**NCR SAYS THAT CONSUMERS SHOULD PAY ATTENTION TO DETAIL, AS THE COUNTRY COMMEMORATES MONEY SMART WEEK**

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**JOHANNESBURG-** Money Smart Week South Africa 2025(MSWSA2025), is a country-wide initiative by the National Treasury, and runs from the 25th August to 31st August 2025, and is aimed at educating and empowering consumers on key financial matters. The National Credit Regulator (NCR) joins MSWSA2025 by encouraging South Africans to make informed and responsible credit and money decisions in order to improve their financial wellbeing. As the regulator responsible for the South African consumer credit market, the NCR’s participation is focused on raising awareness about responsible borrowing, budgeting, and increasing knowledge of the available consumer protection mechanisms says Ms. Lynette De Beer, Interim Chief Executive Officer at the NCR.

The MSWSA initiative is designed to promote financial education and to empower consumers with the knowledge and tools they need to improve their financial wellbeing. The NCR’s focus during this week, and beyond, is towards helping consumers understand their rights and responsibilities, avoid reckless lending, reckless spending, whilst managing their money/credit wisely.

With many South African households facing rising living costs and mounting credit obligations, it is now more important than ever for consumers to make informed and responsible financial decisions. Therefore, the MSWSA initiative provides the perfect opportunity for consumers to reflect on their credit behaviour and adopt practical steps to protect and strengthen their financial positions by using money and credit wisely adds Ms De Beer.

Ms De Beer further adds that using money and credit wisely is one of the most important steps a consumer can take to improve their financial position and ultimately achieve stability and independence and avoid over-indebtedness. Wise credit decisions and prudent money management can be achieved by tracking your spending habits - proper planning, sensible spending and by saving. By taking control of their finances and developing good money habits, consumers can improve their financial position, reduce stress, and begin to work towards long-term financial goals.

Equally important is building a culture of saving. Even small, regular contributions to a savings account can add up over time and contribute to better financial resilience by

providing a safety net for unforeseen circumstances, such as medical emergencies, loss of income or urgent family responsibilities. Without savings, consumers may be forced to turn to high-cost credit with unregistered credit providers who when emergencies arise, making it even harder to improve their financial position.

Wise credit and money management also includes avoiding unnecessary and excessive debt. Credit, when used responsibly, can support important goals like buying a home or furthering one’s education. However, using credit carelessly to fund day-to-day living expenses or to buy luxury items, for example, can lead to severe financial challenges, including over-indebtedness. It is crucial to only borrow when absolutely necessary and when one is confident that the repayments are manageable. Furthermore, before signing any credit agreement, consumers should make sure they fully understand the terms and conditions, including interest rates, monthly instalments and other fees.

The NCR will use Money Smart Week 2025 to highlight the importance of responsible borrowing, the benefits of budgeting and most importantly, the impact of managing one’s credit profile gainfully. The NCR encourages all consumers to take the following tips to improve their credit and money behaviour:

* **Draw up and follow a budget**- Ensure that essential expenses such as rent, transport and groceries are covered, and allocate funds for credit repayments.
* **Avoid unnecessary debt**- Think carefully before taking on new credit and only borrow when it is absolutely necessary and affordable.
* **Understand credit agreements**- Always ask for and read a quotation before signing any credit contract. Ensure you understand all costs, including interest and service fees.
* **Understand the full cost of credit-** Before signing any credit agreement, request a quotation and ensure you understand all associated fees, including interest, initiation fees and monthly service fees.
* **Know your credit profile**- Check your credit report with a registered credit bureau at least once a year – it is free and allows you to identify errors and monitor your credit standing.
* **Ask for help early**- If you can’t keep up with repayments, contact your credit provider as soon as possible to make payment arrangements. Alternatively, seek assistance from a registered debt counsellor.
* **Avoid using credit cards unnecessarily**- Credit is expensive, know the difference between good and bad debt.
* **Always remember that Cash is King** – Buying in cash is better than spending more on credit in the long run.
* **Don’t spend money to finance a “lavish lifestyle that you don’t need**-Don’t fall into the trap of spending on things that only give temporary validation.
* **Compare prices between different retail stores**- Always compare prices, don’t just gran the first option you see
* **Beware of scams-** Stay alert and protect your money and personal information, scammers are everywhere, and they are getting smarter by day. Always verify
* **Read and understand the terms and conditions-** Never agree or sign anything you don’t fully understand.
* **Pay your store-accounts on time and in full**- Avoid unnecessary interest or penalties by prioritising your debt payments every month

Financial education plays a major role in helping consumers use their money and credit more wisely. Taking the time to learn basic financial concepts, such as budgeting, interest rates, consumer rights and saving, equips consumers with practical knowledge that can improve their decision-making. Informed consumer is a protected consumer, which is more likely to avoid credit scams, recognize signs of reckless lending and take proactive steps to protect their financial wellbeing.

In conclusion, the NCR will be engaging with the public through radio, online platforms and social media throughout MSWSA to promote responsible money and credit management. Consumers are encouraged to participate and use this valuable opportunity to improve their financial knowledge and make smarter decisions. Using money wisely is fundamental to improving one’s financial efforts. By prioritising needs over wants, setting and following a budget, avoiding unnecessary debt, creating a saving culture, monitoring financial behaviour and continuously educating oneself, consumers can strengthen their financial health. These small, consistent and intentional steps not only reduce the risk of financial distress but also empower people to achieve their long-term goals and build a more secure future for themselves and their families.

**ISSUED BY: CORPORATE COMMUNICATIONS AT THE NATIONAL CREDIT REGULATOR (NCR) ON BEHALF OF THE EXECUTIVE MANAGEMENT TEAM**

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***ABOUT THE NATIONAL CREDIT REGULATOR***

The National Credit Regulator is tasked with regulating the South African credit industry, ensuring fair practices, promoting responsible lending, and protecting consumer rights under the National Credit Act.