HKECIC 信保局

New measure facilitating HK SMEs in developing E-commerce

16 July 2024

HKECIC at a Glance

HK A **Statutory organisation** of the HKSARG

- Established in 1966 under Hong Kong Export Credit Insurance Corporation Ordinance (Chapter 1115)

HKECIC provides **Export Credit Insurance**

- Protecting Hong Kong exporters against non-payment risks arising from commercial and political events

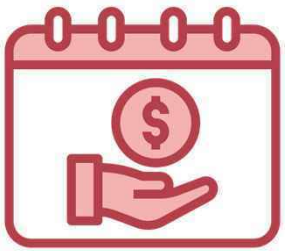
Statutory maximum liability standing at **$80 billion**

- Financially self-sufficient and no Government's subvention

HKECIC 信保局

Benefits of Trade Credit Insurance

Insurance Protection



Receivable Management

Credit Risk Management

Trade Financing

Our Mission

HKECIC's mission is to encourage and support the export trade with insurance protection against non-payment risks arising from commercial and political events through the provision of professional and customer-oriented services.

Status Quo of Cross Border E-commerce

Rapid Growth

Cross-border e-commerce trade has been growing tremendously worldwide in the past few years. Global market is expected to reach **US$7.9 trillion*** in 2030.

There are many HK local merchants, through different e-commerce platforms (e.g. Amazon, JD, Taobao, Tmall, eBay, etc), who sell their goods all around the world. Most of those HK merchants are **SMEs**.

Pain Point

Difficult to access the trade loan from traditional banks or financial institutions due to light asset base.

That creates a financing gap which acts as a hurdle for building SME resilience and potential growth.

*https://www.statista.com/statistics/1296796/global-cross-border-ecommerce-market-value/

HKECIC 信保局

First Alternative Data Solution for Cross-border E-commerce Trade

Collaboration

With the aim of facilitating access to trade financing, encouraging and supporting their development of cross-border e-commerce trade, HKECIC has collaborated with a reinsurance company (SCOR) to develop an insurance cover on trade loan granted by a Fintech company (FundPark), to support cross-border e-commerce trade.

FundPark 與信保局達創新保險方案

香港文匯報訊（記者 岑健樂）為支持跨境電子商貿，香港出口信用保險局與法國再保險（亞洲）攜手合作為 FundPark 向香港跨境電商的貿易貸款提供保障，以便利商戶取得貿易融資，同時鼓勵及支持商戶發展跨境電子商貿。

鼓勵支持跨境電子商貿

據FundPark首席執行官及聯合創始人孫慧來介紹，總部設於香港的FundPark是一家金融科技公司，通過利用人工智能技術、電子商貿平台資料及其專利的風險管理平台，為中小型跨境電商掌握市場洞察和提供資金，協助他們抓緊未來的發展機遇。他表示，這項首創的承保和再保險安排，將可為更多難以從傳統金融機構獲取融資的商戶提供營運資金。

香港出口信用保險局總監趙民忠昨表示，過去幾年，全球跨境電子商貿蓬勃增長，而這個創新方案將協助電商更易獲得融資，進一步推動跨境電商發展。

法國再保險（亞洲）首席執行官梁煥榮則表示，評估貿易

左起：FundPark 首席執行官及聯合創始人孫慧來、香港出口信用保險局總監趙民忠及法國再保險（亞洲）首席執行官梁煥榮。

融資風險絕非易事，尤其是中小型企業，其業務實力和潛力通常不容易從其財務狀況或傳統的風險核保因素中體現出來。法國再保險很高興能與香港出口信用保險局及FundPark合作，共同開發一項以數據為主導的自動化核保工具，協助進行高效率、高成效的貿易信貸風險評估，從而協助保險公司和融資機構在這個未被開發的市場中抓緊機遇。

Insurance Cover

The cover can **protect the FinTech company**, as a financial institution, and **minimise their loss**, which eventually can encourage for more capital to be made available for SMEs.

The insurance covers the risk of insolvency and payment default from cross-border e-commerce merchants.

HKECIC 信保局

First Alternative Data Solution for Cross-border E-commerce Trade

Algorithm-based Risk Assessment

The risk assessment on obligor (merchant) does not depend on the traditional balance sheet underwriting.

An algorithm-based risk assessment model is adopted and it mainly relies on alternative data provided by cross-border e-commerce platform & payment gateway partner.

Alternative data refers to **transactional data** and **non-transactional data** collected from third-party sources, including:

E-commerce platform

Merchant's sales proceeds, order defect rate, order cancellation rate, order dissatisfaction rate, late shipment, response time, product authenticity, etc.

Payment gateway partner

Number of merchant's account registered in payment gateway, number of account authorized to the FinTech company, amount transferred via payment gateway, etc.

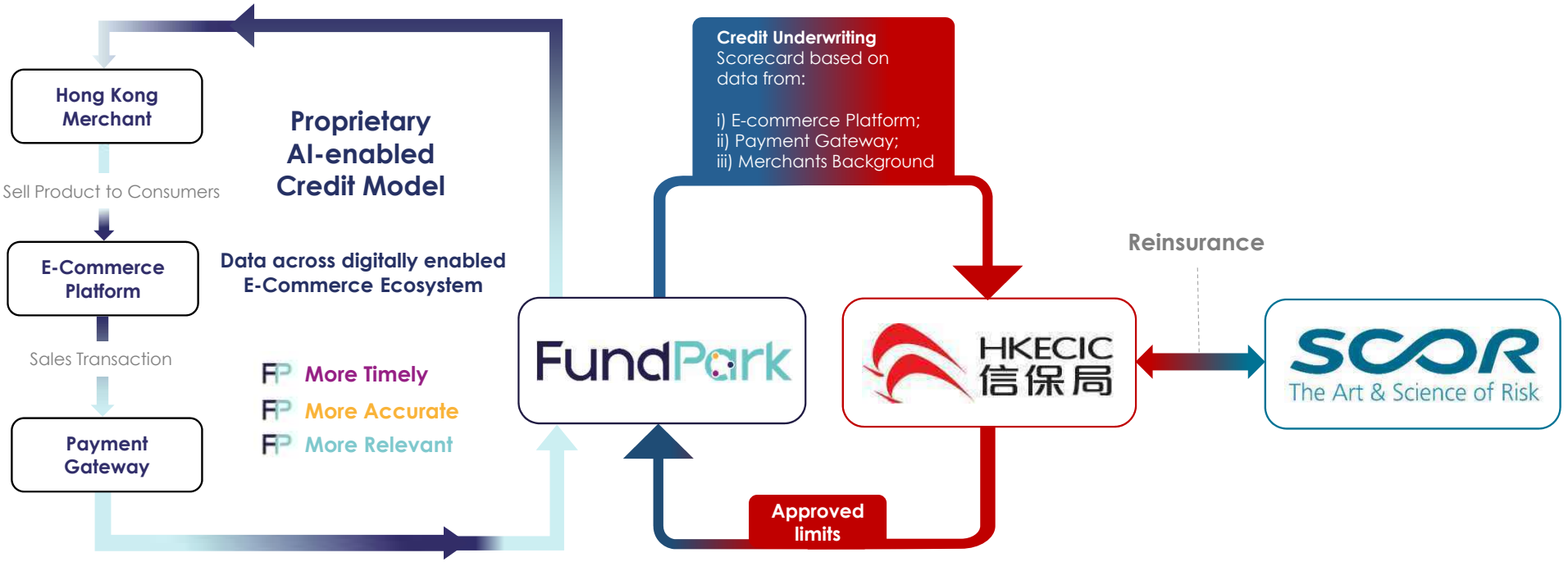
HKECIC 信保局

Elements for Risk Assessment

	Traditional Assessment	Assessment based on Alternative Data
Country Risk	✓	✗
Industry Risk	✓	✗
Company Background	✓	✓
Transactional Data	✗	✓
Financial Statement*	✓	✗
Guarantee / Collateral*	✓	✗
Processing time	5 - 8 working days	**1 - 2 working days**

* Subject to availability

First Alternative Data Solution for Cross-border E-Commerce Trade



Benefits of SMEs & Export Communities

Support and empower HK SMEs

Reinforce HKECIC's commitment to HK SMEs, especially in helping them to **secure financing** and **expand their business** by leveraging our expertise in trade credit insurance, and our partnership with leading local FinTech company (FundPark) and reinsurance company (SCOR).

Enhance trade financing opportunities

Support **industry players** and **financiers** to seize opportunities and **fill the market gap** in the trade financing segment.

Forthcoming

As the member of E-commerce Development Task Force, HKECIC will continue…

Exploring different e-commerce platforms

Reach out to the market and explore the possibility to provide insurance solution to players in different e-commerce platforms to support cross-border e-commerce trade.

Exploring Partnership Opportunities

Explore the further collaboration with financial institutions in different ways to support cross-border e-commerce trade.