

June  
2021 ISSUE  
VOL XII

# CRIF INDUSTRY WATCH

A monthly edition on Data, Risk and Economic Insights

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# Analysis and Studies

## CRIF Buergel study: Rapid increase of private insolvencies in Germany



Private insolvencies in Germany jumped in the 1st quarter of 2021. In the first three months of the year, there were 31,821 private insolvencies, 56.5 percent more than in the same period last year (Q1 2020: 20,328). These are the key findings from the "Debt Barometer 1<sup>st</sup> Quarter 2021" of the information service provider CRIFBÜRGEL.

After ten years of falling case numbers, private insolvencies will rise again in 2021. "Currently we assume up to 110,000 private insolvencies and thus a doubling of the numbers this year," says CRIFBÜRGEL Managing Director Dr. Frank Schlein. In 2020, there were a total of 56,324 private insolvencies in Germany.

The significant increase in insolvencies is currently mainly due to the fact that many private individuals held back corresponding applications last year. They wanted to benefit from a legal reform that will in future allow those affected by private insolvencies to obtain residual debt discharge after just three years, instead of after six as was previously the case. Since this reform is a great advantage, many applicants have been waiting for the corresponding resolution of the Bundestag," explains Dr. Schlein.

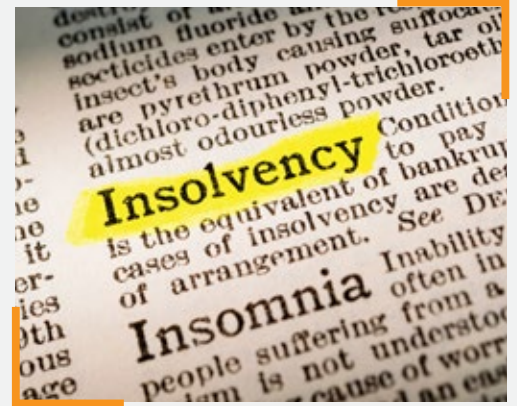
The reduction of the residual debt discharge procedure to three years will also apply retroactively to all insolvency proceedings filed from October 1, 2020. This will also enable those debtors who have fallen into insolvency as a result of the Covid 19 pandemic to be supported in making a fresh economic start.



The wave of insolvencies directly caused by the Corona pandemic will then begin in the 2nd half of 2021 and continue into 2022. The economic consequences of the Corona pandemic will not only threaten the existence of employees in the low-wage sector, but will also be clearly felt in the middle-income sector, e.g. through short-time working. In addition, higher unemployment will again lead to more personal insolvencies, as affected

consumers have less money to spend while costs remain high. This leaves people with less money to meet their obligations such as loan payments, rents or financing. In the long run, less income leads first to overindebtedness and then to personal insolvency.

The northern German states are also more affected by private insolvencies than the south of Germany in the 1st quarter of 2021. Bremen, for example, leads the statistics with 76 private insolvencies per 100,000 inhabitants. It is followed by Hamburg with 57 insolvency cases per 100,000 inhabitants. The national average in the first three months of the year was 38 private bankruptcies per 100,000 inhabitants. Bavaria (26 cases per 100,000 inhabitants), Hesse (29) and Thuringia (30) recorded the fewest private insolvencies in Q1 2021.



In the statistics for absolute private insolvency figures, North Rhine-Westphalia (8,142), Lower Saxony (4,146) and Baden-Württemberg (3,479) lead the way. Private insolvencies increased in all German states. Mecklenburg-Western Pomerania (up 86.7 percent), North Rhine-Westphalia (up 81.1 percent), Hamburg (up 77.5 percent) and Thuringia (up 75.3 percent) led the way. Saxony-Anhalt reported only a slight increase (plus 0.3 percent).



59.1 percent (18,813) of private insolvencies were reported by men. Men also lead the way in a relative comparison of the sexes. For every 100,000 men, 46 private insolvencies were reported. This compares with 31 private bankruptcies per 100,000 female inhabitants. However, the increase was greater among women (61.2 percent) than among men (53.4 percent).

Private insolvencies increased across all age groups in Q1 2021. The largest increases occurred primarily in the two youngest age groups. Among 18-20-year-olds, 83 citizens\* had to file for personal insolvency, an increase of 93 percent. In the 21-30 age group, the number of cases rose by 84.9 percent to 5,171 insolvencies (Q1 2020: 2,797).

# Import-Export Snapshot

## Austria



Austria is the 30<sup>th</sup> largest export economy in the world and 26<sup>th</sup> as importer.

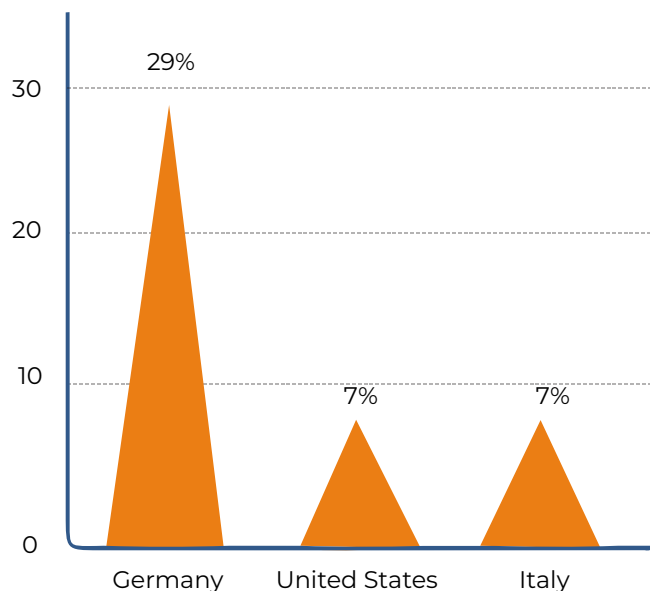
In 2017, Austria exported \$148B and imported \$162B, resulting in a negative trade balance of \$14.1B.

In 2017 the GDP of Austria was \$416B and its GDP per capita was \$52.4K.

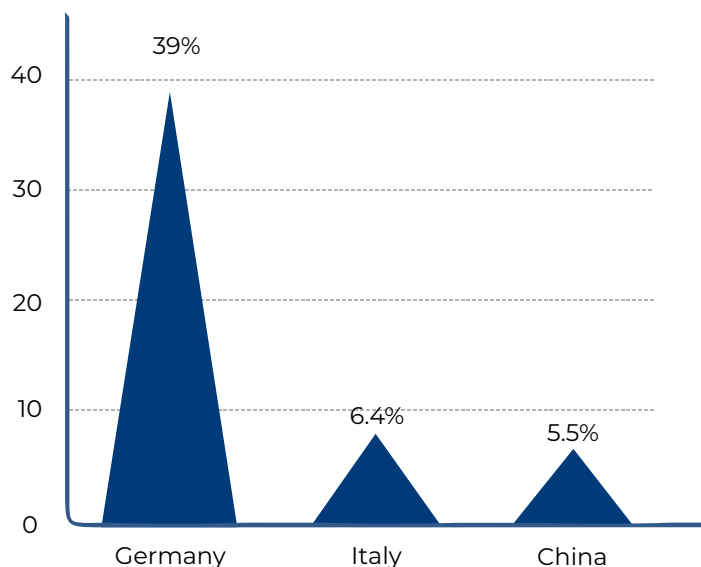
Austria is a member of EU, World Bank and WTO.

Austria is classified as high income economy by World Bank.

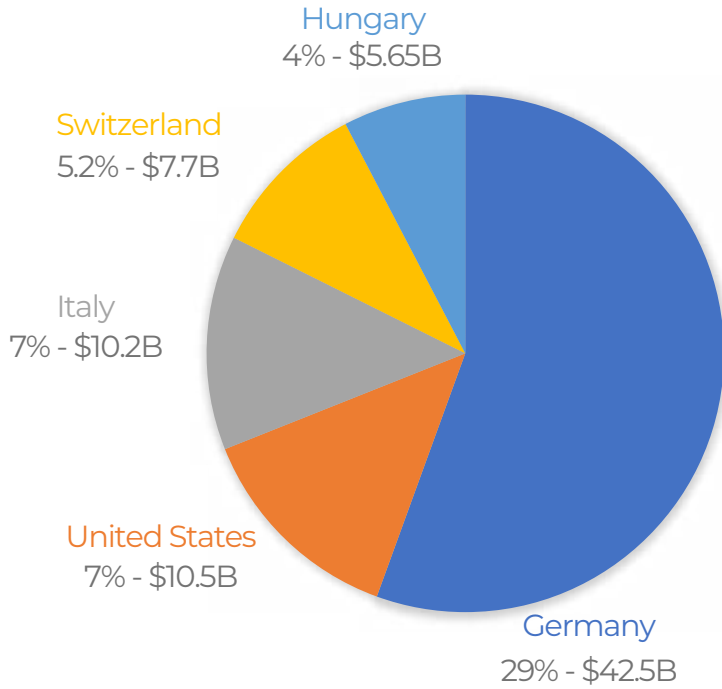
## Top 3 Export Destinations (overall value \$148B)



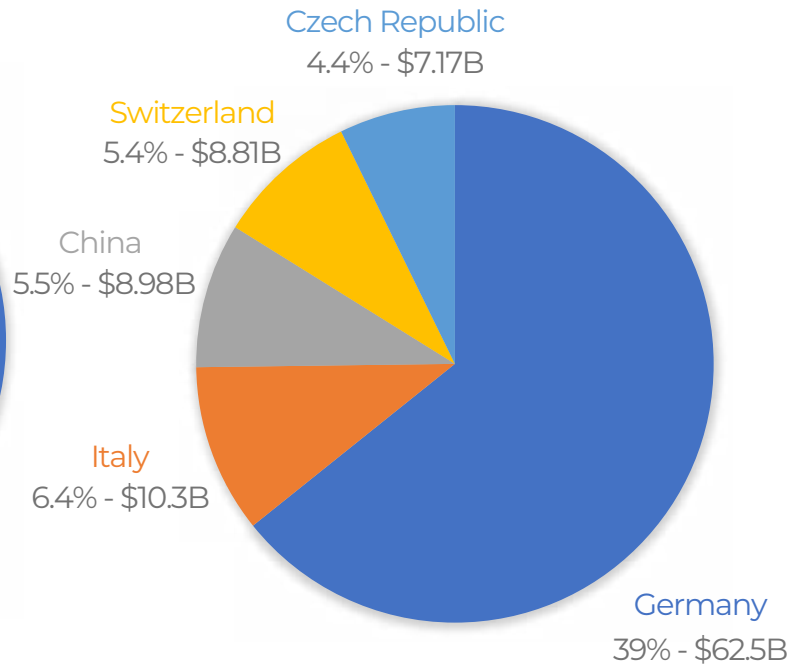
## Top 3 Import Origins (overall value \$162B)



## Top 5 Export Countries



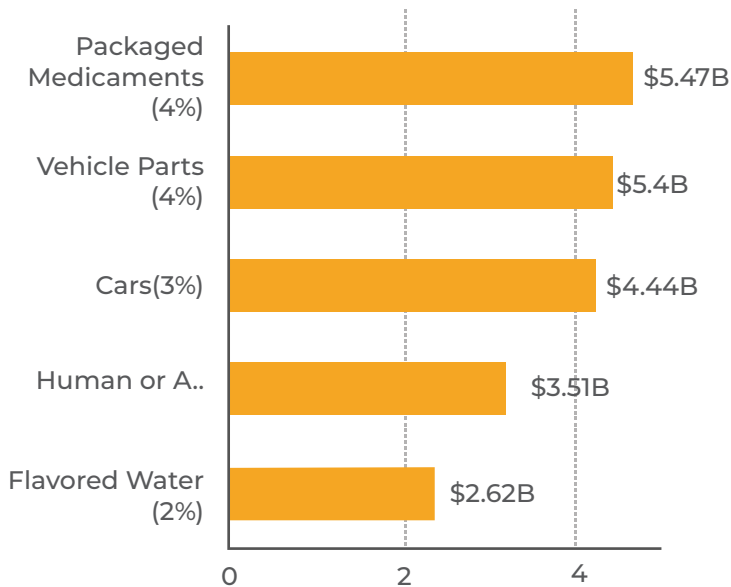
## Top 5 Import Countries



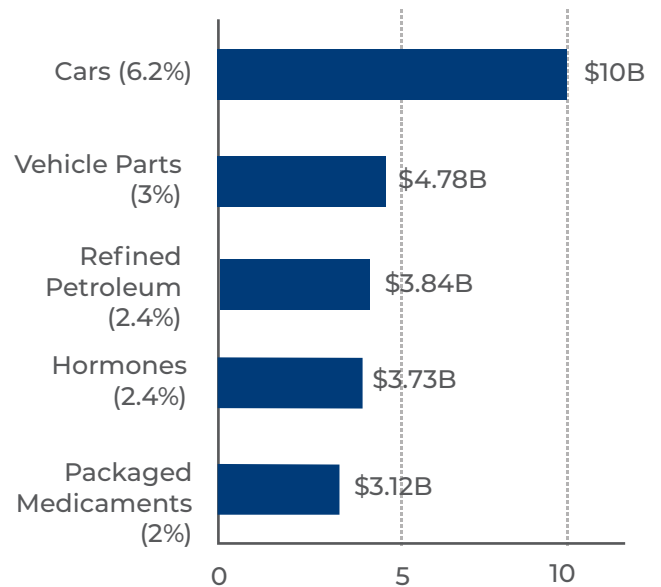
SOURCE: <https://oec.world/en/profile/country/aut/>

## What does Austria Imports and Exports?

### Top 5 products exported by Austria



### Top 5 products imported by Austria



SOURCE: <https://oec.world/en/profile/country/aut/>



# Product Analysis

## | Vacuum Cleaners Top Importer United States



- Vacuum Cleaners are the 198<sup>th</sup> most traded product in the world.
- The value of total export amounts at \$16.5B
- United states imports for \$4.11B, which represents the 25% of the world total.
- The top Importers of Vacuum Cleaners are the United States (\$4.11B), Germany (\$1.83B), France (\$967M), the United Kingdom (\$735M) and Belgium-Luxembourg (\$712M).
- The top Exporters are China (\$9.2B), Germany (\$1.92B), Mexico (\$681M), Malaysia (\$536M) and Austria (\$507M).

## Article of the Month

### | Norway - An overview on economy and business environment

Norway occupies the western half of the Scandinavian peninsula, bordering the North Sea and the North Atlantic Ocean, west of Sweden.

Given the country's size, Norway's economy is small compared to Western European standards but is nevertheless considered among the healthiest in the world, largely due to its positive trade balance and lack of foreign debt. The country is widely taken as an example of prosperous combination of a social welfare state, dynamic free market activity, and active government intervention.

Also Norway has been strongly affected by the covid-19 pandemic, but its economic crisis remained limited in 2020 compared to most European countries as softer measures against Covid-19 partially outweighed a global decline in oil and gas prices, that is to say Norway's main exports.

Generally speaking, Norway is a rich country, with one of the highest GDP per capita in the world.

The country also scores at the top of the United Nations Development Program's Human Development Index ranking. Unemployment had gradually declined from its peak in 2016 until the start of the pandemic which has stopped this trend.



Lets' have a look at the economic sectors of the country.

Agriculture accounts for 1.9% of the GDP and employs 2% of the workforce. Fishing is an important activity as Norway is the world's second biggest seafood exporter after China. Agricultural subsidies are very significant.

Industry employs 19.1% of the workforce and represents 29.1% of GDP; its share started to pick up as of 2017 after years of steady decline.

Norway's economy depends on its natural resources and energy sources (oil, gas, hydraulic energy, forests and minerals). By the mid-1990s Norway had become the world's second largest oil exporter (behind Saudi Arabia), and it remained among the world's most important oil exporters till the early 21st century. Then Export earnings from oil and gas started declining, but still remained one of the biggest economic sources. By the first decade of the 21st century, oil and gas revenue accounted for about one-fifth of overall government revenue. Natural gas production has continued to increase significantly since 1993.



Oil rents, which have once dominated the GDP, now provides less than 4% of GDP as it is well below its peak level in 2000. The political consensus is to save oil and gas revenues for future generations; therefore, Norway has the largest sovereign wealth fund in the world. Shipbuilding, metals, wood pulp and paper, the chemical industry, machinery and electrical equipment make up Norway's main manufacturing industries. Norway also has one of the largest and most modern fleets in the world.



Norway has also a tremendous hydroelectric potential. About half of Norway's 65,000 largest lakes are situated at elevations of at least 500 metres; about one-fifth of the country 900 metres or more above sea level; and predominantly westerly winds create abundant precipitation. As a result, it is estimated that almost one-third of that potential is economically exploitable, of which more than three-fifths had been developed by the end of the 20th century. Hydropowerstations meet virtually all of Norway's electrical consumption needs.

At the beginning of the 21st century, Norway's per capita production of hydroelectricity was the world's highest, and renewable energy constituted more than three-fifths of the country's total energy consumption.

A significant portion of the country's production of electricity is utilized by its electrometallurgical industry, which is Europe's largest producer of aluminum. Norway was also an important producer of magnesium until the early 21st century, when the country's inability to compete effectively caused it to withdraw from the world market. In addition to being among the world's leading exporters of metals, Norway is a significant producer of iron-based alloys. Europe's largest deposit of ilmenite (titanium ore) is located in southwestern Norway. The country is among the world's principal producers of olivine and an important supplier of nepheline syenite and dimension stone (particularly larvikite). Pyrites and small amounts of copper and zinc also are mined, and coal is mined on Svalbard.

overnment revenue. Natural gas production has continued to increase significantly since 1993.

Mining and manufacturing (excluding petroleum activities) account for between one-fifth and one-fourth of Norway's export earnings.

Metals and engineering are the two main subgroups, each accounting for more than one-tenth of nonpetroleum exports.

The level of petroleum-related investment is crucial for the engineering industry, which accounted for about one-third of the manufacturing workforce at the beginning of the 21st century.



With the decline of traditional shipbuilding beginning in 1980, the importance of the production of equipment for the petroleum industry increased. Supply ships and semisubmersible drilling platforms are exported worldwide.

The service sector is highly developed; it employs over three-quarters of the population (78.9%) and accounts for 57.7% of the GDP. It grew by more than 60 percent over the last two decades of the 20th century.

This sector covers everything from service industries that are decentralized in accordance with Norway's settlement patterns to services offered in a market exposed to international competition.

There is a close connection between the development of industry and the development of the service sector. Increased industrial processing and innovation is important for stimulating the further development of the service sector and vice versa.

As a result of rising globalization and the extensive use of communication technology and e-commerce, several types of services have been increasingly exposed to international competition.



This sector is highly labor intensive and dominated by small and medium-sized companies. The private-services sector contains a large number of self-employed persons. However, the trend in the service sector is towards greater numbers of large, nationwide chains.

Foreign trade, in the form of commodities exported chiefly to western Europe or shipping services throughout the world, accounts for more than two-fifths of Norway's national income. Norway's booming petroleum industry has ensured a strong positive balance of payments for the national economy, despite some declines in the manufacturing and agricultural sectors. The great majority of Norway's petroleum exports go to the nations of the European Union. Other important exports are machinery and transport equipment, metals and metal products, and fish.



Norway's principal trading partners are the United Kingdom (which receives the largest portion of Norwegian exports), Germany, Sweden (which is the greatest contributor of imports to Norway), China, and the Netherlands. Principal imports include machinery, motor vehicles, ships, iron and steel, chemicals and chemical products, and food products, especially fruits and vegetables.

The main import partners are Sweden, Germany, China, Norway, United States, United Kingdom and the Netherlands. Norway mostly imports machinery, motor vehicles, ships, iron and steel, chemicals and chemical products, and food products, especially fruits and vegetables.

Despite being a small country, Norway is a very important economic player and offers a large amount of business opportunities.

Especially in this period it is important to assess business partners and get in-depth information on any potential and actual partner, but only local providers have the specific knowledge and tools to provide the most reliable and accurate information.

Thanks to SkyMinder you will be able to order reports compiled by the most expert local providers.



Through its local business information suppliers, SkyMinder credit reports are always updated and complete with all information available providing a complete overview of a company.

SkyMinder helps users to take the best business decisions.

All SkyMinder Credit Reports include the following information (if available at local sources):

- Complete company identification details:  
correct company name, address(es), contact details such as phone, fax, email, webs, etc.
- Company registration details: our local providers try to access local registries and to get registration number, company id, fiscal code, and any information that can be retrieved at the local registry
- Directors and company structure: board of directors, shareholders and related companies
- Financials: balance sheet and profit and loss (if companies are obliged to disclose).
- Credit rating and suggested credit limit
- Number of employees and Activity details: sector and industry of the company, when possible also information on import and export activities.
- Negative information on the company

SkyMinder offers also the fastest delivery times, by ensuring the most accurate and updated credit report in a few working days. The reports are complete, updated and easy to read. SkyMinder also offers Slim Report and KYC report on Norway. The Slim Reports provide a quick and concise overview on the credit situation of a company, while the KYC reports give an overview on the shareholders.

Thanks to all the range of the SkyMinder reports on Norway and to the expertise of local providers, it is possible to establish safe and profitable business relationship with any Norwegian company.

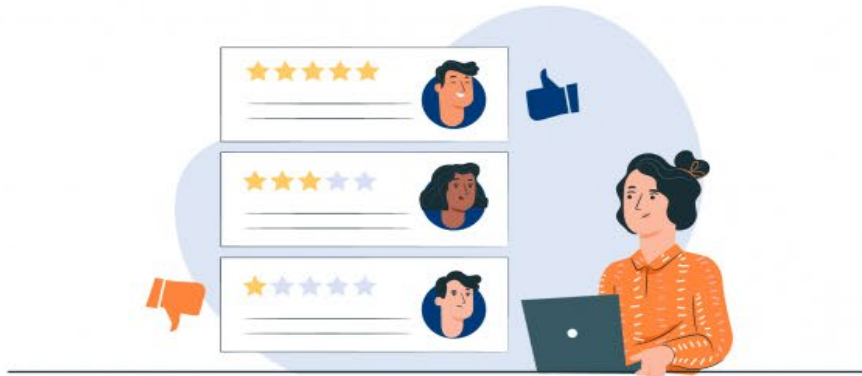


# Quick Infographic

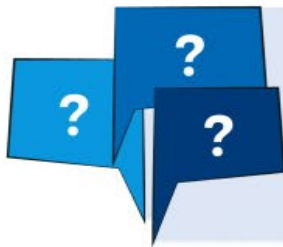
## | CRIF's Vendor Evaluation Report and It's Benefits



### What is **Vendor Evaluation**, and what are its benefits?



Do you have the following questions?



- Are my potential vendors capable of meeting our organisational standards?
- How high will my credit risk exposure be if I partner with a particular vendor?
- Will they be able to offer high-quality services?

### It is time to get your due diligence with **CRIF Business Information Report.**

Onboard suppliers and vendors who ensure compliance with all laws, regulations and standards that apply to your business framework.

Here are the major benefits of getting your vendors evaluated with CRIF Due Diligence:



Establish authenticity and understand the background of your vendors



Assess vendors' capability to reduce your operational costs



Establish credibility for a smooth supply chain and agile business framework



Build trustworthy relationships to encourage collaborative business growth



Onboard vendors who match your values and eliminate risks of fraud

Get your vendor due diligence with **CRIF Business Information Report**

# About CRIF India

CRIF India is one of India's leading provider of Credit Information, Business Information, Analytics, Scoring, Credit Management and Decisions Solutions.

CRIF's Business Information Report, commonly known as the BIR Report, is a new way of thinking about data and information and how they are linked to each other. Available in 230 countries and territories, CRIF'S Business Information Report contains up to date information collected from various data sources. The report helps in determining a company's profitability, financial trends, and risk. It also provides an in-depth profile of a company, including financial information, legal cases, history of business, ownership details, operational information, and details on related firms and special events that occurred in the past involving company management. It's an industry standard for evaluating both new and existing credit relationships, especially medium-to-high risk accounts. Additionally, it supports a company's other efforts, like marketing and purchasing.

## CRIF India's Business Information Offerings



# | How is CRIF different?



We brought in new Sets of Data Points,  
First in the Industry at a TAT less than 48hrs.



## Global Data Environment

200 million companies across 230 countries,  
2 Million directors on these companies,  
400+ data points covered



## Unmatched expertise in analysis

Our vast experience gives us an eye for better  
assessment of information



## Count on our TAT

Quality in expertise translates into  
efficiency in outcome



## Quality checks

We've set processes to ensure reliable  
information is coming your way

**Customized solutions for:** Customer | Suppliers | Trade / Supply Chain solutions



CRIF Solutions (India) Pvt. Ltd.

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