

RESERVE BANK OF FIJI

PRESS RELEASE



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Telephone : (679) 331 3611

Date : 02 May 2016

Facsimile : (679) 330 2094

Email : info@rbf.gov.fj

RESERVE BANK ACKNOWLEDGES ADDED REGULATORY ROLE **UNDER THE FAIR REPORTING OF CREDIT ACT 2016**

The Reserve Bank of Fiji wishes to advise the public of its regulatory responsibilities under the newly passed Fair Reporting of Credit Act 2016 (“the Act”). Part 2 of the Act places the following specific responsibilities with the Reserve Bank of Fiji:

- (a) to register, license and regulate credit reporting agencies, credit information providers and credit report recipients; and
- (b) to maintain proper standards of conduct and acceptable credit reporting practices.

Transitional arrangements have also been specified under Part 6 of the Act for which the Reserve Bank will work closely with the relevant government agencies and private sector stakeholders, to ensure a smooth transition to the new legislative framework.

The Governor of the Reserve Bank of Fiji Mr Barry Whiteside stated that “the regulatory role that the Bank now needs to undertake under the Fair Reporting of Credit Act 2016 is in line with the Reserve Bank’s mandate of maintaining financial stability”. He added that “the initiative of the reporting system which existed before the passing of the Act has to be acknowledged, in establishing a structured framework for the reporting of loan delinquencies, a key indicator of financial stability. However, due to the nature and confidentiality of information generally held with such credit data bureaus, it is important to have in place an effective legislative framework that will work without prejudice.”

The Reserve Bank of Fiji has also received information that some banking customers are interpreting the impending closure of the Data Bureau Limited due to the passing of the Act, as allowing for dispensation on the payment of their existing loan obligations with licensed financial institutions. The general banking public is reminded that their loan agreements are between them and the licensed financial institutions, not the Data Bureau Limited, so they are contractually bound to continue to honour these debt obligations.

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