

**Question for written answer E-000157/2026
to the Commission**
Rule 144
Fidias Panayiotou (NI)

Subject: Compatibility of transposition of Directive (EU) 2021/2167 in Cyprus and issue of automatic authorisation of credit servicing companies

Article 32(2) of Directive (EU) 2021/2167 provides that existing credit purchasers and credit servicers are required to submit a new application for authorisation and to be assessed against the criteria of the Directive, unless the Member State demonstrates that the pre-existing national authorisation regime was equivalent or stricter.

In Cyprus, the Directive was transposed by Law 122(I)/2024, which provides for a transitional arrangement for automatic licensing of existing credit servicing and purchasing companies, without a prior individual compliance assessment or documented proof of equivalence.

Can the Commission answer the following:

1. How does it assess the compatibility of this transitional arrangement with Article 32(2) and recital 25 of Directive (EU) 2021/2167?
2. Has the Republic of Cyprus provided the Commission with substantiated evidence that the pre-existing licensing regime (Law 169(I)/2015) was equivalent to or stricter than the requirements of the Directive?
3. What measures will the Commission take to monitor and ensure the effective implementation of the Directive given that these companies carry out activities with direct legal consequences for borrowers, including enforcement proceedings?

Submitted: 14.1.2026