



**COUNCIL OF
THE EUROPEAN UNION**



Council Conclusions on the Commission White Paper on the Integration of EU Mortgage Credit Markets

*2866th ECONOMIC and FINANCIAL AFFAIRS Council meeting
Brussels, 14 May 2008*

The Council adopted the following conclusions:

"The Council:

- RECALLS its conclusions of May 2006 on the Commission White Paper on the Financial Services Policy 2005-2010¹, where it welcomed "the initiatives proposed by the Commission, stressing that progress in the greater integration of retail markets is a challenge for 2005-2010 in order to strengthen competition and ensure an appropriate level of consumer protection;"
- STRESSES the importance of mortgage credit for both EU citizens and the economy at large and of tackling barriers in order to achieve greater integration of mortgage credit markets, so that EU consumers and mortgage lenders can take full advantage of the benefits of the Single Market;
- WELCOMES in that regard the Commission White Paper on the integration of EU mortgage credit markets²;

¹ Doc. 8797/06 EF 9 ECOFIN 140

² Doc. 5128/08 ECOFIN 7 EF 1

P R E S S

- SUPPORTS the Commission's overarching goal of achieving competition and efficiency of EU mortgage credit markets and the four general objectives it has put forward to this end in the White Paper, namely: to facilitate the cross-border supply and funding of mortgage credit; to increase product diversity, combined with strong consumer protection and adequate financial stability; to improve consumer confidence and to facilitate customer mobility;
 - RECOGNISES that the potential for integration is determined by a range of factors including culture, language and customer preferences, and that further integration is therefore likely to be supply driven rather than demand driven in the foreseeable future;
 - ENCOURAGES the Commission to continue assessing the costs and benefits of the various policy options for achieving further integration, including as regards possible legislation for relevant areas in accordance with the 'Better regulation' principles;
 - WELCOMES the approach used by the Commission, which relies on a rigorous impact assessment of the various policy options for meeting the four general policy objectives, and in particular the ones that are crucial to improve consumer confidence and empowerment, and to improve the cross-border supply and funding of mortgage credit;
 - SUPPORTS in this context the Commission's intention to assess the benefits and costs of different policy options on issues such as access to credit registers and (other) tools to assess potential borrowers' creditworthiness on a cross-border basis; options on early repayment; options to improve the quality and the comparability of information (incl. enhancing pre-contractual information and further harmonising the Annual Percentage Rate of Charge), and options to promote both responsible lending and borrowing;
 - REITERATES in line with the (aforementioned) Council conclusions of May 2006 on the Commission White Paper on the Financial Services Policy 2005-2010 the importance of strengthening consumer input in this process, for example concerning broad consumer testing of possible information requirements;
 - ENCOURAGES the Commission to proceed with the proposed initiatives in accordance with the timetable put forward in the White Paper;
 - In terms of policy options going forward, WELCOMES the Commission's intention to design and to regularly update 'scoreboards' presenting objective information on the cost and duration of land registration and foreclosure procedures in all Member States; and
 - LOOKS forward to the Commission's announced Recommendation on valuation, land registers and foreclosure procedures, expected this year.
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