金融系列教材

金融与国际贸易实务

Practical English for Finance and International Trade

（英文版）

邹勇　主编

西南财经大学出版社

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前　言

2001年12月，中国正式加入世界贸易组织，这意味着以银行为主导的中国金融业将面临一个更加开放的国际平台。伴随着这样的全面开放，中国银行业将需要更多的熟悉业务并能够用英语来处理业务的各种专业人才。本书的编写，正是以此为出发点，囊括了中国当前银行的主要国内国际业务、与国际业务紧密相联系的国际贸易实务以及银行风险管理问题，力求达到国内主要银行现阶段对具备较强英语能力的金融专业人才的要求。本教材是按照西南财经大学"211工程"教材建设方案编写的，可作为财经院校、对外贸易院校以及综合性大学的金融、国际金融、国际贸易、经贸英语及MBA等专业的教学用书，亦可作为从事有关银行业务的工作人员学习金融与国际贸易英语的读本。

全书分为六个部分共十五章。第一部分"中国银行业概览"：第一章、第二章由田瑛执笔。第二部分"贷款管理"：第三章由廖沁芳执笔，第四章由文博执笔，第五章由钟亮执笔。第三部分"国际贸易与银行国际业务"：第六章、第七章由周春阳执笔。第四部分"外贸谈判"：第八章、第九章、第十章由杨丽执笔。第五部分"国际结算"：第十一章、第十二章、第十三章由段怡执笔。第六部分"银行风险管理"：第十四章、第十五章由文博执笔。全书由邹勇拟出大纲初稿并最后总纂。

作为一本有关金融与国际贸易的英文教材，本书力求能够反映从事银行业务所需的全面的英语、金融和国际贸易知识。因此在写作的过程中，我们参考了大量的国内外的书籍、杂志和资料，但在参考文献中所列出的只是其中的一部分。在此，我们对这些文献的作者、编辑和出版社表示感谢，同时也要对出版本书的西南财经大学出版社表示深切的谢意。

编者

2005年9月

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Part 1 Overviews of China's Banking Industry

Chapter 1 Banking Industry in China

China's economy has made great achievements since 1979, with an annual GDP increase of 9%. At the same time, the financial industry led by banking industry has been experiencing a wide and in-depth institutional reform, from a highly centralized mono-bank system to a poly-bank system. As reform unfolded, China's financial system grew more complex: a new array of banks and non-bank financial institutions emerged. On the other hand, China's accession to the World Trade Organization (WTO) will further open the Chinese banking sector to foreign participation. According to preliminary agreements, after WTO entry, China will allow foreign banks to conduct RMB business with Chinese corporations within three years and with Chinese individuals within five years. This will introduce significant foreign competition to the Chinese banking system. The Chinese banking industry is facing many tough issues. This chapter will focus on the development course of the Chinese banking industry, with an introduction of banking structure, supervision institutions, banking reform, challenges and problems which China faces after accession to WTO.

1.1 Transformation of Mono-bank System to Poly-bank System

Following five decades of evolution, particularly more than two decades of reform and opening to the outside world, China's banking sector has entered a stage of vigorous development. The past few years have seen marked acceleration of China's banking reform, particularly significant strengthening of the central bank's capacity for supervision and macroeconomic management, substantial improvement in the management of the commercial banks, and greater openness of the banking industry.

The evolution of the Chinese banking system can be broadly divided into three phases. The establishment of the People's Bank of China (PBC) in December 1948 marked the beginning of the first phase, which has been characterized by a mono-bank engaged in both policy and commercial banking operations.[1] It was dictated by highly centralized planned economic system.

The second phase began in 1984 when the State Council decided to make the PBC function as a central bank. The decision, which was made in response to the increased role of market forces in the economy, promoted diversification of financial institutions with the establishment of the four specialized banks (the Industrial and Commercial Bank of China, the Agricultural Bank of China, the Bank of China, and the China Construction Bank), now known as wholly state-owned commercial banks.[2]

The third phase began in 1993 when the State Council issued the Decision on Financial Reform, recognizing the urgent need for developing new financial markets, institutions and instruments. The government introduced a comprehensive package of measures aimed at restoring financial order as well as addressing the inflationary pressure and signs of overheating, particularly in the real estate sector and the stock markets.

During this period, a number of important structural measures have been taken with particular significance for the banking sector. The first was the unification of the RMB exchange rates and foreign exchange markets in January 1994. Second, the passage of central banking and commercial banking laws in 1995 has provided legal basis for the banking system in China. Third, the acceptance of the obligations of Article Ⅷ of the Articles of Agreement of the International Monetary Fund in December 1996, namely, commitment to RMB current account convertibility, has officially removed the remaining restrictions on international payments for trade and service transactions. Fourth, the establishment of a unified inter-bank money market in 1996 has facilitated better liquidity adjustment for financial institutions. Fifth, the gradual shift from direct to indirect monetary policy instruments has greatly improved transmission of monetary policy and effectiveness of macroeconomic management. Sixth, the segregation of banking business from securities and insurance business has contributed to the stability of the financial system in a transition period characterized by massive institutional changes, inadequate regulatory resources and insufficient self-discipline.

In addition, three policy banks (the State Development Bank, the Agricultural Development Bank of China and the Export and Import Bank of China) were established in

1994 to facilitate the separation of policy banking from commercial banking operations. These policy banking institutions have embarked on a track of steady development. They are playing an important role in financing major infrastructural projects and promoting agricultural development and international trade.

Through years of reform efforts, China has developed a banking system consisting mainly of the wholly state-owned commercial banks and joint-equity commercial banks. As of the end of 2000, China's banking system has three policy banks, four wholly state-owned commercial banks and more than 100 joint-equity commercial banks. The non-bank financial sector mainly consisted of trust and investment companies, securities firms, finance companies and insurance firms as well as many urban and rural credit co-operatives.

Despite many reform attempts since the Open Door policy was espoused in 1978, the banking sector in China still exhibits the legacy of the centrally-planned economy in which the government, both at central and local levels, continues to play an instrumental role in credit allocation and pricing of capital. The domestic banking system is still the primary channel of financial intermediation between savings and investment. The role of other segments of the financial system such as stock and bond markets, though growing in importance, is still rather limited.

1.2 Current Banking Structure

There are four types of banks in China: wholly state-owned banks, commercial banks (at least partially private), credit co-operatives and foreign banks. Moreover, there are China Postal Savings and Remittance Bureau and non-bank financial institutions.

1.2.1 Wholly State-owned Banks

State-owned banks in turn comprise state-owned commercial banks and policy banks.[3]

1. State-owned Commercial Banks

The People's Bank of China (PBC) has become China's central bank and the banking regulator since 1984. Currently, there are four state-owned commercial banks, commonly referred to as the "big four". They are the most dominant, influential and formidable players in China's banking sector. Together they account for around 60% of the banking sector's total assets and 70% of all lending in the system. How they evolve will determine the direction of the sector and the pace of economic reform. The big four are:

1) Agricultural Bank of China (ABC), originally set up to provide loans to the agricultural and rural sectors.

2) Bank of China (BOC), initially mandated to specialize in international transaction, e.g. foreign exchange services and trade credit.

3) China Construction Bank (CCB), initially set up to specialize in financing construction and infrastructure projects, usually in the form of long-term loans.

4) Industrial & Commercial Bank of China (ICBC), originally mandated to provide working-capital loans to the industrial and commercial sectors in the urban areas.

All four banks have diversified from their original mandate since 1994, when the government created the so-called policy banks in order to take over the big four's state-directed lending role. Despite the big four's move away from the policy-directed lending function toward commercial lending, the legacy of their past lending continues to constrain their earnings and profitability. The return on assets of the big four has lagged behind other commercial banks in recent years. Furthermore, being wholly state-owned, the big four continue to be run like state companies, with senior managers appointed by the government. The change in corporate culture will likely be slow as long as the government remains the sole shareholder.

2. Policy Banks

The government established three policy banks in 1994 to relieve the "big four" of their state-directed lending role so that they could (in theory) focus on commercial business. A year later, the creation of the Commercial Bank Law and Central Bank Law formalized the commercial mandate for the four state banks, holding them responsible for their profits and losses. This marked the beginning of the bank commercialization process.

The policy banks are:

1) Agricultural Development Bank of China, which primarily took over the policy

lending role from the ABC.

2) The State Development Bank, which primarily took over the policy lending role from the CCB and to a certain extent from the ICBC.

3) Import & Export Bank of China, which primarily took over the policy lending role from the BOC, particularly the trade financing function.

Policy banks fund themselves primarily through the issuance of bonds, and they accept few deposits. The combined assets of the three policy banks have grown rapidly and now make up around 10% of the total banking sector, which bears evidence of the continued presence of state-directed lending in the banking sector.

1.2.2 Commercial Banks

Equity ownership of these banks is distributed among the state and private investors. There are currently 120 commercial banks, together accounting for 18% of the banking sector's assets.[4] While not as prominent as the big four, they are nevertheless an important group within the banking sector, and their market share is growing. Some are looked up to for their more dynamic and bottomline-oriented style. Commercial banks are divided into 2 sub-groups:

1. Shareholding or Joint-stock Commercial Banks

Shareholding or joint-stock commercial banks are incorporated as joint-stock limited companies under the People's Republic of China's Company Law. Most, however, still have fairly concentrated and predominantly state-dominated shareholding structures.[5] There are currently 11 shareholding banks, which include well-known names such as Bank of Communications, China Minsheng Bank, China Everbright Bank, China Merchants Bank, Shanghai Pudong Development Bank and Shenzhen Development Bank. They are allowed to engage in a wide variety of banking services including accepting deposits, extending loans as well as providing foreign exchange and international transaction services. Given their smaller size and a corporate culture oriented more to the private sector, they are more nimble than the state-owned counterparts and have been successful at gaining market share at the expense of the big four. They have made inroads particularly into the small and medium enterprise (SME) loan market, the area in which the state-owned banks are traditionally weak. They also tend to be more profitable, recording higher ROA. Joint-stock banks have recently been the preferred joint-venture partner of international banks trying to gain access to China's banking sector. Their expanding role will be instrumental in nurturing China's budding private sector, particularly the SME segment, which is essential for laying a firm foundation for the market economy in China.

2. City Commercial Banks

City commercial banks have evolved from urban credit co-operatives (see below). Due to their history, mandate and capital strength, the scope of city commercial banks' business tends to be concentrated in the city where they are located (according to their original mandate). They are thus unable to operate on their own on a national or regional scale, unlike the joint-stock commercial banks, which is a major comparative disadvantage for their future expansion.

1.2.3 Credit Co-operatives

The credit co-operatives typically provide credit to small and medium-sized enterprises and individuals. The cooperative sector is divided into urban credit co-operatives and rural credit co-operatives.[6] Together there are close to 50 000 of them, accounting for around 11% of total banking-sector assets. The rural credit co-operatives were formerly supervised by the Agricultural Bank of China (ABC) and then by China's central bank, the People's Bank of China (PBC). A new regulatory agency, the China Banking Regulatory Commission (CBRC), has taken over the supervisory functions in 2003 and also supervises the urban credit co-operatives. Due to their collective-ownership status, both types of credit co-operatives are subject to state control, thus their loan extension is still influenced by local policy considerations. Some private analysts estimate that the NPL level at rural credit co-operatives is around 50% of total lending, and there is a growing concern that rural credit co-operatives will face heavy losses when China's agricultural sector opens up under WTO requirements. Given the significance of the rural sector in China, with around 800 million people (almost two-thirds of the total population) living in rural areas, the government has been explicit about its intention to provide financial support for the rural credit co-operatives in need and reorganize them to be new Rural Commercial Banks.

1.2.4 Foreign Banks

There are close to 200 foreign banks operating in China, most of which are branches of foreign banks, and the rest is a handful of locally incorporated banks (either joint ventures or wholly foreign-owned banks). Foreign banks currently account for only around 1% of total banking-sector assets as their role is still constrained by China's domestic law. However, WTO requirements will gradually allow foreign banks greater access to China's domestic banking business. The local currency business (based in Chinese Yuan – CNY) was until some years ago closed to foreign banks. The original role of foreign banks was to provide foreign currency intermediation in order to facilitate the operations of foreign investors and manufacturers in China. The CNY business has been opened only gradually since 1996 when foreign banks were first allowed to provide CNY services, but only to foreign companies and individuals in Shanghai and Shenzhen. Since China gained WTO entry in December 2001, the geographical restriction has started to be phased out, while rules on the type of customer to whom foreign banks can provide CNY services will start to be relaxed soon. By December 2006, all geographical and customer-related restrictions must be lifted. Despite WTO norms, however, experience indicates that additional domestic regulations or requirements may effectively constrain the ability of foreign banks to engage in CNY-related business. For example, a foreign bank branch may need as much as CNY 600 million (or a hard currency equivalent) in operating capital to support its activities in both hard currency and CNY businesses. In addition, the PBC requires a capital adequacy ratio of 8% on top of that amount. Furthermore, the PBC announced in July 2002 that inter-bank borrowings would be capped at 40% of total CNY liabilities, which limits the CNY liquidity for foreign banks. Taken together, these restrictions make the opening of domestic branches by a foreign bank commercially unattractive.

1.2.5 China Postal Savings and Remittance Bureau

In 1986, China started experimental units by establishing China Postal Savings and Remittance Bureau (CPSRB) in several cities to handle the saving deposits and remittance business for citizens, as supplement to commercial banks.[7] The past 19 years witnessed the prosperous growing of CPSRB. At present time, CPSRB has more than 1 trillion yuan in its deposit accounts, and has set up more than 30 000 branches and offices around the country. It ranks fifth in China following the big four. In 1990, the central bank gave the postal savings system greater autonomy over the business and started to pay an interest rate for re-deposited funds much higher than that for corresponding regular deposits, both as a means of encouragement and as compensation for the cost of building more outlets. In 1999, the central bank tried to push the reform of the transformation form CPSRB to a commercial bank. But the plan was grounded by huge resistance. Now, the government is planning the reform again and the plan could possibly result in a fifth-large bank in China. According to the plan, the reformed CPSRB will be under the supervision of CBRC. It will invest in undeveloped agriculture fields, provide loans for rural credit co-operatives, and gradually change its branches and offices into sales web of investment funds and insurance companies.

Efforts to transform the China Postal Savings and Remittance Bureau (CPSRB) into a commercial bank have been accelerated. However, CPSRB faces two major obstacles in its road to independence. One is the delicate matter of how to divide the closely connected nationwide departments, including offices, staff and facilities of the bank and the China Post Bureau. The other is the problem of profit. CPSRB has only operated savings services and transfers all deposits to the People's Bank of China, the country's central bank. Before 2003, the central bank paid CPSRB at an interest rate of 4.357% which is 2.467% higher than the rate that the central bank pays to other financial institutions for their reserves. All the profits of CPSRB came from the difference between the two rates. Since August 1, 2003, when the People's Bank of China decided to slash the interest rate on postal savings deposits to 1.89%, equal to that on deposits required for operating financial institutions at the central bank, CPSRB has been registering huge losses. When the reform efforts are complete, China Postal Bank is likely to be spun off from the China Post Bureau and become an independent organization, and will be forced to find the way out for its own deposits. On the other hand, CPSRB currently accounts for one third of China Post's total income, so its independence could pose a serious threat to the economic viability and future of the massive bureau.