

2018

PRESS  
RELEASE



## PRESS RELEASE

04 May 2018

# What information do credit bureaus hold?

## **What does a credit bureau do and what does the information they hold mean for the South African economy?**

From the outside looking in, there are probably still a host of myths surrounding the role that credit bureaus play within the South African economy – they certainly are not entities that inhibit the access of a consumer to credit – rather, they serve as an infrastructure to facilitate a healthier relationship to credit and debt at large.

Through the collation of consumer data, the credit bureaus analytics teams are able to provide a range of information, from private household credit health through to a consumer's likely disposable income – the analysis provided by credit bureaus serves as a strong indicator of the overall growth of the South African economy.

## **How does the Credit Bureau impact the average consumer ?**

Every decision to lend money requires a credit provider to access the records from the Credit bureau to check the monthly payment obligations of consumers, to assist in ascertaining the amount a consumer has to spend on further borrowings. It is thus imperative that consumer information in relation to credit and payment obligations is uploaded timeously and accurately to the credit bureaus.

## **What is the National Credit Regulator ? And how does it interface with the Credit Bureau ?**

The National Credit Regulator ("the NCR") who regulates credit bureaus and credit providers, requires all credit providers and any data providers who require access to payment profile information of consumers, to upload information on consumers to the credit bureaus on a monthly basis (although certain information is required to be uploaded at more frequent intervals).

## **Spreading the News...**

In an effort to educate scholars about how to manage their future income wisely and ensure that they can afford any credit that they obtain – The National Credit Regulator is partnering with the Credit Bureau Association - to provide consumer education in relation to credit bureaus to Grade 11 & 12s in public schools in Johannesburg. Compuscan, Consumer Profile Bureau (CPB), Experian, TransUnion (TU) and Xpert Decisioning Systems (XDS), all of whom provide free credit reports to consumers, are the credit bureaus who are participating in this campaign. The campaign kicked off at the end of April 2018 and will conclude in August 2018. In particular, they will jointly be seeking to improve awareness around credit and the wise use thereof, and the role of the credit bureaus in the credit granting process. We will bring you regular updates of how their campaign is progressing.

**Mike Reilly, chairperson of the Credit Bureau Association** stated that it is imperative that scholars obtain an overall education around credit and debt management even before these scholars become economically active. In this manner they are armed with information and are empowered to navigate the world of credit in a responsible fashion.

Issued by: Blue Door Theory on behalf of the Credit Bureau Association.  
For further information, please email: [info@bluedoortheory.co.za](mailto:info@bluedoortheory.co.za)