



Press Release

Experian and MTN's Chenosis announce unique partnership to drive financial inclusion in South Africa

Kigali, 17 October 2023: In a first of its kind partnership, Experian, one of the largest credit bureaus in South Africa and Chenosis, a cross-industry Application Programming Interface (API) marketplace, a MTN Platform Company, have joined forces to leverage data to drive financial inclusion in South Africa.

Although there are an estimated 25 million credit active consumers in South Africa, more than 20%* of the population remain unbanked and rely on cash for their transactions. Financial inclusion plays a pivotal role in combatting poverty and contributing to inclusive economic growth.

Financial access for unbanked individuals can improve daily living, empower consumers and businesses, and reduce income inequality, thereby strengthening the resilience of marginalised populations and expanding employment opportunities.

Through the partnership, Experian will access consented data from MTN's mobile customers to establish alternative risk metrics. Incorporating information about airtime and data purchase patterns can be used to help boost a consumer's credit score or generate a new alternative credit score allowing more consumers to gain access to credit. Additionally, what makes this partnership unique is the technical capabilities brought by Chenosis which will enable real-time access via API to this alternative data – a game changer for the credit excluded consumer in South Africa.

"Improving financial inclusion is a core focus for Experian. We are committed to increasing financial health and fair access to credit in all the markets that we operate in. From a credit bureau perspective, there are millions of 'thin file' consumers in South Africa – those with limited or no information on a traditional credit bureau – who find themselves excluded from mainstream finance. They often face more difficulty or high costs when applying for financial products or services," explains **Ferdie Pieterse, CEO Experian Africa**.

An "unscorable" individual is not necessarily a high credit risk – rather they are an unknown credit risk. Many of these individuals pay rent on time and in full each month and buy airtime and data on a consistent, frequent basis and could be great candidates for traditional credit. They just don't have a traditional credit history to be used as a benchmark.

"We believe that lenders need to go beyond traditional scoring criteria and consider a multitude of non-traditional variables to support their risk assessment processes. Our aim through this partnership is to introduce prepaid data to potentially help build a financial footprint and positively impact the lives of many," comments **Pieterse**.

When additional sources of data – like mobile airtime or data payments – are incorporate into the risk assessment, a much more comprehensive picture of the consumer at a hyper personalised individual level emerges.

These insights help lenders to enhance their risk decisions, refine their provision overlay models based on statistically proven behavioural variables, and most importantly expand their target credit universe by using non-traditional data to assess risk and predict future performance on individuals that have no credit track record.

"Chenosis is excited to support Experian's drive to provide more access to Financial Services for traditionally underserved sectors of South Africa's population. This use case exemplifies the power of APIs to facilitate consented data between parties in a secure, authorised, authenticated manner with a clear governance framework to maintain data privacy. We believe this is just the beginning of our partnership with Experian, and hope to jointly build an API Ecosystem which will solve problems and



create opportunities for consumers and businesses by providing a platform to exchange data and services securely via APIs,” commented **Saad Syed, CEO, Chenosis**.

Pieterse adds, “We believe that leveraging new and more appropriate data sources is the key to bringing more people into the formal credit economy. To this end, Experian recently launched *Up*, a web-based app that enables consumers to manage their financial wellness through gamified credit and financial education, budgeting, and the ability to track and manage their credit scores on a regular basis. With the required permission, consumers using the *Up* app, are able to build an alternative credit score using hundreds of alternative data points.”

Improving financial access for thin-file and credit invisible consumers will play an integral role in strengthening our economy. In the current economic climate, it has never been more important to protect consumers’ financial health and maintain the integrity and accessibility of the credit economy. Combining traditional credit data with alternative data to access consumer creditworthiness plays a critical role in achieving this.

Ultimately, this alternative data can improve credit access and decisioning for millions of consumers in South Africa who may otherwise be overlooked. This partnership is a great example of how both organisations are combining their efforts to leverage the data that exists and determine how it can help support today’s diverse consumer base.

**<https://oxfordbusinessgroup.com/analysis/final-20-reaching-unbanked-population-complex-task>*

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About Experian

Experian is the world’s leading global information services company. During life’s big moments – from buying a home or a car, to sending a child to college, to growing a business by connecting with new customers – we empower consumers and our clients to manage their data with confidence. We help individuals to take financial control and access financial services, businesses to make smarter decisions and thrive, lenders to lend more responsibly, and organisations to prevent identity fraud and crime.

We have 22,000 people operating across 32 countries and every day we’re investing in new technologies, talented people, and innovation to help all our clients maximise every opportunity. With corporate headquarters in Dublin, Ireland, we are listed on the London Stock Exchange (EXPN) and are a constituent of the FTSE 100 Index.

Learn more at www.experianplc.com or visit our global content hub at our global news blog for the latest news and insights from the Group.

About Chenosis

Launched in 2022, Chenosis is an emerging techco with the sole purpose of widening access to incredible coding solutions. We believe that everyone should have access to the benefits of code, and our overarching goal is to facilitate developers, enterprises, partners, and a growing community through a marketplace that offers you transformative tools.

Born out of MTN’s intentional expansion beyond the telco space, our strategy is to build an ecosystem that creates connections and challenges limitations. We want you to grow, simpler and faster. Join our community to re-imagine what growth looks like. www.chenosis.io [Linkedin](#) / [Facebook](#) / [Instagram](#)