

User Guidelines

Transposition of the Consumer Credit Directive II (CCD II)¹

The following regulations transpose the CCD II:

- 1. Banking Act (Consumer Credit) (Amendment) Regulations, 2026;**
- 2. Financial Institutions Act (Consumer Credit) Regulations, 2026;**
- 3. Consumer Credit Intermediaries (Admission) Regulations, 2026;**

The CCDII applies to creditors as defined therein and includes credit institutions and financial institutions that have been duly licensed by the Malta Financial Services Authority (the “MFSA”) to grant or promise to grant credit to consumers. The CCDII also introduces a new obligation on competent authorities such as the MFSA, to ensure that creditors and credit intermediaries are subject to an adequate admission process, to registration and to supervision arrangements. This does not apply to creditors that are duly authorised by the MFSA as aforementioned, and therefore, in the context of these regulations, this new obligation will only apply to credit intermediaries acting on their behalf.

The regulations shall enter into force on the 20th November 2026.

1. Banking Act (Consumer Credit) (Amendment) Regulations, 2026

The title of these regulations is the Banking Act (Consumer Credit)(Amendment) Regulations, 2026. They are issued under the Banking Act (Cap. 371) and are to be read in conjunction with the Banking Act (Consumer Credit) Regulations, 2025 (the “principal regulations”).

In order to transpose the CCDII, certain provisions of the principal regulations have been amended such as the provisions relating to definitions, obligations on the MFSA, as the designated competent authority, and other provisions as provided in the CCDII. Further detail on the obligations of the creditors shall be provided for in the Conduct of Business Rulebook for Credit Institutions Offering Retail Products published by the MFSA.

The regulations generally relate to the following:

- Regulation 1: Citation, scope and commencement;
- Regulation 2: Amendments to definitions;
- Regulation 3: Amendments to the provisions relating to the Competent authority;
- Regulation 4: Amendments to the provisions relating to the exemptions;

¹ Directive 2023/2225 of the European Parliament and of the Council of 18 October 2023 on Credit Agreements for Consumers and repealing Directive 2008/48/EC.

- Regulation 5: Amendments to the provisions relating to the obligation to comply with regulations;
- Regulation 6: Substitutes the current regulation to cater for advisory services;
- Regulation 7: Adds a new regulation in relation to knowledge and competence requirements for staff;
- Regulation 8: Amends the provision in relation to administrative penalties, other administrative measures and appeals.
- Regulation 9: Adds a new regulation stating that the regulations shall prevail.
- Regulation 10: Adds a new Schedule to the principal regulations
- Schedule: Minimum Knowledge and Competence Requirements in relation to the newly added regulation 6A.

2. Financial Institutions (Consumer Credit) Regulations, 2026

The title of these regulations is the Financial Institutions Act (Consumer Credit) Regulations, 2026. They are issued under the Financial Institutions Act (Cap. 376) and repeal the Financial Institutions Act (Consumer Credit) Regulations, 2025 (the “principal regulations”) issued under L.N. 266 of 2025 and published as S.L. 376.09.

These regulations transpose the CCDII and therefore contain provisions relating to definitions, obligations on the MFSA, as the designated competent authority, obligations on creditors, and other provisions as provided in the CCDII.

The Regulations generally relate to the following:

- Regulation 1: Citation, scope and commencement;
- Regulation 2: Interpretation;
- Regulation 3: Competent authority;
- Regulation 4: Applicability;
- Regulation 5: Non-applicability;
- Regulation 6: Obligations of creditors and credit intermediaries;
- Regulation 7: Advertisements;
- Regulation 8: General information;
- Regulation 9: Obligation to provide pre-contractual information;
- Regulation 10: Content of pre-contractual information;
- Regulation 11: Pre-contractual information relating to credit agreements referred to regulation 4(1)(c);
- Regulation 12: Adequate explanations;
- Regulation 13: Personalised offers on the basis of automated processing;
- Regulation 14: Tying and bundling practices;
- Regulation 15: Inferred agreement for the conclusion of any credit agreement of the purchase of ancillary services;

- Regulation 16: Advisory services;
- Regulation 17: Ban on unsolicited granting of credit;
- Regulation 18: Obligation to assess creditworthiness of consumer;
- Regulation 19: Databases;
- Regulation 20: Form of the credit agreement;
- Regulation 21: Information to be included in the credit agreement;
- Regulation 22: Information regarding the modification of the credit agreement;
- Regulation 23: Changes in the borrowing rate;
- Regulation 24: Overdraft facilities;
- Regulation 25: Overrunning;
- Regulation 26: Right of withdrawal;
- Regulation 27: Linked credit agreements;
- Regulation 28: Open-end credit agreements;
- Regulation 29: Early repayment;
- Regulation 30: Calculation of the annual percentage rate of charge;
- Regulation 31: Measures to limit borrowing rates, annual percentage rates of charge or total costs of credit to the consumer;
- Regulation 32: Conduct of business obligations when providing credit to consumers;
- Regulation 33: Knowledge and competence requirements for staff;
- Regulation 34: Arrears and forbearance measures;
- Regulation 35: Independent debt advisory services;
- Regulation 36: Assignment of rights and set off;
- Regulation 37: Administrative penalties, other administrative measures and appeals;
- Regulation 38: Regulations shall prevail;
- Regulation 39: Repeal and savings;
- First Schedule: Standard European Consumer Credit Information;
- Second Schedule: European Consumer Credit Information Form;
- Third Schedule: Provisions relating to regulation 9 and, more particularly, the calculation of the Annual Percentage Rate of Charge (APRC);
- Fourth Schedule: Minimum Knowledge and Competence Requirements

3. Consumer Credit Intermediaries (Admission) Regulations, 2026

The title of these regulations is the Consumer Credit Intermediaries (Admission) Regulations, 2026. They are issued under the Banking Act (Cap. 371) and the Financial Institutions Act (Cap. 376) and shall be read in conjunction with the Banking Act (Consumer Credit) Regulations, 2026 and the Financial Institutions Act (Consumer Credit) Regulations, 2026.

These regulations provide for the admission and registration process as mandated by Article 37 of CCDII.

These regulations contain the requirements for admission, the powers of the MFSA in terms of the admission process, and other standard legal provisions including the power to issue Credit Intermediaries Rules that will go into further detail in terms of the requirements for admission.

The regulations generally relate to the following:

- Regulation 1: Citation, scope and commencement;
- Regulation 2: Interpretation;
- Regulation 3: Admission of a credit intermediary in relation to a consumer credit agreement;
- Regulation 4: Application for admission;
- Regulation 5: Grant or refusal of admission;
- Regulation 6: Head office and registered office;
- Regulation 7: Register of credit intermediaries and establishment of single information point;
- Regulation 8: Credit Intermediaries Rules;
- Regulation 9: Compliance and ongoing obligations;
- Regulation 10: Withdrawal of admission of credit intermediaries and imposition of restrictions;
- Regulation 11: Administrative penalties, other administrative measures, and appeals.

These User Guidelines should be read in conjunction with, and as supplementary guidance to, all three captioned Regulations and should not be deemed to substitute a thorough reading thereof. In case of any conflict between the contents of these User Guidelines and Regulations, it is the latter that shall prevail.

In case of any queries in relation to the above, the MFSA may be contacted on +356 21441155.