Memorandum of Understanding
between
the China Insurance Regulatory Commission ("CIRC") and
the European Insurance and Occupational Pensions Authority ("EIOPA")
June 2016

This Memorandum of Understanding ("Memorandum") represents a statement of intent between the China Insurance Regulatory Commission ("CIRC") authorized by the State Council with headquarters at 15 Financial Street, Xicheng District, Beijing, China and the European Insurance and Occupational Pensions Authority ("EIOPA"), established by Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 ("EIOPA Regulation"), located at Westhafen Platz 1, 60327 Frankfurt am Main, Germany.

The CIRC and EIOPA are together referred to herein as the "Parties" with respect to the collaborative arrangements described below.

1. Background
(a) The CIRC is a ministerial institution directly under the State Council of the People's Republic of China. The CIRC is authorised by the State Council to conduct administration, supervision and regulation of the Chinese insurance market to ensure the proper operation, legality and stable development of the insurance industry.

(b) The EIOPA was established as of January 1, 2011 in consequence of the reforms to the structure of supervision of the financial sector in the European Union. EIOPA is part of a European System of Financial Supervision that comprises of inter alia three European Supervisory Authorities, one for the banking sector, one for the securities sector and one for the insurance and occupational pensions sector, as well as the European Systemic Risk Board.

The objective of EIOPA is to protect the public interest by contributing to the short, medium and long-term stability and effectiveness of the financial system, for the Union economy, its citizens and businesses. EIOPA shall contribute to:

(i) improving the functioning of the internal market, including in particular a sound, effective and consistent level of regulation and supervision;

(ii) ensuring the integrity, transparency, efficiency and orderly functioning of financial markets;

(iii) strengthening international supervisory coordination;
(iv) preventing regulatory arbitrage and promoting equal conditions of competition;
(v) ensuring the taking of risks related to insurance, reinsurance and occupational pensions activities is appropriately regulated and supervised; and
(vi) enhancing consumer protection.

(c) EIOPA may enter into administrative arrangements with supervisory authorities and international organizations, without prejudice to the respective competences of the Member States and the Union institutions.

2. Principles and scope
(a) The purpose of this Memorandum is to establish a basis for cooperation between EIOPA and CIRC within their respective responsibilities in the field of insurance and pensions regulation and supervision.
(b) This Memorandum provides a framework for the Parties to increase mutual understanding and collaborate in order to pursue the objectives identified in section 3 below.

3. Common Objectives
The Parties have agreed to collaborate, with a focus both on insurance and pensions, on three areas of focus as outlined below:

I. Build a practical framework to enhance the exchange of supervisory information between supervisory authorities in order to increase the effectiveness of the supervisory processes.

II. Exchange of information about the developments on the private pensions regulatory and supervisory frameworks in China and the European Union.

III. Build a mutual understanding on the two insurance solvency regimes (C-ROSS and Solvency II)

4. Collaboration: Joint activities
(a) To achieve the common objectives described in section 3, the Parties will pursue joint activities including, but not limited to:

(i) to set up an annual Working Programme related to the topics of this Memorandum;
(ii) regular exchange of information (relevant legal / supervisory requirements and practices);
(iii) set up a virtual task force of experts to exchange knowledge and cooperate in the areas of focus mentioned above;
(iv) to organize physical meetings back to back to IAIS meetings, such as the IAIS Annual Conference;
(v) where appropriate, provide speakers and access to events of mutual interest organized by each Party.

(b) The Parties will ensure regular and clear line of communication between one another in all aspects of their cooperation and collaboration.

1 To work remotely by means of telephone conferences, e-mails, etc.
5. **Practical implementation**

(a) The responsibility for the practical implementation of activities pursuant to this Memorandum shall lie with the Parties who will each designate and appoint two representatives, as indicated below. By written notice to the other Party, each Party may designate different persons as its representatives.

For the CIRC:
1) Xiang Junbo  
Chairman  
CIRC  
No.15 Financial Street  
Xicheng District  
Beijing, China 100140

2) Name: Jiang Bo  
Director General, International Department  
bo_jiang@circ.gov.cn

For EIOPA:
1) Gabriel Bernardino  
Chairman  
EIOPA  
Westhafenplatz 1  
60327 Frankfurt am Main  
Germany

2) Gabriele Arnoldi  
Coordinator External Relations Team  
Gabriel.Bernardino@eiopa.europa.eu  
Gabriele.Arnoldi@eiopa.europa.eu

(b) The CIRC and EIOPA will carry out yearly follow-up pursuant to this Memorandum. On the basis of such assessment, the Parties may keep in force, modify or terminate the Memorandum as provided for in section 9 below.

6. **Limits to the Agreement**

(a) This Memorandum shall not create legal obligations in respect of its Parties, the European Union and its Member States. Specific arrangements for joint activities will be set forth in the Working Programme to be jointly formulated by the Parties. The implementation of this Memorandum, which is not legally binding, is subject to the normal rules and decision making procedures applicable to each of the Parties.

(b) This Memorandum is not a legal basis for the exchange of confidential information. Each party shall treat confidential information according to its requirements and rules on professional secrecy and confidentiality.²

(c) Neither Party is restricted in any way from engaging a third party nor parties to pursue independently of the other Party the objectives described in this Memorandum.

(d) Nothing in this Memorandum shall be construed as creating a joint venture, an agency relationship, or a legal partnership between the Parties.

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(e) Nothing in this Memorandum is intended to be, or should be construed as, a waiver of the privileges and immunities of either Party or its officers and employees, which privileges and immunities are hereby specifically reserved.

7. **Names, Emblems, Logos**

(a) Neither the CIRC nor EIOPA will use the name, emblem or logo of the other, or any abbreviation thereof, without the prior written approval of the other in each case.

(b) The Parties acknowledge that the names and marks (a) "China Insurance Regulatory Commission, CIRC" and all variations thereof including their associated logos; and (b) "names and marks of EIOPA" and all variations thereof including their associated logo(s) (collectively, the "Names & Marks")) are the sole and exclusive properties of the CIRC and EIOPA, respectively. No Party will acquire any right, title or interest in or to any intellectual property or names or marks of any other Party under this Memorandum.

8. **Disclosure and Publicity**

The Parties may acknowledge and disclose to the public this Memorandum and information with respect to the collaborative activities contemplated herein. Such acknowledgement or disclosure may be made in accordance with the Parties’ respective disclosure policies. The Parties agree to consult with each other concerning the manner and form of any such acknowledgement or disclosure.

9. **Withdrawal and Amendments**

This Memorandum may be modified or terminated at any time by mutual written agreement of the Parties.

10. **Term**

This Memorandum shall remain in effect for a period of three (3) years from the date set forth below.

IN WITNESS WHEREOF, the Parties have caused this Memorandum to be signed, in duplicate originals, in English and Chinese versions, by their duly authorized representatives as of the date first written below. Both English and Chinese versions of this Memorandum are equally official.

Signed in Budapest on June 2016,

For CIRC

[Signature]

Zhou Yanli
Vice Chairman

For EIOPA

[Signature]

Gabriel Bernardino
Chairman