

Office of the Secretary
Public Company Accounting Oversight Board (PCAOB)
1666 K Street, N.W.
Washington, DC 20006, U.S.A.
E-mail to: comments@pcaobus.org

中国北京西城区金融大街19号富凯大厦100032
Focus Place, 19 Jinrong Street
Xicheng District, Beijing, P.R. China 100032
Tel: (8610)66210205 Fax: (8610)66210206
e-mail: intl@csrc.gov.cn; <http://www.csrc.gov.cn>

January 22, 2009

RE: PCAOB Rulemaking Docket Matter No.027

Dear Sir/Madam,

On behalf of China Securities Regulatory Commission (CSRC), we are writing to respond to the *Release No.2008-007, Rule Amendments Concerning the Timing of Certain Inspections of Non-U.S. Firms, And Other Issues Relating To Inspections Of Non-U.S. Firms, PCAOB Rulemaking Docket Matter No.027* (hereinafter referred to as "Release").

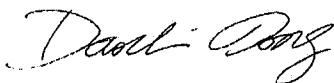
We have no objection towards PCAOB's amendments to the inspection frequency requirements of *Rule 4003* to postpone the timelines of inspections. Nevertheless, with regard to the inspection of Non-U.S firms, we hold it true that successful cross-border cooperation can only be achieved when certain general principles are practiced. Such principles may include, but not limited to, (1) equality and reciprocity; (2) observing laws in both jurisdictions and being to the common interests; (3) facilitating cross-border financial activities rather than creating obstacles; (4) respecting the consensus already reached between regulators instead of resorting to a unilateral departure from existing cooperative framework.

We are afraid that under the current Chinese laws and regulations, PCAOB is not allowed to perform any form of independent or joint on-site inspection in the Chinese territory. We hope PCAOB understand our standing, and continue the close communication and cooperation with Chinese regulators in our joint effort to safeguard our cross-border financial activities.

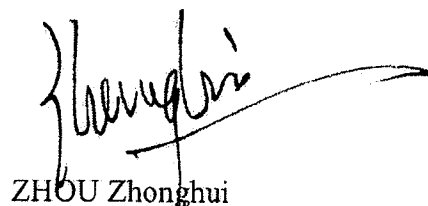
We would welcome the PCAOB to take the above mentioned points into consideration when deciding the amendments to its *Rule 4003*.

Sincerely yours,

TONG Daochi



Director-General
Department of International Affairs
China Securities Regulatory Commission



ZHOU Zhonghui

Chief Accountant
China Securities Regulatory Commission