



CREDIT INFORMATION CORPORATION

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NEA CONFORMS WITH CIC

MANILA, PHILIPPINES - 8 August 2018 - The National Electrification Administration (NEA) issued a memorandum announcing their compliance to Republic Act No. 9510 and the mandatory submission of credit data of Cooperatives, who have loans or lines of credit, to the Credit Information Corporation (CIC).

NEA is a covered Submitting Entity by R.A. No. 9510, being a government-owned and controlled corporation (GOCC) with borrowing authority and corporate powers to provide loan to electric utility operators for financing the construction and operation of generating plants, electric transmission and distribution systems for the furnishing of electric energy, particularly in the rural areas.

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CIC ON MSME SUMMIT TO BOOST 7MS

CLARK FREEPORT ZONE - 10 July 2018 – Credit Information Corporation (CIC) President and Chief Executive Officer, Jaime P. Garchitorena, attended the National MSME Summit 2018 at the ASEAN Convention Center in Clark Freeport Zone, Pampanga.



PCEO Garchitorena as one of the moderators in the event

Micro, Small, Medium Enterprises Development Council (MSMEDC) invited PCEO Garchitorena to contribute to the discussions on making said industry more innovative and competitive, thus generating inclusive growth.

As one of the moderators, CIC PCEO Garchitorena emphasized the importance of assisting the budding entrepreneurs. He added that if the MSMEs are given easy access to loan applications, they can obtain sufficient capitalization to establish or expand their business.

In his presentation, DTI Secretary Ramon Lopez highlighted that the Philippine economy grew at 6.8% in the first quarter of 2018. He said the manufacturing, services and trade, where many of the MSMEs belong, are the main drivers of growth for the quarter.

President Rodrigo Roa Duterte, as the keynote speaker, expressed his support for the MSME industry. Duterte said he intends to reduce the processing time of business permit application and renewal as this will encourage the MSMEs to pursue entrepreneurship.

He also warned those involved in the 5-6 lending scheme to stop further burdening Filipinos with high interest rates.

The summit, with the theme “Accelerating 7Ms for Competitive MSME,” featured various initiatives under the so-called 7M framework which stands for Mindset Change, Mastery, Mentoring, Money, Machine, Market Access and Models of Business.

Prominent industry leaders, entrepreneurs, academe, business and innovators attended the National MSME Summit 2018 to share their experience and interact with other stakeholders.

REPUTATIONAL COLLATERAL AS ACCESS TO CREDIT FACILITY - CIC ON DTI'S FINANCING FORUM

MALABON CITY - 20 August 2018 – The Credit Information Corporation (CIC) elaborates the concept of reputational collateral and its benefits to both lenders and borrowers.

On a recent engagement with Micro, Small and Medium Enterprises (MSMEs) through DTI's Financing Forum in Malabon City, CIC Senior Vice President for Business Development and Communications Group, Atty. Aileen L. Amor-Bautista emphasized that implementation of reputational collateral in the Philippines could help in lowering interest rates and resulting to easier loan application.

The Only Credit Registry in the Philippines

As the only credit registry in the Philippines mandated to collect credit data from all lending institutions under Republic Act No. 9510 also known as the Credit Information System Act, Atty. Amor-Bautista clarified that CIC is not a lending institution, rather executes an important role on the ease of loan application through receiving and consolidating basic credit data that shall establish the credit worthiness of a borrower.

As a practice, the industry mostly requires physical assets in the assessment of a borrower's loan application. This hinders a potential borrower to forego the application due to lack of collateral. Aside from that, the application itself is extensive that people opt for loan sharks where the application is easier despite the high interest rates.

The CIC Senior VP also shared that lenders give high interest rates because they are uncertain of the payment capability of borrowers which hampers the country's growth due to lack of access to finance. Thus, once CIC has fully launched and able to provide credit report both to lenders and borrowers, the credit history of borrowers will be consolidated in one report reflecting their payment behavior.

SVP Amor-Bautista also said that the borrowers can now monitor their loan capacity, report misleading information, and have the means to justify their payment behavior for they can obtain a copy of their transactions with lending institutions. The credit report is expected to create reasonable lenders and disciplined borrowers consequently, advance business growth and success not only to the MSMEs, but to the country's economy as well.

CIC HOLDS TECHNICAL TRAINING FOR DATA SUBMISSION

MAKATI - 16 July 2018 – Another batch of submitting entities (SEs) completed a whole day technical compliance workshop spearheaded by Credit Information Corporation.

In compliance to Republic Act No. 9510 or the Credit Information System Act, CIC guided various banks, cooperatives, financing institutions and individuals to the procedures and requirements in realizing the Philippines' first central credit registry.

As an initial step, Atty. Patrice Jamaine Barron said the borrowers should be formally notified that their credit information will be submitted to CIC. The collected credit data, both positive and negative, shall be consolidated in a credit report. A credit report contains basic credit information such as name, address, TIN, SSS or GSIS numbers, employer, business, loan contracts and other obligations with lending institutions.

Mr. Jose Gil Escalante Jr. of the CIC IT Team gave an overview on how CIC gathers and collates the data submitted by SEs. He emphasized that the financial institutions should regularly submit to CIC on a specified common data format. The whole afternoon was allotted to learning various procedures and requirements in the collection and submission of data.

CIC LETTER CIRCULAR NO. 1 - CIC COMPLIANCE AND MONITORING TOOL

CIC released a circular to medium and large cooperatives on the CIC Compliance and Monitoring Tool.

To effectively monitor the compliance of Submitting Entities including medium and large cooperatives, CIC has developed a Compliance and Monitoring Tool (CMT) which can generate immediate reports and stays indicating degree of compliance. This aimed to track the following dimensions:

- 1. Accreditation or Documentary Compliance** - showing the completeness of documentary requirement submitted to the CIC.
- 2. Periodicity in Submission** - indicating whether a file was uploaded for a particular month.
- 3. Completeness** or the volume of data submitted to the CIC
- 4. Types of Contracts Submitted**
- 5. Acceptable Accuracy/Error Rate or Acceptable Data Quality** - indicating the percentage of error in the submission which sets the threshold at forty percent (40%) error rate.

In connection with this, we encourage you to ensure that your cooperative's submission of your member-borrowers' data are up-to-date, complete, and accurate to avoid penalties or fees that the CIC may subsequently impose, pursuant to Republic Act No. 9510 and its Implementing Rules and Regulations.

NEA Conforms with CIC from page 01...

As a Submitting Entity, through Memorandum No. 2018-041 dated 13 July 2018 signed by Administrator Edgardo Masongsong, electric cooperatives under NEA were informed that the agency will regularly submit their loan data, consisting of both on-time and delayed repayments, to CIC.

R.A. No. 9510 or the Credit Information Corporation Act (CISA), requires institutions that offer loans, lines of credit, and other covered transactions to notify all its borrowers that the latter's basic credit data will be submitted to CIC.

Asked for comment, SVP for Business Development and Communications, Atty. Aileen L. Amor-Bautista commented that there is a real business advantage to NEA and the cooperatives to submit this type of data to the CIC. "It's not just a matter of legal compliance." She was quoted as saying. "Cooperatives, as borrowers, that settle their obligations on time create a positive history of transactions that tag them as well-functioning cooperatives. This could set them up for equally positive attention when additional funding is needed to serve their constituents."

Atty. Bautista also elaborated on the advantage it gave NEA. "In many, if not all economies, creditors derive advantage from this type of data activity in two ways; one is when the recipient of credit sees prompt payment as a gateway for better terms and bigger loans, or longer terms of credit, and two, the creditor then improves their cash flow and reduces delayed and non-payments."

CIC President and CEO, Jaime P. Garchitorea, welcomed the news, as he said he has a "soft spot" for cooperatives. Cooperatives are always seen as institutions that serve as the "last mile delivery vehicle" for many services and the national government frequently downloads billions of pesos through cooperatives to bring resources to smaller areas that are neglected by big businesses.

He added that "the submission of a cooperative's positive and negative credit behavior allows NEA to take appropriate action on the negative credit behaviors, but more importantly, allows good power cooperatives to shine."

The next step is for the CIC and NEA counterparts to begin the process of training in the areas of Data Formats, Security, Connectivity, and Access Procedures. Data submission to the CIC is expected to start within 2018.

BANGKO SENTRAL NG PILIPINAS REINFORCES CIC

MANILA - 20 August 2018 - Jaime Jose Casto P. Garchitorea, President/ Chief Executive Officer of Credit Information Corporation (CIC) presented the CIC Compliance Tool to the Bangko Sentral ng Pilipinas headed by Chuchi G. Fonacier, Deputy Governor for Financial Supervision Sector.

The CIC Compliance Tool showed the data collected from the submitting entities of approximately 200 test runs being conducted over time. As findings, no wrong data were attributed to people with no loans however, almost 100% of people with loan transactions, reflected erroneous reports. On keeping track of KYC metrics, there is a 60% fail rate requiring several information details.

Report shows that lack of IDs: TIN, SSS, GSIS, is the main cause of rejection. Maria Bernadette B. Bautista, Acting SVP, Credit Information Management Services Group, disclosed that majority of the errors are due to non-submission of IDs.



Hence, CIC once again calls for the public to continuously update their records with their financing institutions.

On the other hand, the accuracy rate of CIC data is 90-98% of quality where everyone knows how to keep track of debt. Overall, the figures are with almost 0% errors. In fact, Pia Bernadette Roman-Tayag, Director of Inclusive Finance Advocacy Office and Concurrent Head of Financial Consumer Protection Department, gave a positive feedback about the statistical sample of CIC which PCEO Garchitorea reported.

Jose Recon S. Tano, Director of BSP Examination Department III inquired about the quality of data submitted by the banks to CIC. Exploring possible solutions to the problems being experienced by CIC, DG Fonacier recommended to gather the presidents, credit and compliance departments of the banks in a meeting. She further said the Corporate Planning people should likewise participate as they can perceive the use of credit data.

Mr. Garchitorea expressed his gratitude on the support of BSP and announced that SSS will be signing soon with CIC making it an enormous step in data availability.

CIC ON GOOD MORNING METRO MANILA TELERADIO SHOW

MAKATI CITY - 8 July 2018 - CIC Senior Vice President for Business Development and Communications Atty. Aileen L. Amor-Bautista emphasized the need to report and update credit information to protect the borrowers on high interest rates consequently reducing indebtedness.

This weekend over Good Morning Metro Manila, a tele-radio show hosted by Radyoman Buddy Oberas of DZXL, Atty. Amor-Bautista recounted that due to the 2007 - 2008 financial crisis developing nations were encouraged to strengthen their financial infrastructure, including establishment of credit reporting systems. Republic Act No. 9510 was then enacted making the Credit Information Corporation as the country's central repository of credit information.

In 2015, CIC started gathering borrower's credit data from banks, credit cards, cooperatives, financing institutions and other government financial institutions. The credit report will allow lenders to assess the loan application in a fair and objective manner. In general, people with good track records of payment may receive lower interest rates or more services than those with poor payment track records.

CIC acts as the central registry of positive and negative credit data from different financial institutions identified as submitting entities. It has given accreditation to four credit bureaus or Special Accessing Entities: CIBI Information Corporation, Compuscan Philippines Inc., CRIF Philippines, and TransUnion Information Solutions Philippines. These SAEs provide services such as credit scores, credit ratings, portfolio reviews among others.

SVP Amor-Bautista imparted that trustworthy reputational collateral in loan applications are underway once credit reports are available to the public. She also called for the public to update their credit information to make the country's central credit registry reliable as it was designed to be.

"LEND MORE. LEND TO MORE. LEND MORE SAFELY" CIC SUPPORTS DIGITAL WELFARE, RIGHTS, AND PROTECTION

MAKATI – 27 July 2018 - The Department of Information and Communications Technology (DICT) held the first National Digital Consumer Conference at the Green Sun Hotel with the theme "Enhancing Consumer Welfare, Rights, and Protection".

The two day conference gathered stakeholders from National Government Agencies (NGAs), industry partners, private sector, and academe to discuss prevailing and emerging consumer issues on information and communications technology.

Credit Information Corporation through its President and Chief Executive Officer Jaime Casto Jose P. Garchitorena initially explained the concept of technology, people and processes. CIC is a government-owned and controlled corporation mandated to collect all credit information from the lenders across all Filipinos with existing loans.

CIC secures, aggregates, and disseminates accurate data known as "Credit Report", this document gives all borrowers a representation where the complete history of their loan, payments, default if any, are recorded by a reliable source.

In the Philippines, most of the lending institutions do not reveal the reasons for disapproval of loan applications. "Everyone should be given access to credit", said PCEO Garchitorena. CIC will ensure the accuracy and security of the data as well as make it available 24-7.

Through CIC, the concept of credit scoring is promoted, thus elevating the creditworthiness of the Filipinos. PCEO Garchitorena stressed that the use of data is quite powerful.



PCEO Jaime P. Garchitorena at the 1st National Digital Consumer Conference organized by DICT

In the near future, he is positive that DICT can build a national system where all data are easily accessible by the community, but safe from any online threats.

During the event, the stakeholders presented various topics unlocking technological innovations on protecting the consumers online in addition to assisting government operations hence policies which are suitable to the needs of the community can be prepared.

DICT likewise tackled their digital strategic plans and programs aspiring to improve the information and communication services towards a cyber-resilient Philippines.

One of the highlights was the signing of Joint Administrative Order by the National Telecommunications Corporation, Department of Interior and Local Government, National Power Corporation and DICT.

The memo will establish the delineation of functions of the said national government offices with the establishment of standard procedures in handling online complaints.



SVP Atty. Aileen L. Amor-Bautista with Mr. Lemuel Reunir of 702 DZAS "Ahensya de Konsensya"

CIC on Importance of Updating Credit Records at 702 DZAS Interview

PASIG – 23 July 2018 – Updating of credit records is one of the usual concerns raised by most borrowers from their lenders, according to Atty. Aileen L. Amor-Bautista, SVP for Business Development and Communications in the recent interview with Mr. Lemuel R. Reunir of Ahensya de Konsensya 702 DZAS.

Updating of credit records would not only help in making the credit report more credible and reliable once the system has fully launched, but it will also help OFWs who would like to acquire credit facility abroad. The SVP said that Filipinos abroad are having difficulty in acquiring loan because the comprehensive credit report has not been established yet in the Philippines. Atty. Amor-Bautista emphasized the importance of credit infrastructure in the economic growth of the Philippines.

Transparency between lenders and borrowers would be possible through the existence of credit registry as it can provide both negative and positive credit data which lenders may utilize to determine the creditworthiness of the borrower. It would also aid in slowly establishing reputational collateral or good payment behavior of a borrower, instead of the current practice that depends on the negative credit data accumulated by the borrower.

It is expected that soon enough, Filipinos would refrain from acquiring loan sharks which offer high interest rates but consequently to obtain loan from formal lending institutions.

Maintaining Good Credit Payment Record

The SVP for Business Development and Communications advised that borrowers should be disciplined in paying on time their loan obligations for this will reflect in their credit report.

However, she clarified that after three years that the loan has been settled, it will no longer reflect on the credit report. Atty. Amor-Bautista also explained that only the borrower, the lender and the Special Accessing Entities (SAEs) or Accredited Credit Bureaus can have access to the credit report however a consent from the borrower is required to gain access on their credit report.

DZAS is under FEBC Philippines airing evangelistic and public service programs for 66 years. Through on-line streaming, the broadcast also strengthens connection with the Filipinos abroad, especially the OFWs.

CREDITWORTHINESS IS TRUSTWORTHINESS - CIC PCEO GARCHITORENA

MANILA - 24 July 2018 - CIC President and Chief Executive Officer Jaime Casto Jose P. Garchitorena emphasized the importance of information and creditworthiness resulting to trustworthiness in acquiring loans during the National Microfinance Panel Discussion with the theme "Policies and Strategies Needed to Bring Microfinance to the Next Level".

As one of the initiatives under the annual Philippine Social Enterprise Month (PSEM) in July, Senator Paolo Benigno "Bam" Aquino IV and the Benita and Catalino Yap Foundation (BCYF) organized the panel discussion held at Ballroom 1 AG New World Hotel Manila Bay, Malate, Manila.

Introducing CIC, PCEO Garchitorena said that credit scoring protects both the lender and the borrower, the latter from being over indebted. He explained that taking the basics of 5-6 lending system: location as access to the borrower and daily collection process, technology can definitely come in through mobile alerts and easy payment schemes. On the other hand Development Bank of the Philippines, as an assistance to the public, has fixed the interest rates to only 9% for two years according to Paul V. Lazaro, DBP First Vice President.

Senator Bam Aquino said 5-6 is not the only alternative. He advised the public to consider the microfinance industry. "It is important to promote MSMEs as partners in nation building to have a sustainable economy, Aquino concluded. His Go Negosyo Act was passed to strengthen the MSMEs through creation of jobs and business opportunities.

CIC CONDUCTS TECHNICAL COMPLIANCE WORKSHOP

MAKATI CITY - 06 July 2018 - Credit Information Corporation (CIC) held a whole day orientation on technical compliance to Republic Act No. 9510 entitled: Credit Information System Act or CISA, which aims to establish a comprehensive database to collect and disseminate credit information.

More than forty (40) representatives across various submitting entities composed of banks, cooperatives, financing institutions participated in the said technical compliance workshop spearheaded by CIC. In house speaker-facilitator Lady Hannah Balana of the IT Group, guided the SEs on each procedure to be undertaken regarding credit data submission and/or updating on a monthly basis which includes the format of reports, protocol on file transfer and data validation.

Atty. Patrice Jamaine Barron, In-house counsel, discussed about the legal framework of CIC being the country's central credit information registry and its difference from a credit bureau.

During her presentation, she encouraged maintaining a good reputation in obtaining loans. Apart from the usual collateral being required, the financing institutions also look at the payment history of the borrowers. Thus, having a positive credit information is a major factor in loan application approval.

The CIC currently accommodates request for trainings on technical compliance to extend assistance among submitting entities to better understand how to properly submit to CIC the credit data of borrowers. The CIC has likewise accredited select representatives of its special accessing entities to promote CIC's initiative in properly explaining the manual on submission of credit data.

CIC ADVISES CONTINUOUS UPDATE OF BORROWERS' CREDIT DATA

PASIG CITY - 14 August 2018 - Credit Information Corporation recommended to update the borrowers' existing records to the financial institutions they have records with as this will be used as their reputational collateral once the CIC generates and provides credit report.

In an interview with Atty. Aileen L. Amor-Bautista in DWIZ 882's In the Heart of Business, the SVP for Business Development and Communications also advised the submitting entities like banks, credit card companies, cooperatives, insurance companies, among others, to update the credit data of their borrowers ensuring that information in the CIC system is current.

Atty. Amor-Bautista emphasized that access to credit report, which contains both positive and negative credit information of an individual, can be used as a tool for lenders to monitor the total exposures of borrowers and know their payment capacity and behavior in no time - thus, easing the process of loan applications.

Borrowers on the other hand, will be knowledgeable on their capability to pay and report erroneous data to the financial institution they have transaction with. Aside from preventing over indebtedness, CIC expects that this will also strengthen their campaign towards the general public to access loans with formal lenders instead from informal lenders or loan sharks.

Through CIC, the positive and negative credit information collated will deliver balanced and comprehensive payment history of a borrower,



Atty. Amor-Bautista with Ms. Marou Pahati-Sarne of DWIZ 882's In the Heart of Business

diminishing the common practice in the industry where only negative payment behavior is being collected, limiting not only the individual from obtaining credit facility, but many Filipinos on having a better quality of life.

Data Privacy

The Republic Act No. 9510 also known as Credit Information System Act (CISA) is exempted in the implementation of Republic Act No. 10173 also known as Data Privacy Act of 2012. The borrowers will be informed, but cannot refuse to submit their credit data to the CIC because data submitted will determine the comprehensiveness and effectiveness of the Credit Information System (CIS) generating the credit report.

SVP Amor-Bautista also ensured that thorough security process is implemented within the Agency when it comes to submission and access to credit data of borrowers.

National ID System

When asked if credit rating will be part of the national ID system recently signed by President Rodrigo Duterte, she replied that it will definitely help in the ease of transaction with the Agency limiting various ID requirements into one.

SAE's CORNER

NEWS • UPDATES • EVENTS • ANNOUNCEMENTS

CIBI INFORMATION, INC. IS NOW AN IPOPHL CERTIFIED

CIBI Information, Inc.™ received its certification from the Intellectual Property Office of the Philippines (IPOPHL) that was announced in its Bulletin last March 5, 2018. Both CIBI Information, Inc. logo and its banner credit bureau product myScore™ has secured its trademarks.

CIBI is nurturing its expertise through its vast affiliation, effective methods and renowned credibility, which was validated by their esteemed clients and recognized by the Philippine government through its accreditation with the Credit Information Corporation.

CIBI's partnership with internationally-acclaimed consumer credit score and analytics providers, such as FICO™ and GDS Link Monaco, resulted into developing the country's benchmark for globally-accepted credit scores that supports the financial growth of every Filipino locally and abroad. The banner name for the consumer credit score is myScore™: The CIBI Bureau Score, a credit score that can best represent the payment risk of current and potential clients. myScore™ can help the approval of credit decisions become faster and accurate while efficiently managing the financial accounts and minimizing any form of fraud or risk in lending.



CRIF D&B PROVIDES BUSINESS DATA ON 70% OF THE TOTAL ESTABLISHMENTS IN THE PHILIPPINES

Out of the 915,726 businesses operating in the Philippines (2016 MSME Statistics), D&B Hoovers holds business intelligence on over 70% of them.

D&B Hoovers, Dun & Bradstreet's service for delivering comprehensive company, industry and market intelligence, serves as a vital tool in helping sales and marketing professionals accelerate sales effectively.

Segmenting and targeting effectively is where successful sales and marketing begin, and best practices in this area involve more than just artfully identifying where you should be building new relationships. It's also about knowing where you shouldn't.

Whether you are targeting Small to Medium size enterprises, segmenting enterprises geographically, analyzing market landscapes, growing relationships on existing customers, or simply looking for new prospects, D&B Hoovers allows you to slice and dice data of over 640,000 companies. D&B Hoovers delivers verified information that will enable companies to overcome the challenges of identifying and targeting prospects, improving lead quality, achieving stronger campaign response rates, and improving accuracy of contact-level customer data.



The CIC's accredited credit bureaus or Special Accessing Entities (SAEs) are: CIBI Information Corporation; Compuscan Philippines, Inc.; CRIF Philippines; and TransUnion Information Solutions Philippines.



The 1st Philippine Credit Forum - CIC Links with CIBI, Consumer Credit Score

TAGUIG CITY – 12 July 2018 – Credit Information Corporation PCEO Jaime P. Garchitorena joined The 1st Philippine Credit Forum with the theme “Be Ahead of the Curve” at the Garden Pavilion, Grand Hyatt Hotel, Bonifacio Global City, Taguig.

CIC was invited to join the panel discussion which talked about the current conditions and outlook on credit information in the Philippines. Together with PCEO Garchitorena was Klaas van Wyk de Vries, Chief Operation Officer of Consumer CreditScore Philippines Inc., and Marlo R. Cruz, President and CEO of CIBI Information, Inc. with Salve Duplito, Resident Financial Advisor of ANC’s “On the Money”.



PCEO Garchitorena discussed the current status of CIC’s data collection. As of May 2018, there are five million unique individual files which financing institutions can access. He then advised the data subjects to be in full control and be responsible in their own score. On a macro-perspective, the quality of data subject has to improve. “Credit can move out economic fluctuations”, said PCEO Garchitorena.

In obtaining the positive and negative credit information, he emphasized the role of CIC as the country’s credit registry, can assist managing with the ups and downs of the economy. He added that the current administration of President Rodrigo Roa Duterte provides financial assistance down to the grassroots level, hence if the financial institutions allow easier access to credit, there will be substantial improvement in the economy.

The highlight of the forum was the launching of myScore by CIBI. As explained by Miguel Marquez, Vice President for Bureau of CIBI Information, Inc., myScore can assist the approval decisions become faster and accurate while efficiently handling accounts as well as minimizing any form of fraud or lending risk.

Requirements for Loans Applications: ID as a basic requirement for your loan application

Dear CREDO,

I am a mother of four kids. Since I gave birth in 2005, it was really difficult for me to find a full-time work.

It has been five years that I am selling baked cookies and cupcakes to some friends, neighbors and contacts in school. My mother-in law is assisting me in taking good care of my children while I do my sideline. For practicality reasons, I need to financially help my husband who works in the Mayor’s Office at an LGU here in our hometown in Cavite. Our children are growing fast and eventually, when they reach college, we need a lot of money for their tuition fees.

One day, I encountered a friend who works in a small bank in the city and asked if I would like to apply for a loan. As a background, this friend loves my freshly baked cookies. She keeps on telling me that I can open up a small bakeshop in our town. I dream of having my own small business someday but I just do not have the start-up capital to get this done.

But then, I guess why not try? So I went to the bank but I was overwhelmed with the requirements. To begin with, I do not have valid government IDs that they require. I saw your Facebook site, Mr. Credo. With Credit Information Corporation now, how can your system help me with my problem?

Thank you and I wish everyone a very good day at work!

Sincerely,
Evelyn San Jose

Dear Evelyn,

Thank you for writing us here at Credit Information Corporation.

First, congratulations on the start-up and initial success of your small business. Nothing is more exciting than finding that something you create is appreciated and purchased. It helps you with your financial needs and give you a sense of accomplishment as well. It’s also good that you are not hesitant to apply for a loan. Many people might consider a loan as burden in their lives, while others like yourself, see it as an opportunity to take their small business to the next level.

On your problem with IDs.

For lenders, IDs are important in your application because this will serve as your proof of identification contact details and like address and phone number.

The CIC, and like your bank, will also need some kind of ID to help distinguish your records from other people’s records, specially people that may have similar names are yours.



An ID from the BIR or SSS or GSIS will serve as a unique number so that all your loans and payments are properly credited to you.

Fortunately getting a CIC recognized ID is not that difficult. For example, the Tax identification number (TIN) ID can be obtained from your local BIR office even if you do not have formal employment. If you were employed in the past, you probably have an SSS number which is also recognized by the CIC. If not, self-registration with the SSS is also an option.

The mandate of our Agency under Republic Act No. 9510 is to be the country’s first and only centralized credit registry. Our Agency collects credit information from formal lenders, and establishes payment credit history which we believe will be helpful for you and to other micro-small, small and medium enterprises. Once your records are in our system, you can use this data in the future, in the form of a Credit Report. A Credit Report is a document you can get from the CIC or its accredited Credit Bureaus to prove that you are a good payer, have repaid all your obligations, and are ready for larger amounts and better interest rates.

Here are some tips to get you started:

- 1. Banks are not the only places to get loans.** Cooperatives and Microfinance companies are good places to start getting credit. Cooperatives and Microfinance institutions might have support services for starting entrepreneurs so make sure you check them out.
- 2. Do not choose to go to informal lending institutions.** They may easily provide you the cash you need however, they impose high interest rates which may not be sustainable and can be disadvantageous to you as a budding entrepreneur. Go to formal lending institutions, and establish your good credit history with them.
- 3. Make sure that you have a basic accounting system.** Simply record how much you spend on your ingredients and how much you earn when you sell them. This will help show the lender that you can turn a regular profit and help decide what amount you can afford to borrow.
- 4. Be honest with your creditors on your capacity to pay.** Dealing with lenders is really starting a relationship of trust. It will also avoid the situation where you are given too much credit that you cannot end up repaying.

Again, we would like to congratulate you on your first steps into entrepreneurship. We look forward to receiving your records from a reputable and formal lending institution, and we look forward to serving you your accurate and comprehensive Credit Reports in the future.

Thank you and we wish you all the best!

Sincerely,
CREDO



CREDIT INFORMATION
CORPORATION

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