

Journal of the European Union Chamber of Commerce in China

# EURObiz

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**Full Coverage:**

## The 7th EU-China Business Summit



**URBANISATION**  
The Cost of Managing Waste

**AUTOMOBILES**  
Morgan Motors Rolls into China

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Protection for the Textile Industry

**CERTIFICATION**  
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**THE EXECUTIVE INTERVIEW**  
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Maersk China



European Chamber  
中国欧盟商会



CRIF

## Enrico Lodi



CRIF Credit Services' General Manager tells us about the rising demand for credit and related credit information requests, and how China's financial institutions are preparing themselves to do more.



**EURObiz (Eb): What is your impression of the state of small and medium-sized enterprises (SMEs) in China, having been a featured speaker on the panel at the EU-China Business Summit's SME session?**

**Enrico Lodi (EL):** I read some reports about the financing difficulties faced by Chinese SMEs who normally could not get loans from the bank. As a common banking practice, loans are distributed upon enough understanding on the enterprise. In China, SMEs could not provide information to meet the loan requirement from the bank, which means SMEs don't collect and archive such important information as accounting and manufacturing, so when applying loans from the bank, they could not complete all the materials required by the bank in a short time. There are two possible reasons: one is that SMEs do not know which information could help them get the loan, the other that there is no effective reflecting system between the info provided by the SMEs and obtaining bank loans, i.e. there is no department to conduct the task of collecting/archiving SME credit info.

**Eb: Following the Summit, where do you think the opportunities for business in China are?**

**EL:** CRIF have over 20 years' experience in Europe in collecting and organising SME credit info to the banks for decision solutions. We believe we could and are willing to provide our experiences and technology to the Chinese partners, helping Chinese SMEs improving financing environment.

**Eb: What is the demand for consumer credit now in China, and how does that create opportunities for CRIF?**

**EL:** China is still on the starting stage on consumer finance. Chinese economy has been relying on export for a very long time, where China's low-cost labour has re-shaped global economic competition landscape. American and European economies are

growing slowly or in standstill, and China is in urgent situation to change economy increase from depending on export to enlarging domestic consumption, where consumer finance is a very effective solution from both European and American experiences. However, risk control is a key concern by financial institutions in developing consumer finance. CRIF is the global leader in providing individual credit information, SME credit information, small loan decision solutions and enterprise business information, therefore, I'm very confident that there are a lot opportunities for CRIF in China. We entered China in 2008 with the HuaxiaCRIF JV, and started our own WOFE CRIF China in 2011.

**Eb: How is CRIF's approach different in China than in other countries, especially other emerging economies?**

**EL:** It is well-known China has the largest population in the world, and Chinese people's income is increasing year by year, so there are increasing business opportunities in China. China has over 5000 years' historical culture with its distinguished business culture characteristics. As an Italian company, it's crucial for us to understand both Chinese business culture and political culture. Our WOFE in China has gained quite much business progress and there is still a long road for us to develop in China.

**Eb: The European Union and China are now investing approximately the same amount in each other in terms of overseas direct investment. What would it take to increase the flow of investment in both directions, what would encourage each to invest in the other?**

**EL:** Whether it's China investing Europe or Europe investing China, the ultimate fact is Chinese economy catching up European, which is also a very important part in global economy development. Vast in geography, China is in the first stage of urbanization and there is at least 20 years' economic growth in future, which

means great opportunities to both Chinese and European enterprises.

**Eb: Are Chinese financial institutions well-prepared to address the mature credit requests they are now receiving from consumers?**

**EL:** After China's entrance to WTO, most of Chinese financial institutions have been transformed from state-owned to business enterprises, and some financial institutions has equal capabilities comparing to their international counterparts in dealing with consumer finance. Nevertheless, many Chinese financial institutions are far behind in financial retail business comparing to international counterparts and there is still much to do to shorten the gap. Some leaders of these financial institutions have realized the fact but they need experienced global companies to help put the solutions into practice.

**Eb: In which city or cities in China has CRIF chosen to establish a presence, and why?**

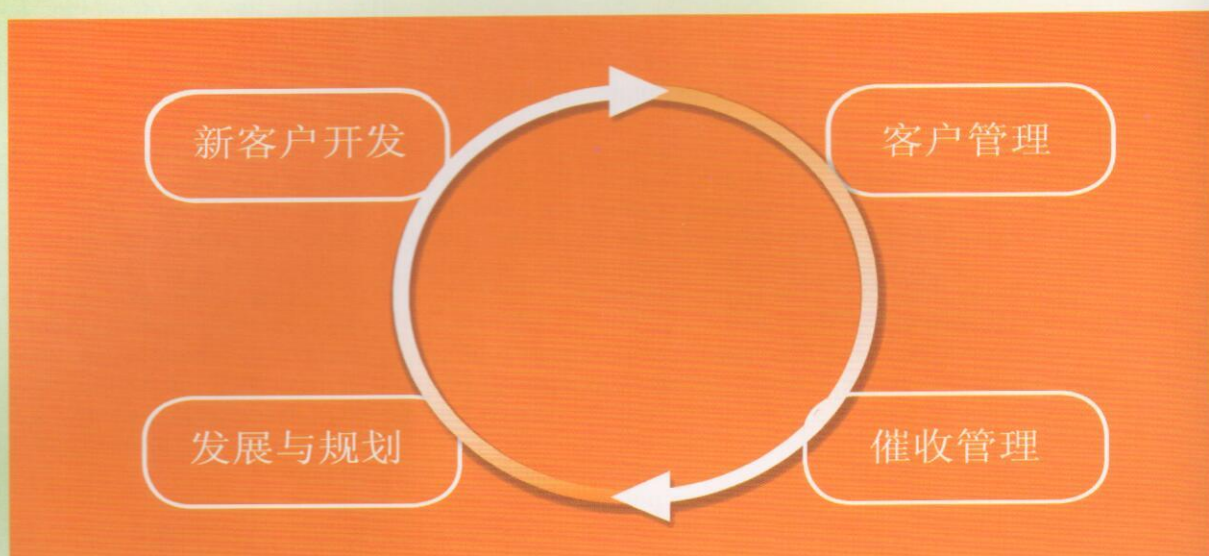
**EL:** CRIF has established operation in both Beijing and Shanghai. Beijing is China's political center and where the national banks has the headquarters, while Shanghai China's financial center is where the banks retail department, and specifically the credit cards departments, are usually located.

**Eb: Please tell us a bit more about the credit risk management solutions that you are offering in China.**

**EL:** We are now providing risk control solutions in China, such as the credit decision engine StrategyOne, the credit process solution CreditFlow, the debt collection solution CLever, scoring and modeling and relevant consultancy services. **Eb**



## 整套信用风险管理方案



### CRIF 国际面貌

- 拥有意大利国内市场**80%**的份额
- 欧洲大陆最大的征信机构
- 全球**1,800**家银行和金融机构正在使用CRIF提供的解决方案
- 全球超过**25,000**家业务合作伙伴
- 拥有全球**1.5**亿家公司的信息以及相关报告
- 遍布全球**1300**多名员工
- 在**11**个国家成立业务机构
- CRIF在一些国家直接拥有征信局，  
为**10**个国家的中央银行提供建设征信局方面的技术支持
- CRIF的客户遍布全球**40**多个国家