

China Opens Bank Card Clearing Market to Foreign Competition

May 11, 2015 | Client Update

The long-term monopoly in China's bank card clearing market held by China UnionPay ("UnionPay") is set to end. According to a new decision published by the State Council of the People's Republic of China (the "State Council"), effective June 1, 2015, foreign companies such as Visa and MasterCard as well as other domestic companies will be able to obtain bank card clearing licenses. Qualified bank card clearing institutions will compete in China's new bank card clearing market under the regulation of the People's Bank of China (the "PBOC") and the China Banking Regulatory Commission (the "CBRC").

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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