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SAFARI CONFERENCE

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Agenda



- Statistics from 2018, Credit Bureau Monitor
- Jurisdiction and Trends
- National Credit Amendment Bill
- Looking back over 2018
- Challenges and 'the future'



Statistics from June 2018, Credit Bureau Monitor



- Information held by the Credit Bureaus reflect 24.59 million credit active consumers
- 9.57 million of these were Consumers with impaired records, which amounts 39%
- 375 million enquiries made on consumer records



Statistics from June 2018, Credit Bureau Monitor



- 174 378 credit reports issued to consumers for the quarter
- 32 727 disputes lodged on information held on consumer records
- What does this mean?
 - More than a third of credit active consumers with impaired records
 - Is this a concern?
 - Could financial literacy be the root cause?



Jurisdiction and Trends



- Non bank credit agreements
 - Statements of account
 - Overcharging of interest;
 - Incorrect allocation of payment(s);
 - Provision and format of statements;
 - Prescription
 - Collection of accounts in violation of S126B (NCA)
 - Contractual disputes
 - Billing of products without consent



Jurisdiction and Trends

- Credit information disputes
 - Outdated information that has reached retention limits
 - Adverse listing(s)
 - Payment profile(s)
 - Other listings such as debt review, sequestration, etc.
 - Duplication of account information
 - Incorrect/incomplete credit information



Jurisdiction and Trends



- Consumer education
 - One of the core mandates of the CO office;
 - A current and necessary need in light of current state of affairs;
- Consumer literacy
 - Double impact training;
 - Workshops



Jurisdiction and Trends



- Avenues for resolution, in particular the CO office
 - Free service to consumers;
 - Enforce fairness
- Consumer behavior on payment of debts
 - Prioritising debt repayment (unsecured credit);
 - Personal loans given highest priority;
 - Credit cards and retails cards lowest priority



National Credit Amendment Bill



- Published for comment on 24 November 2017
- To provide for debt intervention
- By means of application to the National Credit Regulator (NCR)



National Credit Amendment Bill










- Earns less than R7,500.00 per month and who owes less than R50,000 in unsecured debt relating to credit agreements
- Could result in the write-off of up to billions of rands
- Misconception by consumers
 - Consumer education in this area is needed



Looking back over 2018



Upward / downward trend 2017 vs 2018	Category at 2018
 (44.23%)	Complaints and Enquiries 26 065
 (28.54%)	Calls received at Call Centre 45 198
 (13.4%)	Disputes opened 5 112
 (16.84%)	Disputes closed 5 447
 (9.75%)	Average days to resolve disputes 48.49
 (46.18%)	Amount saved for consumers R 8 365 141.84
 (26.01%)	Media Equivalent Advertising Value R42 259 719.19



Challenges and 'the future'



- Getting the word out there
- Are consumers aware of their right to challenge
- Assistance from industry in promoting the Credit Ombud
- Financial Sector Regulation Act 2017 – Chapter 14



Thank You



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Questions