

COMPLAINTS MANAGEMENT UPDATE

June Quarter 2015

A. Background

In January 2010, the Reserve Bank of Fiji (RBF) issued its Supervision Policy on Complaints Management to the Licensed Financial Institutions (LFI's).¹

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

This report provides an update on the complaints referred to the RBF in quarter 2, 2015. The complaints data provided in this report exclude the complaints received and resolved by the LFIs at their level.

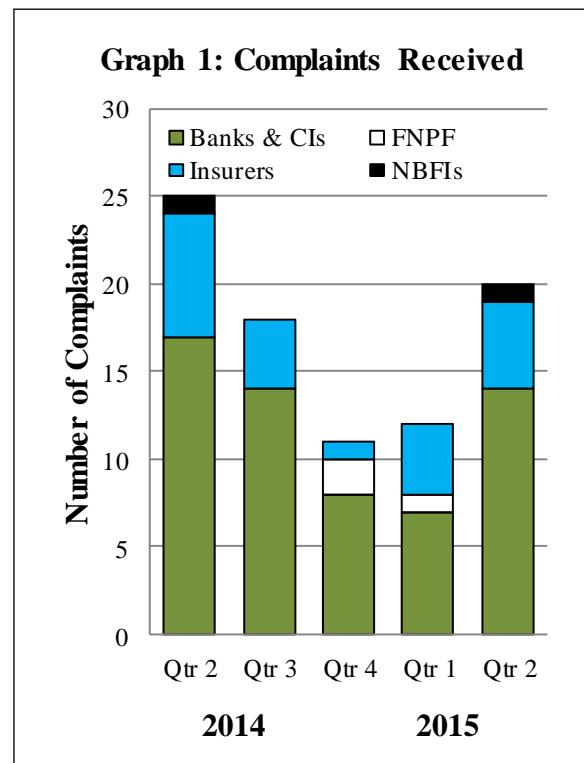
B. Highlights

In the second quarter of 2015, 20 complaints were referred to the RBF for mediation and resolution.

This was an increase from 12 complaints received in the first quarter of 2015. However, a decrease was noted in the

complaints received when compared to the same period last year.

The complaints received were related to the insurance, banking and credit institutions (Graph 1).



Source: The Reserve Bank of Fiji

C. Complaints Analysis

In the review quarter, six complaints remained unresolved. One complaint is currently being assessed by RBF while the remaining five complaints have been

¹ Commercial Banks, Credit Institutions, Capital Market Participants, Insurance Companies or brokers, FNNP and Foreign Exchange Dealers

forwarded to LFIs for clarification (Table 1).

Table 1: Status of Complaints Received in Quarter 2, 2014 - Quarter 2, 2015

Industry Type	2015				2014					
	Qtr.2		Qtr.1		Qtr.4		Qtr.3		Qtr.2	
	R	P	R	P	R	P	R	P	R	P
Banking & CIs	14	4	7	0	8	0	14	0	17	0
Insurance	5	2	4	0	1	1	3	0	7	0
FNPF	0	0	1	0	2	0	0	0	0	0
NBFI	1	0	0	0	0	0	0	0	1	0
Total	20	6	12	0	11	1	17	0	25	0
Resolved	14		12		10		17		25	

Source: The Reserve Bank of Fiji

R – Complaints Received

P – Pending Complaints

Complaints under investigation and resolved

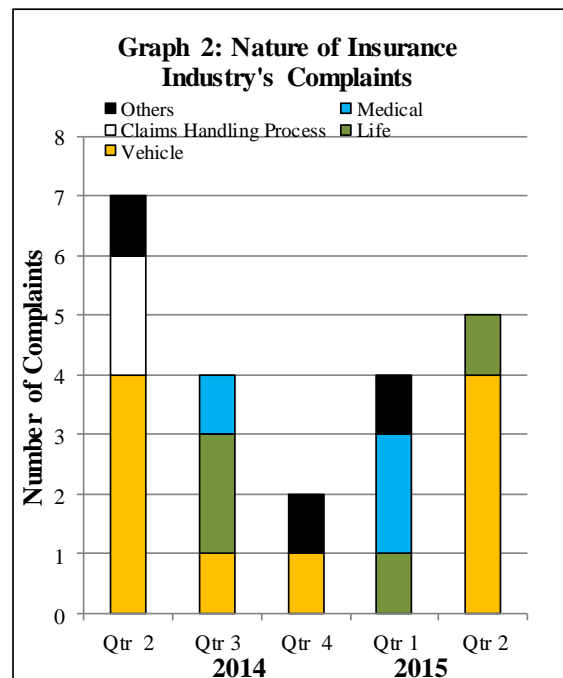
For the complaints received in the December 2014 quarter, one remained unresolved. This complaint has been forwarded to the relevant LFI for clarification. RBF has met with the LFI on the complaint and is awaiting a response on the issues raised.

For the June 2015 quarter, 70 percent of the complaints were resolved.

Resolution to these complaints included reversal of fees and charges, bringing the complainant and LFI together to better understand their positions, payment of unclaimed monies and rebate of interest.

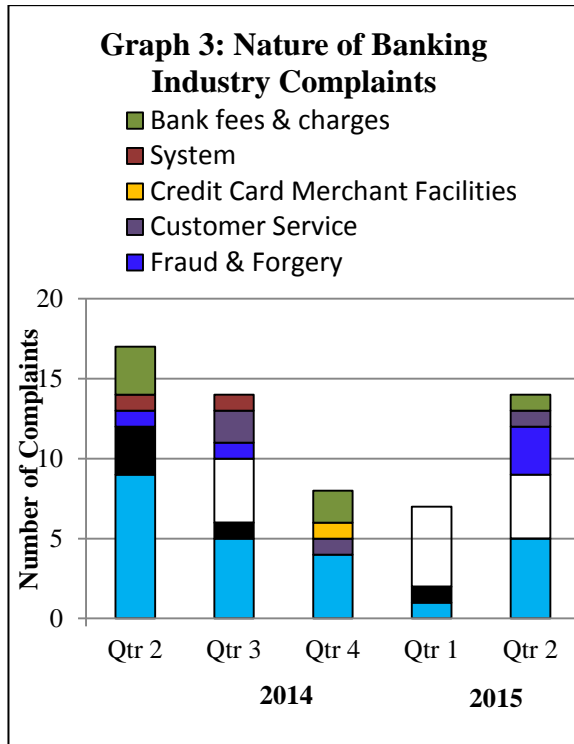
D. Types of Complaints Received

The complaints received by the RBF against the insurance industry were on life insurance policy payout and vehicle claims (Graph 2).



Source: The Reserve Bank of Fiji

The nature of complaints received by the RBF on the banking and credit industry were mainly on lending, mortgage and fraud (Graph 3).



Source: The Reserve Bank of Fiji

E. Consultative Meetings

During the quarter, the RBF held nine meetings with complainants to address their complaints.

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

F. Other Major Activities

One onsite examination of LFIs (New India Assurance) was conducted by the RBF to ensure compliance with the Policy Guideline on Complaints Management.

Reserve Bank of Fiji
July 2015