

EUROPEAN COMMISSION
DIRECTORATE-GENERAL JUSTICE AND CONSUMERS

Directorate E – Consumers
The Director

Brussels,
DG JUST/FGD/mt

Subject: EU Pilot case 7565/15/JUST Implementation of the Consumer Credit Directive 2008/48/EC

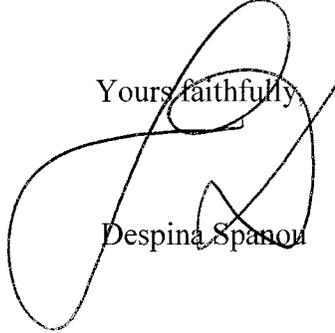
Dear Sir/Madam,

I would like to draw your attention to a possible issue related to the application of Directive 2008/48/EC on credit agreements for consumers which may have taken place in the Czech Republic. The European Commission has recently received a complaint from a Czech citizen concerning the possible incorrect calculation of the APR by some creditors in the Czech Republic. The complaint mentioned the possible incorrect APR calculation in a situation where the credit initiation fee was financed by the creditor. The European Commission has also received a separate question from a Member of the European Parliament, as well as from a journalist, concerning the possible incorrect calculation of the APR by Czech creditors.

The calculation of the APR was clarified in the Guidelines on the application of Directive 2008/48/EC in relation to costs and the Annual Percentage Rate of charge, published by the Commission on 8 May 2012. Section 2.6. of the Guidelines clarifies how to deal with credit initiation fee financed by the creditor when calculating the APR. The calculation method stems directly from the definitions and articles of the Directive.

The European Commission would like to invite the competent Czech authorities to provide it with comprehensive information on how the APR is calculated by creditors in the Czech Republic, including how any credit initiation fees are taken into account. According to the Commission's knowledge, there are two authorities supervising creditors in the Czech Republic, namely the National Bank of the Czech Republic and the Czech Trade Inspection Authority.

Yours faithfully


Despina Spanou