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To the attention of Mr. Robert Madelin
Director General
DG Health and Consumer Protection

Brussels, 4th December 2008

Dear Mr. Madelin,

Eurofinas, the voice of the specialised consumer credit providers at European level welcomes the European Commission's initiative to set up a Workshop with Member States on the transposition of the Consumer Credit Directive ('CCD').

According to article 27 of the CCD, Member States shall apply the Directive's provisions as of 12 May 2010. As it stands, few Member States have started the Directive's transposition process.

The transposition of the CCD into Member States legislation will bring substantial modifications to lenders current business practices. As a consequence, lenders will have to adapt their processes and contractual information to the new legal framework. A particular burden for lenders will be the adaptation of their IT systems. Such a process takes time and is resource-intensive. By way of example, UK credit providers were given an 18 month implementation period for the recent changes to the UK Consumer Credit Act.

We estimate that lenders will need a minimum of 12 months after national provisions are adopted in order to implement the CCD's technical provisions.

At this stage, lenders still have no information on the full content and scope of the national legal provisions which will transpose the CCD. The short implementation period leaves a real threat for the consumer credit industry and could affect the enforceability of their contracts. This is increasingly problematic in the current economic situation.

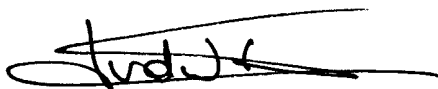
Of key importance is that lenders still do not know how their national authorities will apply those CCD's provisions for which they have been granted a certain degree of

flexibility. In addition, Member States remain free to adapt the Directive's provisions to areas that are not covered by its scope.

Eurofinas wishes to place a particular emphasis on this situation which dramatically increases legal uncertainty for consumer credit providers.

Eurofinas, in its capacity as EBIC Consumer Credit Working Group Secretariat, welcomes the opportunity to further discuss this issue with DG Health and Consumer Protection in January 2009.

Yours sincerely,



Tanguy van de Werve
Director General

Cc: Dirk Staudenmayer

About Eurofinas

Eurofinas, the European Federation of Finance House Associations, is the main voice of the specialised consumer credit industry at European level. It currently represents 16 Member Associations, in turn bringing together more than 1,000 finance houses, captive companies, specialised and universal banks. Together, these consumer credit providers financed over 400 billion euros worth of new loans during 2007, with outstandings reaching 713 billion euros at the end of the year. Companies represented through Eurofinas employ some 90 000 individuals.

Consumer credit providers may be of several natures and our members' members can be grouped into the categories below. Around 90% of the companies represented through Eurofinas are specialised lenders, falling into the first three categories:

- Finance houses: specialised consumer credit providers without a banking licence;
- Captive companies: parent companies of these companies are manufacturers (e.g. car manufacturers). Captives may or may not have a banking licence;
- Specialised banks : institutions with a banking licence but an activity focused to consumer credit or/and mortgage lending; and
- Universal banks: banks providing all kinds of products retail, corporate, etc., including consumer credit.