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# Joint Committee Report

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on the assessment of the application of the Guidelines  
on complaints-handling

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# List of abbreviations

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<b>ADR</b>	Alternative Dispute Resolution
<b>ADRD</b>	Alternative Dispute Resolution Directive
<b>AIFM</b>	Alternative Investment Fund Managers
<b>EBA</b>	European Banking Authority
<b>EEA</b>	European Economic Area
<b>EIOPA</b>	European Insurance and Occupational Pensions Authority
<b>ESAs</b>	European Supervisory Authorities
<b>ESMA</b>	European Securities and Markets Authority
<b>EU</b>	European Union
<b>JC</b>	Joint Committee
<b>GUIDELINES</b>	Joint Committee Guidelines on Complaints-Handling
<b>MCD</b>	Mortgage Credit Directive
<b>MiFID</b>	Markets in Financial Instruments Directive
<b>MiFID2</b>	Revised Markets in Financial Instruments Directive
<b>NCA</b>	National Competent Authority
<b>PSD2</b>	Revised Payment Services Directive
<b>UCITS</b>	Undertakings for the Collective Investment in Transferable Securities

# 1. Executive Summary

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In June 2012, EIOPA published their ‘Guidelines on Complaints-Handling by Insurance Undertakings’,<sup>1</sup>, which in November 2013 were replicated for Insurance Intermediaries with the publication of the ‘Guidelines on Complaints-Handling by Insurance Intermediaries’<sup>2</sup>. With the aim of fulfilling the mandate of the JC of bringing about consistency across the banking, securities and insurance sectors, ESMA and the EBA subsequently examined these Guidelines for their respective sectors, and then published ‘Guidelines on complaints-handling for the securities (ESMA) and banking (EBA) sectors’<sup>3</sup> in June 2014. The complete set of guidelines is known as the Joint Committee Guidelines on Complaints-Handling (Guidelines).

In view of the ESAs’ continuing shift of focus from regulatory convergence to supervisory convergence over the last few years, the Joint Committee (JC) of the ESAs decided to carry out an assessment of the extent to which the Guidelines have resulted in improved and consistent outcomes for consumers across the EEA. To this end, the ESAs approached NCAs as well as the main EU consumer associations via questionnaires to gather their input on the application of the Guidelines.

This report describes the assessment of how the Guidelines have been applied since their date of application and the main findings that have been identified. Feedback was provided by 44 NCAs from 29 countries. However, only one of the EU consumer associations replied to the questionnaire and reflected input from only two of their constituent national consumer associations.

The Guidelines have been successful in terms of the number of NCAs that comply with them. Nearly all NCAs comply with the Guidelines and the few that do not, do not comply for any of the three sectors (insurance, securities, banking) or do not comply with a specific guideline and intend to comply with them. In addition, the Guidelines have contributed to the achievement of the purposes for which they were developed, especially in ensuring a consistent approach to complaints-handling across the banking, insurance and securities sectors, and have also resulted in better outcomes for consumers.

Most NCAs have carried out supervisory actions in respect of firms’ compliance with the Guidelines, mainly by way of routine inspections of firms, requesting periodical reporting from firms, and thematic reviews.

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<sup>1</sup> EIOPA Guidelines on complaints-handling by insurance undertakings:  
[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0_en)

<sup>2</sup> EIOPA Guidelines on complaints-handling by insurance intermediaries:  
[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries_en)

<sup>3</sup> Guidelines on complaints-handling for the securities (ESMA) and banking (EBA) sectors:  
<https://www.eba.europa.eu/regulation-and-policy/consumer-protection-and-financial-innovation/guidelines-for-complaints-handling-for-the-securities-esma-and-banking-eba-sectors>

Furthermore, around half of the NCAs have taken steps to identify good/poor practices by firms as a result of the implementation of the Guidelines. Most of those NCAs that have a remit over the insurance sector pointed out that firms operating in this sector are using the best practices on complaints-handling issued by EIOPA.

Most NCAs have faced no major difficulties in the implementation of the Guidelines, and this may be one of the reasons why most of them have not provided many suggestions for the improvement of the Guidelines. It is worth noting that a number of NCAs referred to the existence of equivalent or greater requirements in their national legislation as one of the reasons for not experiencing any issues in their implementation.

Among the very few issues NCAs communicated arising from the implementation of the Guidelines were: i) the definition and interpretation of the term ‘complaint’, which in their view is not sufficiently clear and precise; and ii) the identification and mitigation of possible conflicts of interest that may prevent firms’ complaints management functions from fairly investigating the complaints lodged against the firm. The ESAs are of the view that these issues could be addressed via supervisory convergence work and by encouraging firms to adopt the already identified good practices aimed at directing firms into a consistent interpretation of the existing Guidelines.

Finally, the ESAs have arrived at the view that there is no need to review the Guidelines at this stage, and no further assessment of the application of the Guidelines is warranted, especially taking into account prioritisation decisions arising in the context of the Covid-19 pandemic.

## 2. Background

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1. In June 2012, EIOPA published their ‘Guidelines on Complaints-Handling by Insurance Undertakings’,<sup>4</sup> which in November 2013 were replicated for Insurance Intermediaries with the publication of the ‘Guidelines on Complaints-Handling by Insurance Intermediaries’<sup>5</sup>. With the aim of fulfilling the mandate of the JC of bringing about consistency across the banking, securities and insurance sectors, ESMA and the EBA subsequently examined these Guidelines for their respective sectors, and then published ‘Guidelines on complaints-handling for the securities (ESMA) and banking (EBA) sectors’<sup>6</sup> in June 2014. The complete set of guidelines is known as the Guidelines.
2. More recently, on 31 July 2018, the EBA published<sup>7</sup> an update to the Guidelines, which left the substance of the Guidelines untouched, but which extended the scope of application of the Guidelines to new financial institutions that were established in EU law after the Guidelines had entered into force in June 2014, namely account information and payment initiation services providers under the PSD2, and the mortgage credit intermediaries and non-bank creditors under the MCD. The Guidelines have been applied to these financial institutions since 1 May 2019.
3. With the Guidelines having been in force since June 2014, and considering the ESAs’ continuing shift of focus from regulatory convergence to supervisory convergence, the JC of the ESAs included in its Work Programmes for 2016 (and again in 2017 and 2018) an assessment of the extent to which these Guidelines have resulted in improved and consistent outcomes for consumers across the EU.
4. While the work was not started in 2016 or 2017 due to competing priorities in the JC work programme, in the second half of 2018 the JC of the ESAs discussed how to scope and deliver this work. The JC agreed that the process should be conducted initially with the involvement of NCAs and consumer associations and only subsequently, if deemed necessary, a potential second phase could be considered whereby data would be collected directly from supervised entities.
5. The first phase of work required the completion of two main tasks: i) gathering information from NCAs; and ii) gathering input from consumer associations. In order to complete the first

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<sup>4</sup> EIOPA Guidelines on complaints-handling by insurance undertakings:  
[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0_en)

<sup>5</sup> EIOPA Guidelines on complaints-handling by insurance intermediaries:  
[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries_en)

<sup>6</sup> Guidelines on complaints-handling for the securities (ESMA) and banking (EBA) sectors:  
<https://www.eba.europa.eu/regulation-and-policy/consumer-protection-and-financial-innovation/guidelines-for-complaints-handling-for-the-securities-esma-and-banking-eba-sectors>

<sup>7</sup> Final Report on the extension of the Joint ESMA/EBA GL on complaints-handling to new actors under MCD and PSD2:  
<https://www.eba.europa.eu/regulation-and-policy/consumer-protection-and-financial-innovation/guidelines-for-complaints-handling-for-the-securities-esma-and-banking-eba-sectors>

task, the ESAs developed a questionnaire in 2019 that was circulated to NCAs for their completion.

6. In order to complete the second task, the ESAs developed a questionnaire to gather input from consumer associations and to assess what, if any, impact the JC Guidelines have had in their view. The questionnaire was submitted to the main EU consumer associations over the course of 2020.
7. Based on the above-mentioned questionnaires, the report assesses how the Guidelines have been applied since their date of application. Chapter 3 provides the main points of the responses to the questionnaire submitted to NCAs. Chapter 4 summarises the responses to the questionnaire submitted by the EU consumer associations. Chapter 5 describes the main findings of the assessment of the input provided by NCAs and EU consumer associations, and Chapter 6 finalises with the conclusions drawn.
8. In addition, there are two annexes to the report, with the first one listing the NCAs that provided information and the second one summarising all additional information with regard to the complaints-handling framework across most EEA countries with the aim of helping to better understand how and why the different NCAs have applied the Guidelines in their jurisdictions.

## 3. Summary of the input provided by NCAs

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9. 44 NCAs from 29 countries submitted a completed questionnaire to ESAs' staff. Annex 1 contains the list of the NCAs that provided a completed questionnaire.

### 3.1 Compliance with the Guidelines

10. 43 out of the 44 NCAs that submitted a completed questionnaire answered as follows:
- 35 NCAs indicated that they fully comply with the Guidelines;
  - 7 NCAs reported that they either intend to comply or do not fully comply with the Guidelines; and
  - 1 NCA indicated that it neither complies nor intends to comply.
11. More specifically, among the seven NCAs who intend to comply or do not fully comply with the Guidelines: i) two NCAs indicated that they comply with the EIOPA GL on complaints-handling for insurance undertaking and that they intend to comply with the EIOPA GL for insurance intermediaries; ii) two NCAs indicated that they do not comply with Guideline 4 (on reporting) with regard to the banking sector, although one intends to comply soon; iii) one NCA noted that it complies with the Guidelines with the exception of credit institutions when providing banking services; iv) one NCA stated that it complies with the Guidelines as far as the securities and insurance sectors are concerned but only intends to comply in relation to credit and other financial institutions; and v) one NCA indicated that it intends to comply with the Guidelines.
12. In conclusion, most NCAs comply with the Guidelines and the very few that do not, only do so for one of the three sectors, or for some specific guidelines. Additional details of NCAs who comply, intend to comply, or do not comply with the Guidelines, including comments on how they are complying with them or the reasons for not complying, can be found in the compliance tables<sup>8</sup> on the ESAs' websites.
13. Most NCAs indicated that they have incorporated the Guidelines into their national legislation/regulation; some highlighted that the requirements requested by the Guidelines

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<sup>8</sup> Compliance tables on the Guidelines can be found on the following links to the ESAs websites:

<https://www.eba.europa.eu/regulation-and-policy/consumer-protection-and-financial-innovation/guidelines-for-complaints-handling-for-the-securities-esma-and-banking-eba-sectors>

[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-undertakings-0_en)

[https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries\\_en](https://www.eiopa.europa.eu/content/guidelines-complaints-handling-insurance-intermediaries_en)

<https://www.esma.europa.eu/document/compliance-table-jc-guidelines-complaints-handling-securities-esma-and-banking-eba-sectors>



were already implemented into their national legislation/regulation before the first publication of the Guidelines.

14. In addition, some NCAs stated that they either sent circular letters to firms or published them on their websites, and some indicated that they had incorporated them into their supervisory handbooks. Some other NCAs communicated other ways the Guidelines had been applied, such as recommendations, instructions, authorisation processes or conversion into national guidelines.
15. It is worth noting that some NCAs made use of a combination of several ways to apply the Guidelines in their jurisdictions, such as incorporating them into the national legislation/regulation and submitting circular letters to firms or incorporating them into their supervisory handbooks.

## 3.2 The extent to which the objectives of the Guidelines have been achieved and the outcomes for consumers

### Achievement of objectives

16. In order to ensure the adequate protection of consumers, the Guidelines sought to achieve five objectives, which are listed below in order of the extent to which NCAs considered them achieved:
  - clarify expectations relating to firms' organisation relating to complaints-handling;
  - provide guidance on the provision of information to complainants;
  - provide guidance on procedures for responding to complaints;
  - ensure that firms' arrangements for complaints-handling are subject to a minimum level of supervisory convergence across the EU; and
  - harmonise the arrangements of firms for the handling of all complaints they receive.
17. In addition to the above-mentioned purposes, the Guidelines also aimed to ensure a consistent approach to complaints-handling across the banking, securities and insurance sectors. Most NCAs that have a remit for two or three sectors stated that the Guidelines contributed to ensure a consistent approach to complaints-handling across those sectors and the very few that disagreed, stated that they already had a consistent approach in place before the publication of the Guidelines.

### Outcomes for consumers

18. Most NCAs were of the view that the implementation of the Guidelines in their respective jurisdictions resulted in better outcomes for consumers, while several NCAs indicated that they had neither conclusive nor reliable data to assess the validity of the statement for their jurisdiction. Several NCAs noted that the existing guidelines and processes in place in their

jurisdictions prior to the application of the Guidelines had already resulted in better experiences for consumers.

19. However, there were differences in terms of how the Guidelines resulted in better outcomes for consumers. Most NCAs reported that the Guidelines had contributed to the transparency of the complaints-handling process and more use of plain language by firms and better access and/or more numerous means by which consumers can file complaints. A significant number of NCAs also indicated that the Guidelines had contributed to improve the speed with which complaints were resolved and to increase the number of contacts between firms and consumers.
20. Finally, some NCAs explained that their respective views regarding whether or not the Guidelines have resulted in better outcomes for consumers were based on their analysis of national complaints data. Others referred to their supervisory work on complaints-handling, with several indicating that they had access to data from the Ombudsman. A number of NCAs also commented that they were of the view that the analysis of complaints was not an appropriate measure to assess the effectiveness of the Guidelines and referred to the difficulty in making this assessment.
21. In conclusion, most NCAs are of the view that the implementation of the Guidelines has contributed to better outcomes for consumers. In particular, they have helped to:
  - increase the transparency of the complaints-handling process;
  - facilitate use of plain language by firms;
  - improve the access and/or increase the means by which consumers can file complaints;
  - slightly improve the speed of resolution of complaints; and
  - increase the number of contacts between firms and consumers for better understanding and addressing the issues raised in their complaints.

### 3.3 Supervisory actions

22. Regarding the supervisory actions carried out by NCAs in respect of firms' compliance with the Guidelines, the most common actions indicated were routine inspections of firms, requests for periodic reporting from firms, and thematic reviews. Other actions put in place by some NCAs consisted of the collection of information from the complaints directly received by NCAs or from those filed with the ADR body, the assessment of the complaint-handling procedures during authorisation processes, or some ad-hoc monitoring actions.
23. As part of the routine inspections, NCAs indicated that they supervised the complaints handling procedures of the firms. Moreover, in relation to the reporting of information on complaints, most NCAs indicated that they require annual reporting, while in a few cases the frequency is half-yearly or quarterly. The information on complaints-handling for NCAs may be part of an ad-hoc report or of a more general report on compliance or business practices.

24. In terms of findings, around half of the NCAs that had undertaken supervisory actions informed of no significant findings and overall compliance with the Guidelines. However, the remaining NCAs highlighted deficiencies in the complaints-handling procedures, such as overall absence of procedures in place, lack of provisions for the identification of the complaints' root causes, and deficiencies in the reporting phase. The measures and follow-up actions undertaken by NCAs to address these deficiencies are not described here given that this report focuses on the application of the Guidelines.
25. In addition, several NCAs reported the following findings:
- insufficient communication to clients about the complaints-handling process and ADR bodies;
  - breaches of time requirements/rules for responding to consumers;
  - conflicts of interests due to the absence of mechanisms to prevent them;
  - low quality of the answers provided to customers;
  - discrepancies in the interpretation of the definition of a 'complaint';
  - lack of appropriate training or experience of staff in charge of complaint-handling; and
  - poor information reporting to the board of the firm.

### 3.4 Identification of practices

26. NCAs were divided with regard to the steps they had taken in order to identify good/poor practices by firms as a result of the implementation of the Guidelines. More specifically, around half of NCAs reported that no steps had been taken, and the other half indicated they had taken steps to identify good/poor practices. Among the latter, almost all NCAs that have a remit in the insurance sector reported that firms operating in this sector are using the best practices for complaints-handling<sup>9</sup> issued by EIOPA.
27. A significant number of NCAs provided examples of what they recognise as good practices, of which the most relevant are:
- setting up an independent complaints-handling department within the firm to avoid conflicts of interest;
  - setting up formalised procedures for the interaction between the complaints-handling function and other relevant corporate functions;
  - integrating the procedures for the handling of complaints and the firm's IT system, enabling appropriate monitoring of complaints;
  - setting up a multi-level complaints-handling system, i.e. the complaints-handling function is divided into several levels, for example simple complaints; complaints that require more

<sup>9</sup> [https://register.eiopa.europa.eu/Publications/Guidelines/EIOPA-BoS-13-171\\_Best-Practices-Report-on-complaints-handling-by-Insurance-Intermediaries.pdf](https://register.eiopa.europa.eu/Publications/Guidelines/EIOPA-BoS-13-171_Best-Practices-Report-on-complaints-handling-by-Insurance-Intermediaries.pdf)

- sophisticated attention with a higher level or specific competence of staff (lawyers, communication specialists), etc. Having a multi-level complaints-handling system would help to ensure that a complaint is dealt with faster and in a comprehensive, accurate and reasoned manner;
- registering complaints in a secure electronic register and calculating the time needed for response;
  - submitting complaints electronically and implementing digitalised processes in order to deal with customers' complaints;
  - providing concise and complete information on the complaints procedure;
  - reviewing the relevance of the complaints procedure annually;
  - using data related to complaints-handling for assessing the satisfaction of customers.
28. In addition, almost all NCAs indicated how firms are using complaints data in accordance with the internal follow-up of complaints-handling set out in Guideline 5 of the Guidelines. According to many NCAs, firms have laid down appropriate processes for analysing, on an ongoing basis, complaints-handling data, to ensure that any weaknesses and defects in internal processes are identified and proposals for remedial actions are made. For instance, some NCAs highlighted the improvement of IT systems and a higher level of automation of processes as examples for measures put in place by firms to improve the follow-up of complaints-handling.
29. Furthermore, some NCAs reported that the criteria which they understood as good practices in respect to complaints-handling have been published on their websites.
30. Several NCAs also provided examples of what they consider poor practices, including the following:
- lack of adequate separation of the complaint management function from other operating and marketing functions within the firm, generating conflicts of interest;
  - complaints not reaching the complaints management function and being handled by other departments within the firm;
  - delays in processing complaints in accordance with the standard time stipulated in national legislation;
  - deficiencies in the analysis of individual complaints to identify the root causes common to the different types of complaint;
  - use of a different definition of complaint to the one stipulated in the Guidelines;
  - not keeping the website updated with contact details for filing a complaint.
31. In summary, around half of NCAs have reported steps aimed to identify good/poor practices by firms as a result of the implementation of the Guidelines. Nearly all NCAs that have a remit over the insurance sector pointed out that firms operating in this sector are using the best practices on complaints-handling issued by EIOPA.

## 3.5 Information on complaints received by NCAs in accordance with Guideline 4

32. Guideline 4 of the Guidelines states that ‘Competent authorities should ensure that firms provide information on complaints and complaints-handling to the competent authorities or ombudsman. This data should cover the number of complaints received, differentiated according to their national criteria or own criteria, where relevant’.
33. Most NCAs indicated that they receive periodical data on complaints from the different firms under their supervision. Almost all NCAs provided details on the type of data they receive, and most of them indicated that they receive data that specifies the number of complaints received, settled and replied to, and the topic thereof. The remaining NCAs received similar data with the exception of the number of complaints that have been replied to by firms.
34. The type of institutions from whom the authorities received data depends on the scope of action of the NCA. Most market supervisors receive data from investment firms and asset management companies. Almost all banking supervisors receive data from credit institutions, and almost half of them also gather information from payment and e-money institutions. Moreover, most insurance supervisors receive data from insurance undertakings and around a third of them also receive data from insurance intermediaries.
35. In relation to the frequency of reporting, most NCAs collect data yearly from credit institutions, while NCAs tend to gather data from insurance undertakings more frequently, with around a third of them collecting data half-yearly or quarterly. By contrast, the frequency of reporting to market supervisors is much more diverse and ranges from monthly to yearly depending on the jurisdiction.
36. Nearly all NCAs explained that the data collected with regard to complaints is used to prioritise supervisory actions, identify topics for thematic reviews and to conduct on-site inspections as the data allows the identification of firms with allegedly risky behaviours with their customers.
37. In conclusion, most NCAs collect data on complaints regularly, although the information collected may differ from one NCA to another in terms of the level of detail, the type of supervised entities and the frequency of the reporting. Additionally, most NCAs consider that the complaints-data collected is very useful as it allows the identification of firms with allegedly risky behaviours with consumers and use the data to feed and prioritise supervisory actions, identify topics for thematic reviews and plan on-site inspections.

## 3.6 Issues faced by NCAs and their suggestions for improvement of the Guidelines

### Issues faced by NCAs when implementing the Guidelines

38. Most NCAs indicated that they had not faced any issues when implementing the Guidelines. Some NCAs explained that the existence of equivalent or greater requirements at the national

level in relation to complaints-handling by firms before the publication of the Guidelines was the main reason for not having issues when implementing the Guidelines.

39. In addition, one NCA noted that the MiFID provisions on the handling of complaints are more detailed than the UCITS rules and that, based on a national policy decision, similar requirements to the MiFID obligations were applied to UCITS and AIFM.
40. Several NCAs highlighted that the definition and interpretation of the term ‘complaint’ is not sufficiently clear and precise, with one of these NCAs explaining that the definition is broader than the one that this NCA recommends.
41. Moreover, some NCAs mentioned that they faced issues related to the application of the Guidelines in relation to the procedure for dealing with complaints. In particular:
  - two NCAs noted that they had to define precisely the starting point of the time limit of two months to answer a complaint;
  - one NCA mentioned that some specific tasks of the complaint management function were being interpreted differently by firms;
  - one NCA highlighted the difficulties of smaller firms such as credit intermediaries to apply the Guidelines due to their simple organisational structure;
  - one NCA explained that the complaints procedure must be made clear to the customer;
  - one NCA observed that in their jurisdiction the Guidelines do not apply to credit institutions providing services other than investment services (banking services) because there is no sufficient legal basis to do so.
42. Two NCAs also pointed out that the complaints-handling process may lead to conflicts of interest in cases where the complaints management function is not able to handle complaints independently from corporate functions responsible for products marketing. In addition, another two NCAs referred to the need to set up IT infrastructure to fulfil the reporting obligations under Guideline 4 of the Guidelines.
43. Another NCA noted an issue regarding home/host competence in connection with the reporting of complaints. It has to be noted that the Guidelines do not include guidelines on cross-border handling of complaints. In some cases, insurance undertakings operating across borders are subject to reporting obligations by both the home and the host competent authorities. This NCA further explained that it was able to offer to put in place an exchange of information with the host competent authority to avoid duplication and administrative burden for the firms. In a similar case there is a national court case pending on this matter.
44. One NCA observed that the wording ‘Competent authorities should ensure that firms...’ is not appropriate and raises unrealistic expectations of NCAs, as it seems to shift the burden of ensuring compliance from firms to the competent authorities.

45. To sum up, nearly all NCAs do not see any major difficulties with the implementation of the Guidelines, with a number of them referring to the existence of equivalent or greater requirements in their national legislation as one of the reasons for not experiencing any issues in their implementation.
46. The most relevant issue for NCAs arising from the implementation of the Guidelines seems to be that the definition and interpretation of the term complaint is not sufficiently clear and precise. Moreover, another issue relates to the identification and mitigation of possible conflicts of interest that may hinder firms' complaints management functions from fairly investigating the complaints lodged against the firm.

### Suggestions for improvement of the Guidelines

47. Some NCAs made specific suggestions for the improvement of the current Guidelines, which are described below:
- three NCAs suggested harmonising further the timing requirements for the handling of complaints submitted to firms, with two of them indicating a two-month period from the receipt of a complaint to it being answered;
  - two NCAs recommended regulating the area of cross-border complaints, with one of them suggesting describing in more detail the procedure for responding to complaints for firms that operate in other countries, and the other NCA proposing specifying a procedure describing the steps that both home and host NCAs should follow to handle complaints regarding cross-border issues;
  - two NCAs would like the Guidelines to provide further guidance on the handling of electronic complaints;
  - two NCAs suggested providing further specifications with regard to requirements for the organisational integration of complaints-handling departments in order to ensure their independence, avoid conflicts of interests, or describe how they have to be addressed and mitigated. More specifically:
    - one NCA was of the view that adequacy of the institutional location of the service in the structure of the supervised entity should be achieved in order to ensure independence of this service with respect to the rest of the functions of the firm and adopt decisions autonomously;
    - the other NCA recommended developing 'Guideline 2' by specifying in more detail how possible conflicts of interest should be addressed and mitigated, e.g. by requiring the complaints management function to be independent of business functions.
  - two NCAs advocated increasing transparency and comparability of data on complaints, with one NCA proposing standardising a template for reporting to NCAs (also with regard to the host supervisor, if applicable), and the other NCA recommending publishing statistical data related to complaints for each firm on the NCAs' and ESAs' websites.
48. Additionally, one NCA also suggested to consider:

- that the head of the complaints-handling service is considered as one of the key positions within the firm, and to document the process of renewal and removal of this position;
  - outsourcing sub-processes regarding complaints-handling while keeping the responsibility within the firm;
  - stipulating an adequate number of resources, the training required, and including the participation of the complaints-handling services in other committees of the entity, particularly the committee for new products, to make sure that the service has the human, material and technical means to manage complaints efficiently.
49. In conclusion, most NCAs believe the Guidelines, as drafted, are acceptable and do not require further amendments. Among the few NCAs that provided suggestions, the further harmonisation of the timing requirements for the handling of complaints submitted to firms and the avoidance of conflicts of interest, handling of cross-border complaints, handling of electronic complaints and increasing transparency and comparability of data on complaints were the main areas for enhancement.



## 4. Summary of the input provided by EU consumer associations

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50. Only one EU consumer association submitted a response to the questionnaire that the ESAs submitted to the main EU consumer organisations, and this response consisted of the submission of two completed questionnaires they received from two national consumer associations. The Covid-19 pandemic may explain the lack of responses from other EU consumer associations.

### **Awareness of Guidelines by consumer associations**

51. One of the national consumer associations indicated that they were aware of the Guidelines while the other one responded that they did not know them.

### **Contribution of the Guidelines to better outcomes for consumers**

52. One national consumer association indicated that they did not know whether the Guidelines have contributed to better outcomes for consumers because there have not been any visible actions taken or effects seen as a result of the implementation of the Guidelines. The other national consumer association did not provide a response to the question.

### **Identification of practices of how firms treat consumers when they lodge a complaint**

53. One national consumer association stated that they were aware of a number of practices of complaints-handling by firms which can improve or worsen the customer experience. Among the practices that this national consumer association would like firms to replicate, they mentioned:

- establishment of channels exclusively devoted to handling complaints, which are accessible through various forms of contact;
- establishment of specific departments and contact points for complaints-handling;
- creation of online tools for claiming and follow-up;
- receipt acknowledgement for claims with a reference number;
- establishment of specific timings for responding and feedback;
- when deemed beneficial, promotion of person-to-person contact;
- the practice of guiding consumers on how to complain to ADR bodies that exist in their jurisdiction, if their complaint against a financial firm is rejected.

54. In addition, this national consumer association also pointed out some practices they would like firms to avoid:

- use of unclear and non-objective language, and vague and generic communications in response to consumers, without concrete clarification to the consumer complaint;
- non-compliance with the indicated deadlines to respond to the complainant and the absence of a concrete justification for this delay;
- lack of information regarding the concrete measures being taken to analyse and give response to the consumer complaint;
- lack of explanation of the firm's decision not to satisfy the complainant's demand;
- lack of information regarding the mechanisms available to the consumer in the event that they disagree with the firm's decision.

### Difficulties that consumers face when they lodge a complaint

55. With regard to any difficulties, not strictly arising from the conduct of firms, that consumers face or may face when they file or intend to file complaints against firms, one national consumer association indicated that they were aware of the following:
- difficulties experienced by consumers when there is a need to resort to the judicial system (for example, court costs and time needed to reach a final decision);
  - financial illiteracy;
  - knowledge and understanding of (own) clients' rights and means for complaining;
  - no contact point or means to lodge a complaint – current practices are not useful: using a standard form that does not generate a copy, register/means of proof;
  - unnecessary bureaucracy/formalities;
  - automation in complaints-handling leads to technical responses that consumers do not understand;
  - lack of awareness in consumers of the existence of ADR bodies to which they can submit an appeal, and the fact that some consumers assume that complaining to this kind of body require lawyers when this is not the case.

### Suggestions for improvement of the Guidelines

56. One consumer association suggested reviewing the Guidelines to make them more detailed, as in their view, their original aim has not been achieved given that they are very high level. More specifically, this national consumer association explained that the second part of the Guidelines should be more detailed and probably sector specific as each market has specificities that require specific guidance and rules. Furthermore, this association explained that, given the significant level of cross sectoral activities, such as cross-selling practices by firms, there should be a section for cross-sector activities and services.
57. Finally, this national consumer association also suggested, in addition to the Guidelines, establishing an automatic compensatory mechanism for consumers in the event of non-compliance by firms with minimum obligations in handling complaints.

58. Due to the fact that only two national consumer associations submitted responses to the questionnaire sent to consumer associations on the application of the Guidelines, no clear conclusions can be developed given that the input obtained is inevitably based on an extremely small sample that may not be representative of the views of consumer associations in the EU.

## 5. Summary of main findings

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59. Based on the input provided by NCAs across the EEA countries and by one EU consumer association, the ESAs identified a number of findings about how the Guidelines have been implemented since their date of application in 2014.

### Compliance with the Guidelines

60. Most NCAs comply with the Guidelines and the very few that do not, only do not comply for either one of the three sectors (insurance, securities, banking) or with a specific guideline and intend to comply with them.

61. The existence of requirements at the national level in relation to complaints-handling by firms before the implementation of the Guidelines in 2014, and the existence of national legislation in place that deals with complaints-handling in most jurisdictions across the EEA, seems to have facilitated the compliance with and implementation of the Guidelines by NCAs.

### Achievement of the purposes of the Guidelines

62. According to the input provided by NCAs, the Guidelines have contributed to the achievement of the purposes for which they were developed, especially in contributing to a consistent approach to complaints-handling across the banking, insurance and securities sectors. In addition, the Guidelines have contributed to better outcomes for consumers.

### Supervisory actions undertaken by NCAs

63. Most NCAs have carried out supervisory actions in respect to firms' compliance with the Guidelines, mainly by way of routine inspections of firms, requesting periodical reporting from firms, and thematic reviews.

### Identification of firms' practices

64. Around half of the NCAs have taken steps to identify good/poor practices by firms, as a result of the implementation of the Guidelines. A large number of those NCAs that have a remit over the insurance sector, pointed out that firms operating in this sector are using the best practices on complaints-handling issued by EIOPA, indicating that firms in this sector find the publication of these practices by EIOPA to be a very useful and helpful tool to comply with the Guidelines. Moreover, many NCAs have provided a good amount of good/poor practices.

65. A significant number of NCAs provided examples of what they recognise as good practices, of which the most relevant are:

- setting up an independent complaints-handling department within the firm to avoid conflicts of interest;

- setting up formalised procedures for the interaction between the complaints-handling function and other relevant corporate functions;
  - integrating the procedures for the handling of complaints and the firm's IT system, enabling appropriate monitoring of complaints;
  - setting up a multi-level complaints-handling system, i.e. the complaints-handling function is divided into several levels, for example simple complaints; complaints that require more sophisticated attention with a higher level or specific competence of staff (lawyers, communication specialists), etc. Having a multi-level complaints-handling system would help to ensure that a complaint is dealt with faster and in a comprehensive, accurate and reasoned manner;
  - registering complaints in a secure electronic register and calculating the time needed for responses;
  - submitting complaints electronically and implementing digitalised processes in order to deal with customers' complaints;
  - providing concise and complete information on the complaints procedure;
  - reviewing the relevance of the complaints procedure annually;
  - using data related to complaints handling for assessing the satisfaction of customers.
66. Furthermore, a number of examples of what the NCAs consider poor practices were also identified:
- lack of adequate separation of the complaint management function from other operating and marketing functions within the firm, generating conflicts of interest;
  - complaints not reaching the complaints management function and being handled by other departments within the firm;
  - delays in processing complaints in accordance with the standard time stipulated in national legislation;
  - deficiencies in the analysis of individual complaints to identify the root causes common to the different types of complaint;
  - use of a different definition of complaint to the one stipulated in the Guidelines;
  - not keeping the website updated with contact details for filing a complaint.

### **Information on complaints received by NCAs**

67. Nearly all NCAs collect data regularly on complaints, although the information collected may differ from one NCA to another in terms of the level of detail, the type of supervised entities and the frequency of reporting. These NCAs consider that the complaints data collected is a very useful source of information as it allows the identification of firms with allegedly risky behaviours with consumers, so they can use the data to feed and prioritise supervisory actions, identify topics for thematic reviews and plan on-site inspections.

## Issues faced by NCAs when implementing the Guidelines

68. Most NCAs have faced no major difficulties in the implementation of the Guidelines with the existence of national requirements on complaints-handling before and after the implementation of the Guidelines one of the reasons that seems to explain this.
69. Among the issues identified by NCAs it is worth mentioning the following ones:
- lack of harmonisation of the timing requirements for the handling of complaints submitted to firms;
  - the identification and mitigation of possible conflicts of interest that may hinder firm's complaints management functions from fairly investigating the complaints lodged against the firm;
  - the fact that the definition and interpretation of the term 'complaint' may not be sufficiently clear and precise; and
  - the use of the wording 'Competent authorities should ensure that firms...' across the Guidelines, which is not very appropriate for applying the Guidelines to firms and raises unrealistic expectations of NCAs.

## Suggestions for improvement of the Guidelines

70. Most NCAs did not provide any suggestions for improvement of the current Guidelines but among the suggestions provided, it is worth mentioning the following:
- regulating the area of cross-border complaints, for example by describing in more detail the procedure for responding to complaints for firms that operate in other countries and describing the steps that both home and host NCAs should follow to handle complaints regarding cross-border issues;
  - harmonising further the timing requirements for the handling of complaints submitted to firms;
  - providing further guidance on the handling of electronic complaints;
  - providing further specifications with regard to requirements for the organisational integration of complaints-handling departments in order to ensure the independence of these departments, avoid conflicts of interest or describe how they have to be addressed and mitigated; and
  - increasing transparency and comparability of data on complaints.

## 6. Conclusions

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71. The ESAs are of the view that the Guidelines have been successful in terms of the number of NCAs complying with them. Nearly all NCAs comply with the Guidelines and the very few that do not, do not comply for either one of the three sectors (insurance, securities, banking) or do not comply with a specific guideline and intend to comply with them.
72. In addition, the Guidelines have contributed to achieving the purposes for which they were developed, especially in contributing to a consistent approach to complaints-handling across the banking, insurance and securities sectors, and, according to most NCAs, have also resulted in better outcomes for consumers.
73. Most NCAs have not faced any major difficulties in the implementation of the Guidelines and this may be one of the reasons why most of them have also not provided many suggestions for the improvement of the Guidelines.
74. The ESAs are of the view that some of the difficulties could be addressed via more targeted supervisory convergence work and by encouraging firms to adopt the already identified good practices aimed at directing firms into a consistent interpretation of the existing Guidelines. A large number of those NCAs that have a remit over the insurance sector pointed out that firms operating in this sector are using the best practices on complaints-handling issued by EIOPA. This indicates that firms in the insurance sector find the publication of these practices by EIOPA to be a very useful and helpful tool to comply with the Guidelines.
75. Against this background, the ESAs arrived at the view that, based on the responses received by the NCAs, there is, at present, no need for revising the Guidelines at this stage. Additionally, the ESAs concluded that there is at present no merit in continuing the assessment on the application of the Guidelines with a second phase that would involve NCAs approaching firms directly to obtain additional information.

# Annex 1: List of NCAs that submitted a completed questionnaire to ESAs staff

Member State	NCA
Austria	Federal Ministry for Digital and Economic Affairs
Austria	Financial Markets Authority
Belgium	Financial Services and Markets Authority
Belgium	FOD Economie
Bulgaria	Bulgarian National Bank
Bulgaria	Consumer Protection Commission
Bulgaria	Financial Supervision Commission
Croatia	Croatian National Bank
Croatia	Hrvatska agencija za nadzor financijskih usluga
Cyprus	Cyprus Securities and Exchange Commission
Czech Republic	Czech National Bank
Denmark	Financial Supervisory Authority
Estonia	Finantsinspektsioon
Finland	Finanssivalvonta
France	Autorité de contrôle prudentiel et de résolution
France	Autorité des marchés financiers
Germany	Bundesanstalt für Finanzdienstleistungsaufsicht
Greece	Bank of Greece
Greece	Hellenic Capital Market Commission
Hungary	Central Bank of Hungary
Ireland	Central Bank of Ireland
Italy	Banca d'Italia
Italy	Commissione Nazionale per le Società e la Borsa
Italy	Istituto per la vigilanza sulle assicurazioni
Latvia	Financial and Capital Market Commission
Liechtenstein	Financial Markets Authority
Lithuania	Lietuvos Bankas
Luxembourg	Commissariat aux Assurances
Luxembourg	Commission du Surveillance du Secteur Financier
Malta	Maltese Financial Services Authority
Netherlands	Autoriteit Financiële Markten
Norway	Finanstilsynet
Poland	Komisja Nadzoru Finansowego
Portugal	Autoridade de Supervisão de Seguros e Fundos de Pensões
Portugal	Banco de Portugal
Portugal	Comissão do Mercado de Valores Mobiliários
Romania	Autoritatea de Supraveghere Financiară
Slovakia	Národná banka Slovenska
Slovenia	Agencija za Zavarovalni nadzor
Slovenia	Securities Market Agency
Spain	Banco de España
Spain	Comisión Nacional del Mercado de Valores
Spain	Dirección General de Seguros y Fondos de Pensiones
Sweden	Finansinspektionen



# Annex 2: Additional information from NCAs regarding the complaints-handling framework in Europe

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1. The ESAs, during their exercise for gathering information from NCAs on the application of the Guidelines, also obtained some additional information with regard to the complaints-handling framework across most EEA countries with the aim of helping to better understand how and why the different NCAs have applied the Guidelines in their jurisdictions.
2. In what follows below there is a brief description of the most relevant information obtained in relation to the framework on complaints-handling as well as on how the different NCAs deal with cross-border complaints.

## Complaints-handling framework across EEA countries

### Requirements at national level prior to and after the application date of the Guidelines

#### Requirements at national level prior to the application date

3. Most NCAs indicated that there were requirements at the national level in relation to complaints-handling by firms before the implementation of the Guidelines in 2014. Those requirements were different across Member States, also between firms acting on the banking, insurance and securities sectors in the same Member State, and in some cases even within the same sector, having different requirements applicable to different activities.
4. While some NCAs explained that the requirements were established in their jurisdictions by the transposition of several directives, by consumer protection laws or by specific legislation, in other cases NCAs identified other types of instruments, such as national regulations, orders and guidelines, or those derived from governance principles.

#### Requirements at national level after the application date

5. Most NCAs indicated that there is national legislation that deals with complaints-handling in their jurisdiction in addition to the Guidelines. Most of these NCAs identified the existence of different legislation and procedures applicable to complaints-handling, implying that this subject was addressed differently across the EEA.

6. Most NCAs explained that the national legislation in place resulted from the application of Commission Delegated Regulation (EU) 2017/565,<sup>10</sup> and from the transposition of the Directives MIFID2,<sup>11</sup> ADRD,<sup>12</sup> and PSD2<sup>13</sup>.
7. To sum up, there were requirements at the national level in relation to complaints-handling by firms before the implementation of the Guidelines in 2014, and these requirements are still in place in most jurisdictions across the EEA. However, it seems that although some of those national requirements were based on EU legislation prior to the date of application of the Guidelines, the current situation has changed, and nowadays, most of the national requirements are derived from recent EU legislation (MIFID2, ADRD, PSD2).

### Handling of complaints submitted to NCAs

8. Most NCAs stated that, in their jurisdictions, they have a legal remit for handling consumer complaints, including complaints of alleged infringements or misconduct by firms, that are submitted directly to them by consumers. However, there are different approaches across the NCAs about how to handle the complaints submitted directly to them.
9. In this regard, some NCAs pointed out that they use the submitted complaints as a source of data for their supervisory procedures. Some other NCAs explicitly stated they are not in a position to settle disputes, although some of them offer mediation and act as an ADR body. Additionally, some NCAs explained that they have put in place special procedures for handling those complaints, with some mandatory requirements to send the reply to complainants.
10. More specifically, almost all NCAs that receive complaints of alleged infringements or misconduct by firms that are submitted directly to them by consumers indicated that they use those complaints to inform their supervisory priorities going forward. They use the findings of their analysis for risk-based supervisory procedures and for identifying and monitoring trends, including for the identification of topics for thematic reviews and on-site inspections. Some NCAs also stated that they take complaints analysis into account for other purposes such as authorisation processes and mapping educational activities.

### Handling of complaints submitted to ADR bodies

11. ADR bodies have different functions, such as mediation, ombudsmen, arbitration and complaints boards. There is more than one ADR body in most jurisdictions. Some NCAs

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<sup>10</sup> Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, available at this link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32017R0565>

<sup>11</sup> Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, available at this link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014L0065-20200326>

<sup>12</sup> Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes, available at this link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32013L0011>

<sup>13</sup> Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, available at this link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02015L2366-20151223>

reported that either they operate as an ADR body in their jurisdiction, or there is a functionally independent ADR body somehow funded by or established within the NCA, with which the NCA has on-going interactions.

12. A significant number of NCAs reported that they neither operate as an ADR body nor do they receive or have access to complaints data from ADR bodies. However, some other NCAs indicated that although they do not operate as an ADR body, they receive or have access to information on complaints data from ADR bodies in their jurisdiction. Moreover, when those NCAs receive complaints data, it consists of statistics of i) number of complaints, often divided by sector; ii) main issues of the complaints; and iii) whether the complaints were solved.
13. In addition, the explanations provided by the NCAs indicate that there is no harmonised procedure for receiving the information on complaints data from ADR bodies. Some NCAs receive the information on a regular basis, while others get it on an ad-hoc basis when they request it.
14. Most NCAs that operate as ADR bodies or that receive and have access to complaints data from ADR bodies in their jurisdictions, indicated that they use the complaints data to inform their supervisory priorities. A large number of them incorporate the complaints data as one of the sources of information used to identify risks and plan on-site visits, investigations and other supervisory actions. On the other hand, a small number of NCAs indicated that they use complaints data only on a case-by-case basis and take it into account to decide and/or use it on supervisory actions only when it is considered relevant.
15. From the responses of some NCAs it follows that they have put in place a risk and prioritisation process involving the use of a risk map where several variables are analysed and rated in order to determine the risks and plan supervisory actions, although no specific details were provided. Moreover, some NCAs stated that complaints data is normally used to plan supervisory actions on a periodic basis.

### **Publication of information on complaints**

16. Most NCAs indicated that they publish some kind of information, such as an annual report, on the basis of the complaints data information they receive either in their role as ADR body or in their role as NCA. Most publish the information on complaints data regarding their role as NCA in the NCA's annual report, and a few of these NCAs also publish additional reports containing complaints data during the year. The degree of detail of the information regarding complaints contained in these reports varies and can include the number, types, evolution, major themes of complaints, trends, measures taken by the NCA, complaints by type of firm and statistical data, among others.
17. With regard to those NCAs that operate as an ADR body, all of them, with the exception of one, reported that they publish an annual report in their role as ADR body. The degree of detail of the information regarding complaints contained in these reports varies widely, similar to the level of detail in the NCA's annual reports.

18. In addition to the ADR bodies annual report, several NCAs also publish other types of complaints information in their roles as ADR body, such as quarterly reports on dispute statistics, monthly case studies based on real facts on an online diary, or reports published occasionally without any regular frequency.
19. In summary, most NCAs publish information on the complaints data that they receive. Most of them do it in the NCA's annual report with regard to the complaints data information they receive in their role of NCAs. In addition, those NCAs that operate as an ADR publish a report in their role as ADR body. In most cases, NCAs, either in their role as NCAs or ADR bodies, publish this kind of information annually, and some NCAs also publish further information regarding complaints-handling on their websites.

## Issues stemming from cross-border services and related complaints

### Cross-border complaints-handling by NCAs

20. There is considerable variation in how NCAs, in their role as NCAs, deal with complaints of alleged infringements or misconduct by firms that are authorised in another EU Member State and that provide services in their jurisdiction under the freedom to provide services. For example, some NCAs differentiated the way they handle complaints against providers authorised by a foreign NCA according to whether the same provider has also established a branch in their territory.
21. More specifically, the most common action was forwarding/communicating the complaint to the NCA of the home Member State, and in a few cases requesting or offering assistance to the home NCA to resolve the issue. One third of the NCAs also reported that they handle the complaints received in the same way as if it was a complaint against a firm authorised in their jurisdiction. Some NCAs also pointed out that they contact the firm directly and request information about the complaints. Some other NCAs also provide the complainants with information of the relevant competent authorities or on the appropriate procedures with regard to their complaints.
22. In addition, some NCAs explained that they differentiate how to deal with complaints of the insurance sector from the banking and investment sectors, with the former usually being handled as complaints concerning a firm authorised in their jurisdiction and the latter usually being referred to the home NCA, although sometimes those complaints were also treated as if they were complaints of providers authorised in their jurisdiction, either when local branches existed or under emergency circumstances requiring immediate action. These differences may be due to the different allocation of responsibilities between home and host NCAs in the sectoral legislation.
23. A similar pattern is appreciated in relation to how NCAs, in their role as NCAs, deal with complaints of alleged infringements or misconduct by firms that are authorised by them and

provide services into a different EU Member State under the freedom to provide services. In these situations, the actions of NCAs differed considerably.

24. The most common action was to examine the complaints on the basis of the information received, with half of those NCAs conducting further investigations. Other common actions reported by some NCAs were collaborating with the host NCA and submitting the complaints to the host NCA.
25. Finally, some NCAs indicated that on some occasions, the complainant is “lost” in the process of identifying/clarifying the NCA or ADR body that is responsible for dealing with the complaint, due to the lack of adequate communication and collaboration between the NCAs and/or ADR body and the difficulties of using different languages.
26. On the issues that NCAs have experienced in dealing with complaints of alleged infringements or misconduct by firms for services that have been provided across borders, those issues varied considerably among NCAs. Some of the common issues referred to by several NCAs include difficult or slow communication or cooperation with other NCAs, the lack of enforcement measures in cross-border situations, the distribution of unsuitable or high-risk products to customers on a cross-border basis, and language barriers. Some NCAs explained that they usually seek interaction with other NCAs to deal with those issues.

### **Cross-border complaints-handling by ADR bodies**

27. The handling by those NCAs, in their roles as ADR bodies or where there is a functionally independent ADR body somehow funded by or established within the NCA, with which the NCAs have on-going interactions, of complaints against firms that are authorised in another EU Member State and that provide services in their jurisdictions under the freedom to provide services, seems to follow relatively straightforward organisational structures.
28. More specifically, the most common ways in which NCAs treat those cases are: i) as domestic complaints, in some cases only if the cross-border cases fulfil specific conditions; and ii) referring them to the competent ADR or NCA, either in the home or host Member State.
29. With regard to the handling by NCAs, in their roles as ADR bodies or where there is a functionally independent ADR body somehow funded by or established within the NCA, with which the NCAs have on-going interactions, of complaints against firms that are authorised by them and that provide services into a different EU Member State under the freedom to provide services most NCAs indicated that they handle such complaints similarly to domestic complaints.
30. Regarding the issues that NCAs, in their roles as ADR bodies or where there is a functionally independent ADR somehow funded by or established within the NCA, with which the NCAs have on-going interactions, have experienced in dealing with complaints for services that have been provided cross-border, around half of NCAs indicated that they have not experienced any issues and the other half reported some issues. The most common issues identified referred

to problems in communication or cooperation with other bodies, the high complexity of cross-border issues and sometimes having difficulties in identifying the competent ADR body.