

Annual
Study
Report

Digital Factoring CEE 2023



SME Banking Club, September 2023

About the Study

- An annual Review on the possibility to apply and get a factoring fully online for Micro & SME customers (entrepreneurs and companies) provided by factoring companies & FinTechs in the CEE
- Analyzed countries (8): Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Turkey
- Period of analysis: Aug-Sept 2023
- The study includes a description of the main trends in digital factoring and a detailed analysis of digital process.



Methodology

Scope:



Banks & Non-banking financial companies

Analysis of banks, factoring companies & fintechs in the CEE region (from the following countries: Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Turkey)



Only online

27 financial organizations that have online/mobile factoring process (full or partial) were covered in this Study



17 parameters

Analysis and comparison was carried out within 17 parameters



No UX-audit

A UX-audit was not done

Methodology

Data collection:

- **Direct and demo access** to factoring modules of Online & Mobile Apps and websites
- **Desk study:** collection of publicly available information (manuals, instructions, videos)
- **Interview with specialists** of banks & financial companies responsible for small business, calls to call centers, applications received from banks & financial companies

Results:



1 Table

Table
17 Online Factoring
parameters from 27
financial organizations

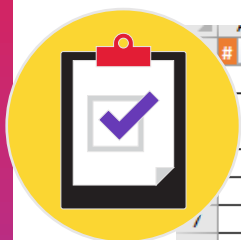


1 Study

PDF-
document with Study
results

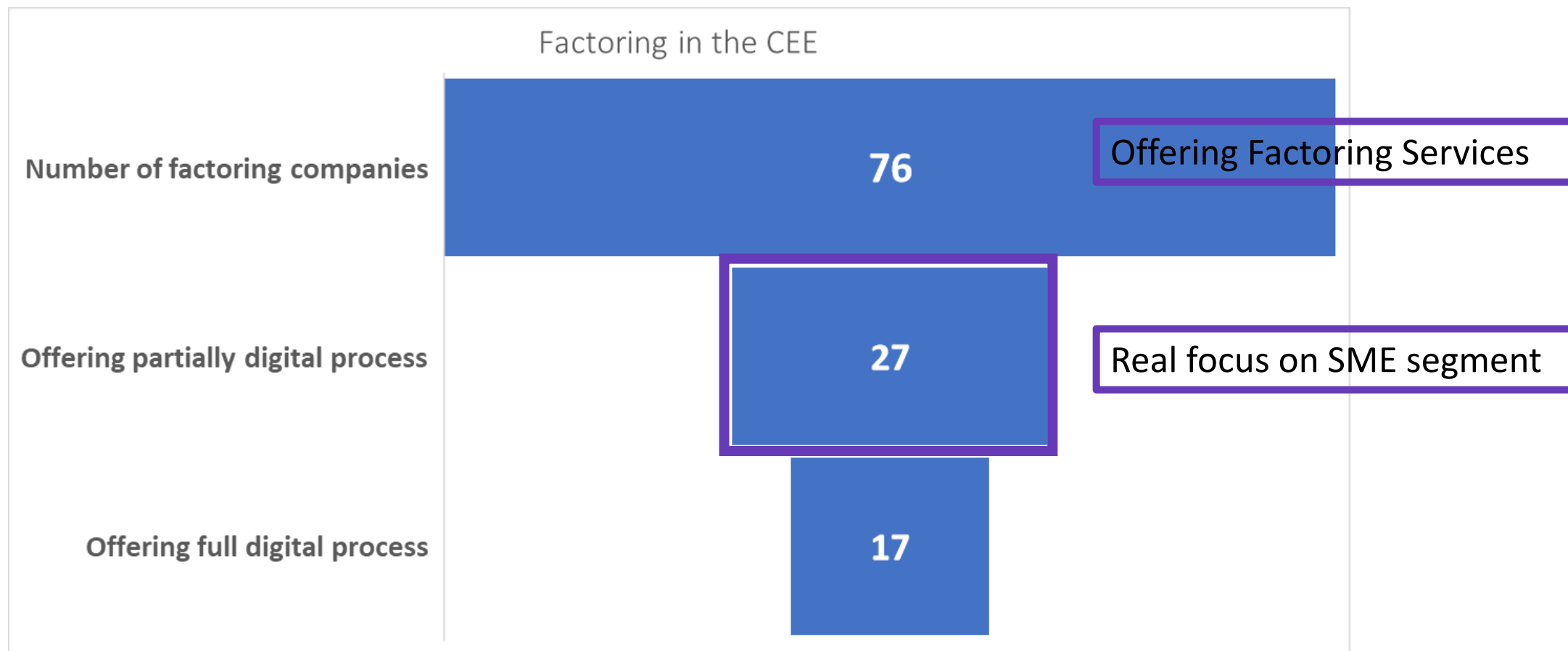
Functionality analysis of 27 financial organizations

Excel table with 17 parameters from 27 factoring companies & FinTechs



#	Functionality / Criteria	SMEO	Finea	Monevia	Santander Bank Polsk	ING Bank Śląski
	Country	Poland	Poland	Poland	Poland	Poland
	Bank/FinTech	FinTech	FinTech	FinTech	Bank	Bank
	Factoring Online	Factoring	Factoring	Factoring	ed by Narodowy Fundusz	voice Finance (Micro fact
	Web	Yes	Yes	Yes	Yes	Yes
	Mobile	No	No	No	No	Yes
1	Full Online application for PE (Domestic factoring)	Yes	Yes	Yes	Yes	Yes
2	Full Online application for LE (Domestic factoring)	Yes	Yes	Yes	No	Yes
3	Full Online application for PE (International factoring)	No	Yes	Yes	No	No
4	Full Online application for LE (International factoring)	No	Yes	Yes	No	No
5	Online signing of factoring agreement & annexes (usage of digital signature/sms). If a customer shou	Yes	Yes	Yes	Yes	Yes
6	Invoice online upload (electronic version, scan, photo)	Yes	Yes	Yes	Yes	Yes
7	Full Mobile application for PE (Domestic factoring)	No	No	No	No	Yes
8	Full Mobile application for LE (Domestic factoring)	No	No	No	No	Yes
9	Full Mobile application for PE (International factoring)	No	No	No	No	No
10	Full Mobile application for LE (International factoring)	No	No	No	No	No
11	Invoice mobile upload (electronic version, scan, photo)	Yes	No	Yes	No	Yes
12	Quick automatical disbursement (up to 24h)	Yes	Yes	Yes	Yes	Yes
13	Possibility to send payment reminder to counterparty via web/mobile app	Yes	Yes	Yes	Yes	Yes
14	Automatical decision making (scoring)	Yes	Yes	Yes	Yes	Yes
15	Possibility to apply via Accounting/E-invoicing system	Yes	Yes	Yes	No	Yes
16	Integration with online banking module	Yes	No	No	Yes	Yes
17	Number of clicks from the Home page (Bank/FinTech's www to get to the application form)/Online Bar	1	1	1	4	4
18	Max amount of factoring limit/invoice amount (EUR)	210 000	N/A	120 000	50 000	80 000/40 000

Digitalization of Factoring: key trends in the CEE



Digitalization of Factoring: key trends in the CEE market

Companies offering (partial or full) online factoring process within countries

FinTechs

Banks

Poland	12	      	    
Turkey	5	 	   Only Online application
Romania	3	 	 Only Online application
Serbia	2	 	
LV/LT/CZ/HU	1/1/2/1	    	

Factoring for SMEs: key trends in the CEE region



- 23 factoring companies offer digital application for factoring. Among them 3 – offer both online and mobile application process, 19 - only online application, 1 – only mobile application

- 17 companies offer fully digital factoring process (+3 compared to 2022, and +9 compared to 2020)



- Poland has the biggest number of fintechs (6) and banks/factoring companies (4) offering full online factoring process – 10 factors
- In Romania and Serbia 2 companies in each country offer fully digital factoring process
- In Hungary 1 fintech offers fully digital factoring process

Factoring for SMEs: Aggregated Product Parameters

Main Product Parameters	Description/Comments
Product	<ul style="list-style-type: none"> • Micro factoring/Recourse factoring/Invoice finance • Mainly invoices issued to domestic counterparties in LCY or EUR are financed – offered by all financial companies • 9 companies offer International factoring
Invoice Payment Terms	7-90 days
Max Invoice Amount/Factoring Limit, EUR	200 000/2 000 000
% of financing	From 70% up to 100%
TTC	From 15 min till 24h
Integration w/ e-invoicing & accounting	Partially
Integration w/ online banking	Partially

Winners 2022



CEE SME BANKING
AWARDS

CEE'22

October 25
einsme



Winners 2022

Instant Factoring



November 25
#believeinsme

How should Factoring for SMEs look like?

Not like this



Factoring

For the efficient management of trade credit.

- Protection in relation to the risk of non-payment
- Real-time online consulting services of your own portfolio of invoices and details of receivables and assigned debtors.

> Contact us

What is factoring?

Factoring is an innovative product that is based on the process of acquiring receivables resulting from the delivery of goods and the provision of services to the company's internal or external partners.

The services offered within a single product (factoring), from a single supplier (ING), in a single contract:



Flexible financing;



Insurance against the risk of non-payment of partners



Claims management



Debt collection

Types of factoring and services offered:

	Domestic factoring with recourse	Non-recourse domestic factoring	Non-recourse export factoring	Factoring de import
funding	✓	✓	✓	N/A
Collection	✓	✓	✓	
Claims management	✓	✓	✓	N/A
Coverage of non-payment risks	N/A	✓	✓	
Reduction of currency risk	N/A	N/A	✓	N/A
Assignment of receivables	✓	✓	✓	N/A
Financial debt	✓	N/A	N/A	N/A

▼ What are the costs involved?

▼ How is the factoring limit calculated?

Contact

For more information related to Payments and Cash Management products and services, we invite you to contact one of the bank's specialists.

[Find the opening hours of our offices here.](#)

Not like this

FACTORING



Factoring with a limit of 100,000 zloty

Factoring is a type of financing consisting in the purchase of receivables and the provision of additional services to customers.

Factoring provides:

- Financing, i.e. quick access to cash
- Security, i.e. coverage of trade credit risk
- Administration of receivables, i.e. current settlements and reporting
- Monitoring, i.e. improving the payment culture of contractors
- eTrade, i.e. electronic data exchange

Availability:



Have questions?
leave a number, We'll call you back

CHECK

Not like this

Factoring

OTP Bank Factoring - A Faster Way to Your Money

About us

OTP banka d.d. provides factoring through its Factoring Department situated in Zagreb, 284 Ulica grada Vukovara, 13th floor.

Our team of factoring experts has many years of experience in this field, standing out for providing high quality factoring service structured to meet the needs of our clients.

We highly value our partnerships with customers and consider our service to be a valuable component of your success.

We offer an individual approach to finding solutions for any business situation based on debt management and financing, both for small businesses and for large corporate entities. Our modular factoring service, which may include financing, credit insurance and debt management, supports a variety of clients and their business models.

OTP banka d.d. is a member of Factor Chain International (www.fci.nl) and a national leader in the provision of international factoring services.

Our values

Long-term partnerships with customers, responsibility, commitment and innovation.

Vision

Being the go-to provider of factoring services in Croatia.

Our service

As a client, you will enjoy the following benefits from our factoring services:

- fast and easy financing for your business
- improved liquidity and increased working capital
- increase in creditworthiness and credit rating (non-recourse factoring)
- risk reduction
- possibility to expand business and increase sales
- competitive sales conditions

OTP banka d.d. offers the following services:

- Domestic factoring (recourse and non-recourse)
- Export factoring (non-recourse) for buyers based in the region, the EU and the rest of the world
- Import factoring
- Reverse factoring
- Floor plan financing
- Forfeiting – purchase of receivables based on documentary LC
- Bills of exchange purchase
- Other structured finance solutions based on assignment of receivables

General terms and conditions →

Contact

OTP banka d.d.

Direkcija Posebne linije financiranja

Odjel za faktoring

Ulica grada Vukovara 284/XIII

10 000 Zagreb

E-mail:

factoring@otpbanka.hr

Brojevi telefona:

072 206 445

072 206 557

072 206 947

072 206 495



How should Factoring for SMEs look like?

Simple

[OFFER](#)[HOW DO WE FINANCE?](#)[FINEA'S DISCOUNT](#)[ENTREPRENEUR'S WORLD](#)[ABOUT US](#)[LOGIN](#)[REGISTER](#)

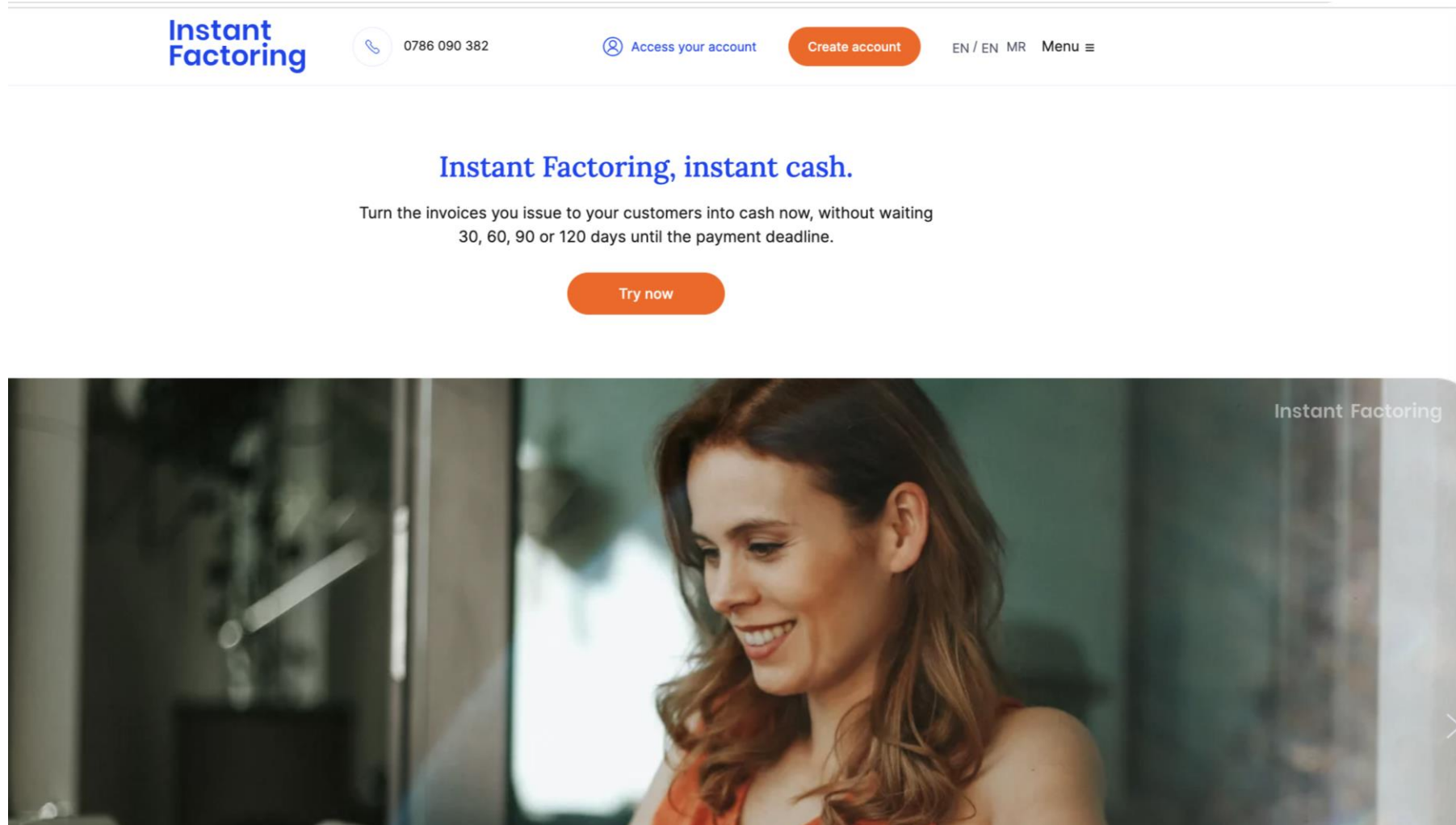
Exchange your invoice for cash!

**YOU DON'T HAVE TO WAIT FOR THE PAYMENT DATE.
YOU CAN HAVE MONEY RIGHT NOW!**

The fastest business financing | Minimal formalities | Entire online process

[REGISTER](#)

Simple



The screenshot shows the homepage of the Instant Factoring website. At the top is a navigation bar with the company logo, a phone icon and number (0786 090 382), links for 'Access your account' and 'Create account' (the latter in an orange button), and language options (EN / EN MR) and a menu icon. The main content area features the headline 'Instant Factoring, instant cash.' followed by a sub-headline: 'Turn the invoices you issue to your customers into cash now, without waiting 30, 60, 90 or 120 days until the payment deadline.' Below this is an orange 'Try now' button. At the bottom is a large video player showing a smiling woman in an office setting, with the text 'Instant Factoring' in the top right corner of the video frame and a right arrow navigation icon.

Instant Factoring

0786 090 382

Access your account

Create account

EN / EN MR Menu

Instant Factoring, instant cash.

Turn the invoices you issue to your customers into cash now, without waiting 30, 60, 90 or 120 days until the payment deadline.

Try now

Instant Factoring

Simple



22 113 42 00

Products ▾ industries ▾ Knowledge ▾ About company ▾ contact

Login

Submit a free application

invoices in EUR and PLN

Do not wait for transfers from the customer! Turn invoices into money whenever you want.

Submit a free application



PLN 2,000,000

Your sales invoice financing limit



24 hours

That's enough for the money to go to your account



Low cost

You will only pay for the actual financing days

Simple

Monevia.

[About company](#)

[About factoring](#)

[About the loan](#)

[Offer](#)

[Change factor](#)

[Knowledge](#) [contact](#)

[EN](#)

[Login](#)

[Registration](#)

Take care of your financial liquidity with online factoring!

Cash in your account instantly,
faster than the invoice due date.

[register](#)



Integrated into e-invoicing & accounting platform



<input type="checkbox"/>	FVS / 2/09/2022	Client 1	Sales invoice	600.00 EUR	600.00 EUR ⁺	2022-09-19	Options ▾
<input type="checkbox"/>	FVS / 1/09/2022	Client 2	Sales invoice	PLN 2,350.00	PLN 2 890.50 ⁺	2022-09-19	Options ▴
<input type="checkbox"/>	FVS / 1/08/2022	Client 3	Sales invoice	PLN 140.00	172.20 PLN ⁺ ● Unpaid	2022-09- (1 days)	<ul style="list-style-type: none"> Details Download Conversation Forward to the accounting office Send Print Finance the invoice Generate duplicate Edit Display a similar one Issue a correction Add recurrence Cancel the document
<input type="checkbox"/>	FVS / 5/07/2022	Client 4	Sales invoice	PLN 2,000.00	2 460.00 PLN ● Paid	2022-08-	
<input type="checkbox"/>	FVS / 4/07/2022	Client 5	Sales invoice	PLN 380.00	PLN 467.40 ● Paid	2022-08-	
<input type="checkbox"/>	FVS / 3/07/2022	Client 6	Sales invoice	4 500.00 EUR	4 500.00 EUR ● Paid	2022-08-	
<input type="checkbox"/>	FVS / 2/07/2022	Client 8	Sales invoice	EUR 3,000.00	EUR 3,000.00 ⁺ ● Unpaid	2022-07- (46 days)	

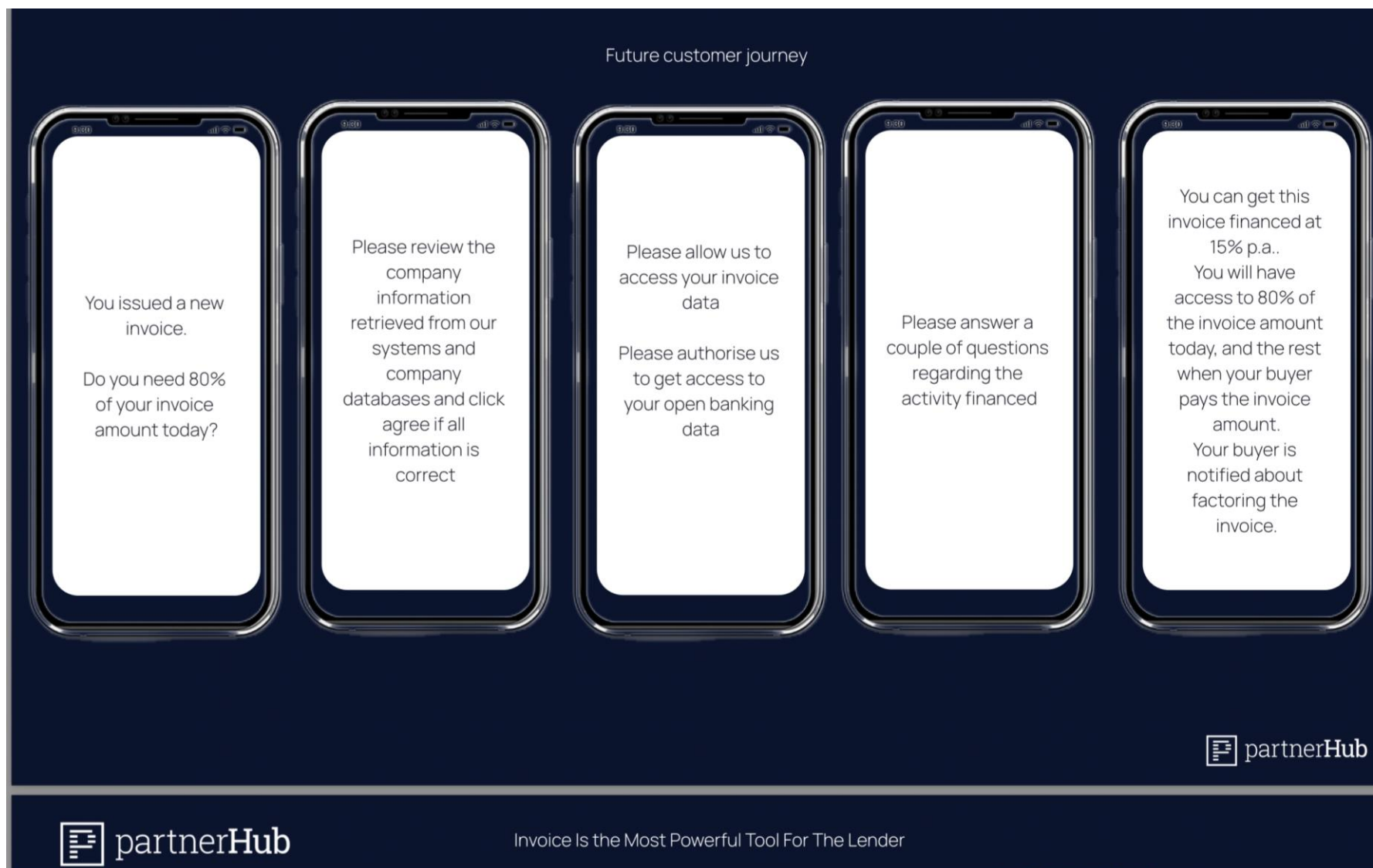
Future Customer Journey

- 1. Use the potential of structured e-invoicing data:**
 - Structured invoice data allows to automate invoice finance process
 - Avoid double financing and fraudulent invoices
 - Receive access to invoice data from 3d parties rather than ask a customer to upload invoices
- 2. Use the Open Finance and PSD3 potential to simplify and fasten process for SMEs**

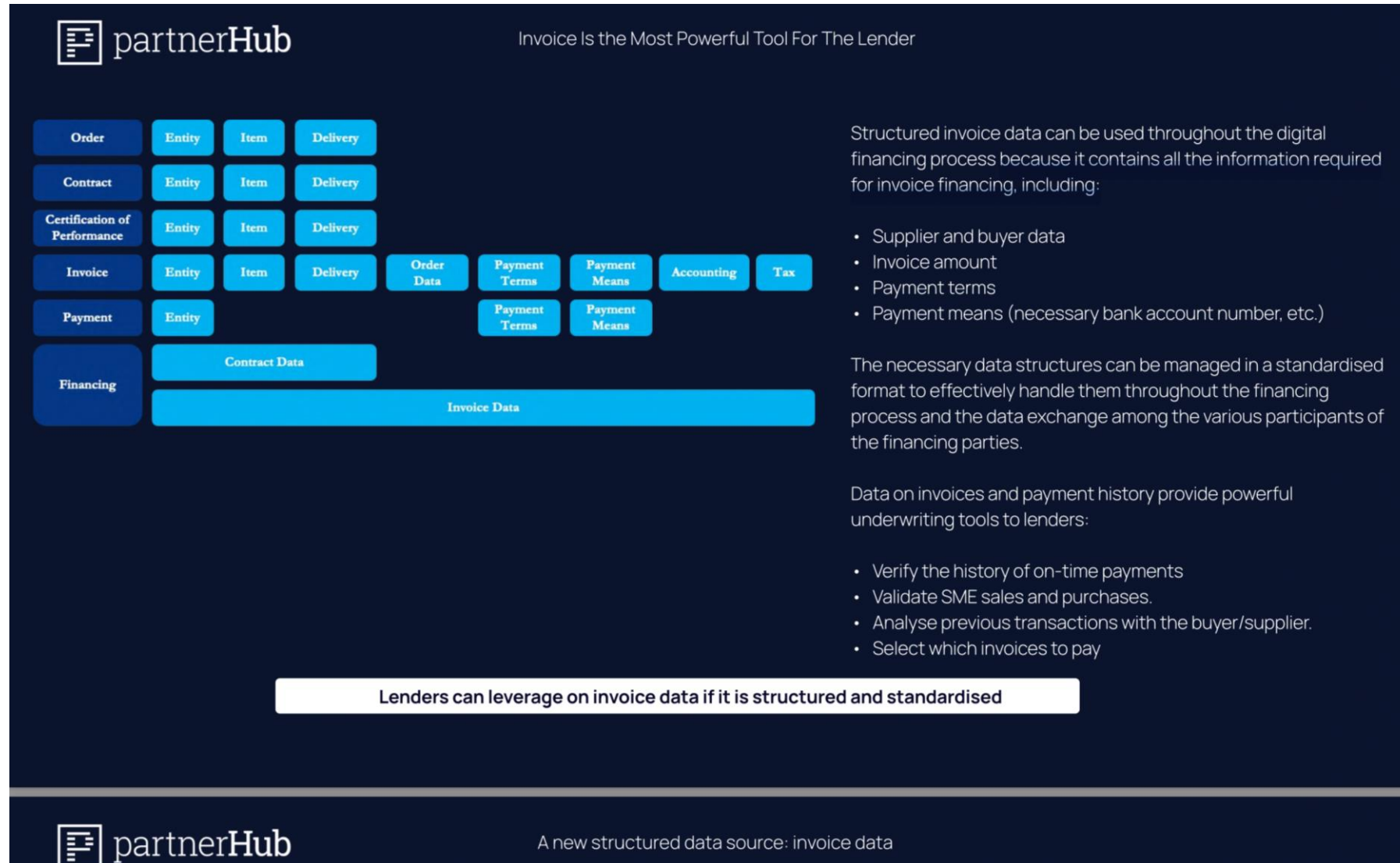
WATCH WEBINAR



Future Customer Journey

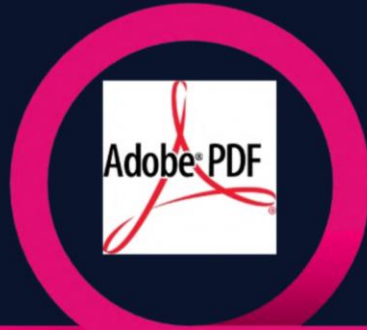


Future Customer Journey



Future Customer Journey

How can you get access to invoice data?



Embedded in invoice

The invoice data can be retrieved from the e-invoice if it was issued in a hybrid format (data embedded into the pdf).



From the issuing system

By integrating the factoring company's software with the issuing system's API, it will be possible to obtain invoice data from the system even if the issued invoice is not an electronic or hybrid invoice. Major invoice providers either provide a public API or allow for the request of API access for integration.



From tax authority/Account Aggregators

In some countries in case of invoices that are not e-invoices, certain invoice data fields are required to be filed in tax returns. These invoice data generally can be retrieved from the tax authority for processing.



woa
world of open account

16 WOA Founding Members at launch



Bette Westenberger Brink



Trends in Receivable Finance

CEE and Globaly

- Rising interest rates stimulate product innovation
- Renaissance of bank branches
- Metaverse is demystified
- Banking culture vs. right talent
- Risk is everywhere
- Data has become a product
- Fintechs are not disrupters but rather enablers
- Green gets real
- Customer journey becomes real
- Change of heart/software

World of Open Account (WOA)

a global platform and community for the O/A ecosystem that is:

Inclusive

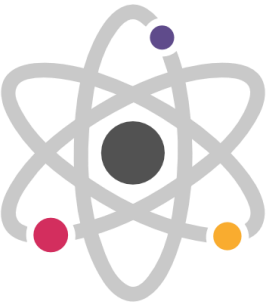
Innovative

Cost-
effective

Collaborative

Credible

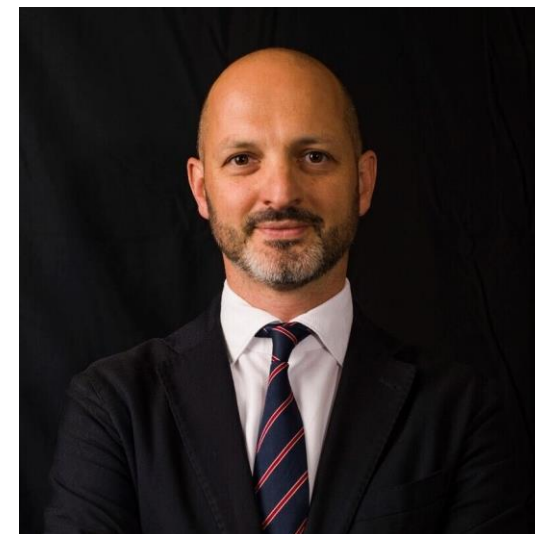
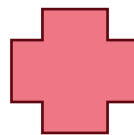
Coming in 2024





WOa.Digital
world of open account

Existing WOA Community



*SME Banking Club community from the CEE –
engaged in the Digital Factoring topic*

To promote & develop Digitalization of Receivable Finance



CONTACT US



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cee@smebanking.club