

金融法律热点问题

债券通一周年：回顾与展望

在债券通即将开通一周年之际，我们有幸受邀参加了一场由境内登记托管机构、境外托管行、境内做市商等市场参与者参加的小型座谈会，进一步了解截至目前债券通业务的发展现状及市场机构对债券通业务的预期。以下为我们粗浅的观察，供大家参考。

一、回顾

债券通的“北向通”于去年7月3日正式启动。根据债券通有限公司的数据，截至2018年5月31日，已有315个境外投资者通过北向通进入银行间债券市场，境外机构注册地也从集中在香港地区，扩展至中国台湾、新加坡、美国、开曼群岛等近30个国家和地区。

债券通是内地与香港债券交易、结算等基础设施之间的互联，其采用了国际成熟市场通行的做市商交易机制与多级托管模式，使得境外投资者可以在不改变业务习惯的情况下参与中国银行间债券市场。在债券通机制下，境外投资者无需通过结算代理人而可直接利用其在香港开立的现有账户接入境内银行间债券市场。债券通无疑为境外投资者提供了一个便捷地参与中国银行间债券市场的路径。在运行过程中，市场机构普遍关注以下尚待解决的问题。

1. 提升结算效率

境外托管行及参与者普遍希望可以进一步提

升结算效率以降低资金占用成本。

2. 明确税收政策

目前，债券通的税收计算标准、收取方式以及税收追索相关的问题仍有待进一步明确。另外，据称相关机构已开始研究税收代扣代缴的可行性，我们期待相关政策能尽快明确。

3. 增加外汇风险对冲方法

依据现有规定，境外投资者仅可在香港结算行办理风险对冲，汇率对冲成本较高。境外投资者期待可在境内外汇市场对冲汇率风险，比如先行通过境内做市商办理风险对冲。

4. 交易范围有待扩大

北向通的参与者期待将债券通的交易范围扩大至债券回购、利率衍生品以及交易所债券，但由于涉及到中国监管机关关于金融市场开放的整体规划，可能仍需时日加以解决。

二、展望

由于内地与香港乃至国际债券市场本身存在差异，互联互通的过程中涉及到诸多规则、制度和系统的建设。上述所列债券通业务中待解决的问题，一部分问题是短期内可以通过改善效率和明确规则加以解决，也有部分问题涉及法律制度的差异以及金融市场开放的整体规划，可能在短期内无法实现，这也需要市场参与者的耐心等待。

目前，境外投资者有多种路径选择（例如，QFII和RQFII、银行间债券市场直接准入、债券通等）投资中国债券市场，我们认为长期看来，多种路径并存可能是常态。不同的路径在其发展过程中呈现

不同的特点。因此，建议境外投资者根据自己的具体需求选择适合的路径。我们也将持续关注，为客户提供最新的信息以及专业意见。

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Financial

Bond Connect First Anniversary: Review and Prospects

JunHe, together with some of the key players of Bond Connect including overseas custodian banks and domestic market makers, was invited to attend a closed seminar (“**Seminar**”), to mark the first anniversary of the Bond Connect scheme. The Seminar provided profound insights into the current status of Bond Connect and an understanding of the expectations of market participants. We provide here a brief summary for your reference.

I. Review

Northbound trading of Bond Connect (“**Northbound Trading**”) was launched on July 3, 2017. Since that time, according to data provided by the Bond Connect Company Limited as of May 31, 2018, a total of 315 overseas investors have tapped into the China Interbank Bond Market (“**CIBM**”) through Northbound Trading. Jurisdictions in which overseas investors are registered currently include almost 30 countries and regions, including, amongst others, Hong Kong, Taiwan China, Singapore, the United States and the Cayman Islands.

Bond Connect is a mutual market access scheme that allows investors from Mainland China and overseas to trade in each other’s bond markets through connection of the bond trading and settlement systems between mainland China and

Hong Kong. It allows overseas investors to invest in the CIBM without changing the types of practices that are common in mature markets, for example, market making schemes and a multi-tier custodial structure. Under the Bond Connect scheme, overseas investors with existing Hong Kong accounts may access the CIBM directly without the need to go through a local settlement agent.

It seems, overall, that Bond Connect has been successful in being able to offer overseas investors an easier and more convenient way for accessing the CIBM.

During the course of the Seminar, there was discussion of some common issues.

(i) Improve efficiency of settlement

Many foreign custodian banks and investors have commented that there is scope to improve settlement efficiency and thereby reduce the fund occupancy cost.

(ii) Clarify tax policies

Various tax related issues, including the tax calculation basis, collection method and matters related to tax recourse are still pending clarification. Besides, it seems that

the relevant authorities have initiated an analysis of the feasibility of introducing the method of tax withholding, and the market eagerly awaits further information on clarity of tax policies.

(iii) Expand ways to hedge foreign exchange risks

Pursuant to the current rules, overseas investors may only hedge their foreign exchange risks with a Hong Kong settlement bank, making it an expensive exercise. Overseas investors are hoping that in the future they will be able to hedge their foreign exchange risks onshore, for example initially being allowed to manage their foreign exchange risks through onshore market makers.

(iv) Expand the scope of products available for trading

Northbound Trading investors look forward to the opportunity to expand the scope of trading to include bond repurchasing, foreign exchange derivatives and exchange-traded bonds. However, there is recognition that, due to the overall plan of China's regulatory authorities on the opening up of financial markets, there might be some time before this expansion occurs.

II. Prospects

Given the differences between the bond markets of mainland China and that of Hong Kong or international bond market, there is recognition that establishing the rules, mechanisms and systems of Bond Connect will be an ongoing process. There may well be short-term solutions to some of the aforementioned concerns about the Bond Connect scheme, for example by bringing in improvements in efficiency and clarifying rules. Other issues relating, for example, to the discrepancies between legal systems and the overall plan to open up China's financial markets, may require a longer time to resolve and will therefore require patience on the part of market participants.

There are currently multiple channels available to the foreign investors looking to invest in China's bond market, including QFII and RQFII, Direct Access to China Interbank Bond Market and the Bond Market. We believe that in the long run, the co-existence of these multiple options may continue to be the norm. Each channel has its own distinctive benefits and disadvantages. We recommend that overseas investors should choose their channel according to their specific needs. We will continue to pay close attention to this area and share all relevant updates and advice with our clients.

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