



Quarter 4 FY2023

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From the ED's Desk

Welcome to our review of the fourth quarter for the 2023 financial and calendar year. Since I joined SACRRA full-time on 1 April 2023, we have:

- Addressed members' data pain points, mended bridges, and built new ones.
- Finalised a strategy that will see SACRRA redefine its role in the credit and risk data-sharing ecosystem.
- Streamlined our organisational structure to support the new strategy, and foster collaboration and accountability within the team.
- Filled key new and vacant positions.
- Upgraded our IT platforms and services.
- Revived dormant projects.
- Strengthened our internal controls.
- Begun work on an alternative income-generating plan.
- Upgraded our website to reflect our stakeholder-centric approach.



The upshot of this is that our service levels and turnaround times have improved; a new Memorandum of Agreement has been entered into between SACRRA, the National Credit Regulator (NCR) and the Credit Bureau Association (CBA); membership levels are stable; and we have managed to attract strong new talent capable of delivering on our mandate.

Despite these achievements, there is no room for complacency. There is still much to do and many hurdles to be cleared, especially when it comes to achieving our key strategic objectives, one of which is to give momentum to the BusCRI project.

For this reason, I would urge all our members – wherever possible – **to please attend our Annual General Member Meeting on May 16**. The team is planning something special, and it promises to be an opportunity for us to connect face-to-face, share ideas and mutually agree on the work that needs to be done going forward. Invitations have been sent out. As part of our goal to diversify our income streams, we are also offering opportunities for members and service providers to showcase their services to the niche market of attendees. This Association exists to serve its members and the industry, and your support is critical to our success.

We look forward to welcoming you!

Magauta Mphahlele

Upgrading and Supplementing our Skill Sets



Welcome to **Julanda Vos** who joined us on 1 March 2024 as Head: Data Opportunities & Business Development. This is a multi-faceted role that is central to our growth ambitions.

Julanda has fifteen years' experience in leading, formulating and implementing brand and marketing strategies and a proven track record when it comes to identifying innovative growth opportunities and mobilising stakeholder support for them.

She brings extensive broad base business experience coupled with brand marketing and communications expertise across the financial services, insurance and professional services sectors, all of which will be put to good use in our quest to add value, address member and stakeholder data pain points and support financial inclusion.

We also have the pleasure of welcoming **Nomsa Tokoane** to the SACRRA team as the new Communication & Advocacy Coordinator.

Nomsa is an experienced communications practitioner with proven expertise in drawing up marketing campaigns, managing social media platforms, liaising with media, and negotiating with suppliers – skills that will serve her well when it comes to supporting the Executive Director in embedding SACRRA's stakeholder engagement, communication, and advocacy strategy.

She joins us from the Consumer Goods and Services Ombud where she was part of the team responsible for building brand visibility and driving stakeholder relations.



Annual General Meeting

Thursday, 16 May 2024, from 10:00 to 16:00

Venue: Birchwood Hotel and OR Tambo Conference Centre

Please join us at our Annual General Member Meeting on 16 May 2024. We welcome this opportunity to report back to you on key strategic and operational issues affecting members and the future of our Association. Above all, it's an opportunity to network, connect over a good lunch and discuss matters that affect all of us industry-wise. We have a couple of surprises in store, as well as a line up of exciting guest speakers.

A special invitation to potential member sponsors & service providers:

This year we're rolling out the red carpet for sponsors and members looking for an opportunity to showcase services and products to this niche audience. We're offering a limited number of sponsorship packages for service providers looking to launch or highlight new or existing products and services to a very targeted audience.

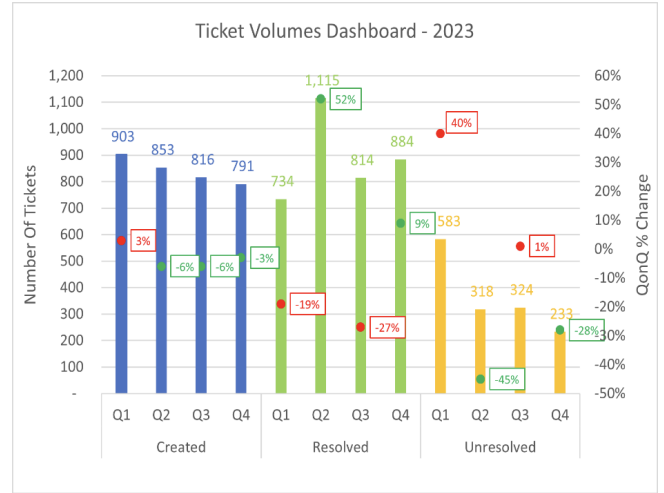
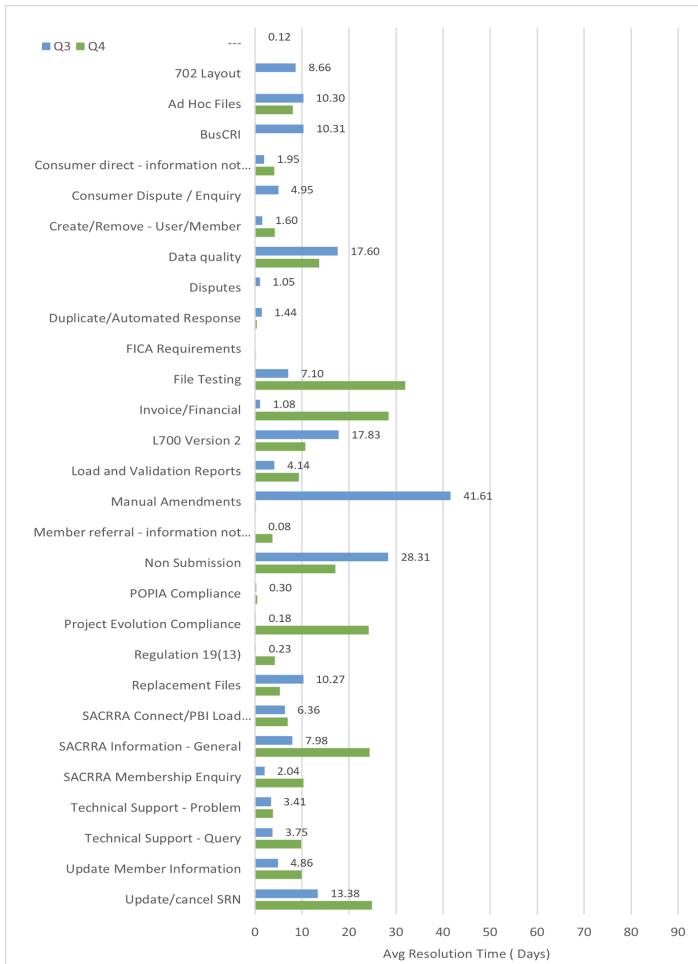
Please contact **Julanda** at julandav@sacrra.org.za if you'd like to know more.

SACRRA Support Station (SSS) Performance Metrics

In Q4 of 2023, we had the lowest number of new support requirement tickets issued for the year: 791 tickets which is a 3% improvement on the previous quarter.

New tickets represent service queries, complaints, and data issues, so we welcome any reduction in this area. Equally, we strive to resolve those tickets as expeditiously as possible. The number of resolved tickets rose by 9% against the previous quarter, while unresolved tickets were down 28% quarter-on-quarter.

SSS Average Resolution Time by Type

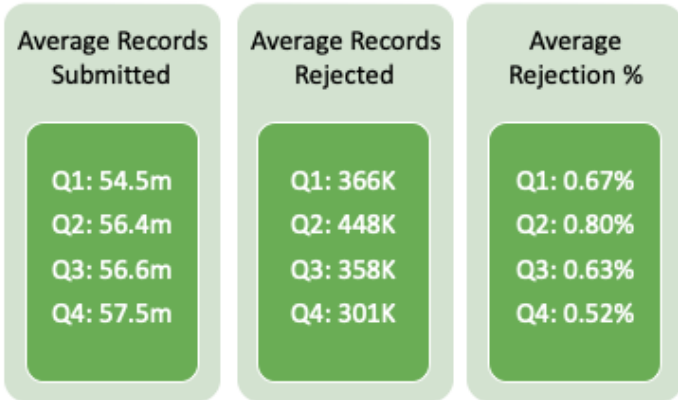


The Christmas holiday period impacted the average resolution time in Q4. Our average resolution time was 11.9 days compared to 9.43 days in the previous quarter. We continue to strive for improved support service and have implemented changes to the ticket types that will enable us to better manage the pain points, leading to improved resolution times.

While the performance metrics are trending in the right direction, they are not always within our power to control. For this reason, our main yardstick for measuring our performance remains the results of our member satisfaction surveys. Based on prior year results, we set our internal benchmark at 70% which we comfortably exceeded with an overall member satisfaction level of 85.19% drawn from 27 responses to the SACRRA Support Station survey in 2023.



Data Submission Statistics



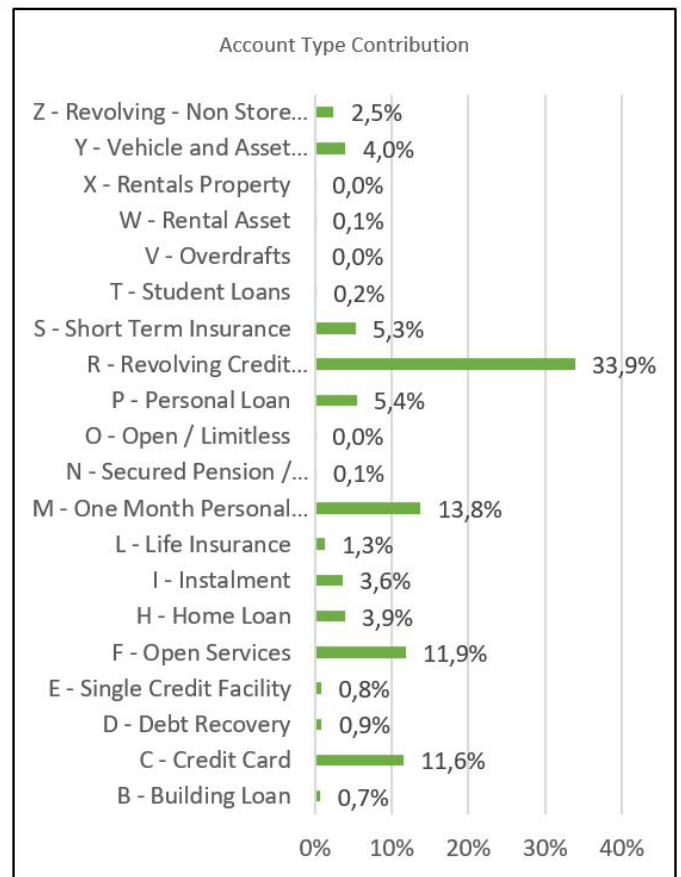
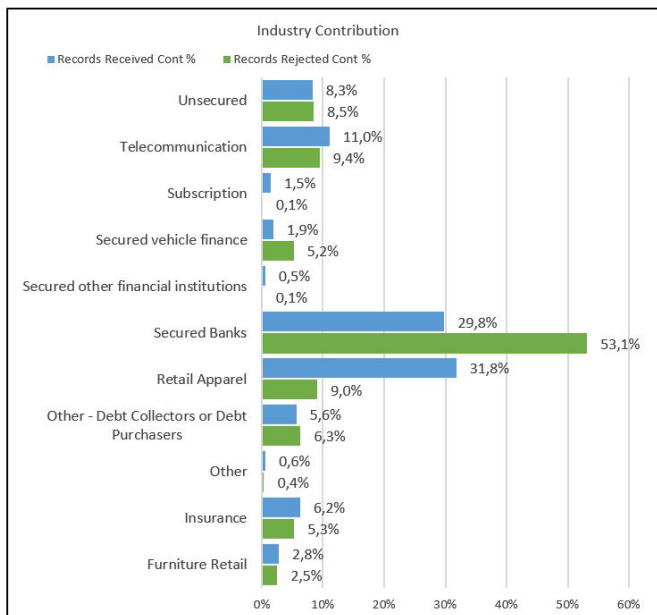
From 1 October and 31 December 2023, an average of 57.5 million monthly payment profile lines were submitted. On average, 301,000 records were rejected, resulting in a rejection rate of 0.52%, which surpasses our target of 0.70%.

This marks a significant improvement from the previous quarter and can be attributed to the successful resolution of several outstanding issues with file submissions.

Account types: Consistent with prior quarters, revolving credit store cards, one-month personal loans, and open services remain the top three account types in terms of volume.

Sector Contribution to Records Submitted and Rejected

The biggest number of records in the quarter were derived from the retail apparel, secured banks, and telecommunications sectors. While the secured banks sector remains the primary contributor to the number of rejected records, this decreased from 64.4% in Q3 to 52.1% in Q4, reflecting efforts to address the high number of rejections in the sector.



Update on Initiatives and Projects

The Joint CBA/SACRRA Paid-up Judgment Submission Project

Testing has been completed and the project is set to go live in Q2, 2024. This is a tremendously exciting project that will go a long way to aligning and improving the quality of paid-up judgments submitted to the credit bureaus. This will also benefit consumers positively as the removal of a paid-up judgment allows the consumer to access credit.

Automation/IT projects

We are in the final stages of testing for the authorisation of replacement file submissions. This is expected to have a significant impact on the number of ad hoc files submitted as only legitimate ad hoc files will be approved for bureau loads. We are grateful for the ongoing support of the CBA in our quest to achieve 100% alignment on data quality statistics.



BUSINESS | CREDIT & RISK
INFORMATION

Business Credit and Risk Information (BusCRI) Initiative

SACRRA has recently concluded one of the key milestones of the BusCRI project, which is a legal opinion that confirms that the sharing of business information, if done correctly, will not lead to any legal issues relating to the NCA, POPIA and Competition Act. We will be embarking on an advocacy drive to obtain regulatory buy-in from key regulators and policy bodies including the Competition Commission, dtic, National Treasury, Information Regulator, and the National Credit Regulator. Thereafter we will reach out to all other stakeholders and/or interested donors to accelerate the implementation of the BusCRI project.

Establishment of the Data Industry Forum

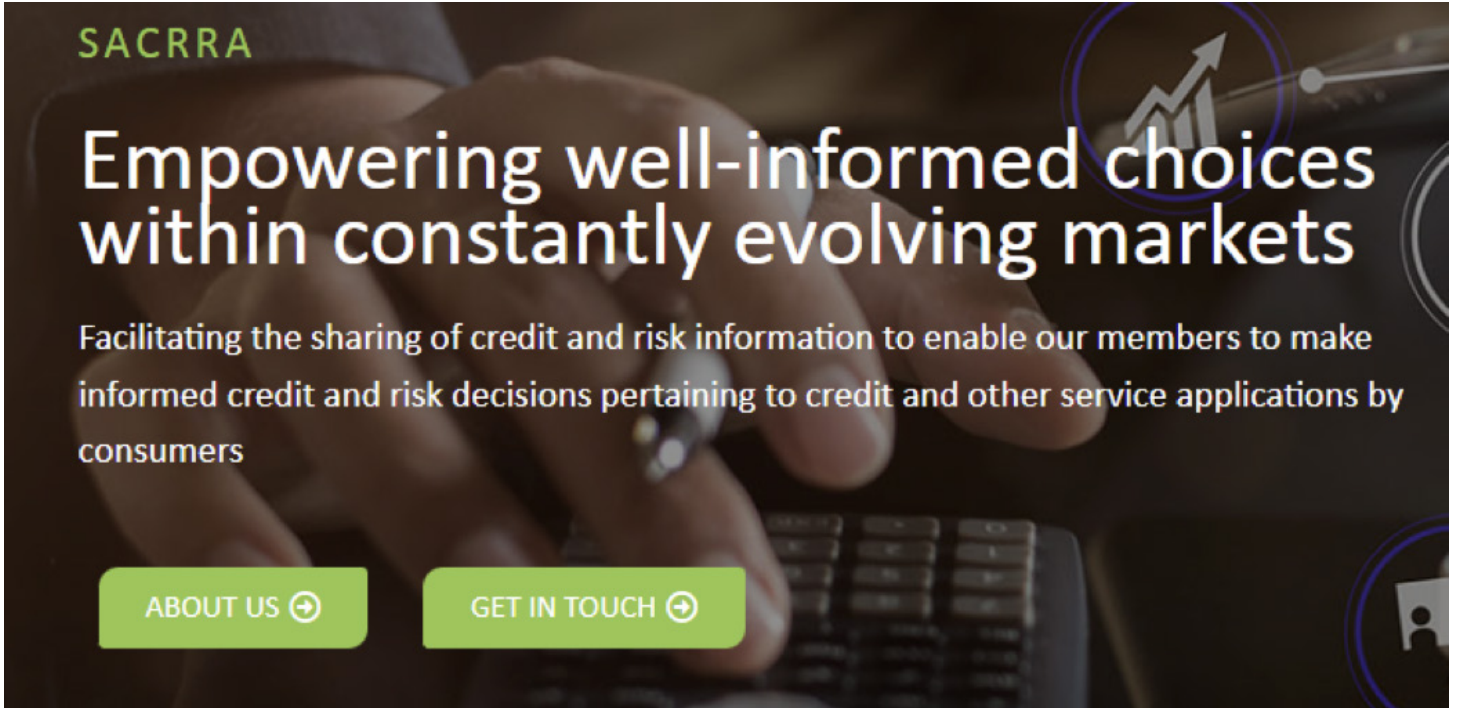
As part of our strategy to resolve data issues as quickly as possible, SACRRA is in the process of establishing a Data Industry Forum. This will allow forum members to provide valuable input into SACRRA projects and policies relating to the implementation of Regulation 19(13), while at the same time facilitating detailed progress updates on relevant issues and providing a platform to raise matters of concern for forum members. It also drives two key SACRRA values as part of the new SACRRA strategy, namely ecosystem-centricity and reciprocity focus.

The Data Industry Forum is expected to:

- Play a key strategic role in providing technical input to the SACRRA Data Submission and Load Standards.
- Discuss systemic issues raised as a result of data sharing and reporting trends and adherence to the agreed Data Submission and Load Standards.
- Engage on industry-wide matters relating to the practical implementation of the requirements of Regulation 19(13) and ensure that joint solutions are agreed upon and implemented with a focus on:
 - Reviewing and agreeing on amendments to the Data Specification regarding fields, rules and formats (where relevant) or impacting on the industry;
 - Providing feedback on trends regarding the submission and load SLAs, as and when escalated and which can impact on policy and processes;
 - Reviewing and agreeing on new product types and their classifications;
 - Finding solutions and/or making recommendations to the NCR to enable compliance with Regulation 19(13), guidelines and agreed industry standards, as well as where required, propose industry standards where the law is silent on a particular matter; and
 - Tabling any industry data issues.

Please look out for further communication regarding the establishment of the Data Industry Forum.

SACRRA's Website Transformation



As part of our forward-thinking approach, we've transformed our website. With the help of an expert consultant, we were able to reimagine our online presence and build a website that aligns with our marketing and stakeholder strategy. This project crossed the finish line in Q4, with rigorous testing, reviews, and final touches culminating in the formal launch of our revamped website in February 2024.

What's New? Fresh content, effortless navigation and additional sections offer a 360° view of SACRRA's endeavours and tailored insights for members, regulators, consumers, and industry bodies. This is a website that serves our members, welcomes the uninitiated, and fosters connections within our data-sharing community.

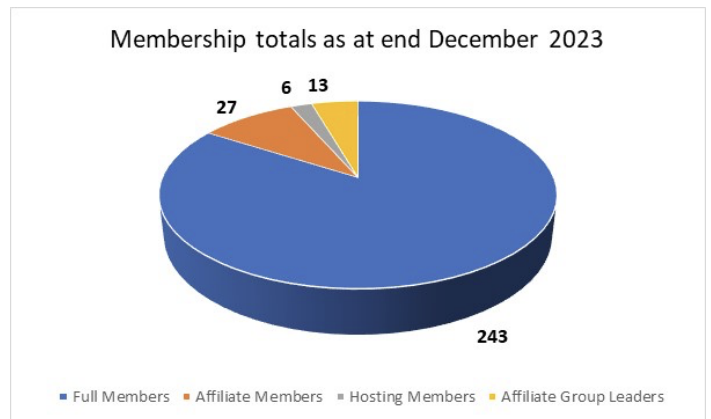
Spotlight Feature: There is a new Consumer Section designed to empower consumers with essential knowledge and tools, highlighting their significance in the data-sharing ecosystem. We're on a mission to amplify this section with collaborative efforts from our members and stakeholders, introducing tools to alleviate consumer data concerns.

New Members Onboarded & Stakeholder Engagement

Welcome to Our New Members

Eight new applications were received in Q4, with two Full Members and one Affiliate Member signed on. We extend a warm welcome to Full Members, Grace Deposits and Lendplus, as well as Dots Africa who rejoined as an Affiliate Member.

Despite a difficult period in which we lost 31 members, we ended the year with nine more members compared to the previous period.



The loss of members was primarily due to company closures, mergers, and changes in business models that no longer required access to bureau data to meet the reciprocity requirements under Regulation 19(13). A small portion of these cancellations were due to non-payment of long overdue membership fees. There was a small financial impact, details of which will be shared in the Annual Report.

Affiliate Group Leaders requested 282 new Supplier Reference Numbers (SRNs) during Q4, being either new companies joining, or new branches added to existing individual members.

National Credit Regulator (NCR) and Stakeholder Collaboration

A milestone achievement during December 2023 was the signing of a new Memorandum of Agreement between SACRRA, the NCR and the CBA forming the basis of our collaboration to maintain an effective data-sharing ecosystem. We continued presenting the assessment and onboarding requirements at NCR Regional workshops and look forward to bringing more members and data sources into the ecosystem to enhance credit and risk decision-making.

During 2023, SACRRA and CBA teamed up/worked together to:

- Rectify and assign data contributors with the accurate NCA Section 7.2 industry classification and Section 6 product classifications to ensure industry reporting is as accurate as possible.
- Ensure data contributor information is correctly captured and maintained to allow for easy identification of accounts by consumers.
- Ensure that bureau statistics are consistent across CBA and SACRRA Connect.
- Amend and finalise the industry Overdraft Data Specification Addendum, providing final agreed go-live dates.
- Finalise the Paid-up Judgment project.

As part of this process, we have also opened new ways of working and collaborating through:

- Quarterly data meetings between SACRRA and the CBA to discuss important data issues. Issues that require reporting to the industry are done so by way of webinars.
- The holding of joint SACRRA/CBA industry meetings as part of the process to ensure that pertinent industry data matters are addressed and resolved in the best interest of the industry.

Existing and new members are welcome to contact the office at sacrra@sacrra.org.za for access to these tools/applications:



**DATA
TRANSMISSION**



**DATA MASTER
APPLICATION**



**DATA SPECIFICATION
MATRIX**



**SACRRA
CONNECT**