

RESERVE BANK OF FIJI

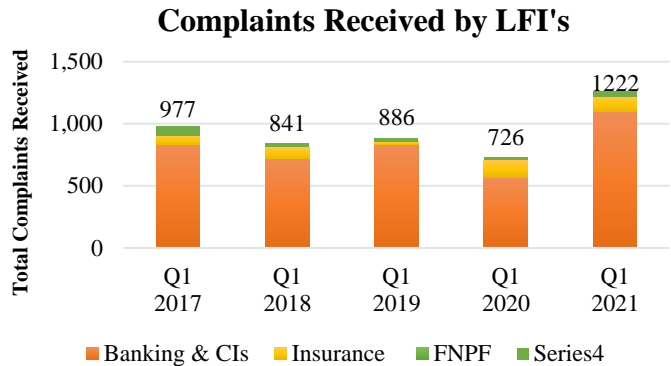
Complaints Management Bulletin



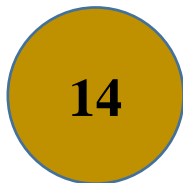
Key Highlights – Q1 2021

In the review quarter, 12 complaints were escalated to the RBF. This was a decrease of 25.0 percent from the previous quarter.

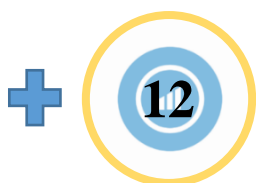
The LFIs received a total of 1,266 complaints during the reporting quarter. This was an increase of 7.5 percent when compared to the previous quarter and a 74.4 percent increase compared to the same period in 2020. Out of this total, 95.3 percent were resolved within the reporting period and the remaining 4.7 percent carried forward to quarter 2.



Summary - Complaints escalated to the RBF



c/f from Q4



New Complaints escalated to RBF



By RBF

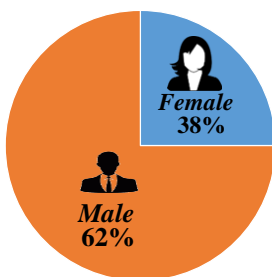


Unresolved – c/f to Q2 2021

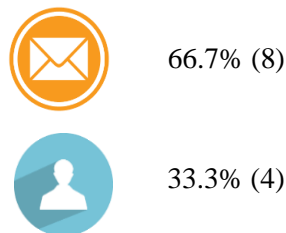


Meetings held

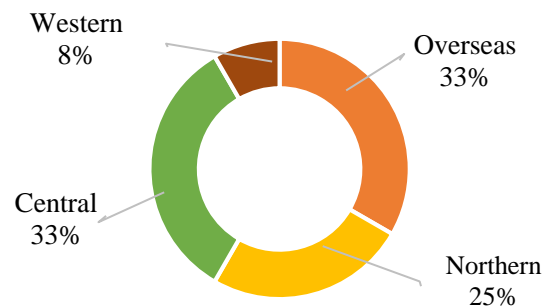
Gender



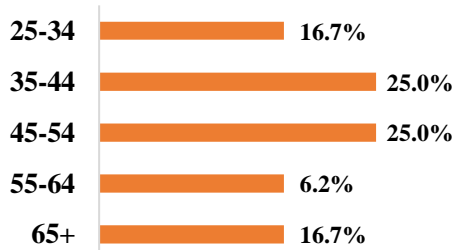
Mode of Communication



Location of Complaints



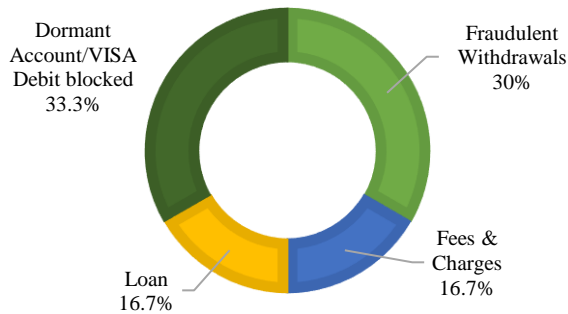
Age of Complainants



Majority of complaints received during the period were lodged via email, consistent with lodgement trends over the past two quarters. Complaints lodged from abroad is the main contributing factor to this trend along with social distancing protocols put in place by the bank limiting face-to-face interface with customers, ongoing awareness by the RBF and LFIs and the wider reach on social media through the FinTalk Facebook page. Of concern to the Bank during the period is a complaint relating to fraudulent transactions by commercial bank staff including tellers and supervisors and the reluctance of the concerned bank to accept liability for staff actions during their tenure at that bank. The Unit is currently liaising with the concerned bank and may escalate the matter should the relevant bank maintain their stance.

TYPES OF COMPLAINTS

Banking & Credit Industry

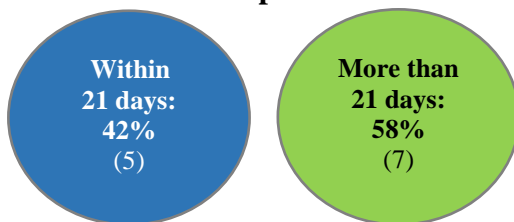


Fifty percent of complaints escalated to the RBF during the quarter were bank-related concerning fraudulent withdrawal, dormant accounts, fees charged on transfer of funds overseas and the bank loan recovery process. Upon investigation, the RBF determined that a number of these complaints could have been resolved at institution level as they were mainly due to unsatisfactory customer service by frontline staff.

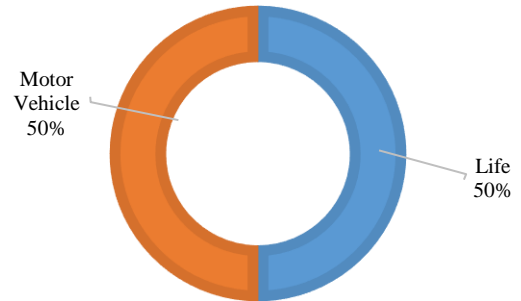
In the review period, the RBF received two fraud-related complaints. One case related to an elderly customer who discovered a substantial reduction in her account balance even though she had not made any withdrawals herself. Upon complaint to the relevant bank, an internal investigation was undertaken and matter was reported to the police. Two former bank staff have been charged by the police and the matter is before the Courts. The second case related to an ATM withdrawal matter which has also been reported to the police.

The RBF has noted an increase in complaints relating to dormant accounts mainly belonging to customers who either receive an income on a 6 monthly basis e.g. sugar cane farmers, or use their accounts only for saving and do not make withdrawals. The concerned bank has agreed to create awareness for customers on how to keep their accounts from becoming dormant.

Number of days taken by RBF to resolve a complaint

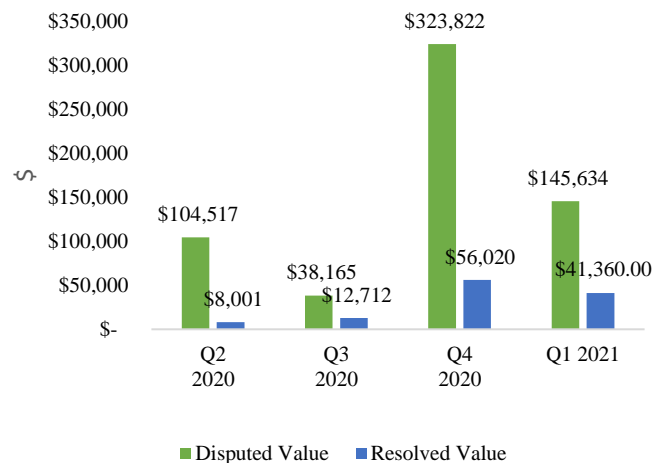


Insurance



The RBF received four insurance-related complaints during the quarter. Two complaints were life insurance related from customers who were disputing the final bonus/maturity payout amount and the remaining two complaints related to declined motor vehicle claims being disputed by the customers who did not agree with the reasons and the claim settlement amount proposed by the insurer .

Value of Complaints



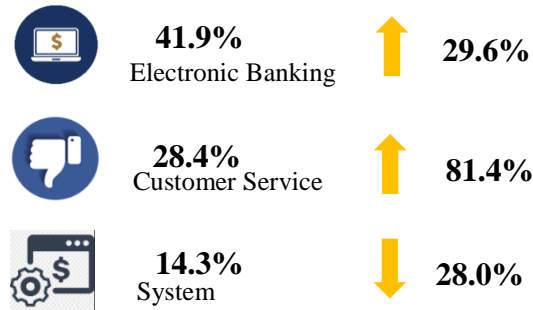
During the reporting quarter, the total disputed value of complaints received was \$145,634, which included a motor vehicle claim of \$60,000 while the value of complaints resolved stood at \$41,360. The disputed value is ascertained by the complainant as the value of their loss only. Where the variation between the disputed value and the value determined by the LFI is large and contested, the RBF works with the parties to find an amicable resolution if possible.

Summary - Complaints received by Industry

BANK & CREDIT INSTITUTIONS



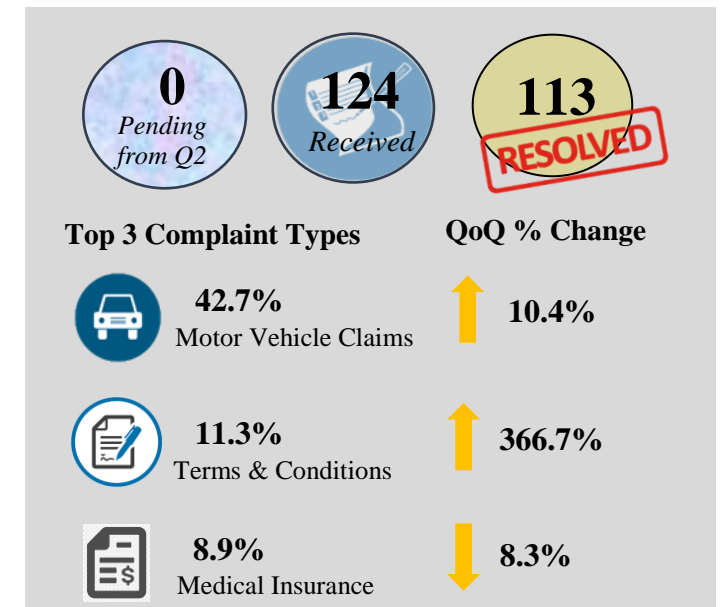
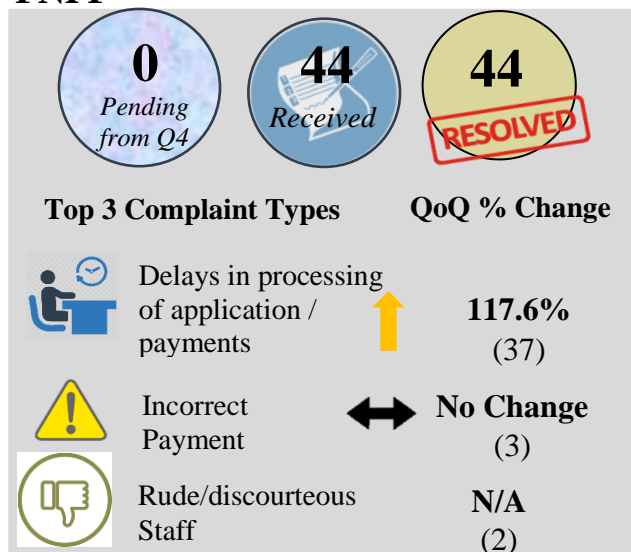
Top 3 Complaint Types QoQ % Change



Total complaints made to banks and credit institutions increased by 6.8 percent over the quarter from 1,028 to 1,098 complaints and similarly increased on an annual basis by 94.3 percent.

Majority of the complaints were electronic banking related (41.9%) which increased by 29.6 percent from the last quarter and an increase of 280.2 percent on an annual basis. This rise is mainly due to the large number of electronic banking users transacting cashless due to the pandemic situation in Fiji resulting in the slowing down of some bank systems and transactions being cancelled or delayed.

FNPF



Total insurance related complaints decreased by 1.6 percent over the quarter and 13.3 percent on an annual basis from 143 to 124 complaints. Motor vehicle related complaints increased by 10.4 percent over the quarter and continued to register in the top three types of complaints.

Terms and Conditions related complaints recorded an increase of 366.7 percent over the quarter and 600.0 percent on an annual basis from 2 to 14 complaints. A number of complaints received related to the difference in understanding of the policy terms and conditions by customers. Medical insurance complaints recorded a decrease of 8.3 percent when compared to the previous quarter.

FNPF related complaints increased by 83.3 percent over the quarter from 24 to 44 and also increased by 144.4 percent on an annual basis.

Majority of the complaints related to delays in processing of applications and payments in this quarter which rose sharply by 117.6 percent when compared to the previous quarter (Q4). This was due to lack of awareness of payment cycle (fortnightly) or wrong bank details provided by members. The transfer of funds via bank-to-bank, mPaisa and Post Fiji was also a contributing factor.

The number of COVID-related complaints have steadily declined over the quarters as applications normalised with 50 complaints received in this quarter compared to 99 in the last quarter.