



Setting up a business in the Greater Bay Area (II)

Opening a company bank account

With the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) going at full speed, how can Hong Kong businesses get a head start and take advantage of the immense business opportunities? The GoGBA go-to guides series, produced in collaboration by the Hong Kong Trade Development Council (HKTDC) and Richful Deyong (a Tricor company), hopes to help businesses with the first steps of setting up a business, handling taxation and completing related procedures.

This GoGBA go-to guide provides an overview of the basic requirements, procedures, useful links and other related information for opening a company bank account in the GBA. Please refer to official websites, online government service platforms and the websites of banks offering related services for the latest updates and detailed information, and consult with professionals according to your specific needs.



Contents

1 Opening a bank account for registered companies in the mainland	P.2
2 Documents required for opening a company bank account	P.5
3 Types of mainland personal bank accounts	P.8
4 Documents required to open a personal bank account	P.9



1

Opening a bank account for registered companies in the mainland

Account opening

A Hong Kong company can open an account for a registered limited company in a Mainland China bank by seeking a professional agency's assistance with:



Attestation at a Mainland China branch



Mailing documents for signature



The time required for account opening varies from bank to bank

All major banks in Hong Kong provide relevant account opening services.

Opening a corporate bank account for foreign-invested enterprises (FIEs)

Bank accounts generally include basic accounts, general accounts, temporary accounts and professional accounts. More specialised accounts include pending settlement accounts, special capital accounts and USD accounts.

FIEs primarily require a basic account and a capital account to do business. The basic account is used for daily business transactions, such as paying and receiving payments, and payment of wages and various expenses. The basic account can generally accept most of the common international currencies. The capital account is mainly used to receive investment from foreign investors.



Basic account
for handling daily business transactions



Capital account
for receiving foreign investments

Account opening process and time required in Mainland China

Opening a basic deposit account



about **1** week

FDI registration



about **2** weeks

Opening a capital account



about **1** week

Domestic bank vs. foreign bank

Commercial investment enterprises can choose between domestic and foreign banks. The advantages of opening a corporate bank account with a domestic bank as compared to a foreign bank:

Advantages 😊

- Convenient for tax withholding
- Convenient for paying the 5 social insurances and 1 housing fund for staff members
- Convenient transaction between domestic accounts
- Lower opening deposit requirement

Limitations 😞

- Generally, a legal representative must be physically present to complete the procedures, but some banks provide remote services for Hong Kong and Macao residents.
- Higher compliance requirements for intra-bank and cross-boundary transfers

Differences between opening a corporate bank account in the mainland and Hong Kong

Some Hong Kong banks have launched “account opening attestation” services for Hong Kong residents to open personal bank accounts in Mainland China or complete business registration procedures remotely. Since the banking regulations and systems of Hong Kong and the mainland are not yet compatible, the services that come with a Hong Kong account and a mainland account opened at the same bank may be different.

1 Restrictions on cash withdrawals and deposits

- Hong Kong bank accounts come with company cards allowing cash withdrawal in Mainland China.
- Hong Kong company accounts opened with Mainland China banks does not allow cash withdrawal.

2 Fund available time

- Most Hong Kong banks have extensive international service networks, allowing for more timely receipt of payments.

3 Multi-currency accounts

- A Hong Kong company account opened with a Mainland China bank is a single-currency account, with both incoming and outgoing payments in US dollars.
- A Hong Kong company account opened with a Hong Kong bank is a multi-currency account, allowing transactions in all major international currencies.

2

Documents required for opening a company bank account



Hong Kong companies should first **choose a location** according to their business needs. They can then provide basic documents such as registration documents and foreign legal person notarial certificates according to the requirements of the local government.

Materials required for opening a company bank account

- 1 Business license (original and copy)
- 2 Enterprise name seal, financial seal and legal representative's name seal (original and copy)
- 3 Proof of office address (original and copy)
- 4 Identity document of the enterprise's legal representative (original and copy)
- 5 Identity document of the unit manager (original and copy)
- 6 Articles of association (original and copy)
- 7 Certificate of the contact person for large payments (original and copy)
– 2 persons, including the legal representative and/or other persons
- 8 Information of 2 corporate internet banking operators/administrators
– operators and/or administrators, which can be the same as **7**
- 9 Other documents (as required by different banks)



Materials obtained after account opening

Including but not limited to: corporate deposit account information sheet (in lieu of the account opening permit), a bank seal card, 2 sets of corporate internet banking tokens, account opening application form, a depositor inquiry PIN, corporate settlement cards (for cash withdrawal), corporate bank receipt cards, etc.



FDI and capital account FDI registration materials

- 1 Copy of business license with official seal
- 2 Enterprise shareholding structure
- 3 Commercial register query
- 4 Enterprise credit information disclosure report
- 5 Domestic direct investment basic information registration form
- 6 Power of attorney
- 7 Document proof of the establishment of the overseas parent company, such as certificate of incorporation, business registration certificate
- 8 Articles of association
- 9 Letter of introduction
- 10 Identity card copy of the legal person
- 11 Identity card copy of the manager
- 12 All related original documents (except Hong Kong registration documents)
- 13 Other documents (as required by different banks)



Opening a capital account

The materials required are mainly those required for opening a basic account and completing FDI filing. The requirements vary from bank to bank.

Pilot scheme for Hong Kong residents to open mainland personal bank accounts in the Greater Bay Area remotely by attestation

The pilot scheme for Hong Kong residents to open mainland personal bank accounts in the Greater Bay Area remotely by attestation was launched in 2019 along with 15 other policy measures to facilitate the development of different Hong Kong sectors in the Greater Bay Area.

Pilot mainland banks can open Type II and Type III personal bank settlement accounts for Hong Kong residents by remote attestation through their Hong Kong branches or holding banks of the same legal entity group to facilitate Hong Kong residents' use of mobile payment in the mainland.



3

Types of mainland personal bank accounts

A personal bank account is required for a Hong Kong resident to do business, work, study and live in the Greater Bay Area. According to the personal bank account management mechanism launched by the People's Bank of China in 2016, personal bank accounts are divided into three categories:

	Type I	Type II	Type III
Type	Full-function account	Limited-function account	Small payment account
Main uses	Cash deposit and withdrawal, large transfers and purchases, buying investment products, etc	Daily credit card payment, online shopping, online payment	Smaller and more frequent transactions, especially mobile payments
Transaction limit for unbonded accounts	No limit	Daily limit of Rmb10,000; annual limit of Rmb200,000	Daily limit of Rmb2,000; annual limit of Rmb50,000
Balance limit	No limit	No limit	No more than Rmb2,000
ATM card	ATM card available	ATM card available	No ATM card

4 Documents required to open a personal bank account

The requirements vary slightly from bank to bank. The basic documents required include:

- 1 Real-name registered mainland phone card
- 2 Mainland Travel Permit for Hong Kong and Macao Residents (“Home Return Permit”), Hong Kong Identity Card, etc
- 3 Proof of address in Mainland China



After successfully opening a Type II or Type III personal bank account in the mainland, the account holder will be able to **link the account with digital payment systems including WeChat Wallet and Alipay** to send and receive money.



Useful Links

Please refer to the below websites for the latest official updates and more detailed information:

Guangdong Government Service Network – setting up a company bank account

(in Chinese only)

<http://www.gdzfw.gov.cn/portal/legal/mattersLv2/hot?region=440000&lv2code=9300000003>



State Administration of Foreign Exchange – Guidelines for the Foreign Exchange Business under the Capital Account (2020 Version) (in Chinese only)

<https://www.safe.gov.cn/safe/2021/0122/18098.html>



The People’s Bank of China – Opening Bank Account License

(in Chinese only)

<http://www.pbc.gov.cn/rmyh/107046/107159/2827959/index.html>



Hong Kong Monetary Authority – Cross-boundary Wealth Management Connect Scheme in the Guangdong-Hong Kong-Macao Greater Bay Area

<https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/wealth-management-connect/>



Hong Kong Economic and Trade Office in Guangdong – doing business and investing in the Mainland

https://www.gdeto.gov.hk/en/doing_business/other_areas.html



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<http://en.rf.hk/>



GoGBA

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The HKTDC has launched the GoGBA one-stop platform to provide digital information and business tools, advisory services and training as well as promotional and networking activities, offering multi-faceted support online and offline to help Hong Kong businesses navigate the Guangdong-Hong Kong-Macao Greater Bay Area. HKTDC GBA Centres and GoGBA Business Support Centres provide advisory services and training to Hong Kong companies; a series of flagship promotional events help Hong Kong companies expand their business networks; while the GoGBA website and WeChat mini-programme feature the latest policy and business updates and cross-border business tools.



GoGBA business tools
[WeChat mini programme]



GBA updates
[WeChat official account]