In October 2015, the People's Bank of China officially released the RMB Cross-border Interbank Payment System (CIPS) as financial infrastructure to facilitate the settlement of trading and investments denominated in RMB.

- Its main functions are remittances and inter-bank settlements for customers related to cross-border RMB settlements (trade in goods & services, direct investment, financing, and fund transfer for individual customers, etc.).
- The system has adopted a method involving one connection for one bank, centralized settlement, and Real-Time Gross Settlement (RTGS). Its telegraphic message format conforms to ISO20022.
- Transmission is available in English. The conversion to SWIFT telegraphic message is also available.
- The system will co-exist with the settlements of offshore RMB (CNH) clearing banks, such as those in Hong Kong, for the time being.

### Example of cross-border RMB settlement through CIPS (future overview)

**[Overseas]**
- Applicant for remittance
- Mizuho Bank
  - Direct participant: Bank that holds its special accounts in CIPS and that can directly access to CIPS
  - Indirect participant: Bank that participates in CIPS via a direct participant

**[In China]**
- Mizuho China
  - Direct participant: No interest, no overdraft, RTGS settlement, and zero daily balance

**PBOC and CIPS operations structure**
- Bank A
- Bank X
- Clearing CIPS account

**Recipient**
- Bank X

Source: Prepared by Mizuho Bank based on the People’s Bank of China’s *Provisional Rules for the Operation of RMB Cross-border Inter-bank Payment System*, etc.

(As of December 5, 2017)
Connected banks (Total 31 banks)

October 2015 (19 banks): Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications, China Merchants Bank, Shanghai Pudong Development Bank, China Minsheng Banking Corp. Ltd, Industrial Bank, Pingan Bank, Hua Xia Bank, HSBC Bank China, Citibank China, Standard Chartered Bank (China), DBS China, Deutsch Bank (China), BNP Paribas China, ANZ Bank (China), and Bank of East Asia

July 2016 (8 banks): China CITIC Bank, China Guangfa Bank, Bank of Shanghai, Bank of Jiangsu, Bank of China (Hong Kong), Mizuho Bank (China) (Mizuho Bank), Bank of Tokyo-Mitsubishi UFJ (China), and Hang Seng Bank


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