

# PERC

**RESULTS AND SOLUTIONS**

## **INFORMATION LED DEVELOPMENT (ILD) PROJECT**



*Unleashing the Power of Information*

# The Problem

- Financial services infrastructure is radically under-developed in many countries, constraining growth in private sector lending and macro-economic growth as a consequence.
- Many countries – developing and emerging economies alike – lack credit reporting systems, making access to credit difficult or impossible for the vast majority.
- The two primary means by which individuals worldwide create wealth are homeownership and small business ownership. For most, this requires credit. Without sound credit reporting, most will remain imprisoned by poverty.
- Many millions in emerging economies live in remote locations with no access to mainstream lenders.
- Subjective and arbitrary standards, anti-competitive practices, and security concerns impede the rollout of financial services infrastructure.



# PERC's Solution

- Bring together parties with harmony of interest in development of financial services infrastructure. Institutionalize relationships in context of goal-oriented coalition.
- Work with key international organizations – including the IFC, World Bank, and CGAP to promote sound credit reporting practices to facilitate “information led development”.
- Identify and partner with private sector actors and IOs on development of risk modeling solutions to bypass traditional lenders and extend credit to those in remote locations.
- ID and partner with private sector actors and IOs on development of risk modeling solutions for those needing credit but who cannot be served by micro-lenders or by banks and who have too little information to access credit by any means.
- Identify and partner with private sector actors and IOs on development of risk modeling solutions for those needing credit but who cannot be served by micro-lenders or by banks and who have too little information to access credit by any means.



# The Roadmap

## ILD Year 1 (Jan. 2004 – Dec. 2004)

- Released “How Safe and Secure Is It?” assessing privacy in outsourcing firms in India.
- Hosted conference on Capitol Hill on offshore outsourcing.
- Presented at World Credit Reporting Conference in Beijing.

## ILD Year 2 (Jan. 2005 – Dec. 2005)

- Extensive outreach in Australia and New Zealand, led to Parliamentary inquiry in Australia.
- Outreach on credit reporting reform in Japan.

## ILD Year 3 (Jan. 2006 – Dec. 2006)

- Released “On the Impact of Credit Payment Reporting on the Financial Sector and Overall Economic Performance in Japan”.
- Extensive outreach in Japan, Colombia, Guatemala, Honduras, Trinidad and Tobago.
- Presented at Global Credit Reporting conference in Cape Town.
- Extensive outreach in Brazil, China, and Singapore.

## ILD Year 4 (Jan. 2008 – Dec. 2008)

- Co-hosted experts conference on credit reporting in China with Peking University in Beijing.
- Formed Asia-Pacific Credit Coalition (APCC) to promote regional credit reporting standards.
- Analyzed commercial credit reporting in South Africa for National Credit Regulator, suggesting means to increase credit access for black- and female-owned businesses.

# Testimonials

“TransUnion’s relationship with PERC and the work they have conducted on our behalf in Central America has been invaluable. Through our joint community outreach and communication efforts, we have been able to make great strides in the education of government officials, the financial community and consumers on the benefits of a full-file credit reporting system.”

*Maria Olga Rehbein*  
President  
TransUnion Latin America

“The work of the Information Policy Institute has played a critical role in advancing the credit reporting debate in Australia. For over two decades various organisations have attempted to promote reform in this important area, with no success. However in a 2005 speaking tour, organised by D&B, Dr Turner applied a level of research and analysis to the debate for the first time that provided an important launching pad to the reform now being considered in Australia.”

*Christine Christian*  
CEO  
Dun & Bradstreet Australasia

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