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**Intergovernmental Group of Experts on Consumer Law and Policy  
(IGE Consumer)**

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**Agenda Item 3 c. The protection of vulnerable and  
disadvantaged consumers**

Contribution by  
Greece  
Ministry of Economy and Development  
General Secretariat for Commerce and Consumer Protection  
*Consumers Vulnerability and Over-Indebtedness*

## **CONSUMERS VULNERABILITY AND OVER-INDEBTEDNESS**

"Consumers' vulnerability" is a well-known term but there is no commonly accepted or widely agreed legal definition due to the heterogeneity of this group. We believe that all consumers, at some point in their life, can become vulnerable because of external factors and their interactions with the market. We consider that the concept of vulnerable consumers should definitely include consumers in a situation of vulnerability due to social and financial factors such as over-indebtedness.

General Secretariat for Commerce and Consumer Protection, after realizing that financial problems and over-indebtedness among private households is a serious problem, not only to affected families and their creditors, but also to the society in general, has passed law 3869/2010 on "Consumer debt settlement".

The above mentioned law aimed at helping over-indebted persons to keep their home, without setting aside legitimate interests of the creditors involved, regaining control of their financial affairs and finally re-integrating themselves into general economic activity.

Over-indebted consumers who had a proven and permanent inability to serve their debts fall into the scope of the law. Initially, there was a three phases procedure:

1. the amicable out-of-court negotiation;
2. the in court negotiation; and
3. court's decision for debt discharge.

Over-indebted persons might settle their payments and get a release of a significant part of their debts, provided that they serve their debts for a period of 48 months (4 years) paying according to their income and the amount of debt, defined by the court. It was also very important that an exemption from liquidation of the home of the debtor is provided.

Furthermore, in 2011 General Secretariat for Commerce and Consumer Protection established a network which aimed at helping consumers at the phase of out-of-court settlement according to law 3869/2010. Its members were consumer organisations and bar associations all over Greece. This network was co-funded by national and European sources and was in force till the end June of 2013.

In 2015, "the amicable out-of-court negotiation" step of the law 3869/10 procedure was repealed, providing consumers with the alternative to ask directly for court negotiation and court's decision for debt discharge.

Finally, another important initiative for the enhancing of vulnerable and over-indebted consumer protection is the establishment of the Special Secretariat for the Management of Private Debt. The main scope of the Special Secretariat is the development of consumer information policy and consultancy of consumers and borrowers through the function of thirty (30) Consumer Service Center all over Greece staffed with professional legal and financial advisors.