SESSION #16: DEEP DIVE ON COLLECTIONS AND RISK

Speakers:
• Kamal Hingorani, Global Head of Collections for Retail Banking, Standard Chartard Bank
• Simba Mabhena, Global Specialist in the Banking Strategy & Risk Assessment Group, IFC
• Ercin Eksin, Co-Founder and Co-CEO, Lidya

Main takeaways:
• Few financial institutions or regulators expected the broad, long-lasting impact of COVID-19. Many are now taking steps to extend relief efforts, including renewing loan moratoriums, and look for big picture solutions.

• SME resurgence depends on which industry the business operates in, as those with significant demand destruction are facing an uncertain future.

• Building trust with clients is key when shifting to digital lending platforms, as it often requires them to share accounting and cash flow data in order to best assess risk.

• While many governments are creating guarantee funds to support businesses, the benefits are not being passed on to SMEs. Lenders continue to view SMEs as higher risk, leading to a lack of liquidity for many SMEs struggling to survive the pandemic.