



European Commission  
Internal Market and Services DG/  
markt-mortgage-consultation@ec.europa.eu

Re: Study on the role and regulation of non-credit institutions in EU mortgage markets/  
Final report

### **Answer by Finland**

Ministry of Justice is pleased to give the following information as a response to the study on the role and regulation of non-credit institutions in EU mortgage markets.

#### The role of OMLs in the Finnish market

The report includes contradictory information on the market share of OMLs in Finland. According to the figure 1 (page 8) and the figure 4 (page 61) and the text on page 62, the market share is approximately 7 %, while according to the text on page 33 and 100, OMLs are very small players, their market share being only 0,7 %.

As far as we know, OMLs do not play a significant role in the Finnish mortgage market and therefore we believe that the information given by the Federation of Finnish Financial Services according to which the market share was only 0,7 % over the period 2000- 2007 is correct and figures on pages 8, 61 and 62 should be corrected accordingly.

#### Regulation of creditors

It is correctly mentioned on page 33 that there is no regulation or supervision of OMLs in Finland. However, we would like to inform the Commission that Ministry of Justice has in October 2008 established a Working Party to prepare reform of legislation on credit granted to consumers, including mortgages. One of the issues under examination is whether only creditors with license should have the right to grant credit to consumers.

Possible proposals to change legislation should be ready by the end of October 2009.

#### Insurance companies

The text on page 48 regarding regulation and supervision of insurance companies in Finland is partly incorrect and partly out of date. Firstly, it is the Financial Supervisory Authority which registers and authorises insurance companies. As regards supervision, from the beginning of 2009 the Insurance Supervisory Authority no longer exists. It is the Financial Supervisory Authority which also supervises insurance companies in accordance with the Act on the Financial Supervisory Authority (878/2008).

In addition, the legislation on insurance companies has been revised. The new Act on Insurance Companies (521/2008) has replaced the old Act from year 1979. However, as regards the right of the insurance companies to provide mortgages no changes have been made and the text on page 48 in that regard is still valid.

Director General

Pekka Nurmi

Counsellor of legislation

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