



NATIONAL BANK OF SERBIA

DEPARTMENT FOR FINANCIAL CONSUMER PROTECTION

**INFORMATION ABOUT COMPLAINTS AGAINST  
FINANCIAL SERVICE PROVIDERS**

**(January–June 2021)**

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## 1 Protection of financial service consumers

### *Financial institutions against which complaints can be filed*

The NBS protects the rights and interests of consumers of financial services rendered by:

- banks,
- financial lessors,
- payment service providers,
- electronic money issuers,
- insurance undertakings,
- voluntary pension fund management companies.

### *What is a complaint?*

A complaint is a written statement addressed to a financial institution by consumers of financial services, expressing their dissatisfaction with financial services, indicating that their rights or interests have been violated and suggesting that the financial institution is not observing laws, other regulations, general terms of business, provisions of a concluded contract or good business practices.

### *How to file a complaint to a financial institution?*

A complaint to a financial institution is filed in writing, by filling in the form on the website of the institution, by e-mail or mail.

### *Deadline for filing a complaint to a financial institution*

A financial service and/or payment service consumer (including a legal entity) may file a complaint against a bank, financial lessor, payment service provider, and electronic money issuer within three years from the day of the violation of their rights or legal interests. A legal entity as a borrower may file a complaint against a bank within 60 days from the day it realised that its right or legal interest had been violated, and not later than three years from the day of the violation.

### *Financial institution's deadline for addressing the complaint*

A financial institution is required to consider the complaint and reply to the consumer in writing in a clear and understandable way, within 15 days (only exceptionally this deadline may be extended by further 15 days, but the financial institution must notify the consumer thereof before the expiry of the first deadline).

The financial institution has to state whether the complaint is founded, and if so, whether the reasons for the complaint have been removed, i.e. it has to commit to eliminating the irregularities and specify in the reply the method and the deadline for doing so.

### *Complaint procedure is free of charge*

A financial institution may not charge the consumer any fees or any other amount in respect of the costs of complaint handling.

### *How to file a complaint to the NBS?*

If a consumer is dissatisfied with the financial institution's reply to the complaint or if the reply was not sent within the deadline, the consumer may address the National Bank of Serbia (NBS).

The fastest and easiest way to file a complaint to the NBS is by filling in the appropriate e-form on the NBS website: (<https://nbs.rs/en/ciljevi-i-funkcije/zastita-korisnika/prigovor/>). In a few steps this form guides the consumer through all the mandatory information and documents to be submitted, so that the complaint can be handled.

The complaint can also be sent by mail to the following address: National Bank of Serbia, PO Box 712, 11 000 Belgrade.

#### *Mandatory elements of the complaint*

Filling in the appropriate e-form on the NBS website, a consumer is guided through all the necessary elements of a complaint so that the NBS can act upon it.

If the consumer does not wish to fill in the form, the complaint must contain the following:

- information which enables consumer identification (name, surname and address, or business name, head office, registration number and name and surname of the legal representative for legal entities) and financial institution identification (business name and head office);
- complaint filed to the financial institution;
- reply of the financial institution (if any);
- brief description of the reasons for the complaint, i.e. what is demanded in the complaint;
- other documents based on which the allegations in the complaint can be assessed;
- if submitted through an authorised person, the complaint should be accompanied with a special power of attorney in line with the decision governing the complaint procedure.

#### *Deadline for filing a complaint to the NBS*

The consumer should file a complaint to the NBS within six months from the receipt of the reply from the financial institution or from the expiry of the deadline for the reply, except for complaints by legal entities (as borrowers) against banks, when the deadline is three months.

#### *Cases where the NBS does not consider complaints*

In addition to other reasons stipulated in regulations, we particularly emphasise that the NBS may not consider a complaint after the court proceedings had been initiated, i.e. when the subject of the complaint is the subject of the ongoing (or past) dispute. Also, the NBS may not resolve a dispute where the establishment of facts requires presentation of evidence, client/witness hearing, court expert analysis, inspection, etc.

#### *Deadline for the NBS to address complaints*

The NBS is required to send the reply to a consumer complaint by no later than three months following the day of its receipt. In more complex cases, the deadline can be extended by three more months at most, but in that case the NBS is required to notify the consumer thereof before the expiry of the first deadline.

#### *NBS complaint procedure is free of charge*

The NBS does not charge the consumer any fees or any other amount in respect of the costs of complaint handling. Also, if the consumer hires a lawyer, he will bear the costs himself (when the complaint is founded, too) as the NBS does not set the costs in this procedure.

*How to submit a mediation proposal to the NBS?*

A dispute between a consumer and a financial institution may be resolved in an out-of-court procedure, i.e. mediation procedure, with the consent of both parties. Mediation by the NBS may be initiated only if court proceedings have not started.

The fastest and easiest way to submit a mediation proposal to the NBS is by filling in the appropriate e-form on the NBS website (<https://nbs.rs/en/ciljevi-i-funkcije/zastita-korisnika/prigovor/>). In a few steps this form guides the consumer through all the mandatory information and documents to be submitted, so that the mediation proposal can be addressed. It should be noted that the NBS acts upon mediation proposals immediately.

Mediation proposals can also be sent by mail to the following address: National Bank of Serbia, PO Box 712, 11 000 Belgrade.

*Mediation*

Mediation may be initiated if court proceedings have not begun and if the consumer had filed a complaint to the financial institution.

Mediation is conducted by NBS staff qualified to act as mediators.

The NBS does not charge any fees for carrying out the mediation procedure, but any costs that may arise during the mediation procedure will be borne by the parties (travel and accommodation costs, representation costs, unpaid leave from work, etc.).

Each party may decide to withdraw from the mediation procedure at any stage. The mediation procedure is confidential and urgent.

If parties come to an understanding in the mediation procedure, a written agreement is made. The agreement will have the power of an enforceable document if it contains a statement of the debtor on the acceptance of enforcement following maturity of a certain liability or fulfilment of a certain condition (enforceability clause), and signatures of the parties to the agreement and the NBS's confirmation of enforceability.

*Advantages of the protection of consumers' rights before the NBS*

The procedure for the protection of consumers' rights before the NBS is entirely free of charge, i.e. neither a financial institution nor the NBS may charge any fees or any other amount in respect of the costs of complaint/mediation proposal handling. In addition, consumers have the possibility to resolve a dispute before the NBS without initiating costly court proceedings which last considerably longer.

Complaint handling or mediation procedure by the NBS is not a necessary condition for court proceedings nor is it an obstacle to initiating such proceedings.

## **2 Imposing measures and/or fines**

In complaint procedures, the NBS adopts decisions whereby it orders elimination of irregularities and/or imposes fines on banks found not to have complied with certain provisions of the law governing the protection of financial service consumers.

In addition to these decisions, the NBS prepares reports on established irregularities, based on which banks may eliminate these irregularities during the procedure.

Furthermore, on-site and off-site bank supervision aimed at consumer protection, provide for prompt elimination of established system irregularities by banks, frequently leading to specific material benefits for a significant number of consumers and long-term improvement of their position.

## **3 List of banks found non-compliant with certain provisions of the law governing the protection of financial services consumers**

List of banks found non-compliant with certain provisions of the law governing the protection of financial services consumers in the period January-June 2021:

- Opportunity banka a.d. Novi Sad
- OTP banka Srbija a.d. Novi Sad
- UniCredit bank Srbija a.d. Beograd
- Komercijalna banka a.d. Beograd
- Direktna banka a.d. Kragujevac,
- Sberbank a.d. Beograd
- Erste banka a.d. Novi Sad.

## 4 Consumer complaints

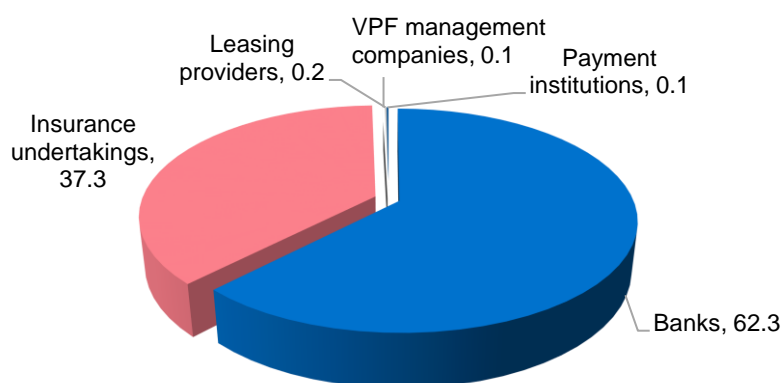
In the period from 1 January to 30 June 2021, 1,393 consumer complaints<sup>1</sup> were resolved. Complaints against banks accounted for 62.3% of these, insurance undertakings for 37.3%, leasing providers for 0.2%, and payment institutions and VPF management companies for 0.1% each.

**Table - Number of complaints**  
(1 Jan. – 30 June 2021)

Financial services provider	Total	Unfounded complaints	Founded complaints
Banks	868	685	183
Insurance undertakings	519	400	119
VPF management companies	1	1	0
Leasing providers	3	3	0
Payment institutions	2	2	0
Electronic money institutions	0	0	0
<b>TOTAL</b>	<b>1,393</b>	<b>1,091</b>	<b>302</b>

Source: National Bank of Serbia.

**Chart - Overview of complaints by type of financial services provider (%)**



Source: National Bank of Serbia.

### 4.1 Complaints against banks

From January to June 2021, 868 complaints against banks were resolved.

<sup>1</sup>For simplification purposes, the word "complaint" as used in this Report also covers complaints against insurance undertakings and VPF management companies, addressed to the NBS.

#### 4.1.1 Complaint number and grounds (banks)

In the observed period, the majority of complaints against banks concerned loans (58.8%), payment accounts/services (24%), and payment cards (13.2%).

**Table - Number of complaints by type (banks)**  
(1 Jan. – 30 June 2021)

Type of complaints	Total	In %
Foreign currency savings	13	1.5
Dinar savings	4	0.5
Other	0	0.0
<b>Deposit transactions</b>	<b>17</b>	<b>2.0</b>
Cash loans	221	25.5
Other loans	128	14.7
Consumer loans	35	4.0
Housing loans	88	10.1
Entrepreneur loans	2	0.2
Agricultural loans	3	0.3
Refinancing loans	33	3.8
<b>Loans</b>	<b>510</b>	<b>58.8</b>
Debit cards	36	4.1
Credit cards	79	9.1
<b>Payment cards</b>	<b>115</b>	<b>13.2</b>
<b>Payment accounts/Payment services</b>	<b>208</b>	<b>24.0</b>
<b>Authorised overdraft facility</b>	<b>6</b>	<b>0.7</b>
<b>Other</b>	<b>12</b>	<b>1.4</b>
<b>TOTAL</b>	<b>868</b>	<b>100.0</b>

Source: National Bank of Serbia.



**Table - Number of complaints by type and outcome (banks)**  
(1 Jan. – 30 June 2021)

Type of complaints	Total	Unfounded complaints	Founded complaints
Foreign currency savings	13	12	1
Dinar savings	4	3	1
Other	0	0	0
<b>Deposit transactions</b>	<b>17</b>	<b>15</b>	<b>2</b>
Cash loans	221	179	42
Other loans	128	118	10
Consumer loans	35	30	5
Housing loans	88	67	21
Entrepreneur loans	2	2	0
Agricultural loans	3	2	1
Refinancing loans	33	30	3
<b>Loans</b>	<b>510</b>	<b>428</b>	<b>82</b>
Debit cards	36	20	16
Credit cards	79	60	19
<b>Payment cards</b>	<b>115</b>	<b>80</b>	<b>35</b>
<b>Payment accounts/Payment services</b>	<b>208</b>	<b>149</b>	<b>59</b>
<b>Authorised overdraft facility</b>	<b>6</b>	<b>5</b>	<b>1</b>
<b>Other</b>	<b>12</b>	<b>8</b>	<b>4</b>
<b>TOTAL</b>	<b>868</b>	<b>685</b>	<b>183</b>

Source: National Bank of Serbia.

#### 4.2 Complaints against insurance undertakings

From 1 January to 30 June 2021, 519 complaints against insurance undertakings were resolved.

##### 4.2.1 Complaint number and grounds (insurance undertakings)

The bulk of complaints against insurance undertakings received in the period between January and June 2021 related to motor third party liability insurance (35.6%) and accident insurance (19.7%).

**Table - Number of complaints by type (Insurance undertakings)**  
(1 Jan. – 30 June 2021)

Type of complaints	Total	In %
Life insurance	23	4.4
Supplemental life insurance	23	4.4
Other	6	1.2
Annuities insurance	1	0.2
<b>Life insurance</b>	<b>53</b>	<b>10.2</b>
Automobile liability	185	35.6
Other liability insurance	4	0.8
Voluntary and Travel health insurance	14	2.7
Property insurance	70	13.5
Full coverage motor vehicle insurance	27	5.2
Insurance from injuries	102	19.7
Credit insurance	4	0.8
Liability insurance	37	7.1
Other	19	3.7
<b>Non-life insurance</b>	<b>462</b>	<b>89.0</b>
<b>Other</b>	<b>4</b>	<b>0.8</b>
<b>TOTAL</b>	<b>519</b>	<b>100.0</b>

Source: National Bank of Serbia.

#### 4.3 Complaints against other financial service providers

In the period observed, the Department was handling three complaints against financial leasing providers, two against payment institutions and one complaint against a VPF management company.

## 5 Mediation

From 1 January to 30 June 2021, the Department received 75 mediation proposals, and the parties accepted 13.

In the observed period, 47 mediation procedures were conducted.

Of the total number of mediations held (30), five cases ended in settlement between the financial institution and the consumer (16.7%) and four in amicable resolution of the dispute after mediation by the NBS.

**Table - Number of mediations**  
(1 Jan. – 30 June 2021)

Financial services provider	In progress	Settlement	Amicable dispute resolution	Suspension	Abandonment	Total	in %
Banks	0	1	1	4	3	9	19.1
Insurance undertakings	17	4	3	12	2	38	80.9
<b>TOTAL</b>	<b>17</b>	<b>5</b>	<b>4</b>	<b>16</b>	<b>5</b>	<b>47</b>	<b>100</b>

Source: National Bank of Serbia.