



# **BANK OF GHANA**

(FINANCIAL STABILITY DEPARTMENT)

## **REPORT ON COMPLAINTS MANAGEMENT FUNCTION**

### **ANNUAL REPORT**

**2021**

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## Introduction

1. The Banks and Specialized Deposit-Taking Institutions Act, 2016 (ACT 930) mandates Bank of Ghana to develop appropriate consumer protection measures to ensure that the interest of customers of banks and SDIs are adequately protected. In line with this objective, the Bank of Ghana receives complaints from the public (individuals and institutions) against regulated financial institutions<sup>1</sup>.
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 resolve in accordance with the Bank of Ghana's 'Consumer Recourse Mechanism Guidelines' which prescribes processes for addressing customer complaints together with applicable sanctions against offending financial institutions.
3. This report presents a summary of the Bank of Ghana's Complaints Management activities for the period January to December 2021.

## Types of Complaints Recorded

4. During the period, the Bank of Ghana received various forms of complaints from the public, regarding the conduct of some banks and Specialized Deposit-Taking Institutions (SDIs) towards their customers. These complaints were reported through phone calls, emails, social media posts, WhatsApp messages, and walk-ins.

The key complaints related to:

- a. Unfair banking practices (such as illegitimate charges and unauthorised debit of accounts);

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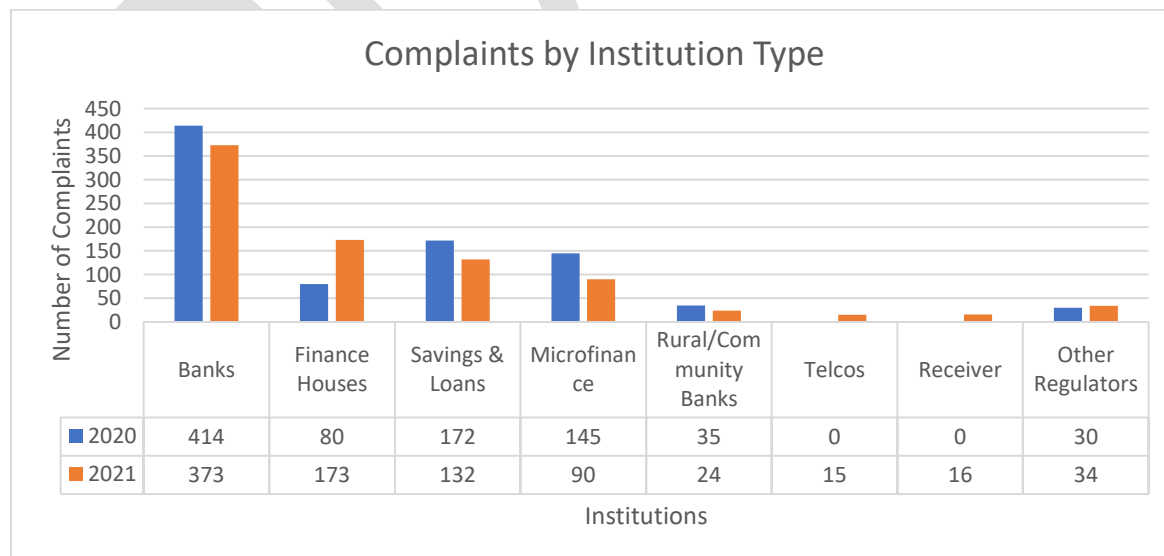
<sup>1</sup> These include banks, savings and loans companies, finance houses, rural and community banks, microfinance companies, microcredit companies and other non-bank financial institutions regulated by the Bank of Ghana.

- 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 2021 and 2020

5. The Bank of Ghana received a total of 857 complaints from customers of regulated financial institutions (RFIs) in the year 2021, as against 876 complaints recorded in 2020. The 2.17% decline in total complaints lodged may be attributed to the strict enforcement of the first level complaint handling by Financial Institutions based on the guidelines coupled with the successful resolution of most of the complaints by the RFIs.
6. Sixty-five percent (65%) of total complaints recorded were resolved as at year-end 2021 compared with 79% resolutions in year 2020.

**Chart A – Complaints by Institution Type 2021 and 2020**



7. Three hundred and seventy-three (373) complaints were received from customers of banks representing 44% of total complaints received by the Bank of Ghana in the year under review. 87% of these complaints were resolved compared with the previous year's position of 96% resolved complaints, thus resulting in marginal drop of 9%. The decline in resolution rate may be attributable to the complicated nature of complaints which required more documentation and time to resolve. Generally, complaints levelled against banks were due to unfair banking practices relating to loans, fund transfers, ATM and credit reporting issues.

### Channels of Complaints

8. All channels for reporting complaints to the Bank of Ghana remained accessible to complainants during the review period. This includes the following:

Walk-in --- **(7th Floor, Cedi House, Accra and Regional Offices)**

Phone --- **(0302665005/0302665252)**

Email --- **(complaints.office@bog.gov.gh)**

WhatsApp --- **(0596912354/0501502270)**

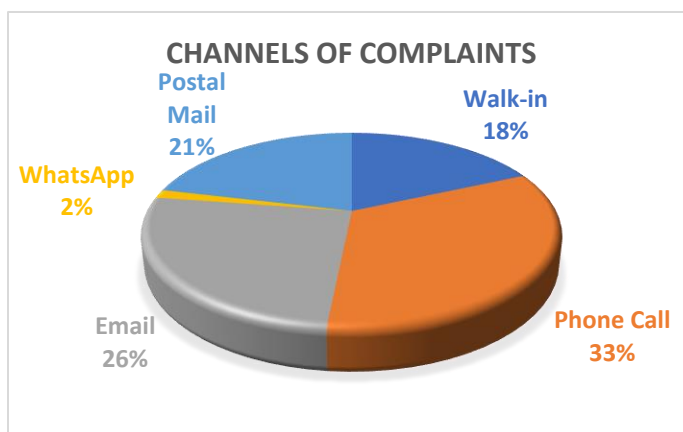
Post --- **(P.O. Box GP 2674, Accra (BOG))**

9. Complaints received through phone calls accounted for **33%**, while emails followed with **26%** as indicated in Table B.

**Table B – Channels of Complaints**

Channels	Number of Complaints	Percentage
Walk-in	157	18.3%
Phone Call	285	33.3%
Email	221	25.8%
WhatsApp	12	1.4%
Postal Mail	182	21.2%
<b>TOTAL</b>	<b>857</b>	<b>100%</b>

**Chart B – Channels of Complaints**



## Types of Complaints

10. Complaints relating to consumer credit reports accounted for 31% of total complaints reported to the Bank of Ghana. These complaints related to inaccurate or adverse information recorded on credit reports of borrowers. The increased complaints relating to credit reports may also be attributable to improved customer awareness and enforcement on the use of credit reports in credit delivery processes.
11. Complaints relating to consumer inability to redeem or access matured investments from operationally challenged financial institutions followed with 24%.
12. Complaints relating to unfair practices and credit facilities also followed with each recording 16% of total complaints. These complaints were reactions to the Bank of Ghana's abolition of unfair practices and fees within the banking industry.

**Table C – Type of Complaints**

	<b>Complaint Type</b>	<b>No. of Complaints</b>	<b>Percentage (%)</b>
1	Credit Reports	265	31
2	Matured Investment	207	24
3	Unfair Practices	134	16
4	Credit Facility	139	16
5	ATM Related	112	13
	<b>TOTAL</b>	<b>857</b>	<b>100</b>

## Complaint Referrals

13. The Bank of Ghana recorded instances where complaints against institutions regulated by other financial regulators were erroneously channelled to the Bank of Ghana.
14. The year under review recorded fifty (50) such complaints which were subsequently referred to the respective regulators as shown in Chart C. In view

of this, the Bank of Ghana has intensified its public education relating to institutions supervised and regulated by the Bank of Ghana, among others.

**Table D – Complaint Referrals**

<b>Institution</b>	<b>No. of Complaints</b>
Receiver (PwC)	19
Securities & Exchange Commission	26
Ghana National Fire service	1
Teachers Fund	1
Credit Union Association (CUA)	3
Total	50

### **Adjudication Outcome and Compensation**

15. The Bank of Ghana during the year under review, secured monetary compensations or refunds totalling £20,414.37, USD\$250,000.00 and GH¢5,738,484.42 to deserving complainants.
16. These funds were paid by regulated institutions to complainants whose complaints were found justifiable based on the Bank of Ghana's investigations.

### **COVID-19 Pandemic and Complaint Handling**

17. In an effort to mitigate the risk of the COVID-19 pandemic, the Bank of Ghana resorted to virtual meetings to facilitate the complaint handling process during the year under review.
18. In-person mediation meetings were therefore suspended. Additionally, the Bank activated a Whatsapp platform to augment its channels for receiving complaints and reduced walk-ins.

## **Measures to Improve Complaint Resolution**

19. The Bank of Ghana is far advanced in the implementation of a full-fledged Contact Centre, the deployment of the new complaint management software and a ChatBot solution to augment the channels of complaints and provide convenience to customers when lodging complaints.
20. The Bank of Ghana will continue to sensitise consumers on their rights and responsibilities to promote financial literacy and capability and reduce complaints.
21. Additionally, the Bank of Ghana will continue to organise regular workshops for Consumer Reporting Officers and Compliance Officers of regulated institutions tailored on the feedback obtained, among others, in bid to permanently address the issues as they emerge.