

## COMPLAINTS MANAGEMENT UPDATE

December Quarter 2016

### A. Background

In January 2010, the Reserve Bank of Fiji (RBF) issued its Supervision Policy on Complaints Management to the Licensed Financial Institutions (LFIs)<sup>1</sup>.

The Policy requires LFIs to implement a Complaints Management Framework that will effectively and efficiently resolve complaints by customers of LFIs. The Policy also enables customers who are dissatisfied with the outcome of their complaints with the LFIs, to refer their complaints to the RBF for mediation and resolution.

This report provides an update on the complaints referred to the RBF in the December quarter of 2016. The complaints data provided in this report excludes the complaints received and resolved by the LFIs at their level.

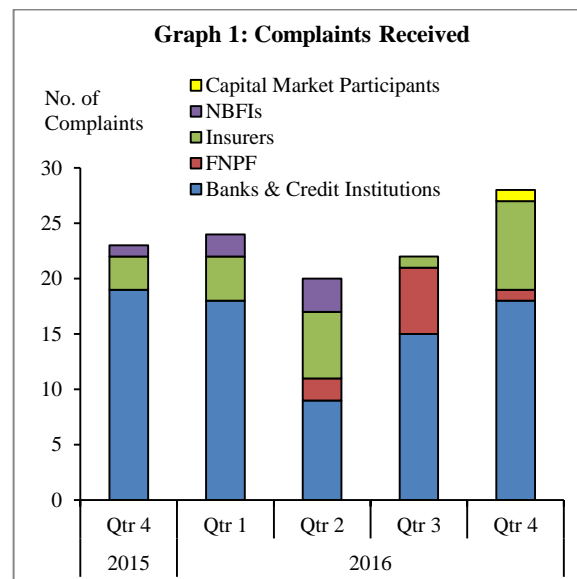
### B. Highlights

In the December quarter of 2016, 29 complaints were referred to the RBF for mediation and resolution.

This was an increase from 22 complaints received in the previous quarter and 23

complaints when compared to the same period last year.

The complaints received were related to Capital Market Participants, Non-Bank Financial Institutions (NBFIs), Insurers, Fiji National Provident Fund (FNPF) and Banks and Credit Institutions (Graph 1).



Source: Reserve Bank of Fiji

### C. Complaints Analysis

For the review quarter, 16 complaints were resolved and 13 complaints are still pending investigation. Of these 13 complaints, two complaints are with RBF for assessment, 11 complaints are with the LFIs. Similarly, two complaints were pending in the previous quarter and are with LFIs (Table 1).

<sup>1</sup> Commercial Banks, Credit Institutions, Capital Market Participants, Insurance Companies or Brokers, FNPF and Foreign Exchange Dealers.

**Table 1: Status of Complaints Received**

Industry Type	2015		2016							
	Qtr 4		Qtr 1		Qtr 2		Qtr 3		Qtr 4	
	R	P	R	P	R	P	R	P	R	P
Banks & Credit Institutions	19	0	18	0	9	0	15	1	18	7
Insurers	3	0	4	0	6	0	6	0	8	4
Capital Market	0	0	0	0	0	0	0	0	1	1
FNPF	0	0	0	0	2	0	1	1	2	1
NBFIs	1	0	2	0	3	0	0	0	0	0
<b>Total</b>	<b>23</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>22</b>	<b>2</b>	<b>29</b>	<b>13</b>
<b>Resolved</b>	<b>23</b>		<b>24</b>		<b>20</b>		<b>20</b>		<b>16</b>	

Source: Reserve Bank of Fiji

R – Complaints Received  
P – Pending Complaints

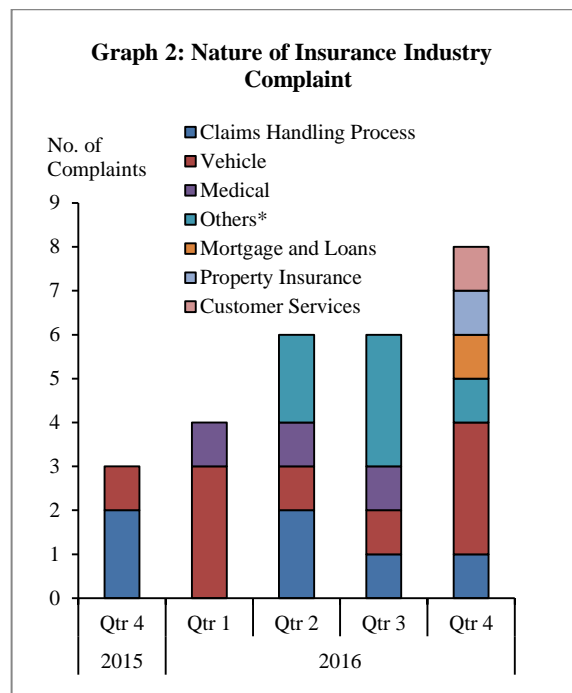
**D. Complaints under Investigation and Resolved**

For the December quarter, 55 percent of the complaints were resolved.

Resolution of these complaints included reversal of incorrect payments, loan repayment arrangements, assisting the customer to better understand their insurance policy document and the claims procedure, reversal of fees and charges, payment of insurance claim, clarification on surrender value and rebate of interest charged to loan account.

**E. Types of Complaints Received**

The complaints received by the RBF against the insurers were on motor vehicle insurance, disagreement on insurance claim amount, refund of premiums and the claims handling process (Graph 2).



Source: Reserve Bank of Fiji

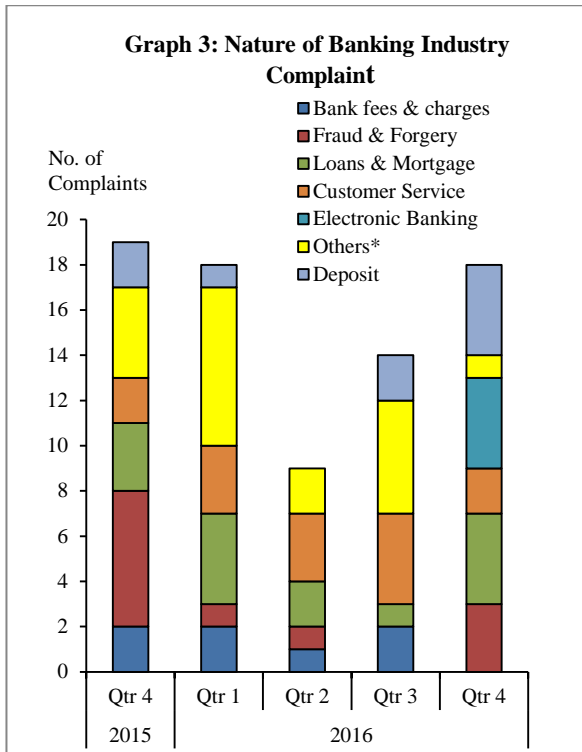
*\*other complaints include mortgage advertisement in newspapers, not receiving notice on premium payments, loan arrear and conduct of brokers.*

The nature of complaints received by the RBF on the Banks and Credit Institutions were mainly on loans and mortgages, customer service, deposits, fees and charges, fraud and electronic banking (Graph 3).

**F. Consultative Meetings**

During the quarter, the RBF held 17 meetings with complainants to resolve their complaints.

In addition, the RBF held four meetings with financial institutions. These meetings involved mediation and clarification of issues raised by complainants.



Source: Reserve Bank of Fiji

*\*Other complaints include delay in telegraphic transfer transactions, disputes on mortgage protection cover, disputes on standard order instruction for bill payments and delays in responding to customer's queries.*

**Reserve Bank of Fiji**  
**December 2016**