



EUROPEAN COMMISSION

*Brussels, 21.12.2011
C(2011)9818 final*

Dear President,

Thank you very much for the opinion of the Romanian Chamber of Deputies on the Proposal for a Directive of the European Parliament and Council regarding the loan contracts for residential property (COM (2011)142).

The Commission welcomes the constructive support of the Romanian Chamber of Deputies for this proposal.

Regarding the specific issues raised by the Chamber, the Commission would like to provide the following clarifications:

Level of harmonisation and transparency requirements

EU intervention in the field of credit agreements related to residential immovable property needs to be detailed enough to be effective but high level enough to take into account the EU's diversity. The Commission welcomes the support of the Romanian Chamber of Deputies as regards the level of harmonisation of this proposal and the need for ensuring a high level of consumer protection. The Commission believes that the provision of transparent information to consumers on the features of the credit agreements are crucial in order to help them make their decisions in full knowledge of the range of products on offer. In order to ensure cross-border comparability between offers, such pre-contractual information should be provided through a European Standardised Information Sheet which contains the same type of information throughout the Union. This approach is consistent with the approach taken for consumer credits in Directive 2008/48/EC of 23 April 2008. As for certain information disclosure obligations for credit intermediaries, Member States will be free to add information items to the minimum list set out in the proposal.

*Ms Roberta Alma Anastase
President
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Calculation of the APRC

We welcome the support of the Romanian Chamber of Deputies concerning the necessity to use a uniform definition and methodology to calculate the Annual Percentage Rate of Charge (APRC). The Commission notes the request of the Romanian Chamber of Deputies for including the costs for insuring the property brought as a credit guarantee in the APRC, only where such guarantee is imposed by the creditor. The proposal for a Directive defines the total cost of credit for the consumer in identical terms as in Directive 2008/48/EC on consumer credits; in particular, it includes the costs that the consumer is required to pay in connection with the credit agreement and that are known to the creditor. Costs in respect to ancillary services relating to the credit agreements are also included if, in addition, the conclusion of a service contract is compulsory in order to obtain the credit. These issues may be however the subject of some discussion moving forward.

Credit intermediaries

The Commission welcomes the support of the Romanian Chamber of Deputies for introducing prudential and supervisory requirements for credit intermediaries. The Commission understands the concerns of the Chamber in relation to designating a body responsible for the authorisation of credit intermediaries at national level. In order to facilitate the ability of credit intermediaries to provide their services on a cross-border basis, information exchange and dispute resolution between competent authorities, the Commission has sought to clarify which type of competent authorities should be responsible for authorising credit intermediaries by mentioning that they should be one of those authorities included in Article 4(2) of Regulation (EU) No 1093/2010 of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority). The Commission will however continue to reflect on this important issue as discussions move forward.

Advice standards

The Commission notes the reservations of the Romanian Chamber of Deputies on advice standards in relation to creditors. The Commission's intention is not to prevent creditors from giving some guidance about the range of products they offer. However it believes that, while presenting a service as advice – which differs from providing simple guidance on a limited range of products- creditors and credit intermediaries should comply with minimum standards in order to ensure that the consumer is offered a range of products suitable for his needs and circumstances and to avoid any misinterpretation on the nature of the service provided. The Commission will however continue to reflect also on this important issue as discussions move forward.

Out-of-court dispute resolution

The Commission notes the concern of the Romanian Chamber of Deputies in relation to the setting up of out-of-court dispute resolution mechanisms concerning credits agreements relating to residential property. In this respect, Romania will be free to use existing bodies where appropriate.

Finally, the Commission takes note of the suggestion of the Romanian Chamber of Deputies for an extension of the scope of the proposal to micro-enterprises and for additional provisions on the transfer of mortgage credit portfolios and ways to reduce risks. Romania will be free to extend the scope of beneficiaries to micro-enterprises and

to introduce or maintain provisions that are not laid down in the proposal, into national law. These issues may be however the subject of some discussion moving forward.

The Commission is very attentive to the views of national parliaments on its proposals and appreciates the opportunity to exchange views on this issue with your chamber.

Yours faithfully,

*/-/ Maroš Šefčovič
Vice-President*