

RESERVE BANK OF FIJI

COMPLAINTS MANAGEMENT UPDATE

September Quarter 2017



A. Background

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

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, to refer their complaints to the RBF for mediation and resolution.

Since 2012 the RBF has also been conducting mediations between Complainants and LFIs to try and resolve complaints amicably. Mediation is a form of Alternative Dispute Resolution (ADR) where the parties themselves reach a consensus decision to resolve their complaints. The Reserve Bank plays a facilitating role in the process. Mediation is an effective and efficient process which is free of charge and enables the parties to avoid the expensive fees charged by the legal system to resolve their complaints.

This report provides an update on the complaints referred to the RBF in the September quarter of 2017. The complaints data provided in this report excludes the complaints received and resolved by the LFIs at their level.

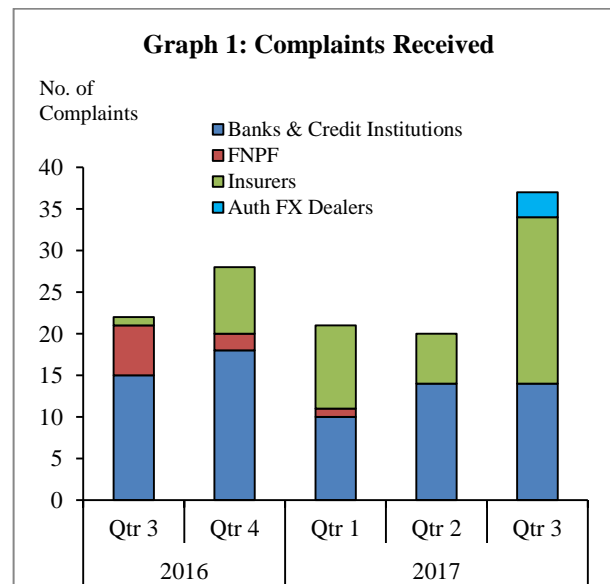
¹ Commercial Banks, Credit Institutions, Capital Market Participants, Insurance Companies & Brokers, FNPF and Foreign Exchange Dealers.

B. Highlights

In the September quarter of 2017, 37 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 related to Banks and Credit Institutions, FNPF, Insurance Companies, and Authorised Foreign Exchange (FX) Dealers (Graph 1).



Source: Reserve Bank of Fiji

C. Complaints Analysis

For the review quarter, 27 complaints were resolved and 10 complaints are currently with the LFIs for investigation (Table 1).

Table 1: Status of Complaints Received

Industry Type	2016				2017					
	Qtr 3		Qtr 4		Qtr 1		Qtr 2		Qtr 3	
	R	P	R	P	R	P	R	P	R	P
Banks & Credit Institutions	13	0	17	0	12	0	14	0	14	2
Insurers	9	0	7	0	10	0	7	0	20	8
Capital Market	0	0	1	0	1	0	0	0	0	0
FNPF	1	0	2	0	1	0	0	0	0	0
Auth FX Dealers	0	0	0	0	0	0	1	0	3	0
Total	23	0	27	0	24	0	22	0	37	10
Resolved	23		27		24		22		27	

Source: Reserve Bank of Fiji
R – Complaints Received
P – Pending Complaints

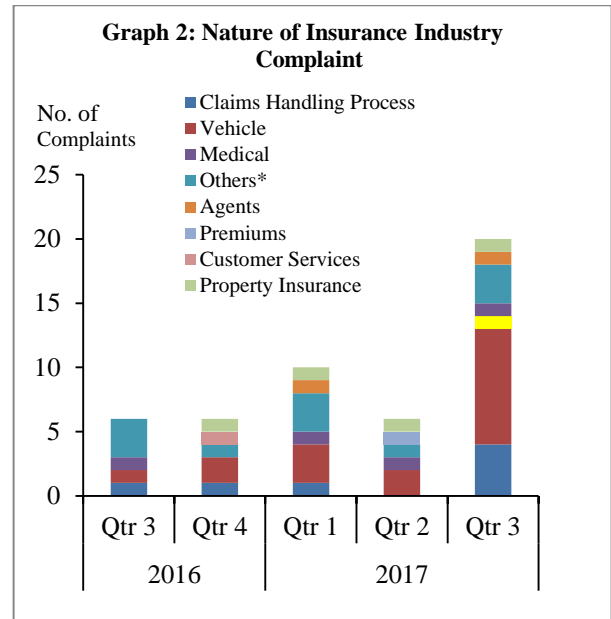
D. Complaints under Investigation and Resolved

For the September quarter, 73 percent of the complaints were resolved.

Resolution of these complaints included mediation with the parties to better understand their financial commitments, loan repayment arrangements, reversal of fees & charges and claims procedures.

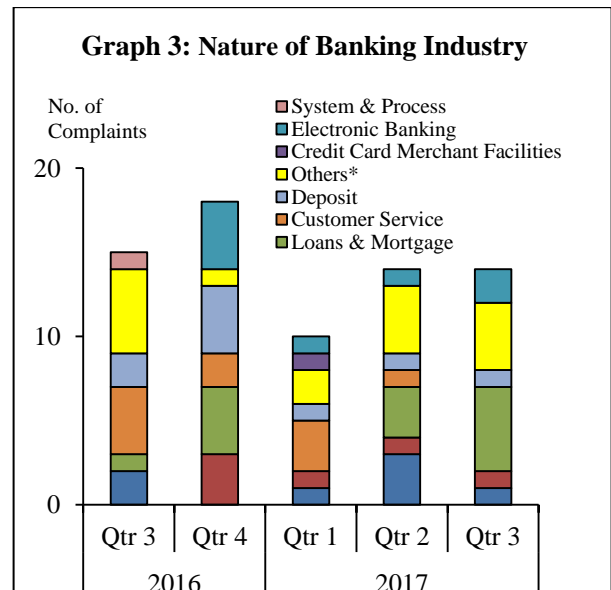
E. Types of Complaints Received

The complaints received by the RBF against insurers were on motor vehicle insurance, medical insurance claims and other insurance related issues (Graph 2).



Source: Reserve Bank of Fiji
*other complaints include terms and conditions of the policy and staff conduct.

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



Source: Reserve Bank of Fiji
*Other complaints include fees & charges and staff attitude.

F. Consultative and Mediation Meetings

During the quarter, the RBF held 9 consultative meetings with complainants or LFIs to clarify their complaints.

In addition, the RBF held 13 mediation meetings with both complainants and financial institutions to try and resolve their complaints.

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