	14847	5852	8995	5614	485	35	45	1	2815
Deposits and Loans	8095	2604	5492	4683	346	26	19	1	417
Bonds	2916	1984	932	757	129	7	24	0	15
Incl.: Short-term Bonds	634	368	266	249	8	7	0	0	2
Other Liabilities	3835	1265	2571	174	10	1	1	0	2384

Table S4 (continued)

Item	With Overseas Banking Sectors (10=11+12)	Incl.: RMB	Incl.: Foreign Currency (12=13+14+ 15+16+17+18)	USD	EUR	JPY	GBP	CHF	Other Foreign Currencies
	10	11	12	13	14	15	16	17	18
Assets	7084	647	6437	4658	390	86	42	5	1255
Deposits and Loans	5096	596	4500	3647	296	75	34	5	444
Bonds	577	24	553	489	26	0	0	0	38
Other Assets	1411	28	1384	523	67	11	8	1	774
Liabilities	6134	3418	2716	2120	288	12	15	0	280
Deposits and Loans	3527	1093	2434	1885	272	11	14	0	253
Bonds	1466	1386	80	74	6	0	0	0	0
Incl.: Short-term Bonds	308	303	4	4	0	0	0	0	0
Other Liabilities	1140	939	201	161	10	1	1	0	27

Table S4 (concluded)

Item	With Overseas Non- Banking Sectors (19=20+21)	Incl.: RMB	Incl.: Foreign Currency (21=22+ 23+24+ 25+26+27)	USD	EUR	JPY	GBP	CHF	Other Foreign Currencies
	19	20	21	22	23	24	25	26	27
Assets	6640	849	5792	4771	401	14	65	0	539
Deposits and Loans	4938	743	4195	3541	367	4	49	0	233
Bonds	1239	91	1148	1081	34	10	7	0	16
Other Assets	464	15	449	149	0	0	9	0	290
Liabilities	8713	2434	6279	3494	196	23	30	1	2535
Deposits and Loans	4568	1510	3057	2798	74	16	5	1	164
Bonds	1450	598	852	682	123	7	24	0	15
Incl.: Short-term Bonds	326	65	261	245	8	7	0	0	2
Other Liabilities	2695	325	2370	14	-1	0	0	0	2357

Notes:

1. The State Administration of Foreign Exchange adopts the International Banking Statistics (IBS) format of the Bank for International Settlements (BIS) to publish the data on the balance of external financial assets and liabilities of China's banking sectors. The statistics is consistent with the statistical principles of the *Balance of Payments and International Investment Position Manual* published by the International Monetary Fund (IMF). "Banks" refer to deposit-taking financial institutions other than the central bank. "Deposits and Loans Assets" refers to the overseas deposits or loans issued to non-residents by China's banking sectors. "Deposits and Loans Liabilities" refers to the deposits absorbed from non-residents and loans received from non-residents. "Bonds Assets" refers to the bond investment products issued by non-residents and held by China's banking sectors. "Bonds Liabilities" refers to the bond investment products issued by China's banking sectors and held by non-residents. "Others" refer to the external financial assets or liabilities other than deposits, loans and bonds, including but not limited to financial instruments such as equity, financial derivatives, other equity, from which liabilities on reserve assets and special drawing rights are excluded.

2. According to the requirements of the IBS, the "Overseas Banking Sectors" in this table includes overseas related banks, non-related banks and central banks. The "Overseas Non-banking Sectors" includes overseas non-banking financial sectors and non-financial sectors.

3. According to the principles for the balance of payments statistics, the external bond liabilities of a country counts the stock of bonds issued by resident institutions and held by non-resident investors. The domestic or overseas bonds issued by resident institutions and held by resident investors are not included in the external bond liabilities of the said country for the reason that they are liabilities between residents. In practice, the stock of external bond liabilities equals to the stock of investments in domestic bond market by non-residents, plus the stock of overseas bonds issued by resident institutions (eliminating the portion purchased overseas by resident investors). However, due to the reason that it is difficult for some resident investors to differentiate the residency status of the overseas issuers, some of the bonds issued by non-residents are reported as those issued by residents, which thus makes some items of the external bond liabilities of China's banking sectors may show negative balance due to over-elimination.

4. This table employs rounded-off numbers.

Table S5 China's Gross External Debt Position by Sector, End of 2020

	End of 2020 (in 100 million RMB)	End of 2020 (in USD 100 million)
General Government	24760	3795
Short-term	713	109
Currency and Deposits	0	0
Debt Securities	713	109
Loans	0	0
Trade Credit and Advances	0	0
Other Debt Liabilities	0	0
Long-term	24047	3686
SDR Quota	0	0
Currency and Deposits	0	0
Debt Securities	20467	3137
Loans	3580	549
Trade Credit and Advances	0	0
Other Debt Liabilities	0	0
Central Bank	2487	381
Short-term	1715	263
Currency and Deposits	815	125
Debt Securities	900	138
Loans	0	0
Trade Credit and Advances	0	0
Other Debt Liabilities	0	0
Long-term	772	118
SDR Quota	657	101
Currency and Deposits	0	0
Debt Securities	0	0
Loans	0	0
Trade Credit and Advances	0	0
Other Debt Liabilities	115	17
Other Deposit-taking Companies	71240	10918
Short-term	50650	7762
Currency and Deposits	32960	5051
Debt Securities	4097	628

Table S5 (concluded)

	End of 2020 (in 100 million RMB)	End of 2020 (in USD 100 million)
Loans	13208	2024
Trade Credit and Advances	0	0
Other Debt Liabilities	385	59
Long-term	20590	3156
Currency and Deposits	0	0
Debt Securities	15369	2355
Loans	5146	789
Trade Credit and Advances	0	0
Other Debt Liabilities	75	12
Other Sectors	39677	6081
Short-term	27585	4228
Currency and Deposits	9	1
Debt Securities	101	16
Loans	2533	388
Trade Credit and Advances	23842	3654
Other Debt Liabilities	1100	169
Long-term	12092	1853
Currency and Deposits	0	0
Debt Securities	5767	884
Loans	4262	653
Trade Credit and Advances	425	65
Other Debt Liabilities	1638	251
Direct Investments: Inter-company Loans	18486	2833
Debt Liabilities of Direct Investment Enterprises to Direct Investors	11447	1754
Debt Liabilities of Direct Investors to Direct Investment Enterprises	892	137
Debt Liabilities to Related Enterprises	6147	942
Gross External Debt Position	156650	24008

Note: 1. In this table, the external debt is classified into long-term and short-term external debt by contract term.

2. The data in this table have been rounded off.

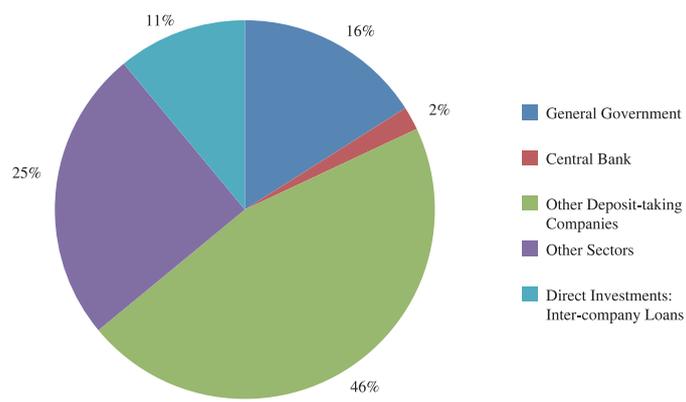


Figure S1 Components of the Full-scale External Debt by the Type of Debtors, End of 2020

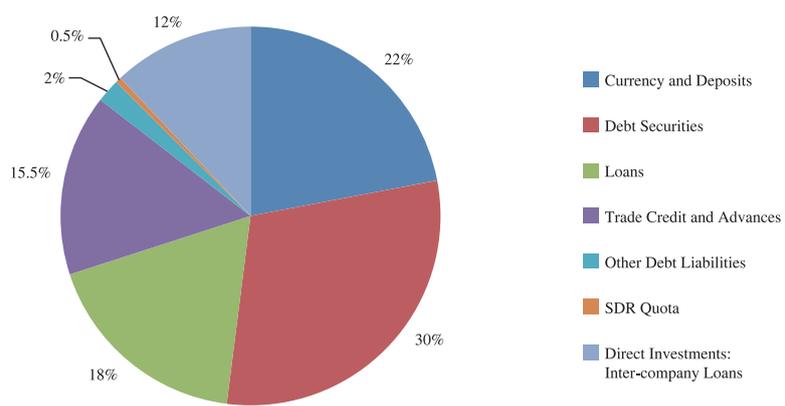


Figure S2 Components of the Full-scale External Debt by the Type of Debt, End of 2020

Table S6 Structure and Growth of China's Long-term and Short-term External Debt, 1990-2020

Year	Item Outstanding External Debt (in USD billion)	Medium- and Long-term External Debt			Short-term External Debt			Ratio of Short-term External Debt to Foreign Exchange Reserves (%)
		Outstanding (in USD billion)	Increase over the Previous Year (%)	Ratio to the Total Outstanding (%)	Outstanding (in USD billion)	Increase over the Previous Year (%)	Ratio to the Total Outstanding (%)	
1990	52.55	45.78	23.6	87.1	6.77	58.5	12.9	61.0
1991	60.56	50.26	9.8	83.0	10.30	52.1	17.0	47.4
1992	69.32	58.47	16.3	84.3	10.85	5.3	15.7	55.8
1993	83.57	70.02	19.8	83.8	13.55	24.9	16.2	63.9
1994	92.81	82.39	17.7	88.8	10.42	-23.1	11.2	20.2
1995	106.59	94.68	14.9	88.8	11.91	14.3	11.2	16.2
1996	116.28	102.17	7.9	87.9	14.11	18.5	12.1	13.4
1997	130.96	112.82	10.4	86.1	18.14	28.6	13.9	13.0
1998	146.04	128.70	14.1	88.1	17.34	-4.4	11.9	12.0
1999	151.83	136.65	6.2	90.0	15.18	-12.5	10.0	9.8
2000	145.73	132.65	-2.9	91.0	13.08	-13.8	9.0	7.9
2001	203.30	119.53	—	58.8	83.77	—	41.2	39.5
2002	202.63	115.55	-3.3	57.0	87.08	4.0	43.0	30.4
2003	219.36	116.59	0.9	53.2	102.77	18.0	46.8	25.5
2004	262.99	124.29	6.6	47.3	138.71	35.0	52.7	22.7
2005	296.54	124.90	0.5	42.1	171.64	23.7	57.9	21.0
2006	338.59	139.36	11.6	41.2	199.23	16.1	58.8	18.7
2007	389.22	153.53	10.2	39.4	235.68	18.3	60.6	15.4
2008	390.16	163.88	6.7	42.0	226.28	-4.0	58.0	11.6
2009	428.65	169.39	3.4	39.5	259.26	14.6	60.5	10.8
2010	548.94	173.24	2.3	31.6	375.70	44.9	68.4	13.2

Table S6 (concluded)

Year \ Item	Outstanding External Debt (in USD billion)	Medium- and Long-term External Debt			Short-term External Debt			Ratio of Short-term External Debt to Foreign Exchange Reserves (%)
		Outstanding (in USD billion)	Increase over the Previous Year (%)	Ratio to the Total Outstanding (%)	Outstanding (in USD billion)	Increase over the Previous Year (%)	Ratio to the Total Outstanding (%)	
2011	695.00	194.10	12.0	27.9	500.90	33.3	72.1	15.7
2012	736.99	196.06	1.0	26.6	540.93	8.0	73.4	16.3
2013	863.17	186.54	-4.9	21.6	676.63	25.1	78.4	17.7
2014	1779.90	481.70	—	27.1	1298.20	—	72.9	33.8
2015	1382.98	495.57	2.9	35.8	887.41	-31.6	64.2	26.6
2016	1415.80	549.76	10.9	38.8	866.04	-2.4	61.2	28.8
2017	1757.96	612.72	11.5	34.9	1145.24	32.2	65.1	36.5
2018	1982.75	693.60	13.2	35.0	1289.15	12.6	65.0	42.0
2019	2070.81	851.97	22.8	41.1	1218.84	-5.5	58.9	39.2
2020	2400.81	1084.44	27.3	45.2	1316.37	8.0	54.8	40.9

Notes: 1. In 2001, China adjusted its original external debt coverage in accordance with the then prevailing international standards (remaining item) and included the medium- and long-term external debt due within one year in the short-term external debt. As the adjusted external debt data was not comparable with those of 2000 and the previous years, the item "Increase over Previous Year" was not calculated for the year 2001 in the above table.

2. In 2015, China adjusted the statistical coverage of external debt according to the Special Data Dissemination Standard (SDDS) of the IMF, and disseminated the full-scale data on China's external debt, which included the RMB-denominated external debt and differentiated medium- and long-term external debt with short-term external debt by contract term. Accordingly, the external debt data at the end of 2014 was adjusted. As the full-scale external debt data was not comparable with the previous ones (external debt denominated in foreign currencies), the item "Increase over Previous Year" was not calculated for the year 2014 in the above table.

3. Since 2016, the statistical data for the previous year in this table will adjust according to the revised BOP data for the current year.

Table S7 China's External Debt, National Economy, and Foreign Exchange Income, 1990-2020

Year \ Item	Outstanding External Debt (in USD billion)	Increase of Outstanding External Debt over the Previous Year (%)	GDP (in billion RMB)	Increase of GDP over the Previous Year (%)	Ratio of External Debt to GDP (%)	Foreign Exchange Income (in USD billion)	Increase of Foreign Exchange Income over the Previous Year (%)	Ratio of External Debts to Foreign Exchange Income (%)
1990	52.55	27.2	1877.4	3.9	13.4	57.4	20.0	91.6
1991	60.56	15.2	2189.6	9.3	14.7	65.9	14.9	91.9
1992	69.32	14.5	2706.8	14.3	14.1	78.8	19.6	87.9
1993	83.57	20.6	3552.4	13.9	13.6	86.6	9.8	96.5
1994	92.81	11.1	4846.0	13.1	16.5	118.9	37.4	78.0
1995	106.59	14.8	6113.0	11.0	14.6	147.2	23.8	72.4
1996	116.28	9.1	7157.2	9.9	13.5	171.7	16.6	67.7
1997	130.96	12.6	7942.9	9.2	13.7	207.2	20.7	63.2
1998	146.04	11.5	8488.4	7.8	14.2	207.4	0.1	70.4
1999	151.83	4.0	9018.8	7.6	13.9	221.0	6.5	68.7
2000	145.73	-4.0	9977.6	8.4	12.1	279.6	26.5	52.1
2001	203.30	—	11027.0	8.3	15.3	299.4	7.1	67.9
2002	202.63	-0.3	12100.2	9.1	13.9	365.4	22.0	55.5
2003	219.36	8.3	13656.5	10.0	13.3	485.0	32.7	45.2
2004	262.99	19.9	16071.4	10.1	13.5	655.0	35.1	40.2
2005	296.54	12.8	18589.6	11.3	13.1	836.8	27.8	35.4
2006	338.59	14.2	21765.7	12.7	12.4	1061.7	26.9	31.9
2007	389.22	15.0	26801.9	14.2	11.0	1342.1	26.4	29.0
2008	390.16	0.2	31675.2	9.6	8.6	1581.7	17.9	24.7
2009	428.65	9.9	34562.9	9.2	8.5	1332.9	-15.7	32.2
2010	548.94	28.1	40890.3	10.6	9.1	1876.8	40.8	29.2
2011	695.00	26.6	48412.4	9.5	9.3	2086.6	11.2	33.3

Table S7 (concluded)

Year \ Item	Outstanding External Debt (in USD billion)	Increase of Outstanding External Debt over the Previous Year (%)	GDP (in billion RMB)	Increase of GDP over the Previous Year (%)	Ratio of External Debt to GDP (%)	Foreign Exchange Income (in USD billion)	Increase of Foreign Exchange Income over the Previous Year (%)	Ratio of External Debts to Foreign Exchange Income (%)
2012	736.99	6.0	53412.3	7.7	8.7	2248.3	7.7	32.8
2013	863.17	17.1	58801.9	7.8	9.1	2425.0	7.9	35.6
2014	1779.90	—	64356.3	7.4	17.0	2545.1	5.0	69.9
2015	1382.98	-22.3	68885.8	7.0	12.5	2360.2	-7.3	58.6
2016	1415.80	2.4	74639.5	6.8	12.6	2197.9	-6.9	64.4
2017	1757.96	24.2	83203.6	6.9	14.3	2422.9	10.2	72.6
2018	1982.75	12.8	91928.1	6.7	14.3	2651.0	9.4	74.8
2019	2070.81	4.4	98651.5	6.0	14.5	2643.4	-0.3	78.3
2020	2400.81	15.9	101598.6	2.3	16.3	2732.4	3.4	87.9

Notes: 1. In 1998, the GNP data originally used in this table was replaced by GDP data, and the relevant data for the previous years had all been adjusted in accordance with the *China's Statistics Digest 1998*. Both the GDP and its growth data are the latest revised data published by the National Bureau of Statistics.

2. The ratio of external debt to GDP refers to the ratio of the outstanding external debt as of the end of the year to the GDP of that year. When calculating the ratio of external debt to GDP, the RMB-denominated GDP was converted into USD-denominated GDP by the annual average central parity rate published by the SAFE.

3. Since 1998, the foreign exchange income in this table refers to the export revenue from trade in goods and services in the balance of payments. The data for the previous years has all been adjusted according to international standards, and the ratio of external debt to foreign exchange income that is calculated on this basis has also been adjusted accordingly.

4. The ratio of external debt to foreign exchange income refers to the ratio of the outstanding external debt as of the end of the year to the export revenue from trade in goods and services for that year in the balance of payments.

5. In 2001, China adjusted its original external debt coverage in accordance with the then prevailing international standards. As the adjusted external debt data was not comparable with those of 2000 and the previous years, the item "Increase of Outstanding External Debt over the Previous Year" was not calculated for the year 2001 in the above table.

6. In 2015, China adjusted the statistical coverage of external debt according to the Special Data Dissemination Standard (SDDS) of the IMF, and disseminated the full-scale data on China's external debt, including the RMB-denominated external debt. Accordingly, the external debt data at the end of 2014 was adjusted. As the full-scale external debt data was not comparable with the previous ones (external debt denominated in foreign currencies), the item "Increase of Outstanding External Debt over the Previous Year" was not calculated for the year 2014 in the above table.

7. Since 2016, the statistical data for the previous year in this table will adjust according to the revised BOP data for the current year.

Table S8 Flows of China's External Debt, National Economy, and Foreign Exchange Income, 1990-2020

Year \ Item	External Debt Inflows (in USD billion)	Increase of External Debt Inflows over the Previous Year (%)	External Debt Outflows (in USD billion)	Increase of External Debt Outflows over the Previous Year (%)	Net External Debt Inflows (in USD billion)	GDP (in billion RMB)	Ratio of External Debt Outflows to GDP (%)	Foreign Exchange Income (in USD billion)	Debt Service Ratio (%)
1990	16.48	-5.5	9.62	-43.5	6.86	1877.4	2.5	57.4	8.7
1991	18.86	14.4	12.79	33.0	6.07	2189.6	3.1	65.9	8.5
1992	15.22	-19.3	13.43	5.0	1.79	2706.8	2.7	78.8	7.1
1993	27.37	79.8	18.25	35.9	9.12	3552.4	3.0	86.6	10.2
1994	34.33	25.4	25.06	37.3	9.27	4846.0	4.5	118.9	9.1
1995	39.11	13.9	31.71	26.5	7.40	6113.0	4.3	147.2	7.6
1996	30.95	-20.9	22.47	-29.1	8.48	7157.2	2.6	171.7	6.0
1997	43.10	39.3	32.42	44.3	10.68	7942.9	3.4	207.2	7.3
1998	45.66	5.9	42.48	31.0	3.18	8488.4	4.1	207.4	10.9
1999	30.05	-34.2	36.45	-14.2	-6.40	9018.8	3.3	221.0	11.2
2000	24.92	-17.1	35.01	-4.0	-10.09	9977.6	2.9	279.6	9.2
2001	25.16	1.0	31.28	-10.7	-6.12	11027.0	2.3	299.4	7.5
2002	60.87	141.9	69.67	122.7	-8.80	12100.2	4.8	365.4	7.9
2003	101.54	66.8	98.13	40.8	3.41	13656.5	5.9	485.0	6.9
2004	205.97	102.8	190.24	93.9	15.73	16071.4	9.8	655.0	3.2
2005	281.05	36.5	271.59	42.8	9.46	18589.6	12.0	836.8	3.1
2006	385.43	37.1	365.15	34.4	20.28	21765.7	13.4	1061.7	2.1
2007	500.20	29.8	479.81	31.4	20.39	26801.9	13.6	1342.2	2.0
2008	575.90	15.1	557.16	16.1	18.74	31675.2	12.2	1581.7	1.8
2009	387.52	-32.7	390.85	-29.8	-3.33	34562.9	7.7	1332.9	2.9
2010	679.25	75.3	611.93	56.6	67.32	40890.3	10.1	1876.8	1.6

Table S8 (concluded)

Year \ Item	External Debt Inflows (in USD billion)	Increase of External Debt Inflows over the Previous Year (%)	External Debt Outflows (in USD billion)	Increase of External Debt Outflows over the Previous Year (%)	Net External Debt Inflows (in USD billion)	GDP (in billion RMB)	Ratio of External Debt Outflows to GDP (%)	Foreign Exchange Income (in USD billion)	Debt Service Ratio (%)
2011	773.31	13.8	682.51	11.5	90.80	48412.4	9.1	2086.6	1.7
2012	648.12	-16.2	651.79	-4.5	-3.67	53412.3	7.7	2248.3	1.6
2013	1010.92	56.0	908.07	39.3	102.85	58801.9	9.6	2425.0	1.6
2014	2353.40	—	1695.98	—	657.42	64356.3	16.2	2545.1	2.6
2015	1205.13	-48.8	1599.54	-5.7	-394.41	68885.8	14.5	2360.2	5.0
2016	1274.20	5.7	1255.19	-21.5	19.01	74639.5	11.2	2197.9	6.1
2017	1623.99	27.5	1434.53	14.3	189.46	83203.6	11.6	2422.9	5.5
2018	1851.32	14.0	1694.20	18.1	157.12	91928.1	12.2	2651.0	5.5
2019	1724.73	-6.8	1649.32	-2.6	75.41	98651.5	11.5	2643.4	6.7
2020	2113.93	22.6	1800.48	9.2	313.45	101598.6	12.2	2732.4	6.5

Notes: 1. In 1998, the original GNP data originally used in this table was replaced by GDP data, and the relevant data for the previous years had all been adjusted in accordance with the *China's Statistics Digest 1998*. Both the GDP and its growth data are the latest revised data published by the National Bureau of Statistics. When calculating the ratio of external debt to GDP, the GDP was converted into USD at the annual average central parity for foreign exchange trade published by the SAFE.

2. Since 1998, the foreign exchange income in this table refers to the export revenue from trade in goods and services in the balance of payments. The data for the previous years has all been adjusted according to international standards, and the service ratio that is calculated on this basis has also been adjusted accordingly.

3. The debt service ratio refers to the ratio of the external debt repayment (the sum of the repayment of the principal and interest of medium- and long-term external debt and the payment of the interest of short-term external debt) to the export revenue from trade in goods and services in the balance of payments.

4. In 2015, China adjusted the statistical coverage of external debt according to the Special Data Dissemination Standard (SDDS) of the IMF, and disseminated the full-scale data on China's external debt, which included the RMB-denominated external debt and differentiated medium- and long-term external debt with short-term external debt by contract term. Accordingly, the external debt data at the end of 2014 was adjusted. As the full-scale external debt data was not comparable with the previous ones (external debt denominated in foreign currencies), the item "Increase of Outstanding External Debt over the Previous Year" was not calculated for the year 2014 in the above table. In addition, as the full-scale external debt data includes the RMB-denominated external debt (the outstanding RMB-denominated external debt is slightly lower than that of the external debt denominated in foreign currencies), the debt service ratios, as an external debt risk indicator, of 2014 and 2015 witnessed an increase over 2013, but were still within the accepted safe range (20%).

5. Since 2016, the statistical data for the previous year in this table will adjust according to the revised BOP data for the current year.

Table S9 Annual and Monthly Averages of the Central Parity Rate of the RMB against the USD, January 1990-December 2020

Unit: RMB per USD 100

Year \ Month	January	February	March	April	May	June
1990	472.21	472.21	472.21	472.21	472.21	472.21
1991	522.21	522.21	522.21	526.59	531.39	535.35
1992	544.81	546.35	547.34	549.65	550.36	547.51
1993	576.40	576.99	573.13	570.63	572.17	573.74
1994	870.00	870.28	870.23	869.55	866.49	865.72
1995	844.13	843.54	842.76	842.25	831.28	830.08
1996	831.86	831.32	832.89	833.15	832.88	832.26
1997	829.63	829.29	829.57	829.57	829.29	829.21
1998	827.91	827.91	827.92	827.92	827.90	827.97
1999	827.90	827.80	827.91	827.92	827.85	827.80
2000	827.93	827.79	827.86	827.93	827.77	827.72
2001	827.71	827.70	827.76	827.71	827.72	827.71
2002	827.67	827.66	827.70	827.72	827.69	827.70
2003	827.68	827.73	827.72	827.71	827.69	827.71
2004	827.69	827.71	827.71	827.69	827.71	827.67
2005	827.65	827.65	827.65	827.65	827.65	827.65
2006	806.68	804.93	803.50	801.56	801.52	800.67
2007	778.98	775.46	773.90	772.47	767.04	763.30
2008	724.78	721.09	716.26	712.01	709.06	705.83
2009	683.82	683.57	683.41	683.12	682.45	683.32
2010	682.73	682.70	682.64	682.62	682.74	681.65
2011	660.27	658.31	656.62	652.92	649.88	647.78
2012	631.68	630.00	630.81	629.66	630.62	631.78
2013	627.87	628.11	627.85	627.09	625.40	624.16
2014	610.43	611.28	613.58	615.53	616.36	615.57
2015	612.72	613.39	615.07	613.02	611.43	611.61
2016	655.27	653.11	650.64	647.62	653.15	658.74
2017	689.18	687.13	689.32	688.45	688.27	680.19
2018	643.64	631.62	632.20	629.75	637.58	645.56
2019	678.97	673.64	670.93	671.51	685.24	688.20
2020	691.74	699.23	701.19	706.86	709.95	708.63

Table S9 (concluded)

Year \ Month	July	August	September	October	November	December	Annual Average
1990	472.21	472.21	472.21	472.21	495.54	522.21	478.32
1991	535.55	537.35	537.35	537.90	538.58	541.31	532.33
1992	544.32	542.87	549.48	553.69	561.31	579.82	551.46
1993	576.12	577.64	578.70	578.68	579.47	580.68	576.20
1994	864.03	858.98	854.03	852.93	851.69	848.45	861.87
1995	830.07	830.75	831.88	831.55	831.35	831.56	835.10
1996	831.60	830.81	830.44	830.00	829.93	829.90	831.42
1997	829.11	828.94	828.72	828.38	828.11	827.96	828.98
1998	827.98	827.99	827.89	827.78	827.78	827.79	827.91
1999	827.77	827.73	827.74	827.74	827.82	827.93	827.83
2000	827.93	827.96	827.86	827.85	827.74	827.72	827.84
2001	827.69	827.70	827.68	827.68	827.69	827.68	827.70
2002	827.68	827.67	827.70	827.69	827.71	827.72	827.70
2003	827.73	827.70	827.71	827.67	827.69	827.70	827.70
2004	827.67	827.68	827.67	827.65	827.65	827.65	827.68
2005	822.90	810.19	809.22	808.89	808.40	807.59	819.17
2006	799.10	797.33	793.68	790.32	786.52	782.38	797.18
2007	758.05	757.53	752.58	750.12	742.33	736.76	760.40
2008	702.28	700.09	698.32	696.83	695.57	694.51	694.51
2009	683.20	683.22	682.89	682.75	682.74	682.79	683.10
2010	677.75	679.01	674.62	667.32	665.58	665.15	676.95
2011	646.14	640.90	638.33	635.66	634.08	632.81	645.88
2012	632.35	634.04	633.95	631.44	629.53	629.00	631.25
2013	622.99	622.17	621.49	620.79	620.11	619.32	619.32
2014	615.69	616.06	615.28	614.41	614.32	612.38	614.28
2015	611.67	630.56	636.91	634.86	636.66	644.76	622.84
2016	667.74	664.74	667.15	674.42	683.75	691.82	664.23
2017	676.54	667.36	656.34	661.54	661.86	659.42	675.18
2018	670.34	684.33	684.45	692.64	693.51	688.53	661.74
2019	687.52	702.14	707.85	707.02	701.77	701.28	689.85
2020	700.88	693.34	681.48	671.11	660.69	654.23	689.74

Table S10 Central Parity Rate of the RMB, January-December 2020

For the 10 currencies including USD, HKD, JPY, EUR, GBP, AUD, NZD, SGD, CHF and CAD, the exchange rate is based on RMB per 100 yuan foreign currency units while for other foreign currencies, it is based on foreign currency units per RMB 100 yuan

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
January	USD	696.14	688.76	697.18	686.06	691.72	691.72
	EUR	781.13	764.00	781.13	761.17	770.22	770.22
	JPY	6.41	6.27	6.46	6.23	6.33	6.33
	HKD	89.33	88.59	89.64	88.28	88.97	88.97
	GBP	922.63	905.05	922.63	892.19	904.86	904.86
	MYR	58.75	59.04	59.17	58.68	58.97	58.97
	RUB	889.90	897.59	897.59	882.01	890.88	890.88
	AUD	488.46	471.33	488.46	471.33	477.32	477.32
	CAD	536.47	524.17	537.60	524.17	530.56	530.56
	NZD	468.78	454.08	468.78	453.36	459.04	459.04
	SGD	517.52	510.65	517.52	509.44	513.01	513.01
	CHF	719.60	711.72	719.72	708.51	713.71	713.71
	ZAR	201.24	208.15	211.34	201.24	207.01	207.01
	KRW	16584	16905	16938	16584	16787	16787
	AED	52.76	53.34	53.54	52.68	53.10	53.10
	SAR	53.88	54.48	54.69	53.81	54.24	54.24
	HUF	4235.40	4399.56	4412.74	4224.78	4319.74	4319.74
	PLN	54.49	55.47	55.77	54.24	55.02	55.02
	DKK	95.65	97.81	98.16	95.65	97.03	97.03
	SEK	134.24	137.92	138.73	134.24	136.77	136.77
NOK	126.06	130.36	130.54	126.06	128.33	128.33	
TRY	85.43	85.98	86.21	84.77	85.51	85.51	
MXN	271.75	271.50	273.16	270.41	271.91	271.91	
THB	432.29	441.13	442.65	432.29	437.66	437.66	
February	USD	692.49	700.66	702.46	692.49	699.23	695.89
	EUR	767.50	770.59	771.78	755.71	762.72	766.05
	JPY	6.39	6.39	6.42	6.27	6.35	6.34
	HKD	89.16	89.87	90.21	89.16	89.94	89.51
	GBP	912.90	903.05	912.90	901.29	907.01	906.05
	MYR	59.16	60.06	60.37	58.84	59.43	59.23

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
February	RUB	922.95	947.09	947.09	900.11	915.56	904.59
	AUD	463.48	461.04	472.40	459.67	466.69	471.41
	CAD	522.99	523.60	530.05	522.99	526.60	528.36
	NZD	447.44	442.41	453.58	441.44	447.52	452.64
	SGD	507.61	502.27	509.64	501.15	503.51	507.74
	CHF	718.61	723.37	723.37	710.86	716.21	715.09
	ZAR	216.57	221.01	221.01	210.98	214.63	211.24
	KRW	17222	17325	17338	16919	17079	16949
	AED	53.03	52.43	53.03	52.28	52.53	52.78
	SAR	54.17	53.57	54.17	53.40	53.65	53.91
	HUF	4391.26	4401.13	4480.38	4355.65	4425.85	4378.69
	PLN	55.93	56.11	56.51	55.15	56.06	55.60
	DKK	97.36	96.98	98.83	96.78	97.95	97.54
	SEK	138.99	137.88	139.72	137.01	138.51	137.74
	NOK	132.97	134.03	134.03	131.57	132.79	130.81
	TRY	86.32	88.62	88.62	85.48	86.59	86.11
MXN	272.17	278.10	278.10	265.00	268.83	270.20	
THB	449.71	451.53	453.49	443.16	447.78	443.28	
March	USD	698.11	708.51	710.52	692.60	701.19	697.90
	EUR	772.14	780.88	791.81	757.78	775.96	769.81
	JPY	6.48	6.55	6.76	6.36	6.52	6.41
	HKD	89.55	91.37	91.56	89.17	90.29	89.80
	GBP	893.60	875.97	907.73	817.82	867.66	891.49
	MYR	60.35	61.00	62.62	60.09	61.21	59.98
	RUB	959.76	1121.35	1144.92	950.37	1057.86	962.72
	AUD	454.38	436.29	459.33	407.54	436.39	458.13
	CAD	520.38	499.52	521.63	487.60	503.48	518.92
	NZD	434.39	425.19	440.11	399.64	424.08	441.81
	SGD	501.29	497.24	502.54	487.20	495.40	503.06
CHF	724.68	738.16	748.12	718.94	732.43	721.67	
ZAR	226.07	253.26	254.96	220.01	237.08	221.04	

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
March	KRW	17261	17247	17822	17092	17364	17107
	AED	52.62	51.85	53.07	51.62	52.39	52.63
	SAR	53.74	53.08	54.22	52.85	53.57	53.78
	HUF	4385.77	4587.37	4711.64	4240.95	4444.31	4403.58
	PLN	56.14	58.12	60.33	54.65	57.09	56.16
	DKK	96.79	95.60	98.62	94.28	96.28	97.06
	SEK	137.73	141.82	147.19	135.56	140.02	138.60
	NOK	135.02	148.41	166.04	133.43	145.76	136.48
	TRY	89.55	92.74	92.74	87.63	90.26	87.68
	MXN	284.13	336.42	357.26	279.37	316.77	287.86
	THB	451.93	460.88	463.70	451.60	457.04	448.50
April	USD	707.71	705.71	711.04	703.00	706.86	700.28
	EUR	780.90	767.44	780.90	763.03	768.85	769.56
	JPY	6.59	6.62	6.62	6.47	6.56	6.45
	HKD	91.28	91.06	91.73	90.68	91.19	90.17
	GBP	878.68	879.96	888.33	867.24	877.88	887.87
	MYR	60.94	61.46	61.95	60.94	61.51	60.39
	RUB	1107.85	1033.84	1108.20	1033.84	1061.74	989.04
	AUD	434.15	462.49	462.49	430.94	446.00	454.90
	CAD	502.79	508.59	508.59	499.55	503.25	514.76
	NZD	420.87	433.32	433.32	420.33	424.99	437.34
	SGD	497.92	500.25	500.25	494.65	496.81	501.39
	CHF	736.52	724.71	736.52	724.71	728.82	723.57
	ZAR	252.41	257.17	269.89	252.41	261.92	231.91
	KRW	17208	17186	17424	17186	17292	17156
	AED	51.90	52.04	52.24	51.66	51.97	52.46
	SAR	53.19	53.25	53.50	52.94	53.21	53.63
	HUF	4625.30	4620.71	4751.83	4551.65	4634.06	4464.85
	PLN	58.42	59.24	59.55	58.42	59.08	56.94
DKK	95.62	97.19	97.74	95.62	97.06	97.06	
SEK	139.99	139.47	142.83	139.47	141.65	139.41	

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
April	NOK	146.93	146.18	152.08	144.96	147.33	139.36
	TRY	93.48	98.49	98.80	93.25	96.82	90.11
	MXN	335.83	336.81	353.51	332.68	341.37	302.09
	THB	462.74	458.96	465.67	456.51	461.51	451.96
May	USD	706.90	713.16	713.16	706.90	709.86	702.06
	EUR	765.92	789.70	789.70	765.48	773.13	770.22
	JPY	6.64	6.62	6.68	6.58	6.62	6.48
	HKD	91.18	91.99	91.99	91.18	91.57	90.43
	GBP	879.37	878.60	879.37	858.78	871.15	884.77
	MYR	60.89	61.02	61.38	60.89	61.13	60.53
	RUB	1042.96	984.72	1049.20	984.72	1021.03	994.98
	AUD	454.68	472.83	472.83	453.01	462.76	456.36
	CAD	503.23	517.67	518.20	500.60	508.19	513.54
	NZD	428.09	442.00	442.00	421.97	432.00	436.35
	SGD	499.22	503.04	503.04	497.77	500.29	501.19
	CHF	726.58	739.59	739.59	726.58	731.37	725.02
	ZAR	261.73	245.42	265.27	243.36	255.36	236.26
	KRW	17305	17348	17403	17219	17303	17183
	AED	51.97	51.51	51.97	51.51	51.75	52.33
	SAR	53.13	52.68	53.13	52.68	52.93	53.50
	HUF	4572.99	4426.65	4619.69	4426.65	4537.55	4478.34
	PLN	59.21	56.38	59.48	56.38	58.55	57.24
	DKK	97.41	94.39	97.44	94.39	96.46	96.95
	SEK	139.00	133.53	139.24	133.53	137.01	138.97
NOK	145.13	137.17	145.17	137.17	141.98	139.85	
TRY	100.23	95.58	101.49	94.74	97.44	91.47	
MXN	339.26	311.57	345.13	311.57	330.22	307.31	
THB	458.08	446.70	458.08	446.70	451.56	451.89	
June	USD	713.15	707.95	713.15	705.55	708.67	704.04
	EUR	792.99	796.10	804.76	792.09	797.72	775.02
	JPY	6.62	6.58	6.64	6.46	6.58	6.51
	HKD	92.00	91.34	92.00	91.04	91.44	90.73

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
June	GBP	881.11	871.44	901.29	871.44	888.48	883.19
	MYR	60.86	60.49	60.86	59.91	60.32	60.64
	RUB	983.65	990.77	990.77	962.08	976.39	1001.54
	AUD	475.64	486.57	496.40	475.64	488.37	460.14
	CAD	517.93	518.43	528.75	517.66	523.05	513.49
	NZD	442.56	454.95	463.89	442.56	456.27	437.70
	SGD	505.06	508.13	510.05	505.06	508.08	501.23
	CHF	742.31	744.34	751.07	737.21	743.92	729.47
	ZAR	246.57	243.82	246.57	234.08	241.53	240.14
	KRW	17259	16931	17259	16871	17065	17203
	AED	51.51	51.88	52.06	51.51	51.83	52.18
	SAR	52.66	52.98	53.18	52.66	52.96	53.34
	HUF	4374.30	4476.75	4476.75	4280.93	4344.35	4471.58
	PLN	56.00	55.94	56.42	55.08	55.65	57.17
	DKK	94.00	93.59	94.16	92.62	93.46	96.33
	SEK	132.09	131.77	133.60	129.22	131.39	137.83
	NOK	136.24	136.57	137.03	130.82	134.34	139.98
	TRY	95.55	96.81	97.06	94.34	96.09	92.91
MXN	310.80	325.68	325.68	303.30	313.87	311.86	
THB	446.16	436.19	446.16	436.19	440.65	451.33	
July	USD	707.10	698.48	707.10	697.18	700.88	702.81
	EUR	794.30	828.82	828.82	789.48	802.60	779.47
	JPY	6.55	6.67	6.67	6.51	6.56	6.51
	HKD	91.23	90.13	91.23	89.95	90.42	90.57
	GBP	876.03	915.90	915.90	876.03	886.85	885.64
	MYR	60.58	60.71	61.10	60.58	60.85	60.55
	RUB	1007.03	1045.89	1045.89	996.82	1018.54	996.19
	AUD	488.00	502.72	502.72	485.86	492.30	466.84
	CAD	520.89	520.54	524.08	514.48	518.81	515.76
	NZD	456.05	467.33	467.33	456.05	461.30	443.29
	SGD	507.40	509.37	509.37	502.30	505.01	502.80
	CHF	746.55	769.01	769.01	740.35	749.66	731.77

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
July	ZAR	245.29	239.68	245.29	234.99	239.34	237.52
	KRW	16980	17031	17216	16957	17098	17152
	AED	51.94	52.60	52.72	51.94	52.42	52.27
	SAR	53.05	53.71	53.82	53.05	53.53	53.43
	HUF	4464.45	4163.04	4475.89	4163.04	4377.97	4442.71
	PLN	55.95	53.20	56.59	53.20	55.45	56.72
	DKK	93.83	89.80	94.35	89.80	92.80	95.77
	SEK	131.84	124.31	132.03	124.31	129.14	136.27
	NOK	136.09	129.69	136.09	129.28	132.84	137.91
	TRY	96.90	99.89	99.89	96.90	98.05	93.21
	MXN	325.39	315.21	325.39	313.66	319.97	310.33
THB	436.97	448.73	455.08	436.97	447.99	449.64	
August	USD	699.80	686.05	699.80	686.05	693.46	701.59
	EUR	823.89	816.49	825.79	813.91	819.86	784.74
	JPY	6.61	6.50	6.61	6.46	6.54	6.51
	HKD	90.29	88.52	90.29	88.52	89.48	90.43
	GBP	915.99	915.22	915.99	904.09	910.11	888.83
	MYR	60.61	60.75	60.75	60.19	60.41	60.53
	RUB	1061.76	1079.91	1096.00	1046.70	1063.94	1005.03
	AUD	499.54	504.82	504.82	495.62	498.67	470.99
	CAD	522.12	523.93	525.49	520.19	523.48	516.77
	NZD	464.02	461.93	464.02	451.25	457.27	445.12
	SGD	508.58	504.82	508.58	504.11	506.15	503.24
	CHF	765.56	758.48	765.64	757.24	761.38	735.63
	ZAR	243.59	241.90	254.01	241.90	248.78	238.99
	KRW	17080	17230	17230	17026	17113	17147
	AED	52.49	53.58	53.58	52.49	52.98	52.36
	SAR	53.60	54.71	54.71	53.60	54.10	53.51
	HUF	4178.01	4334.52	4374.26	4178.01	4248.26	4417.35
PLN	53.59	53.73	54.18	53.01	53.68	56.32	
DKK	90.38	91.16	91.45	90.17	90.82	95.12	

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
August	SEK	125.45	125.84	127.05	124.71	125.71	134.89
	NOK	130.29	128.13	130.87	127.55	129.17	136.77
	TRY	99.76	106.92	107.07	99.38	104.82	94.73
	MXN	318.36	317.42	324.81	316.56	320.30	311.63
	THB	446.89	453.92	455.95	445.24	450.15	449.71
September	USD	684.98	681.01	684.98	675.91	681.48	699.17
	EUR	817.73	799.41	817.73	793.44	803.78	787.03
	JPY	6.46	6.44	6.48	6.43	6.45	6.51
	HKD	88.38	87.87	88.38	87.21	87.93	90.13
	GBP	915.18	875.77	915.41	865.12	884.18	888.27
	MYR	60.73	61.03	61.20	60.64	60.89	60.57
	RUB	1077.53	1158.84	1158.97	1076.82	1112.92	1018.00
	AUD	505.32	486.27	505.32	480.50	493.15	473.65
	CAD	525.12	508.64	525.12	508.08	515.91	516.67
	NZD	461.34	449.15	462.31	445.22	454.49	446.24
	SGD	503.47	497.69	503.47	495.32	498.89	502.72
	CHF	757.53	740.51	757.53	735.11	745.18	736.78
	ZAR	247.48	248.65	251.57	239.29	245.68	239.79
	KRW	17329	17163	17401	17134	17290	17164
	AED	53.64	53.96	54.36	53.64	53.91	52.55
	SAR	54.77	55.11	55.51	54.77	55.05	53.70
	HUF	4344.65	4567.55	4601.84	4344.65	4479.79	4424.85
	PLN	53.77	56.63	57.65	53.77	55.59	56.23
	DKK	91.03	93.15	93.81	91.03	92.60	94.82
	SEK	126.27	131.66	133.70	126.27	129.63	134.26
NOK	127.48	138.18	140.21	127.48	133.90	136.43	
TRY	107.43	114.86	114.86	107.43	110.61	96.64	
MXN	320.00	328.89	329.27	309.08	317.60	312.34	
THB	453.74	464.28	464.48	453.74	459.99	450.94	
October	USD	677.96	672.32	677.96	665.56	671.11	696.92
	EUR	798.65	784.63	798.65	784.63	790.09	787.27

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
October	JPY	6.40	6.43	6.45	6.33	6.38	6.50
	HKD	87.48	86.72	87.48	85.88	86.59	89.85
	GBP	878.40	869.05	878.40	864.60	871.89	886.96
	MYR	61.15	61.83	62.28	61.15	61.86	60.68
	RUB	1139.52	1174.05	1176.12	1139.52	1152.83	1028.84
	AUD	486.92	472.73	486.92	470.90	477.57	473.97
	CAD	514.63	504.62	514.63	504.62	508.98	516.05
	NZD	447.16	445.39	449.95	439.30	445.51	446.18
	SGD	499.93	491.86	499.93	491.05	493.68	501.99
	CHF	740.54	734.06	740.54	731.97	736.61	736.76
	ZAR	244.13	243.93	247.40	241.16	244.70	240.19
	KRW	17006	16835	17122	16794	16982	17150
	AED	54.10	54.66	55.21	54.10	54.75	52.73
	SAR	55.25	55.81	56.38	55.25	55.91	53.88
	HUF	4474.75	4687.29	4687.29	4474.75	4598.01	4438.77
	PLN	56.17	58.94	58.94	56.13	57.57	56.34
	DKK	93.20	94.90	94.90	93.20	94.20	94.77
	SEK	130.48	132.77	132.77	130.11	131.28	134.02
	NOK	136.32	141.92	141.92	135.96	138.27	136.57
	TRY	116.96	123.53	123.53	116.96	118.98	98.43
MXN	314.79	317.88	317.88	312.78	315.51	312.60	
THB	459.44	464.66	469.16	459.44	465.32	452.10	
November	USD	670.50	657.82	670.50	654.84	660.88	693.48
	EUR	780.69	787.19	787.19	776.18	781.52	786.72
	JPY	6.41	6.32	6.41	6.26	6.33	6.48
	HKD	86.48	84.87	86.48	84.47	85.24	89.41
	GBP	866.86	877.02	880.40	864.78	872.38	885.56
	MYR	61.99	61.85	62.64	61.85	62.27	60.83
	RUB	1186.14	1152.94	1200.85	1146.05	1163.23	1041.67
	AUD	470.38	486.75	486.75	470.38	480.25	474.57
CAD	502.20	506.85	510.03	500.35	505.09	515.00	

Table S10 (continued)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
November	NZD	442.58	463.13	463.13	442.58	452.97	446.83
	SGD	490.59	491.68	492.90	487.88	490.26	500.87
	CHF	731.22	727.41	735.34	718.46	725.32	735.67
	ZAR	242.40	231.66	242.40	230.08	235.30	239.72
	KRW	16940	16787	16989	16787	16890	17125
	AED	54.78	55.83	56.09	54.78	55.59	53.00
	SAR	55.94	57.01	57.28	55.94	56.76	54.15
	HUF	4694.25	4592.47	4703.34	4532.93	4608.80	4455.00
	PLN	59.02	57.00	59.07	56.94	57.56	56.46
	DKK	95.37	94.52	96.02	94.52	95.28	94.82
	SEK	132.92	129.19	133.07	129.15	130.90	133.72
	NOK	142.66	134.09	142.81	134.09	137.71	136.68
	TRY	124.78	119.25	127.67	114.84	120.92	100.58
	MXN	317.13	304.51	319.33	303.57	309.35	312.29
THB	465.07	460.40	465.07	456.45	461.42	452.99	
December	USD	659.21	652.49	659.21	652.36	654.23	689.76
	EUR	786.77	802.50	802.50	786.77	795.47	787.55
	JPY	6.32	6.32	6.34	6.27	6.30	6.46
	HKD	85.04	84.16	85.04	84.14	84.39	88.93
	GBP	878.87	889.03	889.03	869.96	878.82	884.93
	MYR	61.81	61.83	62.33	61.71	62.03	60.94
	RUB	1159.06	1140.11	1159.06	1115.99	1133.57	1050.37
	AUD	484.66	501.63	501.63	483.92	492.04	476.22
	CAD	507.18	511.61	514.67	507.05	510.25	514.55
	NZD	462.57	470.50	470.50	459.42	463.58	448.42
	SGD	491.57	493.14	493.14	488.22	490.78	499.91
	CHF	725.58	740.06	740.06	725.58	735.64	735.67
	ZAR	234.51	224.33	234.51	223.35	227.82	238.59
	KRW	16814	16675	16921	16586	16741	17089
AED	55.72	56.30	56.30	55.72	56.15	53.30	
SAR	56.90	57.51	57.53	56.90	57.35	54.45	

Table S10 (concluded)

Month	Item Currency	Beginning of the Period	End of the Period	Highest	Lowest	Period Average	Cumulative Average
December	HUF	4563.46	4542.93	4563.46	4436.61	4512.25	4460.42
	PLN	56.91	57.08	57.08	55.41	56.25	56.44
	DKK	94.58	92.71	94.58	92.71	93.54	94.70
	SEK	130.05	125.59	130.05	125.55	127.86	133.17
	NOK	134.83	130.77	134.96	130.77	133.13	136.35
	TRY	118.71	113.16	120.66	113.16	117.94	102.22
	MXN	305.82	304.86	309.26	302.52	305.21	311.62
	THB	459.44	458.96	462.20	455.99	459.94	453.65

Table S11 Foreign Exchange Reserves, 1990-2020

Unit: USD 100 million

Year	Balance of Foreign Exchange Reserves	Change in Balance of Foreign Exchange Reserves
1990	111	55
1991	217	106
1992	194	-23
1993	212	18
1994	516	304
1995	736	220
1996	1050	314
1997	1399	349
1998	1450	51
1999	1547	97
2000	1656	109
2001	2122	466
2002	2864	742
2003	4033	1168
2004	6099	2067
2005	8189	2089
2006	10663	2475
2007	15282	4619
2008	19460	4178
2009	23992	4531
2010	28473	4482
2011	31811	3338
2012	33116	1304
2013	38213	5097
2014	38430	217
2015	33304	-5127
2016	30105	-3198
2017	31399	1294
2018	30727	-672
2019	31079	352
2020	32165	1086

Note: Being rounded off, individual changes in balance of foreign exchange reserves may not equal the differences between balance of foreign exchange reserves.

Table S12 China's Foreign Exchange Reserves, January-December 2020

Unit: USD 100 million

Month	Balance of Foreign Exchange Reserves	Month	Balance of Foreign Exchange Reserves
January	31155	July	31544
February	31067	August	31646
March	30606	September	31426
April	30915	October	31280
May	31017	November	31785
June	31123	December	32165

Table S13 Qualified Domestic Institutional Investors (QDIIs) with Investment Quotas Granted by the SAFE

As of December 31, 2020

Unit: USD 100 million

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
1	Bank of China Limited (BOC Wealth Management Co., Ltd.)	2020.11.30	10.00
2	Industrial and Commercial Bank of China Limited (ICBC Wealth Management Co., Ltd.)	2020.04.10	8.00
3	The Bank of East Asia (China) Limited	2020.11.04	3.00
4	Bank of Communications Co., Ltd. (BOCOM Wealth Management Co., Ltd.)	2020.04.10	5.00
5	China Construction Bank Corporation (CCB Wealth Management Co., Ltd.)	2020.06.01	5.00
6	HSBC Bank (China) Company Limited	2015.03.26	34.00
7	China Merchants Bank Co., Ltd. (CMB Wealth Management Co., Ltd.)	2020.04.10	2.00
8	China CITIC Bank	2006.09.18	1.00
9	Hang Seng Bank (China) Limited	2006.09.27	0.30
10	Citibank (China) Co., Ltd.	2006.09.27	34.00
11	Industrial Bank Co., Ltd. (Industrial Bank Wealth Management Co., Ltd.)	2020.04.10	1.00
12	Standard Chartered Bank (China) Limited	2020.11.04	21.00
13	China Minsheng Bank	2006.11.08	1.00
14	China Everbright Bank (Everbright Wealth Management Co., Ltd.)	2020.04.10	1.00
15	Bank of Beijing	2006.12.11	0.50
16	Bank of China (Hong Kong) Limited Mainland Branch	2007.01.11	0.30
17	Credit Suisse AG, Shanghai Branch	2007.01.30	0.30
18	Agricultural Bank of China (ABC Wealth Management Co., Ltd.)	2014.12.28	2.00
19	Nanyang Commercial Bank (China) Limited	2015.02.13	1.80
20	Deutsche Bank (China) Co., Ltd.	2007.08.17	0.30
21	Shanghai Pudong Development Bank	2007.08.31	0.30
22	Bank of Shanghai	2008.01.24	0.30
23	DBS Bank (China) Co., Ltd.	2020.11.04	9.85
24	BNP Paribas (China) Ltd.	2020.11.04	2.00
25	Société Générale (China) Limited	2010.09.01	1.00
26	OCBC Wing Hang Bank	2011.01.06	1.00
27	Australia and New Zealand Bank (China) Co., Ltd.	2014.10.30	3.15
28	United Overseas Bank (China) Limited	2020.11.04	4.00

Table S13 (continued)

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
29	UBS (China) Limited	2020.11.30	2.30
30	Ping An Bank Co., Ltd.	2014.09.22	2.00
31	PSBC Wealth Management Co., Ltd.	2020.09.22	2.00
32	Fubon Bank (China) Co., Ltd.	2020.11.04	0.10
Total of Banks			159.50
33	Hua An Fund Management Co., Ltd.	2020.11.04	15.50
34	China Southern Asset Management Co., Ltd.	2020.11.04	29.50
35	China Asset Management Co., Ltd.	2020.11.04	38.50
36	Harvest Fund Management Co., Ltd.	2020.09.22	36.00
37	China International Fund Management Co., Ltd.	2015.01.30	27.00
38	ICBC Credit Suisse Asset Management Co., Ltd.	2020.11.04	5.00
39	Hwabao WP Fund Management Co., Ltd.	2015.01.30	10.50
40	China International Capital Corporation Limited	2020.11.04	24.00
41	HFT Investment Management Co., Ltd.	2020.11.04	7.00
42	Yinhua Fund Management Co., Ltd.	2020.09.22	9.00
43	CMS Asset Management Co., Ltd.	2020.09.22	6.00
44	Bank of Communications Schroder Fund Management Co., Ltd.	2018.06.28	9.30
45	E Fund Management Co., Ltd.	2020.09.22	30.50
46	China Merchants Fund Management Co., Ltd.	2020.11.30	13.00
47	Bosera Funds Management Co., Ltd.	2020.11.30	20.50
48	China Universal Asset Management Co., Ltd.	2020.11.04	6.00
49	GF Fund Management Co., Ltd.	2020.11.30	16.50
50	Penghua Fund Management Co., Ltd.	2020.11.04	11.00
51	Changsheng Fund Management Co., Ltd.	2018.06.28	3.70
52	Guotai Asset Management Co., Ltd.	2020.11.30	8.00
53	UBS SDIC Fund Management Co., Ltd.	2020.11.04	20.00
54	CCB Principal Asset Management Co., Ltd.	2020.11.30	5.50
55	CITIC-Prudential Fund Management Company Ltd.	2020.11.04	8.30
56	Lion Fund Management Co., Ltd.	2020.11.30	5.50

Table S13 (continued)

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
57	Everbright Pramerica Fund Management Co., Ltd.	2020.11.04	7.50
58	Fullgoal Fund Management Co., Ltd.	2020.11.30	13.30
59	Dacheng Fund Management Co., Ltd.	2020.11.04	5.50
60	Bank of China Investment Management Co., Ltd.	2010.03.12	7.00
61	Manulife Teda Fund Management Co., Ltd.	2020.11.30	2.40
62	Huatai Securities (Shanghai) Asset Management Co., Ltd.	2020.11.04	4.00
63	Shanghai Guotai Junan Securities Asset Management Co., Ltd.	2020.09.22	6.50
64	Chang Xin Asset Management Co., Ltd.	2020.11.30	7.00
65	Huatai-PineBridge Fund Management Co., Ltd.	2020.11.04	5.80
66	Shanghai Everbright Securities Asset Management Co., Ltd.	2015.01.30	3.00
67	Invesco Great Wall Fund Management Co., Ltd.	2020.09.22	6.50
68	Franklin Templeton Sealand Fund Management Co., Ltd.	2015.02.13	7.00
69	Guosen Securities Co., Ltd.	2015.01.30	10.00
70	Rongtong Fund Management Co., Ltd.	2015.01.30	9.00
71	GF Asset Management (Guangdong) Co., Ltd.	2018.05.30	17.00
72	CITIC Securities Co., Ltd.	2020.09.22	12.80
73	Essence Asset Management Co., Ltd.	2020.08.31	6.50
74	Shenwan Hongyuan Securities Co., Ltd.	2020.11.30	4.80
75	BOC International (China) Co., Ltd.	2014.12.28	3.00
76	Galaxy Jinhui Security Asset Management Co., Ltd.	2013.01.24	4.00
77	Shanghai Haitong Securities Asset Management Co., Ltd.	2015.01.30	8.00
78	Pacific Securities Co., Ltd.	2014.04.30	2.00
79	Tianhong Asset Management Co., Ltd.	2020.11.04	4.00
80	Orient Fund Management Co., Ltd.	2018.04.24	1.30
81	Caitong Fund Management Co., Ltd.	2018.04.24	1.70
82	Industrial Securities Asset Management Co., Ltd.	2018.04.24	2.20
83	Bank of Beijing Scotiabank Asset Management Co., Ltd.	2020.09.22	3.40
84	AXA SPDB Investment Managers Co., Ltd.	2020.11.30	4.80
85	China Life AMP Asset Management Co., Ltd.	2018.04.24	2.60

Table S13 (continued)

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
86	China Securities Co., Ltd.	2020.11.04	3.60
87	SWS MU Fund Management Co., Ltd.	2020.11.30	4.00
88	Zhongrong Fund Management Co., Ltd.	2018.05.30	1.40
89	First Seafront Fund Management Co., Ltd.	2020.09.22	3.90
90	Sinolink Securities Co., Ltd.	2018.06.28	1.00
91	Shanghai Orient Securities Asset Management Co., Ltd.	2020.09.22	2.00
92	CIB Fund Management Co., Ltd.	2020.09.22	2.00
93	Wanjia Asset Management Co., Ltd.	2020.09.22	2.00
94	Tepsperity Securities Co., Ltd.	2020.09.22	0.50
95	TruValue Asset Management Co., Ltd.	2020.11.04	1.00
96	Great Wall Fund Management Co., Ltd.	2020.11.04	1.00
97	Zhong Ou Asset Management Co., Ltd.	2020.11.04	1.00
98	Ping An Securities Co., Ltd.	2020.11.04	1.00
Total of Securities Companies			562.80
99	Ping An Insurance (Group) Co., Ltd.	2020.11.30	75.90
100	China Life Insurance (Group) Company	2006.12.14	1.00
101	PICC Property and Casualty Company Limited	2020.11.04	10.00
102	China Life Insurance Company Ltd	2015.02.13	35.50
103	Taikang Life Insurance Co., Ltd.	2017.08.30	18.85
104	Generali China Life Insurance Co., Ltd.	2014.12.28	4.15
105	The People's Insurance Company (Group) of China Limited	2015.01.30	3.15
106	Sino Life Insurance Co., Ltd.	2007.08.16	44.09
107	China Reinsurance (Group) Corporation	2007.10.18	5.00
108	China Pacific Insurance (Group) Co., Ltd.	2020.11.04	2.37
109	China Pacific Life Insurance Co., Ltd.	2018.04.24	16.80
110	PICC Health Insurance Company Limited	2018.05.30	1.15
111	PICC Life Insurance Company Limited	2018.06.28	5.34
112	Dajia Life Insurance Co., Ltd.	2018.11.28	18.10
113	Taiping Life Insurance Co., Ltd.	2015.03.26	3.20

Table S13 (continued)

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
114	Sinosafe General Insurance Company Limited	2007.11.15	0.20
115	Huatai Property & Casualty Insurance Co., Ltd.	2007.11.15	0.30
116	Huatai Asset Management Co., Ltd.	2007.04.23	0.30
117	American International Assurance Co., Ltd.	2020.09.21	1.68
118	Bohai Property Insurance Co., Ltd.	2007.12.18	0.05
119	ICBC – AXA Life Insurance Co., Ltd.	2020.11.04	2.08
120	Dubon Property & Casualty Insurance Co., Ltd.	2008.01.23	0.25
121	Taiping General Insurance Co., Ltd.	2009.12.30	0.79
122	Asia-Pacific Property & Casualty Insurance Co., Ltd.	2010.04.14	0.25
123	China Property & Casualty Reinsurance Company Ltd.	2010.05.31	1.92
124	China Export & Credit Insurance Corporation	2011.09.30	10.00
125	New China Life Insurance Company Ltd.	2020.11.30	24.00
126	Alltrust Property Insurance Company Ltd.	2012.12.26	0.30
127	TianAn Property Insurance Co., Ltd.	2015.03.26	8.00
128	Sunshine Life Insurance Co., Ltd.	2014.12.28	17.00
129	China Life Reinsurance Company Ltd.	2013.12.09	10.00
130	Pramerica FOSUN Life Insurance Co., Ltd.	2014.01.22	0.11
131	Taiping Reinsurance Co., Ltd. Beijing Branch	2014.02.25	0.50
132	Hua Life Insurance Co., Ltd.	2015.01.30	7.00
133	Union Life Insurance Co., Ltd.	2014.02.25	2.00
134	China Life Asset Management Company Limited	2014.10.30	1.30
135	China Post Life Insurance Co., Ltd.	2014.10.30	2.00
136	Taishan Property & Casualty Insurance Co., Ltd.	2015.01.30	0.20
137	Foresea Life Insurance Co., Ltd.	2020.11.04	6.00
138	Taikang Asset Management Co., Ltd.	2015.01.30	3.00
139	China United Property Insurance Co., Ltd.	2018.04.24	2.00
140	Sun Life Everbright Life Insurance Co., Ltd.	2018.04.24	1.20
141	Guohua Life Insurance Co., Ltd.	2018.04.24	2.00
142	China Continent Property & Casualty Insurance Co., Ltd.	2018.04.24	1.40

Table S13 (concluded)

No.	Name of Institution	Latest Approval Date	Cumulative Approved Quota
143	China Pacific Property Insurance Co., Ltd.	2018.05.30	2.10
144	AEON Life Insurance Co., Ltd.	2020.11.04	1.00
145	CITIC-Prudential Life Insurance Co., Ltd.	2020.11.04	1.00
Total of Insurance Companies			354.53
146	China Credit Trust Co., Ltd.	2014.11.27	16.00
147	Shanghai International Trust Co., Ltd.	2014.12.28	9.50
148	Zhonghai Trust Co., Ltd.	2018.04.24	3.00
149	Ping An Trust Co., Ltd.	2011.09.30	1.00
150	Dalian Huaxin Trust Co., Ltd.	2011.12.20	1.00
151	Hwabao Trust Co., Ltd.	2020.11.30	20.00
152	CITIC Trust Co., Ltd.	2014.12.28	9.50
153	New China Trust Co., Ltd.	2015.01.30	1.50
154	China Foreign Economy and Trade Trust Co., Ltd.	2014.09.22	5.00
155	CCB Trust Co., Ltd.	2014.11.27	4.00
156	Zhongrong International Trust Co., Ltd.	2014.11.27	3.00
157	China Industrial International Trust Limited	2020.09.22	2.80
158	Beijing International Trust Co., Ltd.	2015.02.13	3.00
159	Bank of Communications International Trust Co., Ltd.	2015.03.26	2.00
160	Chang'an International Trust Co., Ltd.	2018.04.24	1.80
161	Chongqing International Trust Co., Ltd.	2018.05.30	0.50
162	SDIC Taikang Trust Co., Ltd.	2018.05.30	0.70
163	China Minsheng Trust Co., Ltd.	2018.05.30	0.60
164	China Resources SZITIC Trust Co., Ltd.	2020.11.30	1.00
165	COFCO Trust Co., Ltd.	2020.11.30	0.26
166	Minmetals International Trust Co., Ltd.	2020.11.30	1.00
167	Huaneng Guicheng Trust Co., Ltd.	2020.11.30	1.00
168	Everbright Xinglong Trust Co., Ltd.	2020.11.30	1.00
169	China Fortune International Trust Co., Ltd.	2020.11.30	1.00
Total of Trust Companies			90.16
Total			1166.99

Table S14 List of Banks Engaging in Derivative Businesses for Clients

(I) List of Banks Engaging in Derivative Businesses (Forwards and Swaps) for Clients

As of December 31, 2020

No.	Name of Bank	No.	Name of Bank
1	Industrial and Commercial Bank of China Limited	2	Agricultural Bank of China Limited
3	Bank of China Limited	4	China Construction Bank Corporation
5	Bank of Communications Co., Ltd.	6	China CITIC Bank Corporation Limited
7	China Merchants Bank Co., Ltd.	8	China Everbright Bank Co., Ltd.
9	Hua Xia Bank Co., Ltd.	10	China Guangfa Bank Co., Ltd.
11	Ping An Bank Co., Ltd.	12	Industrial Bank Co., Ltd.
13	China Minsheng Banking Corporation Limited	14	China Zheshang Bank Co., Ltd.
15	China Bohai Bank Co., Ltd.	16	The Export-Import Bank of China
17	China Development Bank	18	Bank of Beijing Co., Ltd.
19	Postal Savings Bank of China Limited	20	Bank of Shanghai Co., Ltd.
21	Bank of Nanjing Co., Ltd.	22	Bank of Hangzhou Co., Ltd.
23	Bank of Ningbo Co., Ltd.	24	Bank of East Asia (China) Limited
25	Nanyang Commercial Bank (China) Limited	26	Woori Bank (China) Limited
27	CITIC Bank International (China) Limited	28	Fubon Bank (China) Co., Ltd.
29	Xiamen International Bank Co., Ltd.	30	BNP Paribas (China) Ltd.
31	Shanghai Pudong Development Bank Co., Ltd.	32	DBS Bank (China) Co., Ltd.
33	Bank of America, Shanghai Branch, Beijing Branch and Guangzhou Branch	34	HSBC Bank (China) Company Limited
35	Bank of Montreal (China) Co., Ltd.	36	Citibank (China) Co., Ltd.
37	Standard Chartered Bank (China) Limited	38	Metropolitan Bank (China) Ltd.
39	Morgan Chase Bank (China) Company Limited	40	Société Générale (China) Limited
41	Credit Agricole Indosuez (China) Co., Ltd.	42	Sumitomo Mitsui Banking Corporation (China) Ltd.
43	Credit Suisse AG, Shanghai Branch	44	Australia and New Zealand Bank (China) Co., Ltd.
45	Commerzbank AG, Shanghai Branch and Beijing Branch	46	KBC Bank N.V., Shanghai Branch
47	Intesa Sanpaolo S.P.A., Shanghai Branch	48	Hang Seng Bank (China) Limited
49	Rabobank, Shanghai Branch	50	ING Bank N.V., Shanghai Branch
51	United Overseas Bank (China) Limited	52	Natexis Banques Populaires, Shanghai Branch
53	Deutsche Bank (China) Co., Ltd.	54	China Trust Commercial Bank Co., Ltd., Shanghai Branch and Guangzhou Branch
55	Chiyu Banking Corporation Limited, Fuzhou Branch and Xiamen Branch	56	Scotiabank, Shanghai Branch and Guangzhou Branch
57	Cathy United Bank (China) Ltd.	58	Mizuho Corporation Bank (China) Ltd.

Table S14 (continued)

No.	Name of Bank	No.	Name of Bank
59	OCBC Wing Hang Bank (China) Co., Ltd.	60	UBS (China) Limited
61	Svenska Handelsbanken AB (publ), Shanghai Branch	62	DNB NOR Bank ASA, Shanghai Branch
63	Bank of Tokyo-Mitsubishi UFJ (China) Ltd.	64	Norddeutsche Landesbank, Shanghai Branch
65	Skandinaviska Enskilda Banken AB (publ), Shanghai Branch	66	Barclays Bank PLC, Shanghai Branch
67	Swedbank, Shanghai Branch	68	Nordea Bank AB, Shanghai Branch
69	State Bank of India, Shanghai Branch	70	Sumitomo Mitsui Trust Bank Limited, Shanghai Branch
71	Bangkok Bank (China) Company Limited	72	Shinhan Bank (China) Co., Ltd.
73	Huishang Bank Corporation Limited	74	Bank of Jiangsu Co., Ltd.
75	Harbin Bank Co., Ltd.	76	Malaysia Maybank Limited, Shanghai Branch
77	Shanghai Rural Commercial Bank Co., Ltd.	78	Xiamen Bank Co., Ltd.
79	Chinese Mercantile Bank	80	Industrial Bank of Korea (China) Limited
81	Westpac Banking Corporation, Shanghai Branch	82	Banco Santander of Spain, Shanghai Branch
83	Hana Bank (China) Co., Ltd.	84	Korea Development Bank, Shanghai Branch
85	Shengjing Bank Co., Ltd.	86	Bank of Jinzhou Co., Ltd.
87	Bank SinoPac (China) Co., Ltd.	88	Jiangsu Jiangnan Rural Commercial Bank Co., Ltd.
89	Kookmin Bank (China) Limited	90	UniCredit S.P.A., Shanghai Branch
91	Bank of Dongguan Co., Ltd.	92	Qilu Bank Co., Ltd.
93	E. SUN Bank (China) Company Ltd.	94	Chongqing Rural Commercial Bank Co., Ltd.
95	CIMB Bank Berhad, Shanghai Branch	96	VTB Bank (Public Joint-Stock Company), Shanghai Branch
97	Jiangsu Suzhou Rural Commercial Bank Co., Ltd.	98	Dongguan Rural Commercial Bank Co., Ltd.
99	Luso International Banking Ltd., Guangzhou Branch	100	Bank of Changsha Co., Ltd.
101	Taiwan Cooperative Bank, Changsha Branch	102	Kasikornbank (China) Company Limited
103	Dah Sing Bank (China) Limited	104	Bank of Hebei Co., Ltd.
105	Bank of Chengdu Co., Ltd.	106	Jiangsu Changshu Rural Commercial Bank Co., Ltd.
107	Jiangsu Hai'an Rural Commercial Bank Co., Ltd.	108	Wuxi Rural Commercial Bank Co., Ltd.
109	Chong Hing Bank Limited, Guangzhou Branch	110	State Street Corp, Beijing Branch
111	Bank of Chongqing Co., Ltd.	112	Zhejiang Shaoxing Ruifeng Rural Commercial Bank Co., Ltd.
113	China Trust Commercial Bank Co., Ltd., Shenzhen Branch	114	Shenzhen Rural Commercial Bank Co., Ltd.
115	Bank of Qingdao Co., Ltd.		

Table S14 (continued)

(II) List of Banks Engaging in Derivative Businesses (Options) for Clients

As of December 31, 2020

No.	Name of Bank	No.	Name of Bank
1	Bank of China Limited	2	Industrial and Commercial Bank of China Limited
3	China CITIC Bank Corporation Limited	4	Bank of Communications Co., Ltd.
5	Citibank (China) Co., Ltd.	6	HSBC Bank (China) Company Limited
7	Deutsche Bank (China) Co., Ltd.	8	Agricultural Bank of China Limited
9	China Construction Bank Corporation	10	Industrial Bank Co., Ltd.
11	Bank of Montreal (China) Co., Ltd.	12	Standard Chartered Bank (China) Limited
13	China Development Bank	14	Bank of Tokyo-Mitsubishi UFJ (China) Ltd.
15	Credit Agricole Indosuez (China) Co., Ltd.	16	Sumitomo Mitsui Banking Corporation (China) Ltd.
17	Shanghai Pudong Development Bank Co., Ltd.	18	China Everbright Bank Co., Ltd.
19	China Guangfa Bank Co., Ltd.	20	Bank of Ningbo Co., Ltd.
21	BNP Paribas (China) Ltd.	22	Mizuho Corporation Bank (China) Ltd.
23	Bank of Beijing Co., Ltd.	24	China Merchants Bank Co., Ltd.
25	DBS Bank (China) Co., Ltd.	26	Ping An Bank Co., Ltd.
27	China Minsheng Banking Corporation Limited	28	Morgan Chase Bank (China) Company Limited
29	Bank of America, Shanghai Branch	30	Barclays Bank PLC, Shanghai Branch
31	Australia and New Zealand Bank (China) Co., Ltd.	32	Credit Suisse AG, Shanghai Branch
33	Société Générale (China) Limited	34	Bank of Shanghai Co., Ltd.
35	China Zheshang Bank Co., Ltd.	36	United Overseas Bank (China) Limited
37	OCBC Wing Hang Bank (China) Co., Ltd.	38	Fubon Bank (China) Co., Ltd.
39	Malaysia Maybank Limited, Shanghai Branch	40	Commerzbank AG, Shanghai Branch and Beijing Branch
41	Bank of East Asia (China) Limited	42	ING Bank N.V., Shanghai Branch
43	Hang Seng Bank (China) Limited	44	Bank of Hangzhou Co., Ltd.
45	CITIC Bank International (China) Limited	46	China Bohai Bank Co., Ltd.
47	The Export-Import Bank of China	48	Cathy United Bank (China) Ltd.

Table S14 (concluded)

No.	Name of Bank	No.	Name of Bank
49	Nanyang Commercial Bank (China) Limited	50	Metropolitan Bank (China) Ltd.
51	Xiamen Bank Co., Ltd.	52	China Trust Commercial Bank Co., Ltd., Shanghai Branch and Guangzhou Branch
53	Bank of Jinzhou Co., Ltd.	54	Shengjing Bank Co., Ltd.
55	Bank SinoPac (China) Co., Ltd.	56	Kookmin Bank (China) Limited
57	Xiamen International Bank Co., Ltd.	58	Hua Xia Bank Co., Ltd.
59	Qilu Bank Co., Ltd.	60	E. SUN Bank (China) Company Ltd.
61	Bank of Nanjing Co., Ltd.	62	Bank of Chengdu Co., Ltd.
63	Dongguan Rural Commercial Bank Co., Ltd.	64	Jiangsu Suzhou Rural Commercial Bank Co., Ltd.
65	Shanghai Rural Commercial Bank Co., Ltd.	66	CIMB Bank Berhad, Shanghai Branch
67	Dah Sing Bank (China) Limited	68	Kasikornbank (China) Company Limited
69	Bank of Hebei Co., Ltd.	70	Saim Commercial Bank Public Company Limited, Shanghai Branch
71	Jiangsu Jiangnan Rural Commercial Bank Co., Ltd.	72	Jiangsu Haian Rural Commercial Bank Co., Ltd.
73	Chong Hing Bank Limited, Guangzhou Branch	74	Bank of Dongguan Co., Ltd.
75	State Street Corp, Beijing Branch	76	Bank of Chongqing Co., Ltd.
77	Zhejiang Shaoxing Ruifeng Rural Commercial Bank Co., Ltd.	78	Huishang Bank Corporation Limited
79	China Trust Commercial Bank Co., Ltd., Shenzhen Branch	80	Chinese Mercantile Bank
81	Bank of Qingdao Co., Ltd.	82	Bank of Changsha Co., Ltd.

Table S15 Banks as Market-Makers in the Trading of RMB-Forex on the Interbank Forex Market

As of December 31, 2020

Name of Bank	Spot Market-Maker	Forwards and Swaps Market-Maker	Spot Trial Market-Maker	Forwards and Swaps Trial Market-Maker
Bank of China	√	√		
Agricultural Bank of China	√	√		
Industrial and Commercial Bank of China	√	√		
China Construction Bank	√	√		
Bank of Communications	√	√		
China CITIC Bank	√	√		
China Development Bank	√	√		
Shanghai Pudong Development Bank	√	√		
China Everbright Bank	√	√		
Hua Xia Bank	√	√		
Industrial Bank Co., Ltd.	√	√		
Citibank (China) Co., Ltd.	√	√		
HSBC Bank (China) Company Limited	√	√		
Bank of Tokyo-Mitsubishi UFJ (China) Ltd.	√	√		
China Merchants Bank	√	√		
China Minsheng Bank	√	√		
China Guangfa Bank	√	√		
Ping An Bank	√	√		
Bank of Ningbo	√	√		
BNP Paribas (China) Ltd.	√	√		
Mizuho Corporation Bank (China) Ltd.	√	√		
DBS Bank (China) Co., Ltd.	√	√		
Morgan Chase Bank (China) Company Limited	√	√		
Postal Savings Bank of China	√	√		
Bank of Nanjing	√	√		
Standard Chartered Bank (China) Limited	√			√
Deutsche Bank (China) Co., Ltd.	√			√
Sumitomo Mitsui Banking Corporation (China) Limited	√			√
Bank of Shanghai	√			√
Bank of Montreal (China) Co., Ltd.	√			√

Table S15 (concluded)

Name of Bank	Spot Market-Maker	Forwards and Swaps Market-Maker	Spot Trial Market-Maker	Forwards and Swaps Trial Market-Maker
The Export-Import Bank of China		√		
China Zheshang Bank		√		
Bank of America, Shanghai Branch			√	√
Credit Agricole Indosuez (China) Co., Ltd.			√	√
Société Générale (China) Limited			√	
Ningbo Yinzhou Rural Commercial Bank			√	
Bank of Beijing			√	
Bank of East Asia (China) Limited				√

Table S16 List of Insurance Institutions Operating Foreign Exchange Businesses

As of December 31, 2020

No.	Name of Company	License No.	Business Scope
1	RGA Reinsurance Company Shanghai Branch	Shanghaihuifu [2016] No. 13	Foreign Exchange Reinsurance
2	Aioi Nissay Dowa Insurance (China) Company Limited	Jinhuifu [2017] No. 1	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
3	AnBang Insurance Group Co., Ltd.	Jinghui [2016] No. 55	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
4	AnBang Property & Casualty Insurance Co., Ltd.	Shenwaiguan [2015] No. 64	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
5	AnBang Annuity Insurance Co., Ltd.	Jinghui [2016] No. 157	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
6	Ancheng Property & Casualty Insurance Co., Ltd.	Yuhuihan [2016] No. 6	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
7	Chubb Corporation	Shanghaihuifu [2016] No. 24	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
8	AnHua Agricultural Insurance Company Ltd.	Jihuihan [2015] No. 11	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
9	AXA Tianping P&C Insurance Co., Ltd.	Shanghaihuifu [2020] No. 6	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
10	Answern Property & Casualty Insurance Co., Ltd.	Jinghui No. [2016] 128	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
11	AnXin Agricultural Insurance Co., Ltd.	Shanghaihuifu [2017] No. 28	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
12	Aeon Life Insurance Co., Ltd.	Dahuifu [2018] No. 6	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
13	Beibu Gulf Property & Casualty Insurance Company	Guihuifu [2016] No. 6	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
14	Bohai Property Insurance Co., Ltd.	Jinhuifu [2015] No. 10	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
15	Bohai Life Insurance Co., Ltd.	Jinhuifu [2015] No. 14	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
16	Champion Property & Casualty Insurance Co., Ltd.	Yunhuifu [2015] No. 23	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
17	Korean Reinsurance Company, Shanghai Branch	Shanghaihuifu [2020] No. 2	Foreign Exchange Reinsurance
18	Dajia Property and Casualty Insurance Co., Ltd.	Shenwaiguan [2020] No. 14	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
19	General Reinsurance AG, Shanghai Branch	Shanghaihuifu [2016] No. 30	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
20	DingHe Property Insurance Co., Ltd.	Shenwaiguan [2015] No. 9	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
21	Donghai Marine Insurance Co., Ltd.	Yongwaiguanhan [2016] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
22	The Tokio Marine & Nichido Fire Insurance Company (China), Ltd.	Shanghaihuifu [2017] No. 25	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
23	Dubon Property & Casualty Insurance Co., Ltd.	Jihuihan [2015] No. 5	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
24	SCOR S.E., Beijing Branch	Jinghui [2017] No. 48	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
25	Pramerica Fosun Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 31	Foreign Exchange Personal Insurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
26	Fosun United Health Insurance Co., Ltd.	Yuehuifu [2018] No. 41	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
27	Fubon Property & Casualty Insurance Co., Ltd.	Xiamenhuifu [2017] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
28	Funde Sino Life Insurance Co., Ltd.	Shenwaiguan [2015] No. 12	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
29	ICBC – AXA Lie Insurance Co., Ltd.	Shanghaihuifu [2015] No. 27	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
30	Sun Life Everbright Life Insurance Co., Ltd.	Jinhuifu [2015] No. 9	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
31	Guohua Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 28	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
32	Guoren P&C Insurance Co., Ltd.	Jinghui [2018] No. 60	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
33	Cathay Insurance Co., Ltd.	Shanghaihuifu [2017] No. 32	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
34	Guo Yuan Agricultural Insurance Co., Ltd.	Wanhuifa [2015] No. 69	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
35	Haixia Goldenbridge Insurance Co., Ltd.	Minhui [2016] No. 106	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
36	Hannover Rueckversicherung AG, Shanghai Branch	Shanghaihuifu [2017] No. 19	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
37	Union Life Insurance Co., Ltd.	Ehuifu [2015] No. 6	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
38	Hexie Health Insurance Co., Ltd.	ChuanhuiFu [2016] No. 6	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
39	Heng An Standard Life Insurance Company Limited	JinhuiFu [2016] No. 7	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
40	Hengbang Property Insurance Co., Ltd.	GanhuiFu [2015] No. 24	Foreign Exchange Reinsurance
41	Evergrande Life Assurance Co., Ltd.	Yuhuihan [2015] No. 14	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
42	Hengqin Life Insurance Co., Ltd.	YuehuiFu [2018] No. 32	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
43	Hongkang Life Insurance Co., Ltd.	Jinghui [2015] No. 112	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
44	Sinosafe General Insurance Co., Ltd.	Shenwaiguan [2015] No. 33	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
45	Huahai Property Insurance Co., Ltd.	Luhuihan [2015] No. 12	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
46	China Huanong Property & Casualty Insurance Co., Ltd.	Jinghui [2015] No. 314	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
47	Huatai Insurance Group Co., Ltd.	Jinghui [2018] No. 9	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
48	Huatai Property Insurance Company, Ltd.	ShanghaihuiFu [2017] No. 22	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
49	Huatai Life Insurance Company, Ltd.	Jinghui [2017] No. 35	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
50	Yellow River P&C Insurance Co., Ltd.	GanhuiFu [2018] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
51	Hero Mutual Property Insurance Corporation	Jinghui [2019] No. 5	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
52	CCB Property & Casualty Insurance Co., Ltd.	Ninghuifu [2017] No. 50	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
53	CCB Life Insurance Co., Ltd.	Shanghaihuifu [2017] No. 13	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
54	BoComm Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 10	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
55	JinTai Property & Casualty Insurance Co., Ltd.	Chuanhuifu [2018] No. 2	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
56	Allianz Jingdong General Insurance Company Ltd.	Yuehuifu [2019] No. 49	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
57	JK Life Insurance Co., Ltd.	Jinghui [2017] No. 53	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
58	Lloyd's Insurance Company (China), Ltd.	Shanghaihuifu [2017] No. 14	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
59	LIG Insurance (China) Co., Ltd.	Suhuifu [2016] No. 1	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
60	Li An Life Insurance Co., Ltd.	Suhuifu [2017] No. 13	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
61	Liberty Insurance Co., Ltd.	Yuhuihan [2016] No. 7	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
62	Cathay Lujiazui Life Insurance Company Limited	Shanghaihuifu [2018] No. 3	Foreign Exchange Personal Insurance
63	Chartis Insurance Company, Ltd.	Shanghaihuifu [2016] No. 34	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
64	Minsheng Life Insurance Co., Ltd.	Jinghui [2015] No. 132	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
65	Munich Reinsurance Company, Beijing Branch	Jinghui [2016] No. 40	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
66	Ping An Health Insurance Company of China, Ltd.	Shanghaihuifu [2017] No. 1	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
67	Ping An Annuity Insurance Company of China, Ltd.	Shanghaihuifu [2016] No. 37	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
68	Qianhai Life Insurance Co., Ltd.	Shenwaiguan [2017] No. 30	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
69	Qianhai Reinsurance Co., Ltd.	Shenwaiguan [2016] No. 74	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
70	PICC Reinsurance Co., Ltd.	Jinghui [2017] No. 45	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
71	Sompo Japan Insurance (China) Co., Ltd.	Dahuifu [2017] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
72	NIPPONKOA Insurance Company (China), Ltd.	Shenwaiguan [2015] No. 20	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
73	Rongsheng Insurance Co., Ltd.	Liaohuifu [2018] No. 4	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
74	Ruihua Health Assurance Corporation	Shanhuiguanhan [2019] No. 1	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
75	Swiss Re-insurance Company, Beijing Branch	Jinghui [2017] No. 128	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
76	Swiss Re Corporate Solutions Insurance China Ltd.	Shanghaihuifu [2015] No. 22	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
77	Mitsui Sumitomo Insurance (China) Company, Limited	Shanghaihuifu [2016] No. 36	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
78	Samsung Property & Casualty Insurance Company (China), Ltd.	Shanghaihuifu [2016] No. 25	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
79	Shanghai Life Insurance Co., Ltd.	Shanghaihuifu [2015] No. 26	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
80	Starr Property & Casualty Insurance (China) Company Limited	Shanghaihuifu [2017] No. 34	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
81	Zurich Property Insurance (China) Co., Ltd.	Shanghaihuifu [2016] No. 23	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
82	Taiping Science and Technology Insurance Co., Ltd.	Zhewaiguanhan [2020] No. 6	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
83	Taiping General Insurance Co., Ltd.	Shenwaiguan [2015] No. 71	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
84	Taiping Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 11	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
85	Taiping Reinsurance (China) Co., Ltd.	Jinghui [2016] No. 38	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
86	Taikang Insurance Group	Jinghui [2015] No. 266	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
87	Taikang Life Insurance Co., Ltd.	Jinghui [2016] No. 199	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
88	Taishan Property & Casualty Insurance Co., Ltd.	Luhuihan [2017] No. 12	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
89	TianAn Property Insurance Co., Ltd.	Shanghaihuifu [2016] No. 2	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
90	TianAn Life Insurance Co., Ltd.	Jinghui [2017] No. 34	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
91	Aegon THTF Life Insurance Co., Ltd.	Shanghaihuifu [2015] No. 23	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
92	Hyundai Insurance (China) Company, Ltd.	Jinghui [2016] No. 56	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
93	New China Life Insurance Company, Ltd.	Jinghui [2017] No. 129	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
94	Xinjiang Qianhai United Property Insurance Co., Ltd.	Xinhuifu [2018] No. 10	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
95	Sanguard Automobile Insurance Co., Ltd.	Jihuihan [2015] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
96	XL Reinsurance (China) Company, Ltd.	Shanghaihuifu [2020] No. 13	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
97	Happy Life Insurance Co., Ltd.	Jinghui [2015] No. 171	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
98	Asia-Pacific Property & Casualty Insurance Co., Ltd.	Shenwaiguan [2016] No. 7	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
99	YanZhao Property & Casualty Insurance Company, Ltd.	Huijifu [2015] No. 9	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
100	Sunshine Property & Casualty Insurance Company	Jinghui [2017] No. 138	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
101	Sunlight Agricultural Mutual Insurance Company	Heihuifu [2015] No. 10	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
102	Sunshine Life Insurance Corporation Limited	Qionghuifu [2015] No. 3	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
103	E An Property & Casualty Insurance Co., Ltd.	Shenwaiguan [2017] No. 5	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
104	Yingda Taihe Property Insurance Co., Ltd.	Jinghui [2015] No. 124	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
105	YongAn Property Insurance Company, Ltd.	Shanhuiguanhan [2017] No. 6	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
106	Alltrust Property Insurance Company, Ltd.	Shanghaihuifu [2017] No. 16	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
107	AIA Life Insurance Co., Ltd.	Shanghaihuifu [2020] No. 11	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
108	Chang An Liability Insurance Co., Ltd.	Jinghui [2015] No. 170	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance
109	Greatwall Life Insurance Co., Ltd.	Jinghui [2017] No. 65	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
110	Changjiang Property & Casualty Insurance Co., Ltd.	Ehuifu [2015] No. 12	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
111	CIGNA and CMB Life Insurance Company, Ltd.	Shenwaiguan [2017] No. 42	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
112	Zheshang Property and Casualty Insurance Company, Ltd.	Zhewaiguan [2017] No. 14	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
113	Allianz China Life Insurance Co., Ltd.	Shanghaihuifu [2015] No. 9	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
114	China Property and Casualty Reinsurance Company Ltd.	Jinghui [2018] No. 20	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
115	China Export & Credit Insurance Corporation	Jinghui [2017] No. 2	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
116	China Continent Property & Casualty Insurance Company	Shanghaihuifu [2016] No. 4	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
117	Ping An Insurance (Group) Company of China, Ltd.	Shenwaiguan [2016] No. 73	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
118	Ping An Property & Casualty Insurance Company of China, Ltd.	Shenwaiguan [2016] No. 56	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
119	Ping An Life Insurance Company of China, Ltd.	Shenwaiguan [2016] No. 55	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
120	The People's Insurance Company (Group) of China Limited	Jinghui [2016] No. 59	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
121	PICC Property and Casualty Company Ltd.	Jinghui [2015] No. 324	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
122	PICC Health Insurance Co., Ltd.	Jinghui [2015] No. 337	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
123	PICC Life Insurance Co., Ltd.	Jinghui [2016] No. 126	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
124	China Life Insurance Co., Ltd.	Jinghui [2015] No. 311	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
125	China Life Property & Casualty Insurance Company, Ltd.	Jinghui [2016] No. 76	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
126	China Life Reinsurance Co., Ltd.	Jinghui [2016] No. 41	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (continued)

No.	Name of Company	License No.	Business Scope
127	China Pacific Property Insurance Co., Ltd.	Shanghaihuifu [2016] No. 22	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
128	China Pacific Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 27	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
129	China Railway Captive Insurance Co., Ltd.	Jinghui [2016] No. 42	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
130	China Reinsurance (Group) Corporation	Jinghui [2017] No. 59	Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
131	Groupama-AVIC Property Insurance Co., Ltd.	Chuanhuifu [2015] No. 16	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
132	BOB-CARDIF Life Insurance Co., Ltd.	Dahuifa [2017] No. 7	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
133	Manulife-Sinochem Life Insurance Co., Ltd.	Shanghaihuifu [2016] No. 3	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
134	China United Property Insurance Company, Ltd.	Jinghui [2016] No. 78	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
135	Zhonglu Property and Casualty Insurance Co., Ltd.	Qinghuifu [2015] No. 3	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
136	China Coal Insurance Co., Ltd.	Jinhuifu [2018] No. 1	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
137	Sino-US United MetLife Insurance Company, Ltd.	Shanghaihuifu [2017] No. 17	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
138	CNPC Captive Insurance Co., Ltd.	Xinhuifa [2017] No. 53	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations

Table S16 (concluded)

No.	Name of Company	License No.	Business Scope
139	CITIC-Prudential Life Insurance Co., Ltd.	Jinghui [2017] No. 152	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
140	Generali China Insurance Co., Ltd.	Jinghui [2016] No. 158	Foreign Exchange Property Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
141	Generali China Life Insurance Co., Ltd.	Jinghui [2016] No. 64	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
142	Bank of China Insurance Company, Ltd.	Jinghui [2017] No. 73	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
143	Aviva-COFCO Life Insurance Co., Ltd.	Jinghui [2018] No. 19	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
144	China Post Life Insurance Co., Ltd.	Jinghui [2017] No. 23	Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
145	Zhongyuan Agricultural Insurance Co., Ltd.	Yuhuiifu [2015] No. 11	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
146	COSCO Shipping Captive Insurance Co., Ltd.	Shanghaihuifu [2017] No. 8	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
147	ZhongAn Online P&C Insurance Co., Ltd.	Shanghaihuifu [2015] No. 18	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
148	Urtrust Insurance Co., Ltd.	Yuehuifu [2016] No. 22	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance
149	Qomolangma Insurance Co., Ltd.	Zanghuiguanfu [2016] No. 3	Foreign Exchange Property Insurance
150	Pearl River Life Insurance Co., Ltd.	Yuehuifu [2015] No. 113	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance; Other Foreign Exchange Insurance Business Specified by Laws and Regulations
151	ZKING Property & Casualty Insurance Co., Ltd.	Suhuiifu [2015] No. 45	Foreign Exchange Property Insurance; Foreign Exchange Personal Insurance; Foreign Exchange Reinsurance

► A Chronicle of China's Foreign Exchange Administration in 2020

• January

- 4 The National Foreign Exchange Administration Work Conference was held to deeply study and implements the guiding principles of the Second, Third and Fourth Plenary Sessions of the 19th CPC Central Committee as well as of the Central Economic Work Conference, review the foreign exchange administration work in 2019, deeply analysis into the foreign exchange market situations in 2020, and arrange for the work in the next stage.
- 9 The Pilot program on payment facilitation under capital account was launched in Shanghai.
- 10 Pilot programs on payment facilitation under capital account and overseas transfer of credit assets of domestic banks were launched in Beijing.
- 13 The *Notice on Improving the Foreign Exchange Risk Management for Foreign Institutional Investors on the Interbank Bond Market* (Huifa [2020] No. 2) was issued.
- 19 The expanded CPC Leadership of the SAFE meeting was held to communicate and study the guiding principles of the Fourth Plenary Session of the 19th CPC Central Commission for Discipline Inspection.

- 21 Pilot programs on one-off external debt registration and overseas transfer of credit assets of domestic banks were launched in Hainan Free Trade Port.
- 24 Pilot programs on one-off external debt registration and overseas transfer of credit assets of domestic banks were launched in Guangdong-Hong Kong-Macao Greater Bay Area.
- 27 The *Circular of the State Administration of Foreign Exchange on Offering Convenient Foreign Exchange Policy to Support the Prevention and Control of the NCP Epidemic* (Huizongfa [2020] No.2) was issued to assist in pandemic prevention and control and ensure relevant goods and funds were just in time.
- 28 The online external debt registration function was launched urgently on the SAFE's government services platform to facilitate contactless cross-border financing of enterprises during the pandemic.

● February

- 7 Attended the COVID-19 pandemic joint prevention and control press conference convened by the State Council to introduce financial policies relating to the COVID-19 pandemic prevention and control, alleviate difficulty and cost of financing of micro- and small-sized enterprises, and took questions from journalists.
- 13 The *Notice of the State Administration of Foreign Exchange on Revising the Administrative Measures for the Pilot Personal Currency Exchange Franchise Business* (Huifa [2020] No. 6) was issued.

- 15 Attended the COVID-19 pandemic joint prevention and control press conference convened by the State Council to introduce the financial system's efforts in supporting the fight against COVID-19 Pandemic and the resumption of work and production despite difficulties and took questions from journalists.
- 28 Organized Party members and cadres of the SAFE to donate for the battle against the COVID-19 pandemic.

• March

- 5 *The Notice of the Ministry of Justice and the State Administration of Foreign Exchange on Management of Legal Firms to Set up Branches Overseas* (Sifatong [2020] No. 29) was jointly issued with Ministry of Justice to promote and facilitate the setup of foreign branches by domestic legal firms, standardize the relevant foreign exchange administration, and support Chinese lawyers to go global.
- 11 *The Notice of the People's Bank of China and the State Administration of Foreign Exchange on Adjusting the Macro-prudential Regulation Parameter for Full-scale Cross-border Financing* (Yinfa [2020] No. 64) was jointly issued with the People's Bank of China to raise the parameter from 1 to 1.25.
- 13 The Pilot program on external debt facilitation quota was launched in Guangdong-Hong Kong-Macao Greater Bay Area, China (Shanghai) Pilot Free Trade Zone, China (Hubei) Pilot Free Trade Zone and Wuhan East Lake New Technology Development Zone.

The external debt facilitation quota was raised in Beijing Zhongguancun Haidian Park.

The pilot program on one-off external debt registration was launched in Beijing Zhongguancun Haidian Park, China (Hubei) Pilot Free Trade Zone and Wuhan East Lake New Technology Development Zone.

- 22 Attended the press conference convened by the State Council Information Office to introduce the efforts to maintain stability of the financial market against the impact of global pandemic and took questions from journalists.

• April

- 10 The *Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support Foreign-related Business Development* (Huifa [2020] No. 8) was issued to increase support of the financial sector to the real economy and enhance cross-border trade and investment facilitation.

- 17 Attended the press conference convened by the State Council Information Office to introduce China's foreign exchange receipts and payments in the first quarter of 2020 and took questions from journalists.

- 23 The pilot program on foreign exchange receipts and payments facilitation for trade was launched in Hainan.

• May

- 7 The *Provisions on Managing the Funds Invested by Foreign Institutional Investors in Domestic Securities and Futures* (Notice [2020] No. 2 of the People’s Bank of China and the State Administration of Foreign Exchange) was jointly issued with the PBC to cancel the approval of the investment quota of QFIIs/RQFIIs, remove the restrictions on the geographic areas of the RQFII pilot program, improve the foreign exchange registration and the foreign exchange risk management, and simplify the procedures for repatriation of funds, with a view to creating a friendly and facilitating investment environment.
- 15 The 2020 televised conference of the PBC and the SAFE on full and strict Party governance and discipline inspection was held.
- 20 The *Notice of the State Administration of Foreign Exchange on Supporting the Development of New Trade Forms* (Huifa [2020] No. 11) was issued to improve the quality and efficiency of foreign trade and accelerate the development of such new trade forms as cross-border e-commerce.
The pilot program on foreign talents facilitation under the current account was launched in Shenzhen.
The pilot program on foreign exchange receipts and payments facilitation for trade was launched in Liaoning, Jiangxi and Gansu.
- 26 The pilot program on one-off external debt registration was launched in China (Shanghai) Pilot Free Trade Zone Lingang New Area.

• June

- 1 According to the *Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support Foreign-related Business Development* (Huifa [2020] No. 8), the logout registration of overseas borrowing guaranteed by domestic entities and overseas lending released by domestic entities was delegated to banks.
- 8 Attended the press conference convened by the State Council Information Office regarding the *Master Plan for the Development of Hainan Free Trade Port* to answer journalist questions concerning the financial policies in support of the free trade port's development.
June 10-July 10
Four departments of the SAFE were inspected by the SAFE Party Group's inspection team.
- 18 Attended the 12th Lujiazui Forum and made a thematic speech on supporting the development of Shanghai International Financial Center.
Wang Chunying was appointed as Deputy Administrator of the SAFE by the State Council.
- 19 The pilot program on cross-border financial blockchain service platform was rolled out to all over the country to further facilitate SMEs' financing.
- 30 The scenario of authentic verification for payment facilitation under capital account on the cross-border financial blockchain service platform was applied in Shandong, Guangdong, Chongqing, Zhejiang and Qingdao.

• July

- 15 The SAFE Party Group's article *Sticking to Five Strengthening and Promoting High-quality Development of Party Building* was published in the *Qizhi* magazine, issue 7 of 2020.
- 17 Attended the press conference convened by the State Council Information Office to introduce China's foreign exchange receipts and payments in the first half of 2020 and took questions from journalists.
- 31 The video conference on foreign exchange administration for the second half of 2020 was held to convey and study the spirit of the Political Bureau of CPC Central Committee meeting, carry out deeply the decisions and deployment of the CPC Central Committee and the State Council on economic and financial work, review the work done in the first half of the year, analyze comprehensively the economic, financial and foreign exchange situations at home and abroad, and deploy key tasks for the next half of the year.

• August

- 6 Pilot programs on external debt facilitation quota, one-off external debt registration and overseas transfer of credit assets of domestic banks were launched in Chongqing.
- 14 The visualized analytical function of the monitoring and analysis system of cross-border capital flow was rolled out to all over the country.

- 17 The special Party lecture on “strengthening the political organ awareness, marching well as the first phalanx, and building an exemplary government agency with the trust of the CPC Central Committee and the satisfaction of the public” was given by the SAFE Party Group head and Administrator Pan Gongsheng to Party members and cadres of the SAFE.
- 31 The *Notice of the State Administration of Foreign Exchange on Circulating the Guidelines for Foreign Exchange Business under the Current Account (2020)* (Huifa [2020] No. 14) was issued to consolidate existing regulations of foreign exchange administration under current account comprehensively and repeal 29 regulations.

• September

- 2 The pilot program on foreign exchange receipts and payments facilitation for trade was launched in Tianjin, Hubei, Sichuan, Shaanxi, Fujian and Guangxi.
The Notice of the People’s Bank of China, China Securities Regulatory Commission and the State Administration of Foreign Exchange on Foreign Institutional Investors Investing in the Bond Market of China (Draft for Opinion Solicitation) was jointly issued to solicit opinions from the general public.
- 6 Attended the 2020 China International Fair for Trade in Services and delivered speech at the open ceremony of the 2020 China International Finance Forum.

- 7 Organized grass roots Party organizations to study the important speech made by Premier Li Keqiang at the third incorruptness work conference of the State Council.
- 18 *The Measures of the State Administration of Foreign Exchange for Administrative Punishment* (SAFE Notice [2020] No. 1) was issued.
The Notice of the State Administration of Foreign Exchange on Circulating the Guidelines for Statistics of External Financial Assets, Liabilities and Transactions (2020) (Huizongfa [2020] No. 71).
- 20 The pilot program on foreign talents facilitation under current account was launched in Beijing, Chongqing, Qingdao and Xiamen.
- 21 *The Provisions on Fund Management for Foreign Institutional Investors Investing in the Bond Market of China (Draft for Opinion Solicitation)* was issued with the People's Bank of China to solicit public opinions.
- 22 *The Notice of the General Affairs Department, State Administration of Foreign Exchange on Consolidating Some Foreign Exchange Accounts* (Huizongfa [2020] No. 73) was issued to further consolidate foreign exchange accounts and cut down on four categories of such accounts.
The Notice of the State Administration of Foreign Exchange on Circulating the Implementing Rules of the Declaration for Statistics of Balance of Payments through Banks (Huifa [2020] No.16) was issued.

- 25 *The Measures for Managing Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors* (China Securities Regulatory Commission, the People’s Bank of China and the State Administration of Foreign Exchange Order No. 176) was jointly issued with the PBC and China Securities Regulatory Commission.
- 27 The pilot program on the reform of registration of overseas listing of domestic companies was launched in Hainan Free Trade Port.

• October

- 1 The first batch of non-financial enterprises declared their external financial assets, liabilities and transactions in trial.
- 10 The SAFE Party Group Head and Administrator Pan Gongsheng led a delegation to Julu county, Hebei province, visiting poverty-stricken people and conducting field investigations into the targeted poverty relief work.
- 19 The scenario of logistics financing and settlement for western new land and sea routes on the SAFE’s cross-border financial blockchain service platform was applied in Chongqing.
- 12-23 Hosted the Financial Street Forum’s annual meeting 2020 jointly with the municipal government of Beijing, the PBC, Xinhua News Agency, China Banking and Insurance Regulatory Commission and China Securities Regulatory Commission.

- 23 Attended the press conference convened by the State Council Information Office to introduce the foreign exchange receipts and payments for the first three quarters of 2020 and took questions from journalists.
The Notice of the State Administration of Foreign Exchange on Circulating the Provisions on Voucher Management for Overseas and Domestic Receipts and Payments by Domestic Banks (Huifa [2020] No. 17) was issued.
- 26 The App of the SAFE's online government service processing system as well as the service comment function was officially put into operation to enrich the channel and improve the quality of government services; and the function's alignment with the service comment system of the national government service platform was completed.

● November

- 1 Online verification of tax filing information of foreign payment in services trade was launched to achieve centralized online verification of tax filing information.
The scenario of the banks' verification of tax filing information for trade in services on cross-border financial blockchain service platform was applied across the country.

- 13 *The Notice of the General Affairs Department, State Administration of Foreign Exchange on Circulating the Guidelines for Foreign Exchange Business under Capital Account (2020) (Huizongfa [2020] No. 89) was issued to optimize the foreign exchange administration procedures under capital account, raise the level of facilitation for cross-border investment and financing, and better serve the real economy.*
- 16-17 Xu Jia'ai, Member of the PBC Party Committee and Head of the Discipline Inspection and Supervision Group sent by the Central Commission for Discipline Inspection and the National Discipline Supervisory Commission to the PBC, offered on-site guidance in Julu county, Hebei province, pointing out the direction of and setting out the requirements for the SAFE's subsequent work in the targeted poverty relief campaign.
- 24 The pilot quotas of QDLP in Shanghai, Beijing and Shenzhen were raised from USD 5 billion to USD 10 billion respectively.
- 25 The pilot program on foreign talents facilitation under current account was launched in Shanghai.
November 30- December 4
The training for leading cadres with Party membership of the SAFE to study the spirit of the Fifth Plenary Session of the 19th CPC Central Committee and to enhance the Party style and clean government was held.

• December

- 14 The *Notice of the General Affairs Department, State Administration of Foreign Exchange on Circulating the Statistical Verification Rules for External Financial Assets, Liabilities and Transactions (2020)* (Huizongfa [2020] No. 94) was issued to improve the quality of statistics of external financial assets, liabilities and transactions and facilitate banks and enterprises to better conduct data verification and self-check.
The QDLP pilot programs were launched in Chongqing and Hainan Free Trade Port, and a quota of USD 5 billion was granted respectively.
- 15 Organized cadres newly appointed by the SAFE Party Group during the period from December 2019 to December 2020 to swear oaths of allegiance to the *Constitution*, where Xuan Changneng, member of the SAFE Party Group and Deputy Administrator, supervised the oath-taking and set out requirements for the new appointees on behalf of Pan Gongsheng, the SAFE Party Group Head and Administrator.
- 17-18 Organized teachers of Beijing Haidian Experimental Primary School to teach in Julu county, Hebei province, where the SAFE provided one-on-one assistance in poverty alleviation.
- 18 Xu Weigang was appointed by the PBC as chief accountant of the SAFE.
- 20 The pilot program on foreign talents facilitation under current account was launched in Shaanxi and Guangxi.
- 28 The pilot program on foreign exchange receipt and payment facilitation for trade was launched in Hebei, Shanxi and Qingdao.

► Major Foreign Exchange Administration Policies and Regulations Promulgated in 2020

- A. General

1. Administrative Review Procedures of the State Administration of Foreign Exchange (SAFE Notice [2020] No. 2)

Date of issuance: October 23, 2020

Effective date: October 23, 2020

Summary: The *Administrative Review Procedures of the State Administration of Foreign Exchange* was amended and issued to deliver on relevant requirements of the central government to accelerate building a law-abiding government and deepen administration according to law. It fully protects the legitimate rights and interests of the administrative review applicants by detailing procedural requirements ranging from application, acceptance, review to decision making, improving restraint and supervision over administrative review through collective deliberation of the administrative review decisions and cancelling provisions concerning import and export-related foreign exchange receipt and payment write-off which are inconsistent with the foreign exchange administration policies currently in effect.

2. Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support Foreign-related Business Development (Huifa [2020] No. 8)

Date of issuance: April 10, 2020

Effective date: April 10, 2020

Summary: Firstly, the foreign exchange receipt and payment facilitation reform under capital account was rolled out to all over the country. Secondly, the registration of special foreign exchange withdrawal was cancelled. Thirdly, the registration of some capital account business was simplified. Fourthly, restrictions on foreign exchange purchase were eased for the purpose of repaying foreign loans obtained by domestic entities with export background. Fifthly, the use of electronic documentations was facilitated in foreign exchange business. Sixthly, the foreign exchange settlement by banks for cross-border e-commerce was optimized. Seventhly, signing procedures for business examination were simplified. Eighthly, banks' innovation in financial services was promoted.

3. Notice of the State Administration of Foreign Exchange on Offering Convenient Foreign Exchange Policy to Support the Prevention and Control of the NCP Epidemic (Huizongfa [2020] No. 2)

Date of issuance: January 27, 2020

Effective date: January 27, 2020

Summary: To create a foreign exchange policy “green channel” during the pandemic, the notice mandated that local branches of the SAFE to launch emergency response mechanisms to direct banks within their jurisdiction to simplify foreign exchange

purchase and payment processes and documentations with respect to the import of goods by relevant authorities and local governments for pandemic prevention and control purposes according to the principle of giving special treatment to special circumstances. Further, it demanded that local branches simplify the entry and sales procedures for foreign exchange donated into the country, facilitated the foreign exchange payment of income under capital account in relation to the pandemic prevention and control, and encouraged individuals to conduct the personal foreign exchange business via online channels such as mobile banking. In addition, it specified that the *Notice of the State Administration of Foreign Exchange on Simplifying Foreign Exchange Accounts* (Huifa [2019] No. 29) was to take effect on March 2, 2020 rather than February 1, 2020.

4. Notice of the General Affairs Department, State Administration of Foreign Exchange on Circulating the Contents and Scoring Criteria for the Assessment of Regulatory Compliance and Prudential Operation of Banks' Foreign Exchange Business (2020) (Huizongfa [2020] No. 35)

Date of issuance: May 9, 2020

Effective date: May 9, 2020

Summary: The SAFE prescribed the *Contents and Scoring Criteria for the Assessment of Regulatory Compliance and Prudential Operation of Banks' Foreign Exchange Business (2020)* and conducted regulatory compliance and prudential operation assessment over banks for the assessment year of 2020 (from October 1, 2019 to September 30, 2020). Furthermore, it

specified the formula used to calculate the final score of bank headquarters and repealed the *Contents and Scoring Criteria for the Assessment of Regulatory Compliance and Prudential Operation of Banks' Foreign Exchange Business (2019)* (the attachment to the document Huifa [2019] No. 15).

5. Notice of the General Affairs Department, State Administration of Foreign Exchange on Consolidating Some Foreign Exchange Accounts (Huizongfa [2020] No. 73)

Date of issuance: September 22, 2020

Effective date: February 1, 2021

Summary: The notice consolidated eight categories of foreign exchange accounts to further streamline such accounts. Meanwhile, it specified operating procedures for banks of foreign exchange account opening, entry and use under capital account.

- **B. The Balance of Payments Statistics and the Foreign Exchange Administration over Financial Institutions and Foreign Exchange Market**

1. Notice of the State Administration of Foreign Exchange on Improving the Foreign Exchange Risk Management for Foreign Institutional Investors on the Interbank Bond Market (Huifa [2020] No. 2)

Date of issuance: January 13, 2020

Effective date: February 1, 2020

Summary: The notice provided foreign institutional investors on the interbank bond market with more foreign exchange hedging tools. Non-banking foreign investors could indirectly access the interbank foreign exchange market through the OTC trading enabled by multiple domestic financial institutions or through the prime brokerage business model. In addition to that, they could directly access the interbank foreign exchange market. Meanwhile, it simplified the business processes for foreign institutional investors to trade foreign exchange derivatives, improved further the trading mechanism of foreign exchange derivative products, optimized the collection of foreign exchange trading information and lowered the trading cost of market participants.

2. Notice of the State Administration of Foreign Exchange on Revising the *Administrative Measures for the Pilot Personal Currency Exchange Franchise Business* (Huifa [2020] No. 6)

Date of issuance: February 13, 2020

Effective date: February 13, 2020

Summary: Firstly, it streamlined the administrative approval. The notice delegated the power to approve the qualifications of franchised institutions to operate across the country to local SAFE branches where they were registered, canceled the approval of franchised institutions to open foreign exchange imprest accounts and of the “preparations” to access market by their branches, and waived relevant market access certificates such as business licenses and no-action letters. Secondly, it optimized business processes. It permitted franchised institutions to conduct the electronic personal foreign exchange, the electronic traveler’s check sale and reconversion and the business office change upon prior reporting. Thirdly, it promoted business innovation. It allowed franchised institutions to accept non-banknote RMB funds in the name of customers in conducting foreign currency exchange business for Chinese nationals. Fourthly, it improved the market access and exit mechanisms. It properly optimized the market access criteria in terms of business volume, technological conditions, credit information of corporate and management staff, etc. Fifthly, it enhanced in-process and ex-post supervision. It required franchised institutions to establish effective risk control systems and to strengthen authenticity and compliance review.

3. Notice of the State Administration of Foreign Exchange on Circulating the *Implementing Rules for the Declaration for Statistics of Balance of Payments through Banks* (Huifa [2020] No. 16)

Date of issuance: September 22, 2020 Effective date: September 22, 2020

Summary: Firstly, the notice eased requirements for banks to produce foreign-related receipt and payment vouchers, specifying that banks could use electronic versions of the *Basic Information of Organizations* and e-vouchers. Secondly, banks were allowed to modify their *Basic Information of Organizations* on the digital foreign exchange administration platform. Thirdly, it further clarified the principles for applying for refunds and the methods to modify historical data dated back to one year ago. Fourthly, following the changes in organization coding, it revised the form of *Basic Information of Organizations*.

4. Notice of the State Administration of Foreign Exchange on Circulating the *Provisions on Voucher Management for Overseas and Domestic Receipts and Payments by Domestic Banks* (Huifa [2020] No. 17)

Date of issuance: October 23, 2020 Effective date: October 23, 2020

Summary: Firstly, the notice specified the requirements for banks to declare electronic vouchers in accordance with requirements of the *Implementing Rules for the Declaration for Statistics of the Balance of Payments through Banks* (Huifa [2020] No. 16). Secondly, banks were permitted to appropriately adjust the content and format of the foreign-related and domestic receipt

and payment vouchers on condition of ensuring information completeness and facilitating customer business. Thirdly, it canceled requirements imposed on the format of receipt and payment vouchers, allowing banks to choose their own formats based on their business needs.

5. Notice of the State Administration of Foreign Exchange on Circulating the *Guidelines for Statistics of External Financial Assets, Liabilities and Transactions (2020)* (Huizongfa [2020] No. 71)

Date of issuance: September 18, 2020

Effective date: September 18, 2020

Summary: Firstly, it detailed the statistical declaration requirements for external financial assets, liabilities and transactions. Secondly, in view of the opening-up of the financial market and the declarants' need to conduct business innovation, it added the instructions for completion of concerned forms for the depository receipt business. Thirdly, it provided additional interpretations in light of the commonplace queries on the part of declarants to facilitate more accurate understanding of the declaration requirements.

6. Notice of the General Affairs Department, State Administration of Foreign Exchange on Circulating the *Statistical Verification Rules for External Financial Assets, Liabilities and Transactions (2020)* (Huizongfa [2020] No. 94)

Date of issuance: December 14, 2020

Effective date: December 14, 2020

Summary: In a bid to facilitate declarants such as banks and

enterprises to conduct data quality check and self-check, the notice, firstly, it added and elaborated verification rules and dimensions for the logic relations between different elements. Secondly, it did not repeat the verification rules already enabled under the *Data Collection Norms for the Foreign Exchange Business of Financial Institutions (version 1.2)*(Huifa [2019] No. 1). Thirdly, it specified the verification rules for some elements in the form of numerical value.

- C. Foreign Exchange Administration under Current Account

1. Notice of the State Administration of Foreign Exchange on Supporting the Development of New Trade Forms (Huifa [2020] No. 11)

Date of issuance: May 20, 2020

Effective Date: May 20, 2020

Summary: Firstly, the notice broadens the channel for settling new trade forms. It supported eligible banks to conduct foreign exchange business based on electronic transaction information. Secondly, it facilitated the settlement of funds for the export business of cross-border e-commerce players. Cross-border e-commerce players could first work out the difference between their overseas warehousing, logistics and tax expenditure and their export revenue and then have the difference settled only. Thirdly, it optimized the cross-border advance payment for relevant taxes and charges of cross-border e-commerce players. Therefore, enterprises could pay the warehousing, logistics and taxes in advance for their foreign customers. Fourthly, it met the need of individuals for the settlement of foreign trade. Individuals could process the foreign exchange settlement through their foreign exchange accounts under the cross-border e-commerce and market purchasing trade. Fifthly, it improved the settlement of funds for market purchasing trade. In respect of entities filed with market purchasing trade platforms, banks could conduct the foreign exchange receipt and sales business with a third party entrusted for customs declaration based on the information provided by the trade platform. Sixthly, it supported foreign trade comprehensive service enterprises to collect foreign

exchange revenues on behalf of their customers. Technologically qualified comprehensive foreign trade service enterprises could undergo the export revenue collection procedures on behalf of their customers at banks with the capability to review electronic transaction information. Seventhly, it facilitated enterprises to conduct foreign exchange business in a remote way. Enterprises could directly access the SAFE system to enable more online foreign exchange business. Eighthly, it optimized the declaration of receipt and payment of foreign exchange in foreign-related small-amount transactions. It supported enterprises to aggregate their small-amount foreign-related receipts and payments and then make declarations altogether in their own name in an effort to meet their export tax rebate and financing needs. Ninthly, it continuously tracked the innovation and development of new trade forms. According to the principles of “serving entities, facilitating opening-up, tracing transactions and putting risk under control”, it responded to new appeals of market participants with respect to foreign exchange business on a voluntary basis.

2. Notice of the State Administration of Foreign Exchange on Circulating the *Guidelines for Foreign Exchange Business under Current Account (2020)* (Huifa [2020] No. 14)

Date of issuance: August 28, 2020

Effective date: August 28, 2020

Summary: The notice consolidated existing regulations governing the foreign exchange business under current account, streamlined part of the business processes and materials required to conduct them, and repealed 29 regulations at the same time, thereby incorporating foreign exchange business rules under current

account “all in one book”. It further deepened the reforms to streamline administration and delegate power, improve regulation and upgrade services in order to facilitate market participants in handling relevant foreign exchange business and to improve the quality of foreign exchange services.

- **D. Foreign Exchange Administration under Capital Account**

1. Notice of the People’s Bank of China and the State Administration of Foreign Exchange on Adjusting the Macro-prudential Regulation Parameter for Full-scale Cross-border Financing (Yinfa [2020] No. 64)

Date of issuance: March 11, 2020

Effective Date: March 11, 2020

Summary: The notice raised the macro-prudential adjustment parameter for full-scale cross-border financing from 1 to 1.25 to facilitate domestic entities and SMEs and private enterprises in particular in making full use of both domestic and foreign resources and markets, raise funds through multiple channels, lower the financing cost of real economy, address the financing difficulty and cost problems, facilitate enterprises in work and production resumption, and serve the development of real economy.

2. Notice of the Ministry of Justice and the State Administration of Foreign Exchange on Management of Legal Firms to Set up Branches Overseas (Sifatong [2020] No. 29)

Date of issuance: March 5, 2020

Effective date: March 5, 2020

Summary: Firstly, should a legal firm incorporate, modify or deregister a branch overseas, it shall file the incorporation, modification or deregistration at the local judicial administrative department of the province, autonomous region or municipality directly under the central government according to the *Provisions on Managing the Filing of Overseas Branches of Legal Firms*. When doing such filing, the legal firm shall declare to the judicial administrative department the total amount of investment in the branch concerned, the proportion of investment by the domestic party, the total investment made by the domestic entity, and the currency to be contributed, etc. Secondly, upon such filing, the legal firm shall conduct foreign exchange registration for foreign direct investment purposes at local banks by providing a return receipt of the filing and other materials required by relevant foreign exchange regulations. Once the foreign exchange registration is completed, the legal firm can conduct outward remittance for foreign direct investment purposes or repatriation and sales of revenues from changes in overseas capital at designated banks. The repatriation of operating revenues from overseas investment can be retained in the foreign exchange account under current account or directly sold to banks.

3. Provisions on Managing Funds Invested by Foreign Institutional Investors in Domestic Securities and Futures (Notice [2020] No. 2 of the People’s Bank of China and the State Administration of Foreign Exchange)

Date of issuance: May 7, 2020

Effective date: June 6, 2020

Summary: Firstly, the domestic portfolio investment quota management requirements shall be removed with respect to qualified foreign institutional investors and RQFIIs (hereinafter referred to collectively as qualified investors), and the outward/inward remittance of funds and exchange of foreign currencies by qualified investors shall be subject to registration. Secondly, integrated management of domestic and foreign currencies shall be enforced and qualified investors are allowed to choose the currency and timing of their inward remittance. Thirdly, the procedures for qualified investors to repatriate their revenues from domestic portfolio investment were substantially streamlined, with the requirements to provide investment revenues audit reports issued by public certified accounts of China and the tax filing forms removed and replaced by letters of undertaking to pay taxes. Fourthly, the limit on the number of trustees was eliminated to allow qualified investors to appoint several domestic trustees at the same time and enforce a principal reporter system. Fifthly, the requirements for managing foreign exchange and investment risks relating to the portfolio investment by qualified investors in China were improved. Sixthly, the PBC and the SAFE were mandated to strengthen in-process and ex-post supervision.

4. Measures for Managing Domestic Securities and Futures Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors (China Securities Regulatory Commission, the People's Bank of China and the State Administration of Foreign Exchange Order No. 176)

Date of issuance: September 25, 2020

Effective date: November 1, 2020

Summary: Firstly, the threshold for market access was lowered to facilitate capital operations. The QFII/RQFII qualifications and operating systems were integrated to ease market access conditions, reduce the application materials, shorten the timeframe for approval and enforce summary administrative licensing procedures. Secondly, the scope of investment was expanded in a steady and orderly manner. The types of financial derivatives, among other products, to be traded by QFII/RQFII and the methods of trading will be gradually liberalized in an appropriate and orderly manner and announced by China Securities Regulatory Commission in consultation with the PBC and the SAFE. Thirdly, sustained supervision was enhanced. Cross-market, cross-border and look-through supervisions were strengthened, punishment of violators was reinforced and the regulatory measures applicable to concrete violation circumstances were elaborated.

- E. Foreign Exchange Inspection and Application of Regulations

1. Measures of the State Administration of Foreign Exchange for Administrative Punishment (SAFE Notice [2020] No .1)

Date of issuance: September 18, 2020

Effective Date: October 1, 2020

Summary: The *Measures of the State Administration of Foreign Exchange for Administrative Punishment* included 83 articles in eight chapters. Firstly, it elaborated the enforcement procedures for the entire process of administrative punishment from jurisdiction determination, case filing, investigation, evidence obtaining, hearing, punishment decision-making, service of decisions. Secondly, it standardized such procedures as collective deliberation, legal review for major law enforcement decisions, recording of the law enforcement process, among others, to enhance the constraint and supervision over administrative punishment power. Thirdly, it provided sufficient safeguards for the legitimate rights and interests of the parties concerned.