

# Open a Bank Account with a Bank in China

## Description

I am referring to **foreign exchange accounts** not RMB account (foreigners in China are facing more difficulty in opening accounts with China banks). If you wish to know about [opening NRA RMB account](#), please go to another post.

### How to Open a China Bank Account - Easy China - Your better life in China

Currently, there are two options for foreign entities or legal persons (body corporates) when they wish to open a foreign exchange account in China.

#### 1. Offshore Account

Back in 1998, China has started its offshore banking business with some designated banks in China by allowing these banks to open forex accounts for foreign enterprises and individuals. Such accounts are called "OSA" accounts in China's banking administration.

Currently, there are only four banks eligible to open OSA accounts for foreign entities and individuals, and they are not those state-owned mega banks (such as the Big Four). They are China Merchants Bank, China Bank of Communication, Pudong Development Bank and Shenzhen Development Bank (now merged into Ping'an Bank).

OSA accounts are treated in the same way as accounts opened in foreign banks. The eligible banks have independent OSA departments, separate from onshore banking business.

#### 2. Non-Resident Account

In 2009, China State Administration of Foreign Exchange issued new rules allowing all banks in China (domestic or foreign-invested) to open foreign exchange accounts for foreign entities, facilitating foreign investors and Chinese investors to manage their foreign exchange fund.

In SAFE's 2009 rules, it made it clear that such non-resident account (called "NRA") are not OSA accounts, creating now another option for foreign investors to open forex accounts in China.

Now, the thing you want to know most is the difference between OSA accounts and NRA accounts. However it shall be noted that in most aspects, there are really similar from the perspective of account holders.

Some brief summaries here:

(1) OSA can only be opened with the four designated banks as listed above, but you can open NRA accounts with any banks in China;

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(2) the money in NRA accounts is counted in calculating the short-term foreign debt balance of their opening banks, but fund in OSA accounts is not so counted. This will give OSA banks unlimited power to open as many foreign exchange accounts as they wish and are not restricted by foreign debt balance limitation.

(3) foreign individuals can open OSA accounts but cannot open NRA accounts.

Contact the author if you want to know more.

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