Consumer credit: annual percentage rate of charge APR (amend. Directive 87/102/EEC)

1996/0055(COD) - 24/07/1997 - Council position

The Council's common position was similar to the Commission's amended proposal, except that it took over the substance of the amendments proposed by Parliament. It only excluded the point on the transposition period. The Commission had preferred a period of two years after the entry into force rather than a fixed date, in order to enable the competent authorities and business operators to make the necessary adjustments. The key points of the common position were: - adoption of 'the EC formula'; - introduction of an additional recital recommending that immediate consideration be given to the need for further harmonization of the cost elements of consumer credit; - rejection of the proposal for a symbol (logo) accompanying the Annual Percentage Rate of Charge (APR) for consumer credit; - definition of the intervals between dates used in the calculations in years or fractions of a year, a year being presumed to have 365 days or 365.25 days or (for leap years) 366 days, 52 weeks or 12 equal months of 30.41666 days, i.e. 365 divided by 12; - accuracy of the calculation of the APR to at least one decimal.