



BANK of ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

BOZ/EXEC/DGO/nbfis/bp

March 20, 2020

CB Circular No. : 08/2020

To : All Financial Service Providers

BANKING AND FINANCIAL SERVICES ACT NO. 7 OF 2017: THE BANKING AND FINANCIAL SERVICES (PROVISION OF CREDIT INFORMATION AND UTILISATION OF CREDIT REPORTING AGENCIES) DIRECTIVE, 2020

WHEREAS, the Bank of Zambia has power to issue and publish regulatory statements under *section one hundred and sixty-seven* of the Banking and Financial Services Act No. 7 of 2017:

NOW THEREFORE, in exercise of the Powers contained in Section 167 of the Banking and Financial Services Act, No. 7 of 2017, the following directive is hereby made:

1.0 Name of the Directive

This Directive may be cited as the Banking and Financial Services (Provision of Credit Information and Utilisation of Credit Reporting Agencies) Directive, 2020.

2.0 Application

This directive shall apply to a financial service provider.

3.0 Directive

A financial service provider shall:-

- (i) Submit credit information of a data subject to whom it has provided credit to a credit reporting agency;
- (ii) Use the services of a credit reporting agency when assessing a customer who has applied for credit where the amount of credit to be extended exceeds ZMW 500 or its equivalent.

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4.0 **Penalty for Breach**

A failure to comply with this directive shall attract an administrative penalty of up to two hundred thousand fee units.

The Bank of Zambia may also take any other appropriate supervisory action permitted under the Banking and Financial Services Act.

5.0 **Withdrawal of CB Circular No. 12/2008**

The Banking and Financial Services Act (Provision of Credit Data and Utilisation of Credit Reference Services) Directive of 2008 is hereby withdrawn.



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