



## CENTRAL BANK of SOLOMON ISLANDS

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### **Consumer Empowerment Rights**

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Having complaints about bank products and services? Rest assured there is a reporting mechanism in place that permits you as a consumer to launch your complaints to banks when you are dissatisfied about their products and services.

The Central Bank of Solomon Islands, currently is working on a Consumer Protection and Market Conduct Regulation for Solomon Islands financial sector. As this regulation will take time to pass, CBSI, in the absence of such regulation, introduces a;

Prudential Guideline on Disclosure of Interest Rates, Fees and Charges (PG8)  
And Prudential Guideline on Complaints Management (PG9).

#### **What is the purpose of PG8?**

PG8 requires financial services providers such as banks to disclose their interest rates, fees and charges to their customers and to inform their customers 30 days prior to changing their interest rates, fees and charges.

For borrowers, PG8 also requires service providers or banks to disclose to borrower's methodology that they would use to charge interest on their loans account, and fees etc.

## **What is the purpose of PG9?**

PG9 requires banks to establish complaints management unit within their banks so that financial consumers can lodge their complaints to banks. PG9 compels banks to record and resolve all complaints received from customers within 30 days from receiving such complaints. Complaints that cannot be amicably resolved by the customer and his or her bank are forwarded to CBSI to deal with.

If the customer is still unsatisfied, he or she can take the matter to court for court resolution.

## **What happens if commercial banks fail to follow PG9?**

CBSI will use its power under the Financial Institutions Act 1998 to deal with that bank. Under the Act, CBSI may order that bank to cease and desist from such unsound banking practices or to replace or strengthen the management of that bank.

## **Why is this important for you as a consumer?**

As consumers, we ought to know that information provided to us is a true and fair representation of the products or service and does not mislead us.

With these mechanisms in place, consumers can now be protected from unfairness and are now given a platform to raise their concerns or complaints on matters regarding the financial products and services offered by any commercial bank.

CBSI strongly encourages the public to break the culture of silence where one accepts things or events as normal although things doesn't seem or look right and still reluctant to do anything about it.

CBSI Chief Manager for Financial Market Supervision Department, Raynold Moveni in one of his article title "It is time to break out of our culture of silence" stated "When consumers use their rights to speak out on someone or against mediocre service providers they are contributing to lifting standards of services and enhancing accountability of service providers."

The complaints reporting mechanisms are there to give consumers their right to launch complaints to banks when they are dissatisfied with their products and services

So if you have doubts and regrets when purchasing a product or has any complains on how the service is offered, do not sit around and whine about it. It's time to

break the culture of silence, launch your complaint following the procedures provided by the commercial bank. This way you are practicing your right as a consumer as well as contributing to lifting the standards of services offered for the betterment of other people and this country as a whole.