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Briefing note on application of moratoria established by law and by the banking sector on mortgage and non-mortgage loans up to 30 June 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.

This briefing note updates that published a month ago⁴ and presents the information available on the application of the moratoria established by law and by the banking sector, with the data as at end-June submitted by institutions to the Banco de España. The information may be summarised as follows (see tables attached):

- A total of 272,149 applications for legislative moratoria on mortgage loan payments had been received, of which 226,285 had been granted. The outstanding balance of loan payments suspended amounted to €20,370 million.
- A total of 428,113 applications for legislative moratoria on non-mortgage loan payments had been received, of which 364,407 had been granted. The outstanding balance of loan payments suspended amounted to €2,719 million.
- A total of 614,058 applications for banking sector moratoria had been received, of which 509,452 had been granted. The outstanding balance of loan payments suspended amounted to €18,071 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, 27 June 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 [Briefing note on application of legislative moratoria on mortgage and non-mortgage loans up to 31 May 2020.](#)

- 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 more than 75% of the total moratoria for self-employed workers granted to date.

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

APPLICATIONS	Number	
Moratoria applications submitted	272,149	
Moratoria applications granted	226,285	
LOANS SUSPENDED	€m	Total System loans (€m)
Balance outstanding of loans suspended	20,370	474,009
BORROWERS BENEFITING FROM THE MEASURES*	Number	Percentage
Wage and salaried workers	276,852	73.3
Self-employed (entrepreneurs or professionals)	101,079	26.7
GUARANTORS*	Number	Percentage
Wage and salaried workers	73,178	90.0
Self-employed (entrepreneurs or professionals)	8,154	10.0
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,937	1.9
B Mining and quarrying	113	0.1
C Manufacturing	4,765	4.7
D Electricity, gas, steam and air conditioning supply	170	0.2
E Water supply	85	0.1
F Construction	5,719	5.6
G Wholesale and retail trade	19,395	19.2
H Transportation and storage	6,643	6.6
I Accommodation and food service activities	19,200	19.0
J Information and communication	1,024	1.0
K Financial and insurance activities	482	0.5
L Real estate activities	1,727	1.7
M Professional, scientific and technical activities	7,757	7.7
N Administrative and support service activities	2,838	2.8
O Public administration and defence; compulsory social security	40	0.0
P Education	2,065	2.0
Q Human health and social work activities	2,747	2.7
R Arts, entertainment and recreation	2,643	2.6
S Other service activities	21,887	21.6

* 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	428,113	
Payment suspension applications granted	364,407	
LOANS SUSPENDED	€m	Total System loans (€m)
Balance outstanding of loans suspended	2,719	181,211
BORROWERS BENEFITING FROM THE MEASURES*	Number	Percentage
Wage and salaried workers	316,290	75.0
Self-employed (entrepreneurs or professionals)	105,166	25.0
GUARANTORS*	Number	Percentage
Wage and salaried workers	13,469	72.3
Self-employed (entrepreneurs or professionals)	5,158	27.7
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	1,878	1.8
B Mining and quarrying	75	0.1
C Manufacturing	3,711	3.5
D Electricity, gas, steam and air conditioning supply	111	0.1
E Water supply	94	0.1
F Construction	4,745	4.5
G Wholesale and retail trade	18,665	17.7
H Transportation and storage	9,937	9.4
I Accommodation and food service activities	20,324	19.3
J Information and communication	1,144	1.1
K Financial and insurance activities	656	0.6
L Real estate activities	1,184	1.1
M Professional, scientific and technical activities	8,170	7.8
N Administrative and support service activities	2,615	2.5
O Public administration and defence; compulsory social security	50	0.0
P Education	2,060	2.0
Q Human health and social work activities	2,275	2.2
R Arts, entertainment and recreation	2,918	2.8
S Other service activities	24,562	23.4

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Table 3. Information on banking sector moratoria, total system

APPLICATIONS	Number	
Payment suspension applications submitted	614,058	
Payment suspension applications granted	509,452	
LOANS SUSPENDED	€m	Total System loans (€m)
Balance outstanding of loans suspended	18,071	655,220
BORROWERS BENEFITING FROM THE MEASURES*	Number	Percentage
Wage and salaried workers	532,148	79.3
Self-employed (entrepreneurs or professionals)	138,658	20.7
GUARANTORS*	Number	Percentage
Wage and salaried workers	42,100	85.9
Self-employed (entrepreneurs or professionals)	6,883	14.1
BREAKDOWN OF SELF-EMPLOYED BORROWERS BY CNAE (Spanish National Classification of Economic Activities)	Number	Percentage
A Agriculture, forestry and fishing	4,904	3.5
B Mining and quarrying	309	0.2
C Manufacturing	6,082	4.4
D Electricity, gas, steam and air conditioning supply	290	0.2
E Water supply	140	0.1
F Construction	7,803	5.6
G Wholesale and retail trade	25,667	18.5
H Transportation and storage	10,399	7.5
I Accommodation and food service activities	24,260	17.5
J Information and communication	1,792	1.3
K Financial and insurance activities	1,291	0.9
L Real estate activities	2,414	1.7
M Professional, scientific and technical activities	15,070	10.9
N Administrative and support service activities	3,440	2.5
O Public administration and defence; compulsory social security	142	0.1
P Education	2,648	1.9
Q Human health and social work activities	4,032	2.9
R Arts, entertainment and recreation	3,407	2.5
S Other service activities	24,705	17.8

* 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.