

Absa opens a non-banking subsidiary in China

The Absa Group has officially opened a non-banking subsidiary in the People's Republic of China.



Source: © 123rf [123rf](#) Absa Group marks a historic milestone with the official launch of a non-banking subsidiary in China

Its office in China will operate under a wholly foreign-owned enterprise licence which permits the financial institution to provide general advisory services to clients based in China for concluding transactions across the African continent, as a non-banking subsidiary of Absa Group Limited.

Absa Group will provide general advisory services to clients based in China for concluding transactions across the African continent and distribute economic or general securities research reports permitted by Chinese regulation to corporate and institutional clients in China and across the African markets.

Economic bridge

The office serves to fortify the vital economic bridge between Africa and China.

The China-Africa investment relationship has flourished over the past few decades, with China emerging as the continent's largest bilateral trade partner.

This has been fuelled by Chinese investment in Africa's vast natural resources and infrastructure projects, creating huge

commercial opportunities for both regions.

"The African continent is endowed with talent, mineral wealth and a young population – and is poised to play an increasingly influential role in global trade, as investors recognise its status as the last true frontier in global growth," says Arrie Rautenbach, group chief executive officer of Absa Group.

"Through this expansion, Absa Group isn't merely acquiring a new location; we're affirming our dedication to expanding our global presence and playing our part in facilitating growth on the continent," Rautenbach continues.

Better connect trade

Rautenbach explains that the bank's decision to establish a presence in China was driven by its ambition to better connect trade, investment flows and clients into Africa, where it will serve them across its continental footprint.

"Absa Group intimately understands the continent and seeks to be a partner of choice for organisations looking to access opportunities on the continent," adds Rautenbach.

Local support

"The new office will enable Absa Group to offer local support to Chinese clients and stakeholders to conclude transactions across the African continent, helping to support clients' needs, goals, and ambitions," says Charles Russon, CE of Absa Corporate & Investment Bank.

"This is part of a wider commitment from Absa to expand its operations with an international presence in strategic markets and offer deep expertise in African markets to its overseas clients," adds Russon.

"Our presence in China will firmly establish Absa's capability to provide general advisory services to clients based in China for concluding transactions across the African continent.

"This will give us a physical presence in the region and help us to meet the needs of our clients operating in this rapidly growing market."

"Being present in China allows us to be close to clients who see trade and investment in Africa as key to their strategic ambitions," expands Russon.

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