Payment periods in commercial transactions. Commission recommendation

1995/2079(COS) - 04/07/1996 - Text adopted by Parliament, single reading

Parliament adopted the report by Mr Lyndon HARRISON (PSE, RU) on the Commission recommendation on payment periods in commercial transactions. While the report supports the objectives of transparency and simplification set out in the Commission recommendation with a view to solving the problem of payment delays, it expresses doubt about the appropriateness of a non-binding EU instrument to ensure reasonable payment periods, and to foster competition and confidence in the market. It therefore proposes: - that the Commission consider converting its recommendation into a proposal for a Council Directive, - statutory recognition of an automatic right of creditors to interest for late payment which would be appropriate as a penalty and as a deterrent; - statutory compensation for costs incurred in connection with the recovery of debts; - a minimum of harmonization of legal provisions relating to simple and effective extrajudicial procedures for recovery of payments due and of related costs; - provision for appropriate credit information and concrete measures for training SMEs in credit management; - deferment of paying VAT until invoices are settled; - provision for licensing of debt collectors who should fulfil certain requirements (financial guarantees, probity, financial solvency, etc.). Finally, the EP considered it imperative that public authorities and public-law enterprises change their business practices in the field of payment and set a new standard in public procurement contracts.