



COOPERATIVE DEVELOPMENT AUTHORITY

827 Aurora Blvd., Service Road, Brgy. Immaculate Conception Cubao, 1111 Quezon City, Philippines
http://www.cda.gov.ph helpdesk@cda.gov.ph CDA Philippines



U.P. LAW CENTER
OFFICE of the NATIONAL ADMINISTRATIVE REGISTER
Administrative Rules and Regulations

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MEMORANDUM CIRCULAR NO. 2024 – 22
Series of 2024

SUBJECT: GUIDELINES ON THE PREPARATION AND SUBMISSION OF GAP ANALYSIS AND BOARD-APPROVED ACTION PLAN IN COMPLIANCE WITH THE TRANSITORY CLAUSE OF MEMORANDUM CIRCULAR NO. 2023 – 014 OR THE IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 11765, OTHERWISE KNOWN AS THE “FINANCIAL PRODUCTS AND SERVICES CONSUMER PROTECTION ACT”

Rule IX, Section 2 of Memorandum Circular (MC) No. 2023 – 014 or the Implementing Rules and Regulations (IRR) of Republic Act No. 11765, otherwise known as the “Financial Products and Services Consumer Protection Act”, requires all CDA-Regulated Entities (CDAREs) or the cooperatives offering financial products or services as their business undertaking to a) conduct a gap analysis of their current consumer protection practices vis-à-vis the provisions of the MC; and b) create an Action Plan duly approved by the CDAREs’ Board of Directors within one (1) year from the effectivity of the MC which was on July 11, 2023.

In accordance with the above, all CDAREs shall observe the following Guidelines on the preparation and submission of their gap analysis and Board-Approved Action Plan:

1. The CDAREs shall perform a gap analysis of their current financial consumer protection practices, including their Consumer Protection Risk Management System (CPRMS) and Financial Consumer Protection Assistance Mechanism (FCPAM), if any, vis-à-vis the provisions of MC No. 2023 – 014. The Authority shall issue separate guidelines on the establishment of CPRMS and FCPAM;
2. All CDAREs shall prepare and submit a Summary Table of Observed Gaps and Corresponding Board-Approved Action Plan in Compliance with Transitory Clause of MC No. 2023 – 014 using the attached template (Annex A) signed by the Chairperson of the Board of Directors (BOD), showing:
 - a) summary of observed gaps based on the gap analysis conducted;
 - b) action plan/s as approved by the BOD to address those gaps; and
 - c) target completion date
3. The Action Plan shall include initiatives to be undertaken to fully comply with the provisions of MC No. 2023 – 014;
4. The submission of the above-mentioned document shall be without prejudice to requests for additional information, should the Authority deem necessary;
5. The target completion date for each activity/initiative shall not be later than July 11, 2025 or two (2) years after the effectivity of MC No. 2023 – 014;

Office of the Chairman : (02) 8721-5325
(02) 8721-5324
Office of the Administrator : (02) 8721-0633
Officer of the Day : (02) 8725-3764



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6. The deadline of submission of the Summary Table, in soft copy, shall be on or before December 27, 2024 through the respective Regional Extension Offices at the following email addresses:

Regional Extension Office	Email Address
CAR	car@cda.gov.ph
NCR	ncr@cda.gov.ph
I	r1@cda.gov.ph
II	r2@cda.gov.ph
III	r3@cda.gov.ph
IV-A	r4a@cda.gov.ph
IV-B	r4b@cda.gov.ph
V	r5@cda.gov.ph
VI	r6@cda.gov.ph
VII	r7@cda.gov.ph
VIII	r8@cda.gov.ph
IX	r9@cda.gov.ph
X	r10@cda.gov.ph
XI	r11@cda.gov.ph
XII	r12@cda.gov.ph
XIII	r13@cda.gov.ph

7. Email submission must be sent using the CDARE's official address and must bear the subject: CDARE_GapAnalysis_ActionPlan_(Date of Submission), e.g., ABC Credit Cooperative_GapAnalysis_ActionPlan_07312024;
8. As the Action Plan reflects the CDARE's intent to institutionalize consumer protection as a fundamental component of its operation, this shall be the springboard to the Authority's conduct of inspection, assessment and monitoring of the CDARE in relation to Rule III of MC No. 2023 – 014; and
9. Queries or clarifications regarding this MC should be sent to csf@cda.gov.ph.
10. This MC shall take effect after fifteen (15) days following the completion of its publication in the Office of the National Administrative Register (ONAR) and Official Gazette or newspaper of general circulation.

Approved by the Board of Directors pursuant to Board Resolution No. 568, S-2024 dated August 15, 2024.

Issued this 18th day of September 2024, Quezon City

By the Board of Directors:

USEC. JOSEPH B. ENCABO
Chairperson



NAME OF CDARE

Summary of Observed Gaps and Corresponding Board-Approved Action Plan
in Compliance with Rule IX Section 2 of MC2023-14 published on July 11, 2023

MC2023-14 Provisions	Summary of Observed Gaps based on the Conduct of Gap Analysis dated (MM/DD/YEAR)	Action Plan/s as Approved by the Board of Directors on (MM/DD/YEAR)	Target Completion Date
Key provisions/requirements under MC2023-14 published on July 11, 2023	Identify specific gap/s vis-a-vis the regulatory requirement/s	Provide specific action plan to address the observed gap/s	Indicate the target completion date
<p>RULE II DUTIES AND RESPONSIBILITIES OF CDAREs</p> <p>A. FAIR AND EQUITABLE TREATMENT OF CONSUMERS SEC 1. General Provisions</p> <p>A CDARE shall have the right to select their clients from the members of the cooperative: Provided, That it shall not discriminate against clients on the basis of race, age, financial capacity, ethnicity, origin, gender, disability, health condition, sexual orientation, religious or political affiliation: Provided, further, That CDAREs may provide distinction, as necessary, when making a risk assessment on a specific financial product or service.</p> <p>However, it is also the right of every financial consumer to be treated fairly, honestly, and professionally at all stages of the transaction.</p>			
<p>A CDARE demonstrates the principle of fair and equitable treatment toward financial consumers if its policies and practices observe the following:</p> <p>a. Terms and conditions are not unfair in that there is significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the financial consumer. In any agreement with the financial consumer, a term should be deemed to be unfair if it exempts or absolves a CDARE from acting with skill, care, diligence, or professionalism towards a financial consumer in connection with the provision of any product or service and/or liability for failing to do so. Ambiguities in contractual terms and conditions should be construed in favor of the financial consumer.</p> <p>b. The CDARE does not employ abusive collection or debt recovery practices against its financial consumers. It shall resort to all reasonable and legally permissible means to collect amounts due them. However, in doing so, they must observe good faith and reasonable conduct and refrain from engaging in unscrupulous or untoward acts.</p> <p>Both the Authority and the CDAREs shall ensure that mechanisms are in place to safeguard the interests of consumers.</p>			

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<p>SEC 2. Code of Conduct</p> <p>In ensuring that financial consumers are treated with professional competence and in a manner that is fair and responsible, CDAREs are required to establish a Code of Conduct applicable to all staff and authorized agents containing the following:</p> <p>a. The organizational values and standards of professional conduct adopted by the CDARE that uphold consumer protection; and</p> <p>b. The procedures followed by the CDARE in detecting violations of consumer protection standards, as well as responding to and enforcing sanctions relative to such violations.</p> <p>The Code of Conduct shall serve as an integral part of CDAREs' recruitment and training policies for officers and staff involved in the financial and/or credit operations of the cooperative.</p>			
<p>SEC 3. Training and Recruitment of CDARE Staff</p> <p>CDAREs shall align its recruitment and training policies around professional, fair, and responsible treatment of clients, compliance with FCPA requirements, and mitigation of consumer risks, for instance:</p> <p>(a) CDARE officers and staff must receive adequate training suitable for the complexity of the financial products or services they sell to ensure understanding of their key features, risks, terms, and costs, relevant FCP standards and requirements, including statutory and regulatory requirements, and related internal policies and procedures that might impact their financial consumers, including those pertaining to consumer risks arising from cybersecurity and/or digital financial products and services. Aside from trainings for frontline service personnel, trainings shall also be made available to compliance and internal audit officers and staff.</p> <p>(b) CDARE officers and staff, as well as authorized third-party agents or representatives contracted for sales and marketing purposes, do not use deceptive or high pressure/aggressive sales techniques and should not force clients to sign contracts or rush into a financial deal without shopping around.</p>			

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<p>B. PRODUCT DESIGN AND DELIVERY</p> <p><u>SEC 1. Suitability and Affordability Assessments</u></p> <p>In ensuring that financial products and services are offered with skill, due care, and diligence, while at the same time considering the consumer's financial situation, needs, capabilities, and overall risk profiles, CDAREs shall conduct assessments to determine the affordability and suitability of a financial product and/or service for consumers.</p> <p>CDAREs should have written procedures for determining whether a particular financial product or service is suitable and affordable to their consumers. This shall include the determination of whether or not the amount and terms of the offered financial product or service allow the members to meet their respective obligations with a low probability of a serious hardship, and that there is a reasonable prospect that the financial product or service will provide value to its consumers. For the purpose of extending credit, this assessment shall include measures to prevent over-indebtedness.</p>			
<p>If, as a pre-condition for availing a financial product or service, a financial consumer is obliged by the CDARE to purchase another product, the consumer shall have the option to choose the provider of said product subject to reasonable standards that may be set by the CDARE. The CDARE is required to inform the consumer of said right prior to availing a financial product or service.</p> <p><u>SEC 2. Evaluation of Financial Products and Services</u></p> <p>In ensuring that the financial products or services offered are appropriately targeted to the needs, understanding, capacity and risk appetite of financial consumers, CDAREs shall continuously evaluate their financial products and services, and implement internal policies and procedures for setting prices considering, among others, the principle of responsible pricing and other relevant guidelines promulgated by the Authority.</p> <p>The Authority may recommend guidelines on product oversight and governance policy which aim to set the standards for effective product development and management.</p>			

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<p><u>SEC 3. Cooling-Off Period</u></p> <p>CDAREs are expected to adopt a clear cooling-off policy which shall specify the products and services that have a cooling-off period, which shall be no less than three (3) business days up to a maximum of ten (10) business days, following the principle that the more complex or long-term the product or service is, the longer the cooling-off period should be. The cooling-off period shall be expressly stipulated in the policy, contract or agreement of the offered financial product or service. Such a period shall allow a consumer to consider the costs and risks of a financial product or service, free from the pressure of the sales team of the CDARE.</p> <p>During the cooling-off period, the financial consumer may cancel or return the contract without penalty; however, nothing herein prevents the CDARE from recovering the processing costs incurred. Such fact must be clearly stipulated in the policy, contract or agreement. The CDARE is prohibited from engaging in practices that unreasonably burden its financial consumers in the exercise of the right of cancellation during the cooling-off period.</p>			
<p><u>SEC 4. Pre-payment of Loans and Other Credit Accommodations</u></p> <p>A financial consumer of CDAREs may, at any time prior to the agreed maturity date, pre-pay a loan or other credit transactions in whole or in part: Provided, That costs or fees charged to the financial consumer for such pre-payment, if any, shall be reasonable and, shall be disclosed to ensure transparency, accountability, and reasonable pricing.</p> <p><u>SEC 5. Interest Rate and Other Charges on Loans</u></p> <p>The rate of interest including commissions, premiums, fees, and other charges on loans, and forbearance of money, regardless of maturity and whether secured or unsecured, shall be at the discretion of the CDARE within the range as reasonably determined by the Authority after consulting the CDAREs through the NAC.</p>			

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<p>C. CONSUMER PROTECTION RISK MANAGEMENT SYSTEM</p> <p>SEC 1. Establishment of a Consumer Protection Risk Management System (CPRMS)</p> <p>CDAREs are required to establish their respective CPRMS in accordance with the guidelines to be issued by the Authority, which shall serve as the foundation for ensuring CDAREs' adherence to the FPCA, other consumer protection laws, and relevant rules and regulations promulgated by the Authority.</p> <p>D. DISCLOSURE AND TRANSPARENCY</p> <p>SEC 1. General Provisions</p> <p>It is the right of every financial consumer to receive clear, concise, and full disclosure of all information relative to a financial product or service that is being offered to them. This includes the right to receive information from financial services providers in a manner that will allow the financial consumer to adequately compare similar financial products or services offered in the market. This information shall also be included in the Pre-Membership Education Seminar (PMES).</p>			
<p>The financial consumer's right to disclosure and transparency shall be upheld before, during, and after a sale of a financial product or service and during key stages of the relationship with the consumer.</p> <p>SEC 2. Disclosure of Terms and Conditions</p> <p>CDAREs shall disclose, in writing or by electronic means, all significant terms and conditions of a financial product or service, which include the following, among others:</p> <ul style="list-style-type: none"> a. Information on risks, return, possible warnings; b. Any waiver of rights and limitations of liabilities; c. Consumer's rights and responsibilities; d. Consequences of failure to meet obligations; e. Rights and responsibilities of CDAREs; f. Involvement of authorized agents; g. Any conflict of interest by the CDARE staff; h. Cancellation of financial product or service; i. Full price or cost and detailed breakdown of the financial product or service including all interest, fees, charges, and penalties, and whether they can change over time; and j. Procedures and documentation providing the rationale for why and how prices have been set, as proof of its adherence to responsible pricing principles. 			

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<p><u>SEC 3. Changes in Key Features, Terms and Conditions</u></p> <p>CDAREs shall notify financial consumers, in writing, whether in printed or electronic form, of any changes in the key features and terms of the financial products and services at least thirty (30) days prior to the implementation of such changes. The notifications shall include an explanation on the nature and extent of the change, the potential impact of said change on the financial consumer, and the attached Board Resolution of the cooperative Board of Directors approving the changes.</p> <p><u>SEC 4. Business and Contact Information</u></p> <p>CDAREs shall disclose in their respective financial product or service contract, policy, agreement, plan, receipt, website, promotional materials, and social media platforms the following information, among others:</p> <p>a. Address and contact details of the CDAREs head offices and branches or satellite offices, if any;</p>			
<p>b. Contact information of the CDARE's consumer assistance team, as well as information on its financial consumer protection assistance management system as provided in Rule IV; and</p> <p>c. Statement that the CDARE is regulated by the Authority, as well as the address and contact details of the Authority's Head Office or the Extension Office under which it falls under its jurisdiction.</p> <p><u>SEC 5. Advertising Materials</u></p> <p>CDAREs shall ensure that their respective advertising materials are not false, misleading, or contain deceptive statements or omit key information that may materially and/or adversely affect the decision of the consumer to avail of a service or acquire a product.</p> <p>CDARE officers and staff, as well as authorized third-party agents or representatives contracted for sales and marketing purposes, do not use deceptive or high pressure/aggressive sales techniques and should not force clients to sign contracts or rush into a financial deal without shopping around.</p>			

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<p>CDAREs shall conduct independent review of promotional material intended for consumers, particularly with respect to materials prepared or designed by third (3rd) party, for purposes of verifying the accuracy of such promotional material. CDAREs shall be bound by all statements made in the marketing and sales materials relative to their offered financial products or services.</p> <p>SEC 6. Documents to be Provided to the Financial Consumer</p> <p>CDAREs shall provide the financial consumer a copy of each of the documents signed by them, together with all the terms and conditions. In addition, CDAREs shall provide the consumer proof of the transaction, whether in printed or electronic form, at the option of the consumer, immediately after the transaction has been completed. For products or services offered through digital means, CDAREs shall provide printed copies of records upon request of the consumer.</p> <p>Statements of account or billing statements shall be provided regularly in a convenient manner to the consumer, or through the channel in which the product was sold, commensurate to the type of product and terms thereof.</p>			
<p>SEC 7. Duty of the CDARE's Staff in Communicating with Consumers</p> <p>Communications made by the CDARE's staff shall be conducted in such a manner that the financial consumers can understand the terms of the contract and their rights and obligations, taking into consideration client segments who may have financial literacy limitations.</p> <p>E. PROTECTION OF CONSUMERS AGAINST FRAUD AND MISUSE</p> <p>SEC 1. General Provisions</p> <p>Financial consumers shall have the right to expect the protection CDAREs against fraud and misuse of their assets. CDAREs must provide clear information on the action taken or to be taken in relation to a complaint, inquiry, or request from a financial consumer involving fraud and unauthorized transactions. This right shall be exercised in accordance with Rule. The CDARE shall establish policies and procedures that aim to protect financial consumers, their deposits, and other assets, against internal or external fraud and/or misuse.</p>			

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<p><u>SEC 2. Financial and Digital Literacy Training for Consumers</u></p> <p>Complementary to financial consumer protection, CDAREs shall promote and demonstrate efforts at economic and financial education, which shall include digital literacy for products offered electronically, as well as clear information on consumer protection, rights and responsibilities.</p> <p>F. PRIVACY AND PROTECTION OF FINANCIAL CONSUMERS' DATA</p> <p><u>SEC 1. General Provisions</u></p> <p>It is the right of every financial consumer to expect that their financial transactions, as well as all personal information disclosed in the course of their transactions with CDAREs, are kept confidential and secured at all times, consistent with the provisions of RA No. 10173, otherwise known as the "Data Privacy Act of 2012", its Implementing Rules and Regulations, and other issuances of the National Privacy Commission.</p>			
<p><u>SEC 2. Information Security Standards</u></p> <p>CDAREs are required to uphold the privacy and protect the data of their financial consumers. To ensure the security and privacy of the financial consumer's data as well as the confidentiality, integrity, availability, authenticity, and non-repudiation of their financial transactions, CDAREs shall adopt and implement information security standards consistent with the provisions of the Data Privacy Act of 2012, its Implementing Rules and Regulations, and other issuances of the National Privacy Commission, and subject to additional guidelines as may thereafter be promulgated by the Authority.</p> <p>G. RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT</p> <p><u>SEC 1. Responsibilities of the Board of Directors</u></p> <p>The cooperative's Board of Directors shall be primarily responsible for establishing, reviewing, approving, and overseeing the implementation of the CDARE's CPRMS, and shall perform the following, among others:</p> <p>a. Approving the CPRMS and Financial Consumers Protection Assistance Management System (FCPAMS) under Rule IV, taking into consideration the CDAREs' business model, market, product lines, and relationships with third parties that may give rise to consumer protection risks;</p> <p>b. Reviewing and approving the CDARE's Code of Conduct;</p>			

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<p>c. Ensuring that relevant information pertaining to the FCPAMS and CDAREs' compliance with the FCPA, other consumer protection laws, rules and regulations, and market conduct guidelines promulgated by the Authority as well as actions taken relative thereto, are reported to the Board on a regular basis;</p> <p>d. Ensuring adequate provision of resources and effective implementation of training and competency requirements for officers and personnel;</p> <p>e. Approving remuneration and compensation packages structured to encourage responsible business conduct, fair treatment and mitigate conflicts of interest; and</p> <p>f. Periodically reviewing the implementation of the CPRMS and FCPAMS, including how findings are reported and whether the audit mechanisms in place provide adequate oversight in relation to the CDAREs' business model and/or operating environment.</p>			
<p>SEC 2. Responsibilities of Senior Management</p> <p>The Senior Management shall be responsible for ensuring that the practices of the CDAREs are aligned with the approved consumer protection policies and risk management system. In this regard, the Senior Management shall perform the following, among others:</p> <p>a. Ensure that approved CPRMS and FCPAM policies and procedures are clearly documented, properly understood, and appropriately implemented across all levels and business units.</p> <p>b. Establish an effective monitoring and management information system to regularly measure, aggregate, and analyze consumer-related issues to determine the level of consumer protection risks. The management information system should be able to:</p> <ul style="list-style-type: none"> i. Provide adequate information on the performance and quality of the CDARE's FCPAMS that allows for the identification of emerging consumer issues and root cause analysis; ii. Determine the level of consumer protection risk exposure; iii. Identify and monitor, in a timely manner, consumer protection risks that may result in financial loss to consumers, legal and reputational risks, and other related risks; and iv. Identify and assess emerging or increasing consumer risks that affect the CDARE's consumers through social media monitoring, market monitoring, and other relevant means. 			

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<p>c. Ascertain that weaknesses in the consumer protection practices or consumer protection emerging risks are addressed and corrective actions are taken in a timely manner.</p> <p>d. Make available a wide range of accessible channels in which consumers can conveniently lodge their complaints, inquiries, and requests with the CDAREs. Channels may include social media platforms, e-mail, live chat, and text/SMS to promote consumer trust. A consumer must also be able to submit a complaint by using any other channel which they ordinarily communicate with the financial service provider; and</p> <p>e. Ensure observance of expectations and requirements prescribed under relevant regulations on compliance and internal audit.</p>			
<p>RULE IV FINANCIAL CONSUMER PROTECTION ASSISTANCE FRAMEWORK IN THE CDAREs</p> <p>A. TIMELY HANDLING AND REDRESS OF COMPLAINTS</p> <p>SEC 1. General Provisions</p> <p>Financial consumers shall be provided with accessible, affordable, independent, fair, accountable, timely, and efficient means for resolving complaints regarding their financial transactions. CDAREs are required to have in place mechanisms for complaint handling and redress.</p>			
<p>SEC 2. Components of an Effective and Timely Handling and Redress of Complaints</p> <p>To provide effective recourse to consumers, the CDAREs shall:</p> <p>a. Establish an effective FCPAMS as provided in this Rule.</p> <p>b. Develop internal policies and practices on consumer redress, including the time for processing, complaint response, and customer access;</p> <p>c. Maintain an up-to-date log and records of all complaints from customers in accordance with their complaints handling procedure. The following information shall be recorded by the CDAREs:</p> <p>i. Date the complaint was received;</p> <p>ii. Details of the complaint;</p> <p>iii. Summary of the CDARE's response;</p> <p>iv. Action taken to resolve the complaint;</p> <p>v. Details of any other relevant correspondence or records; and</p> <p>vi. Date the complaint was resolved.</p>			

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<p>d. Ensure that information on how to file a complaint is clearly visible in the CDAREs' premises and websites;</p> <p>e. Undertake an analysis of the patterns of complaints from consumers on a regular basis including investigating whether complaints indicate an isolated issue or a more widespread issue for consumers. This analysis of consumer complaints must be escalated to the CDAREs' compliance / risk management division unit, as well as to senior management; and</p> <p>f. Provide for adequate resources to handle financial consumer complaints effectively and efficiently.</p>			
<p>B. FINANCIAL CONSUMER PROTECTION ASSISTANCE MANAGEMENT SYSTEM</p> <p>SEC 1. Establishment of a Financial Consumer Protection Assistance Management System (FCPAMS)</p> <p>CDAREs are required to establish their respective FCPAMS for the following purposes relative to the handling of consumer complaints, inquiries, or requests:</p> <p>a. Receiving;</p> <p>b. Recording;</p> <p>c. Evaluating;</p> <p>d. Resolving; and</p> <p>e. Monitoring and reporting</p> <p>The FCPAMS shall be implemented by a designated officer, unit, group or department commensurate with the size, structure, nature of products and services, and complexity of operations of the CDARE, ensuring at all times that there is no conflict of interest. Financial consumers who are dissatisfied with the CDARE's handling of their complaints, inquiries, and requests may elevate their concerns to the Authority within seven (7) days from receipt of the communication of the result of the assessment, investigation, or resolution of their complaint, inquiry, or request by the cooperative, through the mechanisms provided in this Rules.</p>			

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<p>SEC 2. Manual of Consumer Assistance Policies and Procedures ("Manual")</p> <p>CDAREs are required to establish, maintain, and implement Manuals which contain the internal policies, processes, and practices they follow in handling complaints, inquiries, and requests from financial consumers. The Manual shall contain the following, at the minimum:</p> <p>a. Corporate structure of the unit, group, or department implementing the FCPAMS ("the Consumer Assistance Team"), with an enumeration of the roles and responsibilities of all persons involved in FCPAMS implementation. The Consumer Assistance Team shall be separate and independent from the CDAREs' claims handling units. Any complaint or disagreement relative to claims handling may be referred to the Consumer Assistance Team;</p>			
<p>b. Capacity building for their respective Consumer Assistance Teams, which includes the conduct of regular trainings on the following, among others:</p> <ul style="list-style-type: none"> i. CDARE's corporate structure and financial products and services; ii. Interpersonal skills / customer service; iii. Basic and advanced listening skills; iv. Written and verbal communication skills; v. Handling financial consumer feedback; vi. Dealing with difficult people; and vii. Problem solving and conflict resolution 			
<p>c. Consumer assistance process and timeline. CDAREs may provide for their own periods for addressing consumer complaints, requests, and inquiries which shall not, in any case, exceed the following periods:</p>			

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<p>d. Complaints recording or data management system; e. Risk assessment strategies; f. Reporting of complaints statistics to the CDARE's Board of Directors and the Authority; g. System for evaluating the effectiveness of the FCPAMS; and h. Glossary</p> <p>SEC 3. Publication of the FCPAMS</p> <p>CDAREs shall make details of their respective FCPAMS available to financial consumers. Key features of the FCPAMS shall be published in the following:</p> <p>a. Conspicuous places within the premises of CDAREs; b. Terms and conditions of the CDAREs' products and services; c. Various channels of service delivery; and d. Marketing materials</p>																											

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<p><u>SEC 4. Consumer Assistance Mechanisms</u></p> <p>CDAREs shall make available a wide range of consumer assistance channels for submitting complaints, including but not limited to walk-in or personal visit, centralized web portal, mobile application, social media, letter, email, telephone, fax, and such other channels as may be deemed necessary by the CDAREs, or as may be required by the Authority, to address consumer needs. CDAREs shall ensure that there is a consumer assistance help desk or hotline dedicated to addressing consumer inquiries and concerns manned by the Consumer Assistance Team.</p> <p><u>SEC 5. Information to be Gathered from Financial Consumers</u></p> <p>In receiving and acknowledging consumer complaints or requests by the Consumer Assistance Team, CDAREs shall obtain and record the following data from the consumers:</p> <p>a. Full name and contact details; b. Nature of complaint / request and relevant details; c. Resolution or action requested; and d. Name of CDARE's claims handling personnel that originally handled the subject concern, if applicable.</p>			
<p>The acknowledgement shall include an assurance that the CDARE is dealing with the complaint or request, and that the consumer shall be kept informed of the progress of the CDARE's assessment and investigation. The consumer assistance officer must be able to explain, whenever applicable, the consumer assistance process and the relevant timelines to the consumer.</p> <p><u>SEC 6. Institutional Approach in Assessing and Investigating Complaints</u></p> <p>CDAREs are required to establish an institutional approach in assessing and investigating complaints or requests and options in resolving them, considering the peculiarities of the complaints or requests and the desired remedies of the consumer. Results of the assessment, investigation, and resolution of the complaints or requests shall be communicated to the complainant in printed form, regardless of mode of transmittal, and in simple and clear language.</p>			

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<p><u>SEC 7. Consumer Feedback Mechanism</u></p> <p>CDAREs shall establish consumer feedback mechanisms which will allow the recording and analysis of consumer feedback to improve their respective FCPAMS. Feedback shall be obtained on the following matters:</p> <ul style="list-style-type: none"> a. Overall consumer satisfaction; b. Processes needing improvement; c. Personnel needing improvement; and d. Any suggestions for improvement <p>Consumer feedback may be obtained through a feedback form or customer satisfaction survey which shall be made available to walk-in clients and in the CDARE's other consumer assistance channels.</p> <p><u>SEC 8. Complaints Database</u></p> <p>CDAREs shall create their respective database of complaints received, including supporting and relevant documents. The complaints database shall include the following information, among others:</p> <ul style="list-style-type: none"> a. Name of the complainant; b. Date of receipt of the complaint; c. Subject or nature of the complaint; d. Name of the personnel directly handling or in charge of the complaint and the officer supervising its resolution; e. Actions taken on the complaint; f. Resolution of the complaint; g. Date of resolution; and h. Other relevant information <p>The database shall be maintained by the Consumer Assistance Team in the CDARE's management information system that allows for consolidation, comparison, and analysis of complaints data to identify trends in consumer complaints, determine whether complaints indicate an isolated issue or a more widespread concern for consumers, and identify potential problems and risks.</p>			

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<p>SEC 9. Submission of Complaints Reports to the CDARE's Board of Directors</p> <p>The Consumer Assistance Team shall submit Complaints Reports to the CDARE's Board of Directors on a monthly basis. The Complaints Report shall include, at the minimum, the following information:</p> <ul style="list-style-type: none"> a. General category of complaints received; b. Number of complaints received per category; c. Number of complaints resolved; d. Aging of complaints; e. Explanations for deviations, if any, from the required resolution period; f. General description of resolutions and actions taken relative to complaints received; and g. Recommendations on how to avoid recurring complaints and suggestions for process and personnel competency improvement. CDAREs shall submit a Consolidated Complaints Report to the Authority on a quarterly basis. The Quarterly Consolidated Complaints Report shall be submitted until the fifteenth (15th) day of the month following the end of the quarter. 			

Submitted by:

Chairperson