Financial Services Briefing: Special Edition

Greece's New Consumer Credit Framework Is Now in Force: What Market Participants Need to Know

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On 20 November 2026, Part A of the recent Law 5317/2026 (the **CCD2 Law**), which transposes the Second Consumer Credit Directive - CCD2[1] into Greek law, became applicable, replacing the existing framework established by Joint Ministerial Decision Z1-699/2010.

The CCD2 Law significantly expands the scope of consumer credit regulation and strengthens requirements concerning advertising, pre-contractual information, creditworthiness assessments, responsible lending and consumer protection throughout the credit relationship. It also introduces specific authorization and supervisory requirements for creditors and credit intermediaries.

The changes are particularly relevant to credit institutions, non-bank consumer credit providers, credit intermediaries and other entities offering consumer financing solutions.

A. Expanded Scope of Consumer Credit Regulation

One of the most significant changes introduced by the CCD2 Law is the extension of consumer credit regulation to products and arrangements excluded from the scope of the relevant framework.

[1] Directive (EU) 2023/2225 on credit agreements for consumers

In particular:

1. The new rules generally cover consumer credit agreements involving amounts of up to €100k (compared to €75k under the previous framework), including credit agreements below €200, which were previously excluded.
2. The framework also extends to certain interest-free credit arrangements, deferred payment arrangements and Buy Now Pay Later (**BNPL**) products.
3. Certain deferred payment arrangements offered directly by suppliers of goods or services remain exempt, subject to specific statutory conditions concerning the absence of interest and other charges, the involvement of third parties and the applicable repayment periods.
4. Overdraft facilities repayable within one month, which were previously excluded, now fall within the scope of the CCD2 Law.

B. Advertising and Pre-Contractual Information

The previous framework already required credit advertising to include prescribed standard information. The CCD2 Law introduces additional safeguards in this respect, in particular:

1. Advertising and marketing communications must be fair, clear and not misleading, and must not create false expectations regarding the availability or cost of credit or the total amount payable by the consumer.
2. Credit advertisements must include a clear and prominent warning that borrowing money costs money.
3. Certain advertising practices are expressly prohibited, including advertisements suggesting that credit improves consumers' financial situation, that existing debts have little or no influence on the assessment of a credit application, or that a reduced price for goods or services is conditional upon obtaining credit.

The CCD2 Law also strengthens the existing pre-contractual information requirements by introducing a more prominent presentation of key credit terms and additional disclosures, particularly regarding personalized pricing based on automated processing of personal data, including profiling. It also introduces:

1. a minimum 14-day period during which creditors are bound by the pre-contractual information provided;
2. requires consumers to be reminded of their right of withdrawal where pre-contractual information is provided less than one day before they become bound by the credit agreement or offer; and

3. specifies the existing obligation of creditors and credit intermediaries to provide adequate explanations enabling consumers to assess whether a proposed credit agreement and any ancillary services are appropriate for their needs and financial circumstances.

C. Enhanced Creditworthiness Assessment

The CCD2 Law significantly strengthens the existing obligation of creditors to assess consumers' creditworthiness before entering into credit agreements, with a view to preventing irresponsible lending and over-indebtedness. Importantly, credit may only be made available where the creditworthiness assessment indicates that the consumer is likely to meet the obligations arising from the credit agreement.

Creditworthiness assessments must be based on relevant and accurate information concerning consumers' income, expenditure and other financial and economic circumstances, proportionate to the nature, duration, value and risks of the credit. Creditors must also establish, document and maintain procedures for assessing creditworthiness and submit them to the competent authority.

The CCD2 Law introduces specific safeguards where creditworthiness assessments involve automated processing of personal data, including consumers' rights to obtain an explanation, express their views and request human review of the assessment and lending decision.

Where a credit application is rejected, creditors must inform the consumer without delay and, where the assessment is based on automated data processing, provide information on the right to human assessment and the procedure for contesting the decision.

D. Responsible Lending and Consumer Protection

Building on the existing general principles of good faith and fair dealing, the CCD2 Law introduces specific conduct-of-business requirements and additional consumer protection safeguards, further strengthening the regulatory framework for responsible lending and the prevention of excessive indebtedness. Among others:

1. Creditors and credit intermediaries must act honestly, fairly, transparently and professionally, taking into account consumers' rights and interests when designing, advertising and providing credit products and related services.
2. Creditors must ensure that their remuneration policies promote sound and effective risk management, prevent conflicts of interest and do not link remuneration to the number or proportion of approved credit applications. Creditors and credit intermediaries must also ensure that relevant staff possess appropriate and up-to-date knowledge and competence.
3. Tying practices are generally prohibited, subject to specified exceptions, while bundling practices

remain permitted.

4. Consumers must expressly consent to the conclusion of credit agreements and the purchase of ancillary services, without such consent being inferred from pre-ticked boxes or other default options.
5. Where advisory services are provided, creditors and credit intermediaries must comply with specific disclosure and conduct requirements, including assessing consumers' needs and financial circumstances, recommending suitable credit products and acting in consumers' interests.
6. The unsolicited granting of credit, including the unsolicited issuance of credit cards or increases in credit limits, is prohibited.

The CCD2 Law also requires creditors to take reasonable and appropriate forbearance measures, tailored to consumers' individual circumstances, before initiating enforcement proceedings in cases of payment default, subject to the conditions and limitations prescribed by law.

Finally, the new framework provides for access to independent debt advisory services for consumers experiencing or likely to experience financial difficulties, while requiring creditors to inform consumers identified as experiencing such difficulties about the availability of these services and the relevant providers. Creditors must also establish and maintain policies and procedures for the early identification of consumers experiencing financial difficulties and submit them to the competent authority.

E. Consumer Rights and Cost of Credit

The CCD2 Law maintains the previous framework governing consumers' rights of withdrawal, termination and early repayment, while introducing additional safeguards and clarifying certain aspects of these rights.

Consumers retain the right to withdraw from a credit agreement without giving reasons within 14 calendar days. The new framework introduces a maximum withdrawal period of 12 months and 14 days following conclusion of the agreement where the required contractual information has not been provided, unless the consumer has not been informed of the right of withdrawal itself. It also extends the withdrawal period for certain linked credit agreements where the underlying purchase is subject to a longer full-refund policy.

The existing right to early repayment is maintained, as is creditors' entitlement to compensation, although certain conditions governing such compensation have been modified.

While the previous framework primarily focused on the calculation and disclosure of borrowing costs, the CCD2 Law goes further by introducing statutory ceilings on the annual percentage rate of charge (**APR**) and the total cost of credit, as well as restrictions on the charges that creditors may

impose. Specific rules apply to credit cards.

F. New Regulatory Framework for Credit Intermediaries

The CCD2 Law introduces a specific authorization and supervisory framework for consumer credit intermediaries, implementing Article 37 of the CCD2. Under the new Greek regime, credit intermediaries are subject to authorization by the Bank of Greece.

The authorization and supervisory requirements have been further specified by the recent Bank of Greece Executive Committee Act 261/3/2026, which establishes the relevant procedures and supporting documentation for credit intermediaries under Laws 4438/2016 and 5317/2026. The new Act also repeals Act 137/2018, which previously regulated the authorization and supervision of mortgage credit intermediaries.

Authorization is subject to minimum requirements concerning professional indemnity insurance or equivalent guarantees, good repute, and appropriate knowledge and competence. An exemption from the authorization requirement applies to micro, small and medium-sized suppliers of goods or services acting as credit intermediaries in an ancillary capacity.

Credit intermediaries already authorized under the mortgage credit framework of Law 4438/2016 may extend their activities to consumer credit intermediation without obtaining a new authorization, provided that they submit an application to the Bank of Greece and the Bank does not object in writing within two months of receipt.

The Bank of Greece is responsible for maintaining a unified register of mortgage and consumer credit intermediaries, including a dedicated public register for consumer credit intermediaries.

Credit intermediaries are subject to specific disclosure requirements concerning the scope of their authority and their remuneration. This includes the obligation to agree any fees payable by consumers in writing or on another durable medium before conclusion of the credit agreement, and to disclose such fees to creditors for the calculation of the APR. Additional disclosure requirements apply where credit intermediaries also provide advisory services.

G. Practical Implications for Market Participants

The application of the CCD2 Law from 20 November 2026 requires affected market participants to assess the impact of the new requirements on their products, documentation, internal procedures and regulatory status. In particular, creditors, credit intermediaries and businesses offering consumer financing solutions should consider the following:

1. **Regulatory scope:** Reviewing existing credit products, deferred payment arrangements and BNPL solutions to determine whether they fall within the expanded scope of consumer credit regulation.

2. **Advertising and documentation:** Updating advertising materials, pre-contractual disclosures, credit agreements and related consumer communications to comply with the new information and transparency requirements.
3. **Creditworthiness assessments:** Reviewing creditworthiness assessment policies, data collection procedures and automated credit-scoring systems to ensure compliance with the enhanced assessment requirements and consumer safeguards.
4. **Responsible lending:** Reviewing practices concerning ancillary services, tying and bundling, consumer consent, remuneration policies, staff competence and the treatment of consumers experiencing repayment difficulties.
5. **Pricing:** Assessing interest rates, charges and other borrowing costs against the applicable statutory restrictions.
6. **Authorization requirements:** Determining whether consumer credit intermediation activities require authorization by the Bank of Greece and whether existing authorizations or exemptions are applicable.

H. Transitional Arrangements

The applicability of the CCD2 Law as of 20 November 2026 is subject to the transitional provisions governing existing credit agreements. Credit agreements already in force on 20 November 2026 generally continue to be governed by Joint Ministerial Decision Z1-699/2010 until their termination[2].

However, certain provisions of the CCD2 Law apply from 20 November 2026 to existing open-end credit agreements, including provisions concerning changes to borrowing rates and related consumer information requirement, overdraft facilities and termination.

Market participants should therefore review their existing credit agreements to determine whether they remain subject to the previous framework or fall within the specific provisions of the CCD2 Law applicable to existing open-end credit agreements.

[2] Article 64(1)

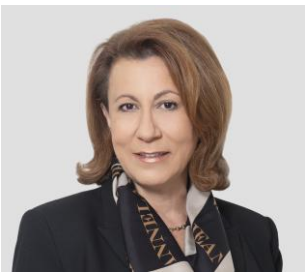
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