

Recent key developments in the area of Spanish financial regulation

Prepared by the Regulation and Research Department of the Spanish Confederation of Savings Banks (CECA)

Ministerial Order VAU/1022/2025 of 12 September 2025 creating the Housing Advisory Board and regulating its composition, powers and *modus operandi* (Official State Gazette: 19 September 2025)

This Ministerial Order derives from article 26 of Law 12/2023 (of 24 May 2023) on the right to housing, which stipulated the creation of this Board to ensure due participation by stake-holding social agents in the formulation and implementation of housing policy.

In brief, this Order implements the following features of the Board:

- Duties: (i) expert thinking and dialogue about the housing-related challenges facing society; (ii) provision of advice on state plans and programmes; (iii) simplification of housing regulations; (iv) generation of proposals for ensuring an adequate stock of housing (rental, ownership, other tenancy); (v) fostering of public-private partnership; (vi) generation of measures for tackling social, economic and environmental challenges; and (vii) provision of technical, legal and economic advice to ensure protection of the constitutional right to decent housing.
- Composition: the Board will be presided by the sitting Minister of Housing and Urban Agenda. Its membership will comprise: eight representatives from the third sector; one representative per union represented; two representatives from business organisations; two representatives from urban property own associations; one representative from the financial institutions' most representative associations; five representatives from housing sector professional organisations; and six professional experts in the fields

of housing, third-level education and research.

- *Modus operandi*: the Board must meet at least once every six months. It may set up committees or taskforces. It must draw up an annual activities report.

Bank of Spain Resolution of 29 September 2025 on publication of the resolution setting the countercyclical capital buffer percentage applicable to exposures located in Spain, which takes effect from the fourth quarter of 2025, applicable from 1 October 2026 (Official State Gazette: 1 October 2025)

The Resolution sets the countercyclical capital buffer (CCyB) taking effect from the fourth quarter of 2025 for exposures located in Spain at 1.0%, applicable from 1 October 2026.

Ministerial Order ECM/1155/2025 of 14 October 2025 regulating the loan of certain securities and financial instruments by collective investment undertakings (Official State Gazette: 17 October 2025)

This Order applies to collective investment undertakings (CIUs) of a financial nature, which may engage in the lending of securities so long as the purpose is to increase portfolio management efficiency without deviating from the investment objectives set down in their rules, deeds of incorporation or prospectuses and the risks implied by this activity are adequately addressed.

The following aspects stand out:

- The securities may be loaned to the following entities, so long as they are

domiciled in an OECD or EU Member State and are sufficiently solvent to honour their obligations: (i) financial institutions subject to supervision; (ii) central securities depositories; and (iii) central counterparties.

- The securities that may be loaned include shares, bonds, notes, other marketable securities and money market instruments. The lender must have full control over and unrestricted access to the securities loaned, which must be free of any lien or other encumbrance or any restriction on transfer. Securities returned to the CIUs at maturity must be likewise clear of any liens or encumbrances and must not be subject to any transfer obligations or other restrictions.
- The securities lending transactions may be legally structured in the manner deemed most advisable, including permission to avail of the standardised framework agreements widely used in national or international practice.
- The Order contemplates the possibility that the management company or the investment firm, as the case may be, hire specialist agents to carry out the activities related with securities lending.
- The transactions must be initially covered by a guarantee whose market value is higher than the market value of the security loaned, updated daily in line with market practices. The assets that may be put up as collateral may include cash, bank deposits that are immediately drawable or that mature within no more than 12 months, shares and units in CIUs which invest in money markets, etc. Any securities pledged as collateral must be clear of any lien or encumbrance.
- The Order introduces obligations for the management companies/investment firms. Those obligations include: (i) informing their investors clearly in the prospectus about their plans to engage in transactions of this nature; (ii) disclosing in their

prospectuses the policy around the direct and indirect operating costs and fees that may be deducted from the income obtained by the CIUs; (iii) providing additional information in their annual reports on the CIU; (iv) ensuring that the related risks are adequately covered by the risk management procedures; and (v) in relation to the guarantees, establishing rules to control their sufficiency, due diversification, measurement, reinvestment and liquidity.

- As for the depositories' obligations, the following stand out: (i) settling all delivery and receipt transactions associated with the securities loan during its term of effectiveness; (ii) holding the assets provided as collateral in custody; (iii) monitoring compliance with the requirements set down in the Order and overseeing the controls performed by the management company or investment firm with respect to the guarantees provided and return of the securities loaned; and (iv) having specific in-house rules related with the lending activities of CIUs, specifically referencing what constitutes a related party transaction.

Lastly, the new Order repeals a Ministry of Finance Order dated 31 July 1991 on the loan of securities by collective investment undertakings and the own funds, reporting and accounting regime of CIU management companies.