
Transposition of NPLs credit servicers and credit purchasers directive

Decree-Law 103/2025, which transposes Directive (EU) 2021/2167 on credit servicers and credit purchasers, has been published following its pending status since 2023.

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KEY ASPECTS

- Decree-Law 103/2025 of September 11, 2025 (“**Decree-Law 103/2025**”) approves the regime for the assignment and servicing of bank credits (“**RCGCB**”) and amends the Credit Securitisation Regime.
- Decree-Law 103/2025 transposes into the national legal framework Directive (EU) 2021/2167 (the “**Directive**”) on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU, which should have been transposed by the end of 2023.
- The **RCGCB** applies to the **assignment of credits** and contractual positions in credit agreements granted in Portugal by credit institutions, financial companies, payment institutions, or electronic money institutions.
- The rules on credit assignment and servicing cover a broader range of credits than those specified in Directive (EU) 2021/2167 and are not restricted to non-performing loans (“**NPLs**”).
- Regarding **credit servicing**, the RCGCB regulates the options available to Member States, including the authority for credit servicers to receive and hold borrowers’ funds.





RCGCB

Broader scope

The **Directive** sets minimum harmonization rules, enabling Member States to implement stricter or more comprehensive rules on certain matters. Portuguese legislator exercised some of these options firstly when defining the RCGCB's scope.

Although the Directive applies solely to credits granted by credit institutions, the **RCGCB** has a broader scope. Specifically, it **regulates assignments of credits and of contractual positions in credit agreements and servicing for loans** granted by credit institutions, financial companies, payment institutions, or electronic money institutions (collectively, the "**Institutions**").

Portuguese legislator expanded the scope of the RCGCB on credit assignment and servicing beyond NPLs to include a wider range of credits than those covered by the Directive.

The RCGCB also applies to (i) alternative credit investment undertakings (credit AIUs); and (ii) credit assignments made for securitisation under the Credit Securitisation Regime.

The **RCGCB** defines the eligible assignees as:

- credit AIUs;
- credit securitization companies or funds; and
- other entities in respect of credit agreements either (i) with installments overdue by over 90 days (NPLs), regardless of the borrower type; or (ii) classified as unlikely to be performed at least for 12 months, where the borrower is a small, medium, or large company.

Note: As a rule, the RCGCB does not apply to assignment between Institutions.

Authorization to perform credit servicing activities and cross-border credit servicing

As a rule, credit servicing may be carried out by a credit servicer or an Institution.

Credit servicers based in Portugal must obtain prior authorization from the Bank of Portugal to operate. Under the RCGCB, a credit servicer authorized in Portugal may carry out credit servicing activities in another Member State by establishing a branch or exercising the freedom to provide cross-border services. Likewise, credit servicers authorized in another Member State may carry out in Portugal credit servicing activities within the scope of their authorization, either by establishing a branch or exercising the freedom to provide cross-border services.

Urgent action: Credit servicers that are not Institutions—as defined above—must promptly begin their authorization process. The RCGCB does not specify a deadline for submitting authorization requests to the Bank of Portugal, but it is expected that the Bank of Portugal issues a regulation addressing this matter. Nevertheless, credit servicers should secure authorization swiftly to ensure they are compliant under the new regime once the RCGCB enters into force.

Mandatory professional servicing

The **RCGCB** requires the hiring of a credit servicer, unless the transferee is itself a credit servicer and plans to assume the servicing activities directly.



Obligation to appoint a representative

The **RCGCB** requires transferees located in third countries to appoint a representative within the European Union (“**EU**”) to liaise with the Bank of Portugal in relation to compliance with the RCGCB and its duties thereunder.

Principle of neutrality of assignments to the borrower

The credit assignment must not place the borrower in a less favorable position. The assignee is bound—to the same extent as the assigning institution—by the legislation governing the assigned credit right or credit agreement. These include contractual, criminal, consumer protection, and borrower protection laws, even if the assignee is not a credit institution. Where credit servicers are not the assignees, they must comply with the applicable legislation in the name and on behalf of the assignee.

Borrower’s consent

Under the RCGCB, the assignment of a contractual position does not require the borrower’s consent if the borrower is a small, medium or large company. However, the borrower must be notified of the assignment within 10 days and before the first collection. This notification must include specific minimum information, such as the assignment date, the assignee’s identification and contact details, the credit servicer’s identification and contact details, and the credit servicer’s authorization.

Information requirements

The RCGCB requires credit institutions to share information about the credit, credit agreement and related guarantees with potential credit purchasers, in accordance with the templates established in EU regulations.

Prohibition on credit servicers receiving and holding borrowers' funds

The Directive permits Member States to determine whether credit servicers may receive and hold borrowers’ funds while carrying out credit servicing activities. Portugal has chosen to prohibit this practice. Consequently, credit servicers operating in Portugal, or when operating in another Member State, are not allowed to receive or hold borrowers’ funds.

Amendment to the Credit Securitisation Regime

Scope clarification

The Credit Securitisation Regime now provides for the application of specific rules from the RCGCB in the case of assignment of credits granted by Institutions for securitization purposes.



Servicing bank credits assigned for securitisation

The servicing of bank credits assigned for securitisation under the RCGCB must be serviced by an entity authorized to carry out credit servicing activities under the RCGCB.

Notifying borrowers

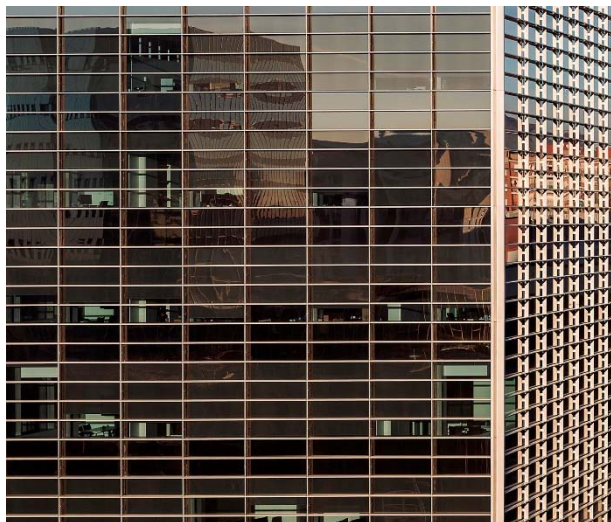
The **Credit Securitisation Regime** now regulates the content, form and deadline for notices sent to borrowers when bank credits are assigned for securitisation.

Central Credit Register

A new Central Credit Register (“**CRC**”) regime has been created, broadening (i) the range of participating entities (including authorized servicers, entities operating in Portugal under cross-border service provisions, credit AIUs, and crowdfunding service providers), (ii) the scope of the information to be centralized, and (iii) the purpose of the information contained in the CRC.

Entry into force and application

Decree-Law 103/2025 enters into force 90 days after its publication, on December 10, 2025. Generally, it governs credit assignment or transfers of contractual positions occurring after that date. Key exceptions include (i) the principle of neutrality, which applies to credits initially assigned after December 30, 2023; and (ii) the use of the templates from Commission Implementing Regulation (EU) 2023/2083 of September 26, 2023, which applies to the assignment of credits granted from July 1, 2018, and that became NPLs after December 28, 2021.



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