Research on Financing of Small and Micro Enterprises in Supply Chain Empowered by Blockchain: Cases Analysis of Ant Double-Chain and Eternal Asia in China

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Abstract

The financing of small and micro enterprises (SMEs) is known as the "worldwide problem", and the epidemic of COVID-19 has made them fall into the predicament of financing difficulty. The new mode of digital supply chain finance empowered by blockchain provides a feasible new way to solve the financing problem of SMEs. China's leading FinTech enterprises have made effective exploration and practice in the integration of blockchain and supply chain, among which Ant Double-Chain and Eternal Asia are outstanding representatives. By comparing and analyzing these two enterprises, it can be found that the technology of blockchain embedded in supply chain finance can widen the financing channels of SMEs. With the support of Alipay, Ant Double-Chain has built up a large number of user ecology, independently developed the core technology of ant chain, and focused on accounts receivable financing products, which solved the financing problem of small suppliers. Relying on the big data accumulated in supply chain management and logistics services, Eternal Asia introduces blockchain to provide one-stop supply chain financial services for SMEs. In order to give full play to the function of the blockchain, it is necessary to increase the participation willingness of the core firms in supply chain and cultivate the talents of FinTech, so as to better meet the financing needs of SMEs.

Keywords

Blockchain; SMEs' financing; FinTech; Supply chain finance; Comparative case studies

Introduction

Supply chain finance comes from supply chain services, main purpose is to use trade financing to meet the needs of small and micro enterprises (SMEs) on the supply chain. However, in the traditional supply chain financial mode, the core enterprise can only flow to a level of suppliers or dealers with their direct trade relations, and a large number of SMEs at the end of the supply chain are still facing the problems of financing difficulty and high cost. Although the Shadow Bank for these SMEs to provide a certain amount of funds (Zhou & Cai, 2020) , the high cost of financing severely restricted its development, some enterprises even resort to usury, without doubt is satisfiesthirst by drinking poison. Finally, the capital chain broke because of the inability to bear the high repayment pressure.

In recent years, the innovative development of blockchain technology provides a new way to solve the financing problem of SMEs in supply chain. Berger and Udell (2006) put the SMEs into the supply chain system as a whole and put forward for the first time the loan technology of using the supply chain finance service SMEs financing. Zhang Lu (2019) demonstrated that the innovative features of blockchain, such as decentralization, consensus trust, intelligent contract and data tampering, have natural advantages in solving the credit reference and financing problems of SMEs in the context of supply chain finance by constructing a game model. Liu Sen et al. (2019) take Eternal Asia (EA) as an example to study the path of embedding financial service platform through resource integration and information technology in supply chain service, including supply chain data capture, big data control, asset recommendation and value-added services, thus building an inclusive and symbiotic business ecosystem. Qiu Chunxi (2020) believes that the accounts receivable financing management system based on the blockchain and the electronic vouchers circulating throughout the system can solve the problems of trade authenticity, information fragmentation and the difficulty of digital assets splitting and circulation of enterprises in the supply chain, rely on the credit of the core enterprise, relieve the financing problem of SMEs at all levels in the chain. Ruan Xiaoya (2020) through the case analysis of Ant Double-Chain, concluded that “blockchain + supply chain finance” model can reduce the financing waiting time and financing cost of SMEs, at the same time, it helps to reduce the prevention and control of credit risk and operational risk. Zhang Gang (2020) takes “ Fortune All-Link” system as a research case, introduces the financing model of “Fortune All-Link” system for SMEs, and analyzes the technology of blockchain to activate the accounts receivable in the supply chain. This paper points out the existing technical and regulatory risks, and puts forward some countermeasures and suggestions, such as perfecting laws and regulations, combining the technology of Internet of things with the technology of blockchain.

Generally speaking, the research on technology-enabled supply chain finance and real economy of blockchain is mainly based on theoretical analysis, but not on comparative analysis of representative enterprises using common financial technology. Based on the perspective of blockchain enabling, this paper compares the operation of China’s leading supply chain financial service providers, Double-Chain and Eternal Asia (EA). And it analyzes in detail the financing mode, application scenario, common advantages, innovative features and improvement suggestions, in order to promote the deep integration of blockchain and supply chain, expand the coverage of digital supply chain financial services, promote the development of inclusive finance, and help address the financing difficulties, high cost and slow financing problems of SMEs in the supply chain.

Case Enterprises Serve the Financing Mode of Small and Micro Enterprises

Analysis on the Financing Mode of Double-Chain Service for SMEs

Double-Chain, a digital supply chain financial service platform owned by Ant Group, was launched in October 2018. Relying on Ant Group's strong financial technology strength and patent advantages in blockchain, Double-Chain took the lead in introducing blockchain technology into the supply chain in China, the aim is to create a cooperative network for SMEs through the integration of blockchain and supply chain, and to solve the problems such as the limited coverage of financial services in traditional supply chain, the lack of efficient credit transmission and the difficulty of risk prevention and control, to provide equal and efficient financial services for SMEs. The Double-Chain chooses the alliance chain with security access mechanism in the blockchain as the infrastructure of supply chain finance, and triggers new value by reducing the cost of trust, it has built up an ecological system covering core enterprises, SMEs, financial institutions, credit enhancement institutions and other service providers. Under this system, all the transaction information of core enterprise, small and micro enterprise supplier, small and micro enterprise dealer, financial institution and credit enhancement institution will be stored in real time. After the transaction process between the core enterprise and the supplier of the upstream SEMs and the dealer of the downstream SMEs is all on the chain, the authenticity of the transaction background can be guaranteed. And after the core enterprises' accounts receivable have been digitized and upgraded, they can be used as credit certificates to realize the effective separation and credible circulation of core enterprises' credit on the blockchain, so as to let the suppliers or distributors of SMEs at the end of the supply chain, also can rely on the core enterprise credit, through the accounts receivable pledge financing way obtains the fund support.

At the same time, for financial institutions, the SMEs have gained the credit that comes from the core enterprises step by step. Together with the anti-tampering, non-repudiation and traceability features of the blockchain, they can ensure the credibility of the underlying transactions, greatly reduce the risk of small and micro-enterprise loans. For the credit enhancement agencies, not only can do the core enterprise financing guarantee, but also can cut into the entire supply chain financial market, under the premise of risk control has obtained the new development space. In addition, the smart contract mechanism of blockchain combined with the self-taste of trade finance can also significantly improve the efficiency of supply chain financial services. For financial institutions, A customer manager can serve N small and micro business suppliers or dealers upstream and downstream of A core enterprise, which broadens the service scope of small and micro financial business. For SMEs, as long as the blockchain to hold the split flow of accounts receivable, you can apply for loans online, to achieve the full process online and efficiency.

As a new type of digital supply chain financial infrastructure, Double-Chain has been upgraded in 2019 while improving the efficiency of supply chain financing for SMEs. The service uses the core technology of blockchain, Ant Chain, to strengthen the risk prevention and control, realize the bottom connection of enterprise net bank, and eliminate the phenomenon of supply chain fraud. The buyer's true trading background and payment commitment will be generated by a receivable certificate, which will be claimed by the seller as a financable and transferable asset. Through the information on the supply chain, banks and other financial

institutions can fully understand each link of the capital flow, logistics, business flow and information flow, and also can trace whether SMEs have the ability to repay. The whole financing process is clear, can not be tampered with, all participants must pass "Double-Chain" to verify their identity and will, eliminate the risk of misappropriation of funds, so that the risk of micro-loans more controllable. To sum up, the exploration of "blockchain + supply chain finance" mode by Double-Chain has fully brought into play the enabling role of blockchain technology, activated the credit value of core enterprises, and reduced the credit risk of financial institutions. It has greatly improved the financial coverage of the supply chain and the availability of financing for SMEs, thus achieving a win-win situation for all.

Analysis of Financing Mode of Eternal Asia (EA) Service SMEs

In 1997, Shenzhen Eternal Asia Supply Chain Management Ltd. was founded. In 2007, the company listed on the Shenzhen Stock Exchange, China's first listed supply chain leading enterprises. As of 2020, Eternal Asia (EA) has more than 500 branches, covers nearly 300 cities, employs more than 30,000 people, is known as "the first integrated platform of China's supply chain", is one of Forbes's top enterprises in China (Li, 2020). The main business of Eternal Asia (EA) is the whole supply chain management and logistics services, covering supply chain + Internet, supply chain financial services, supply chain + franchise/smart retail, supply chain + marketing alliance, supply chain + brand incubation and supply chain + technology. Among them, supply chain financial service is the new focus of the company in recent years the direction of business layout and transformation direction, can provide SMEs with supply chain services and financial support. By integrating supply chain finance with financial technology, relying on technologies such as blockchain, and making full use of its own experience in supply chain management and logistics services, Eternal Asia embedded movable property pledge financing into the supply chain scenario.

With the power of blockchain technology, all the supply chain financial products of Eternal Asia (EA) have been unified and integrated into the circulation insurance platform. Launched on October 1, 2018, the platform is a unified interface between Eternal Asia and financial institutions. Circulation insurance provides banks and other financial institutions with high-quality assets, and with the help of the characteristics of blockchain technology, which is decentralized, immutable and multi-signature, it breaks the information barrier. The consensus trust mechanism of blockchain solves the problem of mutual trust among enterprises in the service of Eternal Asia, and enables EA to maximize the value of its own accumulated data resources. In this way, blockchain finance can be expanded to a variety of different types of enterprises and industries, such as home appliances, medical, daily chemical, wine, communication, building materials, food, mother and baby. The distributed data storage of blockchain can guarantee the real and reliable transaction background, foster the long-term trust mechanism, and promote the credit rating of SMEs. The traceability function and intelligent contract of blockchain technology can realize the accurate delivery of funds and resources, and the precise docking of financial provisions and requirements. Blockchain uses the technological advantages of encryption algorithm, traceability, and distributed storage to help financial institutions to monitor credibly the movables and transactions of SMEs in the supply chain, and to change the information structure of the financing parties, to solve the problem of capital gap caused by asymmetric information and credit in the process of inventory circulation of small suppliers and distributors in supply chain.

Eternal Asia also developed the "big data + AI" intelligent credit system. Using blockchain, big data, cloud

computing, artificial intelligence and other technologies, we can intelligently analyze the operation of SMEs and match their credit lines, thus improving the efficiency of supply chain financial service. There are always adverse selection and moral hazard caused by Information asymmetry in the financing of SMEs, and the circulation insurance platform can pass the transaction information of SMEs, such as order information, logistics information, customer evaluation and complaint, etc. , real-time understanding of the operation of enterprises to provide data support for SMEs to carry out supply chain financial services. The Circulation Guarantee enables the supply chain finance to realize the information integration and the sharing, enables the enterprise which has the complete supply chain resources to pass the comprehensive utilization each kind of "finance + science and technology" means, we should break the information barrier of B2B transaction between core enterprises and SMEs, optimize the allocation efficiency of capital and market demand, and widen the service scope of chattel mortgage financing and supply chain finance.

Comparative Analysis on the Enabling Role of Case Enterprise Blockchain

Common Advantages of Blockchain Enabling SMEs to Finance

1. Blockchain Reduces the Financing Cost Of Smes

By embedding blockchain technology deeply into its own supply chain platform, and integrating the internet credit technology of Ant Group's online commercial bank, it can simplify the financing procedures of SMEs in the supply chain, to speed up the information transfer between systems, the supply chain finance automation and intelligent operation. The distributed bookkeeping technology of blockchain ensures real-time updating of transaction data, reduces operational risks and simplifies enterprise financing process and transaction procedures, thus reducing financing waiting time and financing costs for SMEs. Aiming at enhancing the market competitiveness of the whole supply chain, Eternal Asia actively carries out the integration and optimization of the supply chain and the blockchain, and helps the upstream and downstream enterprises of the industrial chain to outsource their non-core business to professional third parties, so that the procurement, logistics, sales and other links to operate more efficient and orderly. On this basis, Eternal Asia's "circulation guarantee" supply chain financial products are aimed at creating a shared ecological alliance among financial institutions, core enterprises and SMEs in the upstream and downstream, so as to realize the efficient circulation of credit and credit in the supply chain, to solve the financing of SMEs can not credit the pain point of self-certification, and ultimately reduce the supply chain of SMEs financing costs.

2. Blockchain Financial Assistance Construction of Financing Risk Control System for SMEs

With the traceability of blockchain and the automatic triggering and execution of smart contracts, Double-Chain monitors the flow of loan funds to small and micro businesses. At the same time, asymmetric encryption and digital signature are used to hide node data to protect information security, solve problems such as difficult monitoring of capital flow and easy disclosure of information security in the financing process, and improve the risk control efficiency of financial institutions. Double-Chain support core enterprises use blockchain technology to penetrate the supply chain to reduce supply chain financial risks. With the advan-

tage of blockchain technology and big data, Eternal Asia supply chain financial products enhance the trust between core enterprises and SMEs, make information more transparent and accessible, and alleviate the problem of risk control in supply chain finance. Eternal Asia has also added blockchain technology to the AI post-loan radar system, which can accurately identify and give real-time warning of fraud risks, and make intelligent analysis and visual display of all kinds of risks, thus improving the risk control system and ensuring the effectiveness of post-loan risk management for SMEs.

3. Blockchain Finance Expands Financing Channels for SMEs

Based on blockchain technology, Double-Chain connects core enterprises with the full life cycle of accounts payable confirmation, circulation, financing, settlement and distribution. From a technical point of view, Double-Chain connects upstream and downstream enterprises in the supply chain, solves the problem of double expenditure and inconsistent account reconciliation, and widens the coverage of supply chain financial services. Through the use of blockchain, Double-Chain not only guarantees the authenticity of each link of the transaction, but also enables the electronic voucher of accounts payable bearing the credit of the core enterprise to circulate step by step on the chain, so that more SMEs in the upstream and downstream of the supply chain can obtain equal and efficient inclusive financial services. In addition, under the background of normal epidemic prevention and control, Everbright Bank and Double Chain Link launched touchless loan, which on the one hand solved the short board of limited financing channels for SMEs, on the other hand, the use efficiency of capital of core enterprises on the chain has also been greatly improved. By guiding different suppliers to join the platform, Eternal Asia has gradually built a complete data integration warehouse, and provided decision support for supply chain financial services with intelligent credit system. On this basis, the tracking and recording of the data through the blockchain, and the non-tampering of the information and other characteristics, ensure the transparency of the transaction process and the authenticity of the transaction data. The different nodes generated by blockchain data can provide distributed ledger and peer-to-peer transmission, thus expanding the scope of financial institutions to extend credit to enterprises and broaden the financing channels for small and micro businesses along the supply chain.

The Respective Innovative Features of Double Chain and Eternal Asia

1. Relying on the Mass User Ecology, Double Chain Independently Develops the Core Technology of Ant Chain and Focuses on Accounts Receivable Pledge Financing

Relying on the massive user ecology established by Alipay platform, Double Chain under Ant Group has jointly built an alliance network based on blockchain technology with a large number of high-quality partners in the same industry and different industries, and realized the full link coverage of supply chain finance business. For both security and efficiency of supply chain operations, Double-Chain in the chain of Ant Group subsoil block technology, on the basis of the core technology, independent research and development the ants chain choose more centralized union chain structure, and through the global technical network seamless support the development of network and operation, further perfect the financial scene league chain and supply chain of “fit”. In the alliance chain network, participants must pass the identity verification and intention confirmation before joining, and use the back-end transaction protection of Ant Group Alipay enterprise account and enterprise e-bank U-shield to ensure the reliable confirmation of transaction rights, and effectively

prevent and control the risk of fraud and the risk of fund misappropriation. After the authorized chain, all financing operation process will be clearly recorded and cannot be tampered with, and based on ant chain + hardware-level TEE (trusted execution environment) technology, to ensure that from the interface call, smart contract operation, to the block into the chain, full link credibility, the whole process of encryption, effectively protect the privacy of enterprises and financial institutions. On guaranteed supply chain each link business information and data security control at the same time, the union participants can through open API (application programming interface) to join the sharing alliance ecosystem, based on the blockchain technology to build "Ants Chain—double chain through supply chain financial services platform", for the service of small micro enterprises create new application scenarios.

The core enterprises on Ant Group's platform have a large number of small and micro business suppliers, which themselves rely on the strong ecosystem within the group and have accumulated a large amount of receivables. Blockchain can well coordinate and manage tedious collection and payment work, so Double Chain focuses on accounts receivable pledge financing. This business is based on the accounts receivable of small and micro suppliers to the core enterprise, and takes the accounts receivable vouchers held by suppliers as the digital carrier to realize the multi-level efficient transfer and split transfer of the core enterprise credit between suppliers and financial institutions, so that suppliers at all levels can share the credit value. For SMEs in need of financing, vouchers receivable can be used to facilitate online factoring financing through blockchain. Financial institutions or between financial institutions and investors can also transfer or finance assets again through ABS based on the depository function of blockchain. On this basis, Ant Chain is fully open to the core enterprises and suppliers in the upstream and downstream of the supply chain, which can build a new ecosystem of digital supply chain financial cooperation and promote the double chain to cover more SMEs.

2. With Deep Knowledge in Supply Chain Management and Logistics Services, Eternal Asia has Accumulated a Wealth of Big Data, Focusing on Chattel Pledge Financing

With participants in all links of the supply chain as the core, Eternal Asia has created a cross-border integration, platform sharing supply chain business ecosystem. It aggregates the superior resources of more than 100 world top 500 enterprises and 2,000 famous enterprises outside China, and its business is embedded in multiple industries. It provides supply chain services integrating procurement execution and sales execution for small and micro customers, so that it has a large number of customer transaction information and basic data.In addition, Eternal Asia can grasp the real-time data of enterprises' dynamic order documents and goods circulation, insight into the daily inventory and sales status of upstream and downstream customers as well as other mobile operation information, so as to realize the detection and control of the change of customer's capital flow. Its business ecosystem also includes contracting other enterprises' non-core supply chain business, such as customer order demand, supply and marketing of raw materials and product design, and finally completing the output of products.In this process, Eternal Asia has accumulated a lot of offline logistics service experience and built an industry-leading logistics network system, with 10,000 controllable vehicles, more than 200 intelligent outlets and a controllable warehouse area of 2.2 million square meters (Xu, 2019).

In supply chain management and logistics services, on the basis of grace he has accumulated abundant data, at the same time through the blockchain technology and logistics hardware resources blessing, all personal property online, offline can realize the supply chain process of monitoring and traceability, as chattel financ-

ing provides a solid foundation, so the main supply chain chattel pledge financing business.

Eternal Asia constructed the financial institutions, the core business, small micro enterprise, logistics business, credit reporting services such as the main body of supply chain finance platform, using "blockchain + AI" technology, big data depth of mining resources, scientific and effective analytical enterprise management status, revitalize the of all kinds of inventory, calculate the matching credit amount, provide the chattel pledge financing products and services, the integration of business flow, logistics, capital flow and information flow can not only monitor the whole process of movable inventory and loan flow, effectively prevent and control credit risks, but also realize the "seamless connection" between financial services and production and operation needs, improve the financing efficiency of SMEs and reduce costs.

Problems in the Financing of Small and Micro Enterprises Enabled by Blockchain

Low Willingness of Core Enterprises to Participate

Blockchain technology enables supply chain finance, which can make the transaction information on the supply chain immutable, and solve the problem of information asymmetry and trust. But the trust in the whole supply chain comes from the core enterprises, not SMEs. SMEs need the credit endorsement of the core enterprises to successfully obtain financing. Core enterprises themselves have a strong financing capacity, so the "blockchain + supply chain finance" mode is not mainly to meet the financing needs of core enterprises, but to solve the financing problems of SMEs at the end of the supply chain. Therefore, for core enterprises, the willingness to participate in "blockchain + supply chain finance" is not very high.

Blockchain Financial Regulations Need to be Improved

Blockchain technology, as one of the emerging frontier technologies, has yet to be further improved in its regulatory laws and regulations related to the financial industry and supply chain financial scenarios. The openness and cross-border integration of blockchain have brought challenges to the definition of regulatory objects and regulatory boundaries for governmental financial regulators, which may affect the effectiveness and penetration of regulation. While enabling the financing of SMEs in the supply chain, blockchain may also bring new risks and hidden dangers, including the ambiguous legal effect of smart contracts, information security risks and regulatory arbitrage issues. Due to the existence of "regulatory vacuum" and policy uncertainty, it will also increase the compliance risks of Double-Chain, Eternal Asia and other companies exploring the innovative integration platform of blockchain and supply chain, which may affect the coverage of blockchain supply chain financial services and the financing environment of SMEs in the supply chain.

Lack of Complex Talents of Blockchain and Small and Micro Finance

Blockchain is a cutting-edge technology in the field of information technology, and there is a relative lack of R&D and application talents. As an integral part of inclusive finance, small and micro finance has not been an important strategic direction of traditional financial institutions for a long time, with insufficient talent re-

serve. The application and promotion of blockchain in the small and micro finance scene of supply chain requires complex leading talents who are familiar with both blockchain technology and small and micro finance business to transfer and integrate their cross-border knowledge and skills. Doule-Chain and Eternal Asia have been recruiting complex fintech talents all the year round, but such talents are difficult to train, the training cycle is long, and the talent reserve is insufficient.

SMEs still Face High Financial Risks

The application of blockchain technology will not change the financial risks faced by SMEs in the supply chain, which will affect the financing ability of SMEs. First of all, as a "link" in the supply chain, SMEs will encounter the risk of receivables failing to arrive or even bad debts in the process of transaction, which will affect the operating conditions of enterprises. Because enterprise's bargaining power is different, accounts receivable turnover days between enterprises and inventory turnover days may also mismatch, lead to optimal cash holdings and the economic order quantity estimation deviation, influence the current ratio, quick ratio, total assets turnover ratio and other financial indicators, increase the opportunity cost of capital takes up and capital operational risk. Secondly, SMEs in the supply chain may also face investment risks, which are mainly manifested as blind investment to expand the business scale. If investment income cannot cover the investment cost, that is, the net present value is negative or the embedded rate of return is less than the financing cost of supply chain finance, the capital chain may be broken and the sustainable operation of SMEs may be affected.In addition, when internal financing such as retained earnings cannot meet the operation requirements, external financing is needed to maintain the operation. However, SMEs lack equity financing channels, so most of them can only use debt financing, which leads to the increase of corporate liabilities.When the asset-liability ratio exceeds 70%, SMEs may be unable to repay their debts in time due to insufficient solvency, causing financial risks.

Conclusions and Suggestions

Through the above case analysis and comparison, it can be concluded that blockchain has significant effects in enabling supply chain finance, especially in reducing the financing cost of supply chain SMEs, helping the construction of financing risk control system of SMEs, and broadening the financing channels of SMEs. In practice, the two case enterprises adhere to the concept of deep plowing into the supply chain financial market, giving play to the enabling role of blockchain technology, and serving the financing of SMEs, and also cultivate their own innovative characteristics. Among them, Double-Chain, relying on the strong technical advantages of Ant Group, has independently developed the core technology of Ant Chain, and is the pioneer of the financing model of accounts receivable pledge in the blockchain enabling supply chain. Based on the advantages of big data accumulation and logistics system, Eternal Asia focuses on chattel mortgage financing, realizes the "seamless connection" between financial services and production and operation needs, and solves the financing problem in the inventory turnover process of SMEs. However, "blockchain + supply chain finance" model to participate in the core enterprise, blockchain regulation, complex talents cultivation, small micro enterprise financial management aspects there are still some problems, such as to put forward the following countermeasures and suggestions, to promote better fu blockchain technology to supply chain finance, meet more small micro enterprise financing needs.

Establish Incentive Compatibility Mechanism to Improve the Willingness of Core Enterprises to Participate

The digital supply chain financial platform based on blockchain technology should establish incentive compatibility mechanism to improve the efficiency of the cooperative network of the blockchain enabling supply chain and distribute the economic incentive benefits reasonably between the core enterprises and SMEs. On the one hand, the benefits of the efficiency improvement of the whole supply chain can be distributed between the core enterprises and SMEs after the blockchain enabled supply chain, so as to increase the participation willingness of the core enterprises. On the other hand, the payment days of core enterprises can be extended as far as possible to provide SMEs with more convenient financing, and at the same time, the enthusiasm of core enterprises to "uplink" can be improved. However, for some large core enterprises, it may be necessary to expand the new ecosystem of digital supply chain finance and introduce more financial institutions to serve them.

Improve Blockchain Financial Laws and Regulations, as well as Increase Investment in Technology Research and Development and Application

With the further application of blockchain technology in supply chain finance scenarios, laws and regulations related to blockchain finance should be further improved to improve the effectiveness and pertinence of supervision, and ensure the healthy development of the "blockchain + supply chain finance" model. At the same time, a good policy and credit environment should be provided to better play the enabling role of blockchain in financing of SMEs. We should improve the social market credit system and the government risk sharing mechanism for credit financing of SMEs, and improve the financing capacity of SMEs through the full cooperation of government departments, financial institutions and fintech enterprises. We will steadily expand the scope of the pilot regulatory trials for fintech innovation, including the innovative applications of "blockchain + supply chain finance" by leading fintech companies such as Double-Chain and Eternal Asia, and provide policy and financial support. Increase investment in research and development and application of blockchain financial technology, so that blockchain technology can develop steadily and deeply integrate with supply chain finance, expand the coverage of digital supply chain financial services, improve the modernization level of the industrial chain, so as to benefit more SMEs.

Cultivating Interdisciplinary Talents of Blockchain and Small and Micro Finance

Leading enterprises such as Double-Chain and Eternal Asia should be guided to jointly set up industry-university-research collaborative innovation centers with universities, financial institutions and core enterprises, and strengthen the cultivation of urgently needed complex talents of blockchain and small and micro finance. Through university-enterprise cooperation, industry-education integration, industry-education alliance and other ways, we will strengthen the collaborative tackling of blockchain and other financial technologies, improve the practicability of technology in supply chain financial scenarios, and provide a scientific research and practice platform for high-end interdisciplinary talents. Colleges and universities should establish an interdisciplinary talent training system for finance, computer, artificial intelligence and other related majors,

and conduct cross-training for different disciplines, so as to reserve more inter-disciplinary talents for the development of blockchain supply chain finance. Supply chain finance platform enterprises should further give play to their comparative advantages, improve the training mechanism of compound talents, and provide human resources support for the innovative development of digital supply chain finance.For example, the Double-Chain platform can take advantage of its technological advantages in the blockchain field and help partner financial institutions train fintech talents through corporate universities and other means. Eternal Asia can give full play to its professional advantages in supply chain management to provide more application scenarios for talent cultivation of blockchain and small and micro finance, expand the coverage of "blockchain + supply chain finance" mode, and better serve the financing of SMEs.

Improve Financial Management, Reduce Operating Costs and Risks

Supply chain finance platform should adjust customer credit limit appropriately, conduct real-time analysis on the age of receivables, and strengthen the collection of overdue receivables; use scientific methods to manage inventory, to ensure that the inventory will not accumulate and loss, reduce the inventory cost of enterprises; improve the internal accounting institutions of SMEs, establish and implement incompatible duties separation system; reduce unnecessary management links according to market adjustment. Double-Chain platform type companies such as diet and, by perfecting the financial management, on the one hand can prevent and control financial risk, on the other hand can improve the management benefit, make the whole supply chain of cash flow are healthier, better mobility, thus improving evoluate, net present value and present value index, such as financial indicators, improve small micro enterprise financing ability, promoting the development of supply chain financial health.

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