

Mauritius Credit Information Bureau (MCIB) – an update

This paper updates some major parts of the MCIB booklet published jointly by the Bank of Mauritius (BOM) and the Mauritius Bankers Association Limited (MBA) in November 2005. Its aim is first to highlight the important points of the MCIB and then the various changes that has taken place in the MCIB to date.

1 Key Points of the MCIB

1. The establishment of the Mauritius Credit Information Bureau in 2005 represented a further effort of the BOM and banks to safeguard the risks of loans deterioration. It also aims at preventing over indebtedness.
2. The MCIB basically collects, stores and provides credit information to lending institutions about customers' credit exposures. It acts as a repository institution for both positive and negative data about borrowers. Positive data means that the customer's account has been performing correctly and all repayments on the credit have been made on time. The credit information is said to be negative when the customer's account is characterised by irregularities, including arrears and the accumulation thereof on repayment
3. Since 1st December 2005, it became mandatory for participating banks to make the necessary inquiry from the MCIB before approving, increasing or renewing any credit facility of customers.
4. Participating banks are also responsible to submit timely and accurate information to the MCIB.
5. Customers have the right to obtain their own reports from the MCIB provided that that they are applicants for credit and are not satisfied with the credit information concerning them held by the MCIB.
6. Confidentiality is the core principle of the MCIB.
7. For positive information, records are removed from the system one month after the credit has been repaid.
8. For negative information, records are removed from the system two years as from the date the negative credit has been regularised.

9. In the case where the negative credit has not been regularised, it shall remain in the system at the MCIB.

2. Changes in the MCIB

- Since 1st March 2008, there is no cut off limit for reporting of credit information in respect of all credit account holders.
- An updated list of participating banks is as follows:
 1. Afrasia Bank Limited
 2. Bank of Baroda
 3. Banque des Mascareignes Ltee
 4. Barclays Bank Plc
 5. First City Bank Ltd
 6. Habib Bank Limited
 7. The Hong Kong and Shanghai Banking Corporation Limited
 8. Indian Ocean International Bank Limited
 9. Mauritius Post and Cooperative Bank Ltd
 10. South East Asian Bank Ltd
 11. Standard Bank (Mauritius) Limited
 12. State Bank of Mauritius Ltd
 13. The Mauritius Commercial Bank Limited

2 Extension of coverage of the MCIB

Since the creation of the MCIB, participants were limited to banks only. However, it is actually extending its coverage to other institutions such as leasing companies, hire purchase companies, the Mauritius Housing Company Limited (MHC) and public utilities. It is actually in the last stage of connecting the leasing companies and the MHC to the database. The Bank of Mauritius Act 2004 has been amended accordingly as per the Finance Act 2008. Other changes have been made to the Bank of Mauritius Act 2004 to give these institutions access to the database.

3. Establishment of Credit Rating Agencies

The Bank of Mauritius may also impart for credit rating purposes, on specific terms and conditions, information obtained at the MCIB.

4. Establishment of private credit information bureaus

The Government Budget 2008/2009 now allows for the creation of private credit information bureaus. Appropriate amendments to the Banking Act 2004 have been made for their establishment.

Mauritius Bankers Association Limited

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