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From: Maria Elvira Mendez Pinedo [mailto:mep@hi.is]
Sent: 14. nóvember 2012 12:24
To: Eiríkur Áki Eggertsson
Cc: Kristjana Benediktsdóttir; Helgi Hjörvar; Skúli Helgason
Subject: RE: Efnahags- og viðskiptanefnd - gögn

Sæl aftur,

Kærar þakkir fyrir fund í dag. Hérna er mín erindi á word formi. Ég held áfram að rannsaka málið og myndi upplýsa ykkur um niðurstöður.

Ef þið viljið get ég líka sent ykkur gögn (bækur, greinar og skýrslur). Annars eru tilvísanir til vefsíður og gögn í umsögnin mín.

Eins og ég sagði á fundinum er ég til að svara skriftlega spurningum og athugasendum sem alþingismaður Pétur Blöndal bendi mér á.

B.kv.

Elvira

EU/EEA LAW INTERNAL MARKET/CONSUMER PROTECTION (NEOLIBERAL POLITICAL PHILOSOPHY)	MEMBER STATES LAW AND OBLIGATIONS	ICELANDIC LEGISLATIVE PROPOSAL – NEYTENDALÁN ASSESSMENT IN LIGHT OF EUR/INT LAW
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">EUR (CONSUMER) CREDIT LAW</p> <p>1. MAXIMUM HARMONISATION REGULATION OF INFO DISCLOSURE</p> <p>DIRECTIVE 2008/48/EC</p> <p>PARADIGM: Fully informed consumer gives binding consent</p> <p>OBL TO DISCLOSE TOTAL COST OF CREDIT IN WAY PRESCRIBED</p> <p>Info about financial obligations given in advance using common definition, with certain EUR standard form and methodology (Annual Percentage Change of Rate -APRC) (so that consumers can compare all across Europe)</p> <p>FAIRNESS: Implicit requirement as it is regulated by two other European directives</p>	<p>OBL TO DO <u>EXACTLY</u> AS EUR LAW SAYS</p>	<p>STOP!!! ICELAND DOES NOT COMPLY FAILS TEST ON INFO DISCLOSURE AS REQUIRED BY DIRECTIVE DEPRIVES CONSUMERS OF EUR LAW PROTECTION</p>
	<p>NO MARGIN OF APPRECIATION UNDER SCOPE OF HARMONISED AREA</p> <p>MEMBER STATES CANNOT INCREASE/ DECREASE LEVEL OF CONSUMER PROTECTION</p>	<p>Fact: Eur Directive is based on the hypothesis that principal of loan borrowed is stable and definite. Total cost must be disclosed in advance (as it is) with EUR definition and methodology. Changes are only allowed to amend/specify APRC. <i>Verðtryggin</i> is interest on money and fall therefore under APRC rules. Interest on interest questionable. In Iceland regular indexation and re-indexation of capital to consumer-price index following 3 year index is opaque, not properly disclosed and is not incidental but main profit for creditors. Information on past growth of other similar credit does not comply with EU requirement–need to inform on future financial obligations for debtors. Justification of total cost of credit by transparency.</p> <p>Conclusion. Indexation of payments through APRC is ok. Indexation of principal illegal under EU Directive hypothesis, definition, methods/ formula.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">EUR CONTRACT LAW EUR</p> <p>2. MINIMUM HARMONISATION CONTROL ON UNFAIR TERMS IN CONSUMER CONTRACTS DIRECTIVES</p> <p>DIRECTIVE ON UNFAIR CONTRACT TERMS 1993/13/EEC DIRECTIVE ON UNFAIR COMMERCIAL PRACTICES 2005/29/EC</p> <p>General ban and prohibition of abusive clauses in contracts and commercial practices.</p> <p>Requirement of fairness is explicit.</p> <p>DEF. ABUSE: lack of balance between rights and obligations in contracts in detriment of consumers.</p> <p>Misleading information is abusive practice.</p> <p>SANCTION: Terms that are found unfair under the Directive are not binding for consumers (see CJEU).</p>	<p>OBL TO DO WHAT EUR LAW SAYS</p>	<p>STOP!!! ICELAND DOES NOT COMPLY FAILS TEST ON FAIRNESS AS REQUIRED BY DIRECTIVES PROHIBITING ABUSIVE CLAUSES AND COMMERCIAL PRACTICES DEPRIVES CONSUMERS OF EUR LAW PROTECTION</p>
	<p>MEMBER STATES CAN INCREASE LEVEL OF CONSUMER PROTECTION BEYOND WHAT IS REQUIRED BY DIRECTIVES</p>	<p>Breach of general ethic of consumer protection. Indexation of capital is unbalanced towards creditors who are the only parties secured against inflation. Conflict of interest for banks which are entities creating inflation by issuing money/debt. Proposal legalises private abusive practices and embeds current indexation of capital and compound interest (interest on interest) into law. Business model in Iceland is similar to sweat-box model in USA concerning credit cards (debt trap). Lack of legal basis in Icelandic law 2001/38 for indexing principal of loans (only indexation of payments is allowed). Central Bank Regulation expands scope of law and needs judicial review. Abuse cannot not be justified by transparency.</p> <p>Conclusion. Indexation of payments through adaptation of APRC rules to calculate past/future inflation ok. Indexation of principal with opaque method is illegal as abusive clause (biased towards creditors - only parties secured against inflation). Misleading information is also abusive practice.</p>

EUR (MORTGAGE) CREDIT LAW EUR	<p>EUROPEAN HARMONISATION UNDER WAY : LEGISLATION</p> <p>NEW PROPOSAL FOR CREDIT ON RESIDENTIAL PROPERTY COM(2011)142</p> <p>REGULATION OF INFORMATION DISCLOSURE</p>	<p>OBLIGATION TO FOLLOW PROPOSED LEG AND NOT TO DEVIATE FROM EUR GOALS</p>	<p>WELL DONE!</p> <p>ICELAND INCREASES CONSUMER PROTECTION BY EXTENDING PRINCIPLES OF CONSUMER CREDIT TO ALL LOANS (MORTGAGES FOR RESIDENTIAL PROPERTY)</p>
EUR (MORTGAGE) CREDIT LAW EUR	<p>Same PARADIGM as Directive 2008/48/EC: INFORMATION. Duly informed consumers must give binding consent.</p> <p>Obligation to inform of total cost of credit ex-ante (as it is) with definition, EUR standard form and methodology</p> <p>New PARADIGM: AFFORDABILITY. Goal isto make sure consumers do not get false expectations. More clear)rules on what explanations should be given by lenders to consumers.</p> <p>Promotion of RESPONSIBLE BORROWING/LENDING. Need to take into account their best interest.</p> <p>FAIRNESS: It appears explicitly (reply to criticism that, together with information, regulation of content is also necessary in EU liberal model)</p>	<p>MEMBER STATES CAN INCREASE LEVEL OF CONSUMER PROTECTION IN AREAS HARMONISED AS LONG AS EU HAS NOT PRE-EMPTED THEIR COMPETENCE</p>	<p>ATTENTION!!! ICELAND SHOULD FOLLOW CLOSELY THIS PROPOSAL NOW UNDER DISCUSSION.</p> <p>For the time being, CJEU – Case Romania Volksgaven confirm Member States competence to increase consumer protection by extending scope Directive 2008/48 to mortgages</p>
EUR GENERAL PRINCIPLES	<p>EUROPEAN HARMONISATION UNDER WAY : CASE-LAW EUR COURT OF JUSTICE ON</p> <p>1) SUBSTANTIVE CONSUMER CREDIT AND MORTGAGE LAW</p> <p>2) APPLICATION AND ENFORCEMENT EUR CONSUMER PROTECTION LAW AND CONSUMER CREDIT AND CONTRACT LAW</p>	<p>OBLIGATION TO APPLY AND ENFORCE EUR LAW AS NATIONAL LAW. OBLIGATION TO FOLLOW RULINGS COURT OF JUSTICE EUROPEAN UNION (CJEU)</p>	<p>ATTENTION!!! OBLIGATION TO APPLY AND ENFORCE EEA IMPLEMENTED LAW. ICELAND MUST FOLLOW EFTA COURT CASE-LAW (LEGAL AUTHORITY) ICELAND IS ALSO BOUND TO TAKE NOTE OF CASE-LAW FROM COURT OF JUSTICE EU (MORAL AUTHORITY)</p>

<p>Some guidance given by CJEU (non exhaustive list of cases).</p> <p>Case C-350/03 <i>Schulte</i> 2005 Member States must ensure that a bank which has not complied with its obligation to inform the consumer of right to cancellation bears the consequences of the materialisation of those risks so that the obligation to protect consumers is safeguarded.</p> <p>Case C-240/98 <i>Océano Grupo Editorial SA v Roció Murciano Quintero</i> 2000. Abusive clauses are those who cause, contrary to the requirement of good faith, a significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the consumer.</p> <p>Case C-76/10 <i>Pohotovost</i> 2010 National courts can declare that the failure to mention the APR in a consumer credit contract means that the credit granted is deemed to be interest-free and free of charge.</p> <p>Case C-453/10 <i>Pereničová and Perenič v SOS</i> 2012. National legislation may provide for a contract between a consumer and a trader which contains an unfair term to be void if that ensures better protection of the consumer</p> <p>Case C-618/10 <i>Banco Español de Crédito SA v Joaquín Calderón Camino</i>. Spanish procedural legislation is not compatible with EU law in so far as it makes impossible or excessively difficult protection for consumers under Directive prohibiting abusive clauses.</p> <p>Case SC <i>Volksbank România</i> C-602/10. Member States can expand scope of Directive 2008/48 to offer better consumer protection in areas non harmonised by directive (mortgages, retroactive protection, prohibition of charges, direct access to justice)</p> <p>Case C-415/11 <i>Aziz v Catalunya Caixa</i> Opinion Advocate General Kokott. Spanish national procedural law on evictions from property deprives consumers from protection against abusive clauses and is illegal.</p>	<p>LEGAL PROCEDURAL AUTONOMY FOR 27/30 STATES. DIFFERENT REMEDIES AND ACTIONS BUT NEED TO ENSURE EFFECTIVENESS EUROPEAN LAW</p> <p>TREATY OF LISBON SAYS GENERAL PRINCIPLES OF EUROPEAN LAW (CONSUMER PROTECTION) APPLY IN ABSENCE OF SPECIFIC EU LEGISLATION.</p>	<p>ATTENTION!!! Need to follow judgments from Supreme Court and connect them with judgments CJEU.</p> <p>So far no application of European consumer law to Icelandic cases of foreign-indexed loans. Solutions given through domestic general contract law applicable to consumers and business.</p>
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NO EUROPEAN LAW SO FAR - PROPOSALS FROM COMPARATIVE LAW	<p>EUROPEAN COMPARATIVE LAW</p> <p>CONSUMER PROTECTION BASED ON OTHER POLITICAL PHILOSOPHY (BEHAVIOURAL ECONOMICS DATA AND SOFT PATERNALISM).</p> <p>LIMITS OF INFORMATION PARADIGM PROVED AND CRITICISED BY RESEARCH. NEED FOR STRONGER PROTECTION.</p> <p>SOCIAL MARKET APPROACH</p>	<p>LEGAL AUTONOMY FOR MEMBER STATES</p> <p>OUTSIDE SCOPE EU/EEA LAW NATIONAL LAW CAN OFFER BETTER CONSUMER PROTECTION</p>	<p>ATTENTION!!!</p> <p>ICELAND CAN PROVIDE EXAMPLE OF GOOD CONSUMER POLICY AND LEGISLATION INCORPORATING BEST STANDARDS KNOWN</p> <p>RESPONSIBLE LENDING/BORROWING NO EASY TASK BUT NEED FOR MORE CREDITORS' RESPONSIBILITY</p>
	<p>POSSIBLE ACTION BY LEGISLATOR:</p> <p>EXTENSION SCOPE DIRECTIVE 2008/48 TO ALL LOANS (left to national discretion)</p> <p>EXTENSION SCOPE DIRECTIVE 2008/48 WITH RETROACTIVE EFFECTS IN BENEFIT OF CONSUMERS (CONTRACTS SIGNED BEFORE) OK according to new case Volksbank România</p> <p>REGULATING CONTENT – COST OF CREDIT (left to national discretion)</p> <p>PROHIBITION OF USURY RATES (Fairness test rather than measurement by competition standards)</p> <p>CAPS-LIMITS ON INTEREST (Ie. France)</p> <p>REGULATING REVOLVING CREDIT (IE. France)</p> <p>PROHIBITION OF UNILATERAL CHANGES BY CREDITORS ON BORROWING COST OF CREDIT (OK according to COM Proposal on Mortgage Credit – on total cost)</p> <p>BAN ON SURCHARGES – OK according to new case Volksbank România</p> <p>LIMITATION OF TYPES OF CHARGES - OK according to new case Volksbank România</p>	<p>ATTENTION: IN DOMESTIC MARKETS PROTECTION CAN BE DECREASED -BY LAW</p> <p>NEED TO POLITICALLY CLAIM BETTER PROTECTION AND AVOID RACE TO BOTTOM IN CREDIT AND DEBIT LAW</p>	<p>WELL DONE!</p> <p>NEW PROPOSAL WILL OFFER PROTECTION FOR SMALL LOANS – ABUSIVE CLAUSES – THROUGH MAXIMUM RATE INTEREST</p> <p>STOP!!!! STOP!!! STOP!!!</p> <p>Reply to this question seems obvious: Can EU/EEA Member States introduce by law permissions for creditors to do unilateral changes to the principal borrowed and to the borrowing cost of capital (through price-indexation)?</p>

<p>REGULATING CONSEQUENCES OF BREACH OF INFORMATION DUTIES AND/OR UNFAIRNESS (Deals effectively with cost credit when consumers have no other choice).</p> <p>Introduction of unfair credit test and reversal of burden of proof. National court powers to grant relief and/or redraft contractual terms not relating to principal (ie. France – UK) Creditors suffer consequences and losses rights to charge cost or interest.</p> <p>Partial/total nullity of consent given by consumers - Remedies</p> <p>REGULATING TERMINATION OF CREDIT CONTRACTS AND DEFAULT PENALTIES</p> <p>REGULATING OVERINDEBTNESS AND RESTRICTIONS ON DEBT-RECOVERY FROM CONSUMERS</p> <p>PROMOTING FAIRNESS IN LAW OF GUARANTEES – PRIVATE BANKRUPTCY FOR CONSUMERS WITH GOOD FAITH DUE TO UNFORESEENABLE CIRCUMSTANCES (LOSS OF INCOME, HEALTH PROBLEMS, ETC)</p> <p>REGULATING LIABILITY AND SANCTIONS FOR IRRESPONSIBLE LENDING (ADMINISTRATIVE LAW AND CRIMINAL LAW FOR FRAUD)</p> <p>REGULATING MARKET OF FINANCIAL SERVICES THROUGH LICENCES AND EFFECTIVE SUPERVISION – WITH REMEDIES GIVEN TO CONSUMERS FOR CLAIMING FAILURE TO ACT SITUATIONS</p> <p>DUE ATTENTION TO DEFINITION OF CONSUMERS – EXTENDING SCOPE OF PROTECTION TO SMALL COMPANIES</p> <p>SPECIAL PROTECTION OF VULNERABLE CONSUMERS</p>		<p>ATTENTION!!! See Icelandic contract law Act No. 7/1936 on contracts, agency and void legal instruments, specially on Article 36 (contracts unfair or contrary to good business practices – incorporation of Directive 93/13/EEC on abusive clauses)</p> <p>WELL DONE! See recent case Supreme Court 169/2010. Relief from guarantee given to third parties due to breach of information duties</p> <p>Attention!!!! Case in Denmark 2012: Århus judge. Pre-assessment of verðtrygging dubious in light Eur/Danish credit law.</p> <p>ATTENTION!!! Legislation adopted on case-by case basis but lack of effective results.</p>
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<p>PROMOTING ETHICAL BANKING AND CODES OF CONDUCT</p> <p>PROMOTING FAIR MICRO-CREDIT SCHEMES</p> <p>PROMOTING ACCESS TO JUSTICE – ALTERNATIVE DISPUTE RESOLUTION (ADR)</p> <p>PROMOTING ACCESS TO JUSTICE THROUGH COLLECTIVE ENFORCEMENT OF GENERAL RIGHTS</p> <p>PROMOTING SCHEMES OF LEGAL AID FOR THOSE IN NEED AND LEGAL ADVICE FOR ALL CONSUMERS</p> <p>CREATING NEW CONSUMER PROTECTION AUTHORITY WITH ADM. JURISDICTION TO SOLVE COMPLAINTS</p> <p>CREATING OMBUDSMAN FOR FINANCIAL SERVICES</p> <p>PROMOTING FINANCIAL LITERACY AND CONSUMER EMPOWERMENT</p> <p>SUPPORT FOR NGOS – ASSURING THEIR INPUT IN REGULATORY/POLICY AGENDA</p> <p>EFFECTIVE INJECTION SYSTEM – BETTER FIGHT AGAINST SYSTEMIC ABUSIVE PRACTICES THROUGH PUBLIC LAW (SUPERVISION AND SANCTIONS) AND PRIVATE LAW (PRIVATE REMEDIES)</p>		<p>ATTENTION!!! See recent Icelandic legislation. Need to evaluate better.</p> <p>ATTENTION!!! Failure Neytendastofa to defend consumers economic interests so far (lack of competences/lack of proactive role).</p>
<p>BEST INTERNATIONAL STANDARDS</p> <p>OCDE – 10 PRINCIPLES - WORLD BANK. G-20 GROUP. UN</p>	<p>LEGAL AUTONOMY SOFT LAW + INT TREATIES SIGNED AND RATIFIED</p>	<p>ATTENTION!!! ICELAND CAN PROVIDE EXAMPLE OF BEST CONSUMER PROTECTION AND FINANCIAL SERVICES BEST PRACTICES</p>
<p>Consumers need to be treated equitably, honestly and fairly. Responsible lending and borrowing is essential for stability and sustainability of financial monetary system.</p>		

<p>CONCLUSIONS</p> <p>European consumer law is necessary reference to legislative proposal now discussed by Parliament. It provides essential arguments to increase consumer protection in credit and mortgage law:</p> <p>1) Info disclosure obligation 2) Fairness. Prohibition of abusive clauses.</p>	<p>TOGETHER WITH EUR LAW NEED FOR STRONG NATIONAL CONSUMER PROTECTION LAW</p>	<p>STOP!!! STOP!!! STOP!!!</p> <p>Icelandic proposed legislation fails to pass triple test:</p> <ol style="list-style-type: none"> 1. Legality in light EU/EEA law . 2. Fairness in light EU/EEA law and national law. 3. Legitimacy. Verðtrygging has been actively opposed by a consistent number of people and all political parties promised to end this practice in the 2009 general elections.
<p>However nobody can protect Icelanders from themselves: bad economic governance, micro-currency, high inflation and non-saving patterns.</p>	<p>NEED OF ECONOMIC MONETARY AND FINANCIAL REFORM IN WIDE CONTEXT</p>	<p>ATTENTION!</p> <p>Consumer credit and mortgage law is linked to economic, financial and monetary policy. Need to reform financial monetary system and fundamental economic governance (effective fight against inflation). Need to reconsider monetary policy (ie. Interest-free money and loans and banking – incentives for savings). Need to separate investment from classic banking. Need for Chicago approach on deposits guarantees. Need to separate indexation of credit and mortgages from indexation of savings/pensions. Need to address role of House Financing Fund and Pension Funds in terms of generational justice.</p>

M. ELVIRA MENDEZ PINEDO. Professor European Law. Author has no conflict of interest, no verð tryggt loan.

WORK IN PROGRESS. VER Ð TRYGGING IN LIGHT EUR/INTERNATIONAL LAW. Chart with summary of research for meeting Samt ö k Heimilana 13.11.2012 and for Althingi 14.11.2012.

	EU/EEA LAW INTERNAL MARKET/CONSUMER PROTECTION (NEOLIBERAL POLITICAL PHILOSOPHY)	MEMBER STATES OBLIGATIONS	ICELANDIC LEGISLATIVE PROPOSAL – NEYTENDALÁN ASSESSMENT IN LIGHT OF EUR/INT LAW
EUR (CONSUMER) CREDIT LAW	1. MAXIMUM HARMONISATION REGULATION OF INFO DISCLOSURE	OBL TO DO <u>EXACTLY</u> AS EUR LAW SAYS	STOP!!! ICELAND DOES NOT COMPLY FAILS TEST ON INFO DISCLOSURE AS REQUIRED BY DIRECTIVE. FUTURE LEG. DEPRIVES CONSUMERS OF EUR LAW PROTECTION
	DIRECTIVE 2008/48/EC PARADIGM: Fully informed consumer gives binding consent. OBL TO DISCLOSE TOTAL COST OF CREDIT IN WAY PRESCRIBED	NO MARGIN OF APPRECIATION	Conclusion. Indexation of payments through APRC is ok. Indexation of principal illegal under EU Directive hypothesis, definition, methods/ formula.
EUR CONTRACT LAW EUR	2. MINIMUM HARMONISATION CONTROL ON UNFAIR TERMS IN CONSUMER CONTRACTS DIRECTIVES	OBL TO DO WHAT EUR LAW SAYS	STOP!!! ICELAND DOES NOT COMPLY FAILS TEST ON FAIRNESS. ABUSIVE CLAUSES AND COMMERCIAL PRACTICES ARE PROHIBITED.FUTURE LEG DEPRIVES CONSUMERS OF PROTECTION
	General ban and prohibition of abusive clauses in contracts and commercial practices. Requirement of fairness is explicit. Abuse is lack of balance between rights and obligations in contracts in detriment of consumers. Attention: Abusive practices are not binding for consumers (see CJEU).	MEMBER STATES CAN INCREASE LEVEL OF CONSUMER PROTECTION BEYOND WHAT IS REQUIRED BY DIRECTIVES	Breach of general ethic of consumer protection. Proposal legalises private abusive practices and embeds current indexation of capital and compound interest (interest on interest) into law. Busines model in Iceland is debt trap. Lack of legal basis in Icelandic law 2001/38 for indexing principal of loans Abuse cannot not be justified by transparency. Conclusion. Indexation of payments through adaptation of APRC rules to calculate past/future inflation ok. Indexation of principal with opaque method is illegal as abusive clause (biased towards creditors - only parties secured against inflation). Misleading information is also abusive practice.
(MORTGAGES)	EUROPEAN HARMONISATION UNDER WAY : NEW PROPOSAL FOR CREDIT ON RESIDENTIAL PROPERTY COM(2011)142	OBLIGATION TO FOLLOW AND NOT TO DEVIATE FROM EUR GOALS	WELL DONE! ICELAND INCREASES CONSUMER PROTECTION BY EXTENDING PRINCIPLES OF CONSUMER CREDIT TO ALL LOANS (MORTGAGES FOR RESIDENTIAL PROPERTY)
NO EUROPEAN LAW SO FAR -	EUROPEAN COMPARATIVE LAW AND BEST INTERNATIONAL STANDARDS (OCDE- WORLD BANK – UNITED NATIONS) CONSUMER PROTECTION BASED ON OTHER POLITICAL PHILOSOPHY LIMITS OF INFORMATION PARADIGM PROVED AND CRITICISED BY RESEARCH. STRONGER PROTECTION in SOCIAL MARKET APPROACH	LEGAL AUTONOMY OUTSIDE SCOPE EU/EEA LAW NATIONAL LAW CAN OFFER BETTER CONSUMER PROTECTION	ATTENTION!!! WE DESERVE BETTER LEGISLATION ICELAND CAN PROVIDE EXAMPLE OF GOOD CONSUMER POLICY AND LEGISLATION INCORPORATING BEST STANDARDS KNOWN RESPONSIBLE LENDING/BORROWING NO EASY TASK BUT NEED FOR MORE CREDITORS' RESPONSIBILITY

<p>CONCLUSIONS</p> <p>European consumer law is necessary reference to legislative proposal now discussed by Parliament. It provides essential arguments to increase consumer protection in credit and mortgage law:</p> <p>1) Info disclosure obligation as required by EU Directive 2008/48</p> <p>2) Fairness. Prohibition of abusive clauses.</p>	<p>TOGETHER WITH EUR LAW NEED FOR STRONG NATIONAL CONSUMER PROTECTION LAW</p>	<p>STOP!!! STOP!!! STOP!!!</p> <p>Icelandic proposed legislation fails to pass triple test:</p> <ol style="list-style-type: none"> 1. Legality in light EU/EEA law . 2. Fairness in light EU/EEA law and national law. 3. Legitimacy. Verðtrygging has been actively opposed by a consistent number of people and all political parties promised to end this practice in the 2009 general elections.
<p>However nobody can protect Icelanders from themselves: bad economic governance, micro-currency, high inflation and non-saving patterns.</p>	<p>NEED OF ECONOMIC MONETARY AND FINANCIAL REFORM IN WIDE CONTEXT</p>	<p>ATTENTION! WE DESERVE BETTER</p> <p>Consumer credit and mortgage law is linked to economic, financial and monetary policy. Need to reform financial monetary system and fundamental economic governance (effective fight against inflation). Need to reconsider monetary policy (ie. Interest-free money and loans and banking – incentives for savings). Need to separate investment from classic banking. Need for Chicago approach on deposits guarantees. Need to separate indexation of credit and mortgages from indexation of savings/pensions. Need to adress role of House Financing Fund and Pension Funds in terms of generational justice.</p>

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