

Xinhua (2015). “Spotlight: China authorizes ICBC to be renminbi clearing bank in Argentina”. Xinhua. September 19.

BUENOS AIRES/BEIJING, Sept. 18 (Xinhua) -- China's central bank on Friday authorized the Industrial and Commercial Bank of China (ICBC) to clear renminbi business in Argentina.

The People's Bank of China (PBOC) made the decision after Chinese and Argentine central banks signed a memorandum of understanding on establishing a yuan clearing system.

This will facilitate the use of the yuan in cross-border transactions between the two countries and boost bilateral trade and investment, a PBOC press release said.

"Argentina is an influential country in Latin America and the Caribbean, which China greatly values." said the PBOC.

At a ceremony held Friday at the ICBC head office in Buenos Aires, ICBC Chairman Jiang Jianqing said that the move will allow the bank to fulfill its role as a bridge between the two nations.

"Furthermore, it will help to develop relations not only between China and Argentina, but also between China and Latin America," Jiang added.

Alejandro Vanoli, president of Argentine central bank, said the move will serve to deepen the bilateral relationship set out in the comprehensive strategic partnership.

"The ICBC will be a very capable agent in this regard," Vanoli said, adding that Argentina and China "should also multiply their exchanges in other fields than the commercial one. We are greatly in tune with China in particular and with all the BRICS in general."

The ICBC said in a statement that it was committed to fulfilling its role as a clearing bank in Argentina, to respecting regulatory entities and following the monetary regulations of both countries.

"The principal objective will be to develop trades in renminbi by offering a professional service, bringing security, peace of mind and convenience to clients, and by positively

supporting economic and commercial cooperation between China, Argentina and all of Latin America," read the statement.

ICBC entered the Argentine market in November 2012 when it bought 80 percent of Standard Bank Argentina's operations in the country. This was the first time that a Chinese bank had bought a financial entity in Latin America.

China is Argentina's second-biggest trade partner, its biggest destination of farm produce exports and its third-biggest source of investment. The two countries inked a 70-billion-yuan (11 billion U.S. dollars) currency swap deal in July 2014.

The ICBC has now been authorized for yuan clearing business in six foreign countries. Enditem