



BANK OF MAURITIUS

**Guidelines on
Complaints Handling Procedures**

August 2013

1. **Introduction**

One of the objects of the Bank is to ensure the stability and soundness of the financial system of Mauritius. In order to help achieve that objective, an amendment has been brought by The Economic and Financial Measures (Miscellaneous Provisions) Act 2012, whereby a new Section 96A has been added to the Banking Act 2004, laying down specific provisions in relation to the protection of customers of financial institutions

This guideline sets out the minimum criteria to be observed by financial institutions for the handling of complaints from their customers.

2. **Authority**

This guideline is issued under the authority of Section 50 of the Bank of Mauritius Act 2004 and Sections 96 A and 100 of the Banking Act 2004.

3. **Scope of Application**

This guideline applies to financial institutions licensed by the Bank of Mauritius under the Banking Act 2004 with the exception of paragraphs 6, 7, 8, 10, 14, 15, 16, 17, 18, 27, 28 which shall not apply to cash dealers.

4. **Effective Date**

This guideline shall come into effect on 01 November 2013.

5. **Interpretation**

In this guideline:-

“Bank” means the Bank of Mauritius established under section 3 of the Bank of Mauritius Act.

“Complaint” means any act or omission of an institution made within a period of 7 years as from the date thereof, which causes a customer to be aggrieved.

“Complaints Officer” means an officer appointed under Section 96A of the Banking Act 2004 for banks and non bank deposit taking institutions.

“Financial institution” has the same meaning as in the Banking Act 2004.

SECTION 1 - PROCEDURES

6. Financial institutions should have in place appropriate and effective internal procedures for handling customer complaints. In formulating these procedures, financial institutions should take into account the provisions of Section 96 A of the Banking Act 2004.
7. The internal complaint handling procedures should be in writing and their scope should include at least of the following:
 - (i) receiving complaints;
 - (ii) responding to complaints;
 - (iii) the appropriate investigation of complaints;
 - (iv) the availability of redress and compensation, in appropriate circumstances.
8. Financial institutions should put in place appropriate management controls and take reasonable steps to ensure that they handle complaints fairly, consistently and promptly.

SECTION 2 - ACCESSIBILITY

9. Financial institutions should ensure that their customers know where and how to make complaints.
10. Financial institutions should publish relevant provisions of their internal complaint handling procedures, in the form of a leaflet as well as on their websites with a view to bringing actual notice thereof to their customers. Notice may also be given by e-mail where this is available. Financial institutions should ensure that their complaint handling procedures are provided to new customers at the time of the establishment of the business relationship with them.
11. Financial institutions should allow customers to make complaints by any reasonable means for example by letter, facsimile, e-mail, phone or in person.

SECTION 3 –EMPOWERMENT

12. Complaint Officers should have the authority to settle complaints including offering redress where appropriate or should be able to have ready access to those who have the necessary authority.
13. Complaints, in appropriate cases, should be escalated to senior management if not resolved by staff below.

SECTION 4 - RESOURCES AND STAFF TRAINING

14. Financial institutions should make available the resources needed to ensure the efficiency and effectiveness of a complaint management system. Resources comprise staff, appropriate training and technology.
15. Financial institutions should take reasonable steps to ensure that all relevant employees are aware of their internal complaint handling procedures and that they act in accordance therewith.

SECTION 5 - MONITORING AND AUDIT

16. Effective procedures to monitor complaints should be set up with regular reports to senior management for review. Information provided to management should include at least the following:-
 - Statistics on the volume and type of complaints received;
 - How well the internal complaint management system meets prescribed performance standards;
 - The level of customer satisfaction;
 - Whether recurrent problems are being identified and corrected.
17. A regular assurance exercise should be conducted by competent and independent staff. The assurance exercise should aim at examining whether the complaint handling procedures fulfil the stated aims of the policy and that the procedures are operating effectively.
18. The results of the assurance exercise should be used to improve the complaint handling procedures, operating processes, products and services as appropriate.

SECTION 6 - TIME LIMITS FOR DEALING WITH COMPLAINTS

19. Where a complaint can be resolved on the spot, this has to be favoured. In the case that the complaint has not been resolved on the spot and is not in writing, customers should be advised to submit their complaints in writing.
20. Financial institutions should, except where the complaint has been resolved, send a written acknowledgement of a complaint within three working days of its receipt, giving the name, job title and contact details of the person handling the complaint.
21. A written reply should be sent to the complainant within 3 months as from the date the complaint is received by the financial institution.
22. Complainants should be informed in the internal complaints procedures that in case they are not satisfied with the reply provided to them, or they do not receive a reply from the financial institution concerned within 3 months as from the date of their complaint, they may refer their complaint to the First Deputy Governor Bank of Mauritius, specifying the nature of their complaint,

the redress sought for and the reasons for their dissatisfaction duly accompanied by the following documents:

- (i) a copy of the complaint made to the financial institution;
- (ii) a copy of the reply made by the financial institution; and
- (iii) any other document or information which may be of relevance to the complaint.

SECTION 7 – RECORD KEEPING

23. Financial institutions should record and retain details of complaints for at least a period of 7 years as from the date of their receipt.
24. The details to be recorded should include, where applicable:
 - the complainant's name;
 - the substance of the complaint;
 - any correspondence between the institution concerned and the complainant, including the manner in which the complaint was resolved and details of any redress offered by the financial institution concerned; and
 - Whether any alleged problems, if substantiated, were rectified and the manner in which this was done.
25. The records should be kept in a convenient and accessible form to facilitate examination by the Bank during regular on-site or ad hoc examinations.

SECTION 8 – NOTIFICATION TO THE BANK

26. Financial institutions should provide the Bank, on a quarterly basis, with information on complaints as per format annexed.
27. To enhance communication with the Bank in relation to complaint handling, financial institutions should provide the Bank within one week as from the issue of this guideline, with details of the complaints officer appointed in terms of Section 96A of the Banking Act 2004.
28. Financial institutions should notify the Bank as soon as reasonably practicable of any subsequent change with regard to the complaints officer.

Bank of Mauritius
15 August 2013

STATEMENT OF COMPLAINTS

PERIOD.....

DATE RECEIVED	NAME AND ADDRESS	NATURE	RESOLVED (DETAILS)	UNRESOLVED (REASONS)

