

RESOLUTION OF CUSTOMER COMPLAINTS IN THE BANKING SECTOR

1. Complaints handling procedures

- Under the Central Bank of Kenya's (CBK) Prudential Guideline on Consumer Protection, CBK/PG/22, commercial banks are required to have in place documented and effective procedures for receiving and resolving customer complaints.
- An aggrieved bank customer should submit a formal complaint (through any of the available channels) to the institution, providing full details of the grievance.
- The institution should immediately acknowledge the complaint within 48 hours of receipt, with an undertaking to resolve it within 7 days.
- The institution should investigate the complaint promptly and advise the complainant of its determination. This should include an appropriate solution that addresses the complainant's grievances.

2. What are complainants entitled to from their banks?

- Competent, prompt and fair assessment and determination of their complaints.
- Prompt implementation of the mutually agreed resolution or redress.
- Where, in the institution's assessment, it would take more than seven business days from the date of receipt to resolve the complaint, the institution should advise the complainant accordingly and indicate a timeline within which the complaint shall be resolved.

3. What recourse is available to a complainant who is not satisfied with their bank's response?

A complainant who is dissatisfied by an institution's response may write to CBK providing full details of the grievance and the bank's response thereto. The complainant should include copies of all relevant correspondence between the bank and the customer relating to the complaint. Upon receipt, CBK will appraise the complaint by hearing from both parties with a view to reaching an amicable solution.

A dissatisfied complainant retains the right to seek legal redress against an institution. However, it is important to note that CBK cannot consider matters that are before the courts. Complaints filed in court, therefore, can only be determined by the courts.