



BANK of ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

December 10, 2008

CB Circular No. 12/2008

TO: All Credit Providers

BANK OF ZAMBIA DIRECTIVE

THE BANKING AND FINANCIAL SERVICES ACT, (PROVISION OF CREDIT DATA AND UTILISATION OF CREDIT REFERENCE SERVICES) DIRECTIVE, 2008

In exercise of the powers contained in Section **one hundred and twenty five** of the Banking and Financial Services Act, Chapter 387 of the Laws of Zambia, the following Directive, which take immediate effect, are hereby made:

TITLE

1. This Directive may be cited as the Banking and Financial Services Act (Submission of Credit Data and Utilisation of Credit Reference Agencies by Credit Providers) Directive, 2008.

APPLICATION

2. This Directive shall apply to all banks, financial institutions and financial businesses licensed under the Banking and Financial Services Act, Chapter 387), whether or not constituted by any Act

INTERPRETATION

3. In this directive, unless the context otherwise requires:-

“credit reference agency” means a credit reference agency licensed by the Bank of Zambia; and

“financial service provider” means a bank, financial institution or financial business.

DIRECTIVE

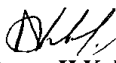
4. All financial service providers shall:-

- (i) at all times use the services of a credit reference agency before granting credit to any customer; and
- (ii) submit credit data to a credit reference agency in respect of all credit granted to a customer after the coming into force of this Directive.

The Bank of Zambia considers that the omission or failure by any credit provider to adhere to or comply with this directive constitutes an unsafe and unsound practice and may attract Supervisory Action in terms of Section 77 of the Banking and Financial Services Act.

Dated this *10th* day of *December*2008

**Bank of Zambia
P O Box 30080
LUSAKA**


**Denny H Kalyalya (Dr)
DEPUTY GOVERNOR - OPERATIONS**