First private credit information center applying for license

The nation's first private credit information center, the PCB, has submitted application for license to the State Bank of Vietnam (SBV).

The center was established by the Private Credit Bureau Investment Joint Stock Company (PCB) after years of preparation.

In 2007, the private credit information project was kicked off with supports from the International Finance Corporation (IFC), which is an arm of the World Bank.

In July 2010, the PCB was launched with capital contributed by 11 commercial banks, including BIDV, Vietcombank, VietinBank, ACB, Techcombank, VIB, DongA Bank, VPBank, ABBank, VPBank and SCB.

With an aim to build a private credit information center of international level, in July 2010, the PCB finished choosing strategic partners for the project.
CRIF, a leading credit information corporation in Italy, was selected to be a strategic shareholder of the project, owning 24.73% of the PCB. CRIF would provide experts and technical systems to the PCB.

Preparation for the project was speeded up after the Government issued a decree in order to laying legal framework for credit information business in Vietnam. The SBV then issued a circular with guidelines for implementation of the Government's decree. Since February 2010, the BCB has been the only applicant for license for a private credit information center in Vietnam and it is likely to become the first private firm in this business here.

Mr. Nguyen Duc Ngoc, General Director of the PCB said, the project was targeted at developing a center to gather and supply trustable credit information of individuals and organizations, supporting risk governance at credit institutions as well as helping small-sized enterprises and the private sector in getting accessed to credits.

For the market, once the project gets license and operates, there will be a new connection between lenders and borrowers. In particular, the market for credit information service will become more competitive.