

EN
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Answer given by Mr McGrath
on behalf of the European Commission
(17.2.2025)

Directive 93/13/EEC¹ requires Member States to ensure that consumers are not bound by unfair terms and have effective remedies against such terms. It applies to all kinds of contracts on the purchase of goods and services² and to contracts concluded in Cyprus since its accession to the EU on 1 May 2004³. It is the primary responsibility of national authorities and courts to safeguard consumer rights in individual disputes such as related to mortgage enforcement⁴.

The Commission opened in 2013 an infringement procedure⁵ against Cyprus for ineffective enforcement of Directive 93/13/EEC and Directive 2005/29/EC⁶. While Cyprus responded positively to several concerns, certain unresolved grievances, including concerning the role of the Law Office of the Republic, were addressed in an additional letter of formal notice on 25 July 2019⁷ and a reasoned opinion on 18 February 2021⁸. The Commission is finalising its assessment of the case, taking into account *inter alia* the reply of 16 April 2021 to the reasoned opinion, subsequent changes to Cypriot consumer law last notified to the Commission in November 2022⁹, and further analysis undertaken as part of the preparation of the report on the implementation of the Modernisation Directive, published by the Commission on 18 June 2024¹⁰.

¹ Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, OJ L 95, 21.4.1993, p. 29-34.

² See Section 5 of Commission Notice – Guidance on the interpretation and application of Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, OJ C 323, 27.9.2019, p. 4–92, COM(2019) 5325 final.

³ See Judgment of the Court of Justice of the European Union of 5 May 2022 in Case C-567/20 *A.H. v Zagrebačka banka d.d.*

⁴ See for example CJEU judgment of 30 September 2003, Case C-224/01, *Köbler*.

⁵ https://ec.europa.eu/atwork/applying-eu-law/infringements-proceedings/infringement_decisions/index.cfm?lang_code=EN&typeOfSearch=false&active_only=0&noncom=0&r_dossier=INFR%282013%292082&decision_date_from=&decision_date_to=&title=&submit=Search

⁶ 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. 22-39.

⁷ https://ec.europa.eu/commission/presscorner/detail/en/INF_19_4251

⁸ https://ec.europa.eu/commission/presscorner/detail/en/inf_21_441

⁹ See in particular the Cypriot Consumer Protection Laws of 2021 to (No 2) 2022.

¹⁰ Report from the Commission to the European Parliament and the Council on the implementation of 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, (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2024%3A258%3AFIN>).