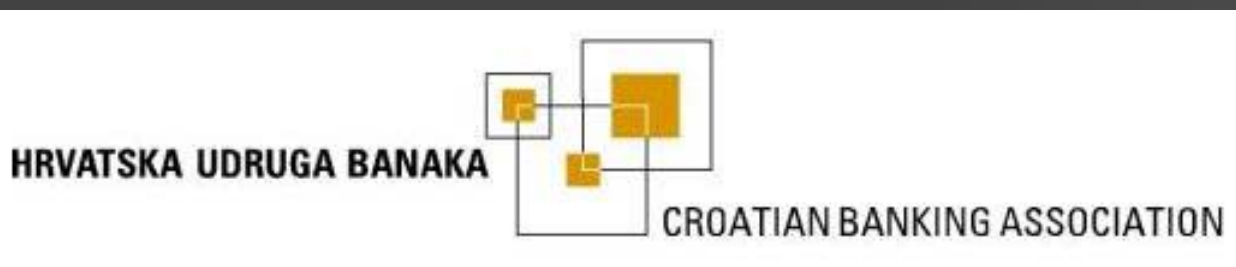


“Developing Secondary Mortgage Markets in Southeast Europe”

The Role of Credit Information

dr Zoran Bohacek



Sofia, 4 February 2003

what is a CREDIT INFORMATION COMPANY?

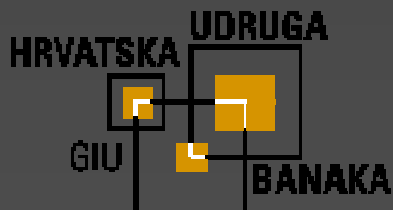
an organisation which

collects

maintains

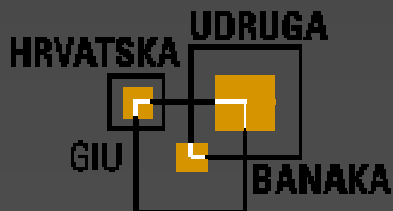
distributes

information about consumers'
credit histories

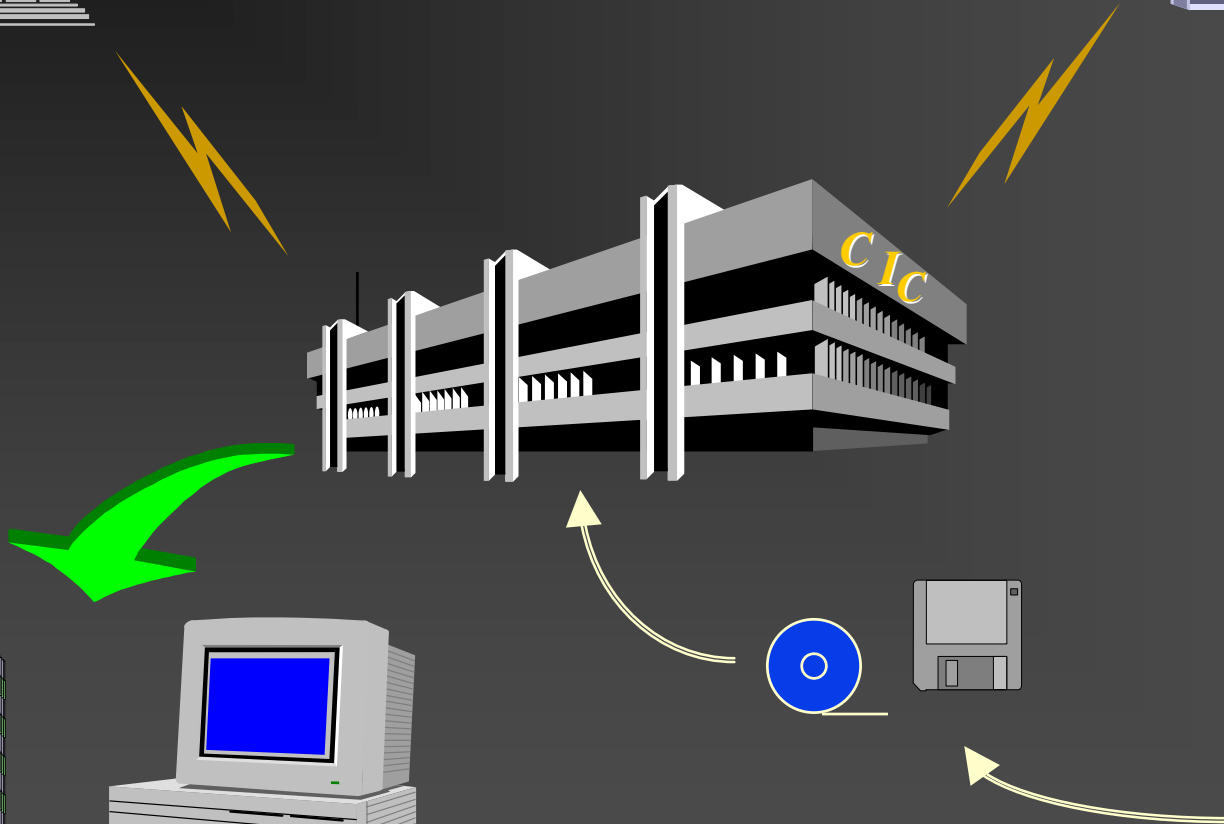
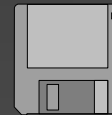
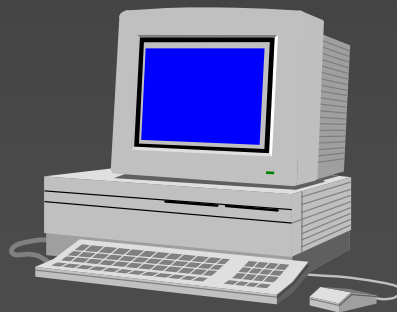
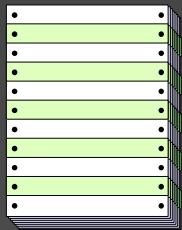
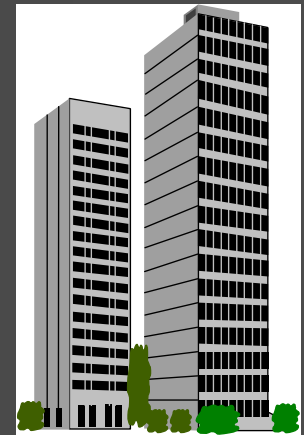
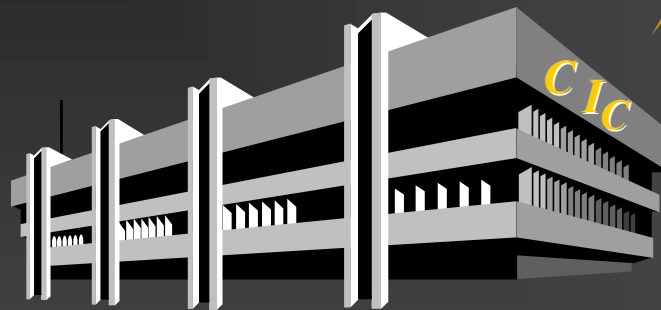
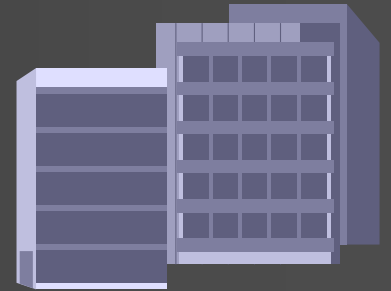


key REASONING

*why should “goods”
pay for “bads”?*

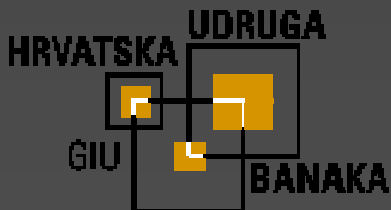


CREDIT INFORMATION COMPANY



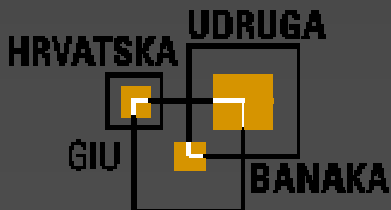
key PRINCIPLES

- reciprocity - only those supplying data are allowed to purchase information
- no decisions - just gives objective information in a required format
 - each user estimates creditworthiness according to own criteria



key BENEFITS

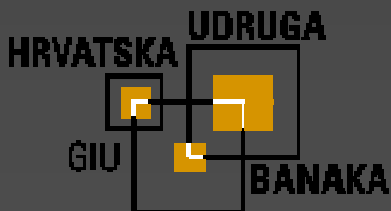
- consumers
 - easier access to financing
 - prevention of overindebtedness
- users
 - reduce losses
 - more efficient operations
 - better customer service



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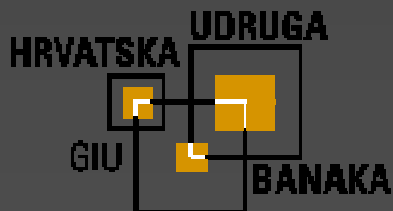
key BENEFITS

- consumers
- users
- government institutions
 - supervision
 - risk classification
 - market studies and analyses

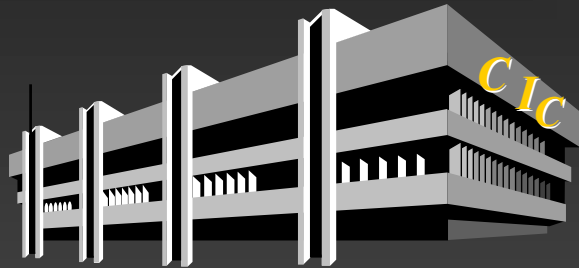


OVERALL benefit

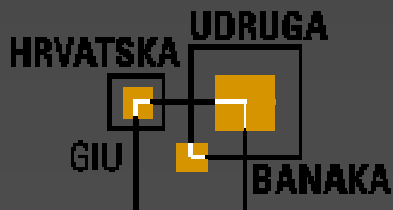
- development and growth of credit industry
 - mortgage finance
 - consumer finance
 - microfinance
- easier financing stimulates consumption with wider implications on economy



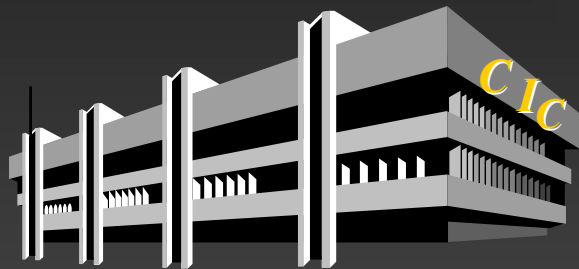
CIC model



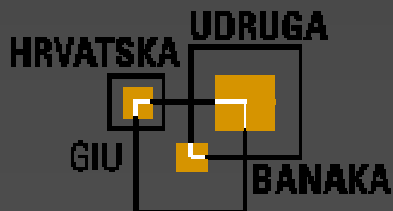
- users
- information
- consumers
- credit products
- CIC products



CIC set-up



- ownership
- legal framework
- consumer protection
- technical issues
- organisation
- business plan
- investment plan





**CREDIT INFORMATION
REDUCES THE RISK!**

Thank you!

**Dr. Zoran Bohacek
Croatian Banking Association**