

(English version)

**Question for written answer E-002057/26
to the Commission
Giorgos Georgiou (The Left)
(19 May 2026)**

Subject: Legislation on borrowers' rights referred back to legislature

For years, the Republic of Cyprus has continued to face serious issues of incorrect implementation of Directive 93/13/EEC on unfair terms in consumer contracts, in particular in relation to banking contracts and the effective protection of borrowers. Recently, the Cyprus's House of Representatives adopted legislation aimed at bringing national law in line with the requirements of this directive, and in particular the right of access to justice, with the aim of suspending foreclosures until a case is heard when unfair terms are alleged or the outstanding amount is contested. However, the President of the Republic of Cyprus has referred this legislation back to the legislature, creating further uncertainty as to the country's compliance with the EU *acquis* and effective consumer protection.

In light of the above, can the Commission answer the following:

1. What does the fact that this legislation was referred back to the legislature and its non-implementation mean for Cyprus' compliance with EU law?
2. What will be the consequences of continued non-alignment with European legislation and insufficient consumer protection?

Submitted: 19.5.2026

**Answer given by Mr McGrath on behalf of the European Commission
(28 September 2026)**

Council Directive 93/13/EEC ⁽¹⁾ requires Member States to ensure that consumers are not bound by unfair contract terms, including in mortgage contracts. However, procedures applicable to enforcement procedures must be set out in national legislation ⁽²⁾.

It is the primary responsibility of the national authorities and courts to ensure the monitoring and enforcement of the application of consumer law in individual disputes and to provide redress where appropriate ⁽³⁾.

The Commission opened an infringement procedure against Cyprus ⁽⁴⁾ concerning the correct application and enforcement of Directive 93/13/EEC and Directive 2005/29/EC of the European Parliament and of the Council ⁽⁵⁾.

Further to changes of the Cypriot legislation in 2021 and 2022 ⁽⁶⁾, as well as additional data from Cyprus in 2025 on the practice of the consumer protection authorities, the Commission is finalising its assessment of the case to consider next steps. The Commission continues monitoring the situation and may decide to take further action if necessary.

Directive (EU) 2021/2167 of the European Parliament and of the Council ⁽⁷⁾, which regulates credit servicers and credit purchasers, has reinforced borrower protection, in particular by introducing general principles for the conduct of credit servicers and by establishing transparency obligations towards borrowers.

Cyprus notified complete transposition of Directive (EU) 2021/2167 on 12 November 2024. The Commission has opened an informal dialogue with Cyprus to seek clarifications on various issues arising from the national transposition.

⁽¹⁾ Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (OJ L 95, 21.4.1993, p. 29, ELI: <http://data.europa.eu/eli/dir/1993/13/oj>).

⁽²⁾ See for example judgment of the Court of Justice of the EU of 27 November 2025, Case C-509/24, *Investcapital Ltd*.

⁽³⁾ See for example judgment of the Court of Justice of the EU of 30 September 2003, Case C-224/01, *Köbler*.

⁽⁴⁾ INFR(2013)2082: [https://ec.europa.eu/implementing-eu-law/search-infringement-decisions/?r_dossier=&noncom=0&decision_date_from=&decision_date_to=&active_only=0&DG=FISM&submit=Search&lang_code=fr&langCode=EN&version=v1&typeOfSearch=byCase&page=1&size=10&order=desc&sortColumns=refId&refId=INFR\(2013\)2082](https://ec.europa.eu/implementing-eu-law/search-infringement-decisions/?r_dossier=&noncom=0&decision_date_from=&decision_date_to=&active_only=0&DG=FISM&submit=Search&lang_code=fr&langCode=EN&version=v1&typeOfSearch=byCase&page=1&size=10&order=desc&sortColumns=refId&refId=INFR(2013)2082).

⁽⁵⁾ Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive'), OJ L 149, 11.6.2005, p. 22, ELI: <http://data.europa.eu/eli/dir/2005/29/oj>).

⁽⁶⁾ In particular the Cypriot Law 112(I)/2021 — Law on consumer protection and Law 166(I)/2022 — Law amending the consumer protection laws of 2021 and 2022, consolidating consumer legislation and incorporating the amendments introduced by Directive (EU) 2019/2161 of the European Parliament and of the Council of 27 November 2019 amending Council Directive 93/13/EEC and Directives 98/6/EC, 2005/29/EC and 2011/83/EU of the European Parliament and of the Council as regards the better enforcement and modernisation of Union consumer protection rules, OJ L 328, 18.12.2019, p. 7.

⁽⁷⁾ Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021 on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU (OJ L 438, 8.12.2021, p. 1, ELI: <http://data.europa.eu/eli/dir/2021/2167/oj>).