



Central Credit Register – Central Bank Consultation Paper CP93

Submission by the Competition and Consumer Protection Commission

The Competition and Consumer Protection Commission (the “Commission”) welcomes the opportunity to respond to the Central Bank consultation paper relating to the introduction of the Central Credit Register (CCR). The Commission notes the origins of this initiative in the EU / IMF Programme of Financial support for Ireland and supports the creation of the CCR as a means of enhancing consumer protection and promoting greater competition in the provision of credit.

In this submission, the Commission has limited its responses to a number of specific questions, as set out below.

1. *Reporting by CIPs to the CCR (paragraph 5.2)*

Question : With respect to any phasing of different CIPs, do you favour a phased approach to the implementation?

The Commission notes the proposed phased approach to reporting by CIPs with the inclusion of a broad cohort of such lenders in Phase 1 and the rationale for proposing to omit moneylenders and local authorities from this Phase. The Commission considers that consumers borrowing from moneylenders and local authorities may be a particularly vulnerable group and requests that the Central Bank give due regard to this in considering an appropriate timeframe for further development of the CCR.

2. *Collection of foreign credit data (section 5.7)*

Question : Do you believe there is any benefit for capturing foreign credit data and that these outweigh the practical challenges embedded in the current



requirements? Please outline any comments you may have in relation to the possible exclusion of this information?

The Commission favours the inclusion of foreign credit data so that the CCR can be as comprehensive as possible from the outset. If this is not considered practical, then consideration should be given to the inclusion of such data at the earliest possible date. The inclusion of such foreign data would also be consistent with EU policy in the area of financial services and the ongoing development of the single market.

3. *Collection of Guarantor data (section 5.8)*

Question : Do you believe there is significant benefit to capturing guarantor data? Please outline any comments you may have in relation to the possible scope or timing of inclusion of this information?

The Commission considers that the omission of Guarantor data is a significant deficiency of the current system and such data should be included in the CCR at the earliest practical opportunity.

4. *Any other comments (section 5.10)*

- 4.1 The Commission recommends that the Central Bank puts in place a clear and sustained information and awareness campaign to educate consumers in relation to the implications and benefits of the CCR; the nature and purpose of the information collected and the importance of checking the accuracy of such information on the CCR. The Central Bank should consider conducting consumer research in order to fully inform such a campaign.



- 4.2 *Section 3.1 page 6 of the consultation states : “CISs will be entitled to see their credit reports and the history of other parties who accessed their record. They may also request correction of any inaccuracies. The Central Bank will be obliged to undertake reasonable steps within specified timelines to determine if it is appropriate to amend a record.”*

The Commission considers that any inaccuracies identified should be corrected at the earliest possible opportunity, given the potentially detrimental impact of such inaccuracies on the ability of a CIS to access further credit.

The Commission seeks clarity as to whether the Central Bank envisages operating an internal query / complaint handling facility to assist borrowers with difficulties. The aforementioned information campaign should provide information on query / complaint handling arrangements and clarify the respective roles of the Central Bank and other relevant stakeholders such as the Financial Services Ombudsman, Office of the Data Protection Commissioner etc.

- 4.3 The Commission also seeks clarity as to whether there will be a facility on the CCR, similar to existing arrangements, to allow borrowers to add a narrative to their credit record to allow them (or their lender) to explain anomalies or errors caused by circumstances beyond their control.

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