Early Warning System

IFC-41668

JFLC Green Financing Package

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Quick Facts

Countries	China
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Borrower	JIANGSU FINANCIAL LEASING CO., LTD.
Sectors	Finance
Ring Fence	Small & Medium Enterprises
Investment Type(s)	Loan
Investment Amount (USD)	$ 145.00 million
Loan Amount (USD)	$ 145.00 million

Project Description

According to IFC website, the proposed investment entails a 3-5 years green financing package to Jiangsu Financial Leasing Co., Ltd. (JFLC), an existing partner of IFC, to support it to further develop green leasing services to small and medium enterprises. The project has expected development impact in the following areas:

i) Stakeholder impacts: to improve SMEs' access to green financing/leasing, and to increase affordability of green leasing products;

ii) Environmental and social impact: to generate sizable green electricity and to reduce green-house gas emission;

iii) Market standard setting: to promote broader adoption of internationally acceptable green financing principals/standards;

iv) Market demonstration effect: to introduce the first sizable public green financing issued by a SME-focused private sector leasing company in China.

People Affected By This Project

i) Stakeholder impacts: to improve SMEs' access to green financing/leasing, and to increase affordability of green leasing products;
ii) Environmental and social impact: to generate sizable green electricity and to reduce green-house gas emission;
iii) Market standard setting: to promote broader adoption of internationally acceptable green financing principals/standards;
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Investment Description

- International Finance Corporation (IFC)

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.

- JIANGSU FINANCIAL LEASING CO., LTD. (Financial Intermediary)
- JIANGSU FINANCIAL LEASING CO. LTD (Financial Intermediary) **is owned by** Jiangsu Financial Leasing (Parent Company)
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Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

JFLC has a diversified shareholding structure. Its major shareholders include Jiangsu Transportation Holding Company (together with its two subsidiaries, 39.05%), Bank of Nanjing (21.09%), IFC (6.70%), CITIC Private Equity (6.50%), BNPP Lease (5.11%), and public investors (21.55%).

Established in 1985, JFLC is a financial leasing company licensed and regulated by China Banking and Insurance Regulatory Commission, is listed in Shanghai Stock Exchange, and has strategic focuses on supporting SMEs and developing environment-friendly leasing business.

Contact Information

Jiangsu Financial Leasing Co., Ltd.
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Website: http://www.jsleasing.cn/

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/