

# ABOUT THE MCIB

## (1) What is the MCIB

MCIB is the short name for the Mauritius Credit Information Bureau. The MCIB is a repository of credit information, both positive and negative, on all recipients of credit facilities and guarantors, other information as may be collected from Utility bodies and Hire Purchase Companies and such other information that may reasonably assist in ensuring the soundness of the credit information system. It operates through a fully computerized system owned by and located within the premises of the Bank of Mauritius. It was set up under Section 52 the Bank of Mauritius Act 2004 and came into operation on 1 December 2005.

The MCIB is the only credit bureau operating in Mauritius.

## (2) What is the role of the MCIB

The main objective of the MCIB is to ensure the development of an overall sound credit environment. Another positive fallout of the MCIB is that it directly assists in fighting over-indebtedness, principally of households, which has detrimental effects on family life. The MCIB can achieve its objectives by providing credit granting institutions with services that enable them to make more informed and timely credit decisions and promoting a disciplined credit culture in the population.

The main function of the MCIB is to collect information from institutions offering credit including leasing facilities and hire purchase and utility bodies. It consolidates, stores and makes the information available to its participants.

# CREDIT PROFILE REPORT

## (1) About the Credit Profile Report

The credit profile report is an automatically generated document based solely on data provided by participants to the MCIB. It gives only factual information on credit facilities. The report contains separate and distinct records for each credit facility registered in the MCIB Database in the name of a borrower or guarantor.

For each credit facility, the report comprises three blocks, namely,

- (a) **Customer Details** – This part contains basic data such as name, address, date of birth, national identity card number/passport for individuals and name, address and registration numbers for other borrowers.

(b) **Credit information of the borrower** – The credit information block contains information on credit facilities availed of by a borrower. This part provides detailed information such as the original amount of the facilities, outstanding balance, periodic installments, date of expiry, first and last payment dates, details of collaterals and details on arrears, if any.

Arrears, past due amounts, on accounts are reported as from 30 days after the payment due date. The credit report displays the date as from which the account falls in arrears, the outstanding balance on the account on that date, the amount in arrears and the number of days in arrears. Data on arrears are cleared when all arrears on the facility have been cleared.

(c) **Credit History** – This part of the report provides a three year credit history of the credit facility on a roll over basis. The credit history displays the repayment pattern and shows when payments are effected on time and when payments are missed.

## (2) **Who can request for a credit profile report**

- i. Participants of the MCIB if they are in presence of duly signed applications for credit or if they are making bona fide enquiries on their customers in respect of whom they have submitted information to the MCIB.
- ii. Individuals for their credit profile reports
- iii. Any other non-individual entity for its own report

Requests for credit profile reports should be made in accordance with procedures established by the MCIB.

## (3) **Uses of the credit profile report**

It is mandatory for all participants of the MCIB to consult the MCIB before approving, increasing or renewing a credit facility. The participant must inform the applicant that all available information, including information from the MCIB, will be used for the processing of the application and that all information as regards their liabilities and that of their guarantors will be provided to the MCIB. This information is made accessible to all participants of the MCIB.

Participants may also consult the credit profile reports of their customers as part of their on-going monitoring procedures.

The credit profile report gives only factual information. If a borrower has not repaid his loan on time, it will give details on the arrears but **does not express any opinion on the borrower**. It is up to the lending institution to form an opinion. The credit profile report is not the only source of information which determines the decision of lending institution to grant the credit facility or otherwise.

Borrowers can request for their credit profile reports from the MCIB to verify what information is currently registered in the MCIB Database in their names.

#### **(4) How to obtain your credit profile report**

You have the right to request from the MCIB information on what is registered in your name in the MCIB database. The information will be provided to you upon request in the form of a credit profile report.

##### **i. Request by Individual**

You must call in person at the MCIB with your National Identity Card if you are a Mauritian national or your passport if you are a foreigner and fill in the Credit Profile Report Request Form. The credit profile report may be obtained only after the MCIB satisfactorily identifies you. **The MCIB gives the credit profile report only to the owner of the information.** It may give the credit profile report to a person other than the owner of the information when it is satisfied that the person is bed-ridden or medically invalid or if the person is abroad. This decision will be solely at the discretion of the MCIB.

The MCIB does not charge any fee from individuals enquiring about their information from the MCIB.

##### **ii. Request by Business Entity**

A person duly authorized by the business entity may collect the credit profile report. The person should fill in the Credit Profile Report Request Form and submit the following documents:

- National Identity Card or passport (if you are a non-Mauritian) of the authorised person;
- an authorisation letter from the business entity (with the entity's letterhead) to authorise the person to collect the credit report. The letter should be signed by the entity's secretary or any authorized signatory;
- copy of the resolution of the appointment of the signatory;
- a copy of the Certificate of Incorporation, duly dated and certified as true copy of the original by company secretary;

##### **iii. Request for the Credit Profile Report of a Deceased Person**

The credit profile report shall be given only to the legal administrator of the estate of the deceased or a person duly mandated by all persons entitled to the estate of the deceased as mentioned in the affidavit of succession or the Deed of Notoriety. The duly filled Credit Profile Report Request Form must be submitted along with the following documents:

- a copy of relevant death certificate;
- a copy of Letter of Appointment of the legal administrator or mandate duly signed by all persons entitled to the estate in favour of a representative, affidavit or Deed of Notoriety; and
- the National Identity Card of the Administrator or the mandated person, copies of National Identity Cards of all persons entitled to the estate.

**iv. Request for the Credit Profile Report of a bed-ridden or Medically Invalid Person**

Only the immediate next of kin (spouse, children, parents, brothers & sisters) may collect the credit profile report of a medically invalid person. The Credit Profile Report Request Form must be accompanied by the following documents:

- National Identity Card of the applicant;
- National Identity Card of the authorised person (next-of-kin);
- latest reference letter and medical report verified by the doctor and hospital; and
- a copy of birth certificate / marriage certificate of the next-of-kin as proof of the relationship.

## **UNDERSTANDING DATA COLLECTION BY THE MCIB**

### **(1) Type of Data Collected**

Participants which offer credit, are required to submit information, positive or negative, on all credit facilities. Positive information include credit facilities, both fund based and non-fund based, which are serviced on due dates. Negative information relates to credit facilities which have not been serviced on due date and have accumulated arrears, suit filed accounts, bankruptcy and insolvency cases and compromise settlements.

**The MCIB does not collect information on deposit instruments, current or other accounts showing positive balances.**

The MCIB also collects information on utility bills and any other information that may contribute in ensuring the soundness of the credit information system.

### **(2) Participants of the MCIB**

The MCIB started operating on 1 December 2005 with 11 banks as participants. It has gradually extended its coverage to a participation base beyond the banking sector. It, currently, has 46 participants which comprise:

#### **(a) Commercial Banks**

1. ABC Banking Corporation Ltd
2. Absa Bank (Mauritius) Limited
3. AfrAsia Bank Limited
4. Bank of Baroda
5. Bank One Limited
6. BanyanTree Bank Limited
7. BCP Bank (Mauritius) Ltd
8. Habib Bank Limited

9. HSBC Bank (Mauritius) Limited
10. Investec Bank (Mauritius) Ltd
11. MauBank Ltd
12. SBI (Mauritius) Limited
13. Standard Bank (Mauritius) Limited
14. Standard Chartered Bank (Mauritius) Ltd
15. SBM Bank (Mauritius) Ltd
16. The Hongkong and Shanghai Banking Corporation Limited
17. The Mauritius Commercial Bank Ltd

**(b) Leasing Companies**

1. Cim Financial Services Ltd
2. Dölberg Asset Finance Limited (Under Receivership)
3. Expert Leasing Ltd
4. La Prudence Leasing Finance Co. Ltd
5. MCB Leasing Limited
6. SICOM Financial Services Ltd
7. SPICE Finance Ltd
8. Tshusho Capital (Mauritius) Limited

**(c) Insurance Companies**

1. Afri Life Insurance Ltd
2. Indian Ocean General Assurance Co Ltd
3. Island Life Assurance Co Ltd
4. La Prudence Mauricienne Assurances Ltée
5. LAMCO International Insurance Ltd
6. MUA Life Insurance
7. National Insurance Co. Ltd
8. State Insurance Company of Mauritius Ltd (SICOM)
9. Swan Life Ltd

**(d) Utility Bodies**

1. Central Electricity Board
2. Central Water Authority
3. Wastewater Management Authority
4. Mauritius Telecom Ltd

**(e) Microfinance Companies**

1. MCB Microfinance Ltd

**(e) Other Participants**

1. Bank of Mauritius
2. Development Bank of Mauritius Ltd
3. Employees Welfare Fund
4. Mauritius Housing Company Ltd
5. National Housing Development Co Ltd
6. Rogers Capital Finance Ltd
7. The Mauritius Civil Service Mutual Aid Association Ltd

**(3) Confidentiality of Information**

The MCIB has the responsibility to ensure the confidentiality of information as well as to protect the legal rights of individuals and firms. The Bank of Mauritius has put in place very stringent controls which are based on the legal requirements guiding the operations of the MCIB.

Section 52(2) of the Bank of Mauritius Act 2004 guarantees that the information collected by the MCIB will be used for the purpose of meeting its objectives and that this information will be kept confidential between the MCIB and its participants.

The Terms and Conditions of the MCIB set out the conditions under which this information may be accessed by participants under very strict security and system access rules. The MCIB presently operates on a reciprocity basis. Only those institutions which provide credit information to the MCIB have access to the MCIB Database through a secured network. As a further measure to ensure only authorized access and to prevent the risk of misuse of information, the MCIB closely monitors all access to the system.

The legal provisions also restrict the use by participants of information obtained from the MCIB to the purpose of the creditworthiness assessment of applicants for credit and credit monitoring of their existing customers. Disclosure to third parties is strictly prohibited.

The Bank considers confidentiality and privacy of information as paramount and although it has extended the coverage of the MCIB beyond the banking sector, it has maintained the same rigorous security and system access rules.

#### **(4) Accuracy of Data**

Accuracy of data is a critical factor for the success of the MCIB. Although the primary responsibility to submit accurate data to the MCIB in a timely manner rests on participants, the MCIB closely monitors the reliability, integrity and timeliness of information. The MCIB application has in-built data validation processes.

Validation checks are carried out on National Identity Card numbers and incorrect numbers are rejected by the system. Similarly, the registration numbers and names of firms submitted are verified against official registers of the relevant authorities and all discrepancies are referred to the participants. Participants are required to take necessary corrective actions within a reasonable delay.

Where it appears that any participating institution has refrained from complying, or has negligently failed to comply, with any requirement of the MCIB, the Bank of Mauritius is empowered to take actions against the institution in terms of Section 52 of the Bank of Mauritius Act 2004.

#### **(5) Under which law does the MCIB operate**

The operations of the MCIB are governed by the Bank of Mauritius Act 2004, the Banking Act 2004 and the Terms and Conditions of the MCIB issued under the Bank of Mauritius Act.

## **CREDIT INFORMATION DISPUTE MECHANISM**

#### **(1) Verifying the Accuracy of Data in your Credit Profile Report**

If you are informed by your credit provider about any information in your credit profile report which according to you is inaccurate, you should in the first instance contact the institution from which you contracted the credit facility. The institution has the responsibility to rectify the information as soon as possible.

In case you cannot trace back which institution submitted the information, you may then contact the MCIB for further details.

#### **(2) What Actions to take in case of disagreement**

If you are not satisfied with the explanation given by the financial institution or if the financial institution has not rectified the incorrect information, you should report it to the MCIB which will carry out an investigation and advise you of the outcome.

The Bank is empowered to issue directives requiring participants to remedy situations, impose penalties and even revoke the license of its licensees carrying out business which is contrary to interest of the public.