

China Clean Development Mechanism Fund paid use project risks

Committee working Measures

Chapter 1 General Provisions

Article 1

To improve risk management organization system of China Clean Development Mechanism Fund Management Center (hereinafter referred to as the "Management center") and ensure security operations of China Clean Development Mechanism Fund (hereinafter referred to as "the Fund"), in accordance with relevant provisions of national laws, administrative regulations, and "China clean development mechanism Fund management Interim Measures" (hereinafter referred to as "management approach"), management center has set up a risk management committee, and formulated the measures.

Article 2

Risk Management Committee (hereinafter referred to as "Committee") is a specialized agency of Procedure of risk management for fund management center, directly responsible for the Fund Management center director office (hereinafter referred to as "director office").

Chapter 2 Committee composition and responsibilities

Article 3

Committee implements the membership system with five members in it, which are

composed of experts from fields of policy, industry, finance, law, risk management through random selection by the fund management center foreign experts library components.

Article 4

Every time the Committee elects one from selected foreign experts as chairman of the meeting, responsible for meeting presiding, members' views coordination matters.

Article 5

Committee experts need to have the following qualifications:

(1) Engaged in banking, finance, legal, risk management and other related industry in the international well-known large-scale industrial and commercial enterprises and intermediary institutions for more than three years ,or experiences of serving as middle or senior level manager in national commercial banks, regional commercial banks and non-bank financial institutions, or experiences of serving as division-level leadership positions in agencies and institutions, or with nationally recognized senior professional titles;

(2) Proficiency in professional skills and knowledge of financing and investment, business management, risk assessment, internal control, financial management and legal aspects, and ability of strong risk management quality and professional judgment;

(3) Enjoy a good reputation, and no bad track record.

Article 6

Committee shall perform the following duties:

(1) To discuss and recommend the Fund's overall risk limits and allocation;

- (2) Assess the level of risk profile for fund paid use project, suggest for risk controllability degree and risk management;
- (3) Consideration of solutions of major project risk events for paid use of funds ;
- (4) Implementation of other matters of the management center and "management approach" authorization.

Article 7

Committee set up the Secretariat under its regulation, responsible for the daily work of the Committee. Finance and Risk Management Department of Management center take on the work of the Secretariat.

Article 8

The Secretariat shall perform the following duties:

- (1) Preparing Meeting motion for Committee;
- (2) The drafting and management of relevant documents of Committee meetings, responsible for the meeting work;
- (3) Collect personal opinion and the collective views of Committee members about all proposals' controllable risk degree ,summarize opinions and write out the Risk Management Committee advice based on this and report to the Chinese CDM Investment Review Board (hereinafter referred to as the "Investment Board ");
- (4) Responsible for Policy interpretation of Committee meeting documents;
- (5) Other matters Committee assigned.

Chapter 3 Rights and obligations of members

Article 9

Committee members enjoy the following rights:

- (1) Understanding of the Fund Risk Management and related data;
- (2) Review policies and programs related to risk management;
- (3) Propose Committee Meeting topics;
- (4) Require related departments of management center to report situations, explain problems, and answer questions;

Departments (v) supervise all departments of management center to implement the relevant risk management policies, systems and measures.

Article 10

Committee members shall perform the following duties:

- (1) To attend the meetings of Committee;
- (2) Propose policy recommendations to risk management of management center;
- (3) To consider and review related matters from the overall interests of the Fund;
- (4) Vote to resolutions, express their own opinions, and form collective opinion;
- (5) Complete matters assigned and entrusted by the Board, and report implementation situation to Committee;
- (6) Be strictly confidential of Committee meeting content, data and other confidential information of management center.

Chapter 4 Procedures and rules of procedure

Article 11

Committee performs duties by way of meetings.

Committee meeting can be held only when more than three-fifths (inclusive) of the members present.

Committee Meeting is held once per quarter in principle, if necessary, it can be held temporarily through proposition by the director of the office, .

Article 12

The motion for examination by the Committee is prepared by audit department (Fund Management Center project development department and department of Finance and Risk Management) based on resolutions or report matters. After the Secretariat collects and collates proposals, it is submitted to management center for certification.

Article 13

Secretariat and fund management center office (hereinafter referred to as the Office) consult to determine meeting time and place, and the Office sends meeting notice, motion and related materials to all members three working days prior to the meeting.

Article 14

When a member is unable to attend the meeting for reason, he or she needs to ask for a leave in writing and explain the reasons to the Secretariat within three working days before the leave.

Article 15

Leaders and managers of paid use funds project included in the agenda consideration

procedure must attend the meeting.

Article 16

General program of meeting:

- (1) The Secretariat reports the members present and the agenda;
- (2) Sectors submitting motions report related situation of motions, and the relevant departments describe the situation;
- (3) Members present discuss and propose;
- (4) Vote for matters requiring a vote;
- (5) Chairman has a concluding statement, and announces the voting results.

Article 17

On matters requiring a vote, the Committee adopt a secret ballot vote way. Each member shall have one vote.

Staff entrusted present in meeting may give the same right to vote according to written authorization that commits its participants.

Attendance personnel do not participate in the vote.

Article 18

Committee votes divide into individual and collective views.

Personal opinion Table (see Annex I) is for individual members to express their views to matters need to vote on; the collective views table (see annex II) is used to summarize the views of Members required to vote on the matter, and form a

collective conclusion for Committee, which is as important reference for center to develop paid use project decisions.

Article 19

Vote implements the system of majority decision. Each proposal shall be regarded as agreed by the collective only when three-fifths (or more) of the members present at the meeting agreed in individual opinions. Chairman takes the basis of personal opinions table, writes collective opinions table on the basis of summarization of Members' opinions.

Secretariat staff are in charge of the vote count, and submit the results announced by chairman on the spot. The votes are unified archived by the Office and submitted to the Director's office.

Article 20

Committee secretariat prepares risk management recommendations based on the voting results, and submits for consideration by the Investment Committee.

Article 21

Committee may discuss issues not included in the meeting, but not included in the voting agenda.

Article 22

Members who Attend the meeting have obligation of confidentiality to the matters discussed in meeting, and are not allowed to disclose relevant information.

Article 23

In case of special or urgent matters of major decisions, Committee meeting cannot be

held in time, Committee may authorize the Secretariat to decide related matters and inform Members of Committee in time.

Chapter 5 Avoidance System

Article 24

Committee members who attend the meeting have the following circumstances, they shall propose to avoid:

(1) Members or their relatives serve as directors ,supervisor, manager or other senior management personnel of paid use project (including independent directors, the same below), ;

(2) Members or their work units in the past two years provide paid use project sponsorship, underwriting, audit, evaluation, law, consulting and other services that may interfere with their impartial performance of their duties;

(3) Members or their relatives serve as directors, supervisors, managers or other senior management staff of the company that has industry competition with paid use project units, and it is identified that it may affect the impartial performance of their duties;

(4) Before committee meeting, contact with units of paid use project reviewed and other related units or individuals, which may affect his impartiality;

(5) Management center identifies potential conflicts of interest or other circumstances that may affect member's impartiality.

The aforesaid relatives refer to the spouse, parents, children, siblings, spouse's parents, children's spouses, and brothers and sisters' spouses of members of Investment Commission.

Chapter 6 Supplementary

Article 25

Outstanding issues for this approach are implemented in accordance with relevant regulations of relevant national laws, administrative rules, and the "management approach" and so on.

Article 26

The fund management center is responsible for the interpretation and revision of the approach.

Article 27

This approach is implemented when pass through the review of Director's office.

Annex 1 Individual opinion table of members from ___ Committee in 201_

Project Name:

Project Number:

Name		Sex		ID number	
Unit				Position Title	
Address				Postal code	
Email		cellphone		Tax	
Former major			Current major		
Risk assessment					
Policy risk	No	Controllable	Significant		
Market risk	No	Controllable	Significant		
Lagal risk	No	Controllable	Significant		
Implementation risk	No	Controllable	Significant		
Repayment risk	No	Controllable	Significant		
Review conclusion	Agree			Disagree	

Views description:

(Page enough, can plus pages)

Signature:

Date:

Annex II The audit opinions table Of the sixth meeting in 2012 of China Clean Development Mechanism Fund paid use Project Risk Management Committee

Project name: 《

》 Item number:

Name		Sex		Work unit	
Name		Sex		Work unit	
Name		Sex		Work unit	
Name		Sex		Work unit	
Name		Sex		Work unit	

Members who should have come:

Members who come :

Chairman:

Committee review comments:

Chairman signature:

Date: 201 年 月 日

