1. KEY ACTIONS AND THEIR IMPACT

WE ACT TO ENSURE PRICE STABILITY

In cooperation with the European Central Bank and the other euro area central banks, we conduct comprehensive analyses of **economic activity, inflation and other indicators for monetary policy design and implementation.**

WE SAFEGUARD THE ROBUSTNESS AND SOLVENCY OF THE FINANCIAL SYSTEM

We design regulations, analyse risks and supervise financial institutions to ensure their **soundness, solvency and liquidity,** which are essential for the smooth functioning of the economy.

WE WORK TO ENSURE SECURITY IN PAYMENTS

We monitor and oversee payment systems to support a well-functioning economy and foster efficiency-enhancing innovation.

WE PROTECT BANK CUSTOMERS

We resolve **complaints and enquiries** from bank customers regarding the services provided by banks and promote responsible banking, ensuring compliance with customer protection standards and best practices.

WE PROVIDE FINANCIAL SERVICES TO THE PUBLIC SECTOR

We manage the bank accounts used by public administrations, institutions and enterprises, as well as organising Treasury bond auctions.

WE INTERPRET, PRODUCE AND SHARE ECONOMIC INFORMATION

We investigate economic trends and projections, helping to identify risks and harness opportunities. We produce and disseminate statistics.

1 We act to ensure price stability

MONETARY POLICY	
What does this entail?	The European Central Bank (ECB) and euro area central banks are tasked with maintaining price stability. In the euro area, monetary policy decisions are made by the ECB's Governing Council, which comprises the governors of the national central banks, among them the Banco de España.
What role does the Banco de España play?	Together with the ECB and other euro area central banks, we help to design and implement monetary policy through economic analysis, monetary policy operations and common strategy reviews.
How does it benefit society?	When prices are stable, the euro retains its value, allowing individuals and businesses to better plan their spending and investments, and to better protect their savings. Price stability ensures sound growth.

1.1 Contribution to interest rate decisions

Monetary policy encompasses a set of instruments aimed at ensuring price stability. These include interest rates, which influence the cost and availability of money in the economy.

Monetary policy decisions are based on a broad analysis of the euro area economy, with macroeconomic projections playing a key role in anticipating the course of inflation and economic activity. In recent years, the persistence of inflation and the weakness of growth in the euro area have featured prominently in the deliberations of the European Central Bank (ECB) Governing Council.

At the Banco de España, we structure economic analysis and research around a series of medium-term priorities. These priorities were updated for the 2025-30 horizon, with the "central banking pillars" – which include the Eurosystem's monetary policy strategy – identified as a key component. Against this background, work in 2025 focused on inflation dynamics and the transmission of monetary policy:

- **Inflation.** At the Banco de España, we study the dynamics and factors underlying inflation developments and how economic agents respond. In 2025 we examined the persistence of food inflation, which proved more stubborn than in previous inflationary episodes.

- **The transmission of monetary policy.** Our research has focused on understanding how central bank decisions are transmitted to the real economy and financial markets. In 2025

The Eurosystem lowered key interest rates by 1 percentage point over 2025 through four consecutive rate cuts.

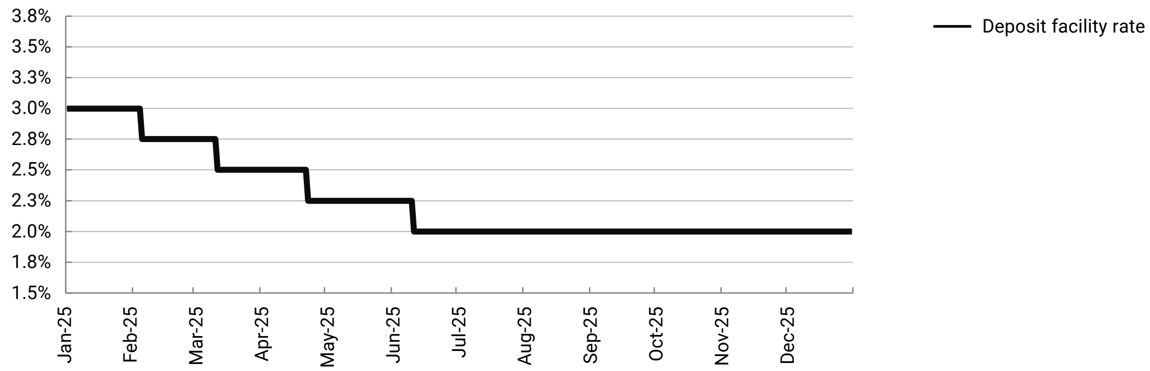
we analysed the impact of higher borrowing costs for households and firms on credit supply and investment, as well as differences in the transmission mechanism between banks and other financial intermediaries.

The use of new data sources combining administrative information and financial surveys further enhanced the quality of the analysis. We also addressed issues relating to monetary policy communication, interaction with other economic policies and the effects of certain emerging risks, such as those stemming from the climate transition. Lastly, against a backdrop of high uncertainty, we developed models and tools to assess and measure the impact of that monetary policy.

1.2 Monetary policy operations

The Banco de España sits on the ECB Governing Council and is tasked with implementing in Spain, on a decentralised basis, the policies adopted by that body. Up to June 2025 the ECB eased its monetary policy by lowering its key interest rates, as part of a process that began in the second half of 2024. The easing of inflation, as anticipated by the Governing Council, allowed for further interest rate cuts in the first half of 2025. Such decisions are especially

Chart 1.1
Developments in the deposit facility rate



SOURCE: Banco de España.
NOTE: The chart shows the change in the deposit facility rate (one of the ECB's key policy rates) over the course of 2025. The rate was lowered by 1 percentage point through four consecutive cuts of 0.25 points in February, March, April and June.

significant, as interest rates shape borrowing costs and returns on savings instruments, affecting both borrowers and savers.

In total, the Eurosystem lowered its key interest rates by 1 percentage point (pp) in 2025, via four consecutive cuts of 0.25 pp in February, March, April and June, leaving the deposit facility rate (the interest rate received by banks when they deposit money with the central bank) at 2% (Chart 1.1). In the second half of the year, the Governing Council decided to keep interest rates unchanged given the uncertainty stemming from geopolitical tensions and trade disputes, while economic growth remained stable and the impact of earlier rate cuts persisted.

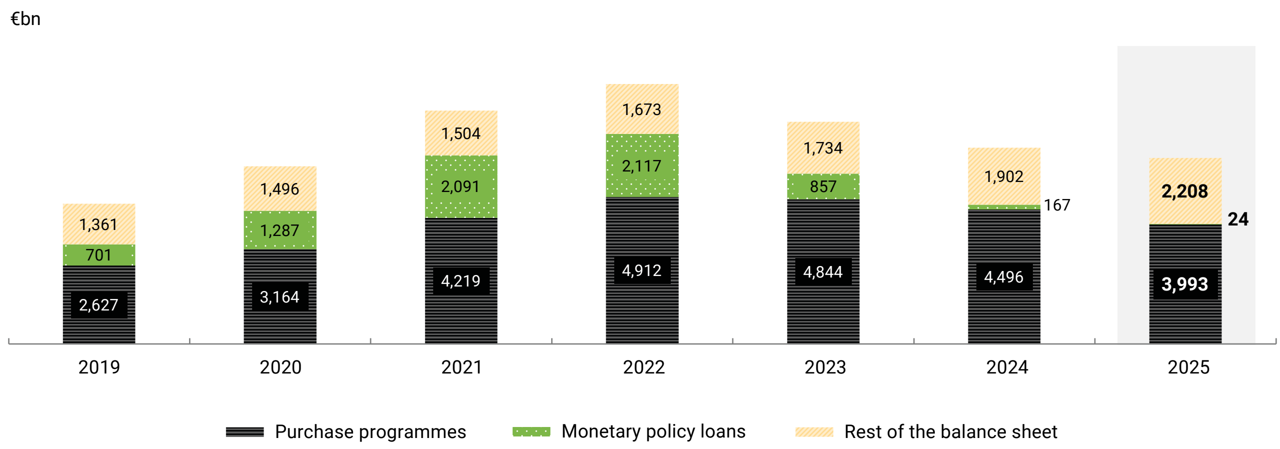
> In the first half of 2025, the Eurosystem lowered its key interest rates by 1 pp

Monetary policy operations are reflected in the Eurosystem balance sheet, which comprises the combined assets and liabilities of all euro area central banks, including items such as government bonds and deposits. Balance sheet reduction was again a central aspect of monetary policy in 2025, continuing a process that began in 2022. The ECB aimed to normalise monetary policy after years of pandemic-related stimulus measures, which were then gradually withdrawn to combat inflation.

As Chart 1.2 shows, the primary drivers of the balance sheet reduction in 2025 were the progressive maturing of bonds acquired under the asset purchase programmes and, to a lesser extent, a decline in monetary policy lending.

Chart 1.2
Developments in the Eurosystem balance sheet, by monetary policy component

Balance sheet size, annual average of each monetary policy component



SOURCE: Banco de España.
NOTE: The chart shows the annual average size of the Eurosystem balance sheet since 2019, including monetary policy loans, purchase programmes and other components. Between 2020 and 2022 the balance sheet increased markedly, mainly driven by monetary policy loans and purchase programmes. From 2023 it began to decline gradually, although the reduction has moderated over time. In 2023 the reduction was driven primarily by monetary policy loans, in 2024 the tapering-off of purchase programmes also played a significant role, and in 2025 the changes in purchase programmes were the main driver of the balance sheet reduction.

1.2.1 Eurosystem refinancing operations

Credit institutions obtain liquidity from the Eurosystem through its regular refinancing operations. As the Eurosystem balance sheet has declined, these credit operations have become increasingly important for liquidity management.

Take-up was moderate in 2025, albeit with a gradual increase in both volume and institution numbers. Total demand for liquidity in regular operations was 68% higher than the average for the previous year.

1.2.2 Collateral framework

The Eurosystem Collateral Management System (ECMS) went live in June 2025, providing a centralised and unified platform for management of the collateral (such as bonds and other assets) that banks provide to borrow from the Eurosystem. Developed by the Banco de España and the Banque de France, the system provides a single platform for the management of the assets used by counterparties – the parties with whom central banks conduct operations – as collateral in monetary policy and intraday credit operations, including the bonds and other assets that banks post with the ECB to obtain financing.

The ECMS replaced the individual national collateral management systems previously operated by the 20 euro area national central banks. It became the fourth service to become operational under the TARGET system, a platform used by European banks to transfer money securely and immediately between each other.

1.2.3 Asset purchase programmes

The Eurosystem used asset purchase programmes to improve the transmission of monetary policy, facilitate access to credit in the euro area and keep inflation stable.

The main programmes were the Asset Purchase Programme (APP) and the Pandemic Emergency Purchase Programme (PEPP),[1] both of which helped to ease tensions in the secured lending and repurchase agreement (repo) market.

While these programmes have come to an end, the large stock of assets held by the Eurosystem continues to affect liquidity in the financial system, interest rates and sovereign bond spreads. As part of monetary normalisation, these holdings must be unwound gradually and carefully to prevent any market distortions that could affect monetary policy.

The Eurosystem is also working to reduce the carbon footprint associated with the assets it acquires. Accordingly, in July 2022 the ECB adopted measures to incorporate climate considerations into its monetary policy, taking into account, for example, climate-related financial risks. As part of this commitment, the Eurosystem has geared corporate bond reinvestments towards issuers with a better climate performance.

1.3 Contribution to the strategy review

The monetary policy strategy is the guide we use to decide how to act, which instruments to use and how to communicate our decisions. In 2021 it was agreed that this strategy would be reviewed on a regular basis. Accordingly, in 2025 the Eurosystem central banks updated the monetary policy strategy to adapt it to the current environment, marked by geopolitical tensions, climate change, artificial intelligence and population ageing, all of which could give rise to more frequent and less predictable shocks.

Strategy reviews help ensure that the appropriate tools remain available to respond effectively to a changing environment and to maintain price stability, a prerequisite for sound economic growth.

1 The APP was in operation from late 2014 until mid-2023, while the PEPP was introduced in March 2020 to address the effects of the pandemic on monetary policy and the euro area economy. Similar assets were eligible for purchase under both programmes.

2 We safeguard the robustness and solvency of the financial system

THE BANCO DE ESPAÑA'S REGULATORY FUNCTION	
What does this entail?	We help develop the regulatory framework that governs the banks under our supervision. To this end, we participate in their technical design and definition, both at the domestic level and in European and international fora.
What role does the Banco de España play?	We sit on various international standard-setting committees. In Spain we advise the Treasury on the drafting of domestic financial regulation. We also have the power to implement certain aspects of these regulations through circulars.
How does it benefit society?	A clear and consistent regulatory framework ensures the sound functioning of the financial system. This strengthens the capacity of banks and the system to withstand adverse situations, while also aligning incentives with the general interest and ensuring legal certainty.

2.1 Regulation

In 2025 the Banco de España continued to participate in the working groups and decision-making bodies of international committees that set the standards subsequently applied in Spain. Our goal is to safeguard financial stability and ensure sound banking supervision, upholding our principles of independence, transparency and public service. The Banco de España participates in the following committees:

a) The Financial Stability Board (FSB), which coordinates global policies to help prevent financial problems from becoming international crises. In 2025 we worked with the FSB and its other members to address, among other issues, vulnerabilities in the non-bank financial sector.

b) The Basel Committee on Banking Supervision, which sets standards to ensure that banks operate in a safe and resilient manner. In 2025 our contribution included analysis of the banking turmoil of 2023, an assessment of the linkages between banks and non-bank financial institutions, and work to further develop digital supervision, particularly in the light of banks' dependence on external technology providers.

c) The European Banking Authority, a European Union authority tasked with maintaining the stability and effectiveness of the financial system. Its mission is to promote clear standards and harmonised supervision. In 2025 the Banco de España took part in developing Basel III implementation standards, proposals to simplify and enhance the effectiveness of the regulatory and supervisory framework, and projects to strengthen consumer protection, to name just a few examples. We also worked on the application of artificial intelligence regulations in the financial system.

Contribution to internal regulatory policy

Under the advisory role conferred on the Banco de España by the Law of Autonomy, we provide technical assistance to the Government in the development of standards within our remit, such as the prudential regulation of credit institutions.

We can also approve circulars, which are published in the Official State Gazette and serve to specify and implement higher-ranking rules, such as laws or royal decrees. Prior to their approval, a public consultation procedure is opened to allow any individual or entity in the financial system to give their opinion. In 2025 we approved a circular on financial reporting standards and the Central Credit Register.[2]

In 2025 we also responded to consultations on the performance of our functions under the prevailing regulations. Our responses provide legal certainty in the application of the rules.

In 2026 the Banco de España will continue contributing to the development of the regulatory framework. To ensure the smooth functioning of the financial system, next year we will address challenges such as:

- Simplifying the current rules and making them more efficient, while ensuring that risks remain appropriately managed.[3] From the Banco de España's perspective, the aim is to build a simpler, more stable and more predictable framework that strengthens the banking system supports economic growth and maintains confidence in its soundness.

- Developments and innovation in the financial system, and their impact on the design and interpretation of regulations.

2 Banco de España Circular 1/2025 of 19 December amending Circular 4/2017 of 27 November to credit institutions on public and confidential financial reporting standards and model financial statements, and Circular 1/2013 of 24 May on the Central Credit Register.

3 See the speech by the Governor of the Banco de España "Regulatory and supervisory simplification: towards a more competitive and resilient European financial system".

2.2 Supervision

MICROPRUDENTIAL SUPERVISION	
What does this entail?	Credit institutions and other entities that channel savings, finance households and firms and manage the payment services we use every day are subject to certain rules. They must be solvent, manage their risks appropriately and be prepared for contingencies. Our microprudential supervision serves to ensure compliance with these rules.
What role does the Banco de España play?	Since November 2014 national supervisors have been tasked with supervising smaller banks, while the ECB supervises large banks. If a problem is identified, we require the bank to implement corrective measures. The Banco de España also exercises oversight over other institutions outside the framework of the Single Supervisory Mechanism.
How does it benefit society?	Banks are central to the economy's development. Our supervision helps ensure that their systems run smoothly and effectively, aiming to strengthen public confidence in the financial system and safeguard its stability. In turn, this helps to reduce the incidence and impact of potential banking crises.

2.2.1 Authorisation and registration of institutions

The provision of financial services, such as channelling savings, lending to firms and households or managing the payment systems we use every day, in some cases requires prior authorisation by or registration with the Banco de España, which also supervises them.

Against this background, the Banco de España processes and submits to the ECB proposals to authorise Spanish credit institutions. For other types of institutions, we oversee their authorisation or registration, or issue reports to other bodies as required for their creation.

The requirements and procedures are detailed on the "Authorisation for commencement of activity" section of the Banco de España website.

The Banco de España's official registers are publicly available on its website.

Figure 1.1 shows the main types of entities supervised by the Banco de España.

Figure 1.1
Main types of entities supervised by the Banco de España

Credit institutions	Any natural or legal person, whether domestic or foreign, wishing to conduct activities reserved for credit institutions in Spain must obtain prior authorisation and be registered in the Banco de España's official register of credit institutions.	
	BANKS	Public limited companies. Activity: taking deposits and other repayable funds and granting credit for own account.
	SAVINGS BANKS	Institutions with a social purpose. Activity: taking repayable funds and providing banking and investment services to retail customers and small and medium-sized enterprises.
	CREDIT COOPERATIVES	Corporate purpose: to serve the financial needs both of their members and of third parties by pursuing the business of credit institutions.
	BRANCHES OF FOREIGN CREDIT INSTITUTIONS	Places of business with no legal personality that form part of a foreign credit institution.
Specialised lending institutions	Firms that, while not classified as credit institutions, professionally engage in one or several banking activities, such as the granting of loans, credit or guarantees. If authorised to do so, they may also provide payment services or issue electronic money.	
Electronic money institutions	Legal entities authorised by the Banco de España to issue electronic money. They may provide payment services, whether or not these are linked to electronic money.	
Payment institutions	Legal entities authorised by the Banco de España to provide and perform payment services in Spain, such as money remittances.	
Mutual guarantee companies	Business entities set up by small and medium-sized enterprises to facilitate access to credit and related services and achieve more favourable financing conditions. They can provide guarantees to their members but cannot grant any type of credit to them.	
Reguarantee companies	Corporate purpose: to counter-guarantee the guarantees granted by mutual guarantee companies, to provide sufficient coverage and guarantee for the risks assumed by the latter and reduce the cost of guarantee for their members.	
Currency-exchange bureaux	Individuals or legal entities, other than credit institutions, that engage in buying foreign banknotes and travellers' cheques, and public limited companies that buy and sell foreign banknotes and travellers' cheques.	
Appraisal companies	Public limited companies that provide appraisal services, subject to prior authorisation, independence and professional secrecy requirements.	

SOURCE: Banco de España.

2.2.2 Prudential supervision

The Banco de España's prudential supervision plays a key role in safeguarding the soundness and solvency of financial institutions. This involves verifying that they hold sufficient capital and liquidity to manage the risks they assume and meet their obligations, that their business is well managed, that they maintain robust governance and internal control systems and that they comply with applicable regulations.

In 2025 we found the Spanish banking system to be in a sound position, with ample liquidity above minimum requirements, strong profitability by historical standards and capital ratios comfortably above regulatory thresholds.

Overall credit quality has improved, thus reducing default risk, while banks hold adequate reserves to absorb potential losses (capital ratios).

This indicates that banks are in good financial health and capable of withstanding stress without jeopardising their solvency, resulting in lower risk for customers and the economy and greater capacity to finance households and firms.

How is supervision conducted?

The microprudential supervision of banks in Europe is organised under the Single Supervisory Mechanism (SSM), comprising the European Central Bank (ECB) and the national competent authorities.

The Banco de España works alongside the ECB in supervising significant institutions – those that are largest or systemically important – and directly oversees less significant entities, such as small and medium-sized institutions.

Outside the SSM framework, the Banco de España is also responsible for supervising other financial institutions, including payment institutions, electronic money institutions, appraisal companies and mutual guarantee companies.

To perform its supervisory role, the Banco de España begins by identifying the main risks in the sector and analysing economic conditions, regulatory changes and system vulnerabilities, in order to establish priorities and design the supervisory plan.

This work is conducted through two channels: ongoing off-site supervision and on-site supervision.[4]

Off-site activities include the Supervisory Review and Evaluation Process (SREP), which examines banks' governance, risk management and control, as well as their capital and liquidity levels. The SREP concludes with a letter sent to the bank outlining the key findings. Where necessary, banks may be required to address the shortcomings identified and submit remediation plans. We also verify that the plans are duly implemented.

In addition, regular stress tests are carried out to assess banks' preparedness for adverse scenarios.

European supervisors are working to reform and streamline banking supervision to make it more agile, efficient, and focused on the key risks. Implementation of these reforms will begin in 2026.

4 Ongoing off-site supervision involves regular analysis of each bank's financial position (including solvency, profitability, liquidity and asset quality), while on-site supervision consists of inspections conducted at the banks' premises for a more exhaustive review.

The SSM's first supervisory priority centred on resilience against macro-financial and geopolitical risks.

> European supervisors are working to simplify banking supervision, making it more responsive and efficient

2.2.2.1 Supervision of significant credit institutions

In 2025 the supervision of significant institutions was organised around three priorities for 2025-27 under the SSM framework, with the participation of the Banco de España.

First priority: to strengthen banks' resilience to economy-wide shocks, such as recessions or crises arising from geopolitical tensions (war, tariffs, etc.). The supervisory work concentrated on the following areas:

- Improving credit management. We analyse whether banks are able to detect a deterioration in loan quality in a timely manner and build provisions to cover defaults. We also analyse credit concentration in vulnerable sectors, such as the automotive industry.
- Enhancing banks' operational resilience to ensure continuity in the event of major incidents, such as cyberattacks or technological outages. We reviewed their compliance with Europe's new Digital Operational Resilience Act (DORA).[5]

5 DORA is a European regulation that has been in force since January 2025. It obliges banks and other financial institutions to ensure they can continue operating, even when facing major technological disruptions, such as cyberattacks or IT system failures. To this end, they are required to maintain secure systems, emergency plans and oversight over third-party technology providers.

- Including geopolitical risk in governance. We began working on conducting a specific stress test in 2026.

Second priority: to remedy the identified shortcomings in climate-related risk management and banks' ability to effectively collect and aggregate risk data. While progress has been made, important challenges remain. We have worked with banks to develop and implement their transition plans,[6] which will come into force in 2026.

Third priority: to strengthen digitalisation strategies. The challenge is to improve competitiveness while managing the risks associated with new technologies.

As a result of the SREP, we issued 48 requirements and recommendations. In addition to capital requirements, key areas included governance, credit risk management and operational and business model risks.

In 2025 Banco de España staff participated in 17 on-site inspections at Spanish significant institutions (SIs) and six at other entities under the SSM. We also participated in 15 internal model investigations to calculate capital requirements, of which 13 were on Spanish SIs.

Finally, in 2025 the European Banking Authority conducted its biennial stress tests on European banks to assess their strength under adverse scenarios. A total of 64 groups took part, six of which were Spanish. The ECB conducted similar tests on another 45 institutions, including four Spanish banks.

Spanish banks showed considerable robustness and sufficient capital levels to withstand highly adverse scenarios, such as a sharp recession. The Banco de España is involved in the design and implementation of these tests.

2.2.2.2 Supervision of less significant institutions and the Official Credit Institute

In 2025 the supervision of less significant institutions (LSIs) focused on the key risks presented by their respective business models. A multi-year approach was introduced for the first time in the Supervisory Review and Evaluation Process.

The main risks examined were as follows:

- Credit risk, in the case of banks primarily operating in commercial banking (deposit-taking and lending to households and firms). In general, controlled credit growth was observed, with non-performing loans contained and sufficient coverage. There is room for improvement in risk control.

- Strategy sustainability and adaptability to changing economic conditions, in the case of banks with non-commercial business models (transactions with other financial

6 These plans set out the strategies that banks will adopt to move towards a more sustainable economy.

institutions, large firms or specialised markets). Overall, they demonstrated adequate resilience and profitability, although in some cases we requested plans to ensure recurring profit.

In 2025 we continued our supervisory actions aimed at enhancing governance, given its key role in banks' sustainability.

We also supervise climate risks and how they are integrated into banks' risk management frameworks. Compared with the joint cross-institutional analysis conducted at ten institutions in 2024, we observed progress, although further improvements are needed in areas such as customer onboarding and pricing.

In 2025 we also carried out two actions prompted by extraordinary events

- Monitoring of credit quality and the amount of official aid to banks potentially most affected by the consequences of the October 2024 flash floods.
- Impact analysis on the 28 April 2025 blackout and the measures taken to ensure secure public access to services in the event of unforeseen circumstances.

Under the 2025 inspection plan, we began 18 on-site inspections focusing on banks' credit risk, solvency and internal governance and control. Overall, the supervisory actions resulted in 89 letters sent to LSIs and the Official Credit Institute.

Lastly, we conducted stress tests to evaluate the resilience of a broad group of LSIs to economic and financial risks. The results were positive, even under the most adverse scenario, with solvency well above regulatory requirements.

2.2.2.3 Other areas of supervision

Beyond the framework of the Single Supervisory Mechanism, the Banco de España supervises non-credit institutions that provide financial services or perform functions related to the sector. These institutions remained subject to ongoing off-site supervision in 2025. We also initiated 14 inspections.

Among other functions, the Banco de España authorises bond issuance programmes that establish the characteristics of such issues. In 2025 we approved the renewal, extension or amendment of 27 programmes and initiated one on-site inspection.

FIND OUT MORE

about covered bond programmes on the Banco de España website.

2.2.3 Sanctioning activity

In the area of prudential supervision, in 2025 we imposed €6 million in penalties following six sanctioning proceedings: one concerning a bank's remuneration policies, one involving an appraisal company and four relating to payment institutions or their significant owners for unauthorised shareholding movements or insufficient own funds. Most of these proceedings also affected their administrators and management staff (Table 1.1).

Of the six proceedings resolved, three are final to all effects and purposes (representing a total penalty amount of €1,341,000).

We also processed four other proceedings that remained pending resolution at year-end: one concerning a bank's remuneration policy, another relating to 11 significant investors in a payment institution due to changes in its capital, one involving an appraisal company and the last concerning a payment institution for management shortcomings and issues relating to the suitability of a director. The bulk of the proceedings were likewise directed at administrators.

FIND OUT MORE

about the penalties imposed on the Banco de España website (published 15 days after the penalty becomes final through administrative proceedings).

Table 1.1
Banco de España sanctioning proceedings (2025)

	Prudential supervision
Proceedings resolved	6
Number of parties/entities subject to sanctioning proceedings	69
Penalties imposed (€m)	6

SOURCE: Banco de España.

2.3 Financial stability and macroprudential policy

FINANCIAL STABILITY AND MACROPRUDENTIAL POLICY	
What does this entail?	A stable financial system is able to absorb the impact of shocks without causing additional damage to the economy. For this reason, one of the Banco de España's responsibilities is to continuously analyse the risk factors and vulnerabilities relevant to the stability of the financial system and of the banking sector in particular.
What role does the Banco de España play?	We analyse macro-financial developments and banking sector resilience drawing on various information sources and indicators, an activity that complements the work carried out by the European Central Bank and other European Union bodies. Based on this analysis, we assess whether any measures are needed to mitigate and prevent risks and to strengthen the banking sector.
How does it benefit society?	Effective macroprudential policy helps minimise both the likelihood of significant harm to the economy and the severity of financial crises, which benefits savers, investors and, ultimately, the system as a whole.

The Banco de España is tasked with helping safeguard the stability of Spain's financial system against risks and vulnerabilities. To this end, we can apply various measures, known as "macroprudential tools", aimed at preventing and mitigating the possible effects should those risks materialise.

These tools include capital requirements (buffers) applicable to credit institutions, limits on the sectoral concentration of credit (which restrict how much risk they can assume in a specific sector) and limits and conditions on bank lending. Performing this function requires close coordination with other national authorities and European and international bodies and committees, which also perform tasks that are relevant from a financial stability standpoint.

In 2025 we carried out a major overhaul of the content and approach of our main publication in this area, the *Financial Stability Report*. We also assessed the Spanish banking system's capacity to withstand the possible materialisation of macroeconomic and financial risks.[7] The exercise conducted in 2025 showed that Spanish institutions maintain sufficient aggregate solvency to cope with the various adverse assumptions and scenarios considered.

In 2025 we adopted various macroprudential policy measures.

On 1 October we announced an increase in the countercyclical capital buffer (CCyB) from 0.5% to 1%. This buffer represents the level of capital that banks with operations in Spain are required to hold, based on the cyclical risks to our financial system as a whole.

7 For more information, see Box 3.2, "Forward-looking assessment of the Spanish banking system's resilience", in *Financial Stability Report. Autumn 2025.*

Executive Commission boardroom at the Banco de España's headquarters, where one of the institution's main decision-making bodies convene.

It serves to strengthen financial system resilience and curb any further build-up of these risks. This measure was adopted after verifying that cyclical systemic risks remained at an intermediate level in Spain in 2025. The CCyB acts as a complement to structural macroprudential buffers.

Furthermore, in 2025 we also approved two macroprudential measures for systemically important credit institutions. As in previous years, we designated one institution (Banco Santander) as a global systemically important institution,[8] which means that it must maintain a higher capital buffer to mitigate the effects it could have on the financial system should it experience difficulties. Specifically, we set an associated capital buffer requirement of 1% for 2027.

In parallel, we identified four institutions as other systemically important institutions[9] (i.e. at national level) and set their macroprudential capital buffers for 2026: Banco Santander (1.25%), Banco Bilbao Vizcaya Argentaria (0.75%), CaixaBank (0.5%) and Banco de Sabadell (0.25%). Although this list has remained the same in recent years, the applicable buffer requirements have changed.

8 Banco de España press release of 5 December 2025: "The Banco de España designates a Global Systemically Important Institution and sets its macroprudential capital buffer rate for 2027".

9 Banco de España press release of 30 July 2025: "The Banco de España updates the list of other systemically important institutions and sets their macroprudential capital buffer rates for 2026".

The Banco de España set capital buffers of between 0.25% and 1.25% for four systemically important institutions

When measuring each credit institution's systemic importance, we take into account various aspects on a predetermined date. These include the institution's size (total assets), its interconnectedness, the substitutability (or importance) of its activities, its complexity and its cross-jurisdictional activity. It is determined using a series of quantitative indicators that assigns a score to each institution, which is then used to draw up a list of institutions by their level of systemic importance.

Capital buffers strengthen these institutions' loss-absorbing capacity and mitigate the adverse effects that a possible weakening of their solvency could have on the financial system. They also seek to encourage prudent risk-taking and to offset the competitive advantage these institutions may have over smaller ones in the financing markets.

During 2025 we analysed whether macroprudential measures adopted in other European Union (EU) and European Economic Area (EEA) countries should be applied in Spain. This reciprocity seeks to ensure that all relevant financial intermediaries operating in an EU or EEA country that activates a macroprudential measure are subject to comparable requirements, irrespective of whether they fall under the jurisdiction of the activating authority or that of another European authority that receives the reciprocation request.

Given the significant international activity carried out by some large Spanish and other banks in the EU and the EEA, such measures need to be considered to ensure a balance of regulatory requirements across countries and an effective macroprudential policy at European level. Specifically, we assessed four requests for reciprocation of measures by Germany, Norway (two) and Sweden. After confirming the materiality of the exposures of one Spanish institution (Banco Santander), we decided to reciprocate a macroprudential measure adopted by Norway.[10]

The Banco de España is also a member of the Spanish macroprudential authority **(AMCESFI)**,[11] together with other Spanish authorities: the Ministry of Economy, Trade and Business, the Directorate General of Insurance and Pension Funds (which reports to the Ministry) and the National Securities Market Commission. This collegiate body is tasked with regularly analysing risk factors for the Spanish financial system and coordinating macroprudential policies.

It also highlighted the existence of various channels through which the chronic physical risks identified for Spain (such as desertification) would have an adverse long-term impact on our

10 Banco de España press release of 8 May 2025: "The Banco de España resolves to reciprocate a macroprudential measure in Norway".

11 See AMCESFI's upcoming *Annual Report* for more information on its activities over the year.

economy owing to the reduction in bank loans granted to non-financial corporations in more arid areas.

In turn, the AMCESFI report also included a study of the environmental degradation of the Mar Menor (Murcia), providing further evidence of how the economic impact of climate change can remain unrealised until the damage becomes apparent and significant deterioration materialises, such as a reduction in property values in the surrounding areas

Overall, the report reinforces the conclusions of the first report (published in 2023), that the economic cost of failing to act on climate change is unacceptable and calls for prompt action and the roll-out of orderly decarbonisation policies.

The Banco de España also participates in the European Central Bank's Financial Stability Committee, as part of the Eurosystem's activity, which deals with matters related to the implementation of macroprudential measures. **At EU level, we are a member of the European Systemic Risk Board (ESRB).** The ESRB is entrusted with the macroprudential oversight of the EU financial system and the prevention and mitigation of systemic risk, as well as with promoting the coordination of macroprudential measures among EU Member States.

Last year we continued to pursue an active research agenda on various theoretical and empirical issues related to financial stability and banking macroprudential policy. The work

The Banco de España contributed to preparing AMCESFI's second biennial report on climate risks, which underlines the need to take prompt action and press forward with policies to ensure an orderly decarbonisation.

Figure 1.2
Main Banco de España publications on financial stability (a)

SOURCE: Banco de España.

a From left to right: *Financial Stability Report* (half-yearly), *Financial Stability Review* (half-yearly), a Working Paper (series) and an Occasional Paper (series), from the Banco de España.

carried out in this area by the Bank's economists was disseminated through various publications (Figure 1.2), such as the Banco de España's *Financial Stability Review* and its Working Paper and Occasional Paper series, as well as through leading international academic journals.

At the Banco de España, we are striving to develop an analytical framework to guide any future introduction of macroprudential measures based on borrower characteristics (known as borrower-based measures), aimed at limiting banks' riskiest lending. Another priority line of work, managed in collaboration with the other Spanish supervisory authorities, is developing stress test methodologies to analyse the robustness of the financial system as a whole under adverse macro-financial scenarios.

FIND OUT MORE

about this area of activity on the Banco de España's website.

2.4 Preventive resolution

PREVENTIVE RESOLUTION	
What does this entail?	It entails advance planning so that, if a credit institution is failing or likely to fail, it can be restructured in an orderly manner without recourse to public support, in a process known as "resolution".
What role does the Banco de España play?	The Banco de España draws up resolution plans, identifies critical functions, sets the minimum own funds and eligible liabilities that banks must have and removes impediments to their resolvability.
How does it benefit society?	It prevents contagion and maintains confidence in the banking sector, it protects taxpayers because costs are borne by shareholders and creditors and it ensures the continuity of essential services, with payments and deposits continuing to function normally.

In 2025, the Banco de España drew up resolution plans for 35 Spanish credit institutions and four foreign groups with subsidiaries in Spain. We carried this out in collaboration with the Single Resolution Board (SRB), the central bank resolution authority within the European banking union, and with other resolution authorities in the banking union.

In 2025, we also reviewed the recovery plans of 19 institutions and helped define prevention criteria and strategies to strengthen resolution regulations. In this area, we conducted a simulation exercise to assess cooperation between authorities in a hypothetical resolution of a fictitious institution, and we participated in another resolution dry run together with the SRB, the FROB (Spanish executive resolution authority), the ECB and the European Commission, among other activities.

In addition, we notified 19 credit institutions of the update to the minimum requirement for own funds and eligible liabilities (MREL) and continuously monitored the MREL applicable to all Spanish institutions. MREL acts as a financial buffer that banks must maintain to absorb losses in times of stress and support the recapitalisation of the institution, so that shareholders and unsecured creditors bear the losses. We also coordinated regulatory development and policy design related to bank resolution at the Financial Stability Board, the European Banking Authority and the SRB.

A number of key priorities lie ahead in 2026. First, we will press forward with implementing the Crisis Management and Deposit Insurance (CMDI) package, which updates the framework for bank crisis management and deposit protection. Second, simplification initiatives will be pursued with a view to improving efficiency and streamlining processes in the area of bank resolution. Lastly, we will continue to help advance SRM: Vision 2028, the SRB's strategic review aimed primarily at strengthening operational capacity in the area of resolution within the banking union.

3 We work to ensure security in payments

PROMOTING THE SMOOTH OPERATION OF PAYMENT SYSTEMS	
What does this entail?	From card and mobile payments to transfers and direct debits, today we use all kinds of payment methods without realising it. Payment systems are essential for the economy to function, and the Banco de España oversees their infrastructures.
What role does the Banco de España play?	We facilitate efficient and secure domestic and international payments and collections for firms and the general public. We also work to develop new services, such as the digital euro project.
How does it benefit society?	It contributes to economic growth, price stability and the proper implementation of monetary policy, it strengthens confidence in the euro and it advances the integration of the Single Market.

3.1 Payments

3.1.1 Payment systems and infrastructures

People use payment systems every day without realising it: when they pay by card or mobile phone, make a transfer or set up a direct debit. Financial institutions also conduct money and securities market operations, such as buying and selling shares or government debt, on their own behalf or on behalf of their customers. All these operations are settled through systems that move money between financial institutions and through securities infrastructures that record transfers of financial assets. These systems are essential for the economy to function properly.

There are many payment systems in Europe, some of which are operated by private entities and others by central banks. Most wholesale payments are processed through TARGET Services, for which the Banco de España, along with the central banks of France, Germany and Italy, acts as a service provider for the Eurosystem.

In 2025, the Bank worked on the Eurosystem Collateral Management System, the platform used by the Eurosystem to centrally manage collateral, such as bonds and other assets.

More information can be found in Section 1.2.2, “Collateral framework”.

At the Banco de España, we participate in European projects aimed at enhancing the integration and efficiency of payment systems, adapting to new needs and harnessing what technologies such as blockchain have to offer.

In addition to maintaining and improving the payment and market infrastructures in which it participates, in 2026 the Banco de España will work to adapt them through solutions based on new technologies, such as distributed ledger technology.

> At the Banco de España, we aim to adapt to new needs and harness what technologies such as blockchain have to offer

The digital euro, cash in electronic form

More than five years ago, the Eurosystem began considering the need to adapt the role of cash to the needs of an increasingly digitalised society. Its analysis highlighted the proliferation of spaces (such as e-commerce) where physical cash could not be used, as well as a high dependence on non-European firms that provide payment solutions widely used by the public (for example, credit and debit cards).

As a result, it was decided to work on a digital version of physical euro cash. Private entities will be responsible for distributing it and for ensuring that it is free of charge for the public and has a low cost for merchants.

The Banco de España is actively collaborating on the digital euro project, which would be the digital form of our currency issued by central banks. The digital euro would complement physical cash with a view to:

- Ensuring that the public has access to central bank money in an increasingly digital economy. This would enable them to continue using a public and simple means of payment free of charge, independent of any private sector payment solutions.
- Maintaining the current balance between public money and private money (that created by private banks when granting loans and credit). The coexistence of the two forms of money is essential to ensure confidence and the smooth functioning of the system, since it allows users to choose how they pay.
- Deepening European integration. The digital euro would be a universally accepted means of payment throughout the euro area, like cash is.
- Strengthening our full independence, by ensuring that we can pay when and how we need to without worrying about any potential restrictions imposed from outside the European Union.

After the preparation phase concluded, the project entered a new phase on 30 October 2025. Significant progress has been made since 2023: a scheme rulebook, providing rules and standards for digital euro distributors, has been developed; the digital euro itself has been designed, taking potential users into account; and a study has been carried out on how it will meet market demands and foster innovation.

The technical platform has several elements, to be developed by external companies and Eurosystem central banks. The providers have already been selected.

Meanwhile, the Banco de España has collaborated with the central banks of Austria, France, Germany, Italy and Lithuania to provide technological services. In July 2025, the Governing Council of the European Central Bank entrusted this group to develop and potentially operate the related platform components. A pilot is scheduled for 2027 with the aim of validating the digital euro's functionalities and operational processes in a controlled environment.

FIND OUT MORE

about the digital euro on the Banco de España blog.

3.1.2 Oversight and supervision of market infrastructures

The Banco de España's oversight and supervision function seeks to ensure that financial market infrastructures, in particular payment systems, function properly, are efficient and manage their risks appropriately. The aim is to ensure that firms, the public and financial institutions can make domestic and international payments and collections safely and efficiently. This includes both wholesale transactions (which are mainly between banks) and retail transactions (for example, our daily purchases or those made by non-financial corporations).

These payment systems include the STMP (which ensures that money is transferred correctly for the bulk of card transactions in Spain), the SNCE (the national electronic clearing system that processes credit transfers, direct debits and cheques) and payment arrangements such as Bizum, to name just a few. The Banco de España is responsible for their oversight, based on their importance and applying the proportionality principle.

In 2025 we assessed payment systems' role in the European financial system and examined what impact the blackout of 28 April had on them. We also analysed proposals for any significant changes to the system and carried out assessments to check whether the infrastructures met the Eurosystem's efficiency and safety standards. We also assessed payment systems before launch, such as the new FXS payment system which started operating in July 2025 and executes foreign exchange transactions (buying and selling foreign currencies).

> As part of our oversight activity, in 2025 we analysed the impact of the 28 April blackout on payment systems

Oversight includes cyber resilience, i.e. the capacity to protect data and electronic systems from cyber attacks, a priority given the increasing number and sophistication of cyber threats. Consequently, the Bank has carried out regular assessments to check the cyber resilience of infrastructure and conducted surveys to measure their maturity level.

The Bank also took part in the cooperative oversight of platforms whose functioning is crucial for settling transactions in securities markets (government debt, shares, etc.), and we supervised Sociedad Española de Sistemas de Pago, SA (Iberpay), which is responsible for managing retail banking transactions. The oversight and supervision actions are explained each year in the *Supervision Report.*

In 2026 we will work on implementing "Pontes" and developing "Appia". These two Eurosystem projects seek to enable the settlement of transactions conducted on distributed ledger technology (DLT) platforms in central bank money, that is, in the accounts that financial institutions hold at the central bank. DLT platforms are shared across multiple computers, ensuring that all participants have access to the same information.

Pontes is a short-term solution that links DLT platforms with TARGET Services, the Eurosystem's payment services. For its part, Appia is a medium-term project focused on building a future innovative and integrated ecosystem in Europe that also facilitates safe and efficient operations at the global level.

3.2 Cash

ISSUING BANKNOTES AND PUTTING COINS INTO CIRCULATION	
What does this entail?	We are responsible for issuing euro banknotes and putting euro coins into circulation on behalf of the Spanish state.
What role does the Banco de España play?	We estimate how many banknotes and coins will be needed in the future; we oversee their production; we safeguard and distribute cash; we check the authenticity and quality of cash; and we destroy banknotes that are unfit for circulation.
How does it benefit society?	Cash has two main functions: as a means of payment and as a store of value. It is available to everyone, is essential for the social inclusion of vulnerable people and allows payments to be made without relying on third parties

3.2.1 Banknote and coin management

The Banco de España, the European Central Bank (ECB) and the other national central banks are responsible for issuing euro banknotes. The Banco de España also puts euro coins into circulation on behalf of the Spanish state. Our main task is ensuring that there is enough cash and that banknotes and coins are of good quality and genuine. This prevents counterfeiting and maintains confidence in our currency.

In 2025, the Eurosystem commissioned the production of 3,421 million banknotes, of which 474 million were produced through IMBISA, the banknotes printing works in Spain.

The Banco de España delivered 2,453 million banknotes to banks during the year, with a total value of €77,804 million. These were distributed to the public and businesses through bank branches, ATMs and cash-in-transit companies. The most requested banknote denominations were €50 (46%) and €20 (30%).

In the wake of the blackout, in April 2025 we also carried out special monitoring of the cash distribution network to support the fastest possible return to normal and address the rise in ATM cash withdrawals that week, an increase that bears out the public's interest in cash and the autonomy it offers in such situations.

In 2025 we withdrew 2,778 million unfit banknotes from credit institutions, for a total value of €86,693 million, 2.31% fewer than in the previous year (Table 1.2).

In other words, we withdrew more banknotes than we put into circulation, resulting in a negative net balance of 325 million banknotes.

Table 1.2
Banknotes delivered and banknotes withdrawn from circulation by the Banco de España

	2020	2021	2022	2023	2024	2025
Banknotes delivered						
Million banknotes	2,760.40	2,570.63	2,584.38	2,521.27	2,489.41	2,452.91
€m	87,385.21	79,014.66	79,362.49	76,789.26	75,787.99	77,804.00
Banknotes withdrawn						
Million banknotes	2,602.51	2,636.64	2,865.97	2,900.65	2,871.42	2,777.61
€m	77,805.50	80,612.31	88,690.76	90,139.53	88,036.81	86,693.84

SOURCE: Banco de España.

In 2025 the Banco de España's branch offices processed 2,815.8 million banknotes, of which 82% met the quality criteria for recirculation, and the remainder were deemed unfit and sent for destruction. In addition, we carried out 588 inspections at authorised private facilities (bank branches and cash-in-transit companies) to confirm that the banknotes distributed to the public also meet the quality and authenticity criteria.

> In 2025 we carried out 588 inspections at bank branches and cash-in-transit companies to confirm that the banknotes distributed to the public meet the quality and authenticity criteria

Unlike banknotes, euro coins are issued by each of the euro area member countries, not by the ECB, which only approves each year the maximum volume of coins that each country may issue.

In Spain, coins are produced by the Spanish public printing works (FNMT-RCM). The Banco de España is responsible for putting coins into circulation and for withdrawing them on behalf of the Spanish state.

In 2025 we distributed 837.3 million coins, valued at €214.3 million. This was 15.2% more than in 2024. The €1 coin accounted for 12.7% of the total, while the lowest-value coins (1, 2 and 5 cents) were the most common, accounting for 59%.

In 2025 we withdrew 76.1 million coins (worth €62.36 million) from circulation because they were unfit, 41.8% fewer coins than in 2024. Most of those withdrawn were €1 and €2 (47% of the total), while the lowest-value coins (1, 2 and 5 cents) accounted for 22% (Table 1.3).

Table 1.3
Coins delivered and coins withdrawn from circulation by the Banco de España

	2020	2021	2022	2023	2024	2025
Coins delivered						
Million coins	658.78	510.59	844.93	765.40	726.70	837.30
€m	123.35	104.12	208.83	186.79	183.90	214.30
Coins withdrawn						
Million coins	43.40	102.49	51.37	83.80	130.80	76.10
€m	37.08	79.94	36.94	51.18	107.60	62.36

SOURCE: Banco de España.

Net issuance (coins distributed less coins withdrawn) was 761.11 million coins, equivalent to €151.9 million. This represents 27.7% more than in 2024.

In 2025 we carried out exhaustive monitoring to ensure the quality and authenticity of coins in circulation. As part of this work, we visited 19 coin processing centres across Spain and checked that their machinery was functioning properly. In total, 1,053 million coins were checked during the year.

Last year we also continued the highly complex task of analysing the banknotes and coins damaged in the 2024 flash floods. Despite their severe deterioration, we have verified more than €13.5 million, ensuring that their holders have been able to recover these funds.

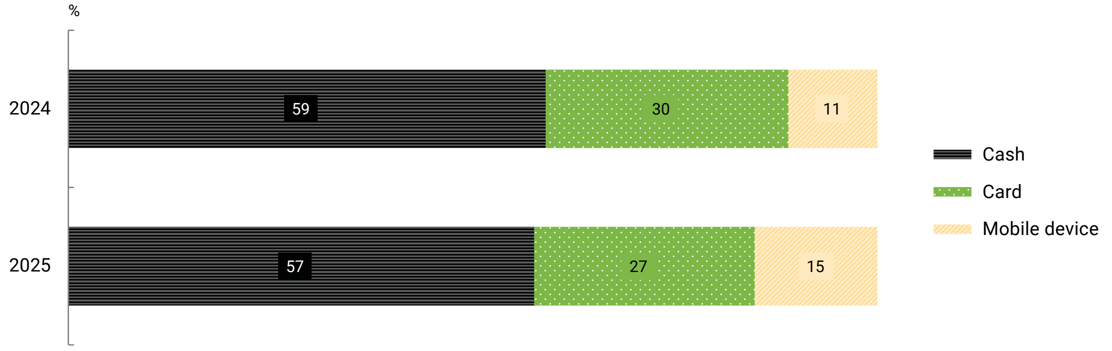
3.2.2 Cash and other means of payment

In 2025 we published the fourth edition of the *Study on cash use habits.* This report analyses how the Spanish public, small retailers, and restaurants and bars use the different means of payment, especially cash. It also includes information on topical issues, such as access to physical money in municipalities without a bank branch, new ways of withdrawing cash, alternative payment methods and the digital euro.

Although cash and cards remain the most common means of payment, their use declined slightly compared with 2024, losing ground to payments with mobile devices, as Chart 1.3 illustrates. It should be borne in mind that in this section the term “card” refers to the payment instrument in its physical format. Payments using mobile devices are considered a separate category, as they refer to the means or channel for initiating payment (mobile phone, smart watch, etc.), irrespective of whether the underlying instrument is a digitalised bank card.

The breakdown by socio-demographic characteristics provided in Table 1.4 shows that gender, age and educational attainment have a strong influence on payment habits.

Chart 1.3
Main means of payment at physical establishments



SOURCE: Company selected to conduct the study.
NOTE: The chart shows the main means of payment used by the public at physical establishments in 2024 and 2025. The three main means of payment are, in order of use, cash, cards and mobile devices. Cash and cards are trending slightly downwards, while mobile devices are on the rise.

Table 1.4
Main means of payment in physical establishments among the public

%

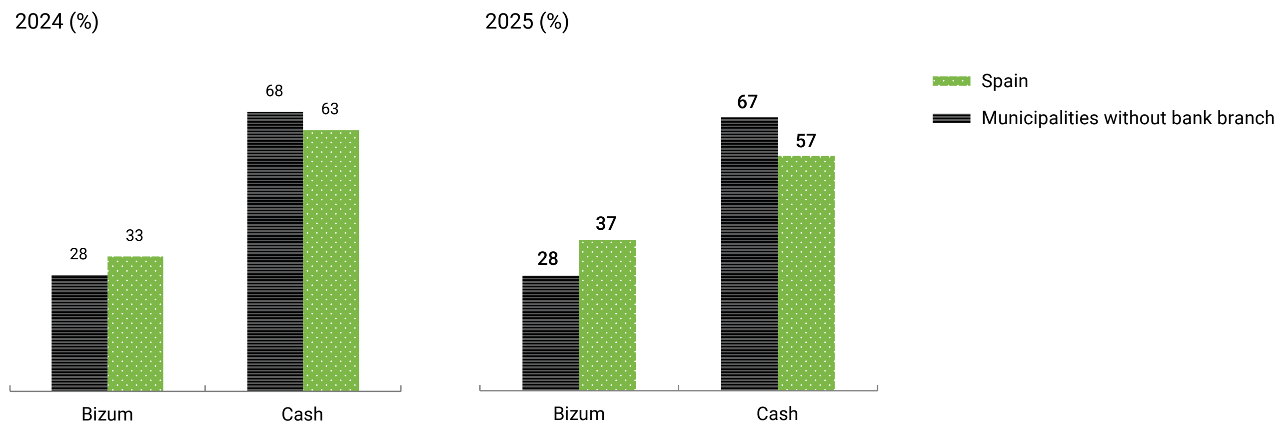
	Cash	Card	Mobile device
TOTAL	**57.40**	**27.30**	**15.30**
Men	60.90	24.40	14.70
Women	54.10	30.00	15.90
18-24 years	32.40	28.20	39.40
25-34 years	35.50	28.60	35.90
35-44 years	48.30	32.90	18.80
45-54 years	57.80	31.80	10.40
55-64 years	66.30	27.20	6.50
65 years or more	78.90	18.90	2.20
Primary/lower-secondary	77.40	16.70	5.90
Upper/post-secondary	53.40	29.80	16.80
University	39.70	36.40	23.90

SOURCE: Company selected to conduct the study.

Men use cash as their main means of payment more than women, who opt more for paying by card. By age group, the over-54s prefer cash, those aged 35-54 use cards more and younger people opt mainly for payments with mobile devices. Turning to educational attainment, people with a primary/lower-secondary education level use cash the most, cards are more common among those with an upper/post-secondary education and university studies, and mobile devices among those with a university education.

People use cash mainly out of habit or convenience or because it helps them control their spending. By contrast, cards and mobile devices are used mainly for their convenience and speed.

Chart 1.4
Frequently used options for P2P payments



SOURCE: Company selected to conduct the study.
NOTE: The chart shows that cash was still the most frequently used option for P2P payments in 2025, although its use fell slightly from 2024. Conversely, the use of Bizum has gained ground in municipalities without a bank branch.

Cash is the main method for person-to-person (P2P) payments in Spain, with 57% of the population using it, as Chart 1.4 shows.

As in previous editions of the study, no significant changes in cash use are expected in the short term. Among those who in 2025 used cash as much as or more than they did in 2024, 80% believe that they will continue using it to a similar extent in one year's time. This view varies by age group, with 19% of under-25s saying they expect to use cash less, compared with just 4% of over-64s.

Cash continues to be accepted in practically all small retailers, restaurants and bars. In 2025, cards were accepted in 94% of these establishments, and payments with mobile devices in 88%. In both cases, acceptance increased compared with 2024, by 2 percentage points for cards and 4 percentage points for mobile devices.

ATMs continued to be the main means of obtaining cash, used by almost 80% of the population, with most people walking to get it and taking less than 10 minutes. By contrast, there has been no increase in the awareness or use of alternative channels for obtaining cash, such as at establishments (cashback or cash-in-shop) and the Correos Cash service, and they continue to be little used.

As regards the digital euro, 24% of people said they were aware of it, compared with 25% in 2024. In terms of its use, 20% of the public would use it as an additional payment method, with younger people showing the greatest willingness to do so.

3.2.3 Combating banknote and coin counterfeiting

At the Banco de España we are responsible for protecting the euro against counterfeiting in Spain. Our main tasks in this area are detecting counterfeit euro banknotes and coins and collecting and analysing technical and statistical information on them. We also act as the National Analysis Centre for both banknotes and coins.

To this end, we work closely with the Banco de España Monetary Offences Investigation Brigade. This police unit, which is part of the institution itself, is responsible for investigating and prosecuting offences related to banknote and coin counterfeiting.

a) Banknote counterfeiting

In 2025 we detected somewhat over 63,000 counterfeit euro banknotes in circulation in Spain,[12] 15% fewer than in the previous year. The police intercepted just under another 102,000 counterfeit banknotes before they were used.[13]

> In 2025 we detected just over 60,000 counterfeit euro banknotes in circulation in Spain, 15% fewer than in 2024

Chart 1.5 shows the changes in the number of counterfeit banknotes withdrawn from circulation since 2020 and the breakdown of counterfeit banknotes by denomination in 2025. €50 banknotes were the most counterfeited, followed by €10 and €20 banknotes. These three denominations accounted for more than 90% of all counterfeit banknotes detected.

The likelihood of receiving a counterfeit banknote in Spain was very low, with just 18 counterfeit euro banknotes detected per million banknotes in circulation. Verifying a banknote is very simple using the “feel, look and tilt” method.

b) Coin counterfeiting

In 2025, just over 26,000 counterfeit coins were withdrawn from circulation in Spain,[14] 40% fewer than in 2024. The Coin National Analysis Centre detected an additional 12,000 counterfeit coins, seized by the police before they were used, thanks to two operations by the Banco de España Monetary Offences Investigation Brigade.

Chart 1.6 shows changes in counterfeit euro coins detected and withdrawn since 2020.

The €2 coin was the most counterfeited, accounting for 93.7% of those detected in Spain.

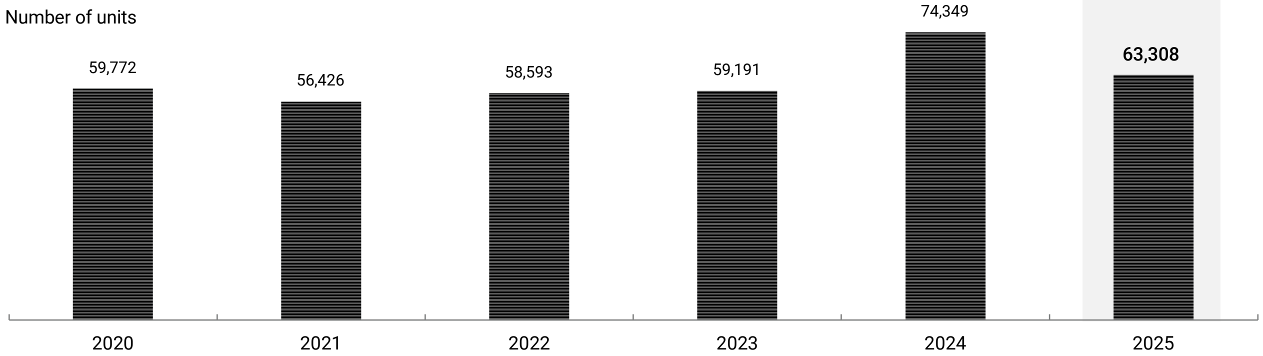
12 Provisional data extracted as at 29 January 2026. Later extraction dates may yield different results.

13 *Ibid.*

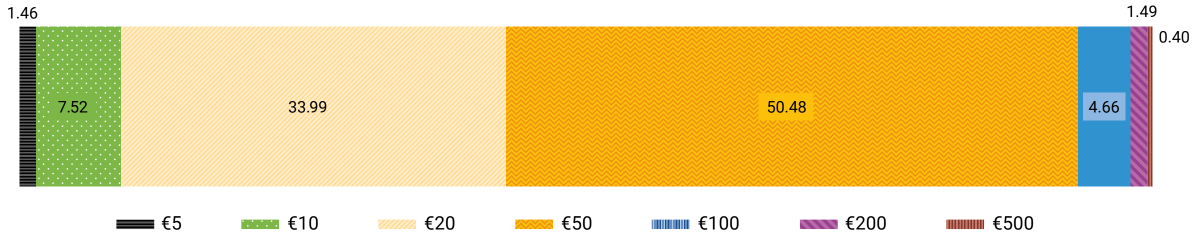
14 *Ibid.*

Chart 1.5
Counterfeit banknotes withdrawn from circulation in Spain and breakdown by denomination

Counterfeit banknotes withdrawn from circulation in Spain

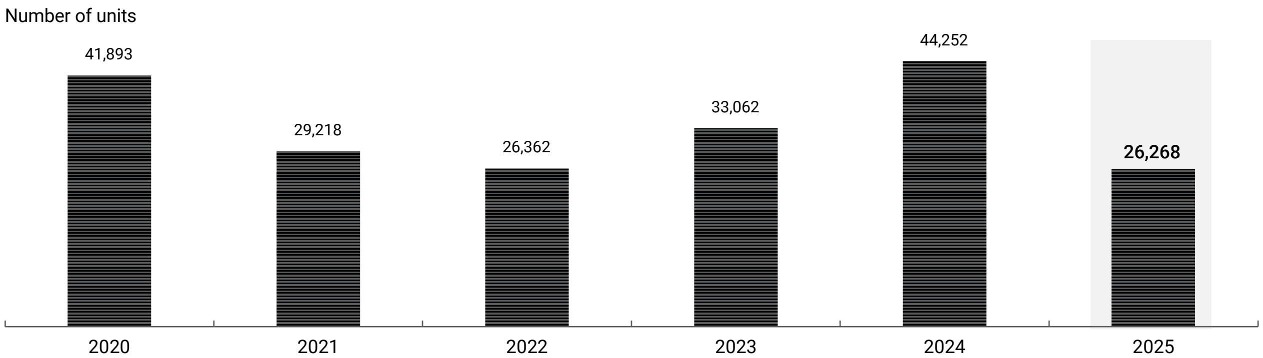


Breakdown by denomination of counterfeit banknotes withdrawn in 2025 (%)



SOURCE: Banco de España.
NOTE: 63,308 counterfeit banknotes were withdrawn from circulation in 2025.

Chart 1.6
Counterfeit coins withdrawn from circulation in Spain



SOURCE: Banco de España.
NOTE: 26,268 coins were withdrawn from circulation in 2025.

Nevertheless, the risk for the public was very low, as the likelihood of receiving a counterfeit is estimated at six per million genuine coins of the three highest denominations (€2, €1 and 50 cents) in circulation.

c) Professional training on banknotes and coins

To combat counterfeiting, the Banco de España promotes awareness of the characteristics and security features of euro banknotes and coins. In 2025 we provided training to almost 5,000 specialists in this area and gave online and in-person courses for cash handlers.

The Banco de España promotes awareness of the characteristics and security features of euro banknotes and coins through in-person and online training.

In 2026 we will press forward with transforming the cash management model, by redefining public-private collaboration in the custody, distribution and recirculation of cash, as well as the role of the cash distribution system, the network of centres where Banco de España banknotes are held, distributed and recirculated, and of sorting centres.

We will also promote greater efficiency at IMBISA, by consolidating the Reproduction Research Centre's activity and new cash-related operations. Lastly, we will undertake a technological upgrade to reduce manual processes and promote more integrated systems, completing the new cash data ecosystem.

FIND OUT MORE

about the courses on cash design and security features aimed at professional cash handlers and the general public in the training programme on the Banco de España's website.

4 We protect bank customers

RESOLUTION OF COMPLAINTS	
What does this entail?	The public has access to a free and efficient service for submitting complaints and enquiries to the Banco de España about legislation on financial services conduct, transparency and customer protection. This activity also provides relevant information for our supervisory work.
What role does the Banco de España play?	We analyse the details of the complaints and enquiries submitted by users of banking services and guide them on the legal channels for exercising their rights.
How does it benefit society?	By resolving complaints and enquiries, we defend bank customers' rights, ensure conduct and transparency rules are properly applied and promote good banking practices.

4.1 Resolution of bank customer complaints and enquiries

The number of complaints and enquiries submitted by bank customers to the Banco de España fell significantly in 2025. Based on provisional data at 31 December 2025, in 2025 we handled 31,629 complaints and 35,728 enquiries (by telephone and in writing), down by around 40% from the all-time high in 2024 (55,999 complaints and 54,529 enquiries). The 2025 figures represent a return to the usual levels of the last five years, with the decrease mainly due to the fall in complaints relating to mortgage arrangement fees.

To analyse the complaints received in 2025, we handled a total of 214,025 documents (140,403 incoming and 73,622 outgoing).

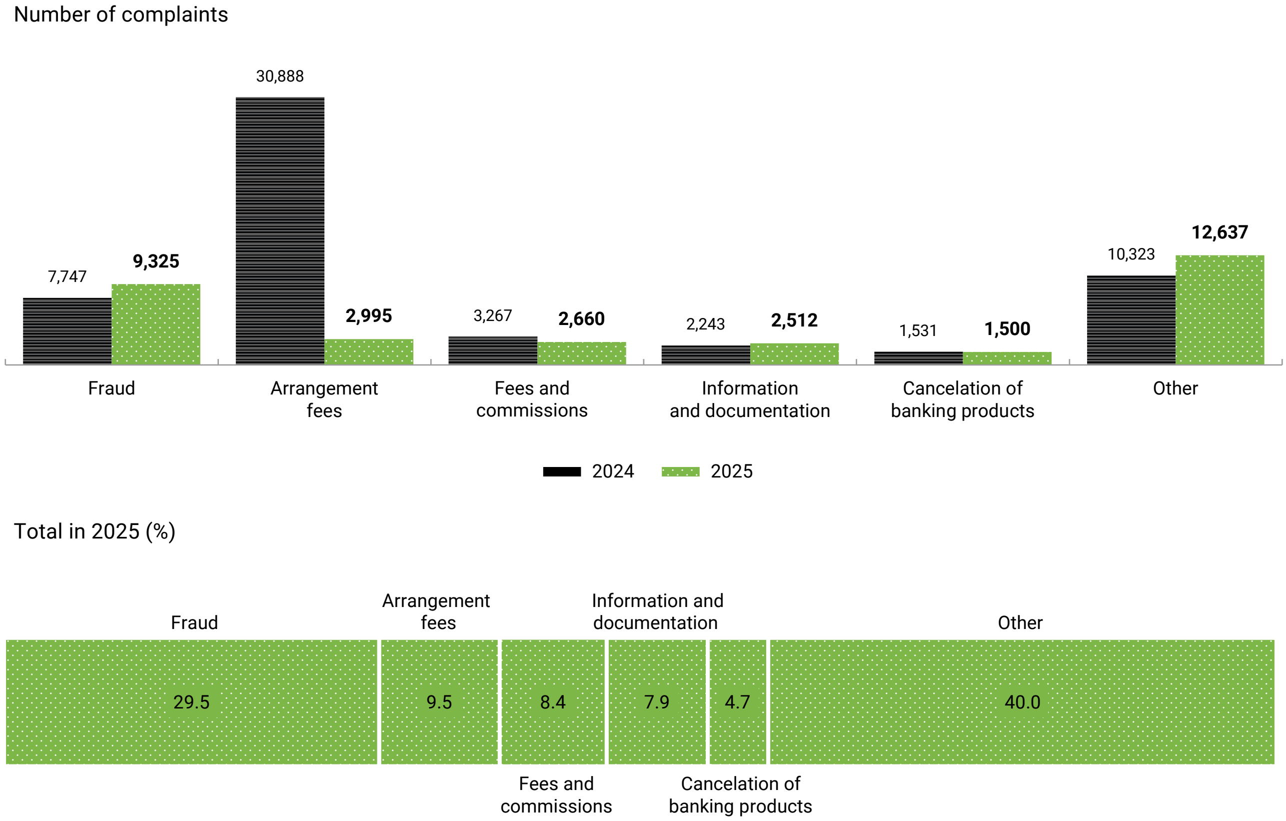
Complaints about fraud in payment transactions were the most common, accounting for one in three. Overall there were 9,000 cases, a figure similar to the average for the last three years. Meanwhile, complaints relating to mortgage loan arrangement fees accounted for 9.5% of the total. In third place were disputes over fees and commissions, followed by requests for information and documentation and by cancellations of banking products.

The bulk of the other complaints related to three types of product: cards, accounts (including transfers and direct debits) and mortgage loans (Chart 1.7).

As for enquiries, most members of the public prefer to make them by telephone, with telephone enquiries accounting for 89% of the total. In 2025 we received 31,803 calls to the numbers

Chart 1.7

Complaints in 2025, by type. Comparison with 2024 (provisional data at 31 December 2025)



SOURCE: Banco de España.
NOTE: The chart depicts the significant decrease in complaints about arrangement expenses in 2025 compared with 2024, in addition to the increase in those about fraud, information and documentation and other issues. In 2025 the most common complaints were about fraud and other issues.

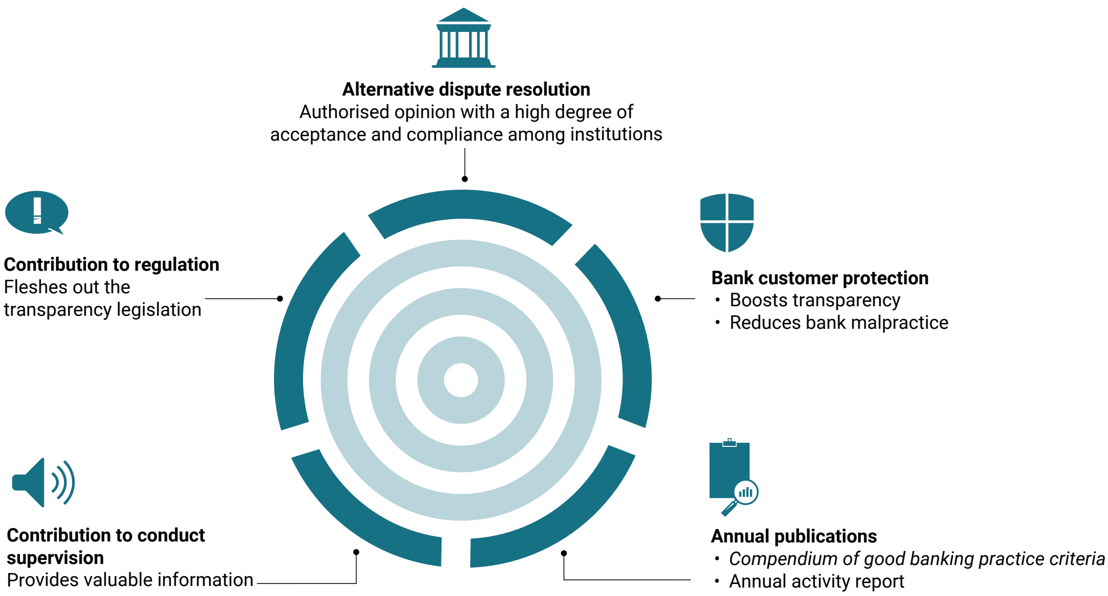
900 545 454 and 91 338 8830. The most frequent questions related to accounts, transfers and direct debits, to the procedure for submitting complaints and the status of proceedings, to mortgage loans, to the use of cash and to the Banco de España's own activity.

On 1 December 2024 we launched the telephone customer service quality survey, an important new feature intended to determine callers' level of satisfaction and identify possible improvements. From its launch until 31 December 2025, we collected 15,109 responses, representing 64% of calls answered. The results show an average satisfaction score of 4.67 out of 5. The highest-rated enquiries were those relating to inheritance matters, loans, credit and the use of cash. In addition, we made progress on creating an internal virtual assistant (chatbot) for faster and better-quality telephone service.

In keeping with its public service vocation, the complaints and enquiries area has maintained an ongoing commitment to disseminating its activity, by publishing and presenting the first update of the *Compendium of good banking practice criteria* (only available in Spanish) and the *Complaints Report 2024* (only available in Spanish), providing the public with a tool to use its data, taking part in training activities and speaking at conferences, among other actions.

Over the year we launched several initiatives to make our work with supervised entities more transparent. Notable among these is the organisation of a meeting with banks' customer service departments, which will be held annually from now on, and serves as a forum for dialogue in which experiences and good practices are shared.

Looking ahead to 2026, the complaints and enquiries areas will continue working to make the user experience increasingly positive. Plans are in place to update the electronic services website and incorporate AI tools to provide a faster, more efficient and higher-quality service. One of the main challenges is to ensure that the public fully understands the scope of the Banco de España's powers when analysing disputes. This will help reduce complaints that are inadmissible and will make the process simpler.



Lastly, to coincide with the publication of this report, the Banco de España is making an interactive tool available to the public on its website that will make it easier to analyse and view the data presented in this section.

4.2 Supervision of institutions' conduct

SUPERVISION OF INSTITUTIONS' CONDUCT	
What does this entail?	We check that the banks we supervise comply with the rules on conduct and customer protection and apply best practices when providing banking and payment services.
What role does the Banco de España play?	We detect early the practices or activities that might pose a risk to consumers; we examine these risks, their possible causes and their severity; we rectify misconduct; and we prevent banks from continuing to act in such a way by publishing supervisory guidelines and good banking practices and, where appropriate, imposing sanctions.
How does it benefit society?	Conduct supervision is essential to ensure that financial institutions treat their customers appropriately and transparently. By doing so we promote responsible banking that places customers' interests and needs first, and we strengthen confidence in the banking system, which is essential for economic stability and the smooth functioning of the financial sector.

In 2025 conduct supervision focused on gaining a better understanding of banks' internal procedures, following the recommendations of the previous year's independent evaluation, which stress the importance of regularly reviewing governance, in other words, the internal rules and practices governing each bank, and corporate culture, as they are key tools for reducing conduct risk.

FIND OUT MORE

about the independent evaluation of conduct supervision on the Banco de España's website.

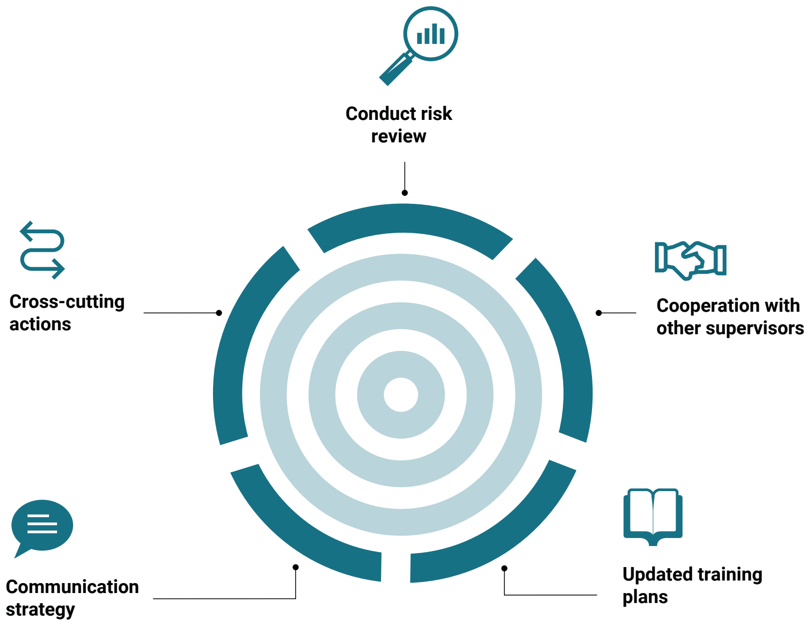
Sound governance is key to banks acting responsibly and transparently in their customer relationships. To prevent potential harm to financial consumers, it is essential that institutions consider customers' interests and needs in their business model, have committed decision-making bodies and have effective mechanisms for transmitting appropriate conduct standards throughout the organisation.

> When customers are at the heart of corporate culture, risks are reduced, transparency improves and confidence in the financial system is strengthened

We drew up our 2025 supervisory plan mainly on the basis of the conclusions drawn from the 2024 actions, which detected weaknesses and areas for improvement in various bank practices. In addition, following the recommendations of the independent evaluation of conduct supervision, which we set out in an action plan, we designed a new supervisory strategy that focuses on adopting a pre-emptive approach and increasing the dissemination of supervisory expectations and guidance to the sector.

In addition to banks' governance, we focused on the proper application of responsible lending policies, the management and prevention of payment fraud and the management of conduct risk in new distribution channels, including exclusively digital business models. Also noteworthy is the ongoing supervisory work in key areas for consumer protection, such as financial advertising and the functioning of customer service departments.

In 2026 conduct supervision faces several key challenges in implementing the new supervisory strategy. The first is to revamp what we understand by, and how we measure, conduct risk, incorporating indicators that make it possible to anticipate changes in the economic environment and sector trends in order to prevent practices that may affect financial consumers and mitigate potential harm to customers.



Another is expanding cross-cutting actions — those carried out simultaneously at several banks — in order to identify good practices and disseminate criteria that help raise the sector's standards of conduct. Gaining an in-depth understanding of the new business models driven by emerging technologies is also essential. This requires investment in ongoing and specialised training for supervisory staff.

Lastly, we will increase the impact of conduct supervision by improving how we communicate our decisions and are accountable to the public, and by strengthening cooperation with other supervisors to ensure an equivalent level of protection for all consumers.

4.3 Detection of unauthorised financial activities

DETECTION OF UNAUTHORISED FINANCIAL ACTIVITIES	
What does this entail?	We verify that only persons and companies authorised and entered in the Banco de España's registers perform certain financial activities and that only they use reserved business names such as "bank" or "payment institution".
What role does the Banco de España play?	We pursue unauthorised financial activity by taking actions against institutions or persons that may be operating without meeting certain requirements, and we launch campaigns to inform the public about the risks of dealing with unauthorised institutions.
How does it benefit society?	This function is essential to protect consumers and maintain confidence in the financial system, especially in a constantly evolving digital environment.

Under Spanish law only certain duly authorised institutions or persons may carry out certain financial activities, such as taking deposits, providing payment services or exchanging foreign currency. The same applies to the use of reserved business names such as "bank" or "payment institution". At the Banco de España we monitor compliance with these legal restrictions.

In 2025 we launched 54 actions against persons or institutions for which there were indications of reserved activities being carried out or reserved business names being used without authorisation. This figure is similar to that of the previous year and highlights the consolidation of the model for detecting unauthorised financial activity and the boost to the resources devoted to this task. Meanwhile, we concluded 52 actions, half of which had been launched in previous years.

In addition, as a signatory authority to the Action Plan against Financial Fraud, the Banco de España actively participated in its implementation and development and in strengthening coordination with the participating authorities and institutions. With the same aim of improving administrative coordination, we established channels of communication with the National Commission on Markets and Competition and other competent authorities in the digital sphere, and we promoted the signing of cooperation agreements with the National Police and the Civil Guard.

In the field of communications, we launched information campaigns on the Bank's website, on social media and on the Bank Customer Portal with the aim of informing the public and raising its awareness about unauthorised financial activity, its detection and the risks of dealing with unauthorised institutions.

The Banco de España promotes campaigns to inform and raise awareness about unauthorised financial activity, its detection and the risks of dealing with unauthorised institutions.

Looking ahead to 2026, we face two main challenges. The first is to adapt the detection of unauthorised financial activity to the new forms of operating through digital channels. The second is to continue strengthening cooperation with other national and international authorities, to ensure an effective response to unauthorised operators that, in many cases, operate in cross-border environments.

4.4 Sanctioning activity

In 2025 we imposed sanctions amounting to more than €43 million in the field of bank customer protection and the fight against unauthorised financial activity (Table 1.5).

We resolved two sanctioning proceedings in the field of bank customer protection for breaches relating to responsible lending principles and the bundled sale of insurance with mortgage loans.

Table 1.5
Banco de España sanctioning proceedings (2025)

	Bank customer protection
Proceedings resolved	7
Number of parties/entities subject to sanctioning proceedings	10
Penalties imposed (€m)	43.4

SOURCE: Banco de España.

We also turned the spotlight on unauthorised financial activity. In 2025 we resolved five proceedings for carrying out reserved activities without authorisation, using reserved business names and failing to cooperate with inspections. At year-end, three more proceedings in this area were still ongoing.

Of the seven proceedings resolved in 2025, two are final to all intents and purposes (representing a total penalty amount of €740,000).

FIND OUT MORE

on the sanctions imposed on the Banco de España website (published 15 days after the sanction becomes final in administrative proceedings).

5 We provide financial services to the public sector

THE ASSET MANAGEMENT AND PROVISION OF FINANCIAL SERVICES FUNCTION	
What does this entail?	At the Banco de España, we manage reserves and accounts for third parties, such as the European Central Bank, the Treasury and regional, local and provincial governments, as well as provide them with treasury services. We also manage our own portfolios.
What role does the Banco de España play?	In portfolio management, we ensure risk is controlled and are firmly committed to sustainability. In treasury services, we process payments and collections and carry out other transactions on the accounts we are responsible for. As financial agent for government debt, at the Banco de España we organise and conduct Treasury bill and medium and long-term bond auctions, pay interest and enable residents in Spain to open securities accounts to register their Treasury debt.
How does it benefit society?	We provide financial stability, reinforcing the Banco de España's credibility and independence as a central bank, and we contribute to responsible and sustainable policies. We ensure that government debt is issued transparently, securely and efficiently. This boosts investor confidence and helps fund essential public services and social well-being.

In 2025 at the Banco de España we managed our own portfolios while maintaining currency diversification and ensuring the security and liquidity of investments. Own portfolios consist of gold and financial assets denominated in euro and convertible foreign currencies, mainly fixed-income securities (debt, bonds, etc.) issued by sovereign governments, supranational organisations and other issuers with high credit ratings.

Since 2019 our investments have been informed by the principle of sustainability and responsibility. We have therefore continued to expand our green bond portfolio and increased the share it accounts for through direct investments. In addition, we continued with the US dollar fixed-income securities lending programme, launched in 2020, which aims to improve the return on the US dollar-denominated own portfolio.

We also manage assets for third parties, such as the share of the European Central Bank's foreign reserves assigned to us, the portfolios of the Social Security Reserve Fund and the Deposit Guarantee Scheme, among others, and the euro-denominated reserves of international organisations, central banks and authorities of non-euro area countries. This contributes to financial stability and strengthens the role of the euro as an international and reserve currency.

The law also authorises the Banco de España to act as treasurer and financial agent in the management of government debt for the State and the regional governments that request it. This means that we process payments and collections, facilitate debt issuance and redemption and carry out other banking transactions, both nationally and internationally. In this regard, we cannot grant direct financing to governments or public sector entities, so we do not allow negative balances on their accounts or grant them credit.

The main user of these services is the Treasury, which includes the central government, its autonomous agencies and other central government public sector entities. In addition, we manage accounts for regional governments, the Social Security General Treasury, constitutional bodies, state-owned enterprises and provincial and local governments, among others.

We currently handle more than 700 accounts and in 2025 alone we processed more than 45 million transactions, almost all transfers. We also carry out transactions to earn interest on the Treasury's temporary liquidity surpluses.

> We manage over 700 accounts for public authorities, bodies and entities, and in 2025 we processed 45 million transactions

We cooperate with the Spanish tax authorities in managing tax collection. First, we allow institutions with an account at the Banco de España to pay their taxes directly, so that the money reaches the Treasury. Second, we receive the money collected by other collaborating institutions and pay it into the Treasury according to the schedule set by the tax authorities.

As financial agent for government debt, one of our key tasks at the Banco de España is to organise and conduct Treasury bill and medium and long-term bond auctions. We collect purchase bids, ensure a level playing field and publish the results. We are also responsible for paying interest and repaying principal within the scheduled deadlines. In 2025 a total of 46 Treasury auctions were held (22 for medium and long-term bonds and 24 for bills).

The Banco de España's management and technical infrastructure ensure that government debt issuance is transparent, secure and efficient (Table 1.6). This enables the Treasury and other public issuers to obtain funds under the best conditions, which boosts the confidence of domestic and international investors. This also directly benefits the public, as it facilitates the financing of State policies in competitive conditions and ensures that savings are managed rigorously and transparently.

Furthermore, any person or company resident in Spain may, through the direct accounts service, open an account at the Banco de España to hold Treasury debt securities. At end-2025 there were over 150,000 operational direct accounts.

Unlike ordinary bank accounts, these only serve to record transactions with those securities – such as buying, reinvesting or transferring them – and to order transfers of interest or principal at maturity.

Table 1.6
Nominal amount and number of issues managed by the Banco de España

Nominal amount of issues

€bn

	2020	2021	2022	2023	2024	2025
Treasury bills and notes	94,589	95,037	90,210	87,686	92,455	105,296
Medium and long-term bonds	177,969	165,452	153,420	184,426	178,668	179,944

Number of issues

	2020	2021	2022	2023	2024	2025
Number of issues	204	211	173	187	202	203

SOURCE: Banco de España.

Whether transactions are carried out at the Banco de España or on the Treasury's website, in all cases the Banco de España manages the direct accounts. Thanks to these accounts, anyone can invest in Spanish government debt simply and securely, without intermediaries and safe in the knowledge that their securities are perfectly identified and separated from those of other investors.

With regard to direct accounts, in 2026 we will continue working to improve the processing of large volumes of transactions.

6 We interpret, produce and disseminate economic information

ECONOMIC ANALYSIS	
What does this entail?	Through analysis and research, we examine domestic and international economic developments, produce macroeconomic projections and carry out research work underpinning the analyses.
What role does the Banco de España play?	We act as an independent body that rigorously interprets information on the Spanish economy and its environment, paying particular attention to economic policies.
How does it benefit society?	Banco de España analysis helps the public to better understand economic developments; by doing so, we help households and firms anticipate changes and better plan their decisions in a complex economic environment.

6.1 Economic analysis and research

Understanding the economy is not just a task for experts; it is key to the general public's day-to-day life. For example, households' and firms' consumption or investment decisions depend on an economic environment that is constantly changing. Banco de España analysis and research are essential because they interpret economic developments rigorously and, by anticipating trends, help households, firms and general government make informed decisions. This work contributes to a better prepared society, capable of addressing challenges and seizing opportunities in an increasingly complex world.

In 2025 the Banco de España's economic analysis and research were structured around the following five broad topics:[15]

- **Central bank policies and their interactions.**

  Section 1 of this chapter has already addressed central bank policies and their interactions.

- **Key long-term trends of the Spanish economy.**

  In 2025 our analysis had various focuses. Specifically, in the area of productivity and innovation we developed a new methodology for measuring productivity. In addition,

15 The analysis priorities were updated for 2025-30. The new planks are as follows: pillars of central banking, challenges facing the Spanish economy, European resilience in a changing world and global trends.

we analysed recent investment in research and development and patenting. Lastly, we assessed the relative improvement in the skills of the adult population.

Turning to the labour market, we analysed how the increase in permanent contracts affects spending and labour turnover, as well as the reasons for the rise in temporary sick leave and its economic impact internationally.

In relation to the housing market, we quantified the shortfall in new housing and the pressure on prices. And, with regard to the demographic and migration challenge, we examined how immigrants have contributed to the most recent growth and the push and pull factors behind migration to Spain.

Lastly, in relation to public finances and fiscal sustainability, we analysed government receipts and expenditure following the pandemic and the need for rigorous budgetary planning.

- **Risks and opportunities arising from the international environment.**

A highlight in this area was the creation of the Global Trends and Institutions Analysis Office. Its objective is to analyse the major drivers of long-term change shaping the economic environment, such as developments in economic and social institutions, the energy transition, digital transformation and demographic dynamics.

In this context, we developed new tools for monitoring economic uncertainty and geopolitical risk, while also producing monthly indicators of political polarisation and legislative gridlock for the major euro area economies.

We also quantified the effect of the tariffs imposed by the US Administration on activity and inflation in the major world economies; continued analysing the reorganisation of global trade and investment models, focusing on future challenges for the euro area and Spain; and examined how economic developments in China affect the global economy.

> We quantified the effect of the tariffs imposed by the US Administration on activity and inflation in the major world economies

Turning to Latin America, we developed new tools for assessing its financial conditions and analysed its macro-financial vulnerabilities. We also assessed the implications of the recent trade agreement between the European Union and Mercosur for the two regions' economies.

Regarding the green and energy transition, we launched new tools to improve understanding of global energy commodity markets; investigated the consequences in different countries

The Banco de España assessed the impact of the tariffs imposed by the US Administration on economic activity and inflation in the major world economies.

of green policies, such as the cost of CO_2 emissions for firms, inflation fluctuations and the promotion of investment in renewable energy; and assessed how climate change-related natural disasters affect economic activity.

- **Aggregate consequences of diversity among individuals and firms.**

  For this analysis, our research is divided into two strands:

  In the area of households and individuals, we worked on producing a distribution of net wealth by household and analysed housing affordability and access to financial services. We also examined how wealth and human capital – that is, individuals' skills, knowledge, training, experience and wages – are passed down between generations according to educational attainment.

  In the business sector, we studied price-setting in response to inflation and automation, the effect of collective bargaining on wages and employment, and how firms reacted to higher energy costs, the labour market reform and labour market tightness. In this context, we created a new methodology for calculating total factor productivity, adjusted for labour force composition and productive capital.

- **Challenges posed by new technologies.**

  Progress in research on the challenges posed by new technologies is integrated into the methodologies and aspects addressed in the work detailed above, especially those relating to productivity and innovation.

Research activities at the Banco de España

In 2025 we continued with our regular research activities, including seminars (43 with external speakers and 29 with in-house researchers) and conferences (12 organised by the Bank). These conferences addressed topics such as artificial intelligence (AI) and its application in economic analysis, immigration and industrial policy, among others. The participation of Banco de España researchers in Eurosystem research initiatives and networks and in other international initiatives is also noteworthy.

In Spain, we continued to collaborate with research institutions such as the Centre for Monetary and Financial Studies (CEMFI) and the Elcano Royal Institute. At the same time, we participated in joint analyses with the *Observatorio de Márgenes Empresariales* (Profit Margins Watchdog), the Business Competition Forum between the Banco de España and the National Commission on Markets and Competition, the LatAm Analysis Forum and Spain's National Productivity Council. Lastly, we maintained several active agreements with Spanish and foreign universities to promote priority research strands.

To tackle the challenges of 2026, set out in the analysis priorities 2025-30, different tools and methodological approaches will be developed; notable among them are the modelling and communication of economic uncertainty, the use of granular data (both administrative data and data from household and business surveys), the study of heterogeneity across all areas of analysis and technological advances in AI and data science.

6.2 Statistics and credit register

STATISTICS AND CREDIT REGISTER	
What does this entail?	We compile statistics to the highest quality standards and seek to promote data use, improve the information available to us and simplify it. The Central Credit Register (CCR) provides a complete and reliable picture of the level of debt of individuals and firms, and ensures data confidentiality and protection.
What role does the Banco de España play?	We collect the basic information provided mainly by financial institutions, and we use it to compile and disseminate our statistics, including to international institutions
How does it benefit society?	Reliable statistics are key to making informed decisions. They are also fundamental for defining monetary policy and understanding the risks assumed by financial institutions in order to assess their solvency.

In the current setting, the importance of data and statistics is growing. That is why we included in the Banco de España's Strategic Plan an initiative aimed at facilitating and promoting data use, availability and governance. We also seek to foster data sharing in a context where technological innovation enables the handling of micro data and their secure use with appropriate anonymisation and privacy standards.

As part of the "A connected bank" initiative of the Strategic Plan, we are working to make data and statistics easier for the public to consult and reuse.

Along these lines, in 2025 three international experts – David Craig (former CEO of Refinitiv), San Cannon (Cannon Analytics) and Roberto Rigobon (Massachusetts Institute of Technology, MIT) – conducted an independent evaluation of the Banco de España's data governance, management and use.

In 2025 we organised the Banco de España's statistical activity around three main pillars to provide higher-quality statistics that are more useful to society: broadening the statistical offering, improving access to data and strengthening transparency, and lightening the reporting burden.

- **Broadening the statistical offering.**

  In 2025 we began publishing high-value datasets to comply with a European Union directive requiring data with a strong socio-economic impact to be made available. In 2025 we also began disseminating financial soundness indicators, in accordance with International Monetary Fund standards.

In addition, we launched two new experimental statistics: the Observatory of the Non-Bank Fintech Industry in Spain, which makes it possible to monitor developments in this innovative sector, and the interactive Business Multilocalization Viewer (ViME, by its Spanish abbreviation) tool, created in collaboration with the National Statistics Institute (INE) to facilitate the regional analysis of how Spanish firms' activity is distributed.

> We launched the Observatory of the Non-Bank Fintech Industry in Spain and a tool to analyse business activity by region

We also began compiling the Distributional Wealth Accounts for Spain. Previously compiled by the ECB, these experimental statistics provide quarterly data on how household wealth is distributed, in line with the national accounts.

- **Improving access to data and strengthening transparency.**

We have made more micro datasets available in BELab, the Banco de España data laboratory, including individual balance sheets and interest rates of monetary financial institutions, as well as payment transactions (for more information, see the BELab announcements). In 2025 we also consolidated the collaborative ES_DataLab project, which allows data across several institutions to be matched and where BELab hosted most of the projects launched.

Good data access is an essential feature of statistical quality. In 2025 we launched a statistics web service (API) for downloading data and offered several statistical series search tools: one general search tool for all statistics published by the Banco de España and other thematic ones for external statistics, exchange rates, interest rates and historical statistics.

To make statistical information clearer, we are decluttering our statistical press releases and their interactive data visualisation by modernising their format.

At the Banco de España we have continued to actively raise the public's awareness of our statistical work. In 2025 we organised informative sessions for university students and lecturers and for secondary school economics teachers in Barcelona, Malaga, Valencia and Zaragoza. We also presented the findings of the Central Balance Sheet Data Office – the area of the Banco de España that compiles and analyses information on Spanish firms – in Seville and Zaragoza, doing so in both academic and professional settings (firms and professional associations, such as the Spanish General Council of Economists *(Consejo General de Economistas de España))*. We presented the research possibilities offered by BELab at universities in Barcelona and Bilbao.

To collect data, we signed agreements with the General Council of Notaries and with the payment service provider Bizum, and we renewed cooperation agreements with the INE and the State Secretariat for Trade. These initiatives form part of the Banco de España's *Analysis Priorities for 2025-30*, focused on strengthening the use of granular data (both administrative data and data from surveys of firms and households).

One of our key objectives is to adapt to the new international methodological standards published in 2025; new methodological manuals are now available to do so. At the Banco de España we have actively collaborated in international discussions on these standards. These developments and their implications were discussed in a dedicated post on the Banco de España Blog.

The main challenges for the Banco de España's statistical activity are far-reaching and will continue until the end of this decade. These notably include adaptation to the Eurosystem's Integrated Reporting Framework (IReF), which seeks to integrate some of the major statistical information blocks to lessen the reporting burden on financial institutions.

Under this new framework, data will be more granular (closer to transaction-level detail), which will allow for a faster response to new information needs, improve analytical capacity and entail profound changes in data collection, statistics compilation, quality control and data storage. More information can be found on the ECB's website.

- **Lightening the reporting burden.**

To make progress in reducing institutions' reporting burden and developing micro data, in 2025 we focused our efforts on reducing and simplifying the information requested from institutions. This reflects the idea that the Member States must also lay the platform for European regulatory simplification.

We made a major effort to halve the information we request from institutions. With the approval of Circular 1/2025 of 19 December 2025, we began a process to replace, from June 2026, the information contained in some supervisory financial reporting with the detailed information received through the CCR. The aim is to reduce the reporting burden on institutions.

The purpose of all these measures, which will be expanded with new initiatives in 2026, is to halve the supervisory financial reporting that the Banco de España requires from institutions. We are putting a lot into achieving this goal.

The CCR is, above all, a public service, managed by the Banco de España and in permanent contact with the public, which enables institutions to assess risk appropriately so that they can make more informed decisions.

In December 2025 the 426 reporting institutions filed information on more than 26.4 million natural and legal person borrowers with 64.5 million loans and other exposures. The total exposure declared in 2025 stood at €3.8 trillion.

The Central Credit Register collects data on loans and other credit risks and allows borrowers to access their credit report through the Banco de España's electronic services website or in person.

Exposure counterparties, in other words, individuals and legal entities with one or more risk-bearing transactions reported to the CCR, can access the data reported on them by institutions by requesting their credit report. This request can be made electronically, through the Banco de España's electronic services website, or in person at its branch offices. In 2025 credit reports requested by 1.5 million exposure counterparties were processed, compared with 954,000 the previous year.

Table 1.7 shows the data on credit reports provided to reporting institutions and to exposure counterparties over the last five years. The exercise of rights to rectification and erasure also increased significantly: in 2025, 42,444 claims were received, up almost 30% on the previous year.

Table 1.7
Credit reports provided to institutions and exposure counterparties

000s

	2021	2022	2023	2024	2025
Institutions	4,601	5,950	6,005	7,404	8,378
Exposure counterparties	600	605	698	954	1,449

SOURCE: Banco de España.