

Making banking truly borderless: Connecting credit data across Europe

Verified & Passportable Financial Identity

EMF-ECBC Academy

29 April 2025



KAIDO SAAR

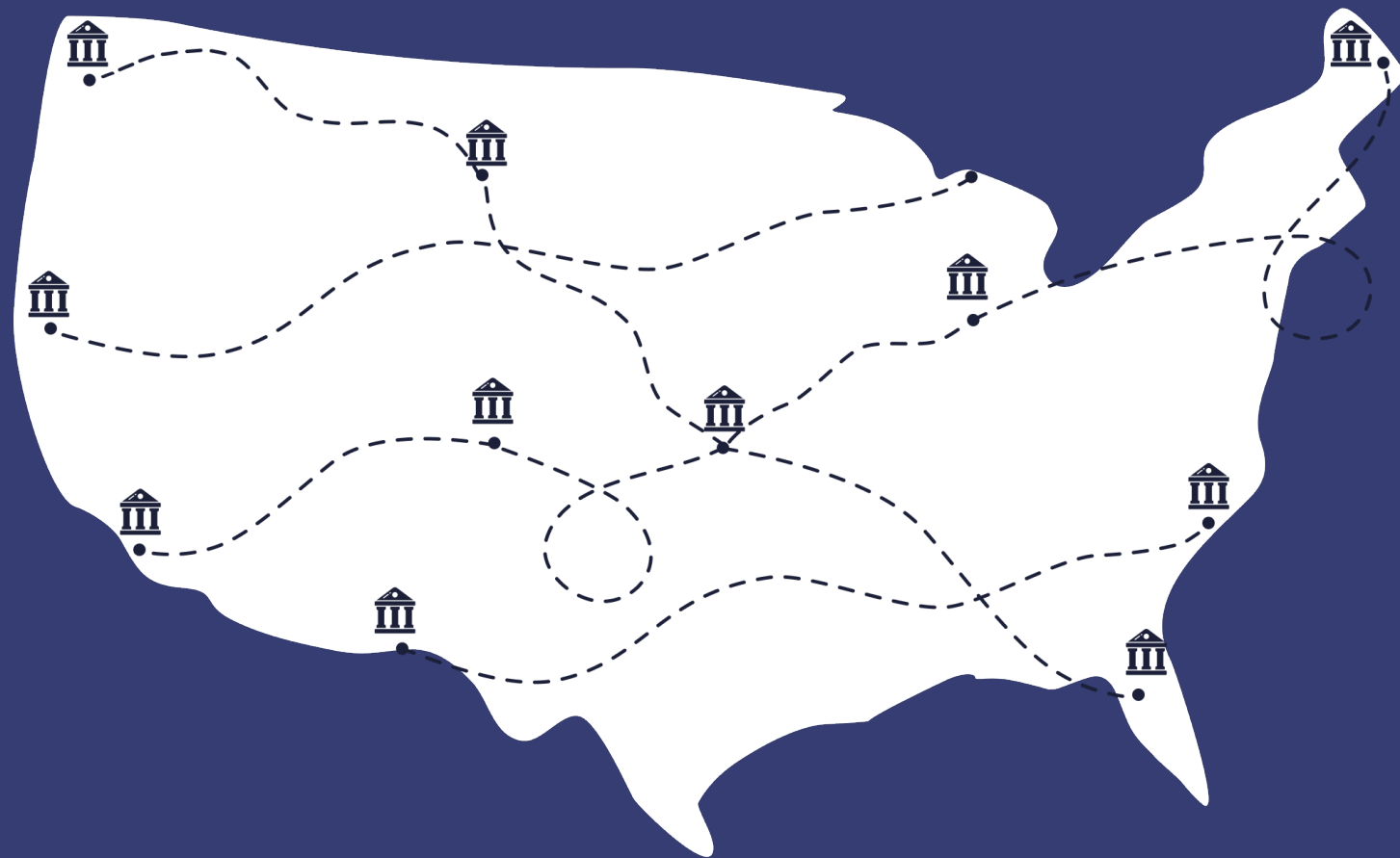
CEO & Co-Founder of Mifundo

First fintech in Europe funded by  as strategically important technology (€10M)

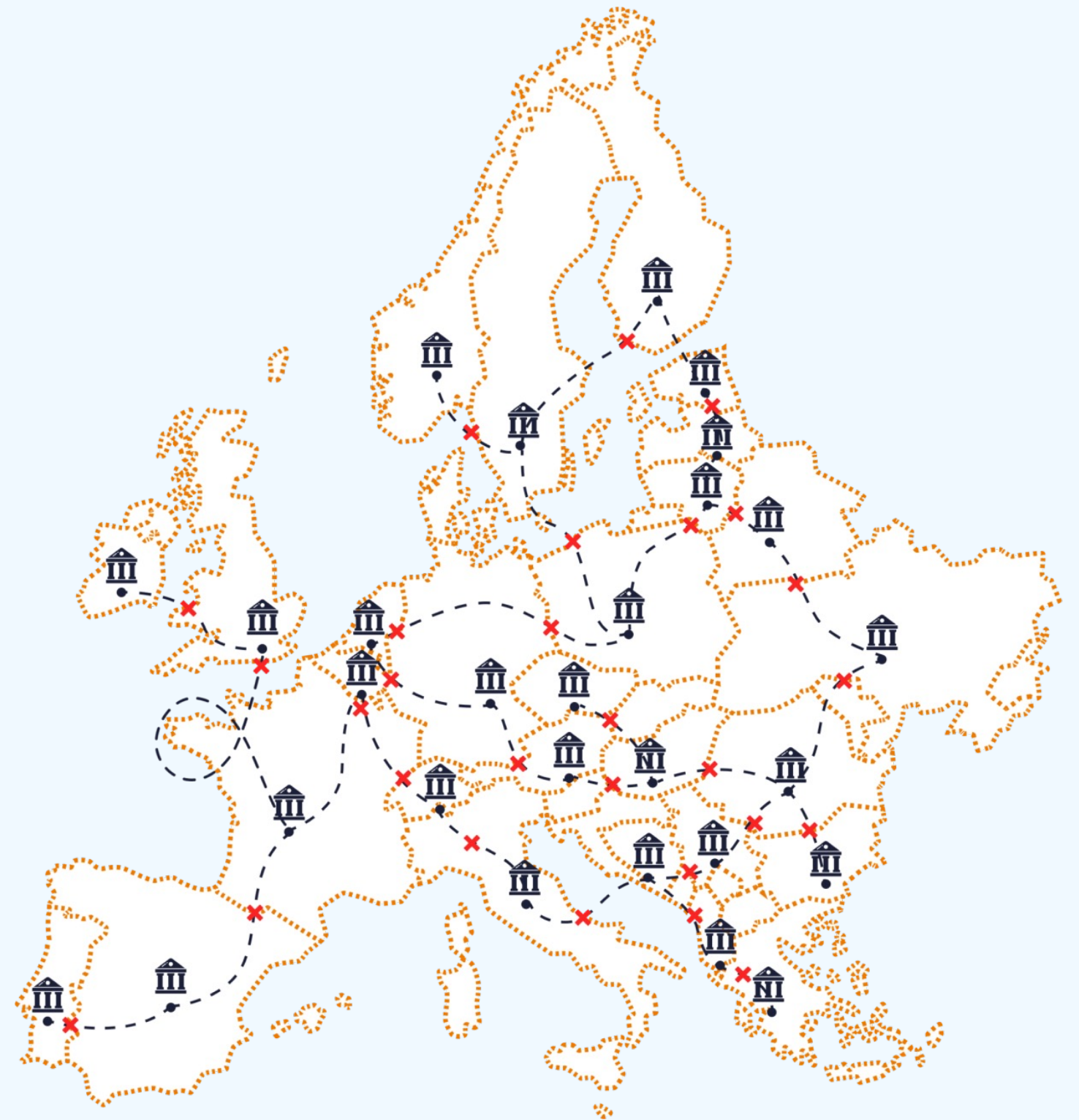
- 20 years in banking
- Ex-CEO of Bigbank Group
- Chairman of industry organisation FinanceEstonia



US Credit System



EU Credit System



Europe lacks a **unified credit referencing and scoring system**

Clients

- No credit to expats & multi-country people in EU
- No actual freedom to move in EU

Banks

- No capability to assess credit risk of foreigners
- Huge cost of opportunity



Credit data is **highly fragmented** in EU



27 Countries



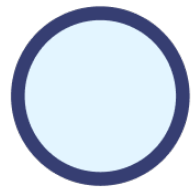
**50+ Credit Bureaus
and Registers**



Each in own country

No data sharing or common data pool

The EU's vision for **single credit market** vs **reality**



Vision: A unified EU credit market

"The completion of the internal market... requires a further approximation of the laws..."

— Consumer Credit Directive (CCD), **2008**

"The internal market should function properly so that... credit institutions are able to operate efficiently across borders."

— Mortgage Credit Directive (MCD), **2014**



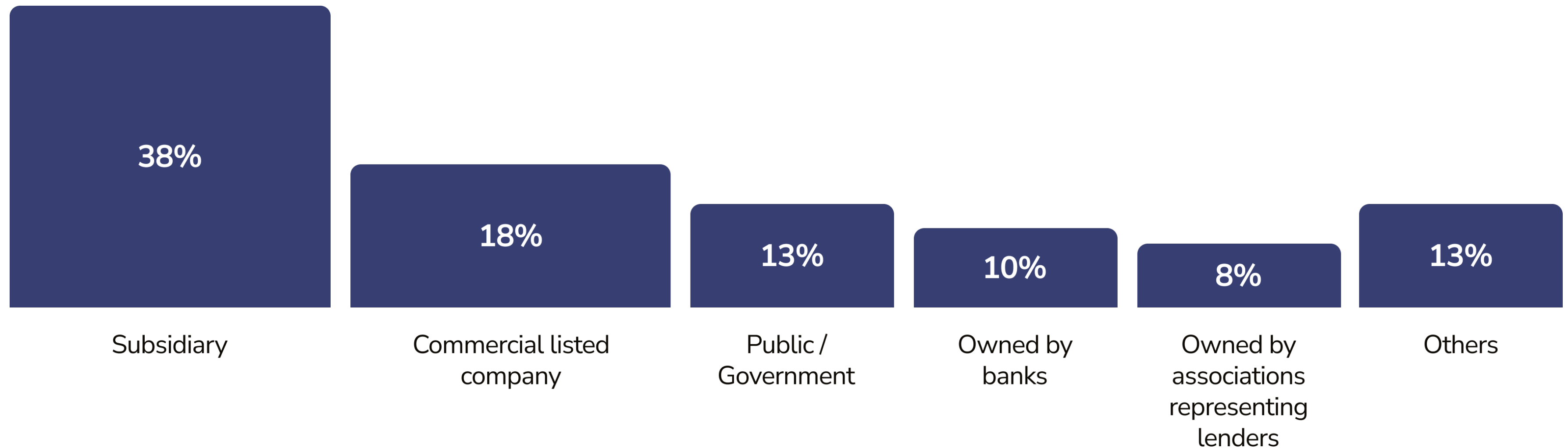
Reality: Fragmentation Persists

- National legal systems
- Taxation and consumer protection rules
- Language and culture barriers
- Fragmented credit data

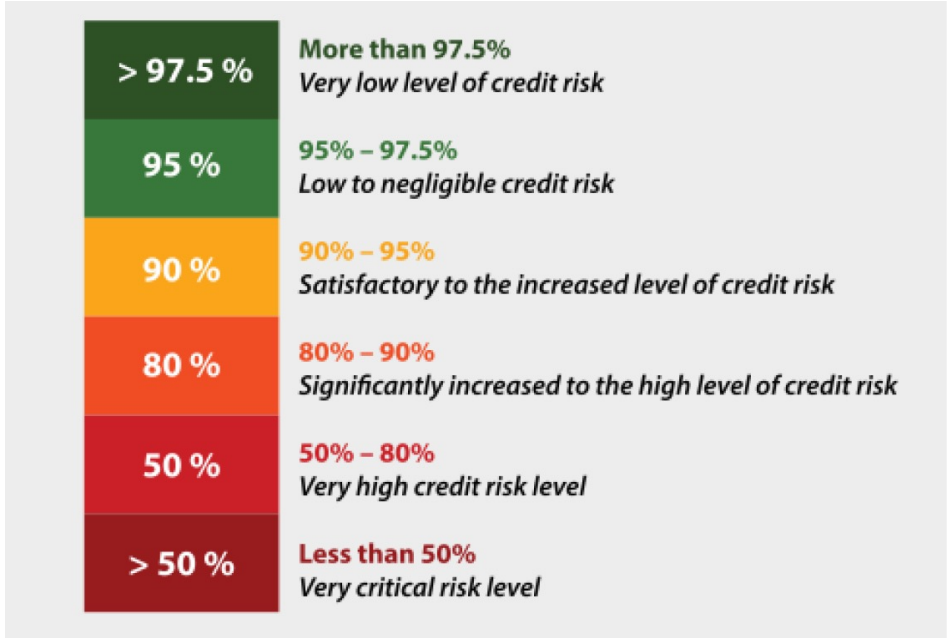
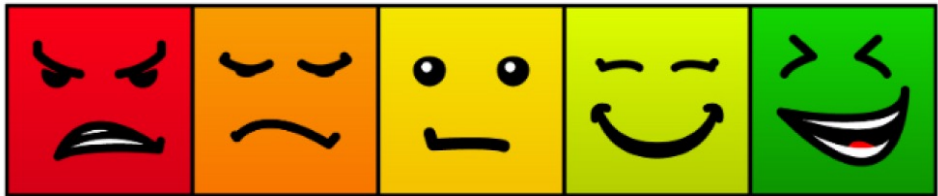
“Without access to data on consumers... firms cannot assess the risks..a. particularly for mobile consumers.”

— EU Green Paper on Retail Financial Services, **2015**

Heterogeneity of credit databases means divergent mission statements



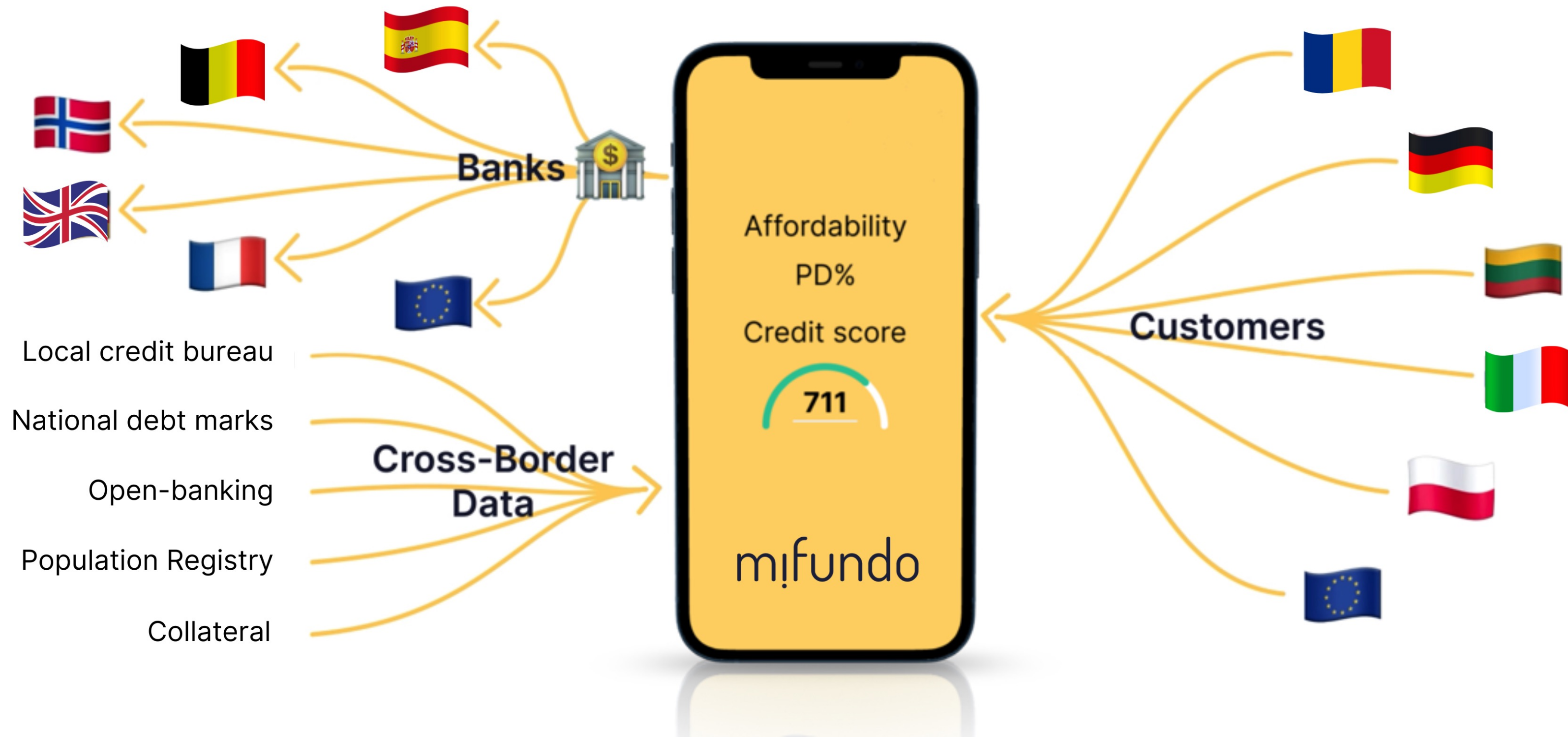
No standardised credit scores makes scalable credit decision- making impossible



- A** Very Low Risk
Proceed with transaction.
- B** Low Risk
Proceed with transaction- offer extended terms if required.
- C** Moderate Risk
Proceed with caution and monitor closely.
- D** High Risk
Request assurances before extending credit in the form of personal guarantees.
- E** Not Rated
Insufficient information to assign a risk score.

Cross-border Credit Data for banks.

Passportable Financial Identity for consumers.



ADAM NOWAK

Download

+ Upgrade package

Countries	Package	Internal ref no	Credit score	PD%	Total income	Total liabilities	Debt-to-income %	Warnings
	Full package	Add	461	25,3%	3098.31 EUR	220.93 EUR	7,13%	1 warning

Personal details

First name	ADAM	Emails	-
Last name	NOWAK +3	Phone number	-
Birth date	02.11.1950	Registered address	Znana 10, 00-123 Warsaw, Poland
Gender	Male	Postal address	Ul. Zybkiewiczza 16/22, 31-029, Kraków, Poland +1
Citizenship	Poland	No. of underage children	-
National ID	89080986938	Education	-
Document type	ID card	Marital status	-
Document number	488555		

Data status: Identification GBR_SX

Income Some data missing

Data source	Annual net income	Annual gross income	Taxes paid in previous year	Year of the tax declaration
Local bureau	not available in selected country			

Data source	Total period	Period with income	Average monthly income
Bank statement	6 months	5 months	3098.31 EUR

Source of income	Type	Amount (neto)	Country
Comodule	Salary	1851.68 EUR	Poland
Comodule	Other incoming payments from employer	88.20 EUR	Poland
Social security	Family allowance	1158.43 EUR	Poland

Data status: Local credit bureau Bank account statement

Liabilities

Data source	No. of loans	No. of entities	Monthly payment	Unsecured loans	Secured loans	Co-borrower loans	Credit cards
Local bureau	1	1	220.93 EUR	220.93 EUR	-	-	-

Creditor	Sector	Type	Responsibility	Amount	Origination date	Repayment date	Monthly payment	Country
CRM	Finance	Unsecured	Borrower	-	04.05.2022	05.06.2028	220.93 EUR	Poland

Data source	Total period	Period with loans	Bank loans	Non-loans	Avg. monthly payment
Bank statement	6 months	5 months	1	-	220.93 EUR

Creditor	Type	Monthly payment	Country
CRM	Consumer loan	220.93 EUR	Poland

Data status: Local credit bureau Bank statement

Credit history

My passportable financial identity

Maria Vazquez

Date of birth	Gender	Marital status	Credit score	Income	Liabilities
01.01.2000	Female	Married	800	3900 EUR	455.44 EUR
No payment defaults	No warnings	Identification completed			

High credit score

Your financial profile is 75% complete

My loans

Use cases for consumers



Relocating professionals & returning expats

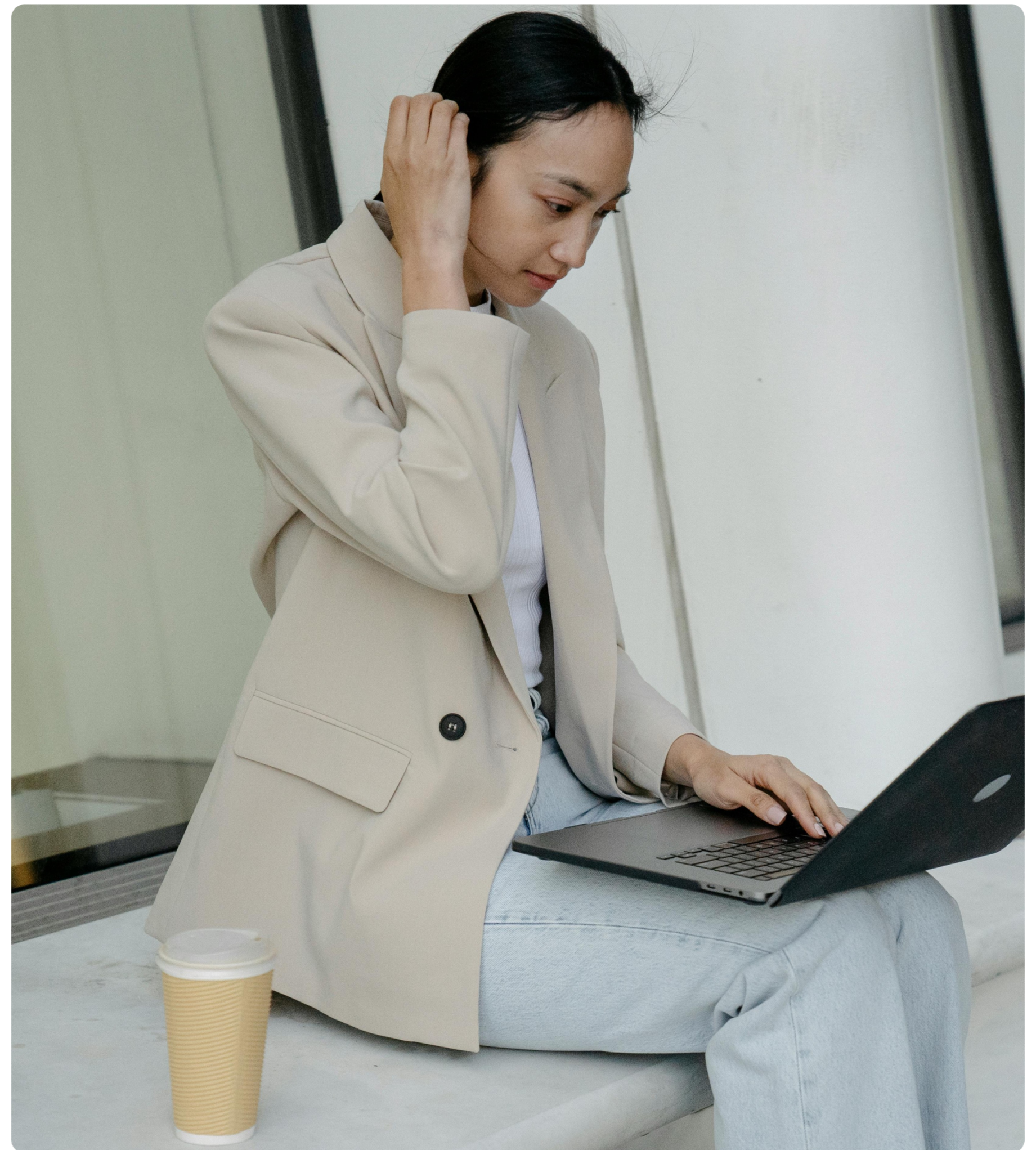


Daily commuters between multiple countries



Cross-border property buyers

IMPACT: Financial inclusion



MARKET

Lending market of EU

€ 7190 billion

Total bank loans for private individuals

45 million

Expats & multi-country people

10% of population

Potential loan volume:
€ 719 billion

Value for banks



Reducing credit risk of foreign customers up to 7x

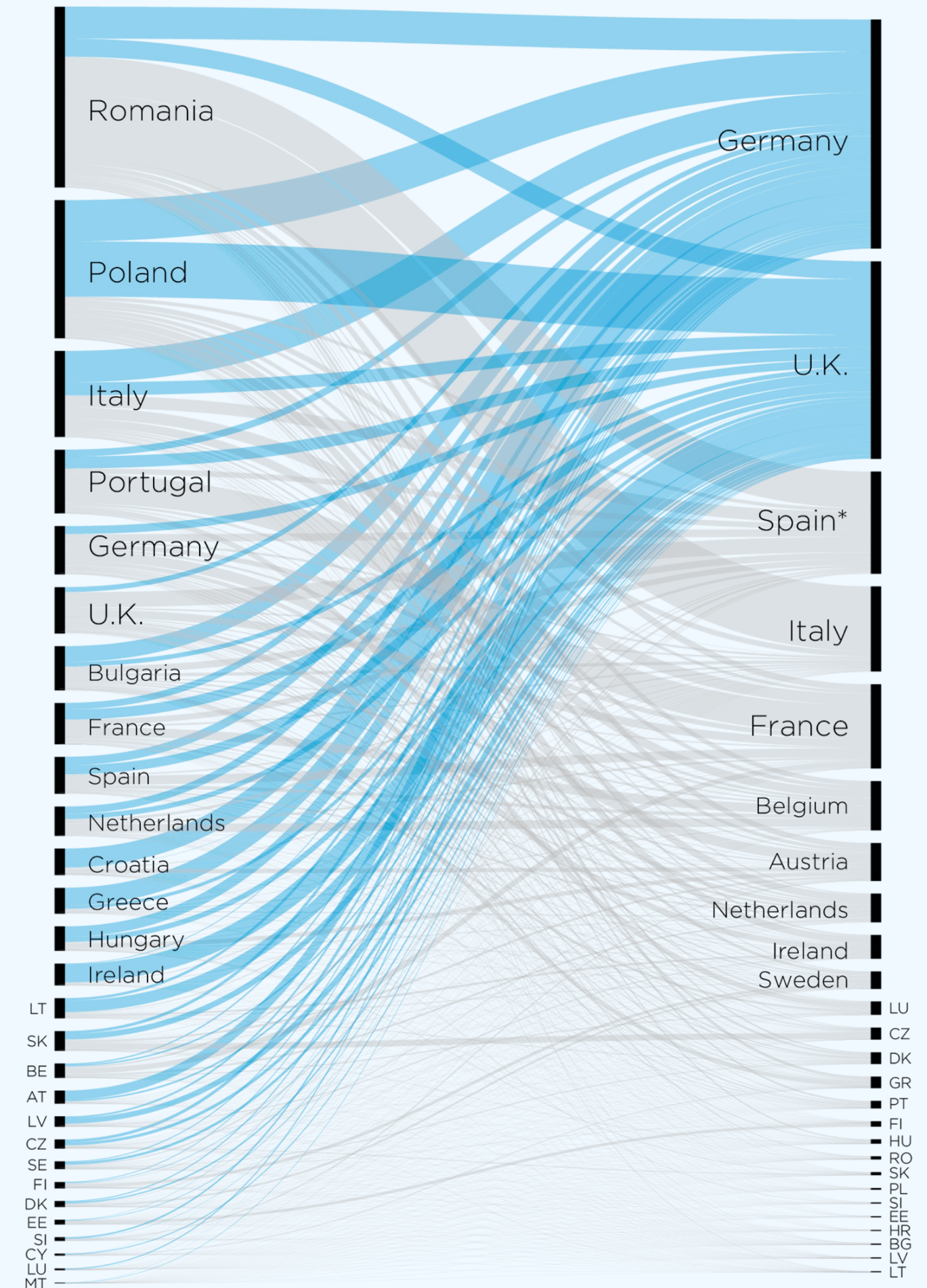


Raising business volume by 15%



Seamless UX

IMPACT: Responsible lending



Nationality	% customers
Local	87,18
Poland	2,41
Sweden	1,10
Lithuania	0,92
Germany	0,53
Syria	0,48
Denmark	0,47
United Kingdom	0,40
Romania	0,32
Latvia	0,28
India	0,28
Spain	0,25
USA	0,24
Philippines	0,22
Ukraine	0,22
Eritrea	0,19
Italy	0,18
Pakistan	0,18
Netherlands	0,18

INSIGHT OF BANK 1


- Credit products for newcomers in the country
- **12,8% are foreigners**

Nationality	% of customers
Local	60,45%
Germany	27,44%
Italy	1,86%
Hungary	1,56%
Croatia	1,52%
Bosnia & Herzegovina	1,49%
Turkey	1,30%
Romania	0,94%
Serbia	0,41%
Poland	0,38%
Czechia	0,34%
Slovakia	0,34%
Kosovo	0,30%
Slovenia	0,28%
Netherlands	0,26%
Spain	0,15%
Bulgaria	0,15%
Sweden	0,15%
Switzerland	0,11%
France	0,11%
Portugal	0,09%
North-Macedonia	0,09%
Latvia	0,09%
Belgium	0,04%
Greece	0,04%
Denmark	0,04%
Estonia	0,04%
Lithuania	0,04%

INSIGHT OF BANK 2

- Buy Now, Pay Later (BNPL)
 - Increase its conversion for retailers
- **12,1% are foreigners**

Nationality	% of customers
Local	85,50%
Germany	3,90%
France	3,10%
Belgium	2,00%
Others	5,50%



INSIGHT OF BANK 3

- Credit products for multi-country people
 - Daily commuters between 2 countries
- **14,5% are foreigners**

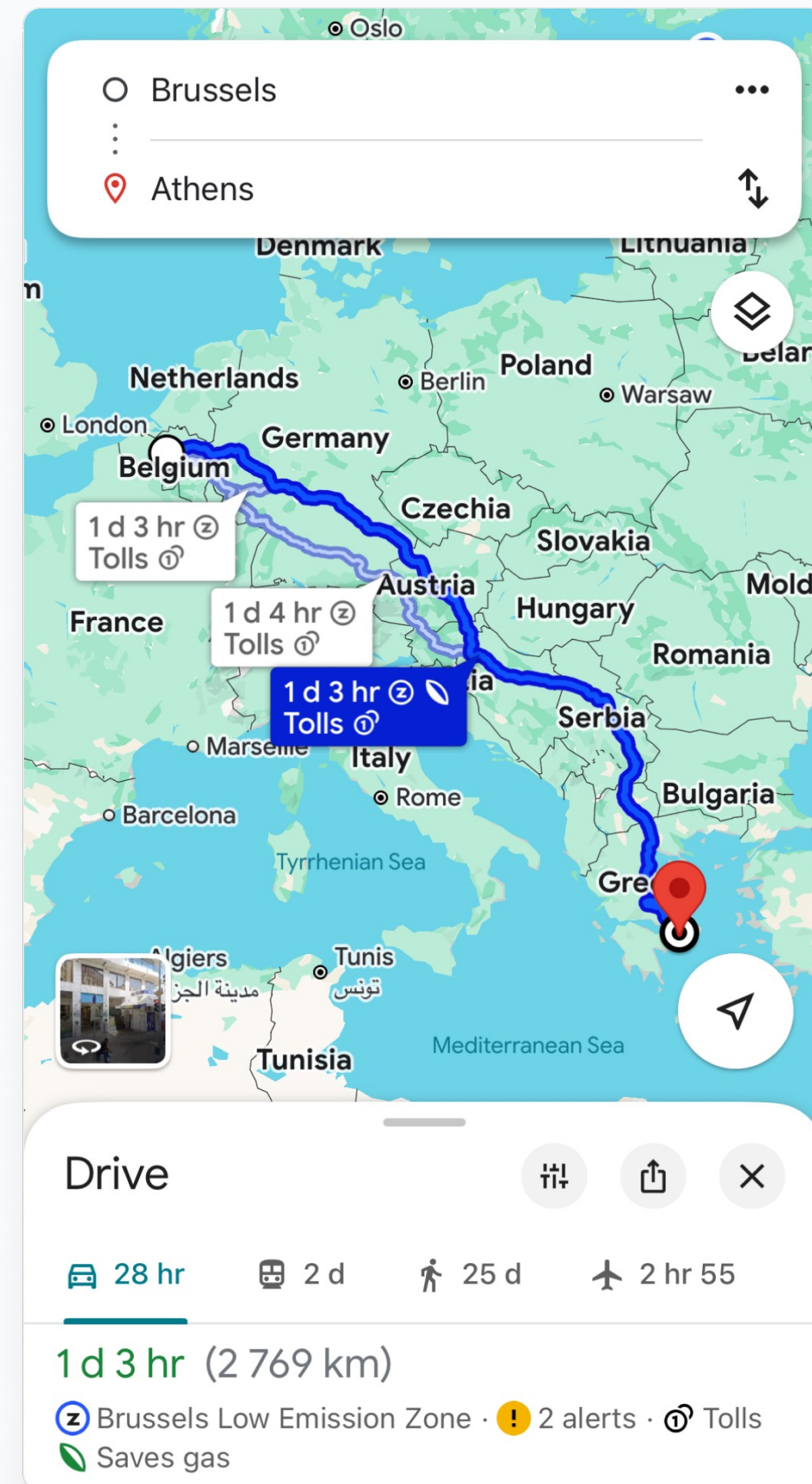
Nationality	% of customers
Locals	75%
United Kingdom	9,5%
Germany	4,3%
Belgium	2,8%
France	2,0%
Denmark	1,5%
Netherlands	1,8%
Norway	0,8%
Sweden	0,8%
Spain	0,5%
Ireland	0,3%
Italy	0,5%
Finland	0,3%
Austria	0,3%
Cyprus	0,3%
Switzerland	0,3%
Total	100%

INSIGHT OF BANK 4

- National citizens living abroad or returning home
- **25% are nationals abroad**

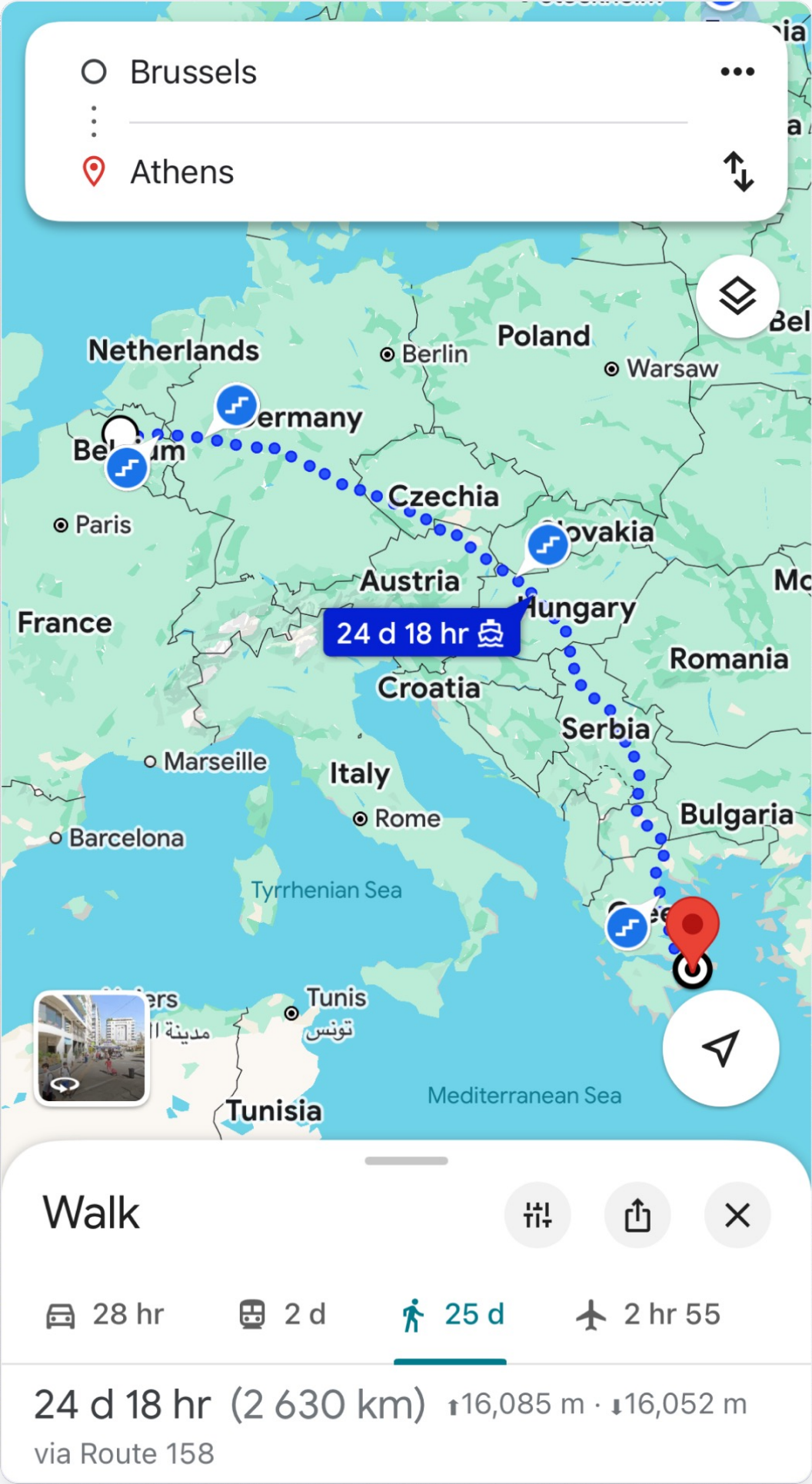
CROSS- BORDER PAYMENTS

2015 VS 2025



CROSS- BORDER CREDIT

2025



mifundo

Freedom to move.
Freedom to be trusted.

mifundo.com



European
Innovation
Council



≡ schufa

Partner since 2024

experian™

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EQUIFAX®

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Certified since 2024



8 – Decent work & economic growth
10 – Reduced inequalities