

# 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

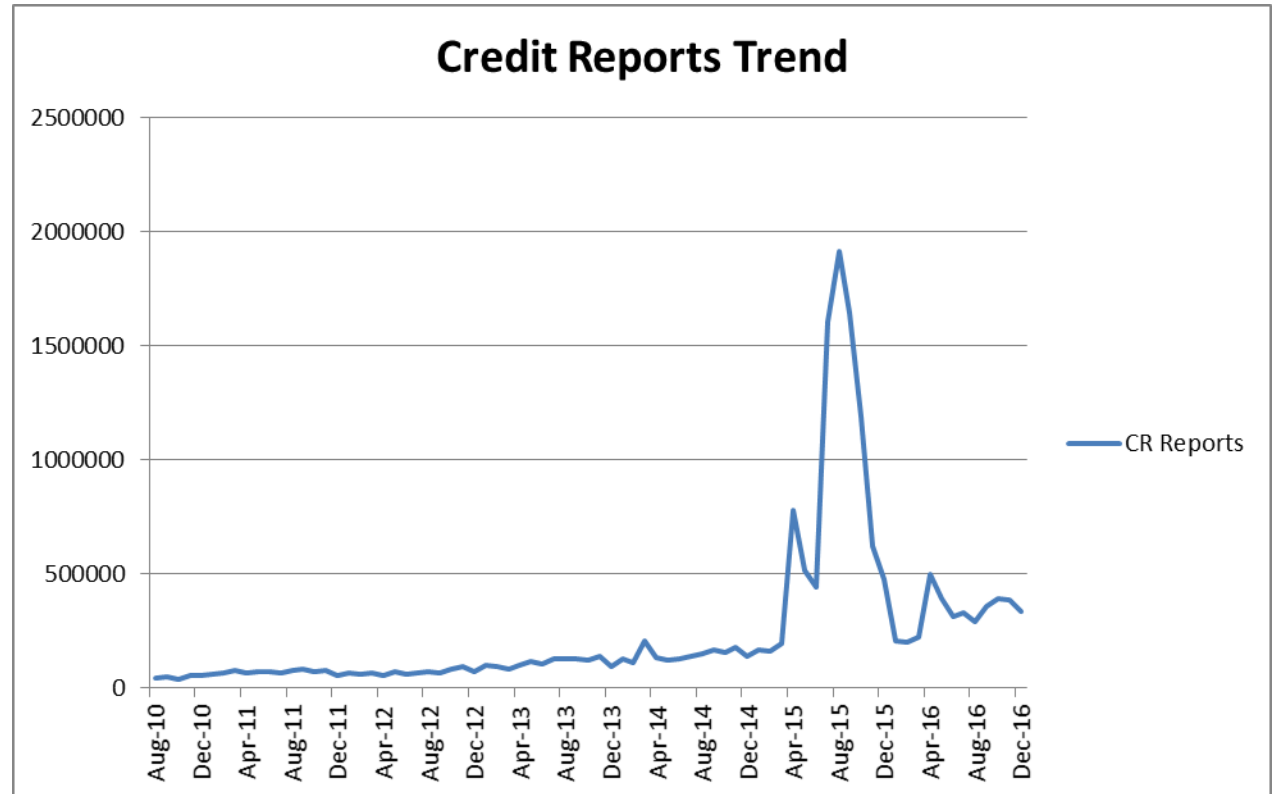
## Mobile phone data

- 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)

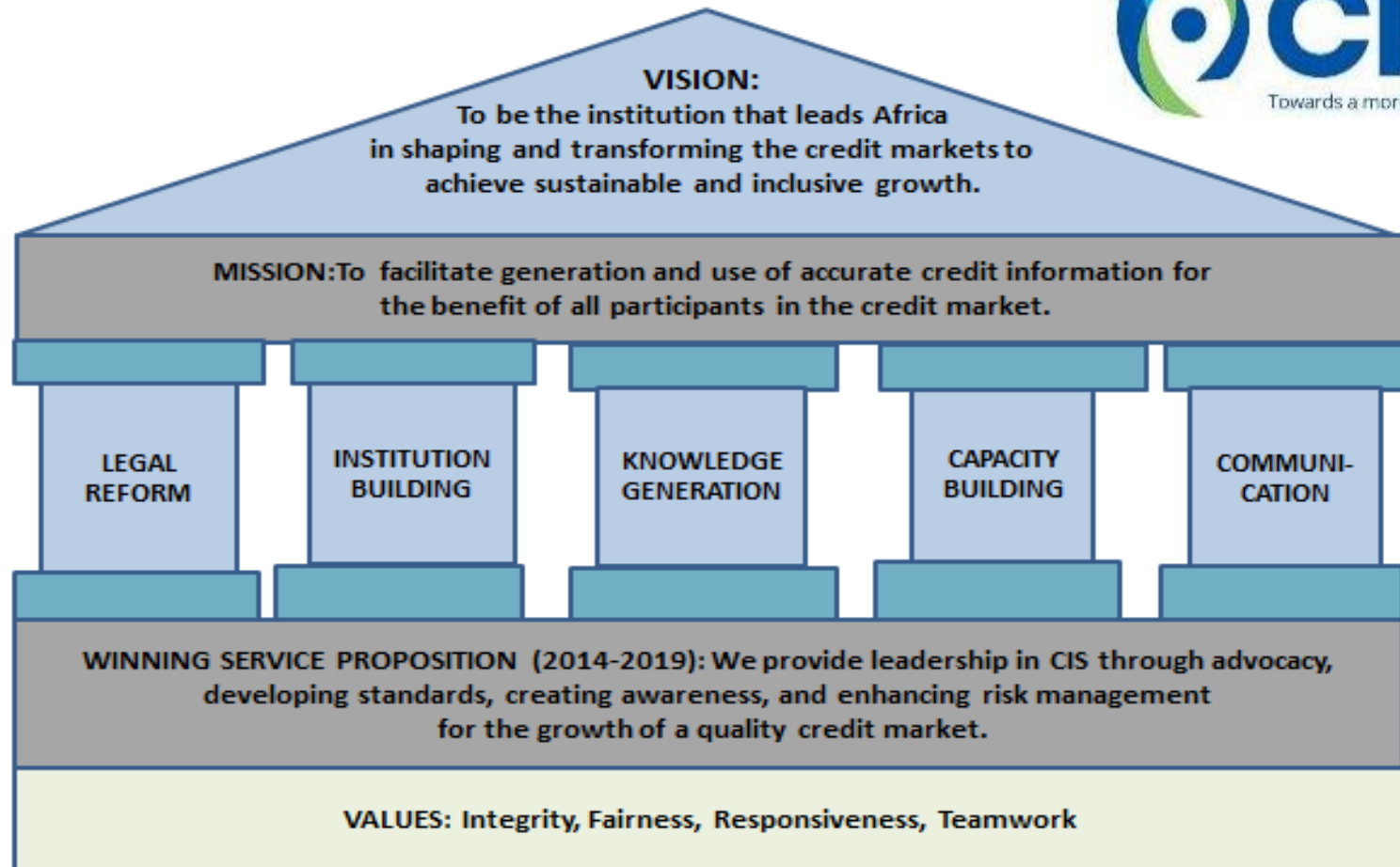
# Credit Report Trends 2010 - 2016

Cumulative credit  
report pulls  
August 2010 to  
December 2016:

**18,581,176**



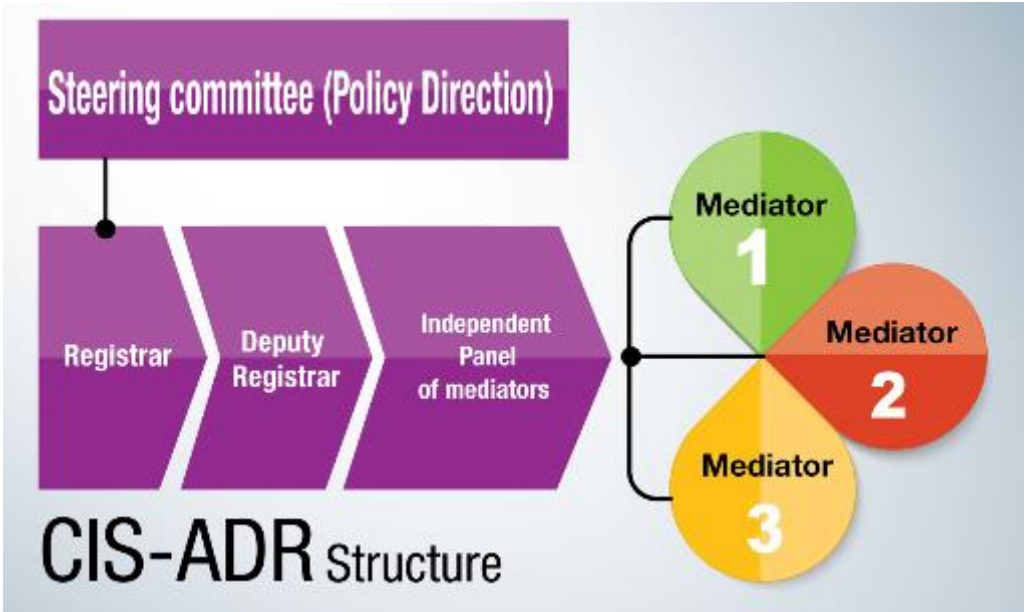
# Role of CIS Kenya in developing the market



# Alternative Dispute Resolution for CIS



Credit Information Sharing Alternative Dispute Resolution Center



# Alternative Dispute Resolution for CIS 2015-16

	Cumulative - 2015	Cumulative - 2016
Verification, Intervention and Facilitation	147	354
Mediation	6	9
Pending	0	4
<b>TOTAL</b>	153	367



# Survey Findings 2012 - 2015

## 2012 Baseline Survey

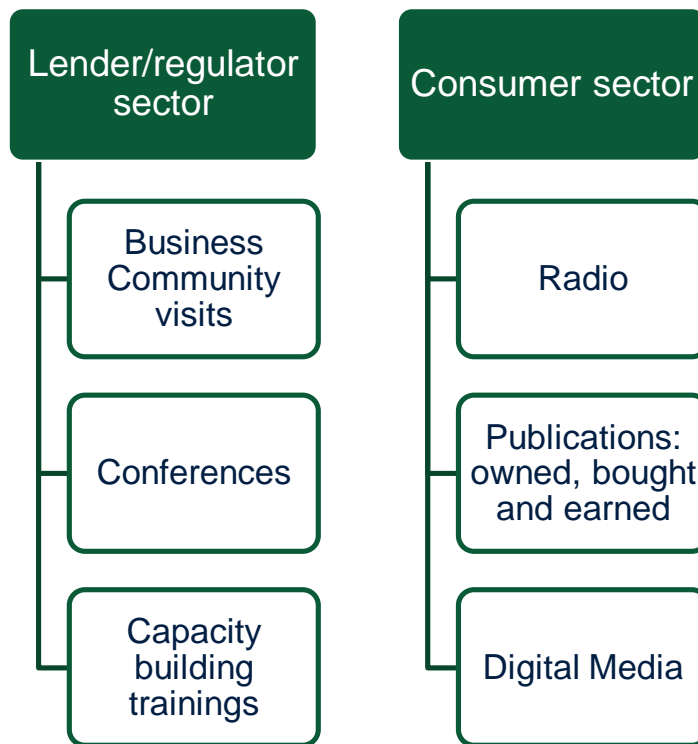
- 14% of individuals and 12% of business borrowers know about CRB
- Of the above, 34% of individuals and 37% of business borrowers were told about CIS by lender staff (then only banks)

## 2015 Perception Survey

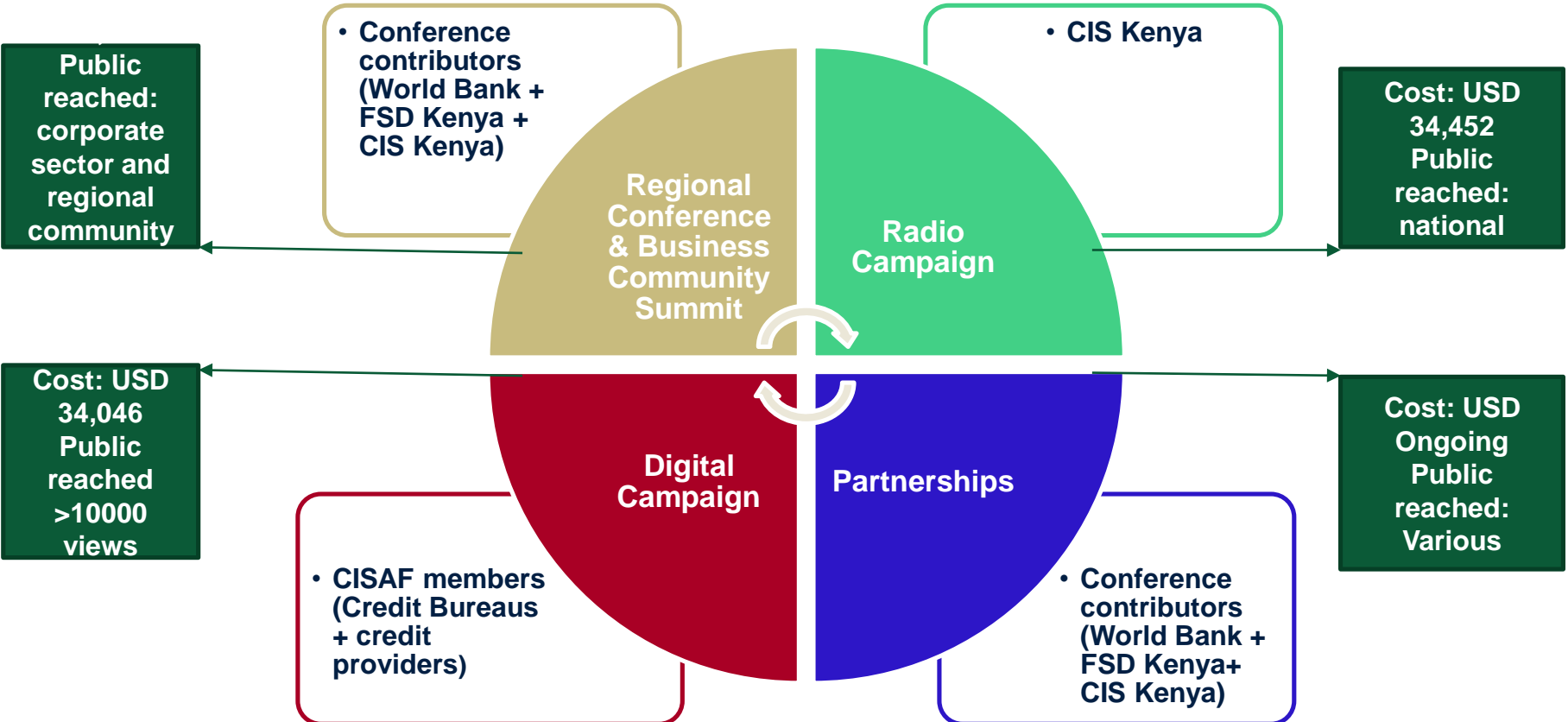
- 34% of individuals and 30% of business borrowers know about the CIS mechanism
- Lenders are seen as the biggest beneficiary of the mechanism despite benefits accruing like access to digital credit.



# Awareness Creation: Methods That Have Worked



# CISAF & Regional Conference Awareness Program



## 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



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