



**“Banking in China”**  
**INN Arrival Survival**  
**August 29, 2011**

# Today's Topics on Banking in China

- Local Consumer Retail Banks
- Opening a Bank Account
- Accessing Your Money and ATM fees
- Personal Checking & Account Payments
- Transferring Foreign Currency into China
- Transferring Currency Out of China
- Withdrawing funds overseas
- Joint Accounts
- Loss of Bank Card
- Banking Security and Personal Safety

# Consumer Retail Banking in China

## Major Local Consumer Retail Banks:

- Bank of China (BOC) – 中国银行 Zhong Guo Yin Hang
- China Merchants Bank (CMB) – 招商银行 Zhao Shang Yin Hang
- Industrial and Commercial Bank of China (ICBC) – 工商银行 Gong Shang Yin Hang
- Construction Bank of China – 建设银行 Jian She Yin Hang)
- Bank of Communications – 交通银行 Jiao Tong Yin Hang)
- Agricultural Bank – 农业银行 Nong Ye Yin Hang
- China Minsheng Bank – 民生银行 Min Sheng Yin Hang

# Foreign Consumer Retail Banks in China

## Foreign Banks with Consumer Retail Services:

- HSBC
- Citibank
- Others – Standard Chartered, Deutsche Bank, etc.

## Service Focus:

- Good for handling accounts overseas, but may be limited in RMB transactions vs. local banks
- Usually target high-net worth individuals requiring minimum balance on deposit (“Premier” customers)

# Opening a Bank Account

- Combined multi-currency and RMB accounts are common
- One account lets you keep RMB AND foreign currency (e.g., usually USD, GBP, Yen, HKD, Euro, etc.)

## Easy to open an account yourself:

- Provide your ID card (e.g., passport)
- Apply for a bank card (Debit/ATM) from your selected bank
- Minimal deposit required to open account (RMB 10.00)

# Accessing Your Money

- RMB accounts are easily accessible via ATM machines and bank tellers (Banks are open 7-days, usually 9:00AM to 6:00 PM)
- Online banking available but English interface may be limited
- Telephone banking – most retail banks offer customer service hotline with English service option
- Foreign currency in your accounts cannot be accessed via ATM. Must withdraw from the teller
- Banks will usually charge withdrawal fees on foreign currency (e.g., flat minimum fee (RMB 50.00 – 100.00) or small percentage of withdrawal amount (0.5%)

# ATM fees

- Withdrawing money **from the ATMs of YOUR bank: Usually no fees**
- Withdrawing money from **the ATMs of OTHER banks: RMB 2.00 or more flat fee for every transaction**
- Withdrawing of RMB on **ATM machines in different provinces:**
  - Fee is percentage on **withdrawal amount (0.5%)** or minimum flat fee (e.g., RMB 5.00)

## Personal Checking Accounts

- Personal checking accounts are not available in China
- Most common payment methods are:
  - Cash
  - Debit cards – your local bank card is also debit/ATM card (“Union Pay”)
  - Credit cards
    - Local credit cards widely accepted
    - International credit cards - check with vendor if accepted
    - Visa/Mastercard most widely accepted. American Express acceptance limited

## Payments Using Bank Account Transfers

- Popular method of payments is using account-to-account transfers
- Need bank name, branch name, and bank account number and name of funds recipient
- Usually no charge if both parties using same bank
- RMB 10.00 to 50.00+ for interbank transfers within Beijing and to other provinces
- Can set up bank account payments for mobile and fixed line phones and pay via telebanking or at teller

# How to transfer foreign currency into China?

- Wire transfer (TT) foreign currency from your overseas bank into your local multi-currency account
- No restrictions on transferring currency into China
- No restrictions on amount an individual transfers into China
- Usually no fees charged by your local receiver-bank
- Foreign currency transferred into your account  
REMAINS AS FOREIGN CURRENCY UNTIL YOU GO TO BANK AND CONVERT IT INTO RMB
- Foreign nationals allowed to convert USD 50,000.00 into RMB per person per year

# How to transfer currency out of China?

- Your passport & bank card required
- **No restriction** on amounts you may transfer out, if can prove all funds are earned income or part of funds you originally transferred in from overseas
- RMB is a controlled currency so cannot transfer RMB directly overseas. Must first convert into foreign currency

# How to transfer currency out of China?

To convert RMB into foreign currency you will need to provide:

- Passport or ID card
- Official income certificate from your employer
- Tax payment certificate
- Original employment or labor contract or employee ID card
- Always reconfirm with your bank in advance as requirements may change without notice

# Converting RMB into Foreign Currency without documentation

- China allows each foreign national to convert up to USD 500.00 from RMB each day
- Total conversion cannot exceed US\$50,000.00/year
- May do this at any bank, without presenting labor contract, tax payment certificate, etc.
- Passport is required
- This regulation aimed at helping tourists and visitors to exchange their unused RMB back into foreign currency before leaving China

# How to withdraw funds overseas?

- You can withdraw money overseas from your PRC bank accounts at ATMs marked **Union Pay**
- Withdrawal fees charged by local banks are lower than that charged by foreign banks: e.g., 0.5% of withdrawal amount vs. 3% of withdrawal amount charged by foreign banks

# Are joint accounts possible?

- There are no joint accounts at most Chinese banks
- Couples/families are recommended to open up at least 2 accounts, one in the name of each spouse
- One bank card is issued for each account
- Use second account as a back-up for accessing funds if bank card for primary account is taken by member of household

# What should I do if I lose my bank card?

- Call the service hotline number of your bank immediately to report the loss or theft of your bank card
- Most banks offer 24-hour hotline number with English speaking assistance (e.g., CMB, call “95555” - 24 hr. English service available)
- Your account will be “frozen” immediately and your bank card cancelled
- Take your passport and go to the branch where you opened the account and file a written report of loss

## What should I do if I lose my bank card?

- Bring passport and go to the bank branch indicated by the customer service representative and **pick up your new card in 7-days**
- For security purposes, your account will be frozen during these 7-days so **you may not be able to withdraw or deposit funds on the account until you have the new replacement bank card!**
- For this reason, it is recommended you have a second account with available funds

# Banking Security and Personal Safety

# Counterfeit Currency

- Counterfeit RMB notes are common
- Counterfeiters often use ATMs to deposit notes
- Counterfeiters later withdraw deposited cash from bank tellers
- Counterfeit notes may be dispensed to unsuspecting users withdrawing cash at ATMs

# Counterfeit Currency

- Recipient of counterfeit notes must report and turn the notes into the bank
- Counterfeit notes are confiscated and no compensation is made to the recipient of the counterfeit notes
- For own safety, recommend using bank tellers to withdraw cash
- Ask teller to run cash through counting/counterfeit detection machine before accepting the cash

# ATM Safety

- China is a cash society
- Large cash withdrawals are common, especially before major holidays (e.g., October National Day, Chinese New Year, May Labor Day, etc.)
- Criminals target ATM users withdrawing cash
- Some robberies conducted outside ATMs during daylight hours
- DO NOT MAKE LARGE CASH WITHDRAWALS FROM ATMS
- Use bank tellers for large cash withdrawals and keep cash out of sight

# Safety Deposit Boxes

- Major banks offer safety deposit boxes at certain branches
- Check with your bank for branch offering safety deposit boxes – most are located within the CBD
- Boxes may be rented annually with fees starting at RMB 100.00 – 200.00 (depending on size of box)
- Deposit for box is charged at time of deposit box set-up (e.g., RMB 500.00)
- Two persons may be registered to the deposit box. Two keys are given to deposit box holder



Thank You !