Basic information

1995/2071(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Consumer credit: implementation of directive 87/102/EEC. Report **Subject** 4.60.06 Consumers' economic and legal interests	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs, Citizens' Rights	CACCAVALE Ernesto (UPE)	11/09/1995

Committee for opinion	Rapporteur for opinion	Appointed
ENVI Environment, Public Health and Consumer Protection	KUHN Annemarie (PSE)	26/07/1995

Council of the European Union

Key events

Date	Event	Reference	Summary
11/05/1995	Non-legislative basic document published	COM(1995)0117	Summary
12/06/1995	Committee referral announced in Parliament		
17/12/1996	Vote in committee		Summary
17/12/1996	Committee report tabled for plenary	A4-0010/1997	
19/02/1997	Debate in Parliament		
11/03/1997	End of procedure in Parliament		
14/04/1997	Final act published in Official Journal		

Technical information

Procedure reference	1995/2071(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper

Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	JURI/4/06622

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Motion for a resolution		B4-0553/1995	19/05/1995	
Committee report tabled for plenary, single reading		A4-0010/1997 OJ C 055 24.02.1997, p. 0003	17/12/1996	
Text adopted by Parliament, single reading		T4-0081/1997 OJ C 115 14.04.1997, p. 0017-0027	11/03/1997	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1995)0117	11/05/1995	Summary
Document attached to the procedure	COM(1997)0465	24/09/1997	

Consumer credit: implementation of directive 87/102/EEC. Report

1995/2071(COS) - 11/05/1995 - Non-legislative basic document

OBJECTIVE: to highlight certain operational problems on the large consumer credit market and the solutions which could perhaps be applied. The Commission will table its chosen proposals when it presents its new consumer policy action plan at the end of 1995. CONTENT: the Commission report is based on a series of studies on the transposition of Directive 87/102/EEC into national legislation and the working of the large consumer credit market. The main conclusion from the transposition study is that the Member States have made considerable use of the minimum clause and have strengthened consumer protection by going beyond the directive during the transposition process. The main effect of the directive has therefore been as a driving force and it has become a springboard for consumer protection standards. The Commission suggests certain changes in order to improve the directive and the working of the market, viz.: - amending the directive in order to bring it into line with new financial techniques (e.g. credit cards); - reducing the list of exceptions, especially those relating to leasing, current accounts and ceilings; - including loans for work not guaranteed by a mortgage in the scope of the directive and assessing the need for a mortgage credit directive; - extending the scope to credit contracted by a consumer in order to finance a business start-up; - assessing the need for a code of conduct for credit advertisements directed at young people; - establishing an obligation on the part of the consumer to provide information and a duty on the part of the professional to provide advice; - not applying the mechanism to adjust the ceiling (from ECU 20,000 to 26,000) and abolishing the ECU 20,000 ceiling; - revising the provision on personal credit in the form of an overdraft; - generalizing the ban on bills of exchange; - making provision for bodies authorized to receive consumer complaints in each Member State; - generalizing cooling off periods during which consumers may cancel certain types of credit; - assessing the need for a code of conduct in the event of non performance of the contract (penalties); - assessing the need for regulations on usury; - studying the problems encountered by consumers in their relations with credit brokers; - applying the framework directive on the protection of personal data to the consumer credit sector; - extending certain information duties provided for in the directive to deposits; - studying possible measures to deal with the problem of over-indebtedness (prevention, assistance and advice systems).

Consumer credit: implementation of directive 87/102/EEC. Report

1995/2071(COS) - 11/03/1997 - Text adopted by Parliament, single reading

In adopting the report by Mr Ernesto CACCAVALE (UPE, I) Parliament considered that the Union should employ every legal means provided by the Treaties in order to enable a European credit market to come into being. In particular, the Union should, while upholding the principle of subsidiarity, pursue a legislative policy with a view to adopting general rules governing the European credit market in the medium term, laying down standards for

expansion of the market without neglecting the need to protect consumers' interests, while also stimulating free competition. However Parliament opposed a) the Commission proposal to extend the scope of the consumer credit directive to include loans for renovation and modernization work that are not secured by mortgage and b) the harmonization of credit secured by mortgage as this would entail EU-wide harmonization of national civil law provisions (e.g. rules on security). Parliament considered that consumers generally did not simply need more protective legislation but rather legislation that would encourage them to play an active role and protect their right freely to seek and receive the information that would enable them to act in conditions of contractual equality. It favoured encouraging the development of conciliation procedures and simple and efficient judicial procedures to safeguard consumer rights, taking into account the importance of cross-border legal disputes. Parliament also considered: - that all forms of advertising and promotion should be the subject of more detailed provisions; - that in the case of loans for the purchase of consumer goods debtors should be permitted to exercise the option of early payment without incurring unwarranted and unnecessary administrative costs; - that the entitlement to benefit from a specified cooling-off period should be guaranteed in a uniform manner throughout the Union.