

06.11.2020

Briefing note on application of moratoria established by law and by the banking sector up to 31 October 2020

To address the economic and social impact of the COVID-19 pandemic, several support measures have been approved for workers, households and vulnerable groups. These measures include the introduction of legislative moratoria on mortgage debts¹ and the temporary suspension of payment obligations deriving from non-mortgage loan agreements for individuals who are economically vulnerable as a consequence of the health crisis caused by COVID-19, in accordance with the criteria established in the regulations.² Further, with the intention of allowing loan repayment deferrals on a broader scale, and in addition to the deferral measures initially envisaged in the legislative moratoria, a special system has been established for moratoria agreements between lenders and their customers through the banking sector associations.³ These banking sector moratoria relate to both mortgage and non-mortgage loans. Lastly, two new moratoria were approved in early July relating to the tourism sector and the public transport of goods and the charter bus sector.⁴

This briefing note updates that published a month ago⁵ and presents the information available on the application of the moratoria established by law and by the banking sector, with the data submitted by institutions to the Banco de España. The information may be summarised as follows (see tables attached):

- More than 271,000 applications for legislative moratoria on mortgage loan payments had been received, of which 228,742 had been granted. The outstanding amount of loan payments suspended stood at more than €20,500 million.

¹ Initially, the moratoria only affected main residence mortgages, but the measures were subsequently extended to include property used by self-employed entrepreneurs and professionals for their economic activity, as well as rented housing other than the main residence in cases in which the mortgagor/lessor ceased to receive rent payments by application of the measures introduced to assist tenants as a consequence of the state of alert.

² See, respectively, Royal Decree-Law 8/2020 of 17 March 2020 (last update, 8 July 2020) and Royal Decree-Law 11/2020 of 31 March 2020. The definition of economic vulnerability includes conditions prior to the pandemic (for example, having in general a level of income that is three times less than the IPREM, a Spanish public income indicator), and other conditions ensuing from the pandemic (for example, becoming unemployed).

³ Royal Decree-Law 19/2020 of 26 May 2020 includes special moratoria measures under a sectoral framework agreement, broadening the range of persons eligible for debt deferrals beyond the economically vulnerable and allowing the latter to extend their deferrals when the legislative moratoria come to an end.

⁴ The moratorium relating to the tourism sector is regulated by Royal Decree-Law 25/2020 of 3 July 2020 on urgent measures to support economic recovery and employment. The moratorium relating to transport is regulated by Royal Decree-Law 26/2020 of 7 July 2020 on economic recovery measures to address the impact of COVID-19 on transport and housing. In contrast with the previous three moratoria, which relate only to natural persons, these two new moratoria also apply to legal persons.

⁵ [Briefing note on application of moratoria established by law and by the banking sector up to 30 September 2020.](#)

- More than 421,000 applications for legislative moratoria on non-mortgage loan payments had been received, of which 374,000 had been granted.⁶ The outstanding amount of loan payments suspended totalled €2,761 million.
- A total of 817,716 applications for banking sector moratoria had been received, of which more than 768,000 had been granted. The outstanding amount of loan payments suspended totalled around €30,000 million.
- For all three types of moratorium, the vast majority of borrowers and guarantors benefiting from these measures (over 70%) are wage and salaried workers.
- In the case of self-employed workers, the breakdown by sector of activity shows that, for all three types of moratorium, the main sectors benefiting from the measures are wholesale and retail trade, accommodation and food service activities, and other services, followed at some distance by professional, scientific and technical activities, transport and construction. Together these sectors of activity account for almost 80% of the total moratoria for self-employed workers granted to date.
- For the two most recently approved types of moratorium, related to the tourism and transport sectors, the number of moratoria applied for and granted is much lower. Specifically, a total of 1,647 applications had been received for legislative moratoria for mortgage loans on property used in tourism, 1,257 of which had been granted. The outstanding amount of loan payments suspended stood at more than €1,800 million. In turn, a total of 1,756 applications for legislative moratoria had been received from the transport sector, of which 1,491 had been granted. The outstanding amount of loan repayments suspended stood at €112 million.

⁶ The number of applications received and granted for legislative moratoria on non-mortgage loan payments has declined compared with the previous briefing note, since some institutions have reclassified a portion of these as banking sector moratoria owing to the customer not providing evidence of vulnerability. This has also happened, albeit to a far lesser extent, in legislative moratoria on mortgage loan payments.

Table 1. Information on legislative mortgage debt moratoria, total system

APPLICATIONS	Number	
Moratoria applications submitted	271,203	
Moratoria applications granted	228,742	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	20,501	471,510
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	274,287	72.3
Self-employed (entrepreneurs or professionals)	105,087	27.7
GUARANTORS*	Number	Percentage
Wage and salaried workers	73,927	91.0
Self-employed (entrepreneurs or professionals)	7,296	9.0
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,666	1.6
B Mining and quarrying	67	0.1
C Manufacturing	4,877	4.6
D Electricity, gas, steam and air conditioning supply	155	0.1
E Water supply	85	0.1
F Construction	5,818	5.5
G Wholesale and retail trade	20,121	19.1
H Transportation and storage	7,195	6.8
I Accommodation and food service activities	20,349	19.4
J Information and communication	1,058	1.0
K Financial and insurance activities	482	0.5
L Real estate activities	1,586	1.5
M Professional, scientific and technical activities	8,257	7.9
N Administrative and support service activities	2,947	2.8
O Public administration and defence; compulsory social security	44	0.0
P Education	2,211	2.1
Q Human health and social work activities	2,750	2.6
R Arts, entertainment and recreation	2,829	2.7
S Other service activities	22,590	21.5

* The number of borrowers benefiting from the suspension measures does not coincide with the number of moratoria applications granted because one loan may include more than one borrower. Similarly, the number of guarantors benefiting from the suspension measures does not coincide with the number of moratoria applications granted because they do not all include a guarantor.

Table 2. Information on legislative suspension of payment obligations deriving from non-mortgage loan agreements, total system

APPLICATIONS	Number	
Payment suspension applications submitted	421,219	
Payment suspension applications granted	373,964	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	2,761	189,877
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	314,463	73.4
Self-employed (entrepreneurs or professionals)	114,238	26.6
GUARANTORS*	Number	Percentage
Wage and salaried workers	13,287	78.0
Self-employed (entrepreneurs or professionals)	3,742	22.0
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,397	1.2
B Mining and quarrying	63	0.1
C Manufacturing	4,254	3.7
D Electricity, gas, steam and air conditioning supply	131	0.1
E Water supply	105	0.1
F Construction	5,148	4.5
G Wholesale and retail trade	20,872	18.3
H Transportation and storage	11,350	9.9
I Accommodation and food service activities	22,680	19.9
J Information and communication	1,338	1.2
K Financial and insurance activities	656	0.6
L Real estate activities	1,267	1.1
M Professional, scientific and technical activities	6,945	6.1
N Administrative and support service activities	2,861	2.5
O Public administration and defence; compulsory social security	55	0.0
P Education	2,335	2.0
Q Human health and social work activities	2,344	2.1
R Arts, entertainment and recreation	3,298	2.9
S Other service activities	27,139	23.8

* The number of borrowers benefiting from the suspension measures does not coincide with the number of moratoria applications granted because one loan may include more than one borrower. Similarly, the number of guarantors benefiting from the suspension measures does not coincide with the number of moratoria applications granted because they do not all include a guarantor.

Table 3. Information on banking sector moratoria, total system

APPLICATIONS	Number	
Payment suspension applications submitted	817,716	
Payment suspension applications granted	768,017	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	29,697	661,387
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	831,582	81.0
Self-employed (entrepreneurs or professionals)	194,571	19.0
GUARANTORS*	Number	Percentage
Wage and salaried workers	73,825	90.2
Self-employed (entrepreneurs or professionals)	7,982	9.8
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	6,710	3.4
B Mining and quarrying	335	0.2
C Manufacturing	9,010	4.6
D Electricity, gas, steam and air conditioning supply	286	0.1
E Water supply	198	0.1
F Construction	11,169	5.7
G Wholesale and retail trade	36,762	18.9
H Transportation and storage	15,683	8.1
I Accommodation and food service activities	32,248	16.6
J Information and communication	2,514	1.3
K Financial and insurance activities	2,018	1.0
L Real estate activities	3,580	1.8
M Professional, scientific and technical activities	22,787	11.7
N Administrative and support service activities	5,585	2.9
O Public administration and defence; compulsory social security	173	0.1
P Education	4,096	2.1
Q Human health and social work activities	5,348	2.7
R Arts, entertainment and recreation	5,063	2.6
S Other service activities	31,007	15.9

* The number of borrowers benefiting from the suspension measures does not coincide with the number of moratoria applications granted because one loan may include more than one borrower. Similarly, the number of guarantors benefiting from the suspension measures does not coincide with the number of moratoria applications granted because they do not all include a guarantor.