



## Central Credit Register - Frequently Asked Questions

### What is the Central Credit Register?

The Central Credit Register (CCR) is a database which contains non-anonymous information, debtor exposure-by-exposure, of both legal and natural persons, provided by resident credit institutions (banks) licensed by the MFSA. These persons can be resident or non-resident, financial or non-financial private and public companies (except credit institutions), households, sole traders/proprietors, and non-profit organisations, with exposures of over €5,000.

Banks have an obligation to provide information on existing customers as per Central Bank of Malta Directive No 14 (the "Directive"). Every bank shall report to the Central Bank of Malta the end-of-month balances of exposures exceeding €5,000 of each customer by the 20<sup>th</sup> calendar day of the month following the reference month to which they relate.

*\*An "Exposure" means loans, advances, overdrafts, credit lines, financial guarantees or any other credit facility in any currency which, considered individually, exceed €5,000 or the equivalent in a foreign currency calculated on the basis of exchange rates published on the website of the European Central Bank.*

### Who is responsible for administering the Central Credit Register?

The Central Bank of Malta ("the Bank") is the authority responsible for the administration of the CCR in Malta.

### What is the purpose for setting up of the Central Credit Register?

The CCR primarily serves as a credit risk data sharing platform to support credit institutions when undertaking credit risk assessment of existing and prospective debtors to enable them to better assess the risks when granting credit facilities and monitoring existing ones.

In addition, it will support the Bank in carrying out tasks related to financial stability, and economic and statistical analyses of credit exposures of locally licensed credit institutions.

The establishment of the CCR shall also positively contribute to Malta's score in the World Bank's Ease of Doing Business Index.

What categories of exposures are collected by the Central Credit Register?

The CCR will store data relating to overdrafts on current account, credit cards, overdrafts and revolving loans, credit lines other than revolving credit, trade receivables, financial leases, loans, syndicated loans, loan commitments, financial guarantees and other commitments.

Are all credit institutions required to report credit data to the Central Bank of Malta to be inserted in the Central Credit Register?

Yes, all credit institutions licensed by the MFSA are legally required to submit accurate information to the Central Bank of Malta relating to exposures exceeding €5,000.

Can legal or natural persons refuse to have their data uploaded on the Central Credit Register?

No, legal or natural persons cannot prohibit credit institutions from providing the Central Bank of Malta with information concerning their exposures to be uploaded on the CCR. However, credit institutions having access to such information cannot divulge information obtained from the Register to third parties and can only use such information for credit risk analysis.

What information will be held on the CCR?

The Directive sets the range of attributes which may be held for CCR purposes. These are divided between data required for the purpose of identifying borrowers (identifiers), and credit and credit risk data relating to the credit assessment of a particular counterparty.

Who has access to the data held on the CCR?

Credit institutions may access information on the CCR on existing customers provided this information is used for the assessment of credit risk in accordance with the Directive.

Credit institutions may also access data of prospective clients provided that the latter give their consent by signing an Information Request Notification Form, which is sent to the Central Bank of Malta by electronic means. This procedure is also applied when the Bank grants access to information on guarantors and connected parties\* of a customer. The CCR

shall not store information on the guarantees being offered by persons in relation to an exposure.

Only selected individuals within each respective credit institution will have an access token that will enable them to access data on the Register.

*\* "Connected parties" refer to affiliates operating within the same group of companies.*

#### What efforts have been made to safeguard data protection rights?

The Central Bank of Malta Act clearly states that the transfer of information into or from the CCR under the conditions laid down by the Bank's directives shall not be deemed to be a breach of banking secrecy and confidentiality obligations under any other law, provided that institutions and other entities granted access to the information held on the CCR shall ensure that the information is protected against misuse and remains secret as if it were information on their own clients. The Directive is also in line with the requirements laid down by the Data Protection Act (Cap. 440 of the Laws of Malta). Retention periods have also been established to ensure that the requirements of the Data Protection Act are fulfilled.

#### How long is the data retained on the Central Credit Register?

Non-anonymous data will be held on the CCR for a period of 24 months, with the exception of data relating to exposures, which had been designated as either past due 90 days, forborne or written off, in which case the data are retained in a non-anonymous record for a period of five years. On the expiry of the five-year period, data will be anonymised to be in line with the Data Protection Act.

#### What use will the Central Bank of Malta make of the data on the CCR?

Legally, the Central Bank of Malta may use such information only for the following purposes:

- (a) centralisation of information on credit exposures;
- (b) analysis on the stability of the financial system;
- (c) implementation of monetary policy;
- (d) compilation of statistics;
- (e) facilitating the assessment of credit risk.

#### Who is responsible for the accuracy of data on the CCR?

Reporting institutions are fully responsible for the accuracy and completeness of the information they submit for uploading on the CCR. They are also responsible for amending or rectifying the information as necessary, either on their own initiative, at the request of their counterparties (if they agree with their customers), at the request of the Central Bank of Malta (in terms of certain attributes) whenever errors or omissions occur, or at the request of the Information and Data Protection Commissioner.

### Can I access data held on the Register?

Yes, a natural or legal person can have access to an extract of information concerning himself/herself available on the CCR. The Directive establishes the modus operandi to obtain such access. Natural or legal persons can contact the Central Bank of Malta by calling the CCR section on 25504414 or sending an email to [ccr@centralbankmalta.org](mailto:ccr@centralbankmalta.org) or by sending a letter to the Bank's postal address, to request an appointment.

### Is there a cost for accessing my information?

Natural persons can have an extract of the information concerning themselves on the CCR at no cost. Legal persons are charged €25 for each extract.

### Where can I get more information on the Central Credit Register?

The Directive on the Central Credit Register - Central Bank of Malta Directive No 14 may be accessed on <https://www.centralbankmalta.org/centralbankofmaltadirectives>.