



Case study: CIMC Group

Innovation from ideation to implementation has helped CIMC Group better meet supplier needs

An innovative supplier finance solution proved a win-win for CIMC. Its suppliers have faster access to credit, while CIMC has unlocked new efficiencies, reduced costs, and enhanced supplier relationships.

Results



CIMC's supplier financing transactions are now processed **40% faster** than its previous manual process



Suppliers now have a **fast and straightforward** process for financing applications, with automation and direct-upload capability



Lowered financing costs as a result of reduced banking administration via a direct connection. This has improved capital use efficiency, and reduced financing and operational risks



Assurance of **real-time transaction updates** enables CIMC and its suppliers to better manage cashflow, bringing greater efficiency and flexibility in capital use



Host-to-host (H2H) access to the shared platform allows CIMC to better manage its supply chain relationships, strengthen cooperation with its suppliers, and **enhance overall efficiency**

Background

China International Marine Containers (CIMC) Group – headquartered in Shenzhen, China – is a global leader in logistics and the supply of energy equipment. CIMC offers a wide range of products, with a dedication to quality and reliability. Its products include containers, vehicles, energy equipment, chemical and food equipment, marine engineering and logistics services, and airport facilities.

Objectives

CIMC continually looks to enhance its competitiveness to satisfy the diverse needs of its broad customer base and supply chain. Most recently, it was looking for a banking partner to support the provision of competitive financing solutions to its suppliers. It was also looking to improve the transparency and efficiency of its supplier finance transactions.

Solution

Standard Chartered implemented a supplier financing solution via a host-to-host (H2H) connection. The Bank assesses the credit needs between suppliers and individual CIMC entities, then disseminates the credit to suppliers via its H2H connectivity with CIMC. An additional solution component was later added to include e-alerts, which provides CIMC with instant transaction confirmation.

CIMC and its suppliers can now directly upload documents and submit financing applications on a shared platform. All data is translated into post-dated-payment-instruction (PDPI) format before being sent to Standard Chartered for automated review and subsequent disbursement.



Implementation

For CIMC, this solution's differentiator was the innovative thinking applied by the Standard Chartered – CIMC Supplier Finance Deal Team from ideation through implantation and beyond. Implementation occurred in two phases. First, a pilot phase where the first anchor account (a CIMC entity) was onboarded. In the second, a further 12 anchor accounts were onboarded.

Following the initial implementation, Standard Chartered Transaction Banking Global Implementation team identified a potential value-add in the form of e-alerts. With this applied, CIMC enjoys instant transaction confirmation, enhancing transaction transparency and efficiency.

“Our partnership with Standard Chartered in the last 3 years has enhanced our commitment to suppliers and is aligned to our business goals for multi-party profitability. Adapting to market changes, our collaboration further fosters innovation and growth, positioning us to seize new business opportunities.”

William Wang

Financial Director
CIMC Commercial Factory Co, Ltd

“We pride ourselves on delivering tailored solutions that not only meet clients' immediate needs but also provide value beyond the original scope, ensuring long-term success and growth.”

Arlene Gan

Global Head, Global Implementation,
Transaction Banking, Standard Chartered

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