Ulster Bank

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Dear Stephen,

Ulster Bank Ireland Limited (UBIL) welcomes the opportunity to provide our views on the Central Bank of Ireland (CBI) consultation paper (CP93) in relation to the introduction of the Central Credit Register (CCR). We support the introduction of a central credit register and believe that it will not only assist in helping Ireland return to a normalised functioning credit market, but offer up the opportunity for an enhanced customer lending experience in the near future.

We support and endorse the separate industry response to the consultation paper submitted by the Banking & Payments Federation Ireland (BPFI). In addition to the BPFI's response there are a number of significant factors which could influence the successful introduction of the CCR, both for the wider industry and from a UBIL perspective specifically.

1. **Implementation timelines:**
   We have a concern in relation to the ability of the CCR to be implemented within the proposed timelines. We would recommend that the register is phased in three stages, with implementation concluding by Dec 2018. The introduction is running in tandem with a number of highly complex mandatory programmes such as:

   i. 4th Anti-Money Laundering Directive
   ii. Single Supervisory Mechanism, including further Asset Quality Reviews
   iii. Anacredit and UK Credit Reference Agency programmes
   iv. Eircodes
   v. Independent Commission on Banking (ICB) and Bank Recovery & Resolution Directive
   vi. Payments related projects such as SEPA, PSD2
   vii. Mortgage Credit Directive

   The delivery of these programmes will put considerable strain on business and technology resources and our systems development schedules.

2. **Data Requirements:**
   The summary output of the Credit Information Provider (CIP) Data Questionnaire returns, as presented by the CBI on 9th June 2015, highlights some gaps in coverage of the data elements that are to be reported into the CCR. In particular, we believe that the requirement to capture new data fields such as PPSN, Employment Status and VAT Registration Number will be challenging within the aspirational delivery timeframe.

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UBIL will need to fully understand the legal and data protection position of requesting this data from our customers, restrictions around how we capture, store and use the data, and any potential implications of reporting data for a purpose other than the core purpose for which it was originally designed (for example Regulatory/Financial reporting).

3. **Customer Consent:**
The introduction of the CCR may change the way we need to seek consent for using and sharing data gathered from our customers and systems. For parts of our portfolio we will need to introduce consent into our lending application processes for the first time. We will need to work with the Data Protection Commissioner and the CBI to fully understand our obligations to gain consent and how that impacts the provision of historic or future data where the necessary consents are not in place.

4. **Maintaining our current lending processes:**
UBIL and other CIPs are heavily reliant on the Irish Credit Bureau (ICB) as a source of data that feeds into our current lending processes. The industry's objective is to improve the customer experience by increasing our levels of automation and we see a robust CCR as a key milestone in delivering that objective. However, until CCR is mature and stable, then UBIL and other CIPs will need to continue to use the ICB to ensure the customer experience is not diminished through the introduction and switchover to the CCR. We ask the CBI to consider this in terms of the timeline for 'switching on' searches from the CCR to support our lending processes and recognize that the definition of data fields common to both CCR and ICB need to be aligned.

The aggregate impact of the challenges outlined above is such that UBIL does not believe it can meet the delivery schedule as currently laid out by the CBI in their consultation document and more granularly presented at our meeting on 9th June.

We are ready to engage in the next level of detail with the CBI and CRIF to build up a more detailed picture of the requirements in conjunction with the recommendations being put forward in the BPFI response. We can then make informed decisions about delivery scope and timelines following a thorough impact assessment.

We now look forward to our meeting on 23rd June to agree the engagement model with the CBI and CRIF, and to progress lower level discussions on the points raised in this letter.

Yours sincerely,

for

Stephen Bell
Chief Risk Officer