

RESERVE BANK OF FIJI



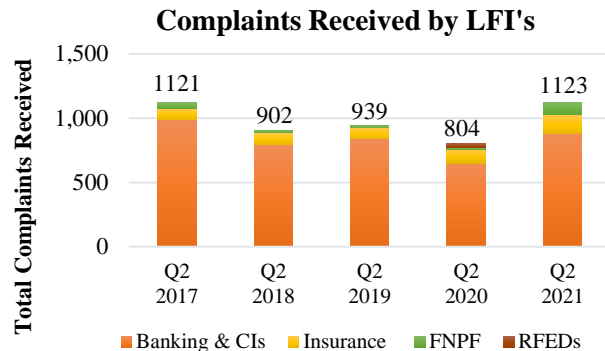
Complaints Management Bulletin

Key Highlights – Q2 2021

In the June 2021 quarter, 16 complaints were escalated to the RBF. This was an increase of 33.3 percent from the previous quarter.

The LFIs received a total of 1,123 complaints during the reporting quarter which was a decrease of 11.3 percent when compared to the previous quarter but an increase of 39.7 percent compared to the same period in 2020. Out of this total, 96.3 percent were resolved within the reporting period and the remaining 3.7 percent carried forward to quarter 3.

(Refer Annexure Table 1 & 2)

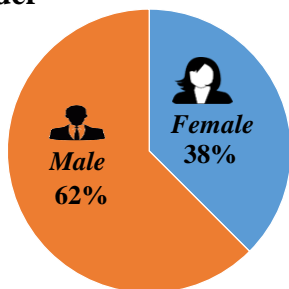


Summary - Complaints escalated to the RBF

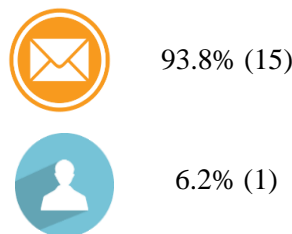
(Refer Annexure Table 3)



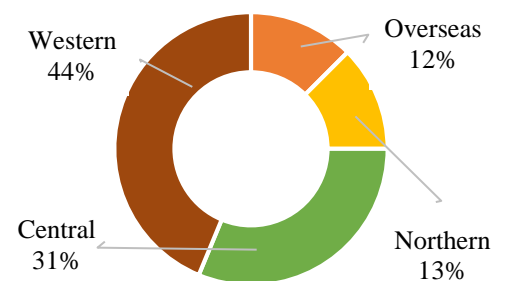
Gender



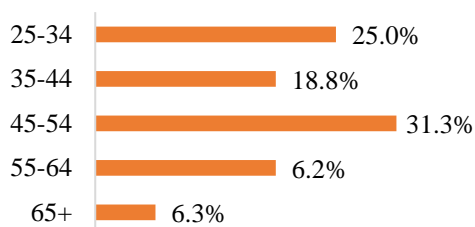
Mode of Communication



Location of Complaints



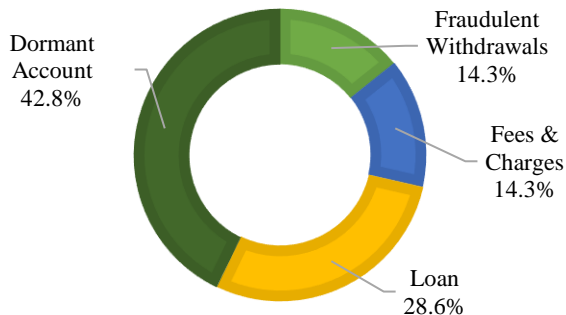
Age of Complainants



Majority of complaints received during the period were lodged via email, consistent with submission trends over the past two quarters given the social distancing protocols put in place by the bank limiting face-to-face interactions with complainants. An increase in complaints was noted from the Western division but of particular concern to the Bank was the number of complaints relating to dormant accounts and commercial bank processes for activation of these accounts, especially for customers living overseas. Commercial banks were urged to ensure that complainants are given as much assistance as possible when customers requested assistance in order to ensure these issues were addressed at institutional level without needing to escalate to the RBF.

TYPES OF COMPLAINTS

Banking & Credit Industry

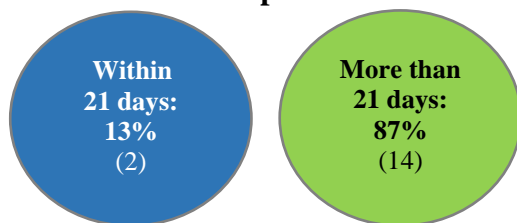


44 percent of complaints escalated to the RBF during the quarter were bank-related concerning dormant accounts, fraudulent withdrawals, fees & charges on banking products and bank loan terms and processes. Upon investigation, the RBF determined that a number of these complaints could have been resolved at institution level as they were mainly escalated due to unsatisfactory customer service by frontline staff.

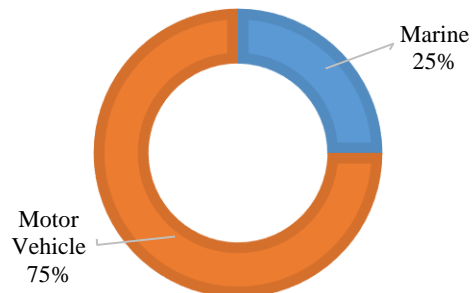
In the review period, complaints relating to dormant accounts and the long process of reactivating these accounts were exacerbated by miscommunication by bank frontline staff. The RBF also received one fraud-related complaint relating to an ATM not dispensing funds on withdrawal while the account balance was reduced by the withdrawn amount. The concerned bank is currently undertaking an internal investigation into the matter.

The RBF also received complaints regarding interest rates charged by credit institutions. Upon assessment the RBF was able to ascertain that the complaints were due to a lack of understanding about the accrual of interest when a lower repayment amount was made or when customers missed making any repayments at all.

Number of days taken by RBF to resolve a complaint

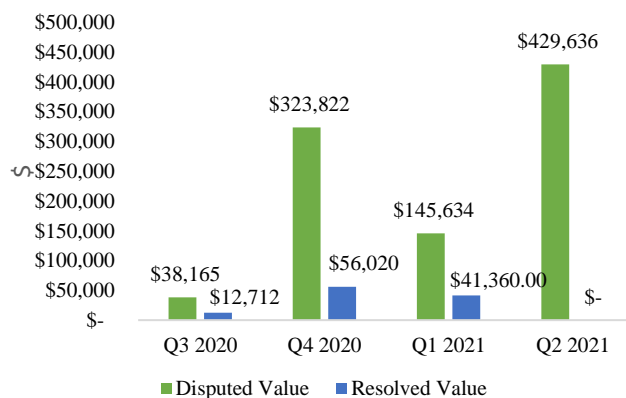


Insurance



The RBF received four insurance-related complaints during the quarter. One complaint related to a decline on a marine insurance claim and the remaining complaints related to declined motor vehicle claims. These complaints remain outstanding either awaiting additional information from the complainant or are currently being reviewed by the insurer.

Value of Complaints



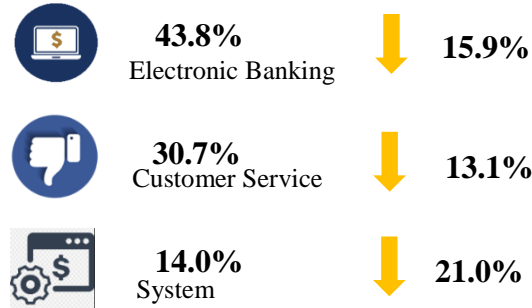
During the reporting quarter, the total disputed value of all complaints received was \$429,636.16, which included a marine insurance claim of \$260,000 while the value of complaints resolved stood at nil as complaints resolved were either service or administrative. The disputed value is ascertained 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



(Refer Annexure Table 4)

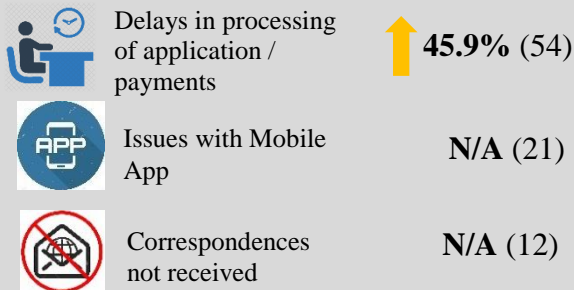
Total complaints made to banks and credit institutions decreased by 19.6 percent over the quarter from 1,098 to 883 complaints but increased on an annual basis by 35.6 percent.

Majority of the complaints were electronic banking related (43.8%) which decreased by 15.9 percent from the last quarter but increased by 200.0 percent on an annual basis. This rise was mainly due to the large number of electronic banking users transacting online compared to the same period last year. The decline in customer service complaints was mainly due to a decrease in customer visits to the bank and limited interactions with bank frontline staff.

FNPF



Top 3 Complaint Types QoQ % Change



(Refer Annexure Table 5)

FNPF related complaints increased by 120.5 percent over the quarter from 44 to 97 and also increased by 781.8 percent on an annual basis.

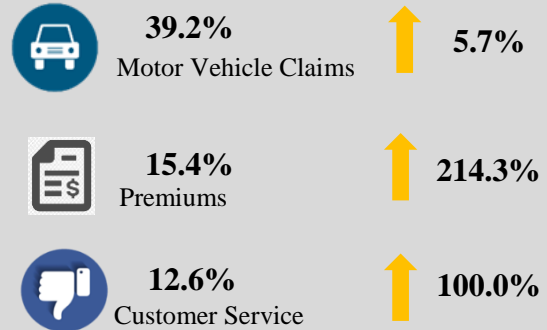
Majority of the complaints related to delays in processing of payments during the review period which increased by 45.9 percent when compared to the previous quarter (Q1). The delays were due to members providing wrong information including deactivated bank account details. An increase was also noted for complaints related to the FNPF Mobile App as some android phones did not support this App.

An increase of 478.0 percent over the quarter from 50 to 289 COVID-related complaints were recorded following the launch of the Fund's Phase 1 and 2 of lockdown assistance.

INSURANCE



Top 3 Complaint Types QoQ % Change



(Refer Annexure Table 6)

Total insurance related complaints increased by 15.3 percent over the quarter and 32.4 percent on an annual basis from 108 to 143 complaints. Motor vehicle related complaints increased by 5.7 percent over the quarter and continued to register in the top three types of complaints.

Policy premium related complaints recorded an increase of 214.3 percent both over the quarter and on an annual basis from 7 to 22 complaints. These mostly related to an incorrect understanding of insurance products with customers seeking reimbursement of premiums paid for surrendered policies. Customer service related complaints similarly recorded an increase of 100 percent when compared to the previous quarter.

RFEDs & MC Industry

(Refer Annexure Table 7)

Due to the current pandemic a few players from this industry have closed business. Similar to the previous quarter, no complaints were reported by the industry for the review period.