

29.03.2020

STATEMENT ON COVID-19 PANDEMIC

As part of the credit ecosystem, credit reference agencies are committed to supporting individuals and SMEs.

The European economy is being hit hard by the global coronavirus COVID-19 pandemic. The public health emergency that has been called across many European countries is posing temporary difficulties for people and businesses to keep up with their loan repayments or with their utility bills (phone, electricity, water, etc.).

National governments and EU bodies are taking measures¹ to facilitate that individuals, sole traders and SMEs experiencing hardship can avail of general moratoria on those repayments, for example, suspensions or delays. In some instances, credit institutions are themselves taking payment relief initiatives.

Across the EU, there is no single way to treat delayed payments associated with a pandemic (or any other major event, like natural disasters) in the respective national credit reporting systems. Some countries opt for the suppression or non-submission of “negative” data i.e. information pertaining to unfulfilled financial obligations. Other countries opt for negative payment data, created under forbearance or deferred payment status due to a crisis, to be submitted with full disclosures, using different identifiers or codes.

The Association of Consumer Credit Information Suppliers (ACCIS) and its credit reference agency (CRA) members have been and remain ready to protect people and business from the impact to their credit history as a result of the COVID-19 pandemic and continue to help facilitate access to fair and affordable credit.

In that regard, ACCIS would like to state that:

1. Individuals and businesses with concerns about their financial situation **should contact their lenders and creditors**, to let them know that there is a problem and to discuss their options. CRAs do not provide credit and cannot, therefore, suspend repayments.
2. The key role of CRAs is to **contribute to responsible access to credit and ultimately financial stability** to protect borrowers, lenders and the society as a whole. Information held by credit reporting systems is a primary factor to assess the creditworthiness of borrowers and monitor their credit circumstances, allowing responsible lending and borrowing². It is therefore crucial for creditors, consumers and the economy at large that the information held in our databases is as comprehensive - including positive and negative information - current, and accurate as possible³. This is as important in normal times as it is during exceptional times. The **suppression or non-submission of negative payment data will hurt consumers and the credit system as a whole**, which relies on accurate, current information.
3. Creditworthiness assessments will need to be based on complete information, including information about temporary measures that have been activated as a result of the COVID-19 pandemic. CRAs are working with lenders and creditors to ensure that **decisions impacting the schedule of payments of individuals, sole traders or SMEs are properly reported, identified and recorded** on the file of each borrower. In countries where negative payment data created due

¹ [Statement](#) from the European Banking Authority on the application of the prudential framework regarding Default, Forbearance and IFRS9 in light of COVID-19 measures, from 25 March 2020.

² World Bank General Principles for Reporting, September 2011.

³ According to the EBA draft Guidelines on loan origination and monitoring of 19 June 2019 credit institutions should have “a sufficiently comprehensive view of the borrower’s financial position, including an **accurate and up-to-date** comprehensive view of all the borrower’s credit commitments”

to a crisis are being reported, different technical reporting solutions e.g. special credit reporting codes, identifiers or conventions exist to properly recognize those situations. CRAs are in permanent contact with lenders and creditors, to alert them on any regulatory provisions that have been adopted and to inform them about any necessary changes to the reporting templates.

4. The proper reporting of negative payment information created due to the pandemic in compliance with the different technical reporting solutions aforementioned should come a long way to ensure that there is **minimal or no effect on the data subjects' credit history and credit risk score** as a result of the COVID-19. CRAs are committed to and are working with lenders towards that outcome.
5. In order to facilitate that individuals stay up to date on their credit reports and can verify the accuracy of their credit histories in the light of the measures taken with regard to the COVID-19 pandemic, **consumers have the right to ask for a free copy of their credit report from any CRA that holds information**. For more details, individuals are advised to check directly with CRAs in their countries.

CRAs continue monitoring the outbreak of COVID-19 and its effects on businesses and individuals. We continue working with our stakeholders to minimize the effects on individuals', sole traders' or SMEs' credit standing and may complement the above measures should the need arise.

The long-term financial wealth fare of the European economy is dependent on a strong and reliable credit reporting infrastructure. We call on national governments and EU bodies to remain supportive of the role of CRAs in the credit ecosystem and the initiatives we are taking in favour of individuals and SMEs.

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