



September 2019

Central Credit Register – Amendments to Verification Requirements

Background

The Credit Reporting Act 2013 (Section 20) (Verification of Identity of Credit Information Subjects) Regulations 2016 (the “**2016 Regulations**”) were introduced by the Central Bank of Ireland (the “**Central Bank**”) on 20 September 2016. The 2016 Regulations set out the requirements for credit information providers (“**CIP**”) (i.e. lenders) to verify the identity of credit information subjects (“**CIS**”) (i.e. borrowers).

2019 Regulations

The Credit Reporting Act (Section 20) (Verification of Identity of Credit Information Subjects) (Amendment) Regulations 2019 (the “**2019 Regulations**”) aim to simplify the verification requirements in the 2016 Regulations. Part of the purpose for the changes is to avoid duplication of verification processes which have already been undertaken by CIPs under anti-money laundering legislation.

Amendments to 2016 Regulations

The 2019 Regulations amend the 2016 Regulations by providing that a CIP is not required to meet the verification requirements outlined in Parts 1, 2 and 3 of the 2016 Regulations if:

- (i) the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (the “**2010 Act**”) applies to the CIP and the CIP has verified the identity of the CIS pursuant to the requirements of the 2010 Act, or
- (ii) the CIP has complied with any other reasonable and reliable

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process to verify the identity of the CIS.

The 2019 Regulations amend Regulation 3 of the 2016 Regulations by providing that a CIP must record any process used for the purposes of the verification referred to at (i) and (ii) above, including an explanation of the circumstances in which such process was used.

Also of note is that the 2019 Regulations allow for copies of verification documents to be used in order to comply with verification requirements rather than originals.

Conclusion

The amendments are a welcome amelioration of some of the verification requirements to which lenders are subject, particularly where lenders have already satisfied the relevant requirements under other legislation.

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