

CENTRE FOR BANKING AND FINANCE LAW

Internationalization of the RMB: Implications and Challenges

by Mr Liu Xiangmin

Deputy General Counsel, The People's Bank of China



About the Seminar

China's efforts to expand the cross-border use of its currency has attracted widespread attention and interest from finance, businesses, policy makers and academics. From the experiences of the world's major economies, the internationalization of a currency seems like a natural result of economic growth and an acknowledgement of its status in the world economy. Currencies of major economies, including the US, UK, France, Germany and Japan, have to different degrees become internationally accepted as their economies matured and their shares of global trade and finance expanded. China's currency seems to have entered a similar era of rapidly growing international usage as the Chinese economy has become the second largest and obtained a dominant status in global trade. China's financial system, however, still suffers from years of over-regulation and underdevelopment. China's domestic financial markets still lack the liquidity and openness that other major economies enjoyed during the rapid internationalization of their currencies. Financial liberalization has its own benefits and perils and the process has to be prudently managed. On the other hand, there is a window of opportunity to create through RMB internationalization a positive feedback loop for important market-oriented reforms. China should also capitalize on strength of its current economic performance to push forward key reforms that make its currency more widely accepted.

The seminar discussion will explore the following issues:

- What are the main benefits and risks of the internationalization of the RMB?
- What are the conditions favorable and unfavorable to the cross-border use of the RMB?
- What should be the right sequencing of reform policies to facilitate an orderly internationalization process?
- What are the key obstacles and challenges?
- What's the relationship between the reserve currency status and the RMB's internationalization effort? Would it lead to a zero-sum game with the existing major reserve currency?
- What are the main business opportunities for overseas financial markets?

About the Speaker

Xiangmin Liu is Deputy Director-General of the Legal Department of China's central bank, the People's Bank of China. Prior to this position, he practiced corporate law at a major international law firm in New York and Boston. He was a fellow at the Kennedy School of Government at Harvard, focusing his research on the interactions between law and finance. Mr. Liu graduated from Peking University with a degree in economics. He pursued a Ph.D. in political economy at Yale University, and received a JD from Yale Law School, where he was an Olin Fellow for law, economics and public policy.



Date : 27 September 2013, Friday
Time : 10.00am to 12.00nn
Venue : Federal Conference Room
Federal Building, Level 1
Faculty of Law
NUS, Bukit Timah Campus

REGISTRATION

The seminar is a by-invitation-only event. The speaker hopes to have a lively exchange with participants on the issues raised, as well as related questions and issues that attend the internationalization of the RMB.

Deadline for Registration
20 September 2013, Friday

**To register, please
click [HERE](#).**

About Centre for Banking & Finance Law (CBFL)

The Centre for Banking and Finance Law (CBFL) is a new centre at the Faculty of Law, National University of Singapore. The Centre focuses broadly on legal and regulatory issues relating to banking and financial services. It aims to produce research and host events of scholarly value to academics as well as of policy relevance to the banking and financial services community. In particular, CBFL seeks to engage local and international banks, lawyers, regulators and academics in a regular exchange of ideas and knowledge so as to contribute towards the development of law and regulation in this area, as well as to promote a robust and stable financial sector in Singapore, the region and globally.