

14 May 2024.



The Hungarian Credit Information Market



Region



Location



Hungary

- Population: 9.8 million
- EU member since: 2004



Budapest

- Population: 1.7 million
- Incl. agglom: ~2.5 million
- But ~40% of the GDP



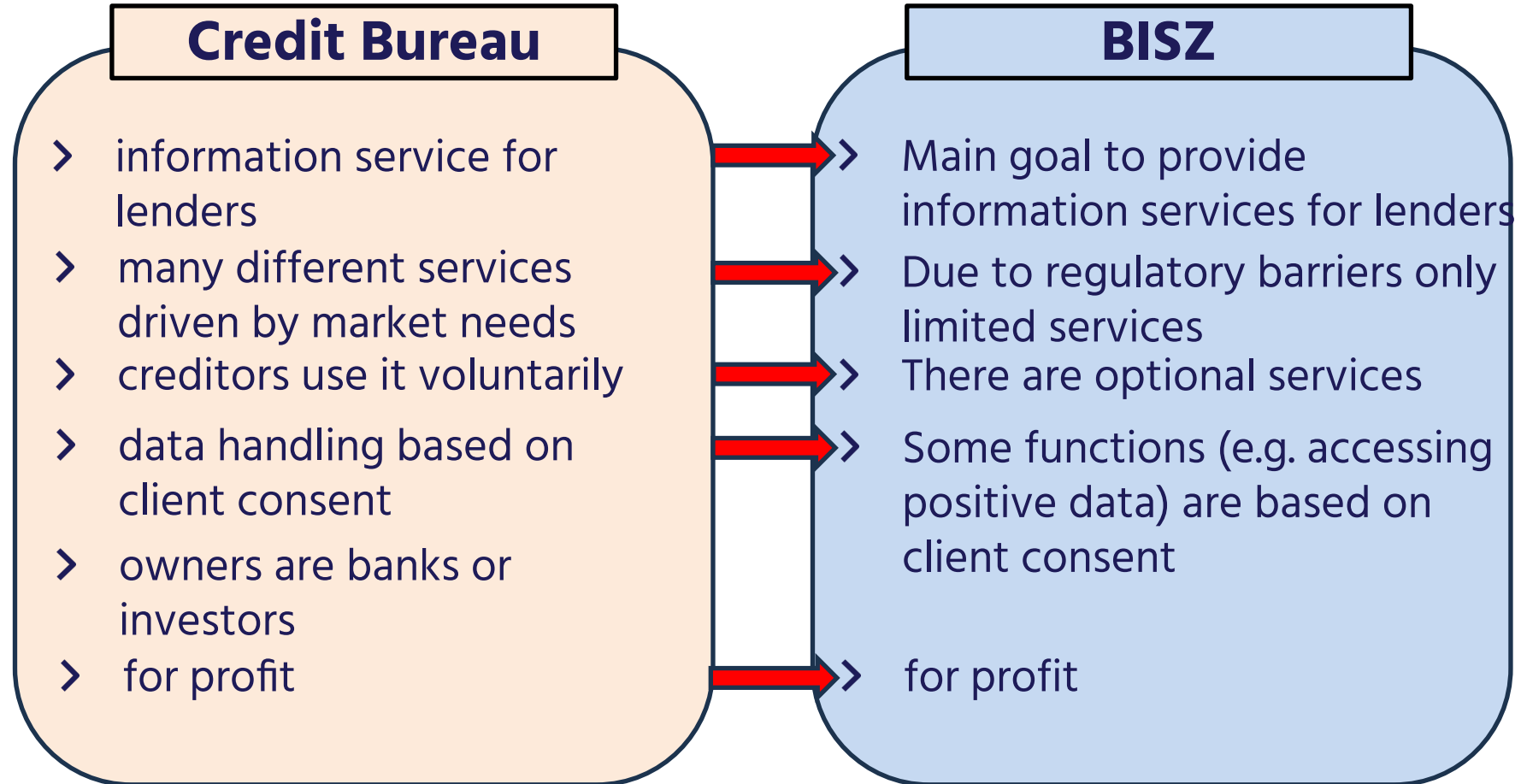
BISZ Zrt.

- Owned by the local clearing house, indirectly by the Central Bank of Hungary
- No state subsidy, operates from the revenues of its services
- All financial institutions with crediting license are partners in Hungary
- Its main activity is credit referencing

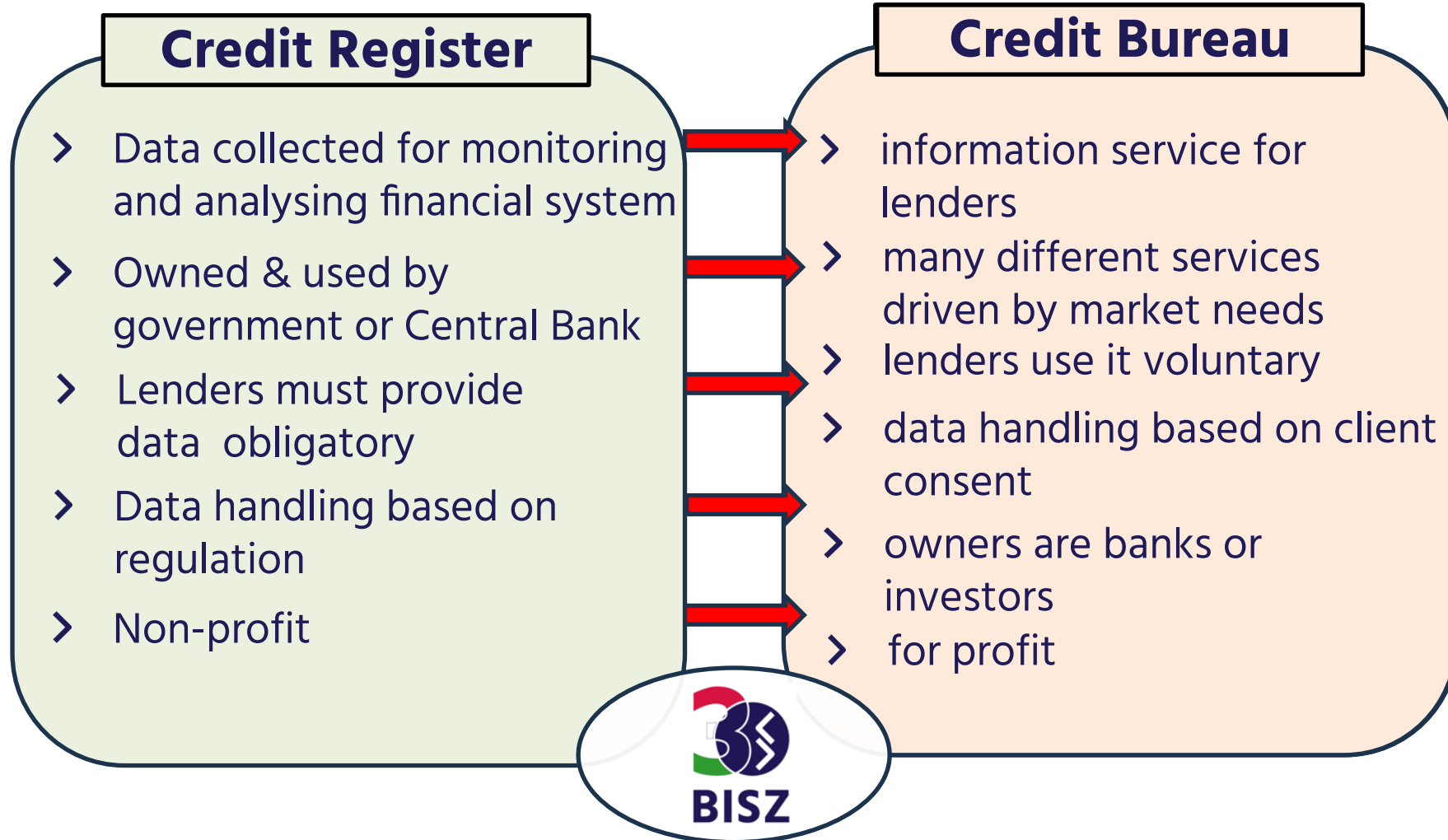


- 42. 'credit reference services' shall mean:
- a) the provision of bank information for a fee, without violating bank secrets, or
- b) data processing by the financial enterprise operating the central credit information system defined by the Act on the Central Credit Information System;

Usual classification



Usual classification



Partly Credit Register



Credit Information in Hungary



KHR

= **Központi Hitelinformációs Rendszer**

= **Central Credit Information System**

- › helps lenders assess the creditworthiness of loan applicants
- › protect the country's financial system against persons who have previously committed abuses in the financial market

HITREG

Central Bank Credit Register

- › monitoring credit market
- › analysis of financial system
- › supervisory purposes

The two credit databases parallelly exist, the legal background and the main purposes are different.

Specialty of the Hungarian Credit Reference

- All Banks, credit institutions, saving cooperatives must use Credit Reference Agency service: KHR (in English: CCIS) defined by the Act CXXII/2011
- No other organization (non-financial companies, Intermediaries etc.) can access the KHR
- Use of Credit Reports only allowed before the sign of the credit agreement

Specialty of the Hungarian Credit Reference

- The positive data can only be seen by the bank if customer gives consent
- The database cannot be linked to any other data or databases by BISZ



Outcome

- This kind of mixed operation and regulation supports the original aim appropriately
- On the other hand, on the financial and technological market (including the credit information market) is undergoing rapid changes and development
- The rigid regulation is not following this rapid change. E.g. in Hungary there were no change for more than 10 years now
- There is still a great potential of our database in supporting innovation, inclusion and competitiveness on the financial market



Thank you for your attention!

Viktor Nagy
CEO
BISZ Zrt.