

# Set up credit check facility

## Abdullah: Bank Negara has the ability to do so

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**KUALA LUMPUR:** Bank Negara should create a body to provide reliable and up-to-date financial information on borrowers' credit standing in view of the controversy surrounding the Credit Tip Off Service (CTOS), said the Prime Minister.

Datuk Seri Abdullah Ahmad Badawi, who is also Finance Minister, said the central bank had the capability to obtain data that would be trusted by the people.

"Only then would such a service have its uses and benefits," he said in response to questions raised against CTOS' role of providing information on a person's financial history to banks.

He said that the body could assist Bank Negara provide detailed reports on the financial status of borrowers.

At present, Bank Negara has a Central Credit Reference Information System for credit checking.

In recent weeks, several parties had made complaints against CTOS, including allegations that it did not update its information on borrowers even after they had settled their outstanding loans, leading to many people remaining "blacklisted."

CTOS, which has been operating since 1988, provides information on bankruptcies, civil suits, winding-up of companies, proclamations of sale and directorships.

Abdullah said if the services on

individuals' financial status now offered by CTOS were left uncontrolled, complaints would come from those affected, especially if the information was not updated.

"People have started complaining about CTOS providing information which are incomplete and not up-to-date. If so, they are giving a disservice instead of a good service," he said after opening the Malaysia International Commodity Conference and Showcase at the Putra World Trade Centre yesterday.

The Prime Minister said CTOS must have integrity as a company which provided such information on individuals.

"It should not only be concerned about a loan borrower's credit worthiness and integrity but its own as well.

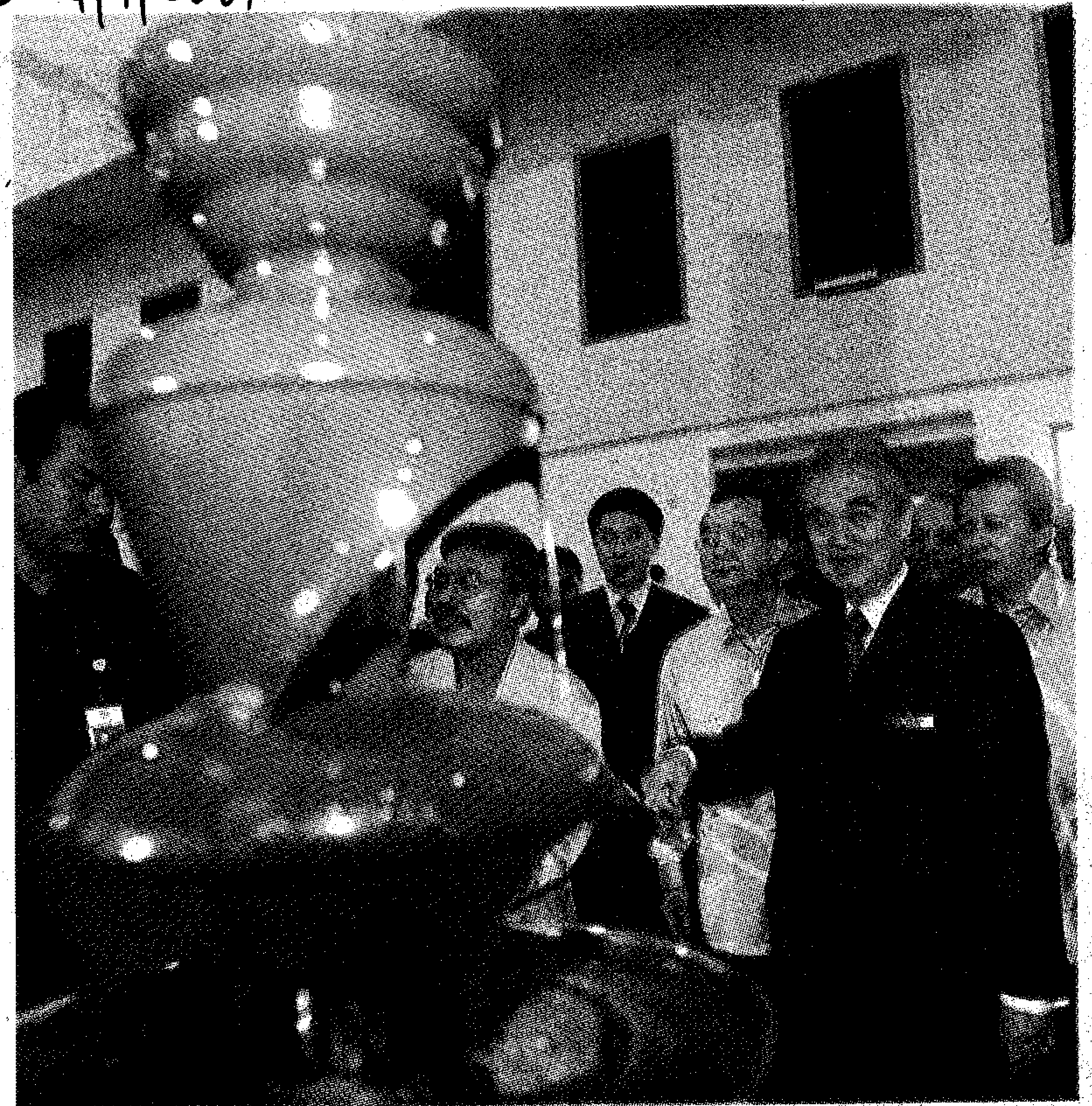
Abdullah said that such services by private companies were also available in other countries but it was important for these to be managed properly.

"The service must have the confidence of the people. If people do not want to use the service, what is the use of the company being a spy to gather such personal information?" he said, adding that when CTOS made conclusions based on incomplete and outdated information, the people concerned would be victimised.

No one would be happy if they were blacklisted based on incomplete credit information, he said.

On another matter, Abdullah said that Malaysia was not worried about

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**Interesting:** Abdullah looking at the dripping chocolate after opening the Malaysia International Commodity Conference and Showcase at PWTC yesterday in Kuala Lumpur yesterday. Also present was Plantation Industries and Commodities Minister Datuk Peter Chin (standing on Abdullah's right).

Indonesia overtaking its position as the world's largest palm oil producer.

He said Indonesia had a bigger land area for plantations and hence, had the potential to produce more

than Malaysia.

"It is up to them how they want to do it. It does not matter to us. We are happy if our friends are doing well and if they become richer," said Abdullah.