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Briefing note on application of moratoria established by law and by the banking sector up to 30 September 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, applying to natural and legal persons, were approved in early July, one relating to the tourism sector and the other to public transport of goods and discretionary transport of passengers by bus.⁴

This briefing note updates that published a month ago⁵ and presents the information available on the application of the legislative moratoria 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):

- A total of 273,751 applications for legislative moratoria on mortgage loan payments had been received, of which 228,966 had been granted. The outstanding amount of loan payments suspended stood at over €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 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 31 August 2020.](#)

- A total of 446,153 applications for legislative moratoria on non-mortgage loan payments had been received, of which 396,772 had been granted. The outstanding amount of loan payments suspended stood at over €2,900 million.
- A total of 787,352 applications for banking sector moratoria had been received, of which 728,504 had been granted. The outstanding amount of loan payments suspended totalled €28,687 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 applications received and granted is much lower. Specifically, a total of 816 applications had been received for legislative moratoria for mortgage loans on property used in tourism, of which 376 had been granted. The outstanding amount of loan payments suspended stood at €575 million. In turn, a total of 1,170 applications for legislative moratoria had been received from the transport sector, of which 818 had been granted. The outstanding amount of loan repayments suspended stood at €62 million.

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

APPLICATIONS	Number	
Moratoria applications submitted	273,751	
Moratoria applications granted	228,966	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	20,509	471,510
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	276,237	72.4
Self-employed (entrepreneurs or professionals)	105,537	27.6
GUARANTORS*	Number	Percentage
Wage and salaried workers	73,233	91.0
Self-employed (entrepreneurs or professionals)	7,263	9.0
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,642	1.6
B Mining and quarrying	66	0.1
C Manufacturing	4,898	4.6
D Electricity, gas, steam and air conditioning supply	152	0.1
E Water supply	86	0.1
F Construction	5,847	5.5
G Wholesale and retail trade	20,291	19.2
H Transportation and storage	7,206	6.8
I Accommodation and food service activities	20,406	19.3
J Information and communication	1,062	1.0
K Financial and insurance activities	484	0.5
L Real estate activities	1,593	1.5
M Professional, scientific and technical activities	8,351	7.9
N Administrative and support service activities	2,959	2.8
O Public administration and defence; compulsory social security	44	0.0
P Education	2,220	2.1
Q Human health and social work activities	2,765	2.6
R Arts, entertainment and recreation	2,841	2.7
S Other service activities	22,624	21.4

* 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	446,153	
Payment suspension applications granted	396,772	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	2,924	189,877
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	338,774	74.3
Self-employed (entrepreneurs or professionals)	117,221	25.7
GUARANTORS*	Number	Percentage
Wage and salaried workers	13,136	78.3
Self-employed (entrepreneurs or professionals)	3,633	21.7
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,769	1.5
B Mining and quarrying	73	0.1
C Manufacturing	4,236	3.6
D Electricity, gas, steam and air conditioning supply	131	0.1
E Water supply	104	0.1
F Construction	5,158	4.4
G Wholesale and retail trade	20,787	17.7
H Transportation and storage	11,312	9.7
I Accommodation and food service activities	22,585	19.3
J Information and communication	1,325	1.1
K Financial and insurance activities	737	0.6
L Real estate activities	1,280	1.1
M Professional, scientific and technical activities	9,364	8.0
N Administrative and support service activities	2,844	2.4
O Public administration and defence; compulsory social security	53	0.0
P Education	2,333	2.0
Q Human health and social work activities	2,352	2.0
R Arts, entertainment and recreation	3,258	2.8
S Other service activities	27,520	23.5

* 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 3. Information on banking sector moratoria, total system

APPLICATIONS	Number	
Payment suspension applications submitted	787,352	
Payment suspension applications granted	728,504	
LOANS SUSPENDED	€m	Total system loans (€m)
Outstanding amount of loans suspended	28,687	661,387
BORROWERS BENEFITING FROM MORATORIA MEASURES*	Number	Percentage
Wage and salaried workers	789,138	80.9
Self-employed (entrepreneurs or professionals)	186,737	19.1
GUARANTORS*	Number	Percentage
Wage and salaried workers	70,569	90.1
Self-employed (entrepreneurs or professionals)	7,726	9.9
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	6,137	3.3
B Mining and quarrying	316	0.2
C Manufacturing	8,834	4.7
D Electricity, gas, steam and air conditioning supply	276	0.1
E Water supply	198	0.1
F Construction	10,949	5.9
G Wholesale and retail trade	36,148	19.4
H Transportation and storage	15,259	8.2
I Accommodation and food service activities	31,655	17.0
J Information and communication	2,443	1.3
K Financial and insurance activities	1,875	1.0
L Real estate activities	3,497	1.9
M Professional, scientific and technical activities	19,264	10.3
N Administrative and support service activities	5,386	2.9
O Public administration and defence; compulsory social security	165	0.1
P Education	3,986	2.1
Q Human health and social work activities	5,249	2.8
R Arts, entertainment and recreation	4,920	2.6
S Other service activities	30,179	16.2

* 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.