



BANK OF GHANA

(FINANCIAL STABILITY DEPARTMENT)

REPORT ON COMPLAINTS MANAGEMENT FUNCTION

ANNUAL REPORT-2022

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1.0 PREFACE

- Section 3(2) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) mandates the Bank of Ghana to ensure the interest of customers of its regulated institutions are adequately protected. In line with this mandate, the Bank of Ghana receives and facilitates the resolution of complaints from the banking public against Banks, Specialised Deposit-Taking Institutions (SDIs) Non-bank financial institutions and Payment Service Providers.
- At the core of the consumer protection framework is an accessible and efficient recourse mechanism that asserts the rights of consumers to dispute redress.
- The complaint handling unit of the Bank of Ghana's Market Conduct Office, provides a clear point-process and the avenue for customers to escalate their grievances in the event that the institution in question fails to amicably resolve the concern. Beside resolving complaints, the mechanism foster confidence building in the financial system and awareness creation among the public.
- This report is an analysis of complaints received for the year 2022 from consumers of financial products and services. This enables the Bank of Ghana to achieve the following:
 - i. Promptly identify systemic issues in product and service designs, channels, systems and third-party contractors or providers,
 - ii. Determine consumers' level of satisfaction and appreciation of their rights in procuring products and services from Financial Service Providers,
 - iii. Pragmatic and evidence-based policy making and the prioritization of supervisory efforts or activities.

2.0 COMPLAINT ACTIVITIES

2.1 Complaints Received and Resolved

- In 2022, the Market Conduct Office received a total of **983** complaints from customers of Banks, SDIs, Non-bank financial institutions¹ and Payment Service Providers.
- This represents an increase of **15%**, compared with **857** complaints recorded in 2021.
- The rise was largely attributed to the increase in awareness of the general public and the confidence reposed in the Bank of Ghana to use its supervisory authority to adjudicate and resolve complaints.
- Out of the **983** complaints received in 2022, **626** complaints (**64%**) were resolved and **357** complaints (**36%**) remained unresolved. This is compared to 2021, where **857** complaints were received with **556** complaints (**65%**) resolved, representing a marginal dip in resolution.
- The Department observed during the review period that, Financial Service Providers (FSPs) resolved most of the cases at their end through their Internal Dispute Resolution (IDR) processes and only referred the complex complaints to Bank of Ghana.
- Complaints received against Banks, Savings & Loans, Rural & Community Banks and Unlicensed Institutions increased marginally in 2022, as compared with the same period of 2021. On the contrary, Finance Houses and Microfinance Institutions had drop in complaints in 2022, compared to 2021.
- According to the statistics, Banks received the highest number of complaints in the period of which **89%** were resolved.

¹ Non-Bank Financial Institutions regulated by the Bank of Ghana

Chart A- Complaints Received per Institution Type,2022

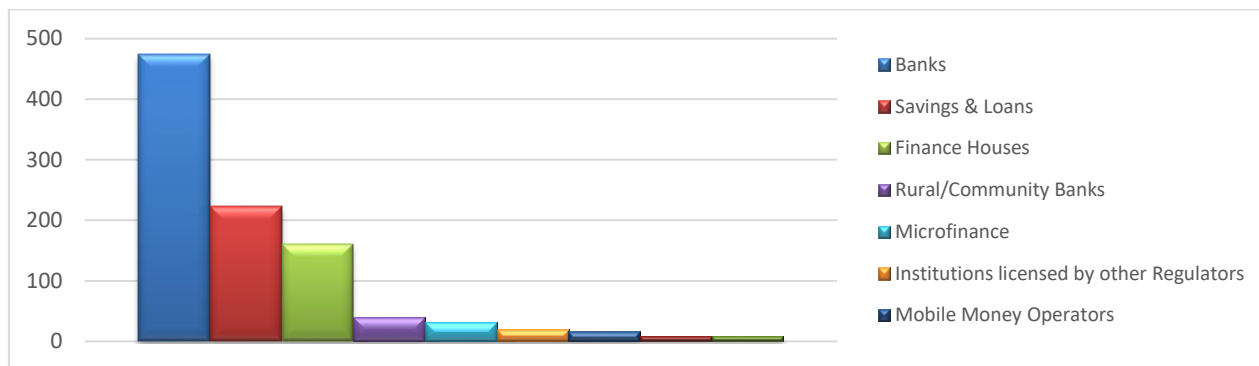
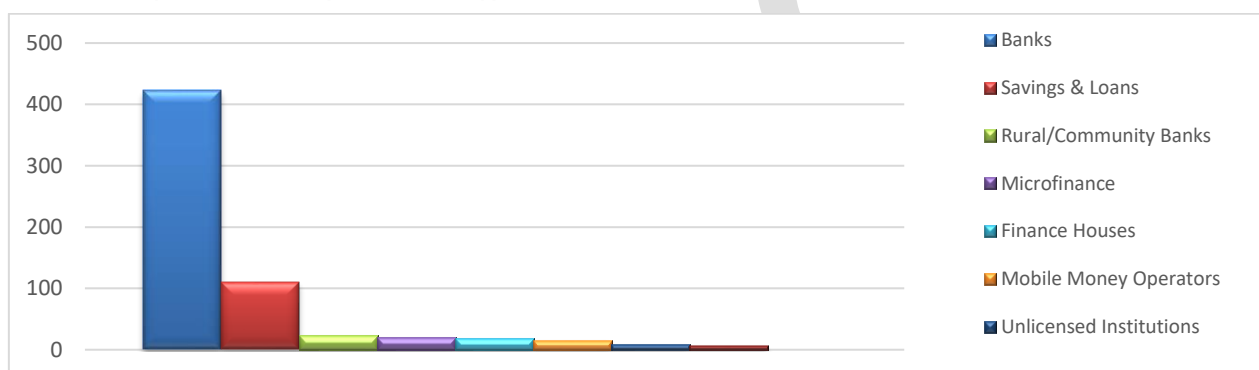


Chart B- Complaints Resolved per Institution Type

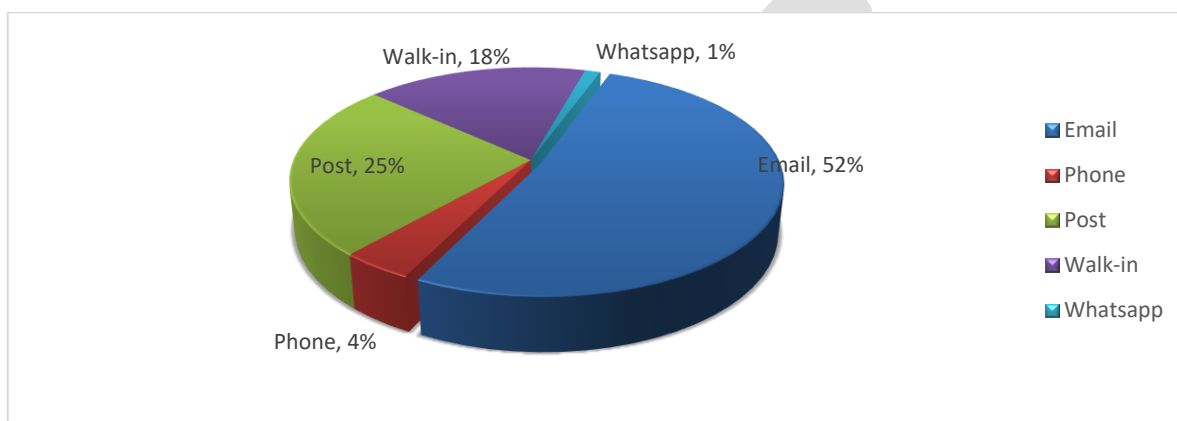


2.2 Channels for Receiving Complaints

- All channels for reporting complaints to the Bank of Ghana remained accessible to complainants during the review period. These comprised:
 - i. Walk-in -----(**7th Floor, Cedi House, Accra and Regional Offices**)
 - ii. Phone -----(**0302665005/0302665252**)
 - iii. Email -----(**complaints.office@bog.gov.gh**)
 - iv. WhatsApp ---(**0596912354/0501502270**)
 - v. Post -----(**P.O. Box GP 2674, Accra**)
- **Email** was the preferred channel of lodging complaints, accounting for **52%** (509) of total number of complaints reported to the Bank of Ghana in 2022. This is followed by **Post** with **25%** (248), **Walk-in** had **18%** (173) and **4%** (41) received over **Phone** and **1%** (12) through **WhatsApp** per Chart C below.

- The channel for receiving complaints in 2022, contrast sharply with that of 2021. While **Phone** (33%) was the lead channel for lodging complaints in 2021, the lead channel for lodging complaints in 2022 was **Email** (52%). Email may have afforded complainants an easier opportunity to provide documentation in support of their complaints, as compared to Phone.

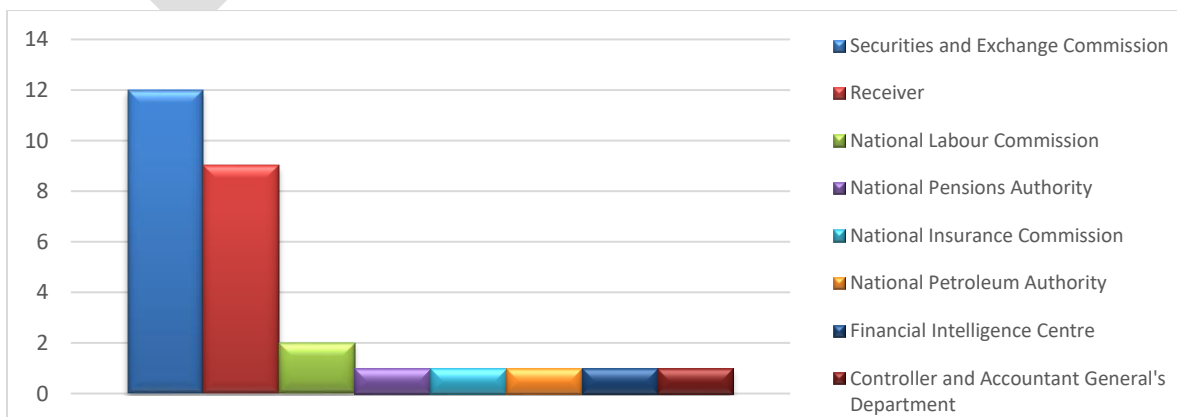
Chart C – Complaint Channels



2.3 Complaint Referrals

A total of **28** complaints were lodged with the Department against investment companies and other institutions not regulated by the Bank of Ghana. The Department subsequently referred these complaints to the appropriate regulators and institutions for their intervention, as shown in Chart D below.

Chart D – Complaint Referrals



2.4 Adjudication Outcome and Recoveries

In the course of the complaint resolution process, the Department facilitated the recovery of monetary benefits to some deserving complainants. A total of **GHS2,901,706.05** representing recoveries and reversal of unlawful debits were paid in 2022.

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3.0 COMPLAINT OUTLOOK

The Consumer Recourse Mechanism Guideline, 2017 has over the years impacted consumers expectation in the procurement of financial products and services.

In light of the above, it is now an understood regulatory expectation that financial service providers holistically focus on consumer outcomes, be it through direct interactions or products and services delivery.

An analysis of the 2022 complaint statistical data showed the product and service outcome for consumers of financial service providers.

3.1 Recurring Themes

The recurring themes from the 2022 complaints included the following issues:

THEME	NARRATIVE
Disputes	These related to disagreements over account or outstanding loan balances, loan tenures, loan recoveries approach and charges (service fees, dud cheque charges, online transaction fees, E-levy and cross border transfers).
Delays	Complaints here were occasioned by late updating of credit bureau database, processing of salaries and wire transfers salary, reversal of wrong credits, paying matured investment and Interest on investment.
Over deduction	These bordered on increased insurance premium and loan repayment deductions, including variation in interest rate.
Inefficient Channels	These arose as a result of high downtime of mobile application, cash not dispensed at ATM but account debited and incomplete wallet to account transfers.
Fraud	Fraud related complaints involving fraudulent withdrawals from accounts and unlicensed institutions swindling members of the general public.
Poor Customer Service	Complaints in this category related to changes in customers loan tenure without prior notice, blocking account, MoMo wallet or SIM without prior notice and non-acceptance of mutilated and foreign currency notes.
Mis-selling	Customers were onboarded onto digital channels without prior notification and consent, but they were subjected to fees and charges.

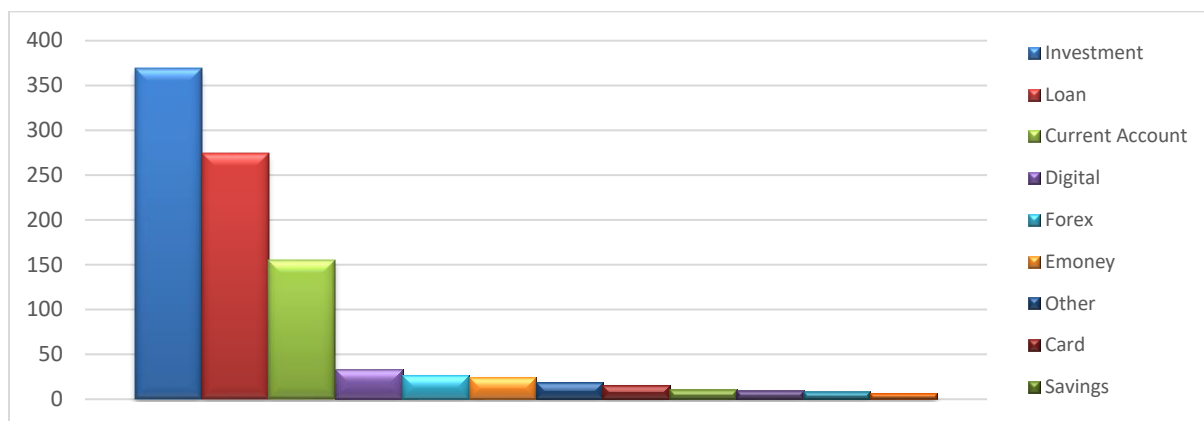
Others	This category referenced consumers engagement with the Department to seek clarification on certain notices, report on conduct of Board members and also the disparity in employee (full time and contract) benefits of some regulated institution.
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3.2 Complaints by Product or Service Type

The 2022 data revealed specific products or services procured by consumers, causing dissatisfaction. Chart E below ranks the various products and services that recorded complaints in 2022.

- Investment products and services, which comprised both government securities and those developed by regulated institutions, recorded the highest complaint of **369**, approximately **39%** of total complaints for 2022.
- **274** borrowers, representing **29%**, also registered their dissatisfaction with loans secured from regulated institutions such as personal, business and mortgage loans.
- Current account operators (Personal and Business) followed closely with **155** complaints, representing **16%**. These included individual and business accounts.
- **33** consumers recorded their discontent with some digital products or services, representing **3%** of 2022 complaints.
- Electronic wallet holders lodged **25** complaints, which made up approximately **3%** of complaints received during the year 2022. Other products such as Forex, Cards, Savings Account, Bancassurance, Remittance and trade, altogether recorded **99** complaints, approximately **10%** of 2022 complaints.

Chart E – Complaints by Product or Service Type



3.2 Top Five Products/ Services That Received Most Complaints

The following Products and Services received the most complaints with specific concerns.

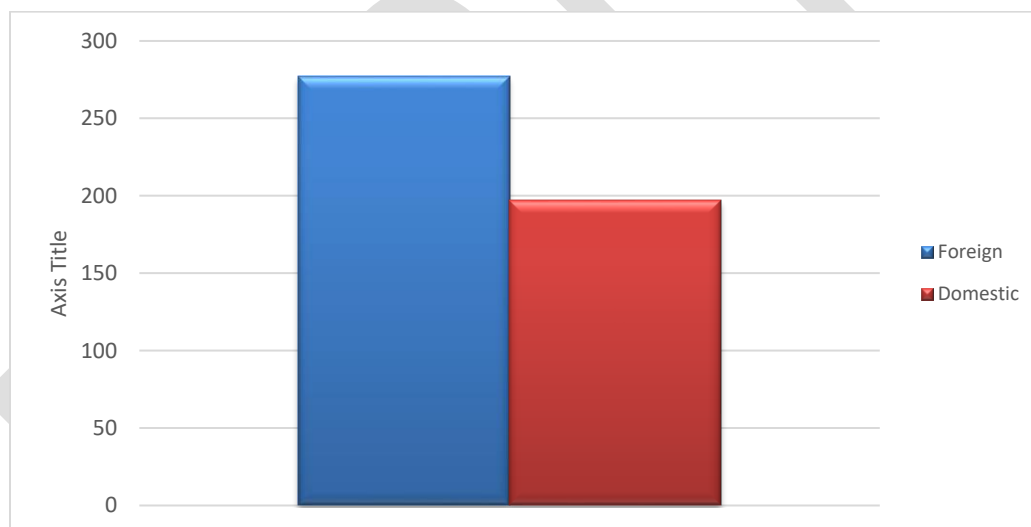
- i. **Investments** – The complaint data suggested that, investment products and services witnessed delays with discounting, statement issuance, crediting matured investment or interest and roll overs on maturity.
- ii. **Loans** – Concerns that were raised on loan products / services were generally around change in loan tenure and interest rate without borrowers' consent, delays in processing loan, releasing collateral, issuing loan statement, recovery approach and termination of loans.
- iii. **Current Account**- Operators of current accounts with regulated institutions disputed certain charges that were debited to their accounts. These included charges covering transfers (onshore and offshore), SMS alerts, E-levy, dud cheque, account maintenance fees and online transactions.
- iv. **Digital** – Customer experience with digital channels deployed by regulated institutions recorded instances of cash not dispensed at ATM but account debited, high downtime and truncation in transactions.
- v. **E-money** - Mobile Wallet holders also complained of incomplete wallet to account transfer, mobile money loan fraud, delay in reversal of funds and poor customer service related to blocked wallet or sim by Electronic Money Issuer without notice.

4.0 CLASSIFICATION OF COMPLAINTS AT INSTITUTIONAL LEVEL

4.1 Complaints on Banks

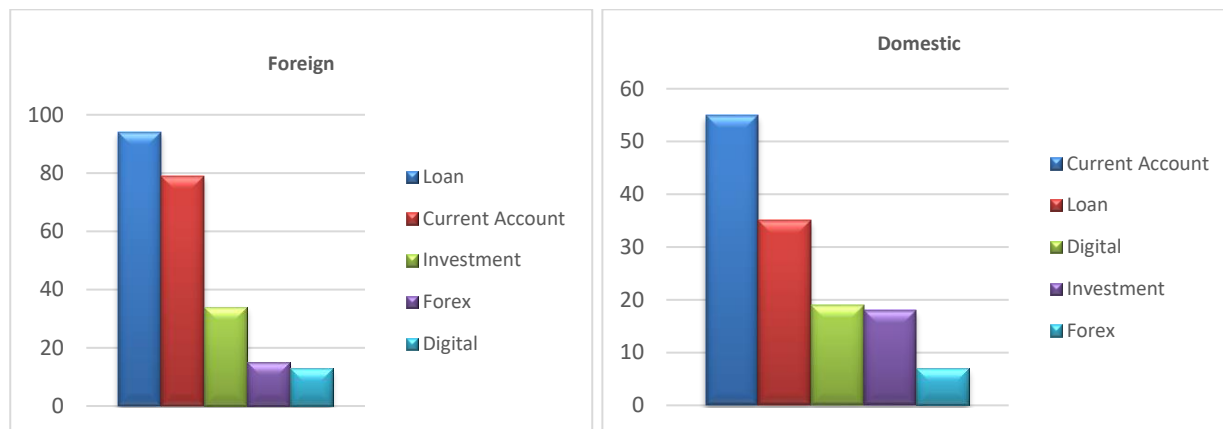
- A total of **474** complaints were received from customers of Banks. These complaints covered **21** out of the **23** Banks over the reporting period. That is, there was no complaint lodged against 2 of the Banks.
- Complaints related to foreign banks was **277** for the **14** Foreign Banks (approx. 20 per bank), while domestic banks were **197** for the **7** Local Banks (approx. 28 per bank).
- The resolution rate among Banks was **89%**. The resolution rate, provides a measure of cooperation between the Banks and the complaint resolution team in Bank of Ghana.

Chart F – Foreign vs Domestic Banks



- Complaints on foreign banks related mostly to Loans (**94**), Current Account (**79**), Investment (**34**), Forex (**15**) and Digital (**13**) respectively.
- Domestic banks recorded highest complaints on Current Account (**55**), Loan (**35**), Digital (**19**), investment (**18**) and forex (**7**) accordingly.
- The recurring themes for both Foreign and Domestic Banks were delays in updating credit bureaux databases, disputed charges and loan balances, unauthorised withdrawals related to fraud, increase in lending rate and delays in carrying out customers instruction.

Chart G – Top Complaints by Product / Service for Foreign Banks vs Domestic Banks



4.2 Complaints on Savings & Loans

- **223** complaints were recorded against **25** Savings and Loans institutions which covered all the institutions under this category as at the reporting period.
- The recurring themes from Savings & Loans related complaints were delays in paying matured investments, over deduction and delays in updating credit bureaux database.

4.3 Complaints on Finance Houses

- A total of **161** complaints were recorded against Finance Houses. These complaints covered **5** out of the **11** licensed Finance Houses as at the reporting period.
- The recurring theme from complaints related to Finance Houses was delays in paying matured Investments.

4.4 Complaints on Other Financial Institutions

- **72** complaints were received from consumers of products and services offered by Other Financial Institutions such as Microfinance, Microcredit, Rural and Community Banks.
- These complaints covered **30** out of the **304** licensed Microfinance, Microcredit and Rural & Community Banks for the reporting period.

- The recurring concerns from complaints related to Other Financial Institutions were over deductions, disputed charges and delays in updating credit bureaux database.

4.5 Complaints on Payment System and Service Providers

- A total of **16** complaints were received from consumers of products and services of Payment System and Services Providers.
- These complaints covered only **3** out of the **46** licensed Payment System and Services Providers (PSP).
- The recurring theme for EMI's was delays in reversal of funds, blocked mobile wallets and incomplete wallet to account transfers.

5.0 FOCUS AREAS FOR 2023

The Bank of Ghana intends to embark on the following activities in 2023:

- i. Revision of the Recourse Mechanism Guideline, 2017 to ensure it is Fit for Purpose for the Banking industry.
- ii. Undertake targeted engagement with Consumer Reporting Officers (CROs) and Chief Compliance Officers to discuss the root causes of Institutions' complaints to reduce recurring complaints.
- iii. To see to the operationalization of a full-fledged Contact Center and a Chatbot solution to augment the existing channels of complaint management.
- iv. To continue to embark on rigorous financial education and literacy programmes to help consumers make informed decisions and to know their rights and responsibilities.

6.0 CONCLUSION

The Bank of Ghana will continue to enforce compliance with the regulatory framework, drive strict adherence to ethical and professional standards, and educate consumers on their rights and responsibilities. This will ultimately preserve financial stability for sustainable economic growth and development.

Finally, the Bank of Ghana remains committed to safeguarding consumers rights and promoting compliance for the soundness and resilience of the banking system.