



BANK OF GHANA

(FINANCIAL STABILITY DEPARTMENT)

REPORT ON COMPLAINTS MANAGEMENT FUNCTION

HALF YEAR REPORT

JANUARY – JUNE 2021

Introduction

1. The Bank of Ghana receives complaints from the public (individuals and institutions) against banks and specialized deposit-taking institutions (SDIs),¹ in accordance with powers conferred on it under relevant legislation including the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930), the Borrowers and Lenders Act, 2008 (Act 773), the Credit reporting Act, 2007 (Act 726) and the Credit Reporting Regulations, 2020 (L.I. 2394).
2. Complaints to the Bank of Ghana are referred to the Financial Stability Department (specifically the Market Conduct Office of the Department) to investigate and help to resolve in accordance with its Customer Recourse Mechanism Guidelines which prescribes processes for addressing customer complaints and where appropriate prescribes applicable sanctions against offending financial institutions.
3. The Bank of Ghana compiles reports of complaints received from the public periodically and tracks resolution of these complaints by the relevant banks and SDIs.
4. This report presents a summary of the Bank of Ghana's complaints management report for the period January to June 2021.

Types of Complaints Recorded for Review Period (January to June 2021)

5. During the period under review, the Bank of Ghana received various forms of complaints from the public, relating to the conduct of some banks and SDIs in relation to their customers. These complaints were reported through phone

¹ These include savings and loans companies, finance houses, rural and community banks, and microfinance companies.

calls, emails, social media posts, WhatsApp, and walk-ins. The key complaints related mostly to:

- a. Unfair banking practices (such as illegitimate charges and unauthorised debit of accounts);
- b. Disagreements over the computation of interest and extension of loan tenors;
- c. Disputes and delays relating to updates of credit reports;
- d. Inability to access matured investments;
- e. Automated Teller Machine (ATM) and money transfer related issues; and
- f. Mortgage related issues.

Complaint Statistics

6. The Bank of Ghana received a total of **321** complaints directly from customers of banks, SDIs, and non-deposit taking financial institutions² during the period under review, representing a decline of **27.87%** compared with **445** complaints recorded for the same period in 2020. The decline is largely attributable to the increased awareness of the general public to seek redress from the respective financial institution as a first level in the complaints resolution process.
7. The Bank of Ghana observed that during the review period, financial service providers resolved most of their customer complaints hence the decline in the number of complaints escalated to the Bank.
8. Out of the total number of complaints received from customers, **199** complaints were resolved within the required timelines representing a resolution rate of **61.99%**. This represented a decline of **20.7%** compared with **368** complaints

² Non-bank financial institutions include microcredit institutions, leasing companies, and home mortgage finance companies.

resolved in the same period of 2020. The decline was as a result of the complexity of the complaints and the availability of complainants for mediation processes. Some unresolved complaints also related to locked-up funds with distressed SDIs.

9. Complaints resolved during the period under review were related mainly to loan transactions including wrong computation of interest rates, wrongful application of penal charges, early loan repayment charges, and credit histories held by licensed credit bureaux. Others included unauthorised and unexplained debits on accounts and charge-back arising from unsuccessful ATM transactions.

10. The Bank of Ghana received a total of **144** complaints against banks, out of which **131** were resolved and **13** unresolved. In the same period of 2020, **249** complaints were received out of which **241** were resolved and **8** unresolved as depicted in the Table A.

Institution	Jan - Jun 2021		Jan - Jun 2020		2021	2020
	Complaints received	Number Resolved	Complaints received	Number Resolved	Un-resolved	Un-resolved
Banks	144	131	249	241	13	8
Finance Houses	51	-	47	37	51	10
Savings & Loans	54	23	60	48	31	12
Microfinance	44	38	55	12	6	43
Rural/Community Banks	7	5	34	30	2	4
Mobile Money Op.	4	2	-	-	2	-
Institutions licensed by other Regulators	17	-	-	-	17	-
Total	321	199	445	368	122	77

Table A- Complaints Received against Regulated Institutions

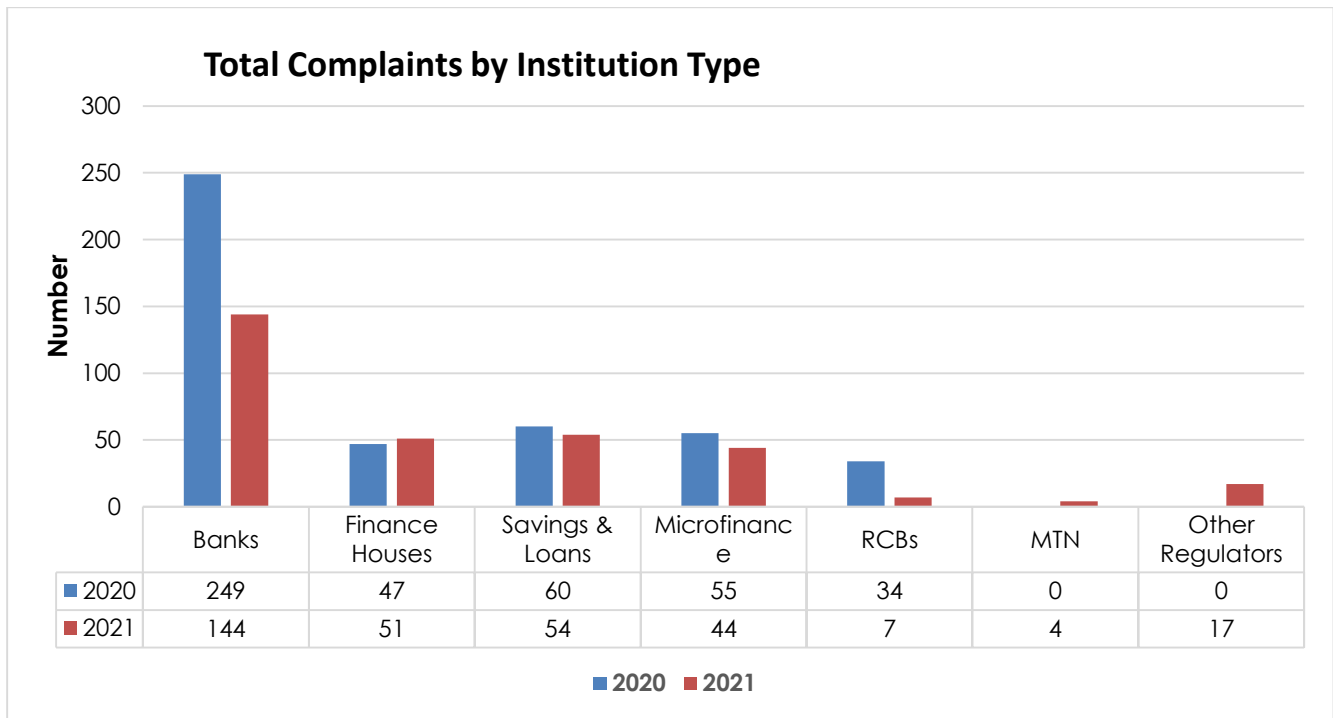


Chart A - Complaints received against Regulated Institutions

11. The unresolved complaints in the period were due mainly to the complex nature of the complaints which required more documentation to facilitate their determination. Additionally, some of the cases were received in the month of June 2021 and the resolution processes were on-going as at the end of the reporting period.

Channels of Complaints

12. All channels for reporting complaints to the Bank of Ghana remained accessible to complainants during the review period. This included the following;

- Walk-in --- **(7th Floor, Cedi House, Accra and Regional Offices)**
- Phone --- **(0302665005/0302665252)**
- Email --- **(complaints.office@bog.gov.gh)**
- WhatsApp - **-(0596912354/0501502270)**
- Post--- **(P.O. Box GP 2674, Accra (BOG))**

13. Complaints received through phone calls accounted for **32.4%** of total number of complaints reported to the Bank of Ghana, followed by emails with **26.5%** as shown in Table B.

Channel	No. of Complaints	%
Walk-in	63	19.6
Phone Call	104	32.4
Email	85	26.5
WhatsApp	7	2.2
Post	62	19.3
Total	321	100.0

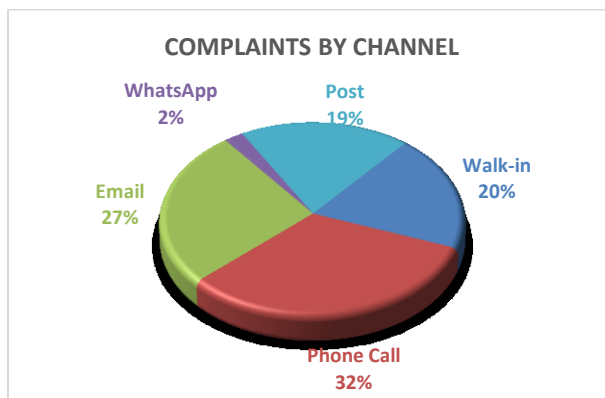


Table B – Channels of Complaints (Jan-Jun)

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Complaint Types

14. As a result of the increased reliance on credit reports by banks and SDIs for credit administration purposes, a number of customers who had been denied credit facilities for bad credit reports, complained to the Bank of Ghana. This type of complaint accounted for **22.4%** of total complaints being the highest within the review period.

Complaint Type	No. of Complaints	%
Unfair Practices	64	19.9
ATM Related	56	17.4
Credit Reports	72	22.4
Loan Related	71	22.1
Matured Investments	58	18.1
Total	321	100.0

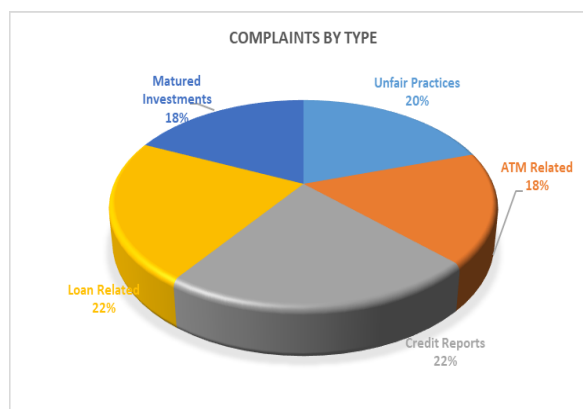


Table C – Channels of Complaints (Jan-Jun)

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15. Complaints relating to disputed credit facilities and unfair banking practices meted out to customers followed with **22.1%** and **18.1%** respectively.

Complaint Referrals

16. A total number of 10 complaints were lodged in error to the Bank of Ghana against investment companies and other institutions which are not regulated by the Bank. The Bank subsequently referred these complaints to the appropriate regulators or dispute resolution forum for their intervention, as shown below:

Institution	Referrals -2021	Referrals -2020
Securities Exchange Commission	4	7
National Labor Commission	-	3
Courts	1	4
Ghana National Fire service	1	-
Teachers 's Fund	1	-
Credit Union Association (CUA)	3	3
Total	10	16

Compensations

17. The Bank of Ghana in the course of complaint resolution, facilitated the payment of monetary compensation or refunds to certain complainants whose claims were found to have had merit in line with the Bank of Ghana's market conduct rules for its regulated entities. Consequently, a total amount of **GH¢396,000**, **£20,414.37** and **USD\$250,000.00** were paid by some regulated institutions as compensation or refunds to customers.

Conclusion

The Bank of Ghana continues to adopt measures aimed at promoting consumer protection and high standards of customer service in the banking sector. Among other things, the Bank continues to introduce rules that its licensees are required to comply with in their dealings with customers and their accounts. In addition to undertaking periodic monitoring of the activities of these institutions through mystery shopping and other surveillance activities and increasing its financial education and literacy programmes for the public, the Bank of Ghana has recently acquired a Complaints Management software to further improve on its handling of customer complaints escalated to it.

Furthermore, the Bank is deploying a 'ChatBot' solution to augment the channels available to customers for lodging complaints, and is at an advanced stage of implementing a full-fledged Call Centre to further facilitate the complaint management process.