MFSA MALTA FINANCIAL SERVICES AUTHORITY

Circular

4 November 2026

Circular to Credit Institutions and Financial Institutions on New Credit Intermediaries Rules in relation to Consumer Credit Agreements and on the revision of current Credit Intermediaries Rules in relation to Mortgage Credit Agreements

The Malta Financial Services Authority (the 'Authority') is hereby:

- issuing **new Credit Intermediaries Rules** relating to consumer credit agreements; and
- publishing **revised Credit Intermediaries Rules** relating to mortgage credit agreements.

The new Credit Intermediaries Rules relating to consumer credit agreements shall be applicable as from *20 November 2026.*

Both sets of Rules may be accessed under the tabs *'Credit Intermediaries'* found within the sections dedicated to credit institutions and financial institutions on the MFSA website under https://www.mfsa.mt/our-work/.

A. New Credit Intermediaries Rules relating to Consumer Credit Agreements

The new Credit Intermediaries Rules relating to Consumer Credit are being published to transpose and implement, in part, the Consumer Credit Directive (EU) 2023/2225 *("CCD II[1]")* and are primarily applicable to persons seeking to carry out, or carrying out, any credit intermediation activities in relation to consumer credit agreements. The said Rules are being made in terms of regulation 3 of the Banking Act (Consumer Credit) Regulations and of the Financial Institutions Act (Consumer Credit) Regulations[2]; and also pursuant to regulation 8 of the Credit Intermediaries (Admission) Regulations.[3]

[1] Reference may be made to MFSA's Circular of 20 November 2025 in relation to CCDII transposition.

[2] The said Legal Notices form part of a package of amendments to the local legal framework which have been carried out so that, with respect to the Consumer Credit Directive, the MFSA assumes the relevant supervisory remit (previously held by the MCCAA), in so far as requirements apply to entities authorised under the Banking Act or the Financial Institutions Act to grant or promise to grant consumer credit.

[3] Issued under the Banking Act and the Financial Institutions Act.

The requirement to ensure that credit intermediaries are subject to an admission process already existed under the Mortgage Credit Directive 2014/17/EU, *("MCD")*. The said requirement was likewise introduced under the CCD II, which provides for high-level requirements requiring credit intermediaries to be subject to an adequate admission process, registration and supervision arrangements on consumer credit.

Therefore, these new Rules were modelled, to a limited extent, on the current Credit Intermediaries Rules applicable for mortgage credit under the MCD. However, the new Rules relating to consumer credit agreements and CCD II seek to adopt a proportionate approach on certain requirements. The main requirements include:

- knowledge and competence requirements (in Part II of the new Rules) which provide for wider flexibility in the context of consumer credits, such that staff of credit intermediaries, as well as of credit institutions and financial institutions, would need to undergo a training process and satisfy certain criteria;
- emphasising that certain requirements (such as requirements on good repute and on knowledge and competence requirements) are to be fulfilled on an ongoing basis.

B. Revision of current Credit Intermediaries Rules relating to Mortgage Credit Agreements

The current Credit Intermediaries Rules, which in part transpose the Mortgage Credit Directive, are being revised and updated primarily to:

- update the Title as *"Credit Intermediaries Rules relating to Mortgage Credit Agreements",* thereby distinguishing these from the Rules relating to consumer credit agreements;
- align with relevant cross-references to the new regulations which have been recently issued under the Banking Act and Financial Institutions Act, as part of the new package of local Regulations amending the local legal framework implementing the MCD, so that the MFSA now assumes full supervisory remit in relation to the MCD;
- update certain provisions that have been improved when drafting the new Credit Intermediaries Rules for consumer credit referred to above (for instance, adequate references to the need of ensuring compliance on an ongoing basis; and amendments in Part II on knowledge and competence requirements to ensure better flow, as well as for alignment on the term "*staff*" in scope of the said Part).

C. Concluding Remarks

The Authority would like to highlight that any person that intends to carry out credit intermediation activities in relation to mortgage credit agreements and, or consumer credit agreements should apply for admission as a credit intermediary:

- with Banking Supervision; or
- with FinTech Supervision,

as applicable, in accordance with the Consumer Credit Intermediaries (Admission) Regulations, 2026 and the relevant regulations and Credit Intermediaries Rules issued under the Banking Act (Cap. 371) and, or Financial Institutions Act (Cap. 376).

Any queries in relation to the above should be directed to Banking Supervision on bsupolicy@mfsa.mt; FinTech Supervision on fintechpolicy@mfsa.mt, and/or Conduct Supervision on conduct.policy@mfsa.mt.