

RESERVE BANK OF FIJI

Complaints Management Bulletin

Quarter 1, 2024



COMPLAINTS ESCALATED TO RBF

10 new complaints received in this review quarter.

2 resolved within the reporting period and **4** carried forward from Q4, 2023.

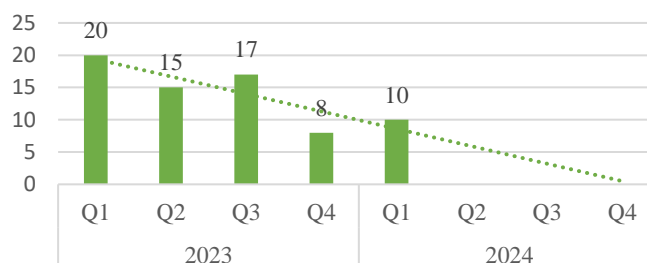
Top 3 Complaint Types

8	Account Access
1	Loan
1	Insurance

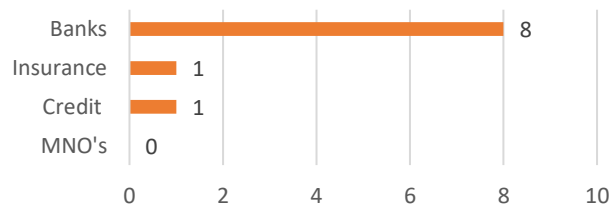
Location

6	Central
3	Western
1	Overseas

COMPLAINTS ESCALATED TO RBF IN Q1 2024



BREAKDOWN OF COMPLAINTS FROM LFIs



Source: Reserve Bank of Fiji

In the March 2024 quarter, the RBF assessed 14 complaints, of which 10 were new and 4 were carried forward from the previous quarter. Of the total assessed:

- 6 were resolved within the review period
- 8 have been carried forward for resolution in Q2, 2024

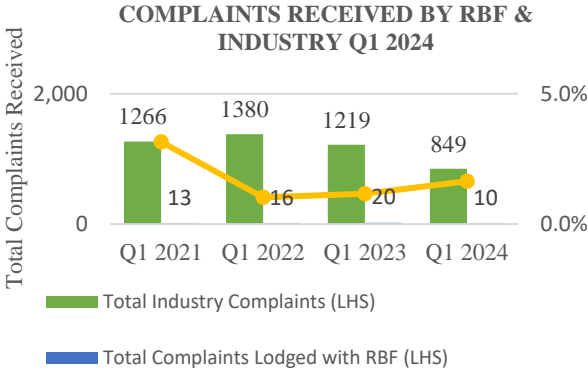
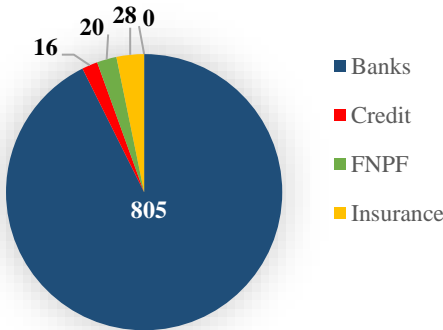
The delay in resolving complaints within this review period was caused by slow responses from complainants and incorrect submission of documents, coupled with delayed assessments from LFIs involved.

Of the 10 new complaints escalated to the RBF in this quarter, 8 were from the banking sector, 1 from Insurance and 1 from a Credit Institution, covering 17 separate underlying issues. Majority of these issues were related to customer service, fraud and account fees.

In the review quarter, the banking and credit industry faced several challenges, with electronic banking and customer service issues being the most prominent. System-related issues and fees remained a concern as LFIs revised fees and charges including electronic banking conditions for personal, business and commercial customers. The increase in electronic banking concerns can be attributed to user error and accessibility issues. Customers faced challenges in navigating banking platforms due to unfamiliarity with the technology or accidental mistakes such as entering incorrect information or transferring funds to the wrong recipient. One complaint relating to online fraud is still under investigation.

Poor communication between customers and their service providers have led to misunderstanding, misaligned expectations, and customer dissatisfaction. The Reserve Bank continues to encourage LFIs to work on improving their communications with customers by simplifying responses and refraining from using industry jargon.

INDUSTRY REPORT



SUMMARY INDUSTRY REPORT

At the industry level, Banks received a total of 805 complaints, 28 complaints from the Insurance sector, 20 complaints from the Fund, and 16 from licensed Credit Institutions. RFEDs report on a six monthly basis hence, no data was received in this quarter.

In this review quarter, 869 complaints were lodged directly with the supervised entities. This number represented a 37.3% increase from the previous quarter and a 28.7% decrease when compared to the same period in 2023.

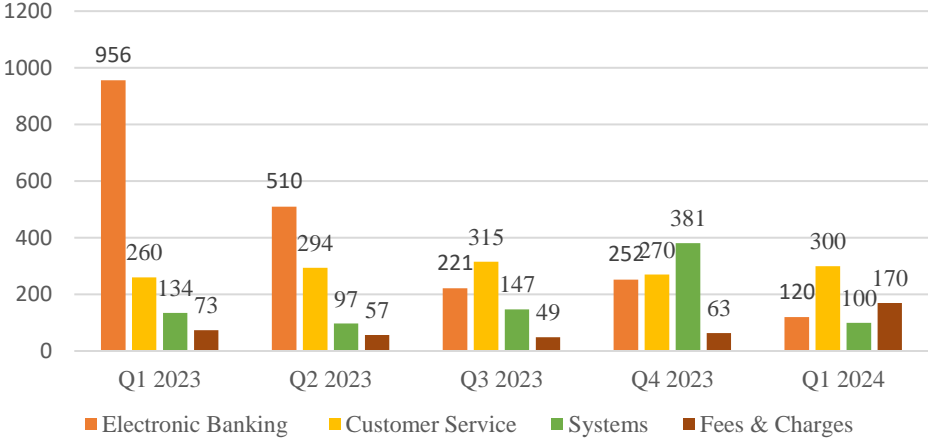
Of these complaints, 97.5% (847) were resolved within the reporting period and only 1.2% (10) of the total complaints received by the industry were escalated to the RBF for mediation.

BANKS

805 (94.8 %) complaints made to Banks.

796 complaints resolved in quarter 1, 2024. (Includes complaints carried forward from quarter 4, 2023)

BANKS - TOP COMPLAINT TYPES



Source: Commercial Banks

TOP COMPLAINT TYPES

1. Customer Service

Customer services related complaints continue to feature in the top 3 types of complaints in this industry. When compared to the same period in 2023, there was an 11.1% increase in complaints. Complaints received during the reporting period were related to poor customer service and behaviour, lack of follow-up, delays in responding to queries, provision of incorrect information and long queues during peak business hours.

2. Electronic Banking

Electronic banking complaints increased by 9.1% over the quarter but decreased by 52.4% when compared to the same period in 2023. The complaints were attributed to poor network connectivity in certain areas, rendering incomplete transactions over the mobile banking applications and transaction errors related to incorrect punching in of figures and account details. This can also be attributed to the increased intensity in the number and value of transactions during the festive season.

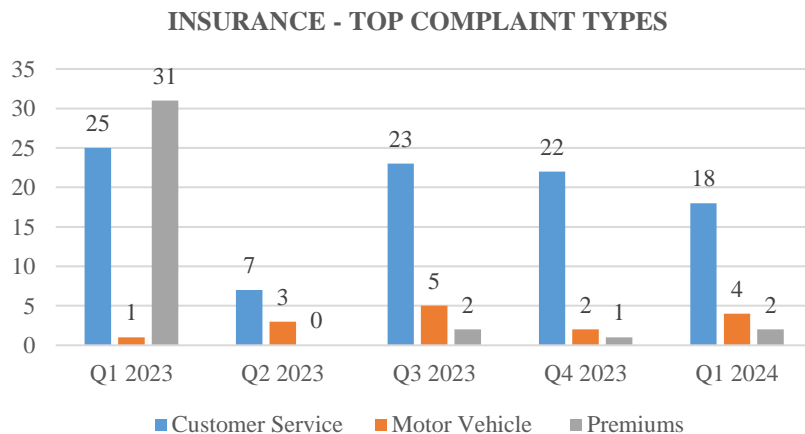
3. Fees and Charges

Fees and charges-related complaints featured in top 3 types of complaints escalated to Banks in this quarter, replacing System related issues in the previous quarter. For this reporting period, there were 170 fees and charges related complaints which is an increase of 347.4 % over the quarter and a further increase of 169.8 % when compared to the same period in 2024. This was due to the revision of some fees and charges by one bank on cash handling fee for deposits of \$3,000 and over per business processing day. And other systematic reforms to cater for current market developments such as alignment to enhanced payment system.

INSURANCE

28 (3.3 %) complaints received by the Industry

17 (60.7% resolution) complaints resolved



Source: Insurance Industry

Total insurance related complaints decreased by 24.3% when compared to the last quarter and similarly, decreased by 58.2% on an annual basis.

TOP COMPLAINT TYPES

1. Customer Service

Customer service continues to account for the most number of complaints in this industry. Complaints relating to customer service accounted for 64.3% (18) of total complaints reported by insurers, and showed a decrease of 18.2% over the review quarter and similarly by 28% when compared to the same period in 2023.

Lack of effective communication from the insurers to policyholders is a major contributory factor to the overall increase in insurance-related complaints when compared to the last quarter. Whilst a decrease has been reported when compared to the last quarter, communication gaps, insufficient and unclear information about policy terms and coverage, or changes in a product, consequently lead to dissatisfied customers.

2. Motor Vehicle

Motor Vehicle Insurance related complaints accounted for 14.3% (4) of total complaints received by the Insurance industry in this quarter. The rise in motor vehicle-related insurance complaints can be attributed to difficulties and delays in the claims process and the rise in repairing costs for electric/hybrid vehicles that require more technological auto parts that are shipped from overseas.

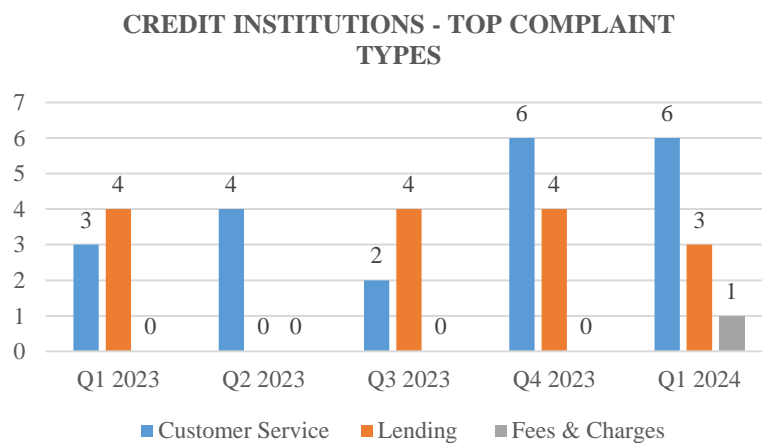
3. Premiums

Insurance premiums registered in the top 3 complaint types of insurance-related complaints in this quarter replacing “Terms and Conditions” related complaints. Over the quarter, premium complaints increased by 100% from 1 to 2 complaints but decreased by 93.5% when compared to the same period in 2023. The rise in this nature of complaint can be attributed to errors in how premiums are applied—miscalculating premiums based on customer’s information, and premiums paid not being reflected in the customer’s account.

CREDIT INSTITUTIONS

16 (1.9 %) complaints made to Credit Institutions.

14 complaints resolved in quarter 1, 2024. (Includes complaints carried forward from quarter 4, 2023)



Source: Credit Institutions

TOP COMPLAINT TYPES

1. Customer Service

Customer services related complaints continue to feature in the top 3 types of complaints in this industry registering an increase by 16.7% over the quarter, and an increase of 133.3 % year on year. Complaints received during the reporting period were related to poor customer service and behaviour, lack of follow-up, delays in responding to queries and the provision of insufficient or incorrect information.

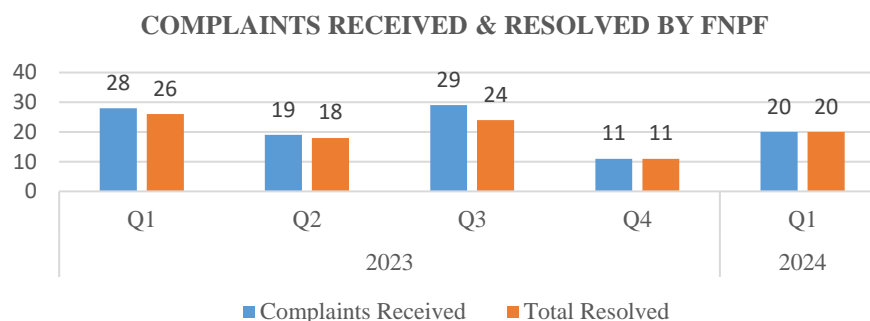
2. Lending

Complaints related to lending were received in this review quarter with 3 complaints received by the credit industry. When compared to the previous quarter, complaints of this nature registered a decrease of 25%, similarly a decrease of 25% for the same period in 2023. The rise in lending related complaints can be attributed to complex loan products with hidden fees or unclear terms might leave borrowers feeling misled and confused, thus fuelling complaints.

3. Fees and Charges

In this review quarter, 2 complaints received by the credit industry related to fees and charges. When compared to the same period in 2023, no complaints were received for this complaint type. The increase from the last review quarter can be attributed to misrepresentation of underlying fees and charges, and difficulty in consumers understanding of the various fees involved in a loan product.

FIJI NATIONAL PROVIDENT FUND



Source: Fiji National Provident Fund

Over the quarter, the fund received a total of 20 new complaints. This is an increase of 81.8% over the past quarter but a decrease of 28.6% when compared to the same period in 2023. On the nature of complaints received by FNPF in this review quarter, 55% (11) were grievances against FNPF policies and 45% (9) were customer service related issues. The rise in complaints made against FNPF related policies can be attributed to the revision of FNPF withdrawal policies carried out by the fund towards the end of 2023. Despite the increase in complaints received by the fund in the review quarter, it successfully resolved all complaints within the review period with an 81.8% resolution when compared to the previous period, but a notable decrease of 23.1% year on year.

RFEDs and MCs

This industry report is prepared on a six monthly basis, the next report will be as at June 2024.