

## **China amends law to broaden investment channel of insurance funds**

China is to broaden the investment channel of insurance funds, allowing them to invest in real estate industry, if a draft revision to the Insurance Law is adopted by the national legislature.

Investment channel of insurance funds would be widened to marketable securities such as bonds, stocks, funds and real estate industry, according to the draft submitted to the Standing Committee of the National People's Congress (NPC) on Monday.

The current law only allows insurance funds to invest in government bonds and financial bonds.

"It is necessary to revise the law to boost the steady and fast development of the insurance industry. It will help to better regulate insurers' business conduct, prevent and control risks and protect insureds' interests," said China Insurance Regulatory Commission chairman Wu Dingfu when explaining the draft at the fourth session of the NPC Standing Committee.

The revision also highlights tighter supervision of insurance fund using, in a bid to prevent investment risks.

The legislative session is scheduled to end on Friday.

*Source: Xinhua*