

FINNIUS

When does the Standard European Consumer Credit Information need to be provided?

22 April 2022

🕒 3 MINUTES

Providers of consumer credit are required to provide consumers with timely pre-contractual information. This must be done “in good time before the consumer becomes bound by any credit agreement or offer”. Such information should enable the consumer to adequately assess the credit and compare different offers in order to make an informed decision about entering into a credit agreement. The pre-contractual information should be provided by means of the “Standard European Consumer Credit Information” form (SECCI).

The obligation to provide the SECCI follows from the Consumer Credit Directive. That directive is currently under review. Last June, the European Commission published its [proposal](#) for a revised directive. With the revision, the Commission wants to strengthen and modernize the directive. Regarding SECCI, the Commission wants to ensure that the provision of pre-contractual information to consumers is done in a more effective way. The 2019 [evaluation](#) of the Directive, which preceded the revision, had found, among other things, that the term ‘in good time’ was vague and led to legal uncertainty.

Indeed, in practice, it is not always clear whether the SECCI was provided to the consumer on time. Whether this is the case depends on the circumstances of the case. Dutch judges do not have an unambiguous opinion either. For example, it is currently impossible to say with certainty whether providing the SECCI on the same day as the day on which the credit agreement is concluded, or one day before that, is sufficient. In practice, however, this is often the case. The consumer chooses a particular credit, receives the SECCI and then (almost) immediately signs the credit agreement. However, the consumer could also have chosen to sign later and thus taken more time to study the information. The question is then whether the SECCI was provided in time. The District Court of Gelderland considered at the end of last year that it is important to obtain clarity about this and intends to submit this question to the Supreme Court in preliminary ruling proceedings ([judgment](#)).

In the Commission’s proposal for a revised directive, the concept of ‘in good time’ no longer appears, but the Commission makes the obligation to provide the SECCI more specific. The proposal stipulates that the SECCI must be provided at least one day before the consumer is bound by any credit agreement or offer. If this is less than one day, the credit provider must remind the consumer of the possibility to withdraw from the agreement and the procedure for doing so. That reminder must be provided to the consumer, at the latest, one day after the conclusion of the agreement or the acceptance of the credit offer. The right of withdrawal refers to the consumer’s right to withdraw from the credit agreement within a period of 14 calendar days after the conclusion of the agreement. Thus, should the consumer in practice choose to sign the agreement immediately after receiving the SECCI, the consumer would need to be reminded of the right of withdrawal no later than one day after the conclusion of the credit agreement.

The Commission’s link with the right of withdrawal is interesting. Dutch courts have in fact considered that the pre-contractual information obligation is separate from the right of withdrawal,

because neither the Consumer Credit Directive nor the Dutch implementation of it make any connection between that information obligation and the existence of the right of withdrawal (see for example this [judgment](#)). Therefore, in a case where the SECCI had been provided on the same day as the day on which the credit agreement was concluded, a reliance on the withdrawal period could not lead to the view that the SECCI had been provided in time. It now appears that the Commission does consider this right of withdrawal to be important in terms of the timely provision of the SECCI.

The Commission proposal is currently being negotiated in the Council of the European Union. It is not yet clear what will remain of it and when the revision will enter into force. In any case, there is plenty of discussion in practice, at both national and European level, about when the SECCI should be provided.