Barclays, Absa to combine African operations

Barclays Bank and its subsidiary, Absa, say they are engaged in negotiations to combine the majority of the Barclays Africa operations.

Maria Ramos, chief executive of Absa Group and Barclays Africa, confirms the discussions, saying the proposed combination is the next logical step in delivering the "One Africa" strategy Barclays announced last year.

There has already been a consolidation of the regional offices for Absa Africa and Barclays Africa, as well an introduction of a global product strategy for banking across the continent.

A platform for further growth

"We are tremendously excited by the opportunities for growth in Africa. We are wholeheartedly committed to our businesses across Africa and this proposed combination will help us to leverage the significant potential of these businesses.

"It will provide a platform for further growth that we firmly believe will be to the benefit of our colleagues, our customers and clients, our shareholders and the communities in which we operate," Ramos said.

The discussions will culminate in the combination of Barclays interests in Botswana, Ghana, Kenya, Tanzania, Uganda, Zambia and the Indian Ocean with Absa, with Barclays Bank PLC remaining as the majority shareholder of the combined African operations.

The listings of Barclays subsidiaries in Kenya, on the Nairobi Securities Exchange, and in Botswana, on the Botswana Stock Exchange, would be maintained. Only Barclays holdings in these listed subsidiaries would be included in the proposed combination.

The proposed combination would be subject to, among other things, the approval of the Boards of Barclays and Absa as well as Absa shareholder approval and regulatory approvals in the relevant jurisdictions.

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