



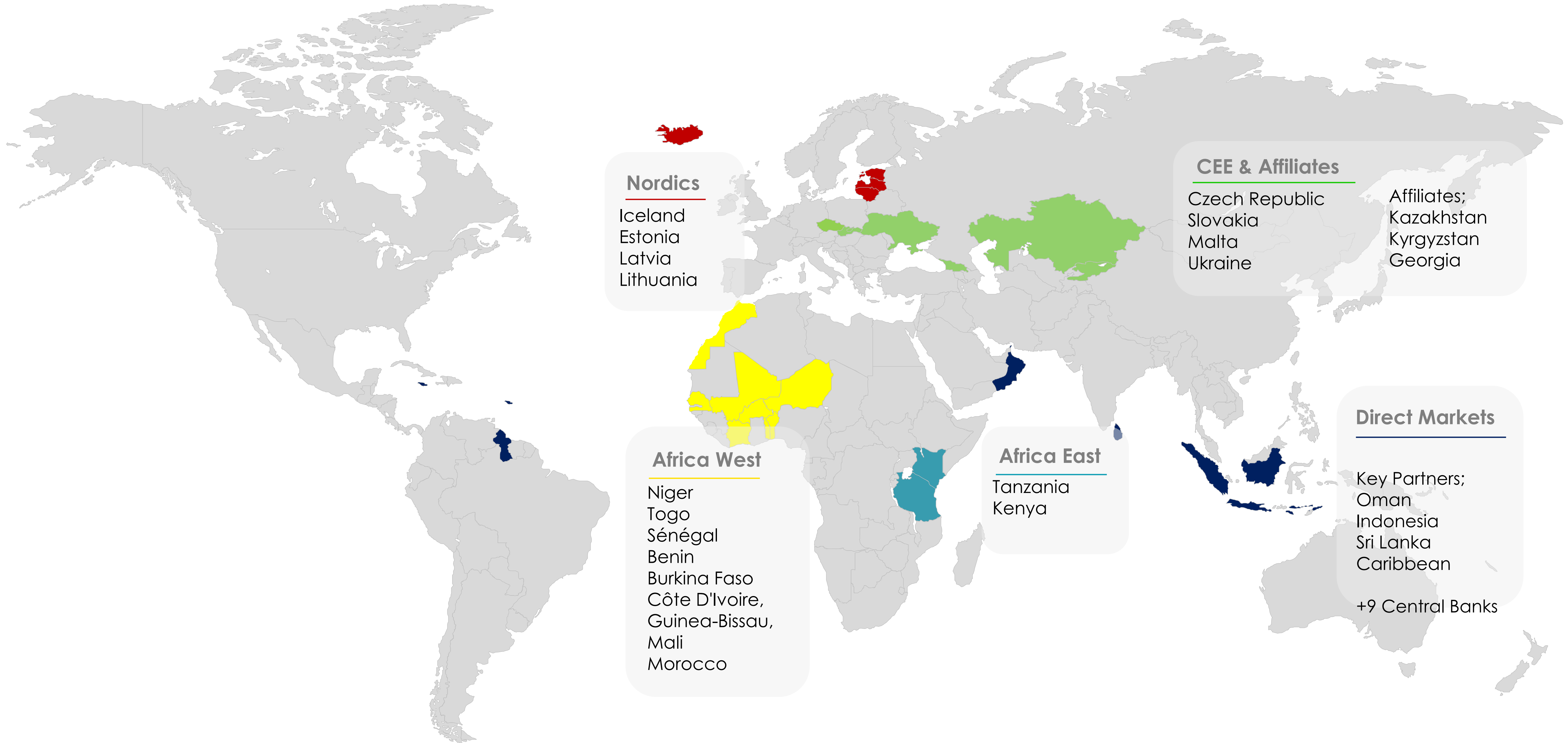
# The transformation of SME lending in a post-pandemic economy

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Director of Global Solutions

# MISSION

Our mission is to provide  
**intelligent information** and  
**solutions** for businesses and  
institutions to strengthen  
**economic growth** through  
**effective decisioning** and  
better **financial inclusion**.

# Creditinfo's Operations



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# What trends can we expect post-Covid?

- » Do financial institutions want/need to get people into their branches?
- » How can decision making be improved going forward?
- » How should collections be carried out during and post a pandemic?



Digital processes & Signatures

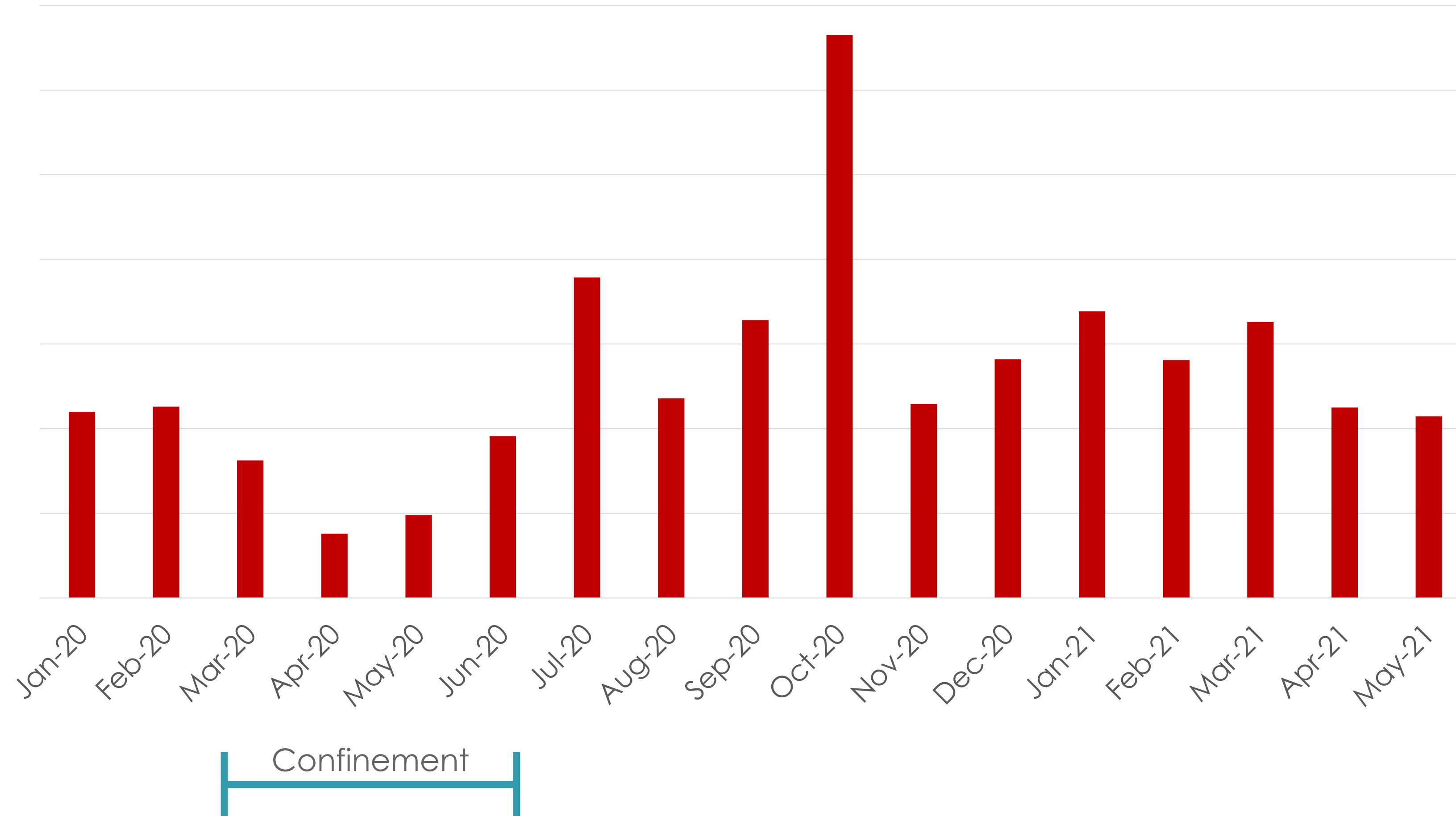


Data availability & Decision consistency



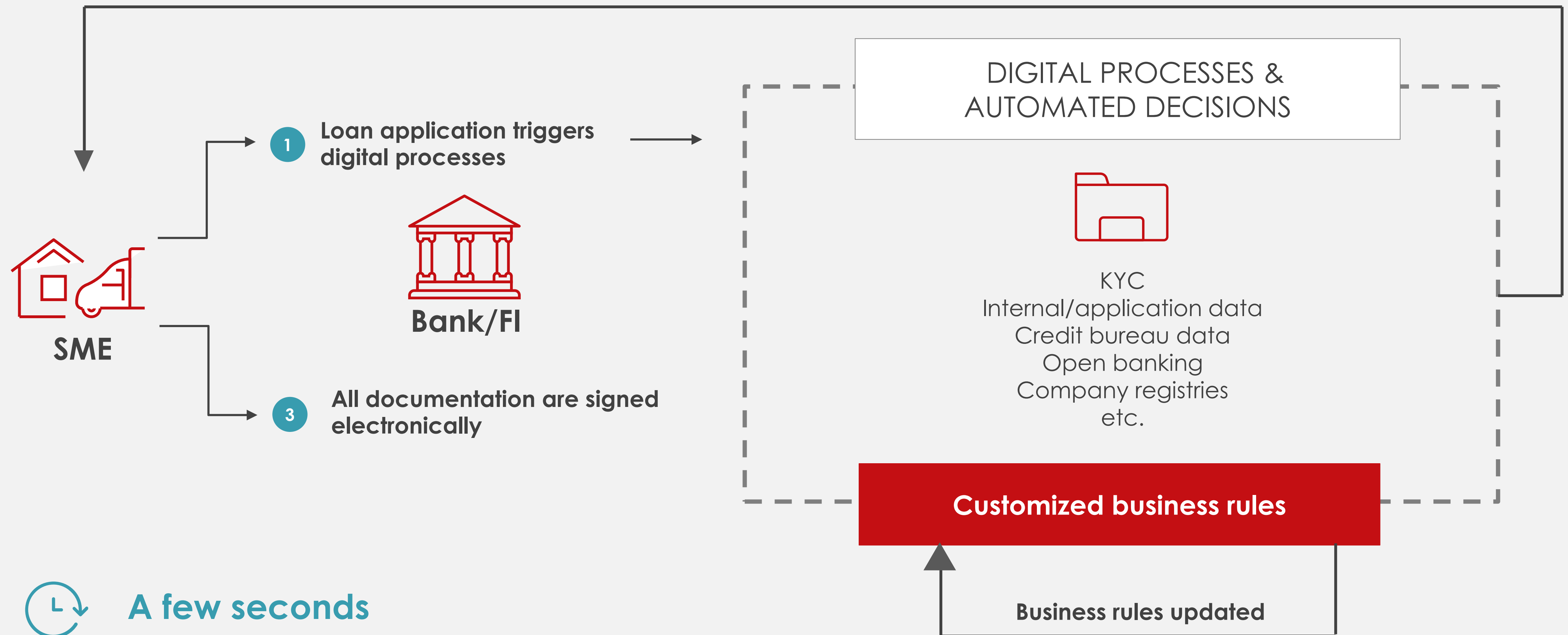
Customized risk evaluations & collections solutions

# Credit report usage in Morocco during Covid



# Digital processes & Signatures

## 2 Automated decision or classification



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# Data availability & Decision consistency

## Increased data availability

Data on businesses are becoming more accessible. This is partially driven by new regulations such as AML and PSD2

- Business registries
- Financials
- Open banking
- KYC related data
- Accounting systems

## Decision consistency

Consistency in decision making is vital to enable retrospective analysis of decisions. This is especially important during and after crisis

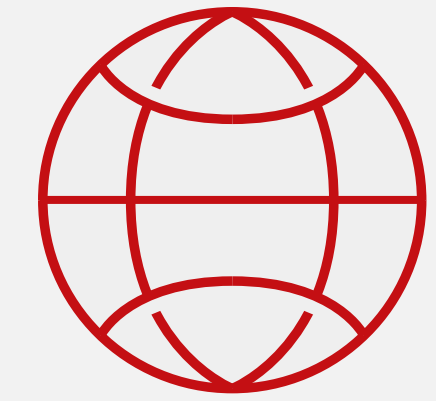
- Elimination of manual mistakes or personal subjectivity
- Machine learning methodologies
- Retro analysis of decisions and optimization

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# Customized risk evaluations & Collections solutions

## 1 Collection scores and prioritizations

Clear and fair processes for collection that are based on available data to predict the likelihood of recovery



## Our Experiences Globally

Significant increased interest in collection scores and solutions

Enable prioritization of collection efforts based on the likelihood of:

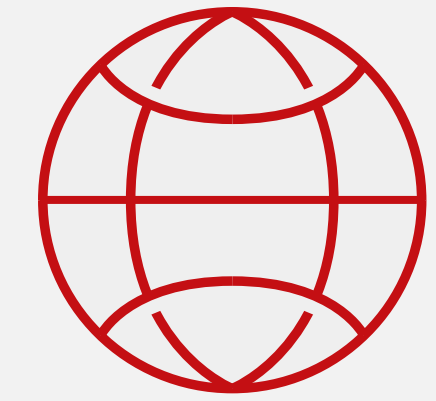
- Recovery from the default
- Recovery from the pandemic (business viability)



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# Customized risk evaluations & Collections solutions

- 1 Collection scores and prioritizations**  
Clear and fair processes for collection that are based on available data to predict the likelihood of recovery
- 2 „Payment moritorium“ post-pandemic impact**  
Companies are burdened by installments which might limit future growth. Credit scores have „improved“ on average in many markets.



## Our Experience from Iceland

Average default rate:

5.5%

Default rate last 12 mths:

3.3%

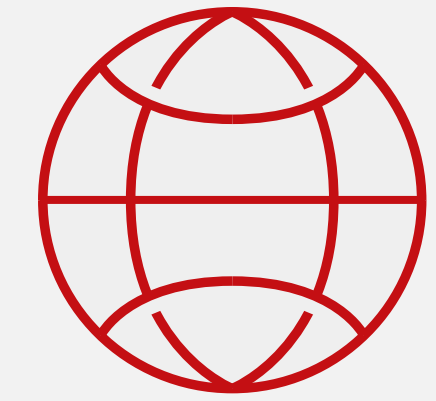
Expected development  
in default rate in the next

2 years:  
up to 10%

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# Customized risk evaluations & Collections solutions

- 1 Collection scores and prioritizations**  
Clear and fair processes for collection that are based on available data to predict the likelihood of recovery
- 2 „Payment moritorium“ post-pandemic impact**  
Companies are burdened by installments which might limit future growth. Credit scores have „improved“ on average in many markets.
- 3 Support governments in decision making for Bridge loans**  
Government were in many markets not prepared for the evaluations of bridge loans to keep companies afloat.



## Our Experience from Iceland

The government allocated funds to be issued up to **550mEUR** in bridge loans to support businesses **(2.75% of GDP)**

Creditinfo engaged with the Icelandic Ministry of Finance with recommendations for the evaluations

