



Communication Department

PRESS RELEASE

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The Banco de España authorises Spanish credit institutions' covered bond programmes

At its meeting on 4 July, the Executive Commission of the Banco de España authorised Spanish credit institutions' covered bond programmes, as required by Royal Decree-Law 24/2021 in order that the bonds issued under these programmes can use the label “European Covered Bond (Premium)”.

This label implies that these bonds are uniformly recognised across the European Union banking sector for their strengthened transparency, supervision and credit quality.

The authorisation covers issues of mortgage covered bonds, public-sector covered bonds and internationalisation covered bonds. The list of covered bonds with the label “European Covered Bond (Premium)” for each of the issuing credit institutions may be consulted [on the Banco de España's website](#).

The new legal arrangements for covered bonds, set out in Royal Decree-Law 24/2021, come into force on 8 July 2022. These arrangements notably include the following:

- The ability to issue covered bonds is reserved to credit institutions, including the Official Credit Institute (ICO);
- The obligation to establish a cover pool, made up of assets subject to strict eligibility criteria, to serve as security for investors throughout the lifetime of the bonds, including in the event of the winding up or resolution of the issuing institution;
- An obligation on issuing institutions to appoint an internal or external cover pool monitor, for each cover pool, subject to administrative authorisation and registration by the Banco de España;
- Public supervision by the Banco de España of these programmes and their cover pool monitors.

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