

(English version)

**Question for written answer E-004582/25
to the Commission
Nikolas Farantouris (The Left)
(17 November 2025)**

Subject: Urgent need to address the rise in abusive behaviour by debt management companies against borrowers

According to the latest data from the Bank of Greece ⁽¹⁾, the nominal value of private sector loans that have been transferred to specialised foreign financial institutions (funds) and are managed by domestic debt management companies (servicers) amounts to almost EUR 80 billion, with 61% of these relating to mortgage loans. The systematic sale of non-performing loans by Greek banks to foreign funds and the assignment of their management to servicers have caused an outbreak and escalation of incidents of abusive behaviour against borrowers, leading them to a hostage-like situation and constant uncertainty ⁽²⁾. The increase in such incidents was recently highlighted by the Plenary Session of the Bar Associations of Greece, citing numerous cases ⁽³⁾.

Given that these practices constitute unfair commercial practices within the meaning of Directive 2005/29/EC ⁽⁴⁾, are not consistent with the obligations of servicers under Directive 2012/167 ⁽⁵⁾, violate the rights of borrowers and undermine the transparency and stability of the financial system throughout the EU:

1. What measures does the Commission intend to propose to address these abusive practices effectively and to assist and protect borrowers, in particular the most vulnerable, in Greece?
2. What measures does the Commission intend to put in place at a pan-European level in this regard, considering that funds and servicers have created a pan-European claims management network worth hundreds of billions of euro?

Submitted: 17.11.2025

**Answer given by Ms Albuquerque on behalf of the European Commission
(9 March 2026)**

After the sovereign debt crisis, Greece saw a surge in loan defaults, with the ratio of non-performing loans (NPLs) exceeding 45% in late 2016 — the highest in Europe at the time.

This increased the likelihood of bank failures and diminished bank lending capacity, posing risks for economic growth, employment and investment.

It was imperative to clear NPLs from banks' balance sheets and enable them to continue supporting the economy. The Hellenic Asset Protection Scheme was key in cleaning up Greek banks' balance sheets.

At EU level, Action Plans were adopted in 2017 and 2020 to reduce excessive NPLs, including by fostering EU-wide secondary markets.

Notably, Directive (EU) 2012/167 ⁽¹⁾ introduced minimum harmonisation requirements for credit purchasers and credit servicers. Fostering NPL markets remains important, as they provide a pressure valve to preserve bank viability and the flow of capital during economic shocks.

However, it is important that these necessary measures do not erode borrower rights.

Directive (EU) 2012/167 provides general principles for the conduct of credit servicers, and transparency obligations towards borrowers.

The Commission remains committed to overseeing its correct transposition in all Member States, including Greece, and to supporting Member States in achieving the directives' objectives.

Directive 2005/29/EC on unfair commercial practices ⁽²⁾ serves as a safety net to more specific rules such as the above. It prohibits misleading and aggressive practices that affect the transactional decisions of consumers, subject to a case-by-case assessment.

¹ <https://www.bankofgreece.gr/en/news-and-media/press-office/news-list/news?announcement=cbb338c6-d15d-4242-9134-ea6e73a5e1e5>

² https://www.in.gr/2025/11/16/economy/polites-sto-eleos-ton-funds-athemites-praktikes-kai-apousia-prostasias-ap-kratos/?utm_medium=Dark_Social&utm_source=Share&fbclid=IwZnRzaAOHtUdleHRuA2FlbQIxMQBzcnRjBmFwcF9pZAo2NjI4NTY4Mzc5CGNhbGxzaXRlAjI1AAEeSj069JnonSbQaxDICSiwB0saQ_MS-SHzUZGZGoL-14JxvcH464si3DX_x6w_aem_ghAkyua0GZbMuy9Zc4ImSQ

³ <https://olomeleia.gr/el/content/parembasi-tis-olomeleias-ston-ypoyrgo-oikonomikon-kai-ton-dioikiti-tis-tte-gia-tis>

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02005L0029-20220528>

⁵ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32021L2167>

⁽¹⁾ OJ L 438, 8.12.2021, pp. 1-37.

⁽²⁾ OJ L 149, 11.6.2005, pp. 22-39.

The supervision of credit servicers' operations and the application of related legal safeguards fall within the competence of national authorities.
