



Ministerie van Economische Zaken

F!NK
FINANCIERINGS LINK

Pilot project:
state of play

Paul van Dijk
Programme manager
13 September 2016



Content

1. Pilot design
2. Evaluation: (preliminary) findings
3. Consultation: framework for Fink's future
4. Changing environments
5. Policy options
6. Fink roadmap



1. Pilot design

Goal

Reduce barriers in SME financing (Action Plan SME Financing 2014)

- Information asymmetry between lenders and borrowers
- Lack of awareness of financing opportunities for SMEs
- Lack of insight in creditworthiness of SMEs for potential investors

Pilot (16 September 2015 – 16 September 2016)

Improve information, standardise and make it accessible (through Standard Business Reporting)

- Lenders receive (reliable) information on creditworthiness of SME firms
- Companies receive insight in opportunities and willingness of several providers

Features

- *Exploration* phase (not: transaction!)
- Letters of intent: finance providers respond within 3 days (green or red light)
- Public platform, system-to-system (ICT infrastructure, SBR standards)

Doel Financieringslink

Fink staat voor Financieringslink. Het biedt midden- en kleinbedrijven snel en gemakkelijk inzicht in hun financieringskansen bij meerdere financiers. Klik op het filmpje hiernaast voor een snelle kennismaking met Fink.

Direct naar

- [Ondernemers](#)
- [Softwareontwikkelaars](#)
- [Intermediairs](#)
- [Financiers](#)

Consultatie Fink levert 24 reacties op

26-07-2016 | 13:10



→ [Download this video](#)

[Direct naar het portaal →](#)

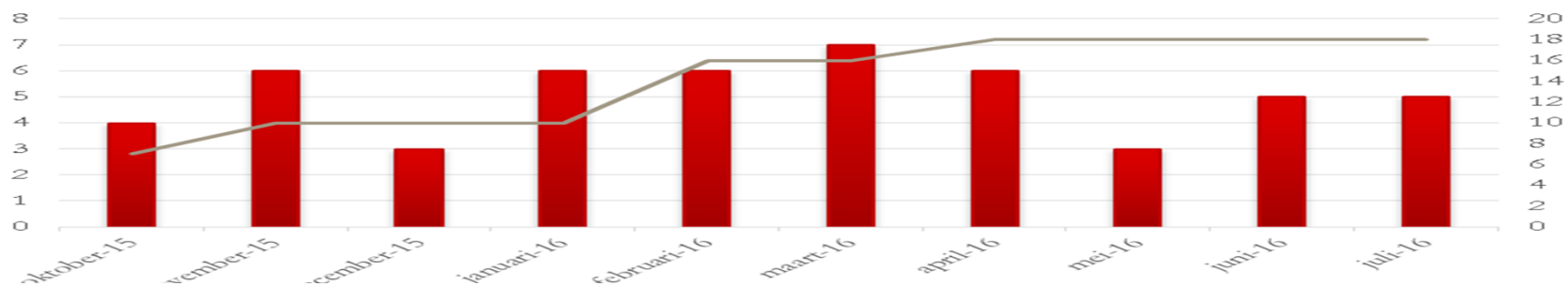
Pilot-deelnemers





2. Evaluation: (preliminary) findings

Strong points	Points of improvement
<p>Facilitates a single application to several finance providers</p> <ul style="list-style-type: none">• 18 finance providers participated• 50+ applications, app. 5/month• 2 (+?) SMEs closed a financing deal	<ul style="list-style-type: none">• Clarity on goals and need for a platform• Technical inconveniences (e.g. to facilitate responses)• Brand recognition• Feedback options• Alternative taxonomy
<p>Reliable platform, provided by government</p>	<ul style="list-style-type: none">• Participants' involvement• Participation by intermediaries (crucial)• Show results





3. Consultation: framework for Fink's future

Public interest	Entrepreneurial perspective	Financing perspective	State of play	Government role: policy options (* bold= preliminary policy direction consulted)
Marketplace	Insight in financing opportunities.	(Alternative) finance providers in the picture of entrepreneurs seeking financing	<ul style="list-style-type: none"> Private platforms (developing) <i>Nationale Financieringswijzer</i> (PPS tool providing general information) 	<ul style="list-style-type: none"> No government role Promote marketplaces/platforms * Guarantee marketplace(s) Designation or procurement Organise marketplace
Rules	Sufficient access to (reliable) financing companies	Access to market. Level playing field	<ul style="list-style-type: none"> Platforms have their own rules on access and conduct Financial supervision, no (specific) public regulations 	<ul style="list-style-type: none"> No government role Promote private certification system Public requirements on access to financing markets
Information	Sufficient information. Able to compare themselves to others (benchmark) and know why they were rejected (feedback) and able to learn.	Access to information on financability of SMEs. Ability to compare entrepreneurs.	<ul style="list-style-type: none"> Limited data on SMEs. New developments: big data, FinTech Asymmetry (eg. big banks know more than new entrants) Feedback, though limited No (market-wide) benchmark. 	<ul style="list-style-type: none"> No government role Standardisation of (basic) data Facilitate feedback and benchmark Information obligations Mandatory provision of data by banks or through credit register (see UK)
Efficiency	Able to file a request at several financing companies. Fast(er) transactions.	Less time and effort needed for assessment, able to offer financing at lower costs.	<ul style="list-style-type: none"> Arrangements within platforms No standardisation of financing process in market as a whole (but: SBR big banks) Platforms are not restricted to exploration fase (red or green light), include transaction and monitoring 	<ul style="list-style-type: none"> No government role Promote standardisation of techniques and processes Secure that entrepreneurs can file standardised requests at multiple financing companies Regulation of SME financing process



4. Changing environment

Markets in transition

- Banks: less risk appetite (Basel etc.)
- Upcoming (?) alternative finance providers: seeking leads
- Changing intermediary markets,
new private initiatives: banks, auditors, advisors, platforms
- FinTech

Developing policy

- SME Information Strategy (Capital Market Union)
- PSD2: Payment Services Directive (2018)
- Recommendation OECD (country report NL) on
 - *“a centralised register, or an equivalent substitute, for companies. In addition increase publicly available information on lending terms and make bank account numbers portable.”*
- AnaCredit (ECB)
- Good practices in EU member states



5. Policy options

SMEs

- Source data: accounting standards (“Uniform Reference for Chart of Accounts”)

Intermediaries/platforms

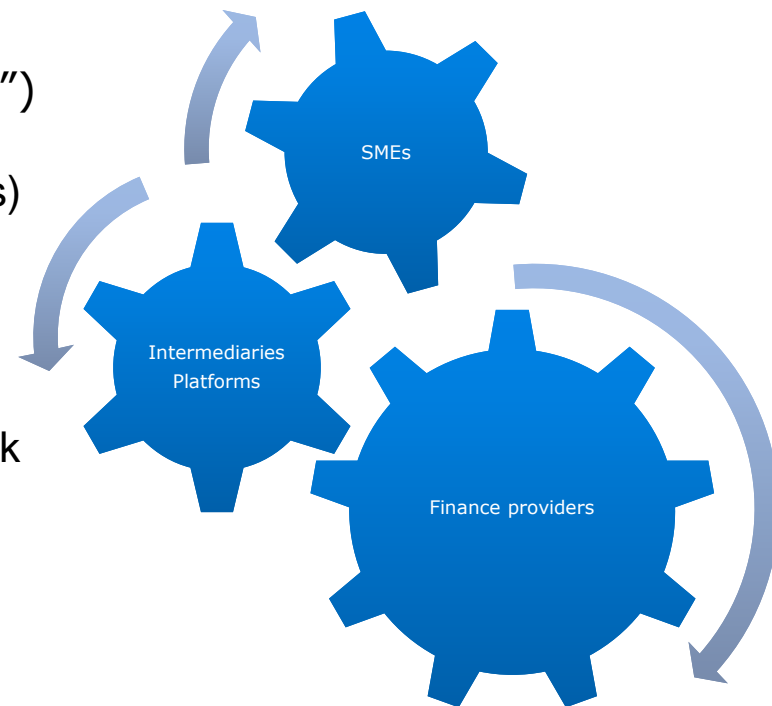
- Designate, certify, subsidise, organise platform(s)

Banks and other finance providers

- Open Banking (UK/CMA, PSD2)
- Information obligations: publish rates, service quality ratings (UK/CMA)
- Right for SMEs to receive financial and credit risk information (Spain)
- Easier switching (UK/CMA)
- Referral obligation (UK), duty to care

Other

- Comparison website for SMEs (UK/CMA, PAD for consumers)





6. Fink roadmap: putting entrepreneurs first

There is a case for strengthening transparency, notwithstanding private initiatives:

- ***More insight, less handling costs for SMEs (and finance providers)***
- ***Connect SMEs and (non-banking) finance providers***

Options: preliminary, to be discussed!

a. Improve insight and intake

- Facilitate and standardise first contact (data needed, application form)
- Single application by SME, multiple responses by providers (one-stop-shop)

b. Standardise source data of SMEs

- Look into further promoting standardisation of accounting by SMEs

c. Improve reliability

- Promote or ensure reliability of providers and platforms
(through e.g. comparison website, private certification or legal requirements)

d. Supporting measures

- Stimulate and commit private marketplaces.
- Open standard for requests (restricted to intake), online tool
- Public list of finance providers accepting intake taxonomy



Ministerie van Economische Zaken

To be continued...

Thank you!

Paul van Dijk
p.c.h.vandijk@minez.nl

www.financieringslink.nl

13 September 2016