

Treating customers fairly- a perspective from the regulator

KAAJUNGU Frank, Manager FSC&CP

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CORE VALUES: Integrity, Mutual Respect & Team Work, Accountability and Excellence





Outline



NBR Consumer Protection
Regulatory Framework



Transparency in insurance
business

Customer care & Service
delivery



Transparent complaints
handling mechanisms



Consumer protection legal and regulatory framework



1. Law No 017/2021 relating to protection of financial service consumers
2. Regulation No 55/2022 relating to protection of financial service consumers
3. Regulation No 56/2022 governing FSPs internal complaints handling
4. Regulation No 10/2017 determining KFS on insurance



Transparency in insurance business



- ✓ All documents and messages to be done to consumers in languages they prefer
- ✓ Font type of times new roman/arial
- ✓ Font size of 11 and spacing of 1.5
- ✓ Notification to policy holder showing name of FSP, date and time of transaction, purpose of the transaction, details of agent involved, amount of premium received/claim settled, inquiry contacts
- ✓ Disclosure tariffs on websites and places of working
- ✓ Publication of service charter
- ✓ Publication of products requirements.



Transparency in insurance business

TRANSPARENCY

- ✓ Disclosure of risk factors considered and any other fees considered in coming up with premium
- ✓ Intermediaries to disclose their status of their independence
- ✓ Disclosure in contract of channels of claim lodging and condition precedent to the claim
- ✓ Claim settlement report including modalities of computation and payment of claim amount
- ✓ Disclosure of the claim escalation process
- ✓ KFS with key summarized information about the policy



Consumer empowerment



- ✓ Each FSP to have education program considering gender, level of education, physical and mental ability, occupancy of the consumers, use of simple language that resonates with target audience
- ✓ Involve consumers in product research and development
- ✓ Educating consumers of products' features
- ✓ Explanation of contracts/policies before signature
- ✓ Explanation of all costs involved in consumption of products and services



Customer care and service delivery



- ✓ FSP to put in place facilitative infrastructure to assist special groups of consumers
- ✓ Putting in place reporting channels to report unfair treatment of consumers by either staff or consumers themselves
- ✓ Putting in place a customer care policy stipulating the following different products and services and various steps in obtaining those services, communication mechanism, service standards, required attitude of staff serving clients, down time and uptime, sanctions for not complying with the policy
- ✓ Publication of working hours at the places of business and website
- ✓ conduct their business fairly and honestly without discrimination, exercising due care, skill and diligence.



Customer care and service delivery



- ✓ FSP to have facilitative infrastructures like toilets for consumers at convenient place, tokens for consumers at queue
- ✓ FSP to have CCTV and monitor it on regular basis and provide footages to Supervisory Authority upon request
- ✓ Proper procedures and effective mechanism to handle and settle claims in timely and fair manner
- ✓ With respect to a long-term insurance policy, the insurer shall process the claim without delay and pay within thirty (30) days from receipt of all relevant supporting documents
- ✓ An insurance intermediary shall assist policyholders in the event of a loss by liaising between the policyholders and the insurers, facilitating communication, and advising policyholders on how to file a claim and how to mitigate the consequences of a loss.



Fighting corrupt behaviors

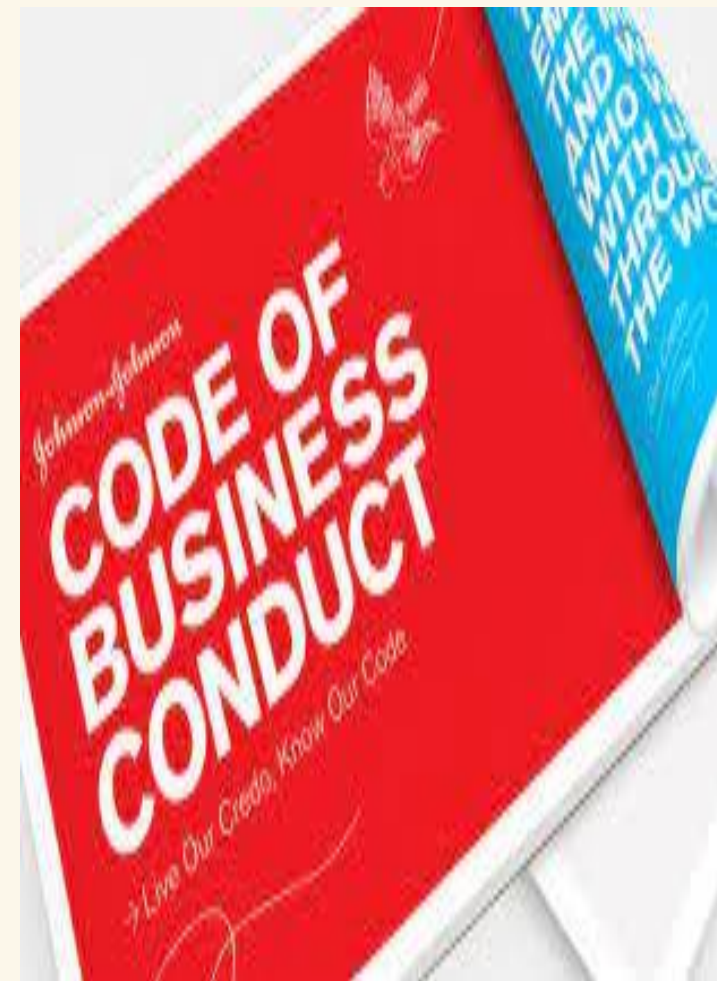


- ✓ A policy stipulating at minimum;
 - ❖ types of bribes they may be exposed to
 - ❖ Hierarchy of staff in charge of monitoring corruption cases
 - ❖ Corruption reporting mechanisms
 - ❖ Possible threats to independence of staff of FSPs
 - ❖ Management of relationships between consumers and staff
 - ❖ Management of gifts from clients to staff
 - ❖ Sanctions to behaviors leading to corruption
- ✓ Publication of measures against behaviors leading to corruption summarizing summary of key provisions on anti-corruption policy, contacts to report corruption, decisions taken on reported cases
- ✓ Assessment of consequences of corrupt behaviors and appropriate measures



Responsible business conduct and Adverts

- ✓ FSP to have a policy on promotion and advertisements
- ✓ The following are prohibited;
 - promotional materials including comparisons with other financial products that do not share similar features;
 - providing over optimistic projections on expected returns of the financial product;
 - disclosure of only advantageous part of financial product or service but not disclosing the risks associated with the product or service;
 - aggressive marketing with high pressure sales tactics.
- ✓ The financial service provider's advertisement and sales promotion material shall bear a statement that it is a licensed institution by the Supervisory authority
- ✓ A financial service provider shall establish a process to periodically check and monitor the competences and conduct of sales and marketing staff





Responsible business conduct and Adverts

- ✓ Unsolicited advertisements through emails, text messages, voice calls and other channels sent by or on behalf of the financial service provider shall be at no cost to the financial service consumer with opt out/in option





Transparent internal complaints handling mechanisms

2. Handling Complaints Process

- ❖ Explanations to the whole process of lodging a complaint
- ❖ Right to be told how to lodge a complaint to the committee in charge of resolving complaints
- ❖ Avail the channels through which a complainant can lodge a complaint
- ❖ Right to be assisted to lodge a complaint
- ❖ Right to be given acknowledgment receipt of complaint not later than a day after lodging
- ❖ Right to be responded within 15 days after receipt of complaint
- ❖ Right to be updated every after 5 days if the complaint takes more than 5 days to respond to
- ❖ A complaint shall be responded to using the same means it was lodged

Thank you