

Credit Management System (CMS)

PRIVACY IMPACT ASSESSMENT (PIA) SUMMARY

System Name: Credit Management System (CMS)

Managing Office: USAID Office of Development Credit (EGEE/DC)

Date PIA Completed: July 24, 2018

OVERVIEW

The Credit Management System (CMS) was developed in 2002 to help manage USAID credit programs for the USAID Office of Development Credit (EGEE/DC), or DCA. Founded in 1999, DCA is USAID's primary tool for mobilizing private capital. Through the program, USAID operating units partner with local banks and other lending institutions to help mobilize credit into critical and underbanked sectors, such as micro and small enterprise development, microfinance, agriculture, health, education, energy, infrastructure, and governance; the CMS platform is critical in the management of this global guarantee portfolio. Partner lending institutions across multiple regions continuously enter loan information into the system including borrower data, impact data, and loan behavior data that includes disbursements, repayments, and current balances. USAID then uses that data to invoice fees, process claim submissions, manage contingent liability exposure, monitor cash-flow, and produce a series of reports that track and analyze partner compliance, program performance, and impact data. In addition, USAID mission offices of financial management use disbursement and claim data housed in CMS for budget accruals and USAID/CFO uses CMS to track portfolio receivables and subsidy disbursements. Other partners, such as co-guarantors, implementing partners, and others also use CMS to track the progress and performance of the program. For DCA, the platform acts not just as a data center but as a feedback mechanism that helps track trends and partner behavior, which then is used to prioritize interventions and improve project design.

AUTHORITY FOR COLLECTION OF PERSONALLY IDENTIFIABLE INFORMATION (PII)

Development Credit Authority (DCA) is the legislative authority that permits USAID to issue partial loan guarantees to private lenders to achieve the economic development objectives in section 256 and 635 in the Foreign Assistance Act of 1961 (FAA).

INFORMATION COLLECTION (WHAT)

The following data elements are collected: name, borrower's city/town or state/province, work phone number, and work email address

INFORMATION COLLECTION (WHY)

CMS collects certain information from its beneficiaries, whether they are individuals or businesses. The specific PII elements are the name of the borrower (which may be an individual borrower's name or a business name) and a borrower's (person or a business) location (city/state/province). The borrower's email is not collected. Mission Staff and Bank Contact information contains only work email and work phone numbers. The system does not provide an interface to allow for the querying via a borrower's last name. Borrower's data cannot be queried with any unique identifier.

A business name is recorded to track who receives the loans guaranteed by CMS.

AGENCY INTENDED USE

The Credit Management System (CMS) was developed in 2002 to help manage USAID credit programs for the USAID Office of Development Credit (E3/DC). CMS assists financial institutions (FIs) that participate in USAID's credit programs by sharing and coordinating data with USAID. This enables USAID to encourage financial institutions to lend their own capital to creditworthy but underserved sectors. The Credit Management System (CMS) stores and processes data related to USAID credit programs. The system provides information related to loans under USAID guarantee coverage. It facilitates the flow of information between financial institutions and USAID to accelerate fees and claims processing, and to avoid data entry duplication. It does not interact with any other systems. No data is transmitted from the system besides a few generic emails to users.

CMS is an Internet-based database tool that allows FIs to enter data electronically into a central monitoring system. The system provides users with 24-hour access to information related to loans under USAID guarantee coverage. Most importantly, CMS facilitates the flow of information between FIs and USAID to accelerate fees and claims processing and to avoid data entry duplication.

CMS is a Minor Application used to monitor loans placed under coverage for USAID's Development Credit Authority (DCA) guarantee program. USAID Missions partner with banks in USAID-supported countries to provide loan guarantees for lending in underserved sectors. The bank partners are required to report to USAID semi-annually on their guaranteed portfolio. The reports include information such as names of borrowers (typically small businesses) placed under coverage, loan sizes, loan tenors, loan sector, loan purpose, and outstanding balances.

INFORMATION SHARING

No PII is shared outside of USAID.

NOTICE OF OPPORTUNITIES FOR CONSENT

The banks capture the information from the borrowers. CMS captures the minimal information to identify the borrower: the borrower name, city/town and state/province/region. This minimal information is mandatory.

SYSTEM OF RECORDS NOTICE (SORN)

This system is not a Privacy Act system because the PII pertains to individuals operating in an entrepreneurial capacity.