

Credit agreements for consumers

2002/0222(COD) - 11/09/2003

The committee adopted the report by Joachim WUERMELING (EPP-ED, D) rejecting the Commission proposal at 1st reading of the codecision procedure. It said that the proposal had been drafted with too little attention being given to providing access to all groups of consumers, including those in disadvantaged social groups, and to its effects on interest levels. Moreover, it had not been properly coordinated with other existing and planned legislation such as the Data Protection Directive, the law on fair trading and Basle II. MEPs therefore concluded that the proposal needed to be thoroughly reworked so that it would not have adverse effects on the consumer credit business in Europe. Although the Commission had acknowledged that the proposal needed substantial modifications, it was refusing to submit an updated proposal. The committee argued that it was unreasonable to expect Parliament to make amendments to a text which had already become obsolete and which would need to be completely redrafted. It therefore decided to employ the rarely-used procedure under which Parliament may call on the Commission to withdraw its proposal and submit a new proposal as soon as possible.