



CENTRAL BANK OF NIGERIA

Consumer Protection Department
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TO BANKS AND OTHER FINANCIAL INSTITUTIONS

EXPOSURE OF DRAFT RECOMMENDATION FOR TIME BAR ON CONSUMER COMPLAINTS

The Central Bank of Nigeria (CBN) in implementing its consumer protection initiatives, observed that timely resolution of complaints from consumers against Financial Service Producers (FSPs) within the regulated timeline has been a major challenge for the Bank, FSPs and consumers. Amongst other issues, availability and access to supporting documents were identified by stakeholders as a major setback for the timely resolution of complaints.

The CBN identified the need to have in place, adequate measures to ensure that consumers are diligent in their financial transactions by making prompt claims on transactions as they occur, to ensure that FSPs are able to resolve same with the required resources.

Accordingly, vide a letter dated 1st November, 2013 stakeholders were requested to make submissions on the desirability of placing a time bar for managing complaints in the industry.

Pursuant to the inputs received from stakeholders, study of what obtains in some other jurisdictions, some regulatory agencies in Nigeria and the provisions of relevant Nigerian Legislations in respect of document retention and commencement of legal action, **a time bar of six (6) years from date of transaction was recommended, after which complaints against FSPs would not be entertained.** The proposed time limit does not preclude the right of a complainant to seek redress in the court of law.

In line with the tradition of the CBN to carry its stakeholders along as developments evolve, we are exposing the above recommendation for your comments. These can be forwarded in hard or soft copies. Hard copies should be addressed to the Director, Consumer Protection Department, Central Bank of Nigeria, while soft copies captioned "Comments on the proposed recommendation for time bar on consumer complaints" should be emailed to monwedi@cbn.gov.ng and doakoma@cbn.gov.ng within two (2) weeks of the date of this letter.

U. A. Dutse

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