

IFC HELPS ESTABLISH TAJIKISTAN'S FIRST CREDIT INFORMATION BUREAU, BOOSTING BUSINESS DEVELOPMENT

The International Finance Corporation (IFC) supported the first private credit bureau in acquiring a license from the central bank, helping Tajikistan strengthen financial market infrastructure and improve access to finance for small and medium enterprises and entrepreneurs, press release issued by the IFC Dushanbe Office said.

The National Bank of Tajikistan in December issued a license to the Credit Information Bureau Tajikistan, enabling it to become the first private credit bureau in the country and start credit information sharing services. From now on, it is officially authorized to start collecting information on borrowers from Tajik financial institutions.

This initiative will enable Tajik financial institutions and other potential participants such as mobile operators and utility companies to have timely access to accountable and objective information on borrowers, which could allow them to reduce loan processing times and credit defaults, and lend to more small and medium enterprises.

"Launching a bureau of credit histories plays an important role in enhancing the sustainability of the whole banking system," said Abdujabbor Shirinov, Chairman of the National Bank of Tajikistan. "The credit bureau will help financial institutions get credible information on borrowers and reduce credit defaults."

The government of Tajikistan and the country's financial institutions, with IFC support, have created a sound environment for development of a system of credit information sharing. As a result, the new legislation governing credit information sharing was adopted and the first private Credit Information Bureau Tajikistan was established in April 2010. IFC is working with the bureau's shareholders, local financial institutions and Italian CRIF to launch its technical and business operations.

"The issued license is recognition of the progress made by the bureau and a major step forward to build a credit information sharing hub for the Tajik financial market," said Fabrizio Fraboni, IFC Principal Operations Officer. "This successful accomplishment shows strong National Bank support and cooperation among stakeholders throughout the process. We are looking forward to seeing the bureau as a benchmark best practice model for the Central Asia region."

This initiative is part of IFC's Azerbaijan and Central Asia Financial Infrastructure Project, implemented in partnership with Switzerland's State Secretariat for Economic Affairs (SECO), which aims to strengthen the financial infrastructure in Tajikistan.

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. It helps developing countries achieve sustainable growth by financing investment, mobilizing capital in international financial markets, and providing advisory services to businesses and governments. In FY12, IFC's investments reached an all-time high of more than \$20 billion, leveraging the power of the private sector to create jobs, spark innovation, and tackle the world's most pressing development challenges.