ACCRA AS WEST AFRICA'S RENMINBI CLEARING HUB

Why Ghana Must Act Before Others Go for It

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THE PROBLEM NO ONE IS PAYING TO SOLVE

China is, by every measure, West Africa's dominant trade partner, infrastructure financier, and project contractor. Bilateral trade between Ghana and China reached a historic US$11.84 billion in 2024, a 10.4 percent year-on-year increase. Nigeria's trade with China exceeded US$20 billion the same year. Aggregate China–ECOWAS trade across all sixteen member states is estimated at US$60–70 billion annually.

None of it settles directly in Renminbi. Every transaction in this corridor is first converted into US dollars, routed through correspondent banks in Hong Kong or London, converted again, and then settled, with each step absorbing a spread that neither governments nor businesses recover. The People's Bank of China has itself estimated that cross-border transactions settled directly in RMB save counterparties 2–3 percent in transaction costs. Applied to Ghana's trade alone, that differential represents between US$237 million and US$355 million in annual avoidable costs. Applied to the full ECOWAS–China corridor, the regional figure runs between US$900 million and US$2 billion every year.

This is not an absolute condition. China has, over the past decade and a half, built a global network of offshore RMB clearing arrangements to address exactly this kind of problem. The Cross-Border Interbank Payment System (CIPS) now counts 168 direct participant banks and over 1,600 indirect participants across 119 countries, processing RMB 175 trillion in cross-border transactions in 2024, a 43 percent increase from the year before. Africa accounts for just 4 percent of indirect CIPS participants. The continent's China trade is enormous. Its settlement infrastructure is negligible.

WHAT THE EVIDENCE ALREADY SHOWS

The case for a West African RMB hub does not rest on theory. It rests on what comparable jurisdictions have already demonstrated.

When the UAE designated Agricultural Bank of China's Dubai branch as its RMB clearing institution in 2015, backed by a 35-billion RMB bilateral currency swap agreement with the PBoC, it was not acting as a dominant economy with exceptional leverage. It was acting as a well-positioned regional hub with the commercial reason to serve its neighbourhood. By December

2023, UAE cross-border RMB payment volumes had grown 127 percent year-on-year. Approximately 60 percent of Chinese goods now transit UAE ports en route to markets across the Middle East and North Africa.

Mauritius launched its Renminbi Clearing Centre in December 2022 and formally designated Bank of China (Mauritius) Limited as clearing bank in June 2025. Within months of the initial launch, local importers were requesting RMB-denominated invoices from Chinese suppliers and using the domestic clearing centre for settlement, eliminating the dollar conversion step and directly reducing foreign exchange costs. International settlement volumes through Bank of China Mauritius approached US$3 billion in 2022 alone. The Bank of Mauritius is explicit that the hub serves not only Mauritius but its entire COMESA and PAPSS regional network.

Luxembourg's 2014 hub attracted Bank of China, ICBC, and China Construction Bank regional headquarters and made it the leading RMB securities settlement venue in Europe. South Africa operationalized a continental RMB solution in September 2025 through Standard Bank's ICBC-partnered platform, processing over R100 billion in Africa–China trade flows for small and medium enterprises in 2024.

Table: Global RMB Clearing Hubs and Ghana's Opportunity

Hub	Year	Key Result	Regional Role
UAE / Dubai	2015	127% YoY growth in RMB payments by 2023	MENA gateway; 60% of Chinese goods transit UAE
South Africa	2004 / 2025	Continental RMB solution; R100bn in SME trade flows (2024)	Sub-Saharan African anchor
Mauritius	Dec. 2022	Direct RMB settlement; FX cost reduction; ~US$3bn settlement volume (2022)	Africa–Asia bridge; COMESA & PAPSS connected
Luxembourg	2014	Attracted BoC, ICBC, CCB regional HQs; Europe's leading RMB securities venue	Europe–China bridge
Ghana (proposed)	TBD	ECOWAS–China trade ~US$60–70bn p.a.; FX savings potential US$900m–2bn	West Africa RMB gateway; AfCFTA institutional anchor

Sources: PBoC; SWIFT RMB Tracker; Bank of Mauritius; EDB Mauritius; Standard Bank Group; author's compilation.

GHANA'S CASE IS DISTINCTIVE

Ghana has specific advantages that no other ECOWAS economy currently combines. The Bank of Ghana participates in the Pan-African Payment and Settlement System (PAPSS), the continental payment infrastructure into which an RMB hub would feed. The Ministry of Finance carries decades of structured project engagements with Chinese state banks. And the AfCFTA Secretariat, headquartered in Accra, sits at the institutional center of Africa's trade integration experiment, giving an Accra-based RMB hub continental legitimacy that no other West African candidate can credibly claim.

The immediate requirement is a bilateral currency swap agreement between the Bank of Ghana and the PBoC. This is the foundational instrument: it provides the clearing bank with its RMB liquidity backstop and signals formal political endorsement of the arrangement by both governments. The PBoC's active swap portfolio has grown selective over time, favouring partners with demonstrable commercial reason and sound governance. Ghana's improving fiscal fundamentals, its active Chinese project pipeline, and its AfCFTA positioning give it a credible case, but the case must be formally constructed and advanced, not assumed.

ON THE OBJECTIONS

Some will ask whether deepening financial ties with China sits comfortably alongside Ghana's IMF programme. It does, provided the structuring is clear. A bilateral currency swap and clearing bank designation are monetary instruments, not fiscal borrowing arrangements. They create no new public debt and do not trigger the non-concessional borrowing restrictions the programme imposes. The UAE concluded its hub arrangement while maintaining a dollar peg and robust engagement with Western financial institutions. Ghana is not being asked to abandon the dollar; it is being asked to stop paying unnecessary costs to use it in a trade relationship that would be better served by a different settlement mechanism.

Others point to the ECOWAS ECO monetary union ambition. The concern reflects a category confusion. The ECO addresses intra-African monetary arrangements. An RMB hub addresses external settlement with China. They operate at different layers of the financial architecture and do not compete.

THE WINDOW IS NARROWING

South Africa's 2025 continental RMB solution has changed the competitive landscape. Mauritius is deepening its eastern African hub ambitions. The PBoC's swap agreement portfolio is becoming more selective. Nigeria's macroeconomic volatility makes it a less credible near-term candidate than its trade volumes suggest. The West African first-mover position is available but not indefinitely.

For Ghana, an Accra RMB hub represents more than a trade finance measure. It represents a qualitative expansion of Ghana's role in its most important bilateral economic relationship from transactional project engagement to strategic stewardship of the financial design through which the entire China relationship is mediated. That is a different kind of mandate, and one Ghana must be positioned to pursue. The decision to begin is the only thing missing.

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