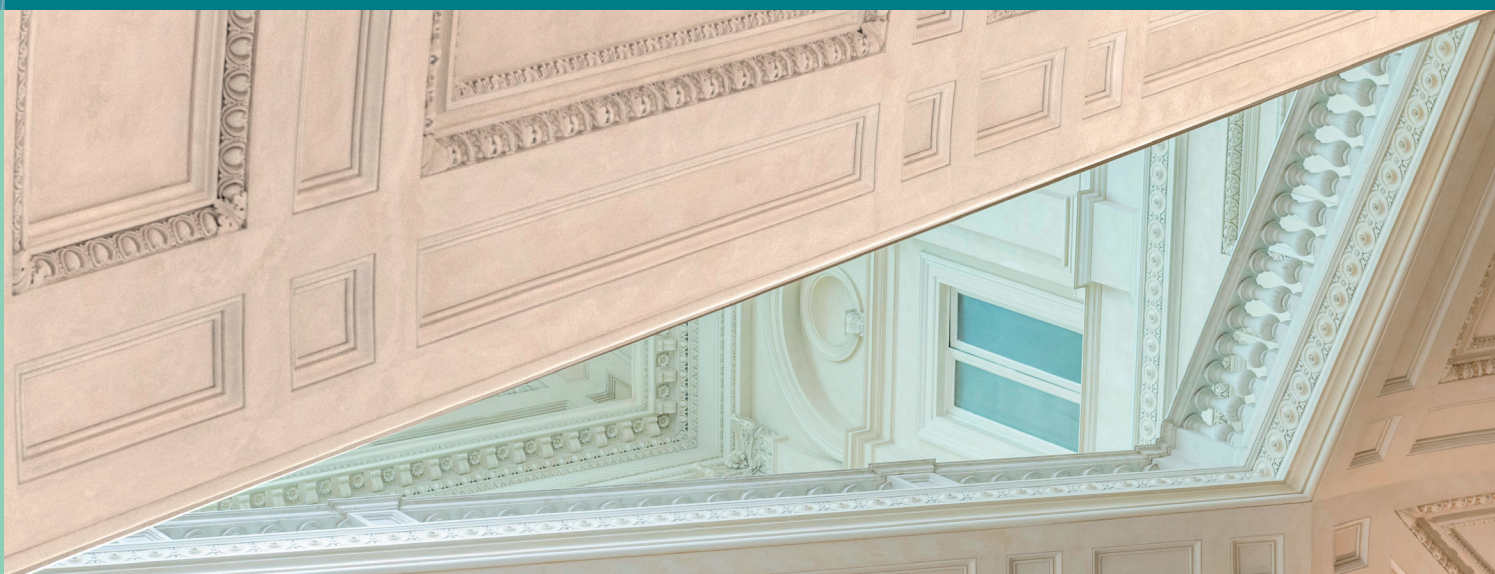




BANCA D'ITALIA
EUROSISTEMA

Report on the management of complaints from customers of banks and financial companies





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Abridged Version

2023

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DISCLAIMERS

Unless otherwise specified, the data processing is carried out by the Bank of Italy. For Bank of Italy data, the source is omitted.

In the figures with different right- and left-hand scales, the right-hand scale is identified in the notes.

Publication updated with data available as at April 2024, unless otherwise specified. The analysis was based on the laws and regulations in force as at 14 May 2024.

DATA FOR 2023

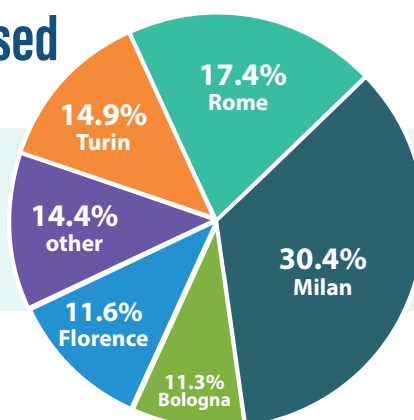
Number of complaints



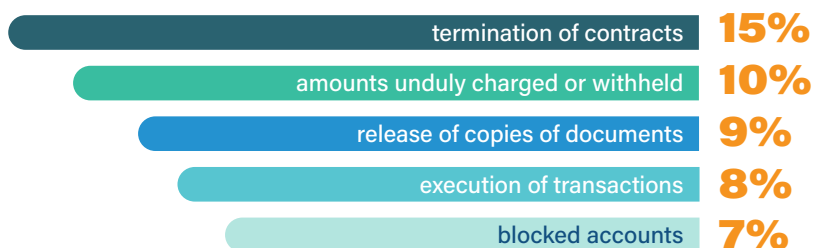
11,200
(+ 21% on 2022)

35%
loans

Complaints processed by our branches



Most frequent complaints



Outcome of complaints



50%
of customers' requests were fully or partially met by intermediaries

Dialogue with consumer associations

33 | **1**
bilateral meetings and general meetings

OVERVIEW

This Report illustrates the Bank of Italy's activities in 2023 when managing complaints on the conduct of banks, financial companies and other supervised operators regarding contractual relations with their customers in relation to banking and financial services, and payment instruments.

Trends in complaints. – Last year, the Bank of Italy received over 11,200 complaints, 21 per cent more than in 2022. The increase is due especially to problems in renegotiating mortgages in relation to interest rate dynamics and blocking operations in current accounts (following succession proceedings and foreclosures); there are also complaints about the early termination of consumer credit agreements and those relating to transactions involving the sale of tax credits attributable to the 110 per cent Superbonus.

Issues reported. – Complaints linked to loan applications continued to account for the largest share (35 per cent of the total, with an increase of about 29 per cent compared with 2022); more than one third concerned consumer credit and particularly problems connected with the termination of agreements, such as the failure to issue settlement statements or to reimburse fees that were no longer owed following the early termination of loan agreements. Although their share in total complaints remained low, reports on applications to renegotiate floating-rate mortgages linked to the increase in interest rates and those linked to the sale of tax credits (110 per cent Superbonus) increased in 2023.

Reports about deposits accounted for about 30 per cent of total complaints, up by 24 per cent compared with 2022; they mainly involved issues relating to delays in the closure of current accounts and to the blocking of their operations following succession proceedings and foreclosures. Although the share remains low, complaints about difficulties in opening or maintaining current and basic accounts are on the rise. These complaints are often submitted by people who find themselves, sometimes temporarily, in conditions of economic or social hardship.

Some 17 per cent of complaints were related to payment instruments and services (20 per cent more year on year). Among these, reports of scams were up 11 per cent on 2022 and involved cases of alleged theft of account login credentials and of authentication codes for payment transactions as well as of identification data in order to take out loans without the victims knowing.

Although complaints about crypto-assets increased, they remained low in number and mainly referred to alleged cases of fraud that revealed customers' poor awareness of these risk profiles.

The reports received add to the set of information available to the Bank of Italy in the performance of its supervisory and financial education functions. Partly as a result of the complaints received, in many cases the Bank intervenes vis-à-vis

individual intermediaries or the system as a whole, calling on operators to improve their conduct towards customers.

On the topic of [electronic payment scams](#), the Bank of Italy's '[L'Economia per tutti](#)' ([Economics for everyone](#)) portal also publishes news, advice and guides for people, in part based on analyses of the complaints received. Various initiatives, including with the cooperation of consumer associations, have made people aware of the precautions to be taken when using electronic payment instruments. A focus on scams has also been included in a joint initiative with RAI, through which Bank experts take part in several programmes, and in various stages of 'On the Road with the Bank of Italy', a programme in which Bank representatives travel around Italy to promote financial literacy and engage with people, firms and institutions.

Outcome of complaints and response times. – Excluding complaints relating to matters not falling within the Bank's remit (16 per cent), as in 2022, customers obtained full or partial acceptance of their requests from banks, financial companies and other operators in 50 per cent of cases, partly thanks to the Bank's intervention. Complaints were rejected by the intermediaries in the remaining cases, mostly because they were considered unfounded or because they related to facts of which the judicial authorities were already aware.

The Bank's response time (to complainants) remained short (15 days on average).

Using artificial intelligence to manage complaints. – In 2023, the Bank continued to use the procedure based on EspTech artificial intelligence techniques to ensure greater promptness in analysing people's reports, to detect new areas of litigation at an early stage and to strengthen synergies with the other customer protection units (supervision and financial education).

Disputes over reports to the Central Credit Register. – Since this year, the Report has also referred to reports on disputes concerning debt positions reported in the Central Credit Register. In 2023, the Bank of Italy received around 2,700 complaints, down on the previous year by 11 per cent. In line with 2022, in 25 per cent of cases, banks accepted customers' requests after the dispute had been sent to the Bank of Italy; complaints were rejected in 50 per cent of cases as they were considered unfounded by intermediaries. The remaining 25 per cent were cases brought at the same time before the judicial authorities or cases where the complaint was not clear. Response times were short and down on the previous year (16 days, against 30 days in 2022).

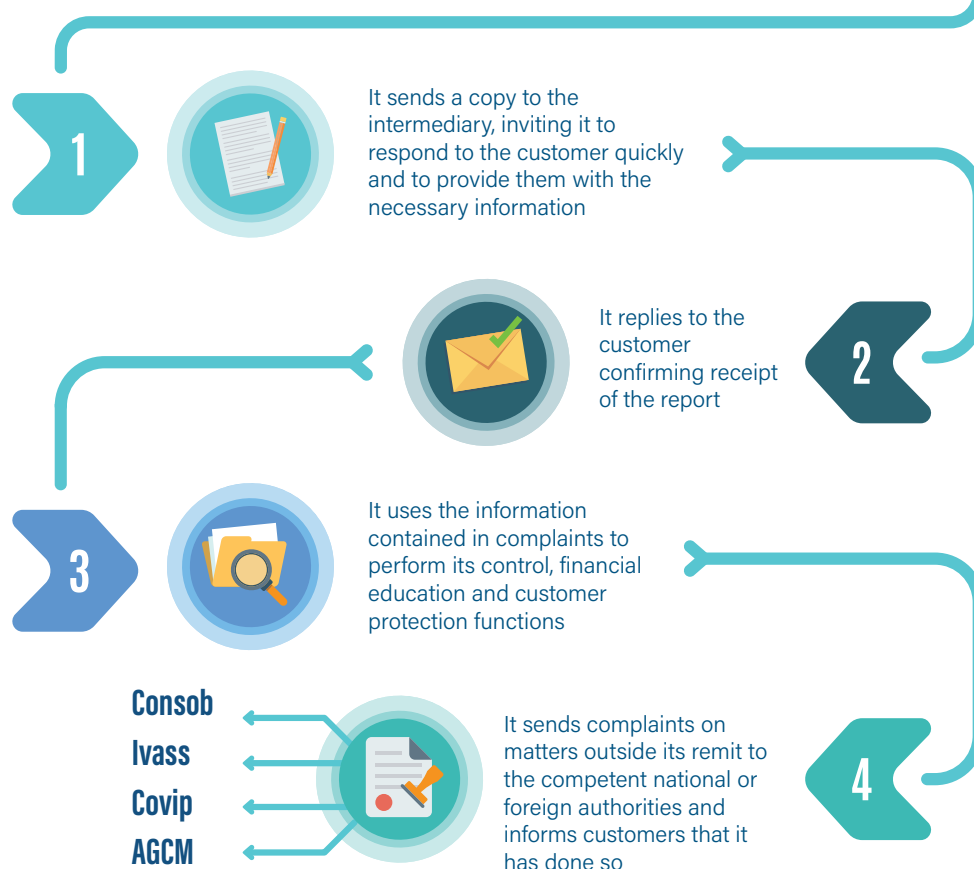
* * *

This Report provides a general overview of the most important issues found in complaints about the transparency and fairness of dealings between banks, financial companies, other supervised entities and their customers. The report is divided into four chapters. The first chapter describes how to submit complaints to the Bank of Italy, what the Bank can and cannot do when it receives them and how to find out what

your debt position is in the Central Credit Register. The second chapter includes statistical information on complaints, broken down by subject matter, geographical distribution, intermediaries and complainants, and contains references to reports on disputes over debt positions reported in the Central Credit Register. The third chapter describes the main patterns observed. The fourth chapter focuses on additional evidence emerging from our relations with consumer associations, which help us in our dialogue with customers.

HOW THE BANK OF ITALY PROCESSES COMPLAINTS

The Bank of Italy deals with complaints on banking products and services, and payment instruments



The Bank of Italy does not render decisions on:

- contractual relations between intermediaries and customers, unlike the Banking and Financial Ombudsman
- matters that are at the discretion of individual intermediaries, such as the granting of loans

HOW TO SUBMIT COMPLAINTS ONLINE



online wizard

select 'File a complaint' in "the Online Services for the public" platform

1.

2.

enter your data and contact details

briefly explain the issue

3.

4.

send the complaint and keep the 'identification code'

1. SUBMITTING COMPLAINTS TO THE BANK OF ITALY

Who can submit a complaint and when

Any customer can report irregular or improper behaviour on the part of banks, financial intermediaries or other supervised entities registered in the [Supervisory registers and lists](#) concerning: (a) banking and financial transactions, products and services and (b) payment services. In addition to these complaints, there are those relating to the Central Credit Register (CR) regarding the reports made by banks or other intermediaries. You should always report your problem to banks and financial companies first because they are required by law to have a complaints office and to reply to customers within set time limits.

While it may not always be easy to pinpoint the competent authority,¹ before you file a complaint with the Bank of Italy you should make sure it falls under its jurisdiction.² It is important that you send your complaint to the competent authority to ensure its timely processing. In any case, when we receive a complaint that relates to a matter beyond the scope of our consumer protection action, we forward it to the competent authority or organization, if it is not already involved, and inform the complainant.

How to submit a complaint

The easiest, safest and fastest way to submit a complaint is via the ‘[Online services for the public](#)’ platform on the Bank of Italy’s website: all you have to do is select the ‘[File a complaint](#)’ box, which shows you how to fill in the form. You can access the service from your smartphone, tablet or computer. The service is free of charge and you do not need the help of a lawyer. If you use the platform, your complaint is sent directly to the competent [Bank of Italy branch](#) and is analysed and processed more quickly. For further information, see the Bank of Italy’s website: ‘[Submitting complaints](#)’.

Why you can submit a complaint

Submitting a complaint facilitates your dialogue with the intermediary. At the same time, the information in complaints helps the Bank of Italy to carry out its regulatory, to control functions better and to guide its financial education programmes.

¹ These include the Italian Companies and Stock Exchange Commission (CONSOB), the Italian Insurance Supervisory Authority (IVASS), the Italian Competition Authority (AGCM) and the Italian Financial and Credit Brokers Authority (OAM).

² For further information, see the Bank of Italy’s website: ‘[Customer protection and financial education](#)’. You can also call the Bank of Italy’s toll free number: 800 19 69 69 (only from Italy).

What we can do for customers when we receive a complaint

When we receive a complaint, we usually send a copy of the complaint to the intermediary involved; we invite them to respond clearly, promptly and thoroughly to the customer and ask for a copy of the response. As we have seen, the problem was solved in 50 per cent of cases. We also inform customers of their right to appeal to the Banking and Financial Ombudsman (ABF) or to a court of law.

What we cannot do for customers when we deal with a complaint

We do not give regulatory advice to private individuals³ and we cannot resolve individual disputes relating to contractual relations between intermediaries and customers, unlike judges or the ABF, nor can we influence decisions that individual intermediaries make autonomously, such as the granting or not of a loan. Moreover, we cannot inform individual customers about the outcome of any supervisory investigation involving intermediaries.

How to find out about the data reported in your name in the Central Credit Register

Customers can find out about the reports concerning them in the CR managed by the Bank of Italy, both through intermediaries and by requesting these reports free of charge from the Bank of Italy via the [Online services for the public](#) platform or the traditional channels of communication (ordinary or certified email).

If the data recorded are inaccurate, customers have the right to request correction of the data by filing a complaint with the intermediaries with which they have a loan; the latter are responsible for any information communicated to the CR and are required to reply within 60 days.

In the event of non-compliance or if the answer is not satisfactory, customers may appeal to the ABF or refer the matter to the judicial authorities. You can also submit a complaint to the Bank of Italy free of charge and without the assistance of a lawyer (see the Bank of Italy Guide, ‘The Central Credit Register made easy’, [only in Italian](#)).

You can also submit a complaint on the conduct of intermediaries concerning the reporting in the CR.

³ For further information, see the Bank of Italy’s website: ‘Criteria for handling regulatory questions’ (only in Italian).

2. DATA ON COMPLAINTS

In 2023, the Bank of Italy received over 11,200 complaints, 21 per cent more than in the previous year. The number of complaints is still significantly higher than in the five years before the pandemic (up by 36 per cent). The increase in reports compared with 2022 is due especially to: (a) problems connected with the renegotiation of mortgages (complaints of this type have more than tripled); (b) the blocking of accounts following succession proceedings and foreclosures; and (c) complaints about the failure to issue settlement statements or to reimburse fees that were no longer owed following the early termination of consumer credit agreements (the latter in particular have doubled).

Subject matters

In 2023, complaints relating to loan applications made up about 35 per cent of the total. The increase of over 29 per cent compared with the previous year is mainly linked to: (a) mortgages, because of issues relating to renegotiation applications following the rise in the key interest rates implemented by the European Central Bank to combat inflation, and because of delays in issuing the documentation necessary to transfer relationships to another institution; and (b) consumer credit operations other than loans secured by a salary- or pension-backed loan, mainly as a result of disruptions and longer times for the paperwork for transactions involving the sale of tax credits (see Chapter 3).

Complaints relating to deposits, up by 24 per cent on 2022, accounted for around 30 per cent of the total. Almost all of them concerned problems with current accounts being closed or blocked, especially following succession proceedings and foreclosures. Specifically, with successions, there have been complaints about non-liquidation of the balance of a current account of the deceased, owing to the bank's difficulties in reconstructing financial relationships or if there is no agreement between co-heirs; instead, with regard to foreclosures, customers contested the fact that the account is blocked in its entirety until the intermediary is certain of the actual amount subject to the enforcement procedure/execution.

Complaints relating to payment instruments and services accounted for 17 per cent of the total, up by 20 per cent on the previous year. Some 40 per cent of them involved payment cards,⁴ especially for unauthorized transactions (of which almost two thirds were due to fraud, in turn mostly linked to theft of credentials). In contrast, 38 per cent were related to credit transfers and cheques, especially due to alleged delays in the transaction, to non-execution of customers' payment orders or to difficulties in cashing in bank cheques.

Complaints relating to investment instruments and services accounted for around 9 per cent of the total.⁵

⁴ This includes credit cards, debit cards and prepaid cards. For the definition of 'payment card', see the Bank of Italy's website: 'Payment instruments', as well as the 'Economics for everyone' portal ([only in Italian](#)).

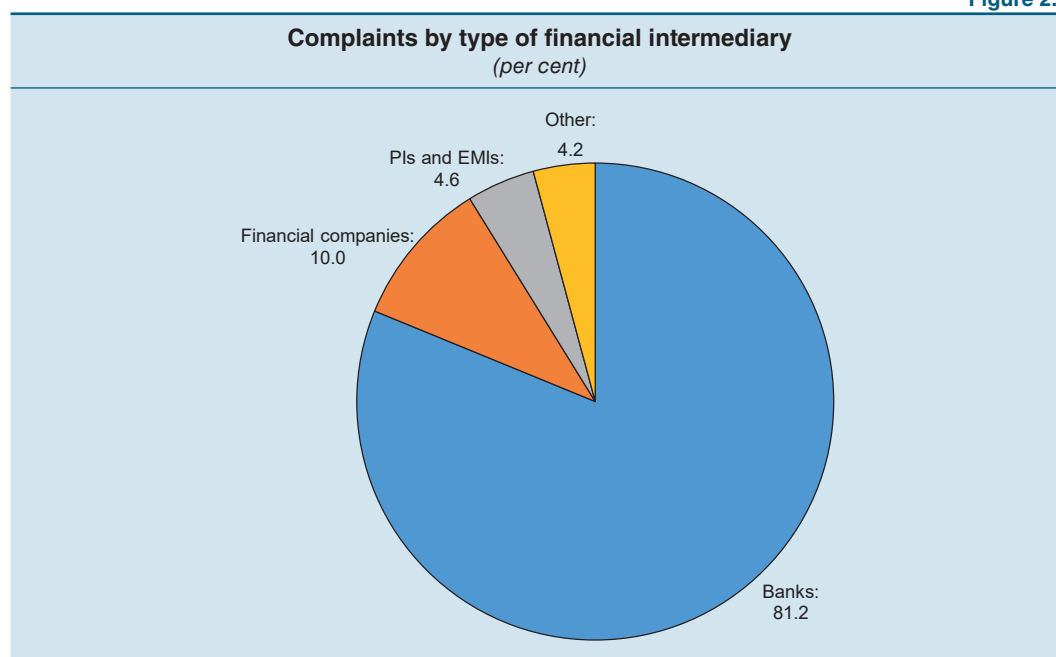
⁵ Here, the Bank of Italy's jurisdiction is mainly limited to aspects relating to the safekeeping and administration of securities.

The complaints are also analysed using the EspTech IT procedure, which uses artificial intelligence (AI) techniques; (see the ‘[Report on the management of complaints from customers of banks and financial companies](#)’ for 2021). The complaints are often supported by lengthy and non-standardized documentation and lend themselves to the application of automated forms of text interpretation in order to extract recurring concepts and phenomena. Applying AI methodologies (natural language processing and machine learning) makes it possible to map complaints by dividing them into clusters based on their content. Updating the clusterization of the complaints received from 1 January 2023 confirmed the importance of some of the patterns that were already being monitored by the Bank of Italy.

Types of intermediaries involved

Most complaints concerned banks last year as well (81 per cent), while 10 per cent involved financial companies,⁶ and 5 per cent involved electronic money institutions (EMIs) and payment institutions (PIs; Figure 2.1).⁷ The sharp increase in complaints against EMIs and PIs continued (from nearly 400 to 560), mainly due to complaints about EMIs on payment cards (especially prepaid cards), which doubled compared with 2022. Complaints on this matter relate to intermediaries blocking accounts (e.g. in the event of foreclosure or customers putting in the wrong PIN) or to unauthorized payments.

Figure 2.1



⁶ About 15 per cent of financial companies are special purpose vehicles (SPVs) specializing in securitization transactions through the issuance of tradeable financial instruments.

⁷ For the definition of financial companies, EMIs and PIs, see the ‘Methodological notes’.

Types of complaints and complainants

The average age of complainants was 53 and was higher for complaints relating to salary-backed loans, securities portfolios and savings deposits, in line with the age distribution for holders of banking and financial products. Complainants continue to be mainly men (63 per cent),⁸ with regional differences in gender distribution: men accounted for about 69 per cent of complainants in the South and Islands. Around two thirds of complaints on payment cards and consumer credit were made by men (reflecting the gender gap in the take-up of this form of credit).⁹

About two thirds of those who submitted a complaint did so without the help of a lawyer:¹⁰ the figure is slightly higher than in the previous year. Almost 45 per cent of them (mainly men) used the [Online services for the public](#) platform (almost 40 per cent in 2022); the figure for 2020, the first year the platform was launched, was 17 per cent.

Around 84 per cent of complaints were made by consumers.

Outcomes

Excluding complaints relating to matters not falling within the Bank's remit (16 per cent),¹¹ as in 2022, customers' requests were fully or partially accepted by banks, financial companies and other operators in 50 per cent of cases, also thanks to the Bank's intervention. In the remaining cases, complaints were rejected by the intermediaries, mostly because they were considered unfounded or because they related to facts already known to the judicial authorities.

The analysis of intermediaries' responses showed that legal assistance did not influence the outcome of the reports.

Collaboration with other Italian and foreign authorities

The Bank of Italy involved other competent authorities in complaints that do not fall within its remit in 2023 as well, informing customers that it had done so.

Almost 650 complaints were forwarded, about 4 per cent more than in the previous year. We forwarded over 85 per cent of them to other national authorities and oversight bodies, mainly CONSOB, IVASS and the OAM.

Some 60 reports were sent to foreign consumer protection authorities, mainly relating to complaints about foreign intermediaries that do not have branches in Italy.

⁸ The analysis of complainants only includes complaints sent by consumers.

⁹ For more details on the characteristics of complainants (age and gender), see 'Survey on Household Income and Wealth', Banca d'Italia, Statistics Series, 22 July 2020.

¹⁰ The Bank of Italy's online platform makes it clear that there is no need for a lawyer.

¹¹ Complaints were sent to the competent authority in more than one fifth of these cases.

Complaints concerning irregularities in the data recorded in the Central Credit Register (CR)

Since 2020, the number of complaints about reporting to the CR has increased significantly compared with previous years, also in relation to the economic difficulties linked to the pandemic. In the years 2020-23, the Bank of Italy received over 3,100 complaints on this issue on average every year, 80 per cent more than in the years 2014-19 (just under 1,700 complaints per year). The number of CR complaints peaked in 2021 (at around 3,500) and then gradually decreased to almost 2,700 in 2023.

Last year, complaints about the CR mostly involved incorrect reporting of bad loans (about 55 per cent); 13 per cent were about the lack of or delays in corrections and the lack or late notice of negative reports.

The remaining 32 per cent of complaints concerned the non-existence of a loan, anomalous loan status other than bad loans, guarantees, and procedures for managing over-indebtedness.

In line with what was observed in 2022, most of the CR complaints were presented to financial companies (42 per cent) and banks (38 per cent); 20 per cent involved special purpose vehicles;

Nearly half of the CR complaints were sent via the [Online service for the public platform](#) (against 30 per cent in 2020); 71 per cent of complainants filed a complaint without the help of a lawyer.

Around three quarters of CR complaints came from consumers, 12 per cent from non-consumer natural persons and the remaining 12 per cent from companies.

3. FOCUS ON SOME COMPLAINTS FROM CUSTOMERS

We illustrate below the most important issues in terms of the number of reports and the impact on customers. We also present the measures taken by the Bank of Italy to improve customer protection and raise consumers' awareness of their rights.

Consumer credit

In 2023, the Bank of Italy received over 1,600 complaints on consumer credit issues (just over 1,400 in 2022). In the first quarter of 2023, there were about 500 complaints, against over 400 in the corresponding period of 2023.

More than half of the reports (around 60 per cent) concerned problems encountered during the termination of relationships, and in most cases the outcome was favourable to the customer. Almost three quarters of these reports (45 per cent of all consumer credit complaints) related to the non-issuance or delay in the issuing of loan settlement statements, especially for salary or pension-backed loans. The complaints mainly highlighted problems in the time taken to process documents; more than two thirds of the complaints had a positive outcome for the customer.

Some 10 per cent of the reports regarding the termination of relationships¹² involved the non-repayment of the costs incurred by the customer as a result of the early termination of loan contracts. The reports are linked to the decision of the Court of Justice of the European Union of 11 September 2019 (Lexitor judgement) and the subsequent regulatory changes (see the box 'Early termination of consumer credit agreements').

EARLY TERMINATION OF CONSUMER CREDIT AGREEMENTS

Following the consolidation of the regulatory framework subsequent to the decision of the Court of Justice of the European Union of 11 September 2019 (Lexitor judgement¹), in the event of early repayment of a consumer credit, the customer is entitled to the reimbursement of all charges, with the exception of taxes, regardless of the date on which the contract was signed.

The subject matter – governed by Article 125-sexies of the Italian Consolidated Law on Banking (TUB) – was first addressed by Decree Law 73/2021 ('Support-bis' decree) and then by the Italian Constitutional Court which, in its judgment of December 2022,² declared that the transitional rules for contracts signed before

¹ Court of Justice of the European Union, Judgment of the Court of 11 September 2019, Lexitor Sp. z o.o v Spółdzielcza Kasa Oszczędnościowo - Kредытowa im. Franciszka Stefczyka and Others (C-383/18).

² Italian Constitutional Court, Judgment No. 263 of 22 December 2022.

¹² These complaints were almost all about salary- or pension-backed loans.

25 July 2021 were partly unconstitutional (see the box ‘The decisions of the Court of Justice of the European Union and of the Italian Constitutional Court in the Lexitor case’, Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2022). Finally, Decree Law 104/2023 (‘Asset’ Decree) established that for contracts signed before 25 July 2021, the customer is entitled to the reimbursement of all charges excluding taxes.

In other complaints (around 10 per cent of the total) the complainants contested the methods for calculating interest, reporting that the instalments and the annual percentage rate of charge (APRC),¹³ were quantified incorrectly, for example owing to the non-inclusion of expenses incurred when the agreement was signed, including fees for preliminary investigations and agency or brokerage costs. In some cases, the customer found it difficult to understand the difference between the APRC and the annual nominal interest rate (TAN)¹⁴ applied. After the complaint was submitted to the Bank of Italy, the customer received clarifications from banks on how to calculate them in almost all cases.

The remaining complaints related, in some cases, to intermediaries refusing to grant loans; they argued that their actions were correct since they were based on creditworthiness assessments.

Mortgage renegotiation

The number of complaints on mortgage renegotiations rose in 2023 (to 353, from 94 in 2022), although their share in total complaints remained small; in the first quarter of 2024, there were 32 reports (123 in the corresponding period of 2023).

The trend is linked to the increase in the key interest rates implemented by the European Central Bank to deal with inflation, which led to an increase in floating-rate mortgage instalments and, consequently, in renegotiation applications. Complainants cited in particular delays in responding to customers’ requests and refusals to renegotiate contracts.

Sale of loan protection insurance policies

In 2023, the Bank of Italy received 35 reports on alleged anomalies in the sale of loan protection insurance policies in conjunction with loans, against 26 such reports in 2022, although their share of the total complaints received remained low. In the first quarter of 2024, there were 11 complaints, against 10 in the corresponding period of 2023.

¹³ The APRC indicates the total cost of the loan, expressed as an annual percentage of the credit granted (see the [Glossary](#) on the ‘Economics for everyone’ portal).

¹⁴ The TAN represents the ‘pure’ interest rate for the loan, expressed as an annual percentage of the credit granted, and does not include fees and commissions (see the [Glossary](#) on the ‘Economics for everyone’ portal).

Complainants said that the policies were offered as optional but were then required by intermediaries as a condition for securing the loan at the interest rate they proposed.¹⁵ Specifically, some complainants said that, even though they already held other insurance policies, the bank had proposed better financing conditions if an insurance policy proposed by that bank had been taken out at the same time.¹⁶

Thanks in part to the Bank of Italy's intervention, if complaints relating to matters outside its remit are excluded because they focus on the amount reimbursed by the insurance company, customers' complaints were accepted in almost 40 per cent of cases.

As early as March 2020, the Bank of Italy and IVASS had jointly urged banks, financial companies and insurance brokers to adopt specific precautions to combat this phenomenon and to ensure compliance with the legislation on the provision of loan protection insurance.¹⁷ The supervisory authorities continue to pay close attention to this phenomenon in both Italy and Europe.¹⁸

Euribor-indexed mortgages

There are very few complaints about mortgages indexed to the EURIBOR rate. In the first quarter of 2024, there were 25 complaints in which customers, referring to Court of Cassation Order No. 34889 of 13 December 2023, asked some banks for the repayment of interest in relation to floating-rate mortgage loans indexed to the Euribor rate, taken out in the years 2006-08.

With this ruling, the third civil division of the Court of Cassation declared the clause on the interest on a loan contract null and void.¹⁹ The interest was decided based on the Euribor rate, and had been the subject of an upstream agreement between some banks to manipulate competition between September 2005 and May 2008. In December 2013, the European Commission had ascertained and applied sanctions on the conduct of the banks that had participated in this agreement.²⁰

The current approach of case law is not uniform.

The third civil division of the Italian Court of Cassation recently made a new decision²¹ establishing that, in order to declare the clause invalid under antitrust law,

¹⁵ These reports concerned mortgages and personal loans other than salary- or pension-backed loans (see the box 'Compulsory or optional insurance policies for loans other than salary- or pension-backed loans' Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2022).

¹⁶ Instead, the legislation requires intermediaries to accept any policy submitted by the customer, if it is equivalent to what they propose, without changing the conditions offered for the provision of the loan.

¹⁷ Bank of Italy and IVASS, 'Offer of products linked to loans' ([only in Italian](#)), communication of 17 March 2020, and the Bank's website: 'Joint Communication Bank of Italy - IVASS on the offer of products linked to loans - extension of the deadlines' ([only in Italian](#)).

¹⁸ For further details, see the section 'Sale of policies linked to loans', Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2022.

¹⁹ In this case, a financial lease agreement drawn up in 2006.

²⁰ For further details, see [Decision C \(2013\)8512](#).

²¹ Court of Cassation, Third Civil Division, ruling of 3 May 2024, No. 12007.

the involvement of the intermediaries that participated in the agreement restricting competition must be demonstrated, or at least there must be evidence that they knew about the cartel and intended to apply such knowledge.

The Bank of Italy replied to the complainants, stating that the case law on this issue concerns agreements restricting freedom of competition in the market and that the power to recognize the right to reimbursement of interest lies with the judicial authorities or the ABF, subject to verification that the requirements of temporal jurisdiction have been met.

Transferring legal relationships between banks

In 2023, there were complaints from customers affected by the transfer of their current account and ancillary services to a new bank belonging to the same group, with a purely digital operating model. The reports, which were also sent by consumer associations, concerned, among other things, how the intermediary had communicated the proposal for a unilateral amendment of contracts pursuant to Articles 118 and 126-sexies of the Consolidated Law on Banking (TUB).²²

Partly in light of the close examination of the reports received, the Bank of Italy called on the intermediary to provide adequate and direct assistance to customers affected by the transfer of the contract, with the aim of minimizing the inconveniences caused, as well as providing individual feedback for all disputes. The Italian Competition Authority (AGCM) opened an investigation into unfair commercial practices and adopted a precautionary measure.

Financial inclusion and the right to a payment account

In 2023, the Bank of Italy received 297 complaints about difficulties in opening or keeping a payment account against 238 complaints in 2022; however, the share of these reports in the total remained low. In the first quarter of 2024, there were more than 30 complaints, against about 80 in the corresponding period of 2023.

They were made by consumers in 76 per cent of the cases;²³ the remaining 24 per cent were from firms and professionals. Over 68 per cent of cases concerned accounts being unilaterally closed by intermediaries, while the remaining complaints were about being refused a new account.

²² Special regulations (Article 58 of the TUB and the Bank of Italy's implementing instructions) are applied to the transfer between banks of legal relationships identifiable en bloc that provide for a form of legal disclosure, consisting of recording the information about the sale in the Italian Business Register and its publication in the Gazzetta Ufficiale (Official Journal of the Italian Republic). The prior consent of the holders of the contracts concerned is not required and there are no prior disclosure requirements. However, in the event of sales transactions under Article 58 of the TUB, the secondary rules adopted by the Bank of Italy require banks and financial intermediaries to inform the customer of the sale of their contract 'at the earliest opportunity' (in the bank statement or other periodic communications). The transparency provisions also provide for additional individual disclosure obligations and specific safeguards to ensure continuity in the use of account-related services in order to protect customers holding current and payment accounts, especially when they are consumers.

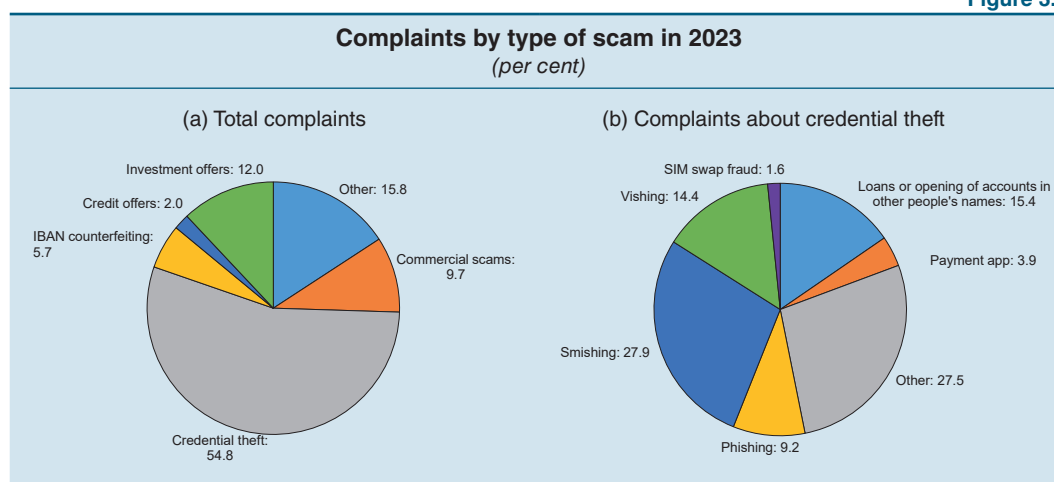
²³ Includes apartment buildings' managers.

Scams

In 2023, the Bank of Italy received 557 complaints of scams, up by 11 per cent on 2022 (there were 502, almost 5 per cent of all the complaints received in 2022). In the first quarter of 2024, there were 139 complaints, up from 135 in the corresponding period of 2023. Almost all of these reports are related to the use of payment instruments and services and represent a very small number in relation to the total volume of non-cash payments.²⁴

In 55 per cent of cases, complaints involved the alleged theft of account login credentials, of authentication codes for payment transactions, and of identification data in order to take out loans or open accounts without the victims knowing (Figure 3.1.a). More than half of the credentials thefts were carried out using smishing, vishing and – to a lesser extent – phishing techniques via e-mails and SIM swap frauds (Figure 3.1.b).²⁵

Figure 3.1



In some cases, the victims were tricked into making payments to scammers (authorized push payment fraud, or APP). This fraud category includes: (a) fake investment offers (12 per cent of all complaints received on scams),²⁶ where victims are usually contacted by telephone by self-styled financial advisers suggesting investments that were subsequently found to be fake;²⁷ (b) commercial scams (10 per cent) relating, among other things, to the non-delivery of online purchases and to disruptions and anomalies on e-commerce platforms; (c) credit transfers with counterfeit IBANs (6 per cent), the victims of which in most cases received an e-mail

²⁴ In 2022, there were over 11.5 billion cashless transactions (see Table a13.13 in the Appendix (only in Italian) to the *Annual Report for 2022, 2023*).

²⁵ For more information, see the box 'The main techniques for credentials theft' (only in the Italian version of the Report), Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2021.

²⁶ There are increasing cases of crypto-asset scams in this category (see also the section 'Crypto-assets').

²⁷ In order to protect yourself from this type of scam, you should first check whether the entity proposing the investments is authorized to operate in Italy by consulting the websites of the Bank of Italy, CONSOB and the Organismo di vigilanza e tenuta dell'albo unico dei consulenti finanziari (Authority for the supervision and maintenance of the single register of financial advisers, OCF).

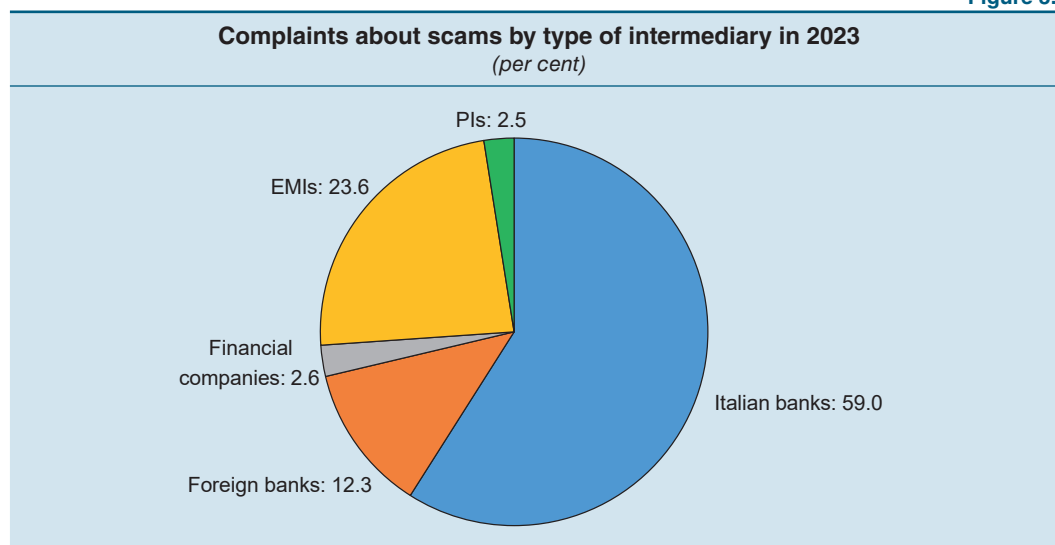
– apparently from the supplier – with an invoice with an incorrect IBAN;²⁸ (d) fake credit offers (2 per cent), where the victims generally pay the fees required to a website of bogus financial companies in order to obtain credit that will never be paid out.²⁹

Some 16 per cent of complaints involved other types of unauthorized transactions, in some cases through payment card theft, forged signatures on stolen or counterfeit cheques, or guarantees signed in the name of third parties without them knowing. In other cases, the credentials were stolen when the payment card was being sent by the issuing intermediary.

Complaints of this kind are usually addressed to the intermediaries with which customers hold accounts: Italian banks (59 per cent); foreign banks (12 per cent); EMIs (24 per cent; financial companies (3 per cent); and PIs (2 per cent; Figure 3.2).

If we exclude the complaints for which it is not possible to identify the outcome because, for example, they relate to matters outside the Bank of Italy's remit, customers have obtained acceptance by intermediaries in 28 per cent of cases. The rate of acceptance recorded a minimum of 12 per cent for commercial scams and a maximum of 50 per cent for loans in the name of others.³⁰ In the latter cases, intermediaries cancelled both the loans and the negative reports to credit reporting systems (CRSs).³¹ Banks rejected complaints when the transactions reported had been carried out in compliance with statutory procedures.³²

Figure 3.2



²⁸ In some residual cases, which are outside the scope of APP fraud, IBANs are counterfeited by hackers who access the victim's device using malware and then manipulate their transactions.

²⁹ You should first check whether the entity offering the loans is authorized to operate in Italy by consulting the websites of the Bank of Italy and the OAM.

³⁰ Requests for reimbursement submitted to intermediaries following fake investment offers and SIM swap scams were not accepted by intermediaries.

³¹ For the definition of a CRS, see the 'Methodological notes'.

³² For example, the bank confirmed the debiting of amounts when the transactions were carried out in line with the provisions of Legislative Decree 11/2010 on payment services, and there was misconduct or gross negligence on the part of customers in handling their security credentials.

Some of the scams reported were carried out with the unauthorized use of the Bank of Italy's name and logo in order to be more credible to users (see the box 'Unauthorized use of the Bank of Italy's name and logo').

UNAUTHORIZED USE OF THE BANK OF ITALY'S NAME AND LOGO

The Bank of Italy has detected episodes of attempted fraud consisting in the illegal use of the Bank of Italy's name and logo in documents, email addresses and web pages, sometimes to make scam payment requests supposedly attributable to tasks that would fall within the Bank's remit, such as requests for AML fees, tax charges or fees to authorize the crediting of sums of money.¹ Most of the reports involve fake inheritances or alleged donations from abroad, the collection of which, as reported by the victims, was purportedly blocked by the Bank of Italy. The fraudsters enclose false documents with the correspondence (usually via email) that look as if they originated from the Bank of Italy.

In 2023, the Bank received 21 reports of this kind.

The Bank of Italy is in no way involved in such initiatives; it reports the events to the competent authorities, reserving the right to take any and all measures to protect its position and image.

To curb this phenomenon, after issuing two notices to the public in 2021,² the Bank of Italy and the Italian Financial Intelligence Unit (UIF) published a joint notice in February 2024, warning citizens to beware of these initiatives and not to respond in any way to any requests that they might receive.³

¹ For further information, see the web page 'New social media investment scams' ([only in Italian](#)) on the Bank of Italy's portal 'Economics for everyone'.

² For further information, see the Bank of Italy's web pages: 'Warning. Bank of Italy name used deceptively in phishing attempts' ([only in Italian](#)), 4 August 2021 and 'Warning. Bank of Italy name used illegally in phishing attempts' ([only in Italian](#)), 10 September 2021.

³ For further information, see the Bank of Italy's website: 'Warning. Episodes of unauthorized use of the Bank of Italy and the UIF's names and logos' ([only in Italian](#)).

To curb this phenomenon, after issuing two notices to the public in 2021,³³ the Bank of Italy and the Italian Financial Intelligence Unit (UIF) published a joint notice in February 2024, warning people to beware of these initiatives and not to respond in any way to any requests that they might receive.³⁴

The Bank of Italy analyses complaints and, if necessary, informs investigative or other competent authorities and forwards them the documents required to continue the investigation. It also shares relevant information for the protection of IT security

³³ For further information, see the Bank of Italy's website: 'Warning. Bank of Italy name used deceptively in phishing attempts' and 'Warning. Bank of Italy name used illegally in phishing attempts' (both [only in Italian](#)).

³⁴ For further information, see the Bank of Italy's website: 'Warning. Episodes of unauthorized use of the Bank of Italy and the UIF's names and logos' ([only in Italian](#)).

with the Computer Emergency Response Team for the Italian financial sector (CERTFin).³⁵

Crypto-assets

In 2023, reports on crypto-assets increased, although they only accounted for a very small share of total complaints received (50 disputes, almost three times higher than in 2022). In the first quarter of 2024, 13 complaints were submitted, against 7 in the corresponding period of 2023.

Consumer associations have also been paying increasing attention to the dangers of buying crypto-assets and the resulting risks of fraud (see Chapter 4).

Most of the cases reported were about alleged fraud, often perpetrated by bogus financial advisers who called their victims to propose fake profitable online investments, also from foreign numbers. To gain people's trust, fraudsters usually asked for a first investment involving small amounts, subsequently showing allegedly exceptional returns on the initial capital on fake platforms. They then asked for further payments for crediting the proceeds, threatening the loss of the entire amount invested if the victim was reluctant to do as they asked.

Some reports concerned crypto-asset trading platforms, whose clients complained that they had been unable to recoup their investments.³⁶

The responses to complainants provided information on the characteristics and risks of these instruments, referring to the work of and the main communications from the European authorities and the Bank of Italy,³⁷ as well as the news on the [Economics for everyone](#) portal.³⁸ Explanations were also provided on the European regulatory framework for crypto-assets, bearing in mind that the Markets in Crypto-assets Regulation (MiCAR) was published in the Official Journal of the European Union on 9 June 2023. This regulation introduced a unified regulatory framework for the issuance, offer to the public and provision of crypto-asset services,³⁹ which will introduce important safeguards for holders of crypto-assets.

Pending the full application of the MiCA Regulation, any complaints about crypto-asset investments are currently sent to CONSOB and the OAM, according

³⁵ CERTFin, co-chaired by the Italian Banking Association (ABI) and the Bank of Italy, is tasked with improving the cyber risk management capacity of the Italian financial system.

³⁶ For references on issues relating to crypto-asset trading platforms, see the 'Economics for everyone' portal: 'The Rock Trading platform for crypto-assets blocked and investigated for fraud' ([only in Italian](#)).

³⁷ For further information, see the Bank of Italy's website: 'Warning on the use of virtual currencies' ([only in Italian](#)); 'European authorities warn consumers against the risks of virtual currencies' ([only in Italian](#)); 'CONSOB and the Bank of Italy warn against the risks posed by crypto-assets' ([only in Italian](#)); [Communication on Decentralized Technology in Finance and Crypto-assets](#).

³⁸ The responses emphasized the lack of legal and contractual safeguards, the operational risks and the hacking of platforms, the volatility of the value of crypto-assets and the danger of scams.

³⁹ Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on crypto-asset markets, and amending Regulations (EU) 1093/2010 and (EU) 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937.

to their respective areas of responsibility.⁴⁰ If the conditions are met, the reports are forwarded to the investigative bodies.

If the dispute also concerns a supervised entity, such as the credit intermediary where the complainant has their current account, the Bank of Italy asks them to provide clarification. In some cases, the complainant asked the intermediary to repay the sums invested: reimbursement was refused as the credit transfers had been authorized correctly and attempts to recall them had failed.

⁴⁰ The current national legislation does not provide for specific regulations for crypto-assets, except for anti-money laundering aspects. At the moment, these instruments may fall under CONSOB's remit if specific conditions are met, such as having characteristics that make them comparable in practice to financial products or instruments (see CONSOB, *Report for 2022*, which details CONSOB's powers in this area). Legislative Decree 90/2017 also provided that the OAM includes, in a special section (active since 16 May 2022) of the register of currency exchange offices, providers of virtual currency services with the minimum requirements, in accordance with the procedure laid down in the Ministry of Economy and Finance Decree of 13 January 2022.

4. RELATIONS WITH CONSUMER ASSOCIATIONS

In 2023, the Bank of Italy continued to liaise with consumer associations: there were 33 bilateral online meetings in March and November and one in-person general meeting in May.⁴¹ A further round of bilateral meetings with 14 consumer associations was held in March 2024. The discussion made it possible to collect information useful for customer protection.

The associations have drawn attention to the difficulties of households and firms in dealing with the payment of loan and mortgage instalments due to higher interest rates. Problems in renegotiating loans and accessing subrogation were also reported.

The general meeting in May 2023 also covered these topics, and the effects of inflation on the customers of banks and financial companies were discussed; the difficulties for young people in accessing Consap mortgages were also addressed.

According to consumer associations, the trend in lending rates has exacerbated the phenomenon of over-indebtedness. This is also fuelled by the uninformed use of some deferred payment instruments (such as ‘buy now pay later’),⁴² which are not seen as actual loans, and by the underestimation of the risks associated with late payments. It also emerged that consumers rarely resort to crisis resolution bodies, even when they are in difficulties, since they feel that the costs of accessing the procedure are not very sustainable.⁴³ Concerns have been expressed about the sale of tax credits.

The associations also hoped that intermediaries would reconsider the closure of numerous bank branches in less populated areas of Italy, so as to ensure adequate coverage for the ATM service. In this regard, it was pointed out that the Bank of Italy is monitoring the development of banks’ presence across Italy in order to avoid repercussions for local communities. In any case, banks must ensure adequate customer support, including when interacting via remote communication channels.⁴⁴

The associations pointed out that the phenomenon of scams is still a concern, partly due to the increasing level of sophistication, especially scams via payment apps. The increase in crypto-asset scams was also reported (see the Section ‘Crypto-assets’, Chapter 3), probably owing to the growing investment in these instruments, especially among young people. The associations called for banks to strengthen their security safeguards, to increase their ability to detect fraud in advance and to block

⁴¹ The associations involved are part of the National Council of Consumers and Users (CNCU) set up within the Ministry of Enterprises and Made in Italy (for more details, see the Ministry’s website: ‘The National Council of Consumers and Users’, only in Italian).

⁴² For more information, see the Section ‘The ‘buy now, pay later’ (BNPL) scheme’, Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2022.

⁴³ For more information on over-indebtedness and on possible measures to be taken in the event of persistent difficulties, see *Over-indebtedness* on the ‘Economics for everyone’ portal (only in Italian).

⁴⁴ For more information, see the Section ‘The closure of bank branches’ (only in Italian), Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2021.

anomalous transactions. Given the insidious nature of the new scams and their potential impact on those most exposed, the associations also stressed the need to: (a) create initiatives to help users recognize scams and defend themselves; (b) adopt virtuous behaviour; and (c) activate appropriate safeguards.

The May 2023 general meeting also included references to the Communication of 15 February 2023, in which the Bank of Italy asked banks to be particularly careful when proposing contractual changes based on inflation trends that are to the detriment of customers; the Bank also urged intermediaries to consider revising the changes made in the past, which were justified by the decreasing trend in interest rates at that time.⁴⁵

The meeting presented the new On the Road with the Bank of Italy project, which travels around Italy to spread financial literacy. Consumer associations have welcomed the initiative, which will help to strengthen cooperation on customer protection and financial education with the Bank of Italy. In general, associations shared the need to continue promoting initiatives on the ground in order to foster consumer choices that are more aware and adapted to their needs, given the current economic framework.

On 14 May 2024, the Bank of Italy and consumer associations launched an awareness-raising campaign in order to combat digital payment scams.

⁴⁵ For further details, see the box 'The Bank of Italy's communication on unilateral changes to bank contracts, Chapter 3, *Report on the management of complaints from customers of banks and financial companies* for 2022 (only in Italian).

METHODOLOGICAL NOTES

Central Credit Register: the Bank of Italy manages the Central Credit Register (CR), a database that collects information on loans and guarantees granted to customers by banks and financial companies (households, firms and general government). The information is recorded in the CR when the amount of a loan (e.g. mortgage, personal loan, overdraft facility) or a customer's guarantee exceeds €30,000. When a loan is classified as a bad loan, it shall be reported if its amount exceeds €250. Each month the CR collects information for each entity surveyed and returns it to the intermediaries so that they are aware of their customers' overall indebtedness and whether their payments are regular or not. In addition, when an entity requests a loan, intermediaries can consult the data in the CR to find out about their overall indebtedness towards the banking and financial system as a whole.

Basic bank account: a bank account with basic features is different from an ordinary current account. It is a payment account for consumers only, pursuant to a decree of the Ministry of Economy and Finance, which offers a number of payment transactions and services for an all-inclusive annual fee. Banks, Poste Italiane and other payment service providers are required to offer it to customers. Consumer applications for ordinary current accounts may be rejected by financial intermediaries at their discretion. By contrast, applications for basic accounts can only be rejected for imperative reasons, i.e. if applicants do not meet the requirements (consumer status, legal residence in the European Union) or if they hold another payment account. Financial intermediaries are, however, required to comply with measures to combat money laundering and terrorism financing.

Private complaints: complaints sent to the Bank of Italy – including for notification purposes only – by a customer, a banking, financial or payment service user or any other person or stakeholder acting on behalf of an individual customer or in the interests of customers in general, reporting illegal or unfair conduct on the part of one or more supervised intermediaries regarding contractual relations, including potential ones, for the provision of banking or financial services. Complaints on alleged irregularities in the information recorded in the Central Credit Register (CR) (see the item 'Complaints on alleged irregularities in the information recorded in the Central Credit Register') or in the Interbank Register of Bad Cheques and Payment Cards (CAI) and whistleblowing reports are not included in private complaints. Complaints challenging reports in creditor reporting systems (CRSs) other than the Central Credit Register are also handled as private complaints.

Complaints on alleged irregularities in the information recorded in the Central Credit Register (CR): reports, also addressed to the Bank of Italy solely for information purposes, in which a reported party (or a third party acting on its behalf) complains about alleged irregularities in the information reported in the CR by an intermediary or the intermediary's behaviour regarding these reports.

Financial companies: companies other than banks granting credit in various forms (including through the provision of collateral) or providing services for securitization transactions and listed in the Bank of Italy's register pursuant to Article 106 of the Consolidated Law on Banking (TUB; see the Bank's [Glossary](#)).

Electronic Money Institutions (EMIs): intermediaries that are authorized, together with banks, to issue electronic money under mutual recognition. EMIs can also offer payment services, grant short-term credit in connection with the provision of payment services other than electronic money, and carry out other commercial activities (see the ‘Bank of Italy’s [Glossary](#)).

Payment Institutions (PIs): intermediaries that are authorized, together with banks and EMIs, to provide payment services under mutual recognition. PIs can grant short-term credit in connection with the payment services they provide and carry out other commercial activities (see the Bank of Italy’s [Glossary](#)).

Freedom to provide services (FPS): banks or non-bank intermediaries, headquartered in an EU Member State without an established branch in the territory of another EU Member State, can carry out harmonized banking and financial activities (i.e. identified and recognized within the European Union; see the Bank of Italy’s [Glossary](#)).

Private consumers: according to the definition provided in the Italian Consumer Code: ‘a natural person who acts for purposes unrelated to their business, trade, craft or profession’ (Article 3(1)(a), Legislative Decree 206/2005).

Private non-consumers: individuals (such as professionals and craftspeople) and certain types of companies with no legal personality that produce goods or services.

Creditor reporting systems (CRSs): private databases that collect information on people’s access to finance and on loan performance. Banks and financial companies can search these databases before granting loans and they feed them with the information they collect throughout the contract term.

Bad loans: outstanding loans to entities in a situation serious and persistent financial stress that makes them unable to fulfil their obligations. Classification as a bad loan presupposes that the intermediary has assessed the customer’s overall financial situation without looking solely at individual events, such as one or more late payments.

