

COMPLIANCE MATTERS

For Data Contributors' Attention



SACRRA | CREDIT & RISK REPORTING ASSOCIATION

09 April 2024

Dear Members and Data Contributors

Circular: Guidelines regarding Regulation 19(13) Fees and Data Submission Requirements

The National Credit Regulator (NCR) has published two guidelines that members and data contributors need to comply with. The first one is the Fee Guideline (including a Schedule for 2024) and the second one is an Amendment to the Guideline for the Submission of Credit Information in terms of Regulation 19(13) of the National Credit Act, 34 of 2005, that was previously published in 2017 and 2018 respectively.

The Fee Guideline sets out the fees that need to be paid for the infrastructure and support provided by SACRRA to enable compliance with the Regulation 19(13) guideline. In the tables below we provide a summary of the key aspects of the guidelines that members and data contributors need to pay attention to for compliance purposes.

Fee Guideline 001/2024 - Summary

- Applicable to credit providers, data providers (collectively called data contributors) and credit bureaus.
- Sets fees for using the Data Specification, Data Transmission Hub, SACRRA's time in conducting assessments, onboarding, ongoing data submission and quality monitoring including the related reporting.
- Compliance with Regulation 19(13) requires assessment, onboarding, and live data submission within specified timelines.
- Registered credit providers and data providers who have not yet been onboarded must initiate assessment within 60 days of the publication of the guideline.
- Annual fees are mandatory for infrastructure maintenance and usage, with pro-rata fees for late onboarding of data contributors.
- Fees are payable within 30 days of invoice, with non-payment being reported to the NCR.
- Non-payment may result in restricted access to Payment Profile Information and enforcement action by the NCR.




What does this mean?

- **The following fees (excl. VAT) are payable to SACRRA by members and non-members as per Schedule 1:**
 - Assessment Fees: R804.
 - Fees based on annual turnover starts from R6,956.
 - Smaller data contributors using secondary service providers (doing submission via Affiliate Group Leaders) have separate fees based on record count, which starts from R874.
 - Fixed fee of R452,495 for credit bureaus.
 - Note: Individual fees apply for separate legal entities, no consolidation under holding companies.
 - Fees are payable within 30 days of invoice.
 - New data contributors have to first undergo the assessment phase after paying the assessment/application fees.
- Upon confirmation that there is a need to submit data the entity concerned may decide to:
 - Become a Full Member/non-member; or
 - Join via an Affiliate Group Leader if they meet the criteria.

<ul style="list-style-type: none"> • Fees are effective immediately upon publication and will be reviewed annually. 	<ul style="list-style-type: none"> • New/existing data contributors that are still required to develop for their data submission extracts need to confirm onboarding timelines e.g. when they are ready to start testing their extracts and anticipated sign-off/go-live dates. • Data contributors that are currently busy developing for their data submission extracts and/or for the Addendums to L700v2, need to continue to do so as per the agreed testing and sign-off/go-live dates confirmed. <div data-bbox="726 495 826 607" style="display: inline-block; vertical-align: middle;"> </div> <div data-bbox="858 495 1420 600" style="display: inline-block; vertical-align: middle; margin-left: 10px;"> <p><i>Confirmation of dates can be provided via the attached commitment form or by logging a ticket at sacrra@sacrra.org.za</i></p> </div>
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<p style="text-align: center;">Guideline Amendment 002/2024 - Summary</p> <ul style="list-style-type: none"> • This guideline amends the guideline that was issued on 3 November 2017. • The key amendment is the requirement for paid-up judgments as set out in S71A (1)(d) of the Act to be reported within seven (7) days of settlement by the consumer of such judgment debt, in such manner and form as may be prescribed by the NCR. • Data contributors must use the SACRRA-managed Data Transmission Hub and prescribed data format for submitting payment profile information to registered credit bureaus that have been authorised by the NCR. • Currently there are six credit bureaus that have been authorised by the NCR. These are listed on the NCR website. • Data contributors are not compelled to join SACRRA despite the mandated use of its systems. However non-members do not have access to additional value-added services that are enjoyed by members. • Data contributors must comply with prescribed submission timelines for daily and monthly file submissions. • Daily files must be submitted within 48 hours for new, settled or terminated agreements. • Monthly payment profiles to be submitted within 5 days of the agreed billing cycle, and within 7 days for settled adverse information and judgments. 	<div data-bbox="997 734 1120 862" style="text-align: center;"> </div> <p style="text-align: center;">What does this mean?</p> <ul style="list-style-type: none"> • The process for reporting paid-up judgments and data quality issues is introduced by the amended Guideline. Previously the Credit Bureau Association (CBA) reported to the NCR at industry level. With this amended guideline reporting will be at individual data contributor level. It is important that data contributors understand the new process for reporting data quality issues in order to avoid the non-compliance implications outlined in the Guideline. • As from 15 April 2024, all paid-up judgments to be submitted via the Data Transmission Hub on the CBA's webform. Refer to the SACRRA Circular on Paid-up Judgment Submissions, dated 20 March 2024. • Reporting to start after the end of July 2024 on the month-ends of March, April and May being reported on. • The CBA and SACRRA agreed to the following process before reporting would be done to the NCR: <ul style="list-style-type: none"> ○ The SACRRA Portfolio Managers to attend the CBA/bureau monthly Data Loads meetings; ○ At these meetings, inter alia, the reporting and the data contributors report would be discussed; ○ The draft data contributor report would be shared with SACRRA a week before the meeting; ○ The report will be finalised by the CBA on the last day of each month, when SACRRA will receive the final report for discussion with individual members; and ○ After a 3-month period, the CBA will send the report to the NCR only reflecting those data contributors who have not rectified submissions and identified data quality issues and for 3 consecutive months.
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<ul style="list-style-type: none"> • Subject to the provisions of Regulation 19(4) and Regulation 19(7), the adverse classifications of consumer behaviour and adverse classifications of enforcement actions on a monthly basis. • Data quality monitoring and support to data contributors is provided by SACRRA and credit bureaus, with the NCR addressing reported issues. • Categories of credit and data providers, related fees and onboarding timelines are defined in the Fee Guideline. • Non-compliance may result in restriction of access to payment profile information. 	<ul style="list-style-type: none"> • What will be reported on? <ul style="list-style-type: none"> ○ No data submission for 3 consecutive months ○ High rejections for 3 consecutive months (Avg > 2%) ○ If data contributor submits 2 or more replacement files within a 3-month period ○ If data contributor submits 2 or more <i>ad hoc</i> files within a 3-month period ○ Quality Exceptions (QE): QE1, QE2, QE3, QE4 & QE6 – where the QE threshold is reached for 3 consecutive months ○ Consolidated Bureaus reports will be submitted for both Paid up Judgments and Adverse via the CBA ○ Data submission where the data delivery date is more than 5 days after the specified month-end date ○ Non-payment of prescribed fees <p style="text-align: center;"><i>Refer to the SACRRA Circular dated 17 January 2024 regarding the new Memorandum of Agreement entered into with the CBA and NCR, wherein Annexure A and B reflected the details and thresholds for reporting to the NCR.</i></p> • SACRRA Support <ul style="list-style-type: none"> ○ SACRRA members to continue with their data submissions and receipt of data as per our normal processes and timelines. ○ Log onto SACRRA Connect to review data submission statistics in terms of SLA compliance e.g. late/non-submissions, rejections, data quality exceptions etc. ○ Engage with the SACRRA Portfolio Management team and address any data quality anomalies and non-/late file submissions within timelines to prevent being reported to the NCR. <p style="text-align: center;"><i>Make SACRRA Connect your go-to reporting platform</i></p> <p style="text-align: center;">https://portal.sacrra.org.za</p> <div style="text-align: center;">  </div>
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Strict adherence and compliance to these Guidelines ensures the integrity and reliability of the credit information ecosystem, benefiting all participants by facilitating better credit and risk decisioning. High standards of data quality contribute to a transparent and fair credit market, fostering trust and efficiency that underpin economic stability and growth. All stakeholders are encouraged to the requirements of these guidelines to uphold excellence in credit reporting and risk management practices.



sacrra@sacrra.org.za

ATTACHMENTS:

- **Assessment Form**

For those data contributors that never submitted or stopped submissions (direct or via an Affiliate Group Leader).

- **Onboarding Commitment Form**

For those that completed the assessment phase, and paid the necessary annual fees, or started onboarding but have not yet committed to timelines.