INTERNATIONAL EXPERIENCES IN CREDIT REPORTING AWARENESS RAISING

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Evolution of Kenya’s Lending Landscape 2009-2017

Legal framework
- CRB Regulations 2007 revised in 2013
- Banking Act amended
- Microfinance Act amended
- CBK Act amended
- Sacco Societies Act draft amendment

Licensed Credit Bureaus

Participating Credit Providers
- 42 licensed Commercial Banks
- 12 licensed Microfinance Banks
- Over 600 non regulated lenders

Mobile phone data
- 37.8 million mobile phone users (88% of the population)
- 7 out of 10 Kenyans are active mobile money users
- 1 in 5 Kenyans uses an M-shwari account (mobile loan)
Credit Report Trends 2010 - 2016

Cumulative credit report pulls August 2010 to December 2016: 18,581,176
Role of CIS Kenya in developing the market

VISION:
To be the institution that leads Africa in shaping and transforming the credit markets to achieve sustainable and inclusive growth.

MISSION: To facilitate generation and use of accurate credit information for the benefit of all participants in the credit market.

LEGAL REFORM

INSTITUTION BUILDING

KNOWLEDGE GENERATION

CAPACITY BUILDING

COMMUNICATION

WINNING SERVICE PROPOSITION (2014-2019): We provide leadership in CIS through advocacy, developing standards, creating awareness, and enhancing risk management for the growth of a quality credit market.

VALUES: Integrity, Fairness, Responsiveness, Teamwork
Alternative Dispute Resolution for CIS

Credit Information Sharing Alternative Dispute Resolution Center
### Alternative Dispute Resolution for CIS 2015-16

<table>
<thead>
<tr>
<th></th>
<th>Cumulative - 2015</th>
<th>Cumulative - 2016</th>
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<tbody>
<tr>
<td>Verification, Intervention and Facilitation</td>
<td>147</td>
<td>354</td>
</tr>
<tr>
<td>Mediation</td>
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<td>9</td>
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<tr>
<td>Pending</td>
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<td>4</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>153</strong></td>
<td><strong>367</strong></td>
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Survey Findings 2012 - 2015

2012 Baseline Survey

• 14% of individuals and 12% of business borrowers know about CRB
• Of the above, 34% of individuals and 37% of business borrowers were told about CIS by lender staff (then only banks)

2015 Perception Survey

• 34% of individuals and 30% of business borrowers know about the CIS mechanism
• Lenders are seen as the biggest beneficiary of the mechanism despite benefits accruing like access to digital credit.
Awareness Creation: Methods That Have Worked

Lender/regulator sector
- Business Community visits
- Conferences
- Capacity building trainings

Consumer sector
- Radio
- Publications: owned, bought and earned
- Digital Media
CISAF & Regional Conference Awareness Program

- Conference contributors (World Bank + FSD Kenya + CIS Kenya)
- CIS Kenya

Radio Campaign
- Conference contributors (World Bank + FSD Kenya + CIS Kenya)

Regional Conference & Business Community Summit
- CIS Kenya

Public reached: corporate sector and regional community

Cost: USD 34,452
Public reached: national

Digital Campaign
- CISAF members (Credit Bureaus + credit providers)
- Conference contributors (World Bank + FSD Kenya + CIS Kenya)

Public reached: >10000 views

Cost: USD 34,046
Cost: USD Ongoing
Public reached: Various
CISAF - Achievements

i. Creation of audio visual content that can be referred to by industry players from a digital archive.

ii. Intense two month digital campaign on Facebook, Twitter and Youtube channels.

iii. The #tag OwnYourCredit trended on twitter during the campaign.

iv. A week long radio campaign leading to numerous phone calls attempting to resolve CRB disputes or misinformation.

v. Invitation to speak on CIS: Mathare Youth Financial literacy day series.

vi. Media coverage in newspaper, radio, television and digital publishings.
### Merits, Demerits and Way Forward

#### Merits

1. Balanced agenda and messaging
2. Shared cost
3. Unified industry – amplifies impact

#### Demerits

1. Overreliance on the Association by industry players
2. Awareness initiatives are costly

#### Way Forward

1. CISAF needs additional funding - difficult to achieve due to institutional rigidities
2. Re-engage industry to sustain momentum