

# Credit Information Sharing

Developing National Systems and Promoting Cross Border Data Sharing



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RESULTS AND SOLUTIONS

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## *Credit and Information Sharing*

- ❑ Credit is the lifeblood of an economy
- ❑ MSMEs and Consumers are provided funds today for the promise of repayment (from future income and/or returns)
- ❑ Credit is crucial in investment and cash flow smoothing
- ❑ Credit Information Sharing(CIS) help overcome Adverse Selection and Moral hazard, information is key to lending
- ❑ Micro and Small-Businesses credit underwriting often relies heavily on owner/operator personal credit history



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## Credit and Information Sharing Across Asia-Pacific



- Credit Information Sharing varies greatly across the Asia-Pacific
  - Negative-only data versus Full-file data
  - Segmented/siloed versus Comprehensive data
  - Coverage of population
  - Quality / other data differences
- No cross border credit Information sharing standards despite very large immigrant/emigrant populations in many APEC countries (US, CAN, MEX, PHL,SGP, AUS, NZ, MYS,...)

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## Credit and Information Sharing Across Asia-Pacific



Credit Information Sharing shortcomings reduces access to credit, reduces investment and leaves too many consumers and MSMEs Credit Invisible

### Way Forward...

- Baseline Analysis
  - Where we are, what progress are we making, goals
- CIS Data Dictionary and Data Format Templates
  - Business Data
  - Consumer Data
  - Helps comparisons, setting goals, and cross border data flows
- Cross border CIS pilots
  - Business Data
  - Consumer Data
  - Pathfinding examples for region, identify way forward

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