Early Warning System

IFC-37797

China Union Life Insurance Equity

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Quick Facts

Countries	China
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	C
Voting Date	2017-06-19
Borrower	Union Life Insurance Co., Ltd.
Sectors	Finance
Investment Type(s)	Equity
Investment Amount (USD)	$ 106.87 million

Project Description

The proposed project entails IFC's equity investment of up to RMB690 million (US$100 million equivalent) in Union Life Insurance Co., Ltd. ("Union Life", the "Company").

Union Life was established in 2005 by a group of domestic private enterprises and is headquartered in Beijing, China. The Company currently operates in 26 provinces through 28 branches, over 750 sales offices, and 78,000 agents, and serves nearly 4 million long term individual customers. The Company recorded gross written premium of RMB18.8 billion (US$2.8 billion equivalent) in 2016. Its total asset and shareholders' equity stood at RMB81.7 billion (US$ 12 billion equivalent) and RMB6.1 billion (US$897 million equivalent), respectively, by the end of 2016.

Investment Description

- International Finance Corporation (IFC)

Zhongfa Group is the single largest shareholder of Union Life with 46% equity stake. Zhongfa Group is a large national privately-owned holding company which covers several industries including financial services, healthcare, tourism and property management. Other shareholders of Union Life include Simaite Investment Co., Ltd. (18.48%), Hubei Chuhan Trade Co., Ltd. (13.86%), Hubei Defan Investment Co., Ltd. (13.86%), Beijing Tianxinjie (4.43%), and Taiyo Life (3.31%).

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Union Life Insurance Company (Financial Intermediary)

Private Actors Description

Union Life was established in 2005 by a group of domestic private enterprises and is headquartered in Beijing, China. The Company currently operates in 26 provinces through 28 branches, over 750 sales offices, and 78,000 agents, and serves nearly 4 million long term individual customers. The Company recorded gross written premium of RMB18.8 billion (US$2.8 billion equivalent) in 2016. Its total asset and shareholders' equity stood at RMB81.7 billion (US$ 12 billion equivalent) and RMB6.1 billion (US$897 million equivalent), respectively, by the end of 2016.

Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

CONTACTS

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