

National Financial Services Ombud (NFO)

The National Financial Ombud Scheme (NFO) was established through the merger of four previously independent South African Ombud Schemes: the Banking Ombud (OBS), the Credit Ombud (CO), the Long-term Insurance Ombud (OLTI), and the Short-Term Insurance Ombudsman (OSTI). This amalgamation aimed to create a unified and more efficient framework for handling financial disputes. The process began with discussions among these entities in early 2020, leading to their eventual consolidation under the NFO, which officially commenced operations on 1 March 2024.

In June 2021, the World Bank published a report highlighting the need for reforms within South Africa's financial sector Ombud system. The report suggested that an integrated Ombud system would better address the complexities of the financial sector. This recommendation reinforced the move towards creating the NFO, ensuring that the new scheme is fit for purpose and capable of addressing a broader range of financial disputes. The formation of the NFO marks a significant step towards enhancing the effectiveness and responsiveness of financial services dispute resolution in South Africa.

Structure of the OBS

The National Financial Ombud Scheme (NFO) includes participants from various sectors of the financial industry, namely banking, credit provision, short-term insurers (non-life insurance), and long-term insurers (life insurance). Companies and institutions from these sectors fall under the jurisdiction of the NFO, which handles disputes and ensures fair practices within the financial services industry.

Independence of the OBS

The NFO acts independently and objectively in resolving disputes and is not influenced by anybody in making decisions.

Procedure to log a complaint

To complain to the National Financial Ombud (NFOSA), first contact your financial service provider to try to resolve the issue. If unresolved, submit a complaint to NFOSA by completing their application form. Include relevant details and documents. NFOSA will acknowledge receipt, request a response from the provider, and may ask for further information. Once the investigation is complete, a ruling or recommendation will be issued. Complaints can be submitted in any official language and the service is free.

For more details, visit NFOSA's **How to Complain** page.

When the NFO Can and Cannot Help with a Complaint

The National Financial Ombud (NFO) can help with complaints involving banking, credit providers, short-term insurers, and long-term insurers. They handle disputes impartially, confidentially, and free of charge. However, they cannot assist if the complaint is about an entity outside their member institutions, if legal proceedings have already been initiated, or if the issue is deemed frivolous or vexatious.

For more details, visit **NFOSA**.