

BANK OF ISRAEL

Office of the Spokesperson and Economic Information

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Press release:

**Deferral of reporting to the Central Credit Data Register on arrears in loan repayments by customers**

* **The Bank of Israel’s Supervisor of Credit Data Sharing has notified credit providers who are information sources reporting to the Register that an extension has been granted for reporting on arrears on loans. Instead of reporting on arrears following 30 days, they will report on arrears following 60 days.**
* **This instruction is further to the Supervisor of Credit Data Sharing’s instructions to identify and label negative data reported in view of the security situation and its ramifications for the country’s citizens. Labelling the data makes it possible for the credit bureaus and credit providers to distinguish between negative information created prior to the war and negative information created after the outbreak of the war.**

The “Swords of Iron” war has imposed an economic burden on many of the country’s citizens, which is expected to be reflected in internal records among credit providers, and in the data reported to the Central Credit Data Register. These data are used by credit providers to assess the risk inherent in providing loans to borrowers, and in some cases may have a negative impact on borrowers’ ratings, their ability to obtain credit, and the terms of that credit.

In order to provide the public with enough leeway to arrange their debts with the credit providers, and to avoid reports of arrears in loan repayments due to various technical reasons, the Bank of Israel’s Supervisor of Credit Data Sharing has instructed credit providers that are sources of information reporting to the Register to extend the required time before reporting on arrears on loans. Instead of reporting on arrears after 30 days, they will be reported only after 60 days. The directive will apply to the monthly reporting in respect of October and November 2023, and the Supervisor is permitted to instruct that it apply for additional reporting months.

This instruction is further to the Supervisor of Credit Data Sharing’s instructions to identify and label negative data reported in view of the security situation and its ramifications for Israel’s citizens. Labelling the data makes it possible for the credit bureaus and credit providers to distinguish between negative information created prior to the war and negative information created after the outbreak of the war.

Bank of Israel Director General Shulamit Geri said: “The Central Credit Data Register is very important for the development of the Israeli economy during emergency and crisis periods as well, and I would like to thank the Supervisor of Credit Data Sharing and his staff for mapping the places where we can help people who have been harmed by the war, and particularly for advancing this important step for them.”

Supervisor of Credit Data Sharing Eyal Hadad said: “The Central Credit Data Register will continue providing a response for people who have been harmed by the war, as part of the tools we have and with extra caution, such that alongside the leniencies that have been issued, reporting will continue to reliably reflect the state of borrowers.”

The Bank of Israel again calls the public’s attention to the products offered by the Central Credit Data Register in making things easier for customers, in view of the advancement of the broad program by the Bank of Israel. In this context, the public is asked to contact credit providers to whom they have debts, and to examine the possibility of deferring or spreading out payments only to the extent that this is necessary.

In this context, the Bank of Israel recommends acting in coordination with the credit providers in order to prevent situations where the credit facility is overdrawn, checks are returned, or there are arrears in loan repayments. Overdrafts or arrears that are not arranged in advance may impair customers’ ability to obtain credit under good terms in the future.

For more information on all of the Bank of Israel’s measures with regard to the war, and contact details for the relevant banks and credit providers, please visit the Bank of Israel’s website at: https://www.boi.org.il/bank-of-israel/iron-swords

For more information on the Central Credit Register, please contact the Register’s public enquiries call center at \*6194 or its website at <https://www.creditdata.org.il>