

# BoN and FLI launch Credit Information Month



11 October 2017

The Bank of Namibia in collaboration with the Financial Literacy Initiative (FLI) is hosting the first-ever Credit Information Month.

The month is specially set aside to create awareness on the importance of credit information and to educate consumers and credit providers on their rights and responsibilities in as far as providing credible and accurate credit information is concerned.

Credit information has been identified as a key intervention in the pursuit of access to finance and curbing over-indebtedness as outlined in the Namibia Financial Sector Strategy adopted in 2012.

The role played by credit bureaus as providers of credit information that determines the credit worthiness of borrowers has been recognised by the Strategy.

The promulgation of the Credit Bureau Regulations of 2014 which has brought the supervision of credit bureaus under the purview of the Bank of Namibia has been a game-changer in the provision of reliable credit information. The regulations apply to all credit providers, data subjects and all persons providing goods and services giving rise to a credit agreement.

As part of the awareness-raising activities, the Bank recently hosted credit providers, credit bureaus and other stakeholders to share experiences and relevant information.

Mr Romeo Nel, Director of Banking Supervision at the Bank noted that financial exclusion in Namibia can only be reduced by improving credit information

sharing, which is regarded as the catalyst to financial inclusion.

He further said credit reports in particular aid lending institutions to make better-informed credit decisions in determining borrowers' affordability, while empowering borrowers to negotiate better credit terms based on their good credit history. He said all these measures ultimately contribute to financial stability.

As part of these reforms consumers can now access their credit report by obtaining a free credit statement every 12-months from Credit Bureaus. Consumers can also challenge any information on credit reports which they consider to be erroneous, firstly with the Credit Bureau and if unresolved with the Bank of Namibia.

Credit bureaus are expected to protect the confidentiality of consumer information and should only release such information with the consent of the consumer.

Speakers at the stakeholder event included representatives of the two credit bureaus in the country, namely TransUnion and Compuscan.

The Credit Information Month campaign has spread its wings to the ongoing Swakopmund International EXPO from 11 – 13 October 2017, where the Bank of Namibia and the Financial Literacy Initiative will offer a facility to enable the public to draw free credit reports.