



人民币国际化报告 (2025)

RMB INTERNATIONALIZATION REPORT (2025)



Executive Summary

Since 2024, guided by the decisions and arrangements of the Communist Party of China (CPC) Central Committee and the State Council, oriented by serving the construction of a new development pattern as well as advancing trade and investment facilitation, the People's Bank of China (PBOC) has coordinated development and security, catered to the market demand, and promoted the internationalization of the RMB steadily and prudently to foster a more favorable policy and market environment for domestic and overseas entities to hold and use the RMB. The RMB has been used more widely in cross-border transactions, further elevating its international status and global influence. In 2024, the cross-border RMB settlement processed by banks on behalf of their customers totaled RMB 64.1 trillion yuan, a year-on-year (yoy) increase of 22.6%; From January to June 2025, the total amount of cross-border RMB settlement processed by banks on behalf of their customers reached RMB 34.9 trillion yuan, a yoy increase of 14.0%. The RMB has already become the world's second-largest currency in trade financing, and the third-largest payment currency calculated on a full-scale basis and ranks third in term of weighting within the International Monetary Fund's Special Drawing Rights (SDRs) basket.

The capacity of cross-border RMB business to serve the real economy has continued to improve. Focusing on facilitating trade and investment, the PBOC has introduced a series of cross-border RMB policies, and provided tangible policy support to reduce costs and enhance efficiency for business entities. In 2024, the cross-border RMB settlement of trade in goods totaled RMB 12.4 trillion yuan, a yoy increase of 15.9%, outpacing the 5% growth rate of imports and exports during the same period. The RMB made up 27.2% of the total cross-border settlement of trade in goods, up 2.4 percentage points from the previous year. From January to June 2025, RMB settlement accounted for 28.1% of the total cross-border settlement of trade in goods, up 1.2 percentage points from the same period in 2024. In 2024, the cross-border RMB settlement of trade in goods between China and ASEAN totaled RMB 2.4 trillion yuan, a yoy increase of 21.6%.

The RMB's role in investment and financing has also strengthened. The PBOC, in conjunction with relevant departments, has supported domestic and foreign institutions to use RMB more for financing and steadily promoted the two-way opening-up of financial markets, through fine-tuning schemes such as "Cross-boundary Wealth Management Connect", "Bond Connect" and "Swap Connect", improving the capital management on domestic securities and futures investment by foreign investors, and appropriately relaxing the cap on the value of units of a Mainland-Hong Kong mutual recognized fund sold to investors in host market. In 2024, overseas issuers raised RMB 194.8 billion yuan through Panda Bond issuance in China, with both the number of issuers and the issuance volume hitting all-time highs. As of the end of June 2025, the balance of onshore RMB financial assets such as stocks, bonds, loans, and deposits held by overseas entities totaled RMB 10.4 trillion yuan, representing a yoy increase of 5.2%. As of the end of Q1 2025, IMF's Currency Composition of Official Foreign Exchange Reserves (COFER) survey disclosed that the RMB reserves held by reporting countries amounted to USD 246.3 billion.

The international network for RMB usage has been continuously improved. The PBOC has incrementally deepened monetary cooperation with overseas central banks, signing or renewing bilateral local currency swap agreements with the central banks of Egypt, Türkiye, Indonesia, Mauritius, Pakistan, Japan, Nigeria, and Sri Lanka since 2024, to leverage the positive role of local currency swaps in maintaining financial stability and facilitating trade and investment. The PBOC has improved overseas RMB clearing network, adding new clearing banks in Mauritius and Türkiye since 2024. The Cross-border Interbank Payment System (CIPS) has expanded its coverage, offering more efficient and convenient RMB clearing services.

The offshore RMB markets have grown steadily. The PBOC and the Hong Kong Monetary Authority (HKMA) have launched multiple collaborative initiatives to connect Chinese Mainland and Hong Kong markets and facilitate RMB transactions, supporting the HKMA in launching a new Trade Financing Liquidity Facility with a total size of RMB 100 billion yuan and promoting the development of Hong Kong as an offshore RMB hub. As of the end of Q1 2025, the total balance of RMB deposits in major offshore markets were approximately RMB 1.6 trillion yuan, reaching a historical high. In 2024, the issuance of offshore RMB-denominated bonds totaled

RMB 1.2 trillion yuan, a yoy increase of 27%.

Looking ahead, following the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the PBOC will thoroughly implement the guiding principles of the Third and Fourth Plenary Session of the 20th Central Committee of the CPC and the Central Financial Work Conference, and promote the internationalization of the RMB. Adapting to market demands, the PBOC will further improve fundamental institutional arrangements for the cross-border use of the RMB, better meet the demand of trade and settlement, investment and financing, as well as risk management in RMB by various entities. The PBOC is also committed to further opening up financial markets and developing offshore RMB markets, supporting Shanghai's development as a global financial centre, as well as enhancing Hong Kong's status as an international financial hub. The PBOC will also strengthen financial infrastructure while balancing financial openness with security.

CONTENTS

PART ONE The Use of the RMB in Cross-border Trade and Investment	3
I. Trade in Goods	5
II. Trade in Services	6
III. Income and Current Transfers	6
IV. Direct Investment	8
 PART TWO The Two-way Opening-up of Financial Markets	 11
I. "Panda Bonds"	11
II. Bond Investment	12
III. "Shanghai-Hong Kong Stock Connect" and "Shenzhen-Hong Kong Stock Connect"	13
IV. "Swap Connect"	14
V. Qualified Foreign Institutional Investors / RMB Qualified Foreign Institutional Investors(QFII/RQFII)	14
VI. Qualified Domestic Institutional Investors/RMB Qualified Domestic Institutional Investors (QDII/RQDII)	15
VII. Mainland-Hong Kong Mutual Recognition of Funds.....	15
VIII. "Cross-boundary Wealth Management Connect"	15
 PART THREE Foreign Exchange Transactions and Interbank Business...	 17
I. Foreign Exchange Transactions	17
II. Cross-border Financing	18
 PART FOUR International Monetary Cooperation	 21
I. Bilateral Local Currency Swap	21
II. Bilateral Local Currency Settlement	23
 PART FIVE Infrastructures for RMB Internationalization	 24
I. RMB Clearing Banks	24
II. Multi-tiered Cross-border Payment System	24
III. Account Systems	26
IV. RMB Cross-border Payment and Receipt Management Information System (RCPMIS)	28

PART SIX The Use of the RMB Overseas 29

I. Offshore RMB Interest Rates and Exchange Rates	29
II. Offshore RMB Products	31
III. The Use of the RMB in Key Regions	33

PART SEVEN Looking Ahead 42

I. Further Facilitating the Use of the RMB by Business Entities in Foreign Trade and Investment	42
II. Enhancing the Function of the RMB as a Financing Currency	42
III. Steadily Advancing the High-level Opening-up of China's Financial Markets	43
IV. Supporting the Healthy Development of Offshore RMB Markets	43
V. Building a Self-reliant Cross-border RMB Payment System.....	44
VI. Strengthening the Regulation of Cross-border RMB Business	44

PART EIGHT Highlights of RMB Internationalization 45**Afterword..... 89****Boxs**

Box 1 Breakthroughs in RMB Settlement for Exports of Complete Sets of Large-scale Equipment	5
Box 2 Development of Payment Institutions' Cross-border RMB Business	7
Box 3 Pilot Program for Integrated RMB and Foreign Currency Cash Pooling	9
Box 4 Investment and Financing Functions of the RMB have been Strengthened Consistently	19
Box 5 Bilateral Local Currency Swap Supports RMB Usage in Trade Settlement	22
Box 6 Multifunctional Free Trade Account System Operates Smoothly Since Its Launch.....	27
Box 7 Survey on RMB Usage in ASEAN Region	39

Figures

Figure 1-1 Monthly Cross-border RMB Settlement under Current Account	4
Figure 1-2 Share of Cross-border RMB Settlement under Current Account	4
Figure 1-3 Cross-border RMB Business of Payment Institutions	8
Figure 1-4 Monthly Cross-border RMB Settlement of Direct Investment	9
Figure 2-1 Issuance Volume of "Panda Bonds" in Interbank Bond Market and Exchange Bond Market	12
Figure 3-1 Overall Cross-border Financing Balance of Financial Institutions and Proportion of RMB and Foreign Currencies.....	19
Figure 5-1 Average Daily Frequency and Value of Cross-border RMB Transactions Processed by CIPS on a Monthly Basis from 2015 to 2025.....	25
Figure 5-2 Balance of RMB NRA Accounts and Nostro Accounts.....	27

Figure 6-1	Movements of CNH HIBOR in 2024 (1)	29
Figure 6-2	Movements of CNH HIBOR in 2024 (2)	30
Figure 6-3	Movements of RMB Exchange Rates against USD	30
Figure 6-4	RMB Deposit Balance in the Hong Kong SAR of China	31
Figure 6-5	RMB Deposit Balance in Major Offshore RMB Markets	31
Figure 6-6	RMB Payments and Settlement Volume in ASEAN Countries	39
Figure 6-7	Expectations for RMB Market Development in 2025	40
Figure 6-8	Proportion of Planning to Increase RMB Business in 2025	40

Tables

Table 2-1	Onshore RMB Financial Assets Held by Overseas Entities	16
Table 3-1	Trading Volume of RMB Against Currencies in Interbank Foreign Exchange Spot Market in 2024	18
Table 6-1	Views on Advantages of Using RMB from Market Institutions	41

KEY ABBREVIATIONS

ABC	Agricultural Bank of China
ASEAN	Association of Southeast Asian Nations
BIS	Bank for International Settlements
BOC	Bank of China
BOCOM	Bank of Communications
BRI	Belt and Road Initiative
CBDC	Central Bank Digital Currency
CBRC	China Banking Regulatory Commission
CCB	China Construction Bank
CFETS	China Foreign Exchange Trade System
CIPS	Cross-border Interbank Payment System
COFER	Currency Composition of Official Foreign Exchange Reserves
CPC	Communist Party of China
CSRC	China Securities Regulatory Commission
DRC	Democratic Republic of the Congo
ECB	European Central Bank
EFA	Multifunctional Free Trade Account
FDI	Foreign direct investment
FSB	Financial Stability Board
FTA	Free Trade Account
FX	Foreign Exchange
GAC	General Administration of Customs
GBA	Guangdong-Hong Kong-Macao Greater Bay Area
GCC	Gulf Cooperation Council
HIBOR	Hong Kong Interbank Offered Rate
HKMA	Hong Kong Monetary Authority

HKSF	Hong Kong Securities and Futures Commission
ICBC	Industrial and Commercial Bank of China
IDR	Indonesian Rupiah
IMF	International Monetary Fund
LCS	Local Currency Settlement
LPR	Loan Prime Rate
IMF	International Monetary Fund
mBridge	Multilateral Central Bank Digital Currency Bridge
MNC	Multinational Corporation
MOF	Ministry of Finance
MOFCOM	Ministry of Commerce
MoU	Memorandum of Understanding
MRF	Mutual Recognition of Fund
NRA	Non-Resident Account
ODI	Outward Direct Investment
OTC	Over-the-counter
PBOC	People's Bank of China
QDII	Qualified Domestic Institutional Investors
QFII	Qualified Foreign Institutional Investors
RCPMIS	RMB Cross-border Payment and Receipt Management Information System
RQDII	RMB Qualified Domestic Institutional Investors
RQFII	RMB Qualified Foreign Institutional Investors
RTGS	Real Time Gross Settlement
SAFE	State Administration of Foreign Exchange
SAR	Special Administrative Region
SAT	State Administration of Taxation
SDR	Special Drawing Right
SHIBOR	Shanghai Interbank Offered Rate
SWIFT	Society for Worldwide Interbank Financial Telecommunication
WMC	Cross-boundary Wealth Management Connect



PART ONE

The Use of the RMB in Cross-border Trade and Investment

The cross-border use of the RMB began with trade settlement. In July 2009, upon the approval of the State Council, the PBOC, the Ministry of Finance (MOF), the Ministry of Commerce (MOFCOM), the General Administration of Customs (GAC), the State Administration of Taxation (SAT) and China Banking Regulatory Commission (CBRC) jointly launched a pilot program for cross-border RMB settlement of trade in Shanghai, Guangzhou, Shenzhen, Zhuhai, and Dongguan. The pilot was expanded to 20 provinces (autonomous regions and municipalities) in June 2020 and nationwide in July 2011. In 2011, the PBOC issued the administrative measures for RMB settlement of outward direct investment (ODI) and foreign direct investment (FDI), allowing domestic entities to conduct direct investment in RMB and permitting foreign investors to invest in China in RMB. In recent years, in response to market demand, the PBOC has focused on facilitating trade and investment, introduced and refined a series of policies for cross-border RMB business, including simplifying cross-border RMB business procedures, allowing domestic non-financial institutions to conduct overseas RMB lending, as well as supporting cross-border RMB settlement for new forms of trade. These efforts have actively encouraged market entities to increase the use of the RMB in current account transactions and direct investments, thereby continuously improving the capacity of cross-border RMB business to serve the real economy.

In 2024, the cross-border RMB settlement under the current account totaled RMB 16.2 trillion yuan, a yoy increase of 15.8%. Of these, the receipts amounted to RMB 8.2 trillion yuan, a yoy increase of 19.5%, and the payments amounted to RMB 8.0 trillion yuan, a yoy increase of 12.3%. The cross-border RMB settlement under the current account made up 29.8% of the total cross-boarder current account settlement during the same period. The cross-border RMB settlement of direct investment amounted to RMB 8.3 trillion yuan, a yoy increase of 8.6%.

From January to June 2025, the cross-border RMB settlement under the current account totaled RMB 8.3 trillion yuan, a yoy increase of 7.7%. Of these, the receipts amounted to RMB 4.3 trillion yuan, a yoy increase of 13.8%, and the payments amounted to RMB 4.0 trillion yuan, a yoy increase of 1.2%. The cross-border RMB settlement under the current account made up 30.6% of the total cross-boarder current account settlement during the same period. The cross-border RMB settlement of direct investment amounted to RMB 4.1 trillion yuan, a yoy decrease of 0.5%.

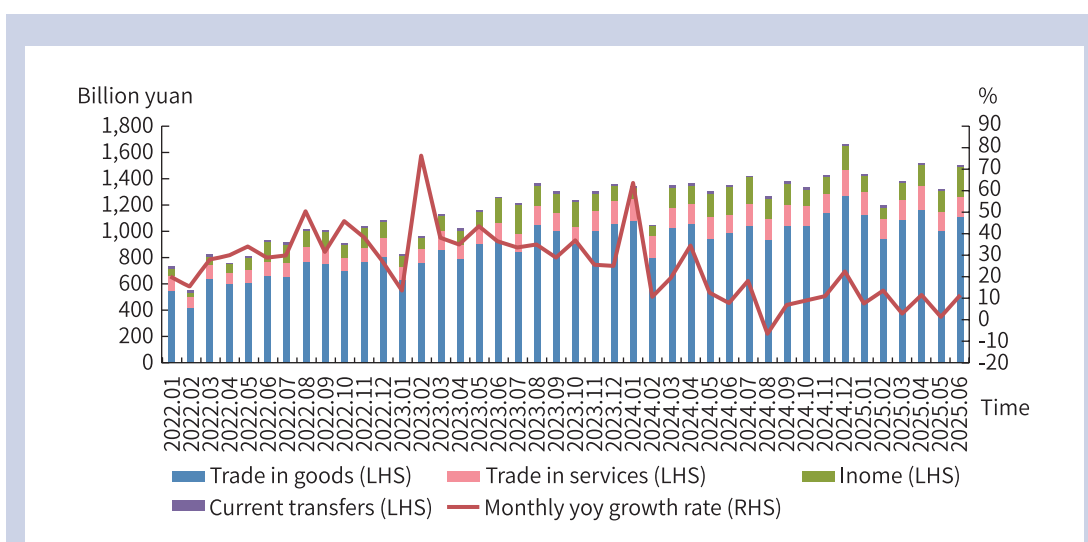


Figure 1-1 Monthly Cross-border RMB Settlement under Current Account

(Source: The People's Bank of China)

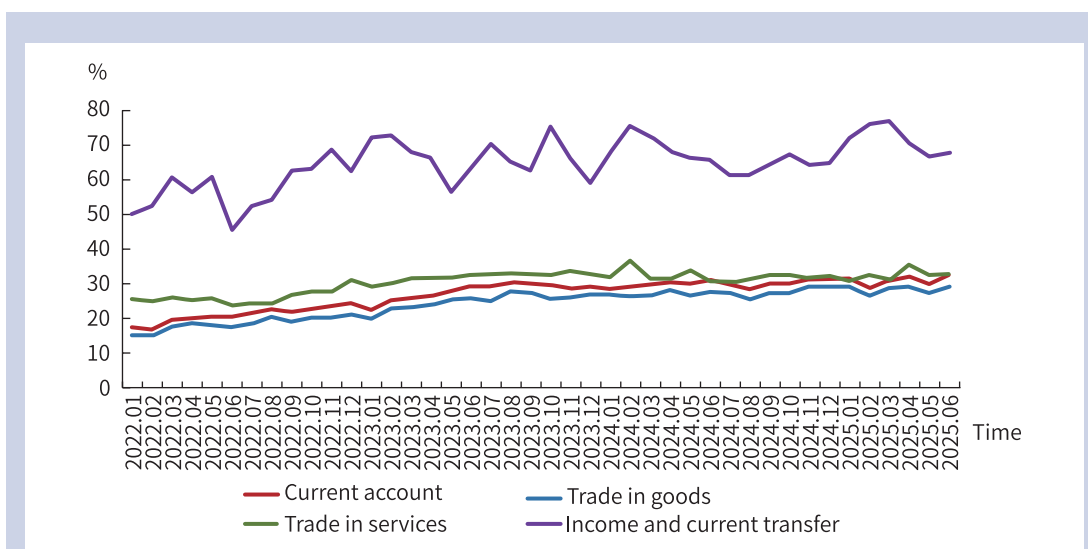


Figure 1-2 Share of Cross-border RMB Settlement under Current Account

(Source: The People's Bank of China)

I. Trade in Goods

In 2024, the cross-border RMB settlement of trade in goods totaled RMB 12.4 trillion yuan, a yoy increase of 15.9%, accounting for 27.2% of the total cross-border settlement of trade in goods during the same period, 2.4 percentage points higher compared to 2023. Of these, the cross-border RMB settlement of general trade amounted to RMB 7.3 trillion yuan, a yoy increase of 7.8%; that of imported materials processing trade amounted to RMB 1.9 trillion yuan, a yoy increase of 18.1%; and that of online shopping amounted to RMB 1.5 trillion yuan, a yoy increase of 34.3%.

From January to June 2025, the cross-border RMB settlement of trade in goods totaled RMB 6.4 trillion yuan, a yoy increase of 8.2%, accounting for 28.1% of the total cross-border settlement of trade in goods during the same period, a yoy increase of 1.2 percentage points. Of these, the cross-border RMB settlement of general trade amounted to RMB 3.6 trillion yuan, a yoy increase of 4.2%; that of imported materials processing trade amounted to RMB 0.9 trillion yuan, largely flat on a yoy basis; and that of online shopping amounted to RMB 0.9 trillion yuan, a yoy increase of 32.8%.

Box 1 Breakthroughs in RMB Settlement for Exports of Complete Sets of Large-scale Equipment

Traditionally, the exports of complete sets of large-scale equipment such as vessels and aircraft have relied on major international currencies for settlement along the entire industry chain, making it challenging for enterprises to use the RMB. In 2024, the PBOC proactively responded to enterprises' needs, provided policy support, removed bottlenecks, and achieved breakthroughs in use of the RMB for exports of large vessels and aircraft.

Case 1: RMB Cross-border Settlement for Vessel Export, Vessel Leasing, and Ocean Freight. *A Canadian shipowner planned to order vessels from a Chinese shipbuilder through financial leasing. The Chinese shipbuilder expressed a preference for the RMB settlement, and the shipowner was open to RMB financing as an alternative to USD. However, due to the lack of stable RMB income streams, the shipowner was concerned about foreign exchange risk. After assessing the upstream and downstream*

linkages of the industry chain, it was found that a Chinese shipping company was one of the major clients of the shipowner, and had the demand for vessel leasing. The stakeholders in the transaction chain negotiated an RMB settlement mode, where the Chinese shipping company collected ocean freight from traders and paid vessel rent to the shipowner, the shipowner then paid lease fees to the financial leasing company which in turn paid the shipbuilder for the vessel purchase order. The RMB was used for pricing and settlement throughout the entire process. In October 2024, the shipbuilder signed a contract with the shipowner for the purchase of 6 large container vessels, making China's first RMB pricing and settlement business for exports of large container vessels to European and American shipowners.

Case 2: RMB Cross-border Settlement for Aircraft Export, Aircraft Leasing, and Reinsurance. An Indonesian airline proposed using RMB to settle its aircraft purchase order with a Chinese aircraft manufacturer. PT Bank China Construction Bank Indonesia Tbk and Bank of China Jakarta Branch provided RMB settlement and bilateral currency direct exchange services for the Indonesian buyer. PT China Taiping Insurance Indonesia applied for the local aviation insurance business license, launched an overseas RMB insurance business and reinsured part of the risk liability with domestic insurance companies in China. In May 2024, the Chinese aircraft manufacturer successfully delivered the aircraft to the Indonesian airline.

II. Trade in Services

In 2024, the cross-border RMB settlement of trade in services totaled RMB 1.9 trillion yuan, a yoy increase of 21.0%, accounting for 31.9% of the total cross-border settlement of trade in services during the same period, the same as in 2023.

From January to June 2025, the cross-border RMB settlement of trade in services totaled RMB 1.0 trillion yuan, a yoy increase of 7.4%, accounting for 32.3% of the total cross-border settlement of trade in services during the same period, a yoy decrease of 0.1 percentage point.

III. Income and Current Transfers

In 2024, the cross-border RMB settlement of income totaled RMB 1.8 trillion yuan, a

yoy increase of 9.5%, and that of current transfers totaled RMB 128.08 billion yuan, a yoy increase of 38.3%. The cross-border RMB settlement of income and current transfers accounted for 65.4% of the total cross-border settlement in this category during the same period, 0.3 percentage point lower compared to 2023.

From January to June 2025, the cross-border RMB settlement of income totaled RMB 0.9 trillion yuan, a yoy increase of 1.4%, and that of current transfers totaled RMB 61.77 billion yuan, a yoy increase of 14.2%. The cross-border RMB settlement of income and current transfers accounted for 70.3% of the total cross-border settlement in this category during the same period, a yoy increase of 2.5 percentage points.

Box 2 Development of Payment Institutions' Cross-border RMB Business

In recent years, China has seen a rapid growth in new forms and models of foreign trade such as cross-border e-commerce. The PBOC has been actively supporting payment institutions that are well-adapted to those new trade forms in conducting cross-border RMB settlement. Currently, over 90% of the cross-border transactions handled by these payment institutions are settled in RMB, with the settlement volume increasing rapidly. This growth has played a positive role in stabilizing foreign investment and foreign trade, as well as facilitating cross-border consumption for both domestic and overseas residents.

Since 2021, the growth rate of cross-border RMB business handled by payment institutions has consistently remained above 30% yoy. In 2024, the cross-border RMB settlement totaled RMB 1.81 trillion yuan, representing a yoy increase of 36.8%. Cross-border e-commerce enterprises mainly pay in RMB for upstream procurement and daily operations. Commercial entities generally opt for RMB in cross-border settlement to manage financial costs and exchange rate risk. Payment institutions focus their cross-border RMB services on supporting the real economy, mainly on settlement of trade in goods and services. In 2024, the total cross-border RMB settlement of trade in goods handled by payment institutions amounted to RMB 1.28 trillion yuan, accounting for 71% of their total cross-border RMB business volume. They were mainly for Chinese sellers selling goods to overseas consumers on foreign e-commerce platforms, as well

as domestic consumers making online purchases on overseas e-commerce platforms or making outbound consumption. The total cross-border RMB settlement of trade in services amounted to RMB 457.7 billion yuan, accounting for 25% of the total cross-border RMB settlement, and primarily included domestic residents' tuition and rental payments for studying abroad, purchases of air tickets and hotel reservations.

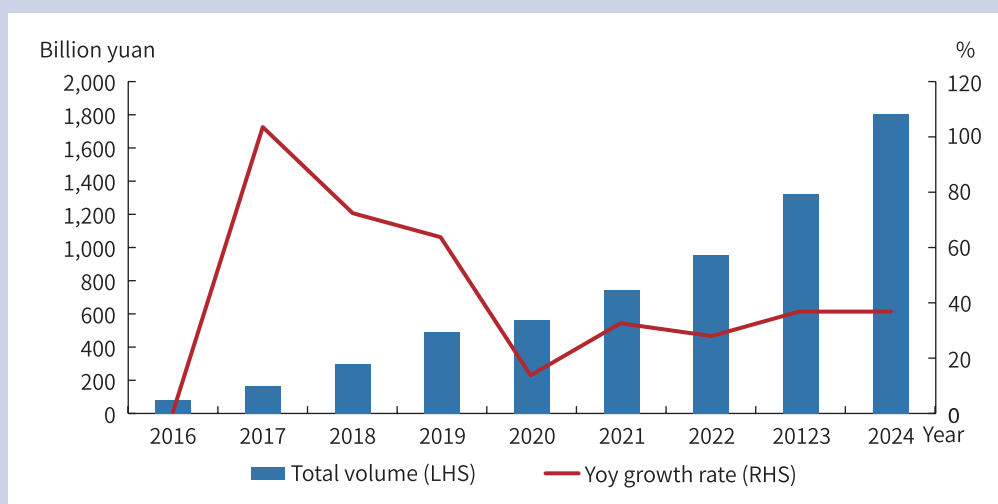


Figure 1-3 Cross-border RMB Business of Payment Institutions

(Source: The People's Bank of China)

Compared with traditional payment channels, payment institutions feature faster technological adaption and product innovation, stay closed to user needs and offer convenient and low-cost services. It aligns with the goals of global cross-border payment system reforms advocated by the Financial Stability Board (FSB) and the Bank for International Settlements (BIS), which aim to provide more accessible, transparent, and inclusive cross-border payment services. The PBOC encourages payment institutions, while fulfilling due authenticity review obligations, to explore new business models in accordance with laws and regulations, thereby providing more convenient and low-cost cross-border RMB payment services for small and medium-sized enterprises and individuals.

IV. Direct Investment

In 2024, the cross-border RMB settlement of direct investment totaled RMB 8.3 trillion yuan, a yoy increase of 8.6%. Of these, the cross-border RMB settlement of ODI

amounted to RMB 3.0 trillion yuan, a yoy increase of 15.5%; and that of FDI amounted to RMB 5.2 trillion yuan, a yoy increase of 5.0%.

From January to June 2025, the cross-border RMB settlement of direct investment totaled RMB 4.1 trillion yuan, a yoy decrease of 0.5%. Of these, the cross-border RMB settlement of ODI amounted to RMB 1.5 trillion yuan, a yoy decrease of 0.3%; and that of FDI amounted to RMB 2.7 trillion yuan, a yoy decrease of 0.6%.

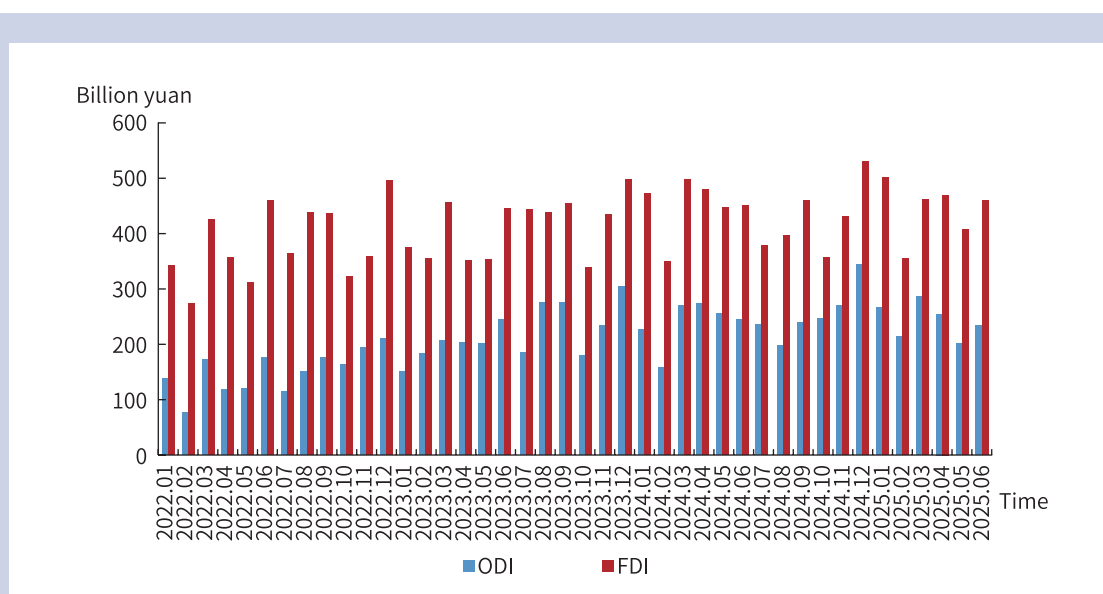


Figure 1-4 Monthly Cross-border RMB Settlement of Direct Investment

(Source: The People's Bank of China)

Box 3 Pilot Program for Integrated RMB and Foreign Currency Cash Pooling

To facilitate multinational companies in leveraging both domestic and overseas markets and resources, the PBOC and the State Administration of Foreign Exchange (SAFE) have respectively issued policies for cross-border RMB and foreign currency cash pooling. Since 2021, to better support companies in utilizing cash pooling services, the PBOC and the SAFE have proactively explored integrated policy frameworks for domestic and foreign currency management, and promoted two versions of integrated cash pooling pilots. One is the integrated RMB and foreign currency cash pooling for multinational corporations (MNCs), the other is the centralized operation and

management of cross-border RMB and foreign currency funds. The integrated RMB and foreign currency cash pooling primarily serves large multinational corporations, offering a higher degree of convenience with higher entry thresholds and a higher transfer ceiling. The pilot was launched in March 2021 by selecting five large multinational corporations with high credit ratings in Beijing and Shenzhen each. It was upgraded and expanded in 2022 to "8+2" regions, namely Shanghai, Beijing, Jiangsu, Zhejiang, Guangdong, Hainan, Shaanxi, Ningbo, Qingdao, and Shenzhen. At the end of 2024, the policy was further optimized in these 10 provinces (municipalities) and cities. In March 2025, it further expanded to an additional 16 regions, adding Tianjin, Hebei, and Inner Mongolia Autonomous Region, ect. Meanwhile, the centralized operation and management of cross-border funds offers lower entry thresholds, enabling more corporations to participate in. Correspondingly, it comes with lower fund transfer ceiling and convenience compared to the integrated cash pooling, aiming to effectively manage cross-border capital flow risks. This pilot began in May 2023 in Beijing and Guangdong (including Shenzhen).

As a next step, the PBOC and the SAFE will accelerate to refine the cross-border capital management policies for MCNs and broaden the policy coverage, and make consistent efforts to facilitate cross-border trade and investment, in order to better serve the high-quality development of the real economy.



PART TWO

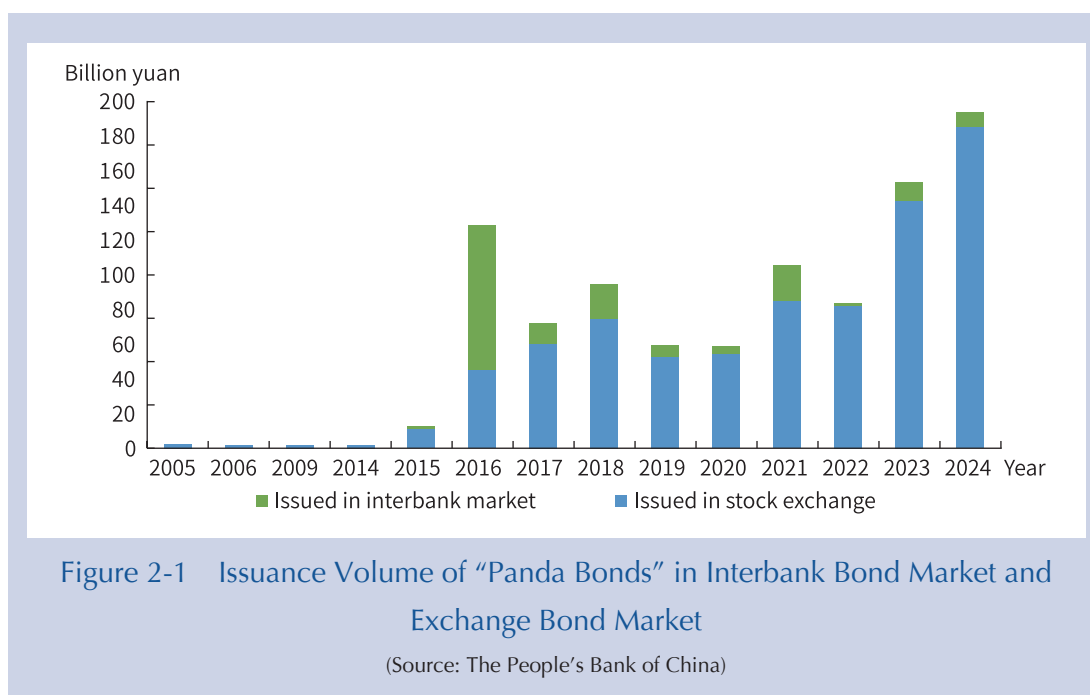
The Two-way Opening-up of Financial Markets

In recent years, the PBOC, in conjunction with relevant authorities, has continuously improved the policy framework to gradually achieve a multi-layered and broad-based opening-up pattern in China's financial markets, by adopting a series of institutional opening-up measures, innovations in connectivity mechanisms, and policies toward facilitating capital flows. Overseas entities can issue bonds and stocks in China's domestic market and invest in China's financial markets through multiple channels, such as direct market access, "Northbound Trading" under Bond Connect, Qualified Foreign Institutional Investor programs (QFII/RQFII), and mutual recognition of funds. Domestic investors can participate in the issuance and trading of overseas financial products such as bonds and stocks as well.

In 2024, the cross-border RMB settlement of securities investment totaled RMB 36.9 trillion yuan, a yoy increase of 28.8%. From January to June 2025, the cross-border RMB settlement of securities investment totaled RMB 20.8 trillion yuan, a yoy increase of 19.5%.

I. "Panda Bonds"

Bond issuance by overseas institutions in domestic market is an important measure for the opening-up of China's bond market. In October 2005, international development institutions issued RMB-denominated bonds (commonly known as "Panda Bonds") for the first time in China's interbank bond market. In September 2018, the PBOC and the MOF jointly clarified the eligibility criteria, application procedures and regulatory requirements for bond issuance, registration, custody and settlement for overseas institutions to issue bonds in the interbank bond market. In November 2022, the PBOC and the SAFE further improved the capital management requirements for "Panda Bonds" to facilitate financing by overseas institutions. In 2024, a total of 109 "Panda bonds" were issued in the interbank bond market and the exchange bond market, with a combined issuance volume of RMB 194.8 billion yuan. From January to June 2025, a total of 56 "Panda bonds" were issued in these markets, with a combined issuance volume of RMB 94.7 billion yuan.



II. Bond Investment

The PBOC has been steadily advancing the opening-up of China’s bond market. In August 2010, the PBOC permitted three types of institutions—overseas central banks (monetary authorities), overseas RMB clearing banks, and participating banks—to invest in interbank bond market. From June to August 2015, the PBOC began to support overseas sovereign entities, overseas RMB clearing banks, and participating banks in conducting bond repo transactions in the interbank bond market; it also removed quota restrictions on using RMB to invest in the interbank market by overseas central banks, international financial organizations and sovereign wealth funds, with expanding the investment scope from cash bonds to bond repos, bond lending, bond forwards, interest rate swaps, forward rate agreements, etc. In February 2016, the PBOC introduced more eligible overseas institutional investors, removed investment quota restrictions, and simplified administrative procedures. In September 2019, the PBOC allowed the same foreign institutional investor to conduct two-way non-transactional transfers of bond holdings between its bond account under QFII/RQFII item and the bond account under direct investment item in the interbank market. Meanwhile, two-way fund transfers were also be allowed to conduct directly and domestically between the QFII/RQFII custodian account and the direct investment fund account opened by the same overseas investor.

In July 2017, the PBOC, in collaboration with the HKMA, launched “Northbound Trading” under Bond Connect, supporting overseas investors to invest in the interbank bond market via connecting infrastructure institutions in the Hong Kong SAR to those in the Mainland. In September 2021, the PBOC and the HKMA jointly launched “Southbound Trading” under Bond Connect, supporting Mainland institutional investors to invest in Hong Kong bond market via connecting infrastructure institutions in the Mainland to those in the Hong Kong SAR. The annual aggregate quota of “Southbound Trading” is RMB 500 billion yuan equivalent, and the daily quota is RMB 20 billion yuan equivalent. From May 2022, overseas institutional investors can invest in exchange bond market.

Currently, overseas institutional investors can invest in China’s bond market through direct access and the “Northbound Trading” under Bond Connect. Mainland institutional investors can invest in overseas bond markets through the “Southbound Trading” under Bond Connect. As of the end of 2024, there were a total of 1,156 overseas institutions entering the interbank bond market, including 592 institutions through direct access and 830 institutions through Bond Connect, of which 266 institutions using both channels. The outstanding balance of onshore bonds held by overseas entities reached RMB 4.2 trillion yuan, accounting for 2.3% of the custody balance of China’s bond market. The cross-border RMB settlement for bond investment totaled RMB 29.9 trillion yuan in 2024, and RMB 16.1 trillion yuan from January to June 2025.

III. “Shanghai-Hong Kong Stock Connect” and “Shenzhen-Hong Kong Stock Connect”

In April 2014, China Securities Regulatory Commission (CSRC) and the Hong Kong Securities and Futures Commission (HKSF) jointly launched the “Shanghai-Hong Kong Stock Connect”. In August 2016, the “Shenzhen-Hong Kong Stock Connect” was launched. The Shanghai Stock Exchange and the Shenzhen Stock Exchange have established technical links with the Stock Exchange of Hong Kong Ltd., respectively, enabling investors from the Mainland and the Hong Kong SAR to trade eligible stocks listed on each other’s stock exchanges via local securities firms or brokers. In 2024, the cross-border RMB settlement for the “Shanghai-Hong Kong Stock Connect” and the “Shenzhen-Hong Kong Stock Connect” totaled RMB 2.4 trillion yuan. From January to June 2025, the cross-border RMB settlement for these two Connects totaled RMB

1.8 trillion yuan. As of the end of 2024, the balance of onshore stocks held by overseas entities was RMB 2.9 trillion yuan, accounting for approximately 3.4% of the total market value of A-shares.

IV. “Swap Connect”

In July 2022, the PBOC, the HKSFC and the HKMA jointly launched the Mainland and Hong Kong interest rate swap markets mutual access scheme (“Swap Connect”). In May 2023, the “Northbound Swap Connect” started initially, allowing overseas investors from Hong Kong and other jurisdictions to trade interest rate swaps in the Mainland interbank financial derivatives market via linked infrastructure between the Mainland and the Hong Kong SAR. In May 2024, the PBOC, the HKSFC and the HKMA enhanced functions and operating services under “Swap Connect”, accepting interest rate swap contracts with payment cycles based on the International Monetary Market settlement dates, launching compression service and the clearing of backdated swap contracts as the associated supporting arrangement. To further enrich product types, in May 2025, the PBOC, the HKSFC and the HKMA extended the tenor of interest rate swap contracts to 30 years, and expanded the product scope to include interest rate swap contracts using the Loan Prime Rate (LPR) as the reference rate. The cross-border RMB settlement for the “Swap Connect” totaled RMB 10.31 billion yuan in 2024, and RMB 5.53 billion yuan from January to June 2025.

V. Qualified Foreign Institutional Investors / RMB Qualified Foreign Institutional Investors(QFII/RQFII)

In November 2002, the CSRC and the PBOC launched the QFII program to support qualified foreign institutional investors to invest in China’s domestic securities markets. In December 2011, the CSRC, the PBOC and the SAFE launched the RQFII program. In September 2019, the SAFE removed quota restrictions for QFII/RQFII. Meanwhile, the PBOC and the SAFE allowed the two-way non-transactional transfers of bond holdings of the same overseas institutional investor between its bond account under QFII/RQFII item and the bond account under the direct investment item in the interbank market, as well as the two-way direct transfers of funds between its QFII/RQFII custodian account and direct investment fund account. In May 2020, the PBOC and the SAFE simplified administrative requirements for funds invested by overseas institutional investors in domestic securities and futures markets. In September 2020,

the CSRC, the PBOC and the SAFE unified the qualification and arrangements for QFII and RQFII, relaxed access criteria, and expanded the investment scope in a steady and orderly manner. In July 2024, the PBOC and the SAFE further simplified registration procedures, optimized account management, and improved the cross-border capital management to facilitate QFII/RQFII investment in China's capital market. The cross-border RMB settlement for QFII/RQFII totaled RMB 4.3 trillion yuan in 2024, and RMB 2.6 trillion yuan from January to June 2025.

VI. Qualified Domestic Institutional Investors/RMB Qualified Domestic Institutional Investors (QDII/RQDII)

In April 2006, the PBOC, the CBRC and the SAFE launched the QDII program, supporting qualified domestic institutional investors to conduct overseas securities investment. In July 2007, the CSRC regulated the overseas securities investment activities of QDII, clarifying issues concerning qualification requirements, approval procedures, investment scope, asset custody requirements, etc. In August 2013, the SAFE specified QDII account management and foreign exchange management. In November 2014, the PBOC launched the RQDII program, allowing RMB qualified domestic institutional investors to invest in RMB-denominated products in overseas financial markets with RMB funds they owned or raised. The cross-border RMB settlement for QDII/RQDII totaled RMB 285.79 billion yuan in 2024, and RMB 138.44 billion yuan from January to June 2025.

VII. Mainland-Hong Kong Mutual Recognition of Funds

In May 2015, the CSRC and the HKSFC jointly launched the scheme of Mutual Recognition of Fund (MRF) between the Mainland and the Hong Kong SAR, enabling Mainland funds to be distributed and sold in Hong Kong market upon authorization by the HKSFC, and Hong Kong funds to be distributed and sold in Mainland market upon registration with the CSRC. In November 2015, the PBOC and the SAFE clarified the fund and foreign exchange management for MRF. In December 2024, the cap on the value units of an MRF sold to investors in the host market was relaxed from 50% to 80% of the fund's total assets. The cross-border RMB settlement for MRF totaled RMB 59.75 billion yuan in 2024, and RMB 180.74 billion yuan from January to June 2025.

VIII. "Cross-boundary Wealth Management Connect"

In September 2021, the PBOC, in collaboration with the financial regulatory authorities

of the Mainland, the Hong Kong SAR, and the Macao SAR, launched the “Cross-boundary Wealth Management Connect” (WMC) pilot scheme in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), allowing individual investors from the Mainland, the Hong Kong SAR and Macao SAR in the GBA to invest in eligible investment products distributed by financial institutions in each others’ market through a closed-loop fund flow channel established by the financial institutions within the GBA. Residents from the Hong Kong SAR and the Macao SAR can purchase investment products sold by Mainland financial institutions (“Northbound WMC”), while Mainland residents in the GBA can purchase investment products sold by Hong Kong and Macao financial institutions (“Southbound WMC”), thereby achieving diversification of personal asset allocation. In February 2024, the PBOC, together with financial regulatory authorities of the Mainland, the Hong Kong SAR, and the Macao SAR, further optimized and improved the pilot policies by optimizing the criteria of investors, extending the scope of participating institutions, expanding the varieties of investment products, increasing investment quota for individual investors, and refining the guidelines on product promotion and sales. Currently, “Northbound WMC” and “Southbound WMC” each has a total quota of RMB 150 billion yuan, with an investment quota of RMB 3 million yuan per individual investor. As of the end of June 2025, there were a total of about 160,000 residents in the GBA participating in the “Cross-boundary WMC” pilot scheme, with cross-border RMB settlement totaling RMB 118.45 billion yuan.

Table 2-1 Onshore RMB Financial Assets Held by Overseas Entities

Unit: Billion yuan

Instruments	Dec.2023	Sep.2024	Dec.2024	Mar.2025	Jun.2025
Stocks	2,789.69	3,134.72	2,914.69	2,965.11	3,070.71
Bonds	3,716.86	4,440.48	4,210.49	4,398.26	4,277.79
Loans	1,153.20	1,001.40	949.39	1,132.64	1,148.77
Deposits	1,710.07	1,822.92	1,699.12	1,799.23	1,879.35
Total	9,369.82	10,399.52	9,773.69	10,295.24	10,376.62

Source: The People’s Bank of China.



PART THREE

Foreign Exchange Transactions and Interbank Business

I. Foreign Exchange Transactions

The participant base in China interbank foreign exchange market has been further diversified. As of the end of 2024, there were a total of 809 members in RMB/FX spot market, 309 members in RMB/FX forward market, 299 members in RMB/FX swap market, 242 members in RMB/FX cross currency swap market, and 175 members in RMB/FX options market, as well as 25 RMB/FX market makers.

China interbank foreign exchange market operated smoothly, with trading volumes growing steadily. The annual trading volume of RMB/FX was equivalent to USD 35.2 trillion in 2024, a yoy increase of 15.1%, with an average daily volume equivalent to USD 144.84 billion. Specifically, RMB/FX spot trading amounted to an equivalent of USD 9.6 trillion, a yoy increase of 9.6%; RMB/FX swap trading reached a volume equivalent to USD 24.3 trillion, a yoy increase of 17.8%, of which overnight dollar swap trading amounted to an equivalent of USD 16.2 trillion, accounting for 66.7% of the total swap trading volume; RMB/FX cross currency swap trading amounted to an equivalent of USD 104.19 billion, a yoy increase of 102.5%; RMB/FX forward trading amounted to an equivalent of USD 192.54 billion, a yoy increase of 60.5%; RMB/FX option trading amounted to an equivalent of USD 1.0 trillion, a yoy decrease of 1.3%.

In 2024, trading of RMB against non-USD foreign currencies grew steadily, with spot trading totaling RMB 1.8 trillion yuan, accounting for 2.7% of total spot trading volume in the interbank foreign exchange market, down 0.2 percentage points from the previous year.

Table 3-1 Trading Volume of RMB Against Currencies in Interbank Foreign Exchange Spot Market in 2024

Unit: 100 million yuan

Currency	USD	EUR	JPY	HKD	GBP	AUD	NZD
Trading volume	670,808.6	7,710.3	3,584.5	2,541.5	467.4	768.3	278.7
Currency	SGD	CHF	CAD	MOP	MYR	RUB	ZAR
Trading volume	1,074.0	297.3	667.4	50.4	37.2	101.6	22.4
Currency	KRW	AED	SAR	HUF	PLN	DKK	SEK
Trading volume	52.0	207.5	13.8	1.2	5.1	12.1	62.3
Currency	NOK	TRY	MXN	THB			
Trading volume	9.5	1.4	10.3	256.9			

Source: China Foreign Exchange Trade System (CFETS).

II. Cross-border Financing

RMB cross-border interbank financing. It refers to the RMB financing between domestic banks and overseas institutions. In 2024, the cross-border interbank financing in RMB totaled RMB 15.4 trillion yuan, a yoy increase of 25.0%. Of these, lending volume was RMB 7.9 trillion yuan, while borrowing volume was RMB 7.5 trillion yuan. From January to June 2025, it recorded a total amount of RMB 9.8 trillion yuan, a yoy increase of 54.8%, with RMB 3.2 trillion yuan of lending and RMB 6.6 trillion yuan of borrowing.

Overall cross-border financing. It refers to the activities of domestic institutions borrowing in either local or foreign currencies from non-residents. In January 2017, the PBOC established a cross-border financing constraint mechanism based on the capital and net assets of micro-entities under macro-prudential framework, allowing enterprises and financial institutions to obtain cross-border financing in local and foreign currencies in compliance with the regulations. As of the end of 2024, the outstanding balance of overall cross-border financing for financial institutions totaled RMB 5.4 trillion yuan. Of these, the outstanding balance of cross-border financing in RMB was RMB 2.3 trillion yuan, accounting for 42.9%; the outstanding balance of financing in foreign currencies was RMB 3.1 trillion yuan, accounting for 57.1%. As

of the end of June 2025, the outstanding balance of overall cross-border financing for financial institutions totaled RMB 5.5 trillion yuan, of which cross-border financing in RMB was RMB 2.6 trillion yuan, accounting for 47.8%, and financing in foreign currencies was RMB 2.9 trillion yuan, accounting for 52.2%.

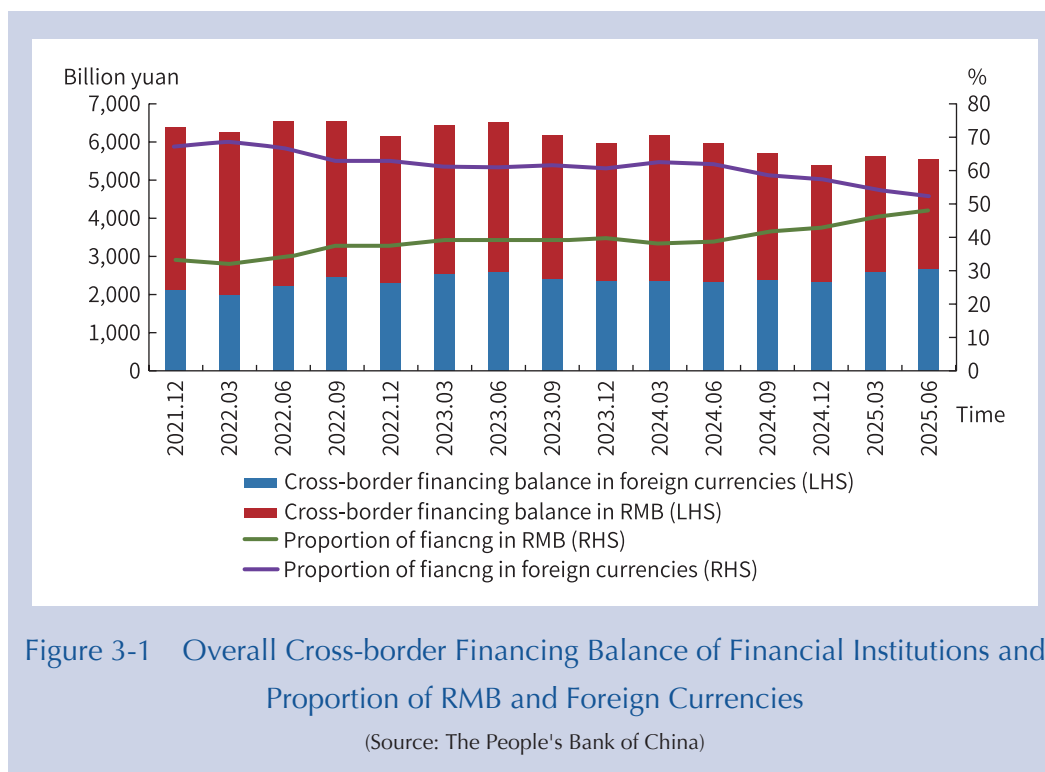


Figure 3-1 Overall Cross-border Financing Balance of Financial Institutions and Proportion of RMB and Foreign Currencies

(Source: The People's Bank of China)

Box 4 Investment and Financing Functions of the RMB have been Strengthened Consistently

In recent years, guided by the decisions and arrangements of the CPC Central Committee and the State Council, the PBOC has focused on the financing needs of the real economy and continuously improved the framework for cross-border RMB financing. Encompassing diverse entities and covering multiple channels, a framework has been gradually formed to serve various entities such as overseas central banks, multinational banks and enterprises, with enriched product varieties such as central bank local currency swaps, international bond issuance, cross-border interbank financing, cross-border trade financing and cross-border corporate lending, which has significantly enhanced the function of the RMB as a financing currency. Over the past 5 years, the RMB has consistently ranked in the top 3 currencies in global trade financing and went up to the

second place for several consecutive months recently, with its share rising from around 2% to about 7% and playing an increasingly important role in international financing.

At the central bank level, currency swap funds have been utilized to support international trade financing. The PBOC's currency swap arrangements cover all major global economies, with the Hong Kong SAR of China, Türkiye, and the Republic of Korea as regular users. For instance, in February 2025, the HKMA launched a Trade Financing Liquidity Facility of RMB 100 billion yuan, which used swap funds to provide RMB funding support for local enterprises' trade activities.

At the market level, overseas entities were supported in raising funds by issuing RMB-denominated bonds, stocks, and other securities in onshore or offshore markets. As of the end of 2024, the outstanding balance of RMB international bonds reached USD 256.1 billion, 2.6 times the level at the end of 2019. Of these, the issuance of "Panda bonds" by overseas entities and the issuance of "Dim Sum bonds" in the Hong Kong SAR of China grew rapidly, with new issuance of nearly RMB 200 billion yuan and RMB 1.2 trillion yuan respectively in 2024.

At the banking level, banks were encouraged to use RMB in trade financing, overseas loans, and interbank financing. As of the end of 2024, the outstanding balance of RMB overseas loans exceeded RMB 2 trillion yuan, accounting for 45% of the total outstanding balance of overseas loans in both RMB and foreign currencies, a yoy increase of 14 percentage points.

At the enterprise level, policy arrangements for corporate lending and cash pooling for multinational companies have been continuously optimized. In 2024, cross-border RMB receipts and payments for inter-company financing business totaled RMB 7.3 trillion yuan, a yoy increase of 9%.

As a next step, the PBOC will resolutely implement the decisions and arrangements of the CPC Central Committee and the State Council, promote the internationalization of the RMB, drive trade and investment through financing, and promote RMB usage along the industry chain and for all scenarios in line with the general tendency of China's global industry chain.



PART FOUR

International Monetary Cooperation

The PBOC has continued to deepen bilateral currency cooperation with overseas central banks (monetary authorities) to strengthen inter-central bank local currency settlement cooperation and optimize the environment for the use of the RMB overseas, with a focus on neighboring countries and Belt and Road Initiative (BRI) participating countries. The PBOC has steadily advanced bilateral local currency swaps and refined local currency swap framework, leveraging the role of currency swaps in fostering the development of offshore RMB markets and facilitating trade and investment. The PBOC's bilateral local currency swap network has covered major economies across six continents, forming an important part of the global financial safety net.

I. Bilateral Local Currency Swap

A bilateral local currency swap refers to an agreement signed between central banks (monetary authorities) of two countries (regions), whereby either party may, under specified conditions, exchange a certain amount of its domestic currency for an equivalent value of the counterparty's currency for bilateral trade and investment settlement, or to provide short-term liquidity support to financial markets. Upon maturity, the parties swap back their own currencies and pay accrued interest. In January 2009, the PBOC signed its first bilateral local currency swap agreement with the HKMA. Since 2024, the PBOC has signed or renewed local currency agreements with the central banks (monetary authorities) of Egypt, Türkiye, Indonesia, Mauritius, Pakistan, Japan, Nigeria, Sri Lanka, etc. As of the end of June 2025, the PBOC had signed bilateral local currency swap agreements with central banks (monetary authorities) of 42 countries (regions), of which 32 agreements remained effective with an overall size over RMB 4.5 trillion yuan. As of the end of June 2025, the outstanding balance of the RMB funds actually utilized by overseas central banks (monetary authorities) stood at RMB 80.67 billion yuan, and the outstanding balance of swap funds in foreign currencies utilized by the PBOC was equivalent to RMB 380 million yuan.

Box 5 Bilateral Local Currency Swap Supports RMB Usage in Trade Settlement

Bilateral local currency swap arrangements between the PBOC and overseas central banks (monetary authorities) have played a positive role in promoting bilateral trade and the internationalization of the RMB. Local currency swaps provide overseas countries (regions) with low-cost RMB financing resources and help foster the habit of using RMB by local business entities.

In recent years, a number of overseas central banks (monetary authorities) have actively sought to use RMB swap funds to support bilateral trade and investment, which has effectively helped business entities save foreign exchange costs and reduce exchange rate risks. In 2012, the Bank of Korea launched the Korea-China Currency Swap-Financed Trade Settlement Facility, enabling local enterprises to obtain RMB swap funds from the Bank of Korea for cross-border trade with China. In 2020, the Central Bank of the Republic of Türkiye introduced a rediscount facility backed by RMB swap funds and actively promoted it among local banks and enterprises. Local enterprises can apply for RMB financing from the Central Bank of the Republic of Türkiye through their commercial banks to pay for imports from Chinese enterprises. In 2024, the HKMA launched a new RMB Trade Financing Liquidity Facility based on the standing swap arrangement, which provides banks with a stable and cost-efficient source of funds to support banks' RMB trade financing to enterprises. The total quota of the facility is RMB 100 billion yuan, and banks can apply to the HKMA for RMB funds with tenor of 1-month, 3-month, or 6-month based on the actual needs of their financing targets and ensured use of proceeds. The facility was officially launched at the end of February 2025. As of the end of June 2025, the HKMA had disbursed RMB 16.5 billion yuan to 14 banks, benefiting over 220 enterprises.

As a next step, the PBOC will further improve the operational management mechanism for swap transactions, enhance the efficiency of swap fund utilization, and continue to support overseas central banks (monetary authorities) in the proper use of RMB swap funds to facilitate bilateral trade and investment.

II. Bilateral Local Currency Settlement

In September 2020, the PBOC and Bank Indonesia signed the Memorandum of Understanding (MoU) on the Establishment of a *Cooperative Framework for Facilitating Local Currency Settlement (LCS) of Current Account Transactions and Direct Investment*. In September 2021, the two central banks officially launched the LCS cooperation framework and designated their own appointed cross-currency dealers (ACCD banks). Under this mechanism, ACCD banks open non-resident accounts in each other's currencies, maintain mutual bookkeeping and conduct end-of-day net settlement, enabling local currency settlement for trade and investment between China and Indonesia. Concurrently, a pilot program for interbank regional trading of RMB against Indonesian Rupiah (IDR) was introduced, allowing relevant entities to close-out their CNY/IDR positions on the interbank foreign exchange market. In May 2025, the two central banks signed a new MoU to expand the scope of their LCS cooperation from the current account and direct investment to all transactions including capital and financial accounts. As of the end of June 2025, the cumulative amount of cross-border RMB settlement under the LCS framework between China and Indonesia reached RMB 46.2 billion yuan, and the CNY/IDR pair has become the most actively traded currency pair in China's regional foreign exchange market, with a cumulative trading volume of RMB 14.4 billion yuan.



PART FIVE

Infrastructures for RMB Internationalization

Since 2024, the layout of RMB clearing banks has been continuously optimized, the multi-tiered cross-border payment system has been further improved, the RMB account framework has been refined, and the RMB Cross-border Payment and Receipt Management Information System (RCPMIS) has operated stably. All these have provided strong support for the prudent and orderly advancement of the internationalization of the RMB.

I. RMB Clearing Banks

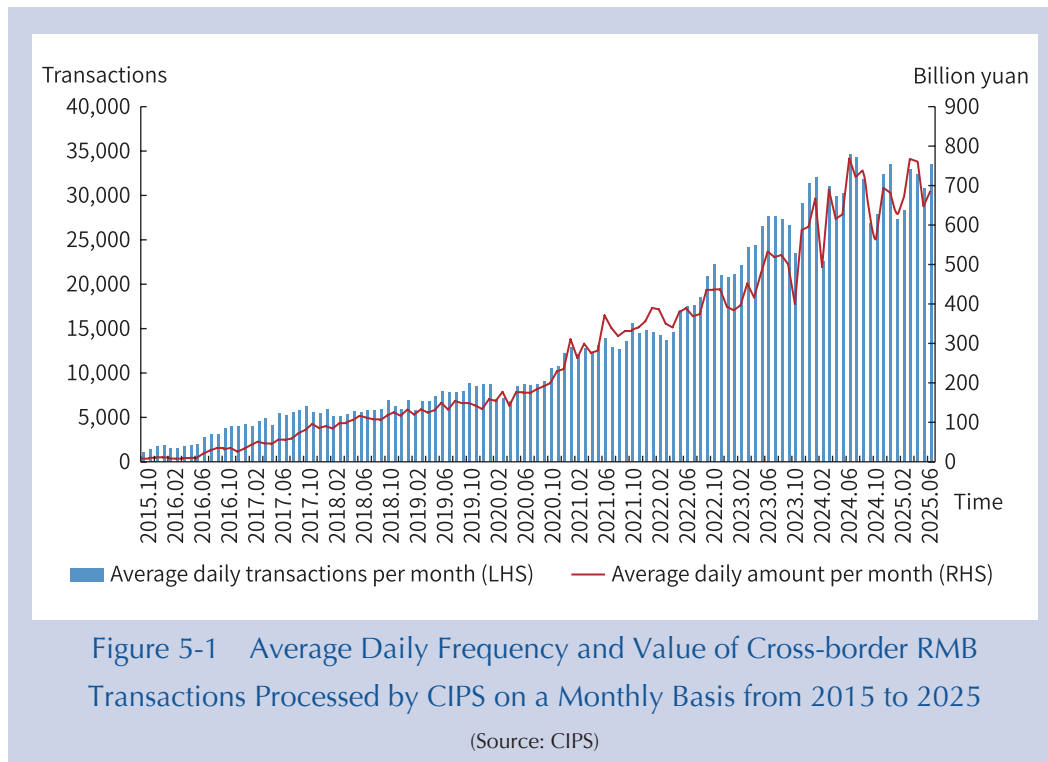
RMB clearing arrangement is a mutual trust mechanism established by the PBOC with foreign central banks (monetary authorities) to support the development of RMB business in partner's market. Since the establishment of RMB clearing banks in the Hong Kong SAR and the Macao SAR in 2003, clearing banks have helped build up a global RMB clearing network, which has enabled smooth RMB payments worldwide, fostered the sustained development of local RMB business, and actively provided liquidity and products in offshore markets, thereby supporting the healthy development of offshore RMB markets.

Since 2024, the PBOC has authorized the establishment of two RMB clearing banks in Mauritius and Türkiye, continuously optimizing the overseas RMB clearing network. By the end of June 2025, the PBOC had authorized 35 overseas RMB clearing banks in 33 countries (regions), essentially covering countries (regions) with close trade relationship with China.

II. Multi-tiered Cross-border Payment System

Cross-border Interbank Payment System (CIPS). As of the end of June 2025, the CIPS had 176 direct participants and 1,514 indirect participants, with 64% of participants located overseas. These participants spanned 121 countries (regions), extending CIPS services to 4,900 banking institutions across 189 countries (regions).

In 2024, the CIPS processed a total of RMB 175 trillion yuan of cross-border RMB payments, a yoy increase of 43%. From its launch in 2015 to the end of December 2024, the CIPS had cumulatively handled approximately RMB 600 trillion yuan of various payment services.



Interconnectivity of faster payment systems between the Mainland and the Hong Kong SAR. In August 2024, the PBOC and the HKMA signed the *Memorandum of Understanding on Cross-Boundary Linkage of Payment Systems between the Mainland and the Hong Kong SAR*. On June 22, 2025, Payment Connect was officially launched, enabling the interconnectivity of faster payment systems between the Mainland and the Hong Kong SAR to support real-time cross-boundary remittances for residents in both places and bilateral currency settlement in RMB or the local currency. Compared with traditional cross-border remittances, Payment Connect significantly shortens the payment routing and improves processing efficiency, providing users with high-quality cross-border payment experience. By the end of June 2025, Payment Connect had served about 230,000 residents in both places, with a total cross-border transaction amount of RMB 990 million yuan, including 76,000 receipts amounting to RMB 140 million yuan, and 154,000 payments amounting to RMB 850 million yuan.

Multilateral Central Bank Digital Currency Bridge (mBridge). The mBridge project is a new type of multi-currency international cross-border infrastructure leveraging central bank contracts and blockchain technology. Officially launched in June 2024, the mBridge project currently has 5 participant central banks (monetary authorities), including the PBOC.

Interoperability of cross-border QR code payment. China has established a unified cross-border QR code payment gateway, serving as the standardized interface for cross-border QR code payment cooperation. The unified gateway provides services such as cross-border transaction switching and distribution, as well as transaction analysis, and supports both domestic and overseas institutions in conducting cross-border QR code payment cooperation through it, thereby facilitating cross-border scan-to-pay for residents. China UnionPay, NetsUnion Clearing Corporation and other institutions have actively promoted cross-border QR code payment interoperability. Currently, China UnionPay has promoted the interoperability of cross-border QR code payment in 19 overseas countries (regions). NetsUnion Clearing Corporation has engaged in in-depth collaboration with central bank financial infrastructures and major payment networks in 4 countries to promote the implementation of the QR code payment interoperability.

III. Account Systems

Currently, there are mainly three modes of account connection for cross-border RMB fund transfers: Firstly, the Non-Resident Account (NRA) mode, where foreign institutions open RMB accounts directly with domestic banks for settlement. Secondly, the correspondent bank mode, where overseas participating banks open RMB nostro accounts with their domestic correspondent banks to indirectly access the payment system for settlement. Thirdly, the clearing bank mode, where overseas participating banks open RMB nostro accounts with overseas RMB clearing banks to indirectly access the payment system for settlement.

As of the end of 2024, the number of NRA was 46,472, with a balance of RMB 297.24 billion yuan. The number of nostro accounts with domestic correspondent banks was 3,792, with a balance of RMB 208.3 billion yuan. The number of nostro accounts with overseas clearing banks was 1,562, with a balance of RMB 226.67 billion yuan.

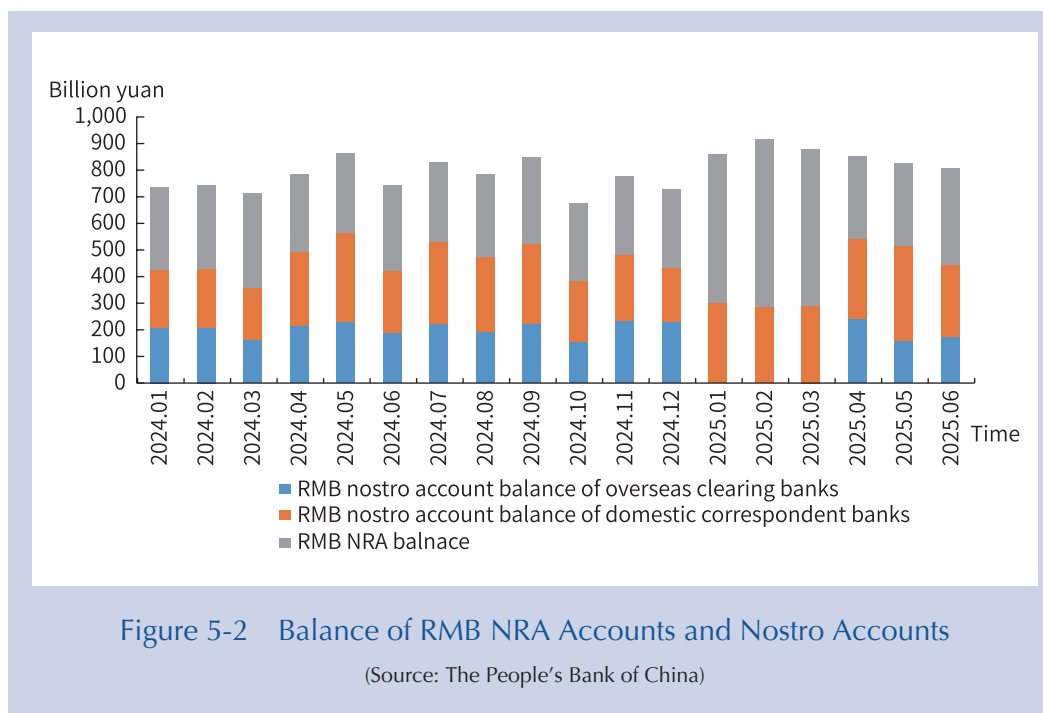


Figure 5-2 Balance of RMB NRA Accounts and Nostro Accounts

(Source: The People's Bank of China)

Box 6 Multifunctional Free Trade Account System Operates Smoothly Since Its Launch

To boost the development of free trade zones, the PBOC launched Free Trade Account (FTA) pilot programs in Shanghai, Guangdong, Hainan, and Tianjin. In March 2023, to further support the development of the Hainan Free Trade Port and the Guangdong-Macao In-Depth Cooperation Zone in Hengqin, the PBOC, together with the SAFE, established the “Electronic Fence” policy framework, and launched Multifunctional Free Trade Account (EFA) pilot programs in Hainan and Hengqin upon the FTA framework. The EFA operates under more liberalized and convenient policies for cross-border RMB and foreign exchange management. The funds between EFA and overseas markets can be freely transferred in accordance with the laws (“first line free”), while funds transfer between EFA and domestic markets should follow the rules for cross-border transactions subject to a certain limit (“second line under control”). In May 2024, EFA business was officially launched in Hainan and Hengqin and has been operating smoothly. As of the end of June 2025, there were 20 banks, 350 domestic enterprises and 512 overseas institutions participating in the pilot, all responding positive feedback. Account inflows and outflows totaled an equivalent amount of RMB 307.2 billion yuan approximately, with cross-border funds flow generally stable.

IV. RMB Cross-border Payment and Receipt Management Information System (RCPMIS)

The PBOC designed and developed the RCPMIS in July 2009. The RCPMIS integrates the functions of data collection, statistics and business monitoring, serving as a critical infrastructure for healthy and orderly development of cross-border RMB business. In 2022, the RCPMIS II was officially launched and has been operating stably. As of the end of June 2025, there were a total of 356 banking institutions nationwide connecting to the RCPMIS, with 75,000 system users.

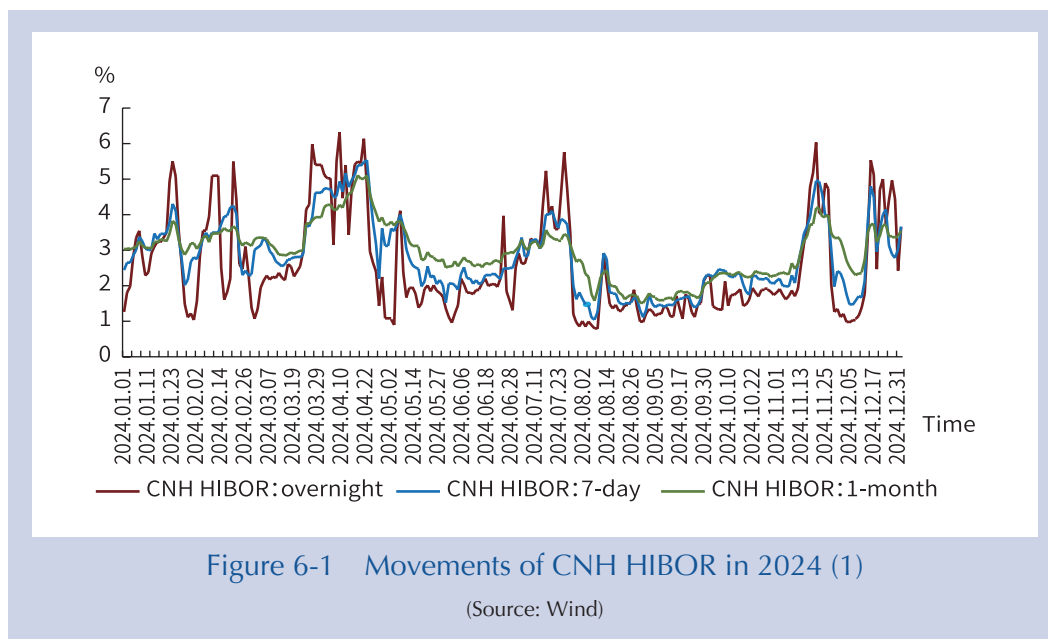
PART SIX

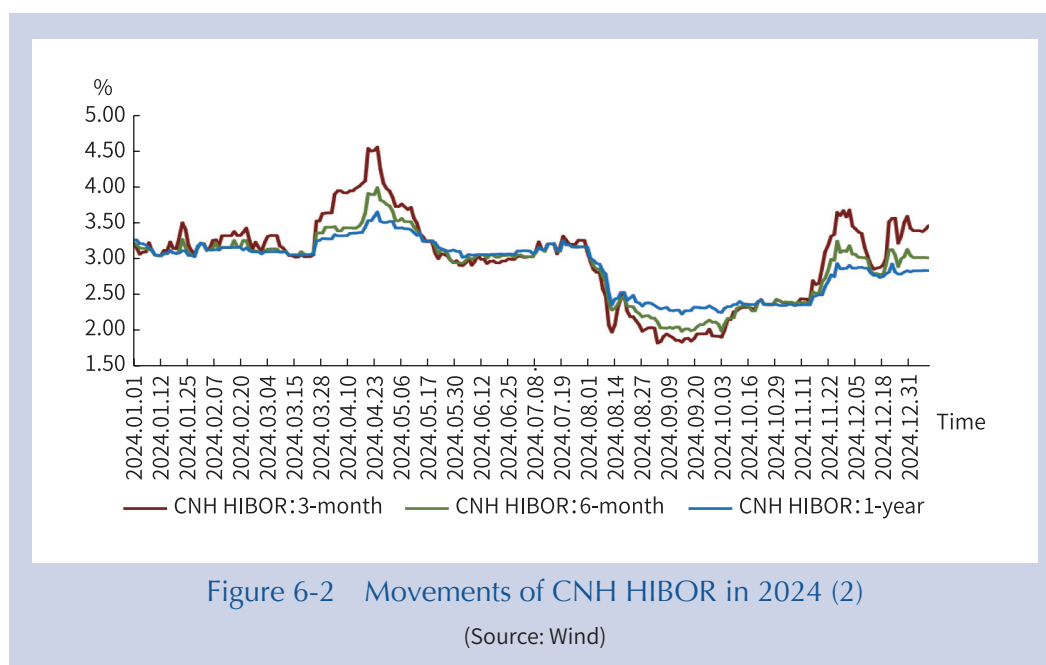
The Use of the RMB Overseas

Since 2024, offshore RMB markets have developed steadily. RMB interest rates in offshore markets have generally been higher than those in the onshore market, while offshore and onshore exchange rate movements have been broadly consistent. Offshore RMB products have become more diversified, RMB deposits have steadily increased, RMB financing has been active, and the use of the RMB has made significant progress in key regions.

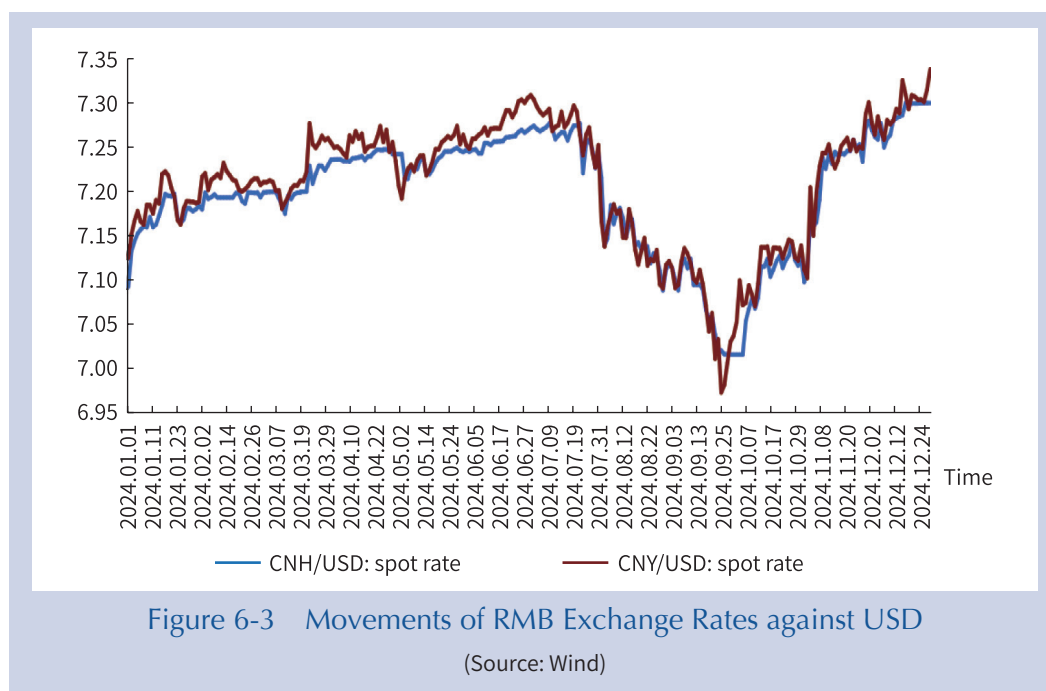
I. Offshore RMB Interest Rates and Exchange Rates

Interest rate movements. Compared to 2023, volatility of offshore RMB interbank offered rates for overnight, 7-day and 1-month tenor increased in 2024. As of the end of 2024, the overnight, 7-day and 1-month CNH Hong Kong Interbank Offered Rate (HIBOR) stood at 3.65%, 3.67% and 3.54% respectively, up 239 bps, 123 bps and 51 bps from the end of the previous year. The 3-month, 6-month, and 1-year CNH HIBOR stood at 3.44%, 3.00% and 2.82% respectively, up 27 bps, down 21bps and down 43 bps from the end of 2023. In 2024, offshore RMB interest rates were overall higher than those in the onshore market.



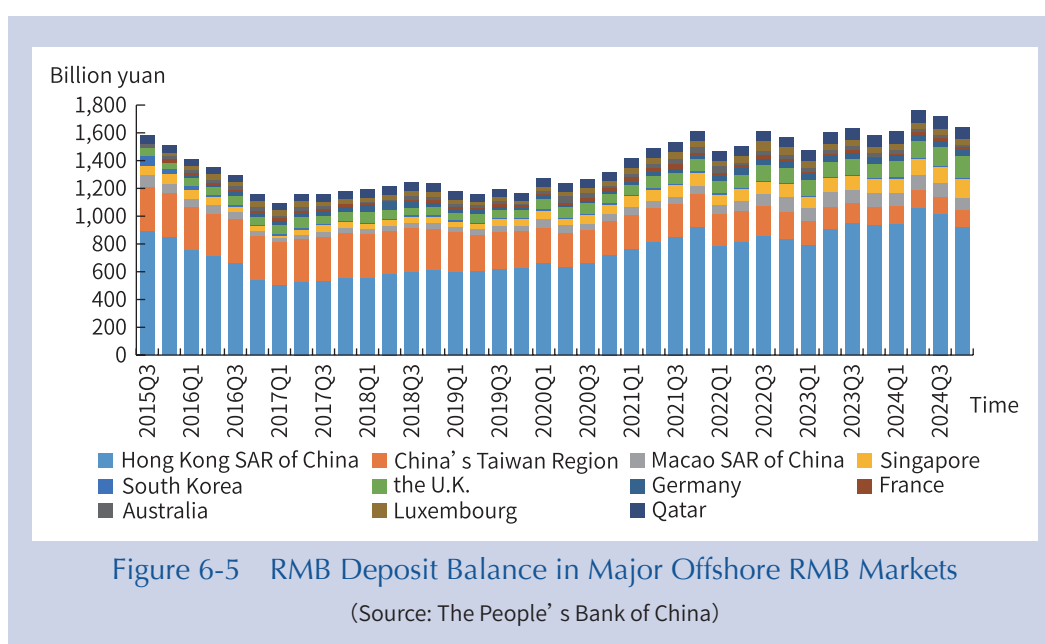
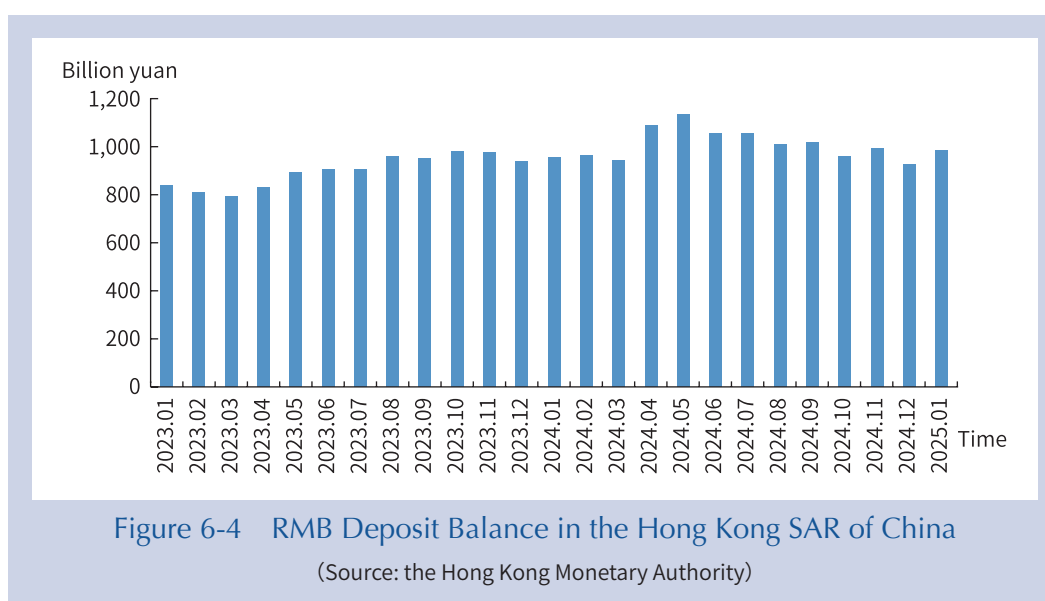


Exchange rate movements. In 2024, the offshore RMB exchange rate moved in both directions, generally consistent with the movement of the onshore RMB exchange rate, and the spread between the offshore and onshore exchange rate was stable. The offshore RMB exchange rate was stronger than the onshore RMB exchange rate on 17.2% of trading days during the year. The average daily offshore-onshore spread widened to 154 bps in 2024, up 16 bps from 2023.



II. Offshore RMB Products

Offshore RMB deposits remained stable. As of the end of 2024, the RMB deposit balance in major offshore markets was approximately RMB 1.6 trillion yuan, an increase of RMB 59 billion yuan compared to the end of the previous year. The RMB deposit balance in the Hong Kong SAR of China was RMB 926.5 billion yuan, ranking first in offshore markets, accounting for 5.8% of its total deposits and 10.5% of its foreign currency deposits. The RMB deposit balance was RMB 156.5 billion yuan in the United Kingdom, RMB 133.0 billion yuan in Singapore, RMB 119.1 billion yuan in China's Taiwan Region, and RMB 88.5 billion yuan in the Macao SAR of China.



Offshore RMB financing was active. In 2024, the offshore RMB bond market developed steadily. According to incomplete statistics, a total of RMB 925.47 billion yuan of RMB-denominated bonds were issued in countries and regions with RMB clearing arrangements in 2024, a yoy increase of 38.1%. Of these, RMB bonds issued in the Hong Kong SAR amounted to RMB 770.63 billion yuan, a yoy increase of 33.8%. As of the end of 2024, the outstanding balance of RMB bonds in countries and regions with RMB clearing arrangements was RMB 862.40 billion yuan, a yoy increase of 41.2%. The balance of the RMB-denominated Certificates of Deposits was RMB 609.19 billion yuan, a yoy increase of 28.7%. In 2024, the offshore RMB loans continued to grow and the outstanding balance of RMB loans in major offshore markets reached about RMB 1 trillion yuan, of which the balance in the Hong Kong was RMB 723.5 billion yuan.

Regular issuance of RMB-denominated central bank bills in the Hong Kong SAR.

In 2024, the PBOC maintained its practice of regular issuance of RMB central bank bills in the Hong Kong SAR on a market-oriented basis, with 12 batches of issuance totaling RMB 275 billion yuan. Combining the market demand and previous issuance experience, the PBOC optimized the maturity structure of its central bank bills, by increasing the issuance proportion of 3-month and 6-month central bank bills appropriately. In 2024, the issuance of 3-month, 6-month, and 1-year RMB central bank bills reached RMB 120 billion yuan, RMB 90 billion yuan, and RMB 65 billion yuan respectively, representing an increase of 50 billion, 60 billion and 5 billion compared to 2023, which helped cater to the needs of offshore investors and improved the offshore RMB short-term yield curve. The regular issuance of RMB central bank bills and the development of the repo market enriched the range of offshore RMB investment products and liquidity management tools, improved the offshore RMB bond yield curve, and also spurred domestic and overseas business entities to issue RMB bonds and conduct various RMB businesses in offshore markets, which was conducive to promoting the sustainable and healthy development of offshore RMB markets.

The use of the RMB in foreign exchange transactions grew steadily. A BIS survey released in 2022 showed that the RMB's share in global FX turnover grew to 7%, and the USD's share in global FX market stood at 88% during the same period. In December 2024, according to the SWIFT statistics, the RMB ranked the fourth most

active currency in FX spot transactions, following the USD, the EUR, and the GBP. RMB/FX spot transactions were mainly conducted in the United Kingdom (43.1%), the United States (15.7%), France (10.0%), and the Hong Kong SAR of China (8.9%).

Offshore RMB clearing volume grew fast. In 2024, the volume of RMB clearing processed by RMB clearing banks totaled RMB 937.6 trillion yuan, a yoy increase of 47.3%, among which agent clearing amounted to RMB 60.0 trillion yuan, a yoy decrease of 10.2% and interbank clearing amounted to RMB 877.6 trillion yuan, a yoy increase of 54.0%. As of the end of 2024, the number of participating banks and other institutions maintaining clearing accounts with RMB clearing banks reached 1,049, reflecting an increase of 56 from the end of the previous year. In 2024, the clearing volume processed via Hong Kong's RMB Real Time Gross Settlement (RTGS) System reached RMB 723.0 trillion yuan, up 48.2% yoy, maintaining a rapid growth.

III. The Use of the RMB in Key Regions

The PBOC, together with relevant authorities, has continued to promote the use of the RMB in neighboring countries, as well as BRI participating countries and regions, and achieved positive progress.

1. ASEAN

The volume of cross-border RMB settlement between China and ASEAN has grown rapidly. In 2024, the cross-border RMB settlement between China and ASEAN totaled RMB 8.9 trillion yuan, a yoy increase of 50.7%. Of these, the RMB settlement of trade in goods amounted to RMB 2.4 trillion yuan, a yoy increase of 21.8%; and that of direct investment amounted to RMB 900 billion yuan, a yoy increase of 33.6%. From 2020 to 2024, the cross-border RMB settlement between China and ASEAN increased from RMB 4.2 trillion yuan to RMB 8.9 trillion yuan, with an average annual growth rate of 19.9%, maintaining a rapid growth.

Monetary and financial cooperation has continued to deepen. China and ASEAN have initially established a multi-level and broad-based framework for monetary and financial cooperation, and the environment for the use of the RMB has been continuously improved and optimized. As of the end of 2024, the PBOC had signed bilateral local currency settlement agreements with central banks of Vietnam,

Indonesia, Cambodia, and Laos, and signed bilateral local currency swap agreements with central banks of Indonesia, Malaysia, Thailand, Singapore and Laos, with a total amount of nearly RMB 1 trillion yuan. The Singapore dollar (SGD), Malaysian ringgit (MYR) and Thai baht (THB) have been listed and directly traded on China Foreign Exchange Trade System (CFETS), and the Cambodian riel (KHR) and Indonesian rupiah (IDR) have been listed and traded in the interbank regional market. Malaysia, Singapore, Thailand, Indonesia, Cambodia and the Philippines have included the RMB into their foreign exchange reserves.

The RMB clearing and settlement network has been increasingly improved. Chinese banking institutions have established outlets in all 10 ASEAN countries, forming a comprehensive and multi-dimensional network. The PBOC successively authorized the ICBC Singapore Branch, the BOC (Malaysia) Ltd., the ICBC (Thai) Ltd, the BOC Manila Branch, the ICBC Vientiane Branch, and the BOC Phnom Penh Branch to serve as the RMB clearing banks in Singapore, Malaysia, Thailand, the Philippines, Laos and Cambodia respectively. Every ASEAN country has financial institutions participating in the CIPS. As of the end of 2024, there were a total of 150 financial institutions in ASEAN countries participating in the CIPS, including 22 direct participants and 128 indirect participants. In 2024, the CIPS processed 954,000 cross-border RMB transactions for ASEAN countries, a yoy increase of 41.6%, with the value totaling RMB 21.2 trillion yuan, a yoy increase of 95.6%.

2. The Middle East

The cross-border use of the RMB between China and the Middle East region^① has grown rapidly. In 2024, the cross-border RMB settlement between China and the Middle East region totaled RMB 1.1 trillion yuan, a yoy increase of 23.8%. By business type, securities investment, trade in goods, and other investments accounted for 67.3%, 17.6%, and 11.0% respectively. By country, the cross-border RMB settlement were mainly concentrated in the UAE and Qatar, accounting for 77.8% and 13.6% respectively. From 2020 to 2024, the cross-border use of the RMB between China and the Middle East region grew rapidly with an average annual growth rate of 53%.

① Including Saudi Arabia, Iran, Iraq, Syria, Jordan, Lebanon, Israel, Palestine, Türkiye, the United Arab Emirates (UAE), Qatar, Oman, Yemen, Kuwait, Bahrain, and Egypt.

Substantial progress has been achieved in monetary cooperation. As of the end of 2024, the PBOC had signed bilateral local currency swap agreements with central banks of 5 Middle Eastern countries, including Saudi Arabia, the UAE, Qatar, Türkiye, and Egypt, with a total amount of RMB 173 billion yuan. The Saudi riyal (SAR) and the UAE dirham (AED) have been directly listed and traded on the CFETS. China and the UAE have actively cooperated in financial technology innovation and central bank digital currencies (CBDCs), signing a memorandum of understanding on enhancing cooperation in CBDCs.

The RMB clearing and settlement network has been optimized. The PBOC successively authorized the ICBC Doha Branch and the ABC Dubai Branch to serve as the RMB clearing banks in Qatar and the UAE respectively. Chinese-funded banks have been actively establishing outlets in Middle Eastern countries. Five Chinese banks, including ICBC, BOC, CCB, ABC, BOCOM, have established 14 branches or representative offices in Gulf Cooperation Council (GCC) countries such as Saudi Arabia, the UAE, and Kuwait. As of the end of 2024, there were a total of 68 Middle Eastern institutions participating in the CIPS, including 12 direct participants and 56 indirect participants. In 2024, the CIPS processed 65,000 cross-border RMB transactions for Middle Eastern countries, a yoy increase of 0.6%, with the value totaling RMB 757.02 billion yuan, a yoy increase of 6.0%.

3. Central Asia

The cross-border use of the RMB between China and the Central Asian countries has grown rapidly. In 2024, the cross-border RMB settlement between China and the five Central Asian countries (Kazakhstan, Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan) totaled RMB 79.06 billion yuan, a yoy increase of 53.9%. By business type, the cross-border RMB settlement of trade in goods accounted for nearly 70%, while that of trade in services accounted for nearly 10%. In bilateral goods trade between China and three Central Asian countries—Kazakhstan, Kyrgyzstan, and Tajikistan—the RMB settlement ratio for each country stood at approximately 25% in 2024 and further rose to 30% in the first half of 2025. From 2020 to 2024, the cross-border use of the RMB between China and Central Asian countries grew rapidly at an average annual rate of 59.1%.

Monetary cooperation has continuously deepened. In 2004, China and Kazakhstan established the China-Kazakhstan Cooperation Committee, under which a Financial Cooperation Subcommittee was set up. Within the framework of this Subcommittee, the CNY/KZT pair was listed and directly traded on the Kazakhstan Stock Exchange and in China interbank regional market. The PBOC has authorized ICBC (Almaty) JSC to serve as the RMB clearing bank in Kazakhstan.

Demand for the RMB has kept rising in Central Asia. In Kazakhstan's interbank over-the-counter (OTC) market, RMB trading volume surged from RMB 260 million yuan in 2023 to RMB 11.92 billion yuan in 2024, an increase of nearly 45 times. From January to May 2025, the market share of the USD, the EUR, the RUB, and the RMB stood at 90.2%, 6.0%, 3.7%, and 0.1% respectively. In Kazakhstan's interbank foreign exchange market, the trading volume of the CNY/KZT pair rose from RMB 440 million yuan in 2023 to RMB 810 million yuan in 2024, a yoy growth of 84.1%. From January to May 2025, the market share of the USD, the RUB, the EUR and the RMB stood at 74.2%, 18.7%, 1.8%, and 1.5% respectively. As of the end of 2024, the proportion of RMB in Kazakhstan's foreign exchange reserves climbed to 19.0%, up 13 percentage points compared to the end of 2023. In 2024, the National Bank of the Kyrgyz Republic added the RMB to the currencies reference list for which official exchange rates are published on daily basis. Previously, the National Bank of the Kyrgyz Republic only published official exchange rates for the USD, the RUB, the EUR, and the KZT on daily basis.

4. Africa

The cross-border RMB settlement has essentially covered all the countries (regions) in Africa. In 2024, the cross-border RMB settlement between China and Africa totaled RMB 155.33 billion yuan, a yoy increase of 28.1%. Of these, the cross-border RMB settlement of trade in goods was RMB 56.37 billion yuan, a yoy increase of 35.9%. From 2020 to 2024, the cross-border RMB settlement between China and Africa increased from RMB 80.02 billion yuan to RMB 155.33 billion yuan, with an average annual growth rate of 18.1%.

Monetary cooperation has advanced steadily. The PBOC has signed bilateral local currency swap agreements with the central banks of four African countries, namely South Africa, Egypt, Nigeria, and Mauritius. The South African rand (ZAR) has been

directly listed and traded on the CFETS. A number of African countries, including South Africa, Nigeria, Tanzania, and the Democratic Republic of the Congo (DRC), have included the RMB into their official foreign exchange reserves. Africa's first offshore RMB bond, namely the "Rainbow Bond", and the "Panda Bond" by Egypt's Ministry of Finance were both successfully issued.

The RMB clearing and settlement network has continued to improve. Chinese-funded banking institutions have initially established RMB service networks in 10 African countries through opening branches or representative offices in African countries, acquiring local banks, and setting up new joint-venture banks. The PBOC has successively authorized the BOC Johannesburg Branch, the BOC (Zambia) Ltd., and the BOC (Mauritius)Ltd. to serve as RMB clearing banks in South Africa, Zambia, and Mauritius respectively. CIPS coverage in Africa continued to expand, with 63 banking institutions from African countries participating in the CIPS as of the end of 2024. In 2024, the CIPS processed 47,000 cross-border RMB transactions between China and African countries, a yoy increase of 20.4%, with the value totaling RMB 238.34 billion yuan, a yoy increase of 160.9%.

5. Latin America

The cross-border use of the RMB between China and Latin America grew rapidly. In 2024, the cross-border RMB settlement between China and Latin America totaled RMB 144.17 billion yuan, a yoy increase of 53.9%. By business type, securities investment, trade in goods, and other investments dominated, with settlement amount of RMB 64.34 billion yuan, RMB 48.93 billion yuan, and RMB 16.47 billion yuan respectively. The RMB settlement of trade in goods between China and Latin America was mainly concentrated in Chile, Brazil, Mexico and Argentina. In 2024, the RMB loans extended by China's domestic banks to Latin American enterprises totaled RMB 10.3 billion yuan, a yoy increase of 63.5%. The overseas loans were mainly offered to entities in Peru, Brazil and Chile.

Monetary cooperation has been solidly advanced. The PBOC has signed bilateral local currency swap agreements with central banks of Latin American countries including Brazil, Argentina and Chile. The Mexican peso (MXN) has been listed and directly traded on CFETS. The PBOC has authorized the CCB Chile Branch, the ICBC

(Argentina) Ltd. and the ICBC (Brazil) Ltd. to serve as the RMB clearing bank in Chile, Argentina and Brazil respectively.

6. Europe

The cross-border use of the RMB between China and Europe maintained a positive growth momentum. In 2024, the cross-border RMB settlement between China and Europe totaled RMB 8.9 trillion yuan, a yoy increase of 13.1%. Of these, the cross-border RMB settlement of trade in goods amounted to RMB 2.3 trillion yuan, a yoy increase of 0.5%. From 2020 to 2024, the volume of cross-border RMB settlement between China and Europe increased from RMB 4.3 trillion yuan to RMB 8.9 trillion yuan, with an average annual growth rate of 19.9%. As of the end of 2024, there were a total of 48 European countries (regions) conducting cross-border RMB business, basically covering the European continent.

The European Central Bank (ECB) and some European Union (EU) member states have included the RMB in their foreign exchange reserves. In 2017, the ECB announced the inclusion of the RMB in its foreign exchange reserves, being the first time that a developed economy to do so. Currently, the ECB and several EU member states, including Germany, France, Spain, Hungary, Belgium, Slovakia and the Czech Republic, have included the RMB in their official foreign exchange reserves.

Monetary cooperation progressed steadily. The PBOC has signed bilateral local currency swap agreements with the central banks of six countries—the UK, Switzerland, Russia, Hungary, Türkiye, and Iceland—as well as with the ECB, with a total size of RMB 1.08 trillion yuan. The CFETS has launched direct trading of European currencies including the EUR, the GBP, the RUB, the Danish krone (DKK), the Swedish krona (SEK), the Swiss franc (CHF), the Turkish lira (TRY), the Polish zloty (PLN), and the Hungarian forint (HUF). OTP Bank of Hungary successfully issued the world's first public offshore RMB green bond, complying with the MREL^① framework. Crédit Agricole of France successfully issued a dual-tranche “Panda Bond” and a five-year “Panda Bond”.

① MREL stands for Minimum Requirement for Own Funds and Eligible Liabilities.

Chinese-funded banks actively set up branches in Europe, and the RMB clearing network has continued to improve. Chinese-funded banks have established RMB service networks in 21 European countries by setting up branches, subsidiaries, or representative offices, and acquiring local banks. The PBOC has authorized 8 RMB clearing banks in the U.K., Germany, France, Luxembourg, Hungary, Switzerland, Russia and Serbia, respectively. The CIPS has covered most European countries, with 290 participating banking institutions, including 29 direct participants and 261 indirect participants.

Box 7 Survey on RMB Usage in ASEAN Region

In 2024, Bank of China (Hong Kong) Limited conducted a survey on the use of the RMB in ASEAN region. The survey covered government departments, central banks, financial institutions, local enterprises, and Chinese enterprises going abroad. In all, a total of 377 institutions were interviewed and 314 questionnaires were collected.

The survey came to four main conclusions.

Firstly, acceptance of the RMB in ASEAN region has increased significantly. In 2024, RMB payments in ASEAN grew by 30% yoy, with FX transactions surging by 80% — the largest increase in the past decade. Several ASEAN central banks have expressed interest in exploring how to invest and hold RMB assets. Nearly 80% of the respondents reported they were using the RMB for business settlement.

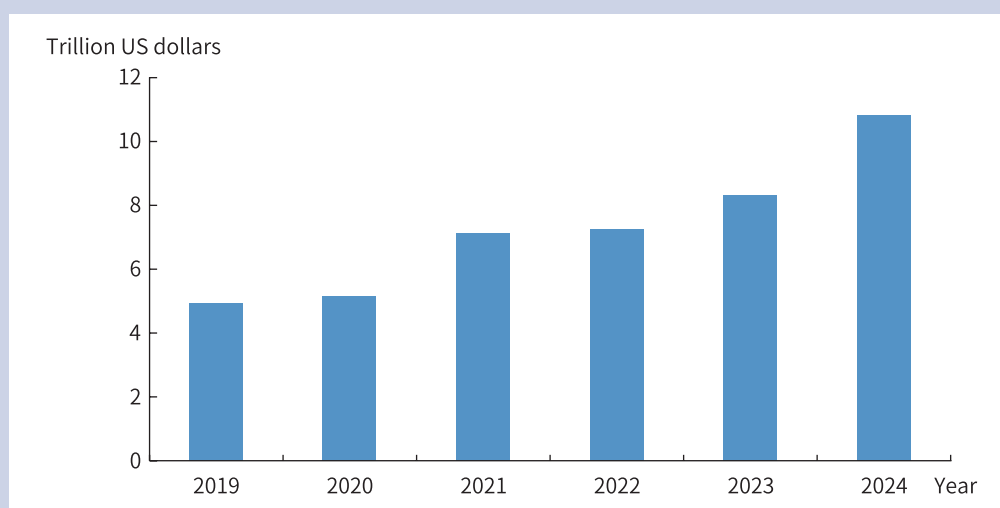


Figure 6-6 RMB Payments and Settlement Volume in ASEAN Countries

Secondly, the trade and investment relationship between China and ASEAN has become increasingly closed, providing a solid base and practical scenarios for RMB usage, and enabling the circulation and accumulation of the RMB. Against the backdrop of global industry chain restructuring, Chinese enterprises are actively establishing operations overseas. Among the private enterprises surveyed, nearly 80% of them chose to invest in Southeast Asia, who have become the participants and promoters of using the RMB. Nearly 40% of the respondents were optimistic about the development of the RMB market, while nearly 60% of them indicated they would increase their RMB business over the next year.

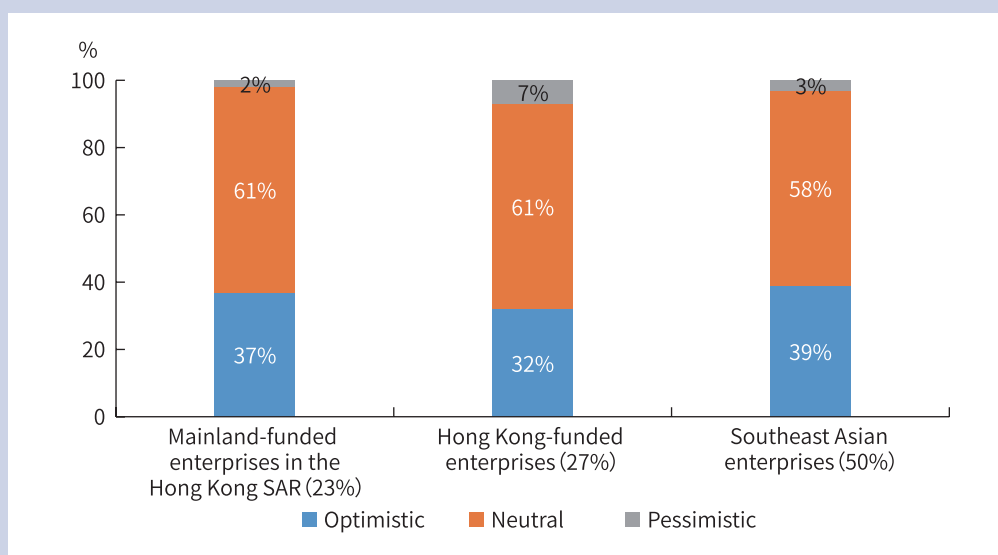


Figure 6-7 Expectations for RMB Market Development in 2025

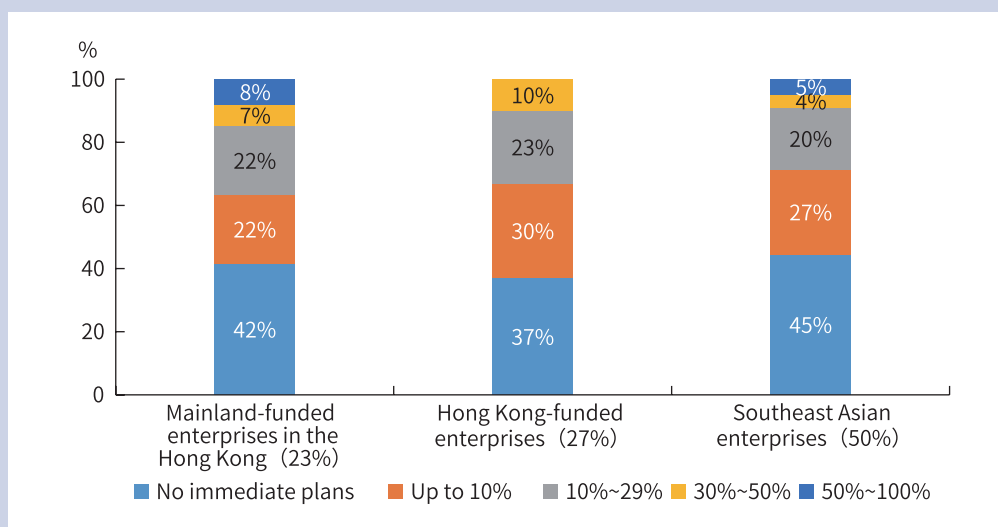


Figure 6-8 Proportion of Planning to Increase RMB Business in 2025

Thirdly, RMB's advantages—including exchange rate stability and seamless payment mechanisms—have been highlighted. In ASEAN markets, the use of the RMB has diversified across payments, settlement, FX conversion, investment and financing, accompanied by a growing range of RMB financial products and services offerings. The respondents believed that the advantages of using the RMB over other currencies include less funding costs, more opportunities to enter Chinese market, greater convenience in cross-border transactions and settlement, and a relatively stable exchange rate compare to other currencies.

Table 6-1 Views on Advantages of Using RMB from Market Institutions

Views	Overall	Rank				
		Institution type			Sector distribution	
		Chinese-funded institutions in the Hong Kong	Hong Kong-based institutions	Southeast Asian institutions	Enterprises	Non-bank financial institutions
Cost reduction in financing	1	1	3	1	1	2
Increased access to Chinese market	2	4	1	5	5	1
Relative stability of RMB exchange rate	3*	6	2	2	2	6
Simplified cross-border payment processes & transactional convenience	3*	3	4	3	3	3
Deepening trade relations with Chinese partners	5	5	5	4	4	5
Enhanced stability for financial management	6	2	7	6	6	7
Potential for higher returns on RMB-denominated investments	7	7	6	7	7	4

Note: *indicates that the number of respondents who chose this option is the same, so the importance is tied for third place.

Fourthly, the Hong Kong SAR of China is gradually becoming an important pillar of regional cooperation between China and ASEAN. A significant portion of capital flows between China and ASEAN is conducted through the Hong Kong SAR. The survey indicated that approximately 52% of the surveyed private enterprises preferred expanding globally via the Hong Kong SAR. The volume of cross-border interbank transfers and corporate settlements between the Hong Kong SAR and ASEAN surpasses those between China and ASEAN. This highlights the dual advantages of the Hong Kong SAR as a global financial hub and the leading offshore RMB center, where its bridging role is realized.



Looking Ahead

The PBOC is committed to follow Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. In accordance with the decisions and arrangements of the CPC Central Committee and the State Council and oriented by serving the construction of a new development pattern as well as advancing trade and investment facilitation, the PBOC will promote the internationalization of the RMB, and provide domestic and overseas business entities with more diversified and convenient currency options, to better serve the real economy and high-quality development.

I. Further Facilitating the Use of the RMB by Business Entities in Foreign Trade and Investment

The PBOC will make systematic efforts to remove policy barriers, comprehensively review and streamline policies related to financial institutions' cross-border and offshore RMB financial services as well as business entities' cross-border RMB settlement for trade and investment. Based on the needs of the real economy, the PBOC will refine policies on fund management for enterprises' overseas listings and overseas lending, as well as optimizing policies related to cash pooling for multinational corporations. The PBOC will support Shanghai to improve and upgrade FTA functions, and will steadily advance high-level institutional opening-up pilots in the financial sector for eligible Free Trade Zones and Free Trade Ports. The PBOC will deepen the pilot programs for higher level of trade and investment facilitation, and encourage banks to loop more high-quality enterprises in the facilitation policies. The PBOC will support banks in opening RMB settlement accounts for eligible overseas institutions and facilitate use of accounts, to enhance cross-border financial service capabilities.

II. Enhancing the Function of the RMB as a Financing Currency

The PBOC will make efforts to promote RMB settlement of overseas project loans and government-supported financing projects. The PBOC will support the MOF, eligible local governments, policy financial institutions and other entities in issuing RMB-

denominated securities overseas. The PBOC will encourage and support more eligible overseas institutions such as overseas central banks, international development institutions, and multinational corporations to issue “Panda Bonds” in China, and encourage financial institutions to actively engage in RMB overseas loans and cross-border trade financing business.

III. Steadily Advancing the High-level Opening-up of China’s Financial Markets

The PBOC will dedicate to proceed the opening-up of financial services in an orderly manner, allowing qualified foreign institutions to participate in pilot financial businesses and improving channels for domestic institutions to invest in overseas financial markets as well. Overseas institutions will be supported in investing in domestic financial markets and asset management markets including stocks, equity, bonds, gold, and commodity futures, with gradual harmonization of policies across different channels to foster an opening-up pattern with a unified, interconnected, and consistently regulated framework. The PBOC will optimize cross-border connectivity arrangements for financial market infrastructure by improving “Swap Connect”, as well as supporting overseas institutional investors to conduct bond repo transactions in domestic market. The PBOC will further develop the RMB/FX derivatives market while considering the advancement of RMB/FX futures trading. The PBOC will facilitate the listing and trading of the RMB with currencies of neighboring countries and BRI participating countries and regions, onboarding more types of products and making the trading more liquid.

IV. Supporting the Healthy Development of Offshore RMB Markets

The PBOC will leverage multiple channels—including currency swaps, clearing banks, and financial markets—to provide RMB liquidity across different tenors, with a focus on increasing long-term and stable liquidity supply and refining offshore RMB liquidity mechanisms. The PBOC will support institutions in issuing and trading RMB assets overseas, and enhance RMB financial products in offshore markets. The regular issuance of RMB treasury bonds and central bank bills in offshore markets will be sustained to improve the offshore RMB yield curve and expand the supply of RMB risk-free assets. The PBOC will make use of the standing swap facility with the HKMA, optimize and expand the interconnectivity schemes between Mainland and

Hong Kong SAR financial markets, strengthen the role of the Hong Kong SAR as an offshore RMB hub, and support differentiated development of offshore RMB markets in London and Singapore. Additionally, the PBOC will refine the global network of RMB clearing banks and strengthen policy support for their liquidity management, enabling them to play a more active role.

V. Building a Self-reliant Cross-border RMB Payment System

The PBOC will support CIPS in further developing to broaden its global coverage and provide more efficient and convenient cross-border RMB clearing services. The PBOC will foster orderly cross-border interoperability of faster payment systems and QR code payment, as well as expanding the acceptance network of UnionPay International to enhance its service capability. Moreover, the PBOC will continue to improve payment services for overseas individuals visiting China, and explore the use of e-CNY in cross-border payments.

VI. Strengthening the Regulation of Cross-border RMB Business

The PBOC will improve the integrated macroprudential management framework for cross-border capital flows in RMB and foreign currencies, continuously enhancing regulatory capacity and risk prevention capability in an open environment. By reinforcing financial buffers and safeguards, the PBOC will commit to ensuring the steady advancement of the RMB internationalization while maintaining systemic security.



PART EIGHT

Highlights of RMB Internationalization

2009

On January 20, the PBOC and the Hong Kong Monetary Authority signed a bilateral local currency swap agreement of RMB 200 billion yuan/HKD 227 billion.

On February 8, the PBOC and the Bank Negara Malaysia signed a bilateral local currency swap agreement of RMB 80 billion yuan/MYR 40 billion.

On March 11, the PBOC and the National Bank of the Republic of Belarus signed a bilateral local currency swap agreement of RMB 20 billion yuan/BYR 8 trillion.

On March 23, the PBOC and Bank Indonesia signed a bilateral local currency swap agreement of RMB 100 billion yuan/IDR 175 trillion.

On April 2, the PBOC and the Central Bank of Argentina signed a bilateral local currency swap agreement of RMB 70 billion yuan/ARS 38 billion.

On April 20, the PBOC and the Bank of Korea signed a bilateral local currency swap agreement of RMB 180 billion yuan/KRW 38 trillion.

On June 29, the PBOC and the Hong Kong Monetary Authority signed *the Supplementary Memorandum III* of Cooperation on the Pilot Program of RMB Settlement of Cross-border Trade Transactions between Mainland and Hong Kong SAR of China.

On July 1, upon the approval of the State Council, the PBOC, Ministry of Finance (MOF), Ministry of Commerce (MOFCOM), General Administration of Customs (GAC), State Administration of Taxation (SAT) and China Banking Regulatory Commission

(CBRC) jointly issued the *Administrative Rules on the Pilot Program of RMB Settlement of Cross-border Trade Transactions* (PBOC, MOF, MOFCOM, GAC, SAT, CBRC Public Announcement [2009] No.10).

On July 3, the PBOC and the Bank of China (Hong Kong) Ltd. signed the revised *RMB Clearing Agreement*, to support pilot program of RMB settlement of cross-border trade transactions.

On July 3, in order to implement the *Administrative Rules of the Pilot Program of RMB Settlement of Cross-border Trade Transactions*, the PBOC issued the *Regulations for Implementing the Administrative Rules of the Pilot Program of RMB Settlement of Cross-border Trade Transactions* (PBOC Document [2009] No.212).

On July 6, the first transaction of RMB cross-border trade settlement was conducted in Shanghai, and the RMB Cross-border Payment Information Management System (RCPMIS) was put into operation.

On July 7, the pilot program of RMB settlement of cross-border trade transactions was launched in four cities of Guangdong.

On July 14, the PBOC, MOF, MOFCOM, GAC, SAT and CBRC jointly issued the notice to the Shanghai municipal government and Guangdong provincial government the approval of Enterprises list for the *Pilot Program of RMB Settlement of Cross-border Trade Transactions* (PBOC General Administration Reply letter [2009] No.472). The first batch of 365 enterprises was officially approved to conduct RMB settlement of export transactions.

On September 10, the PBOC and the SAT signed the *Memorandum on data and information transmission on the RMB settlement of cross-border trade transactions*.

On September 15, the MOF issued the first sovereign RMB-denominated bond in Hong Kong SAR of China with the amount of RMB 6 billion yuan.

On December 22, the PBOC issued *Questions & Answers on relevant policies of the pilot*

program of RMB settlement of cross-border trade transactions.

2010

On February 11, the Hong Kong Monetary Authority issued the *Elucidation of Supervisory Principles and Operational Arrangements Regarding the RMB Business in Hong Kong SAR of China*.

On March 8, the PBOC issued the *Interim Administrative Rules for the RMB Cross-border Payment Management Information System* (PBOC Document [2010] No.79).

On March 19, the PBOC and the GAC signed the *Memorandum of Cooperation on the RMB Settlement of Cross-border Trade Transactions*.

On March 24, the PBOC and the National Bank of the Republic of Belarus signed a bilateral local currency settlement arrangement.

On June 9, the PBOC and the Central Bank of Iceland signed a bilateral local currency swap agreement of RMB 3.5 billion yuan/ISK 66 billion.

On June 17, the PBOC, MOF, MOFCOM, GAC, SAT and CBRC jointly issued the *Notice on Expanding the Pilot Program of RMB Settlement of Cross-border Trade Transactions*, to expand the scope of the pilot program (PBOC Document [2010] No.186).

On July 19, the PBOC and the Hong Kong Monetary Authority signed the *Supplementary Memorandum IV of Co-operation on the Pilot Program of RMB Settlement of Cross-border Trade Transactions*. The PBOC and BOC (Hong Kong) Ltd. signed the revised *RMB Clearing Agreement*.

On July 23, the PBOC and the Monetary Authority of Singapore signed a bilateral local currency swap agreement of RMB 150 billion yuan/SGD 30 billion.

On August 17, the PBOC issued the *Notice Concerning the Pilot Program on Investment*

in the Interbank Bond Market with RMB Funds by Three Types of Institutions Including Overseas RMB Clearing Banks (PBOC Document [2010] No.217).

On August 19, with the authorization of the PBOC, China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode of RMB against Malaysian Ringgit and launch direct trading between the two currencies in the interbank foreign-exchange market.

On August 31, the PBOC issued the *Administrative Rules for RMB Bank Settlement Accounts of Overseas Institutions* (PBOC Document [2010] No.249).

On November 22, with the authorization of the PBOC, China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode of yuan against Russian ruble and launch direct trading between the two currencies in interbank foreign-exchange market.

2011

On January 6, the PBOC issued the *Administrative Rules for the Pilot Program of Settlement for RMB-denominated Outward Direct Investment* (PBOC Public Announcement [2011] No.1), allowing banking institutions and enterprises in the pilot areas to conduct the RMB settlement of foreign direct investment transactions, and banking institutions to grant loans to overseas projects based on relative regulations.

On April 18, the PBOC and the Reserve Bank of New Zealand signed a bilateral local currency swap agreement of RMB 25 billion yuan/NZD 5 billion.

On April 19, the PBOC and the Central Bank of Republic of Uzbekistan signed a bilateral local currency swap agreement of RMB 700 million yuan/UZS 167 billion.

On May 6, the PBOC and the Bank of Mongolia signed a bilateral local currency swap agreement of RMB 5 billion yuan/MNT 1 trillion.

On June 3, the PBOC issued the *Notice on Specifying the Issues Relating to Cross-border*

RMB Business (PBOC Document [2011] No.145).

On June 9, fudian Bank of Kunming and the Public Bank of Laos jointly launched the over-the-counter trading between RMB and LAK.

On June 13, the PBOC and the National Bank of Kazakhstan signed a bilateral local currency swap agreement of RMB 7 billion yuan/KZT 150 billion.

On June 23, the PBOC and the Central Bank of Russian Federation renewed the agreement on Payment and Settlement, which extended the coverage of local currency settlement from transactions in the border areas to general trade transactions between the two countries.

On June 28, ICBC Guangxi Branch launched the trading of RMB against Vietnamese Dong, while BOC Xinjiang Branch launched the trading of RMB against Kazakhstan Tenge on the same day.

On June 30, Bank of Communications Qingdao Branch and Industrial Bank of Korea Qingdao Branch launched the over-the-counter (OTC) trading of RMB against Korea won.

On July 27, the PBOC, MOF, MOFCOM, GAC, SAT and CBRC jointly issued the *Circular on Geographical Expansion of the RMB Settlement of Cross-border Trade Transactions* (PBOC Document [2011] No.203). It expanded the program to the entire mainland China.

On October 13, the PBOC issued the *Administrative Rules on Settlement of RMB-denominated Foreign Direct Investment* (PBOC Public Announcement [2011] No.23).

On October 24, the PBOC issued the *Guidelines on RMB Loans of Domestic Banking Institutions for Overseas Projects* (PBOC Document [2011] No.255).

On October 26, the PBOC and the Bank of Korea renewed the bilateral local currency swap arrangement, increasing its size from RMB 180 billion yuan/KRW 38 trillion to

RMB 360 billion yuan/KRW 64 trillion.

On November 4, according to the principles and standards for RMB clearing bank in Hong Kong SAR of China set by PBOC Public Announcement [2003] No.16, the PBOC authorized BOC (Hong Kong) Ltd. to resume the role of the RMB clearing bank in Hong Kong SAR of China (PBOC Public Announcement [2011] No.25).

On November 22, the PBOC and Hong Kong Monetary Authority renewed the bilateral local currency swap agreement, increasing its size from RMB 200 billion yuan/HKD 227 billion to RMB 400 billion yuan/HKD 490 billion.

On December 16, the CSRC, PBOC and SAFE jointly issued the *Measures on the Pilot Program for RQFII-licensed Fund Management Companies and Securities Companies' Domestic Securities Investments* (CSRC Decree No.76).

On December 22, the PBOC and the Bank of Thailand signed a bilateral local currency swap agreement of RMB 70 billion yuan/THB 320 billion.

On December 23, the PBOC and the State Bank of Pakistan signed a bilateral local currency swap agreement of RMB 10 billion yuan/PKR 140 billion.

On December 29, the direct trading of RMB against THB in the local interbank foreign-exchange market was launched in Yunnan Province, which was the first case of direct trading of RMB against regional currencies.

On December 31, the PBOC issued the *Notice on the Implementation of the Measures for the Pilot Program Allowing Fund Management Companies and Securities Companies Approved as RMB Qualified Foreign Institutional Investors (RQFII) to Invest in the Domestic Securities Market* (PBOC Document [2011] No.321).

2012

On January 17, the PBOC and the Central Bank of the United Arab Emirates signed a bilateral local currency swap agreement of RMB 35 billion yuan/AED 20 billion.

On February 6, the PBOC, MOF, MOFCOM, GAC, SAT and CBRC jointly issued the *Notice on Issues Concerning RMB Settlement of Goods Export by Domestic Enterprises* (PBOC Document [2012] No.23).

On February 8, the PBOC and the Bank Negara Malaysia renewed the bilateral local currency swap agreement, increasing its size from RMB 80 billion yuan/MYR 40 billion to RMB 180 billion yuan/MYR 90 billion.

On February 21, the PBOC and the Central Bank of the Republic of Turkey signed a bilateral currency swap agreement of RMB 10 billion/TRY 3 billion.

On March 20, the PBOC and the Bank of Mongolia signed a supplemental bilateral local currency swap agreement, increasing its size from RMB 5 billion yuan/MNT 1 trillion to RMB 10 billion yuan/MNT 2 trillion.

On March 22, the PBOC and the Reserve Bank of Australia signed a bilateral local currency swap agreement of RMB 200 billion yuan/AUD 30 billion.

On April 3, with the approval of the State Council, the RQFII quota for Hong Kong SAR of China was increased by RMB 50 billion yuan.

On June 1, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB against JPY and launch the direct trading between the two currencies in the Chinese interbank foreign-exchange market.

On June 26, the PBOC and the National Bank of Ukraine signed a bilateral local currency swap agreement of RMB 15 billion yuan/UAH 19 billion.

On June 29, the PBOC issued the *Circular of Specifying the Operational Rules for RMB Settlement in Foreign Direct Investments* (PBOC Document [2012] No.165).

On July 31, the PBOC issued the *Notice on the Issues Concerning the Opening and Using of RMB Settlement Account by Overseas Institutions* (PBOC Document [2012] No.183).

On August 31, the PBOC and the monetary authority of China's Taiwan Region signed the *Memorandum of Understanding on the Currency Clearing Cooperation across the Taiwan Straits*.

On September 24, the PBOC and Bank of China Macao Branch renewed the *RMB Clearing Agreement*.

On November 13, with the approval of the State Council, the pilot quota for RQFII in Hong Kong SAR of China was increased by RMB 200 billion yuan.

On December 11, the PBOC authorized BOC Taipei Branch to serve as the RMB clearing bank in China's Taiwan Region.

2013

On January 25, the PBOC and Taipei Branch of BOC signed the *RMB Clearing Agreement*.

On February 8, the PBOC authorized the Singapore Branch of ICBC to serve as the RMB clearing bank in Singapore, and the two parties signed the *RMB Clearing Agreement* in April.

On March 1, the CSRC, PBOC and SAFE jointly issued the *Measures on the Pilot Program of Securities Investment in China by RMB Qualified Foreign Institutional Investors* (CSRC Decree No.90).

On March 7, the PBOC and the Monetary Authority of Singapore renewed the bilateral local currency swap agreement of RMB 300 billion yuan/SGD 60 billion.

On March 13, the PBOC issued the *Notice on the Issues Regarding Investment in the Interbank Bond Market by Qualified Foreign Institutional Investors* (PBOC Document [2013] No.69).

On March 26, the PBOC and the Central Bank of Brazil signed a bilateral local currency

swap agreement of RMB 190 billion yuan/BRL 60 billion.

On April 10, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB against Australian dollar and launch direct trading between the two currencies in the interbank foreign-exchange market.

On April 25, the PBOC issued the *Notice on the Issues Concerning the Implementation of the Measures for the Pilot Program of Securities Investment in China by RMB Qualified Foreign Institutional Investors* (PBOC Document [2013] No.105).

On June 21, the *Cross-Strait Service Trade Agreement* (the Agreement) was signed by both sides of the Taiwan Strait. According to the Agreement, Taiwan-funded financial institutions would be allowed to invest in Mainland capital market with an investment quota of RMB 100 billion yuan.

On June 22, the PBOC and the Bank of England signed a bilateral local currency swap agreement of RMB 200 billion yuan/GBP 20 billion.

On July 9, the PBOC issued the *Notice on Simplifying the Procedures for Cross-border RMB Services and Improving Relevant Policies* (PBOC Document [2013] No.168).

On August 23, the General Administration Department of the PBOC issued the *Notice on Improving the Information Reporting Procedures of the RMB Cross-border Payment Management Information System (RCPMIS)* (PBOC General Administration Department Document [2013]No.188).

On September 9, the PBOC and the Magyar Nemzeti Bank (Hungarian National Bank) signed a bilateral local currency swap agreement of RMB 10 billion yuan/HUF 375 billion .

On September 11, the PBOC and the Central Bank of Iceland renewed the bilateral local currency swap agreement of RMB 3.5 billion yuan/ISK 66 billion.

On September 12, the PBOC and the Bank of Albania signed a bilateral local currency swap agreement of RMB 2 billion yuan/ALL 35.8 billion.

On September 23, the PBOC issued the *Notice on the Issues Concerning the RMB Settlement for Investment in Domestic Financial Institutions by Overseas Investors* (PBOC Document [2013] No.225).

On October 1, the PBOC and Bank of Indonesia renewed the bilateral local currency swap agreement of RMB 100 billion yuan/IDR 175 trillion.

On October 8, the PBOC and the European Central Bank signed a bilateral local currency swap agreement of RMB 350 billion yuan/EUR 45 billion.

On October 15, at the 5th China-UK Economic and Financial Dialogues, China announced the RQFII program for UK with the quota of RMB 80 billion yuan.

On October 22, the 10th meeting of the Sino-Singapore Joint Council on Bilateral Cooperation announced the granting of RMB 50 billion in QFII quota to Singapore.

On December 31, the PBOC released the *Notice on Adjusting the Administration of RMB Sales and Purchases* (PBOC Document [2013] No.321).

2014

On March 14, the PBOC, MOF, MOFCOM, GAC, SAT and CBRC jointly issued the *Notice on Simplifying the Procedures Concerning the RMB Settlement of Goods Export by Domestic Enterprises* (PBOC Document [2014] No.80).

On March 19, with the authorization of PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB and New Zealand dollar and launch direct exchange between the two currencies in the interbank foreign-exchange market.

On March 26, China and France jointly announced that China would extend its RQFII

program to France with the quota of RMB 80 billion yuan.

On March 28, the PBOC and Deutsche Bundesbank signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Frankfurt.

On March 31, the PBOC and Bank of England signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in London.

On April 25, the PBOC and Reserve Bank of New Zealand renewed the bilateral local currency swap agreement of RMB 25 billion yuan/NZD 5 billion.

On June 11, the PBOC issued the *Guidelines on Implementation of Opinions of the State Council General Office on Supporting the Stable Growth of Foreign Trade* (PBOC Document [2014] No.168).

On June 17, the PBOC authorized China Construction Bank (London) Ltd. to serve as the RMB clearing bank in London.

On June 18, the PBOC authorized the Frankfurt Branch of BOC to serve as the RMB clearing bank in Frankfurt.

On June 19, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB and GBP, and launch direct exchange between the two currencies in the interbank foreign-exchange market.

On June 28, the PBOC and the central bank of France signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Paris. The PBOC and Central Bank of Luxembourg signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Luxembourg.

On July 3, the PBOC and Bank of Korea signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Seoul. China declared to grant the Republic of Korea an RQFII investment quota of RMB 80 billion yuan. On July 4, the

PBOC authorized the Seoul Branch of Bank of Communications to serve as the RMB clearing bank in Seoul.

On July 7, during German Chancellor Merkel's visit to China, Premier Li Keqiang announced that China would extend its RQFII program to Germany, with the quota of RMB 80 billion yuan.

On July 18, the PBOC and the Central Bank of Argentina renewed the bilateral local currency swap agreement of RMB 70 billion yuan/ARS 90 billion.

On July 21, the PBOC and Swiss National Bank signed a bilateral local currency swap agreement of RMB 150 billion yuan/CHF 21 billion.

On August 21, the PBOC and Bank of Mongolia renewed the bilateral local currency swap agreement of RMB 15 billion yuan/MNT 4.5 trillion.

On September 5, the PBOC authorized the Paris Branch of BOC to serve as the RMB clearing bank in Paris, and the Luxembourg Branch of ICBC to serve as the RMB clearing bank in Luxembourg.

On September 16, the PBOC and the Central Bank of Sri Lanka signed a bilateral local currency swap agreement of RMB 10 billion yuan/LKR 225 billion.

On September 28, the PBOC issued the *Notice on Cross-border RMB Settlement of RMB-denominated Debt Financing Instruments issued by Overseas Institutions in China* (PBOC General Administration Document [2014] No.221).

On September 30, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB and Euro and launch direct trading between the two currencies on the interbank foreign-exchange market.

On October 11, the PBOC and Bank of Korea renewed the bilateral local currency swap agreement of RMB 360 billion yuan/KRW 64 trillion.

On October 13, the PBOC and the Central Bank of Russian Federation signed a bilateral local currency swap agreement of RMB 150 billion yuan/RUB 815 billion.

On November 1, the PBOC issued the *Notice Concerning Centralized Cross-border RMB Fund Operation Conducted by Multinational Corporations* (PBOC Document [2014] No.324).

On November 3, the PBOC and Qatar Central Bank signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Doha, and signed a bilateral local currency swap agreement of RMB 35 billion yuan/QAR 20.8 billion. China announced the RQFII program for Qatar with a quota of RMB 30 billion yuan. On November 4, the PBOC authorized the Doha Branch of ICBC to serve as the RMB clearing bank in Doha.

On November 4, the PBOC and CSRC jointly issued the *Notice on the Pilot Program of the Shanghai-Hong Kong Stock Connecting Scheme* (PBOC Document [2014] No.336).

On November 5, the PBOC issued the *Notice on the Issues Concerning the Overseas Securities Investment by RMB Qualified Domestic Institutional Investors* (PBOC Document [2014] No.331).

On November 8, the PBOC and Bank of Canada signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Canada, and signed a bilateral local currency swap agreement of RMB 200 billion yuan/CAD 30 billion. China announced the RQFII program for Canada with a quota of RMB 50 billion yuan. On November 9, the PBOC authorized ICBC (Canada) Ltd. to serve as the RMB clearing bank in Toronto.

On November 10, the PBOC and Central Bank of Malaysia signed the *Memorandum of Understanding* on establishing the RMB clearing arrangements in Kuala Lumpur.

On November 17, the PBOC and Reserve Bank of Australia signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Australia. China declared to grant Australia an RQFII investment quota of RMB 50 billion yuan. On November

18, the PBOC authorized the Sydney Branch of BOC to serve as the RMB clearing bank in Sydney.

On November 22, the PBOC and Hong Kong Monetary Authority renewed the bilateral local currency swap agreement of RMB 400 billion yuan/HKD 505 billion.

On December 14, the PBOC and the National Bank of Kazakhstan renewed the bilateral local currency swap agreement of RMB 7 billion yuan/KZT 200 billion. On December 15, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would launch direct trading between RMB and KZT in the local interbank foreign-exchange market.

On December 22, the PBOC and Bank of Thailand signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Thailand. PBOC and Bank of Thailand renewed the bilateral local currency swap agreement of RMB 70 billion yuan/THB 370 billion.

On December 23, the PBOC and State Bank of Pakistan renewed the bilateral local currency swap agreement of RMB 10 billion yuan/PKR 165 billion.

2015

On January 5, the PBOC authorized BOC (Malaysia) Ltd. and ICBC (Thailand) Ltd. to serve as the RMB clearing bank in Kuala Lumpur and Bangkok respectively.

On January 21, the PBOC and Swiss National Bank signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Switzerland, granting Switzerland an RQFII investment quota of RMB 50 billion yuan.

On March 18, the PBOC and the Central Bank of Suriname signed a bilateral local currency swap agreement of RMB 1 billion yuan/SRD 520 million.

On March 25, the PBOC and the Central Bank of Armenia signed a bilateral local currency swap agreement of RMB 1 billion yuan/AMD 77 billion.

On March 30, the PBOC and the Reserve Bank of Australia renewed the bilateral local currency swap agreement of RMB 200 billion yuan/AUD 40 billion.

On April 10, the PBOC and the South African Reserve Bank signed a bilateral local currency swap agreement of RMB 30 billion yuan/ZAR 54 billion.

On April 17, the PBOC and the Bank Negara Malaysia renewed the bilateral local currency swap agreement of RMB 180 billion yuan/MYR 90 billion.

On April 29, the pilot area of RQFII was expanded to Luxembourg with an investment quota of RMB 50 billion yuan.

On May 10, the PBOC and the National Bank of the Republic of Belarus renewed the bilateral local currency swap agreement of RMB 7 billion yuan/ BYR 16 trillion.

On May 15, the PBOC and the National Bank of Ukraine renewed the bilateral local currency swap agreement of RMB 15 billion yuan/UAH 54 billion.

On May 25, the PBOC and the Central Bank of Chile signed a Memorandum of Understanding on establishing RMB clearing arrangements in Chile and a bilateral local currency swap agreement of RMB 22 billion yuan/CLP 2.2 trillion. China declared to grant Chile an RQFII investment quota of RMB 50 billion yuan. On the same day, the PBOC authorized the China Construction Bank's Chile Branch to serve as the RMB clearing bank in Chile.

On June 1, the PBOC issued the *Notice of the People's Bank of China on Issues Concerning the Repo Operation of Foreign RMB Clearing Banks and Foreign RMB Participant Banks in the Interbank bond Market* (PBOC Document [2015] No.170).

On June 27, the PBOC and the Central Bank of Hungary signed the *Memorandum of Understanding on establishing RMB clearing arrangements in Hungary and the Agency Agreement of Investment for the PBOC to Manage the MNB's Investment in China Interbank Bond Market*. On the same day, the two parties also agreed to include Hungary in the pilot RQFII program with an investment quota of RMB 50 billion yuan. On June 28,

the PBOC authorized Hungary branch of BOC to serve as the RMB clearing bank in Hungary.

On July 7, the PBOC and the South African Reserve Bank signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in South Africa. On July 8, the PBOC authorized the Johannesburg Branch of BOC to serve as the RMB clearing bank in South Africa.

On July 14, the PBOC issued the *Notice of the People's bank of China on Issues Concerning Investment of Foreign Central Banks, International Financial Institutions and Sovereign Wealth Funds with RMB Funds in the Interbank Market* (PBOC Document [2015] No.220). The regulation simplified the procedures of foreign central banks, international financial institutions and sovereign wealth funds' access to the interbank market and the investment quota limit on these entities was removed. These entities could freely choose the PBOC or settlement agent of the interbank market to serve as their agents for trading and settlement and more instruments were available for them to invest.

On July 24, the PBOC released an announcement on *Issues Concerning RMB Cross-border Settlement of Crude Oil Futures Trading on Onshore Market* (PBOC Public Announcement [2015] No.19). It regarded RMB as the invoicing and settlement currency for domestic crude oil futures, and overseas traders and brokers were allowed to participate in Chinese crude oil futures trading.

On August 11, the PBOC released a statement on *Improving the Quotation Mechanism of Central Parity between the RMB against the USD*. Since August 11, 2015, before the opening quotation of the Interbank foreign-exchange market, market makers make offers to China Foreign Exchange Trading Center referencing the closing exchange rate in the Interbank foreign-exchange market on the previous day, the condition of foreign exchange supply and demand along with changes in the exchange rate of major international currencies comprehensively.

On September 3, the PBOC and the National Bank of Tajikistan signed a bilateral local currency swap agreement of RMB 3 billion yuan/Somoni 3 billion.

On September 7, the PBOC issued the *Notice on Further Facilitating Multinational Conglomerates in Conducting Two-way Cross-border RMB Cash Pooling Business* (PBOC Document [2015] No.279).

On September 17, the PBOC and the Central Bank of Argentina signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Argentina. On September 18, the PBOC authorized ICBC (Argentina) Ltd. to serve as the RMB clearing bank in Argentina.

On September 21, the PBOC approved Hong Kong and Shanghai Banking Corporation (HSBC) and BOC (Hong Kong) Ltd. to issue financial bonds in the interbank bond market. This was the first time that the international commercial banks were permitted to issue RMB-denominated bonds in interbank bond market.

On September 26, the PBOC and the Central Bank of the Republic of Turkey renewed the bilateral local currency swap agreement of RMB 12 billion yuan/Lira 5 billion.

On September 27, the PBOC and the National Bank of Georgia signed the bilateral local currency swap framework agreement.

On September 29, the PBOC and the Central Bank of Zambia signed the *Memorandum of Understanding* on establishing RMB clearing arrangements in Zambia. On September 30, The PBOC authorized the Bank of China (Zambia) Limited to serve as the RMB clearing bank in Zambia.

On September 29, the PBOC and the National Bank of the Kyrgyz Republic signed an agreement of intention on strengthening cooperation.

On September 30, the PBOC released the PBOC Public Announcement [2015] No.31. Foreign central banks (monetary authorities). Other official reserve management organizations, international financial institutions and sovereign wealth fund were allowed to trade in the Chinese interbank foreign-exchange market.

On October 8, the CIPS (Phase one) was launched successfully.

On October 20, the PBOC issued RMB 5 billion yuan of 1-year central bank bills in London in way of book-building, with a 3.1% coupon rate. This was the first time for PBOC issuing RMB-denominated central bank bills outside mainland China.

On October 20, the PBOC and the Bank of England renewed the bilateral local currency swap agreement of RMB 350 billion yuan/GBP 35 billion.

On November 2, the General Administration Department of the PBOC issued the *Notice on Foreign Central Bank-Type Institutions to open the RMB Settlement Account in Domestic Banking Financial Institutions* (PBOC General Administration Department Document [2015] No.227). It facilitated foreign central banks (monetary authorities), other official reserve management organizations, international financial institutions, and sovereign wealth funds to conduct relative business onshore.

On November 6, the PBOC and SAFE released the *Operational Guideline for Funds Management in Cross-border Issuance and Sales of Mainland and Hong Kong Securities Investment Funds* (The PBOC SAFE Public Announcement [2015] No.36).

On November 9, the PBOC authorized the CFETS to conduct direct trading between RMB and Swiss franc in the interbank foreign-exchange market.

On November 18, China-Europe International Exchange Co., Ltd. held its establishment ceremony, and launched the first batch of RMB-denominated spot security products.

On November 23, the pilot program of RQFII was extended to Malaysia with an investment quota of RMB 50 billion yuan.

On November 25, the first batch of foreign central banks finished filing with CFETS and accessed the Chinese interbank foreign-exchange market.

On November 27, NAFMII accepted the registration of the Province of British Columbia of Canada to issue RMB 6 billion yuan RMB-denominated sovereign bonds in the Chinese interbank bond market.

On November 30, the Executive Board of IMF decided to include RMB into the currency basket of the SDR as a fifth currency along with the U.S. dollar, the euro, the Japanese yen, and the British pound. The weight of the RMB in the SDR basket is 10.92%. The new basket would become effective on October 1, 2016. On the same day, the PBOC authorized the Zurich branch of CCB to serve as the RMB clearing bank in Swiss.

On December 7, NAFMII accepted the registration of the Republic of Korea to issue RMB 3 billion yuan RMB-denominated sovereign bonds on the Chinese Interbank bond market.

On December 14, the PBOC and the Central Bank of United Arab Emirates signed a bilateral local currency swap agreement of RMB 35 billion yuan/UAE Diram 20 billion. On the same day, the two parties signed the Memorandum of Understanding on establishing RMB clearing arrangements in UAE. The PBOC agreed to expand the pilot program of RQFII to UAE, with an investment quota of RMB 50 billion yuan.

On December 17, the pilot program of RQFII was expanded to Thailand, with an investment quota of RMB 50 billion yuan.

2016

On January 20, the General Administration Department of the PBOC issued the *Notice on usage of funds on Overseas Institutions' RMB Bank Settlement Accounts* (PBOC General Administration Department Document [2016] No.15).

On January 22, the PBOC issued the *Notice on Expanding the Pilot Program of Cross-border Financing Macprudential Management* (PBOC Document [2016] No.18).

On February 24, the PBOC released an announcement on *Issues Regarding Investment in the interbank Bond Market by Overseas Institutional Investors* (PBOC Public Announcement [2016] No.3).

On March 7, the PBOC and the Monetary Authority of Singapore renewed the bilateral local currency swap agreement of RMB 300 billion yuan/SGD 64 billion, and the

period of validity is 3 years.

On April 29, the PBOC issued the *Notice on Implementing Nationally the Macroprudential Management of Cross-border Financing* (PBOC Document [2016] No.132).

On May 11, the PBOC and the Bank Al-Maghrib signed a bilateral local currency swap agreement of RMB 10 billion yuan/MAD 15 billion.

On June 7, the PBOC and the Federal Reserve Board signed the Memorandum of Understanding on establishing RMB clearing arrangements in the United States. China declared to grant the U.S. an RQFII investment quota of RMB 250 billion yuan.

On June 17, the PBOC and the National Bank of Serbia (NBS) signed a bilateral local currency swap agreement of RMB 1.5 billion yuan/RSD 27 billion, and the period of validity is 3 years.

On June 20, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB and South African Rand and launch direct trading between the two currencies on the interbank foreign-exchange market.

On June 25, the PBOC and the Central Bank of the Russian Federation signed the Memorandum of Understanding on establishing RMB clearing arrangements in the Russian Federation.

On June 27, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) announced that it would improve the trading mode between RMB and South-Korean Won and launch direct trading between the two currencies on the interbank foreign-exchange market.

On July 11, the Bank of China (Hong Kong) linked to CIPS as a direct participant, becoming the first overseas direct participant. On the same day, the China Citic Bank, Bank of Shanghai, China Guangfa Bank, Bank of Jiangsu, Bank of Tokyo-Mitsubishi UFJ (China), Mizuho Bank (China), Hang Seng Bank (China) linked to CIPS as direct

participants. The number of direct participants of CIPS has increased to 27.

On August 10, the General Administration Department of the PBOC issued *the Reply Letter on Issues Concerning the Republic of Poland Issues RMB-denominated Bonds of RMB on the Interbank Bond Market*, and approved the Republic of Poland's application on issuing RMB-denominated bonds on the inter-bank bond market (PBOC General Administration Department Letter [2016] No.378).

On August 30, the PBOC and SAFE issued *the Notice on Issues Concerning the Domestic Security Investment and Management by Renminbi Qualified Foreign Institutional Investors* (PBOC Document [2016] No.227).

On September 12, the PBOC and the Central Bank of Hungary renewed the bilateral local currency swap agreement of RMB 10 billion yuan/ HUF 416 billion, and the period of validity is 3 years.

On September 20, the PBOC issued an announcement, which authorized the Bank of China (New York) Limited to serve as the RMB clearing bank in America (PBOC Public Announcement [2016] No.23).

On September 23, the PBOC issued an announcement, which authorized the Industrial and Commercial Bank of China (Moscow) Limited to serve as the RMB clearing bank in Russia (PBOC Public Announcement [2016] No.24).

On September 26, the PBOC authorized the CFETS to conduct direct trading between RMB and Saudi Riyal in the interbank foreign-exchange market.

On September 26, the PBOC authorized the CFETS to conduct direct trading between RMB and UAE Dirham in the interbank foreign-exchange market.

On September 27, the PBOC and the European Central Bank signed a supplemental agreement, which extending the validity of bilateral local currency swap agreement for 3 years to Oct. 8, 2019. The size remains RMB 350 billion yuan/EUR 45 billion.

On November 4, the PBOC and CSRC issued the *Notice on the Program of the Shanghai, Shenzhen and Hong Kong Stock Connect Scheme* (PBOC Document [2016] No.282). On December 5, the Shenzhen-Hong Kong Stock Connect was officially launched.

On November 14, with the authorization of the PBOC, CFETS announced that it would improve the trading mode between RMB and Canadian Dollar and launch direct trading between the two currencies in the interbank foreign-exchange market.

On November 29, the PBOC issued the *Notice on Further Clarifying Relevant Issues Concerning the Overseas Renminbi Lending Business of Domestic Enterprises* (PBOC Document [2016] No.306).

On December 6, the PBOC and the Central Bank of Egypt signed a bilateral local currency swap agreement of RMB 18 billion yuan/EGP 47 billion, the period of validity is 3 years.

On December 9, the PBOC issued an announcement, which authorized the Agricultural Bank of China (Dubai) Limited to serve as the RMB clearing bank in United Arab Emirates (PBOC Public Announcement [2016] No.30).

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Mexican Peso in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Turkish Lira in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Polish Zloty in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Danish Krone in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Hungary Forint in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Norwegian Krone in the interbank foreign-exchange market.

On December 12, the PBOC authorized the CFETS to conduct direct trading between RMB and Swedish Krone in the interbank foreign-exchange market.

On December 21, the PBOC and the Central Bank of Iceland renewed the bilateral local currency swap agreement of RMB 3.5 billion yuan/ISK 66 billion, and the period of validity is 3 years.

On December 26, the General Administration Department of the PBOC issued *the Notice on Cross-border Renminbi Settlement of Renminbi-denominated Debt Financing Instruments issued by Overseas Institutions in China* (PBOC General Administration Department Document [2016] No.258).

2017

On January 13, the PBOC issued the *Notice on Issues Concerning the Macprudential Management of Overall Cross-border Financing* (PBOC Document [2017] No.9).

On March 20, the PBOC and Bank of China New York Branch signed *the RMB Clearing Agreement*.

On March 20, the PBOC and Industrial and Commercial Bank of China (Moscow) Limited signed *the RMB Clearing Agreement*.

On March 20, the PBOC and Agricultural Bank of China Dubai Branch signed *the RMB Clearing Agreement*.

On May 19, the PBOC and the Reserve Bank of New Zealand renewed the bilateral local currency swap agreement of RMB 25 billion yuan/NZD 5 billion, and the period of validity is 3 years.

On May 23, the PBOC issued *the Notice on Issuing the Regulation Related on RMB Cross-*

border Payment Management Information System (RCPMIS) (PBOC Document [2017] No.126).

On May 27, the General Administration Department of the PBOC issued *the Notice on Improving the Interbank Transaction Information Reporting Procedures of the Renminbi Cross-border Payment Management Information System* (PBOC General Administration Department Document [2017] No.118).

On June 29, the PBOC and Bank of China (Hong Kong) Limited renewed *the RMB Clearing Agreement*.

On July 4, with the approval of the State Council, the quota of Hong Kong SAR of China's RQFII will be expanded to RMB 500 billion yuan.

On July 6, the PBOC and the Bank of Mongolia renewed the bilateral local currency swap agreement of RMB 15 billion yuan/MNT 5.4 trillion, and the period of validity is 3 years.

On July 18, the PBOC and the Central Bank of Argentina renewed the bilateral local currency swap agreement of RMB 70 billion/ARS 175 billion, and the period of validity is 3 years.

On July 21, the PBOC and the Swiss National Bank renewed the bilateral local currency swap agreement of RMB 150 billion yuan/CHF 21 billion, and the period of validity is 3 years.

On August 11, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) may conduct direct trading between RMB and Mongolia MNT in the interbank foreign-exchange market.

On September 13, with the authorization of the PBOC, the China Foreign Exchange Trade System (CFETS) may conduct direct trading between RMB and Cambodia KHR in the interbank foreign-exchange market.

On September 21, the PBOC and Bank of China Macao branch renewed *the RMB Clearing Agreement*.

On October 11, the PBOC and the Bank of Korea renewed the bilateral local currency swap agreement of RMB 360 billion/KRW 64 trillion, and the period of validity is 3 years.

On November 2, the PBOC and the Qatar Central Bank renewed the bilateral local currency swap agreement of RMB 35 billion/QAR 20.8 billion, and the period of validity is 3 years.

On November 8, the PBOC and the Bank of Canada renewed the bilateral local currency swap agreement of RMB 200 billion/CAD 30 billion, and the period of validity is 3 years.

On November 22, the PBOC and the Hong Kong Monetary Authority renewed the bilateral local currency swap agreement of RMB 400 billion/HKD 470 billion, and the period of validity is 3 years.

On November 22, the PBOC and the Central Bank of Russian Federation renewed the bilateral local currency swap agreement of RMB 150 billion/RUB 1,325 billion, and the period of validity is 3 years.

On December 22, the PBOC and the Bank of Thailand renewed the bilateral local currency swap agreement of RMB 70 billion/THB 370 billion, and the period of validity is 3 years.

2018

On January 4, the PBOC and Taipei Branch of Bank of China renewed *the RMB clearing agreement*.

On January 5, the PBOC issued the *Notice on Further Improving Policies for Cross-border RMB Business to Facilitate Trade and Investment* (PBOC Document [2018] No.3),

clarifying that all cross-border business allowed by law to be settled with foreign exchange could also be settled with RMB by enterprises.

On January 5, CFETS issued the *Notice on the Arrangements for Overseas Banks to Participate in Interbank FX Market Regional Trading*, allowing qualified overseas banks to participate in interbank FX market regional trading.

On February 9, the PBOC authorized the J.P. Morgan Chase & Co. to serve as the RMB clearing bank in USA.

On March 26, the RMB Cross-border Interbank Payment (CIPS) phase II was launched for pilot operation.

On March 26, the Crude Oil Futures Contract denominated in RMB was listed for trading on Shanghai International Energy Exchange.

On March 30, the PBOC and the Reserve Bank of Australia renewed the bilateral local currency swap agreement of RMB 200 billion yuan/AUD 40 billion.

On April 3, the PBOC and the Central Bank of Albania renewed the bilateral local currency swap agreement of RMB 2 billion yuan/ALL 34.2 billion.

On April 11, the PBOC and the South African Reserve Bank renewed the bilateral local currency swap agreement of RMB 30 billion yuan/ZAR 54 billion.

On April 20, to further regulate overseas security investment by RMB qualified domestic institutional investors, the General Administration Department of the PBOC issued the *Notice on Further Clarifying the Rules on Overseas Security Investment by RMB Qualified Domestic Institutional Investors* (PBOC General Administration Department Document [2018] No.81).

On April 27, the PBOC and the Central Bank of Nigeria signed a bilateral local currency swap agreement of RMB 15 billion yuan/NGN 720 billion.

On May 1, the daily quotas under both Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect were expanded four times, in which the daily quota for each of the northbound trading links were adjusted to RMB 52 billion yuan from RMB 13 billion yuan, the daily quota for each of the southbound trading links were adjusted to RMB 42 billion yuan from RMB 10.5 billion yuan.

On May 2, CIPS phase II was fully launched, with eligible direct participants engaged online simultaneously.

On May 4, the foreign investors were formally introduced into domestic RMB-denominated iron ore futures trading in Dalian Commodity Exchange.

On May 9, the pilot area of RMB qualified foreign institutional investors expanded to Japan, with a quota of RMB 200 billion yuan.

On May 10, the PBOC and the National Bank of the Republic of Belarus renewed the bilateral local currency swap agreement of RMB 7 billion yuan/BYR 2.22 billion.

On May 16, in order to further improve cross-border capital flow, and advance the opening-up of China's financial market, the General Administration Department of the PBOC issued the *Notice on Further Perfecting the Management of Cross-border Capital Flow to Support the Opening-up in Financial Market* (PBOC General Administration Department Document [2018] No.96).

On May 23, the PBOC and the State Bank of Pakistan renewed the bilateral local currency swap agreement of RMB 20 billion yuan/PKR 351 billion.

On May 25, the PBOC and the Central Bank of Chile renewed the bilateral local currency swap agreement of RMB 22 billion yuan/CLP 2,200 billion.

On May 28, the PBOC and the National Bank of Kazakhstan renewed the bilateral local currency swap agreement of RMB 7 billion yuan/KZT 350 billion.

On June 1, the Chinese A-share was formally included in MSCI Emerging Markets

Index and Global Standard Index, which was conducive to attracting overseas investors to allocate assets on RMB share.

On June 11, in order to regulate the investment in domestic security market by RMB qualified foreign institutional investors, the PBOC and SAFE jointly issued the *Notice on the Rules of Domestic Security Investment by RMB Qualified Foreign Institutional Investors* (PBOC Document [2018] No.157).

On June 13, to perfect the management of RMB purchases and sales businesses, the PBOC issued the *Notice on Improving the Management of RMB Purchases and Sales Businesses* (PBOC Document [2018] No.159), expanding the scope of purchases and sales businesses to securities investment.

On August 20, the PBOC and the Bank Negara Malaysia renewed the bilateral local currency swap agreement of RMB 180 billion yuan/MYR 110 billion.

On September 3, CFETS formally introduced the Industrial and Commercial Bank of China (Almaty) and ICBC Standard Bank Plc. to participate in domestic interbank FX market for the regional trading of RMB against KZT, and extended trading hour for RMB against KZT regional trading from 10:30~16:30 to 10:30~19:00 (Beijing time, GMT+8).

On September 8, in order to promote the opening up of domestic interbank bond market, regulate foreign institutional bond issuance, and protect legitimate interests of bond market investors, the PBOC and MOF jointly issued the *Interim Rules for the Administration of Bond Issuances by Overseas Institutions on China's Interbank Bond Market* (PBOC, MOF Public Announcement [2018] No.16).

On September 20, the PBOC and Hong Kong Monetary Authority signed the *Memorandum of Cooperation on The Issuance of PBOC Bills through the Central Money Markets Unit*.

On October 13, the PBOC and the Bank of England renewed the bilateral local currency swap agreement of RMB 350 billion yuan/GBP 40 billion.

On October 22, the PBOC and the Bank of Japan signed the memorandum of understanding on the currency clearing cooperation across Japan. On October 26, the PBOC authorized Tokyo Branch of Bank of China to serve as the RMB clearing bank in Japan.

On October 26, the PBOC and the Bank of Japan signed a bilateral local currency swap agreement of RMB 200 billion yuan/JPY 3,400 billion.

On November 7, the PBOC issued RMB central bank bills by tender through bond bidding platform of the Hong Kong Monetary Authority's Central Money Markets Unit (CMU) for the first time.

On November 16, the PBOC and Bank Indonesia renewed bilateral local currency swap agreement of RMB 200 billion yuan/IDR 440 trillion.

On November 20, the PBOC and the Central Bank of Philippine signed the memorandum of understanding on the currency clearing cooperation across the Philippines.

On November 30, pure terephthalic acid (PTA) futures which denominated in RMB were formally introduced to overseas traders.

On December 10, the PBOC and the National Bank of Ukraine renewed the bilateral local currency swap agreement of RMB 15 billion yuan/UAH 62 billion.

2019

On January 31, Bloomberg formally confirmed that Chinese bonds would be added to the Bloomberg Barclays Global Aggregate Index starting from April 2019.

On February 11, the PBOC and the Centrale Bank van Suriname renewed the bilateral local currency swap agreement of RMB 1 billion yuan/ SRD 1.1 billion.

On February 28, the MSCI announced that it would significantly increase the weight of Chinese A-shares in the MSCI Indexes by raising the inclusion factor from 5% to 20%

in three steps.

On May 10, the PBOC and the Monetary Authority of Singapore renewed the bilateral local currency swap agreement of RMB 300 billion yuan/ SGD 61 billion.

On May 30, the PBOC and the Central Bank of the Republic of Turkey renewed the bilateral local currency swap agreement of RMB 12 billion yuan/TRY 10.9 billion.

On May 30, the PBOC issued an announcement, designating the MUFG Bank to serve as the RMB clearing bank in Japan (PBOC Public Announcement [2019] No.11).

On June 5, the pilot area of the RMB Qualified Foreign Institutional Investors (RQFII) expanded to the Netherlands, with a quota of RMB 50 billion yuan.

On August 27, a symposium on the use of the RMB in neighboring countries and regions in 2019 was held in Harbin to study and deploy tasks related to further deepening and expanding the RMB cross-border use in neighboring countries and regions.

On September 10, the SAFE announced to remove limitations on investment quotas of the QFII and RQFII.

On September 12, the PBOC issued an announcement, designating the Manila Branch of Bank of China to serve as the RMB clearing bank in Philippines (PBOC Public Announcement [2019] No.18).

On October 8, the PBOC and the European Central Bank renewed the bilateral local currency swap agreement of RMB 350 billion yuan/ EUR 45 billion.

On October 15, the PBOC and SAFE jointly issued the *Notice on the Issues Regarding Further Facilitating Investment in the Interbank Bond Market by Foreign Institutional Investors* (PBOC Document [2019] No.240).

On December 5, the PBOC and the Monetary Authority of Macao SAR of China signed a

bilateral local currency swap agreement of RMB 30 billion yuan/MOP 35 billion.

On December 10, the PBOC and the Central Bank of Hungary renewed the bilateral local currency swap agreement of RMB 20 billion yuan/ HUF 864 billion.

On December 18, the PBOC issued an announcement to further facilitate individual RMB cross-border remittances in Macao SAR of China (PBOC Public Announcement [2019] No.29).

On December 20, the PBOC held a symposium on the RMB internationalization.

On December 21, the professional committee on the cross-border RMB business of China Society for Finance and Banking was established.

2020

On January 6, the PBOC and the Bank of the Lao P.D.R signed a bilateral local currency cooperation agreement, allowing the direct use of local currency for settlement under all the opened current and capital accounts in both countries.

On January 31, the PBOC, MOF, CBIRC, CSRC and SAFE jointly issued *the Notice on Further Strengthening Financial Support for Prevention and Control of the Novel Coronavirus Pneumonia(NCP) Epidemic* (PBOC Document [2020] No.29), to simplify the procedures for the cross-border RMB business related to prevention and control of the epidemic, support the establishment of a “Green Channel” and effectively improve the efficiency of the cross-border RMB business.

On February 10, the PBOC and the Central Bank of Egypt renewed the bilateral local currency swap agreement of RMB 18 billion yuan/EGP 41 billion.

On March 11, the PBOC and SAFE issued *the Notice on Adjusting the Macroprudential Adjustment Parameter of Overall Cross-border Financing* (PBOC Document [2020] No.64), raising the macroprudential adjustment coefficient of the overall cross-border financing from 1 to 1.25.

On May 7, the PBOC and SAFE jointly issued the *Regulations on Funds of Securities and Futures Investment by Foreign Institutional Investors* (PBOC, SAFE Public Announcement [2020] No.2).

On May 20, the PBOC and the Bank of the Lao P.D.R signed a bilateral local currency swap agreement of RMB 6 billion yuan/LAK 7.6 trillion.

On July 21, the PBOC and the Swiss National Bank renewed a bilateral local currency swap agreement with a size of RMB 150 billion/CHF 20 billion.

On July 31, the PBOC and the National Bank of Pakistan signed a revised bilateral local currency swap agreement to expand the swap scale to RMB 30 billion yuan/PKR 720 billion.

On July 31, the PBOC and the Central Bank of Chile signed a revised bilateral local currency swap agreement to expand the swap scale to RMB 50 billion yuan/CLP 5.6 trillion.

On July 31, the PBOC and the Bank of Mongolia renewed the bilateral local currency swap agreement of RMB 15 billion yuan/MNT 6 trillion.

On August 6, the PBOC and the Central Bank of Argentina renewed the bilateral local currency swap agreement of RMB 70 billion yuan/ARS 730 billion, and signed a supplementary bilateral local currency swap agreement of RMB 60 billion yuan.

On August 22, the PBOC and the Reserve Bank of New Zealand renewed the bilateral local currency swap agreement of RMB 25 billion yuan (NZD swap scale is calculated at the spot exchange rate).

On September 17, the PBOC and the Central Bank of Hungary signed a supplementary bilateral local currency swap agreement of RMB 40 billion yuan.

On September 25, the CSRC, PBOC and SAFE jointly released the *Measures for the Administration of Domestic Securities and Futures Investment by Qualified Foreign*

Institutional Investors and RMB Qualified Foreign Institutional Investors (CSRC, PBOC, and SAFE Decree No.176).

On September 30, the PBOC and the Bank of Indonesia signed the Memorandum of Understanding on the Establishment of a Cooperative Framework for Facilitating Local Currency Settlement of Current Account Transactions and Direct Investment.

On October 11, the PBOC and the Bank of Korea signed a bilateral local currency swap extension and revision agreement, to expand the swap scale to RMB 400 billion yuan/KRW 70 trillion.

On October 19, the PBOC and the Central Bank of Iceland renewed the bilateral local currency swap agreement of RMB 3.5 billion yuan/ISK 70 billion.

On November 23, the PBOC and the Central Bank of Russian Federation renewed a bilateral local currency swap agreement of RMB 150 billion yuan/RUB 1.75 trillion.

On November 23, the PBOC and Hong Kong Monetary Authority signed a revised bilateral local currency swap agreement to expand the swap scale to RMB 500 billion yuan/HKD 590 billion.

On December 11, the PBOC and SAFE adjusted the macroprudential adjustment parameter for cross-border financing, lowering the macroprudential adjustment parameter for financial institutions from 1.25 to 1.

On December 22, the PBOC and Bank of Thailand renewed the bilateral local currency swap agreement of RMB 70 billion yuan/THB 370 billion.

2021

On January 4, the PBOC, NDRC, MOFCOM, SASAC, CBIRC, and SAFE jointly issued the Notice on Further Optimizing Cross-border RMB Policies to Stabilize Foreign Trade and Foreign Investment.

On January 5, the PBOC and SAFE issued the *Notice on Adjusting the Macro-prudential Adjustment Coefficient of Overseas Renminbi Lending business of Domestic Enterprises*, raising the macro-prudential adjustment coefficient for overseas lending by domestic companies from 0.3 to 0.5.

On January 6, the PBOC and Central Bank of Qatar renewed the bilateral local currency swap agreement of RMB 35 billion/QAR 20.8 billion.

On January 7, the PBOC and Bank of Canada renewed the bilateral local currency swap agreement of RMB 200 billion yuan (the swap amount of CAD was calculated at the spot exchange rate).

On January 7, the PBOC and SAFE issued the *Notice on Adjusting the Macro-prudential Adjustment Parameters of Cross-border Financing of Enterprises* (PBOC Document [2021] No. 5), lowering the macro-prudential adjustment parameter for cross-border financing of enterprises from 1.25 to 1.

On January 27, Bank of China (Hong Kong) Ltd. launched the market making mechanism for central-bank bill repos in Hong Kong SAR of China.

On March 1, the PBOC and the National Bank of Cambodia signed a bilateral local currency cooperation agreement, expanding the local currency settlement to all opened current and capital accounts in both countries.

On March 12, the PBOC and the State Administration of Foreign Exchange decided to launch the first batch of pilot projects of integrated local and foreign currency pooling business for multinational corporations in Shenzhen and Beijing.

On March 19, the PBOC and Central Bank of Sri Lanka renewed the bilateral local currency swap agreement of RMB 10 billion/LKR 300 billion.

On June 4, the PBOC and Central Bank of the Republic of Turkey signed a bilateral currency swap amendment agreement to expand the swap scale to RMB 35 billion/TRY 46 billion.

On June 9, the PBOC and Central Bank of Nigeria renewed a bilateral local currency swap agreement of RMB 15 billion/NGN 967 billion.

On July 6, the PBOC and Reserve Bank of Australia renewed the bilateral local currency swap agreement of RMB 200 billion/AUD 41 billion.

On July 12, the PBOC and Bank of Malaysia renewed the bilateral local currency swap agreement of RMB 180 billion/MYR 110 billion.

On July 13, the PBOC and State Bank of Pakistan renewed the bilateral local currency swap agreement of RMB 30 billion/PKR 730 billion.

On August 20, the PBOC and Central Bank of Chile renewed the bilateral local currency swap agreement of RMB 50 billion/CLP 6 trillion.

On September 6, the PBOC and Bank Indonesia formally launched the cooperation framework for Local Currency Settlement (LCS).

On September 10, Guangdong, Hong Kong SAR, and Macao SAR simultaneously promulgated *the Implementation Arrangements for Cross-boundary Wealth Management Connect Pilot Scheme in the Guangdong-Hong Kong-Macao Greater Bay Area*.

On September 13, the PBOC and Reserve Bank of South Africa renewed the bilateral local currency swap agreement of RMB 30 billion/ZAR 68 billion.

On September 15, the PBOC and HKMA issued a joint announcement to roll out Southbound Trading under mutual bond market access between Hong Kong and Mainland China. The PBOC issued the *Notice on Launching Southbound Trading under Mutual Bond Market Access between the Mainland and Hong Kong*.

On October 25, the PBOC and Bank of Japan renewed the bilateral local currency swap agreement of RMB 200 billion/JPY 3.4 trillion.

On October 29, FTSE Russell officially announced that Chinese government bonds were

added to the FTSE World Government Bond Index (WGBI).

On November 12, the PBOC and Bank of England renewed the bilateral local currency swap agreement of RMB 350 billion/GBP 40 billion.

On December 10, the RMB Cross-border Payment and Receipt Management Information System II was put into trial operation.

On December 23, the PBOC and SAFE issued the *Notice on Issues Concerning Supporting New Forms of Offshore International Trade* to encourage banks to optimize financial services and provide cross-border settlements facilitation for honest and law-abiding enterprises to carry out authentic and compliant new offshore international trade.

2022

On January 21, the PBOC and Bank Indonesia renewed the bilateral local currency swap agreement of RMB 250 billion / IDR 550 trillion.

On January 29, the PBOC and the SAFE issued the *Notice on Overseas Lending by Banking Institutions* to further support and standardize domestic banks' overseas lending business.

On February 16, the PBOC and Bank of Albania renewed the bilateral local currency swap agreement of RMB 2 billion / ALL 33 billion.

On May 11, the Executive Board of the IMF completed its quinquennial review of the SDR valuation and decided to raise the weight of the RMB from 10.92% to 12.28%. The ranking of the RMB remained third. The Executive Board decided that the new SDR currency basket would come into effect on August 1, 2022.

On May 26, the PBOC, together with the MOFCOM and the SAFE, issued the *Notice on Supporting Foreign Economic and Trade Enterprises to Enhance the Capability of Exchange Rate Risk Management*, to promote the cross border RMB usage, support foreign economic and trade enterprises to hedge the currency mismatch risks and encourage

to increase the scale and proportion of cross-border RMB settlement under trade in goods.

On May 27, the PBOC, the CSRC, and the SAFE jointly issued *the Notice on the Issues Regarding Further Facilitating Investment in China's Bond Market by Overseas Institutional Investors* (PBOC, SAFE Announcement [2022] No.4), coordinating efforts to promote the opening-up of the interbank and exchange bond markets.

On June 6, the PBOC and the Central Bank of the Republic of Türkiye renewed the bilateral local currency swap agreement of RMB 35 billion / TRY 85 billion.

On June 20, the PBOC issued the *Notice on Supporting Cross-border RMB Settlement for New Forms of Foreign Trade*, supporting banks and payment institutions to better serve the development of new forms of foreign trade.

On July 1, the PBOC and the HKMA signed a standing local currency swap agreement to expand the swap scale to RMB 800 billion / HKD 940 billion.

On July 4, the PBOC, the HKSFC, and the HKMA jointly announced to embark on the collaboration to develop mutual access between the Mainland and Hong Kong interest rate swap markets (Swap Connect), facilitating the participation of overseas investors in the domestic RMB interest rate swap market and supporting the construction of high-level financial opening-up.

On July 13, the PBOC and the MAS renewed the bilateral local currency swap agreement of RMB 300 billion / SGD 65 billion.

On July 18, the PBOC and the SAFE decided to roll out the second batch of the cash pooling pilot integrating the RMB and foreign currency management for multinational corporations in Shanghai, Guangdong, Shaanxi, Beijing, Zhejiang, Shenzhen, Qingdao, and Ningbo.

On September 7, the PBOC and the Bank of the Lao P.D.R signed a Memorandum of Understanding on establishing RMB clearing arrangements in Laos. On September 20,

the PBOC authorized the ICBC Vientiane Branch to serve as the RMB clearing bank in Laos.

On September 19, the PBOC signed the Memorandum of Understanding with the National Bank of the Republic of Kazakhstan on establishing RMB clearing arrangements in Kazakhstan. On September 23, the PBOC authorized the ICBC (Almaty) to serve as the RMB clearing bank in Kazakhstan.

On September 23, the PBOC renewed the RMB business clearing agreement with the Bank of China Macao Branch.

On October 8, the PBOC and the European Central Bank renewed the bilateral local currency swap agreement of RMB 350 billion / EUR 45 billion.

On October 25, the PBOC and the SAFE decided to raise the macroprudential adjustment parameter for cross-border financing of enterprises and financial institutions from 1 to 1.25, so as to further improve the unified macroprudential management of cross-border financing, expand the source of cross-border funds for enterprises and financial institutions, and guide them to optimize their liability structure.

On November 2, the PBOC signed the Memorandum of Understanding with the National Bank of Pakistan on establishing RMB clearing arrangements in Pakistan. On November 15, the PBOC authorized the ICBC Karachi Branch to serve as the RMB clearing bank in Pakistan.

On December 2, the PBOC, together with the SAFE, issued *the Notice on Matters Concerning the Proceeds Management for Yuan-Denominated Bonds Issued by Overseas Issuers in China*, which clarified the requirements of proceeds management for yuan-denominated bonds issued by overseas institutions in China, to facilitate overseas institutions' financing activities in China's bond market.

On December 5, the PBOC and the AMCM renewed the bilateral local currency swap agreement of RMB 30 billion / MOP 34 billion.

On December 10, the PBOC and the Central Bank of Hungary renewed the bilateral local currency swap agreement of RMB 40 billion / HUF 2.2 trillion.

2023

On January 11, the PBOC, together with the MOFCOM, issued the *Notice on Further Supporting Foreign Economic and Trade Enterprises in Expanding the Cross-border Use of the RMB to Facilitate Trade and Investment*, further facilitating the use of the RMB in cross-border trade and investment, and better meeting market needs of foreign economic and trade enterprises for transaction settlement, investment and financing, and risk management and so on.

On February 7, the PBOC and the Central Bank of Brazil signed the Memorandum of Understanding on establishing RMB clearing arrangements in Brazil. On February 21, the PBOC authorized ICBC(Brazil) to serve as the RMB clearing bank in Brazil.

On February 20, the PBOC and the Central Bank of Egypt renewed a bilateral local currency swap agreement of RMB 18 billion / EGP 80.7 billion.

On April 28, the PBOC issued the *Interim Measures for the Administration of Cooperation on the Mutual Access Between Chinese Mainland and Hong Kong Interest Rate Swap Markets* (The PBOC Public Announcement [2023] No.8).

On May 8, the PBOC, together with the SAFE, decided to launch pilot programs in Beijing, Guangdong, and Shenzhen to optimize and upgrade the policies on centralized operation and management of cross-border RMB and foreign currency funds for multinational corporations, giving them more freedom in their cross-border funds management.

On May 15, mutual access between the Mainland and Hong Kong interest rate swap market (Swap Connect) was officially launched.

On June 9, the PBOC and the Central Bank of Argentina renewed the bilateral local currency swap agreement of RMB 130 billion / ARS 4.5 trillion.

On July 12, the PBOC and the Bank of the Lao P.D.R renewed the bilateral local currency swap agreement of RMB 6 billion / LAK 15.8 trillion.

On July 20, to further improve the macroprudential management of cross-border financing, continue to expand enterprises' and financial institutions' funding sources, and guide them to optimize their asset-liability structure, the PBOC and the SAFE decided to raise the macroprudential adjustment parameter for cross-border financing for enterprises and financial institutions from 1.25 to 1.5.

On July 31, the PBOC and the Bank of Mongolia renewed the bilateral local currency swap agreement of RMB 15 billion / MNT 7.25 trillion.

On September 28, the PBOC, the NAFR, the CSRC, the SAFE, the HKMA, the HKSF, and the AMCM decided to further enhance the "Cross-boundary Wealth Management Connect Pilot Scheme", to advance the financial market interconnectivity in the GBA in a prudent and orderly manner to support the development of the GBA.

On November 20, the PBOC, together with the SAFE, issued the *Notice on Improving Banks' Digital Services for Capital Account Transactions*, to promote digital capital account services nationwide, further facilitate the compliant and efficient completion of capital account transactions by business entities, and improve the digital services of banks.

On November 20, the PBOC and the Saudi Arabian Monetary Authority (SAMA) signed a bilateral local currency swap agreement of RMB 50 billion yuan/SAR 26 billion.

On November 28, the PBOC and the Central Bank of the United Arab Emirates renewed the bilateral currency swap agreement of RMB 35 billion yuan/AED 18 billion.

On December 5, the PBOC and the National Bank of Cambodia (NBC) signed the Memorandum of Understanding on establishing RMB clearing arrangements in Cambodia; on December 11, Bank of China Phnom Penh Branch was authorized to serve as the RMB clearing bank in Cambodia.

On December 11, the PBOC and the National Bank of Serbia(NBS) signed the

Memorandum of Understanding on establishing RMB clearing arrangements in Serbia; on December 25, Bank of China (Serbia) was authorized to serve as the RMB clearing bank in Serbia.

2024

On January 24, with the joint efforts of the PBOC and the HKMA, RMB government bonds and policy financial bonds under the “Bond Connect” were included in the list of eligible collateral for the RMB Liquidity Arrangement (RMBLA) of HKMA.

On May 13, the PBOC, the HKSFC, and the HKMA announced further enhancements to the operational arrangements for the mutual access between Chinese Mainland and Hong Kong interest rate swap markets (“Swap Connect”), to promote high level opening-up of China’s financial market.

On July 26, the PBOC, together with the SAFE, released the revised *Regulations on the Domestic Securities and Futures Investment Capital of Foreign Institutional Investors*, to optimize the cross-border capital management of QFII/RQFII, and to facilitate QFII/RQFII investments in China’s capital market.

On September 4, the PBOC and the Bank of Mauritius signed a bilateral local currency swap agreement of RMB 2 billion yuan/MUR 130 billion.

On September 13, the PBOC and the Ministry of Economic Development and Trade of the Maldives signed the *Memorandum of Understanding on Establishing a Cooperation Framework for Promoting Local Currency Settlement in Current Account Transactions and Direct Investment*.

On October 12, the PBOC and the State Bank of Pakistan renewed the bilateral local currency swap agreement of RMB 30 billion yuan/PKR 1.18 trillion.

On October 26, the PBOC and the Bank of Japan renewed the bilateral local currency swap agreement of RMB 200 billion yuan/JPY 3.4 trillion.

On November 8, the PBOC and the Central Bank of Nigeria renewed the bilateral local currency swap agreement of RMB 15 billion yuan/NGN 3.28 trillion.

On November 8, the PBOC and the Central Bank of Mauritius signed a cooperation memorandum on establishing an RMB clearing arrangement in Mauritius; on the 23rd, Bank of China (Mauritius) Limited was authorized to serve as the RMB clearing bank in Mauritius.

On December 10, the PBOC and the Central Bank of Sri Lanka renewed the bilateral local currency swap agreement of RMB 10 billion yuan/LKR 410 billion.

On December 17, the PBOC facilitated the launch of the counter banking business for the connectivity between the Chinese and British bond markets.

On December 18, the PBOC and the SAFE decided to optimize the pilot policy of the integrated local and foreign currency pooling business for multinational corporations in 10 provinces (municipalities) and cities, including Shanghai, Beijing, Jiangsu, Zhejiang, Guangdong, Hainan, Shaanxi, Ningbo, Qingdao and Shenzhen, so as to strengthen support for the facilitation of cross-border investment and financing for multinational corporations.

On December 20, the PBOC and the SAFE revised some provisions of the *Guidelines on the Administration of Funds for Cross-border Issuance and Sale of Securities Investment Funds between the Chinese Mainland and Hong Kong*, appropriately relaxing the restriction on the proportion of cross-border sales of mutually recognized funds, so as to better play the positive role of the mutual recognition mechanism for funds between the Chinese Mainland and Hong Kong.

2025

On January 13, in order to further improve the unified macroprudential management of cross-border financing, increase the sources of cross-border funds for enterprises and financial institutions, and guide them to optimize their asset-liability structure, the PBOC and the SAFE decided to raise the macro prudential adjustment parameter for

cross-border financing of enterprises and financial institutions from 1.5 to 1.75.

On January 31, the PBOC and Bank Indonesia renewed the bilateral local currency swap agreement of RMB 400 billion yuan/IDR 878 trillion.

On March 13, the PBOC and the SAFE decided to further expand the pilot project of the integrated local and foreign currency pooling business for multinational corporations in regions such as Tianjin, Hebei, Inner Mongolia, Heilongjiang, Anhui, Fujian, Shandong, Hubei, Hunan, Guangxi, Chongqing, Sichuan, Guizhou, Yunnan, Xinjiang and Xiamen, so as to facilitate the overall use of cross-border funds for multinational corporations.

On May 13, the PBOC and the Central Bank of Brazil renewed the bilateral local currency swap agreement of RMB 190 billion yuan/BRL 157 billion.

On June 9, the PBOC and the Central Bank of the Republic of Türkiye renewed the bilateral local currency swap agreement of RMB 35 billion yuan/TRY 189 billion, with a validity period of 3 years, which can be extended with the consent of both parties.

On June 9, the PBOC and the Central Bank of the Republic of Türkiye signed a cooperation memorandum on establishing an RMB clearing arrangement in Türkiye; on the 24th, the PBOC authorized ICBC Türkiye Bank A.Ş. to serve as the RMB clearing bank in Türkiye.

On June 18, the CIPS announced the formal signing of cooperation agreements with 6 leading global foreign institutions, including Standard Bank, African Export-Import Bank, First Abu Dhabi Bank and United Overseas Bank. The signing marks the first time that the CIPS has successfully connected to core foreign banks in the offshore RMB markets in Africa, Middle East, Central Asia and Singapore, achieving a historic leap in the coverage of its global service network.

On June 22, the connectivity cooperation of the fast payment systems between the Chinese Mainland and Hong Kong was officially launched. The fast payment systems of the two sides have realized interconnection, enabling residents from both regions to

process cross-border remittances in real time.

On July 10, the PBOC and the Central Bank of Egypt signed the *Memorandum of Understanding on Bilateral Financial Cooperation, Promoting Local Currency Settlement and Carrying out Cooperation in the Field of Central Bank Digital Currencies and Digital Innovation*, aiming to strengthen bilateral financial cooperation, enhance local currency settlement cooperation, and promote the use of local currencies in current account transactions and direct investment between the two countries.

On August 28, the PBOC and the Reserve Bank of New Zealand renewed the bilateral local currency swap agreement of RMB 25 billion yuan with a validity period of 5 years, which can be extended with the consent of both parties.

From September 7 to 8, the PBOC renewed bilateral local currency swap agreements with the European Central Bank, the Swiss National Bank and the National Bank of Hungary. The scale of the China-Europe bilateral local currency swap is RMB 350 billion yuan/EUR 45 billion, with a validity period of 3 years. The scale of the China-Switzerland bilateral local currency swap is RMB 150 billion yuan/CHF 17 billion, with a validity period of 5 years. The scale of the China-Hungary bilateral local currency swap is RMB 40 billion yuan/HUF 1.9 trillion, with a validity period of 5 years.

On September 11, the PBOC and Bank Indonesia jointly launched the Local Currency Transaction (LCT) framework of bilateral trading and the QR code connectivity project.

Afterword

Since 2015, Macroprudential Policy Bureau of the PBOC (formerly the Monetary Policy Department II) has organized the compilation and publication of the annual bilingual Report on RMB Internationalization in both Chinese and English. The report serves as a reference for market participants and researchers both domestically and internationally.

RMB Internationalization Report (2025) was jointly authored and translated by Macroprudential Policy Bureau of the PBOC, in collaboration with General Administration Department, Monetary Policy Department, Financial Markets Department, Payment and Settlement Department, as well as cross-border RMB business staff from the PBOC Shanghai Head Office and branches in Ningxia Hui Autonomous Region, Shanxi Province, Shaanxi Province, Tianjin Municipality, Heilongjiang Province, Fujian Province, Zhejiang Province, Chongqing Municipality, Hubei Province, Yunnan Province, Hainan Province, Hunan Province, Xinjiang Uygur Autonomous Region, and Shenzhen. The report also received substantial support from the HSBC, Standard Chartered Bank, and China Financial Publishing House. We extend our sincere gratitude to all those who contributed to the publication of this report.

There remains room for improvement in the drafting and translation of this report. We sincerely welcome comments and suggestions from our readers.

Editor

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