



FENCA

NEWSLETTER

No 26, June 2007

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I FENCA News

CONGRESS FENCA 2007

★ There are still some opportunities of sponsoring. You can find the logo and information about our sponsors on the web page promoting congress; you can still become one of sponsors. The list of sponsoring possibilities is at the bottom of the page promoting the congress.

WEB PAGE

★ Since the opening the English version of our new web page, we received quite significant number of registrations. We encourage you to register without retarding; guests who will register and pay before July 31st are entitled to the discount. We have reserved a specific number of rooms; with late registration we will not be able to assure you hotel places. The downloadable registration form you can find in the section of the Annual General Meeting 2007, down the page.

★ The new web page starts to appear in other languages. We would like to thank to Norway for such quick translation - the Norwegian version is complete, and also to Czech Republic for the quick response and almost completed Czech page. Another available version is Polish (translated by FENCA Executive Director, Justyna Wilaszek).

Partial translations are available in Dutch, German and French. We still wait for the help of our delegates to translate it into Spanish, Portuguese, Greek, Swedish and Italian. This page is for members of your associations, who not necessarily speak English, help them to understand the importance of FENCA.

★ Since a not very long time we have a new fan of FENCA :-). Her name is Rosanna Lillian Haincourt and she is passionate about our logo.



II FENCA News from Brussels

★ Single European Payment Area (SEPA):

The actual draft SEPA-directive as a compromise version from the 24th of April

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2007-0128+0+DOC+XML+V0//EN>

(document available as text version on www.fenca.com in the section "Surveys and documents" under position 34) was subject to some relevant changes: for instance Article 41, clause 2 doesn't stipulate anymore for the authorisation of payments formal explicit consent. According to the actual version the consent of one or several payments shall be accorded in any way agreed on previously, i.e. by agreeing on general terms and conditions between a (i.e. bank). The transmission of the consent is as well subject to the before-mentioned agreement between the payer and a payment service provider.

Thus the actual version - contrary to the previous formal provisions- allows for the continuation of the simplified procedure for debit notes, which is efficiently and wide-spread used in number of Member States.

★ Draft Directive on Consumer Credits:

As regards the above mentioned directive from the 7th October 2005 (http://ec.europa.eu/consumers/cons_int/fin_serv/cons_directive/2ndproposal_en.pdf) (document available on www.fenca.com in the section "Surveys and documents" under position 35) the commissioned study has been published by the end of April (http://www.europarl.europa.eu/comp/arl/imco/studies/0704_consumercredit_en.pdf)

(document available on www.fenca.com in the section "Surveys and documents" under position 36).

Although the study mentions "bad debt collection", there is no evidence for activities of real debt collection services. The study only refers to genuine activities of creditors regarding the information and consulting of consumers and the re-financing and portfolio restructuring. From the three countries involved in the study (United Kingdom, Germany and Czech Republic) the United Kingdom claims that the draft directive has no impact on debt collection whatsoever (see 1.1.3.3.).

The Council has elaborated an unpublished compromise version on the 21st of May on which the Member States still will have to vote on for a Common Position. The continuation of the legislative procedure is expected with the opening of the second reading in the European Parliament by September 2007.

★ Service Directive:

Regarding the European Service directive from the 12th of December 2006 (OJL 376) the European Commission initiated an open consultation on codes of conduct.

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Based on Article 37 of the directive the quality of services shall be enhanced by encouraging European professional associations, among others, to draw up or to review Community codes of conduct. The introduction or the enhancement of Community codes of conduct shall provide multiple advantages:

as a means of facilitating the free movement of service providers, who will be able to use detailed rules of conduct with which they are already familiar, and as a means of guaranteeing freedom of choice on the part of consumers, who will be able to use whichever service providers they prefer, including those established in another Member State. The aims are to create an inventory of the current situation and to obtain stakeholders' opinions on measures to encourage the development of codes of conduct at Community level.

Professional associations and organisations, whether they are European or national, are invited to take the opportunity which is offered to them to express their opinion on codes of conduct, in place or in preparation.

The consultation procedure is open until the **30th July 2007**. Dr. Carsten Ohle and Stefan Zickgraf will be in charge to collect all opinions and will undertake the effort to elaborate a position for FENCA. In particular FENCA-members are invited to communicate their opinions on question 40 of the questionnaire (http://ec.europa.eu/internal_market/services/services-dir/conduct_en.htm)

The opinions should be sent until the 23 of July to the FENCA office (office@fenca.com) to allow for a timely submission of opinions.

III FENCA News from Our Members

News from Switzerland

The Swiss debt collection Association VSI is one of the oldest debt collector association of the world. It was established in 1941 and counts today 41 members, representing approximate 80% of the collection market (population of Switzerland counts 7 million inhabitants).

Switzerland possesses several particularities concerning debt collection business. First of all, Switzerland is composed of 26 cantons and half cantons, and there are 26 civil procedure orders. The execution of titles is not performed by the court but by the "suing offices". The creditor can go over all steps himself or use a representative; which can be a collection company, lawyer etc. The suing procedure is easy, quick and cheap.

May 11th 2007, the Association organised its AGM and Congress in Bern. After the welcome speech of the President of the VSI, Mr Thomas Kast, the first presentation was performed by Mr Urs Paul Holenstein from the Federal Office of Justice and Police. The subject of the presentation was the project "e-LP". LP stands for "*loi fédérale sur la poursuite pour dettes et la faillite*", which is the law about the juridical collection and bankruptcy. The Federal Office of Justice and Police since two years leads the project to exchange electronically all information between the suing offices and the creditors. This project is supported by main collection agencies as it accelerates the collection, make it easier and cheaper.

The second lecture was given by Prof. Dr. Isaak Meier from the University of Zürich. He spoke about collection fees and who is charged with them. This topic is a subject of a very long discussion in the Swiss Association, as all collection companies invoice their collection fees, which are not willingly accepted by the debtor and consumer protection association. Following the point of view of Prof. Dr. Isaak Meier, the major part of these fees should be paid by the debtor.

The third and last presentation was performed by the secretary of the Swiss Association, Dr. Robert Simmen, who spoke about "increasing of the interests". Following several surveys, is clearly visible that the best payers in Europe are the Scandinavian countries and Switzerland moves down the scale. The Swiss Association is persuaded that if the interest would be at least adapted to the directive 35/2000 of the EU, Switzerland would improve its position as a bad payer. This issue is one of the goals of the association for the next time period. Last several years the Swiss associations organise surveys about the payment behaviour in Switzerland. This survey shows that VSI members received last year more than 880'000 claims for € 455 millions, recovered € 270 millions, and have in the stock more than € 4'000 billions debts in surveillance. This survey pointed out that areas with high density of population have more bad payers than countryside. (See the chart below).

Indicator of debt collection by cantons



Where:

- very low (up 1.5)
- low till average (from 1.6 till 3.0)
- high (from 3.1 till 6.0)
- very high (more than 6.0)

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