

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)

CNMV Circular 1/2025 amending Circulars 6/2008, 11/2008 and 4/2016 (Official State Gazette: 17 March 2025)

In broad terms, the following developments stand out:

1. Amendment of Circular 11/2008 (30 December 2008) on the accounting standards, annual accounts and confidential information statements of private equity firms:

- European Long-Term Investment Funds (ELTIF) are required to submit the public and confidential information statement templates to the CNMV to align their reporting requirements with those of the other entities falling under the scope of Law 22/2014.
- The monitoring report on qualifications attributable to scope limitations related with valuation included in private equity firms' audit reports must now be submitted via the electronic CIFRADO service in a bid to continue to digitalise the CMMV.
- The confidential statement templates have been modified to add more appropriate disclosures and align them with the most recent regulatory developments, particularly with respect to coefficients.

2. Amendment of Circular 4/2016 (29 June 2016) on the duties of the depositories of collective investment undertakings and entities under the scope of Law 22/2014: the depositories for the entities governed by Law 22/2014 must submit their annual reports on fulfilment of the oversight and supervision function via the CIFRADO service.

3. Amendment of Circular 6/2008 (26 November 2008) on determination of the net asset value and operating aspects of collective investment undertakings:

- Adaptation of the rules governing performance-based management fees for the requirements set down in article 5.3 of the UCITS Regulation, as most recently amended, in turn derived from the ESMA's Guidelines on performance fees in UCITS and certain types of AIFs.
- Update of the references to net asset value in relation to Law 35/2003.
- Elimination of the references to the liquidity coefficient for collective investment undertakings of a financial nature following the elimination of that coefficient via Royal Decree 1180/2023.

CNMV Circular 2/2025 amending Circulars 1/2021, 1/2010 and 5/2009 (Official State Gazette: 24 April 2025)

1. Amendment of CNMV Circular 1/2021 (25 March 2021) on the accounting standards, annual accounts and financial statements of investment service firms (ESIs for their acronym in Spanish) and their consolidated groups and the management companies of collective investment undertakings, including closed-end schemes:

- Expansion of its scope of application to include crypto asset service providers (CASP) and national financial advisory firms (EAFN for its acronym in Spanish), which now fall under the supervision of the CNMV.
- Permission for EAFNs that are legal persons to apply the General

Accounting Plan for Small and Medium-Sized Enterprises, as applies to financial advisory firms (EAFs for their acronym in Spanish).

- Inclusion of both legal person CASPs and EAFNs among the entities that are required to submit their annual accounts aligned with the Circular annexes via the electronic CIFRADO service.
- Introduction or modification of the frequency for submitting confidential statements and of the criteria for determining the specific confidential statement templates that have to be submitted by each kind of supervised entity.
- Elimination of certain confidential statements for ESIs and reduction of the frequency with which they have to be furnished.
- Inclusion of EAFNs that are legal persons within the scope of the internal audit report submission requirement.
- Inclusion of the new information regarding crypto asset service provision to be submitted by ESIs, along with the details regarding cash and customer collateral balances.
- Introduction of new confidential statements to obtain financial and solvency data regarding CASPs.
- Introduction of a new common confidential AML/CFT statement to be submitted by ESIs that are not financial advisory firms, by management companies and by CASPs.

Applicable from 30 September 2025.

2. Amendment of CNMV Circular 1/2010 (28 July 2010) on the confidential information to be submitted by investment service firms:

- Introduction of a confidential statement template so that CASPs reports the key aspects of their crypto asset service provision activity.
- Replacement of the report on activities carried out in the securities market for each of the first three quarters of each year with a single report related to the activity carried out during the first half of the year.

Applicable from 30 September 2025. The requirement to submit confidential statements in January/February 2026, as applicable.

3. Amendment of CNMV Circular 5/2009 (25 November 2009) regulating the Internal Auditor Report on Customer Asset Protection:

- Expansion of its scope of application to include electronic money institutions and CASPs and the requirement to draw up a Report on Customer Asset Protection at the request of the CNMV.
- Inclusion of crypto assets within the scope of the Circular.
- Update of several references to other pieces of legislation that had become outdated.

Applicable from 31 December 2025. The first Customer Asset Protection Report under the new format, related to 2025, must be submitted before 31 May 2026.

Royal Decree 214/2025 creating the carbon footprint, offset and capture project register and introducing requirements around carbon footprint calculation and greenhouse gas emissions abatement plans (Official State Gazette: 12 April 2025)

Firstly, Royal Decree 214/2025 implements final provision twelve of Law 7/2021 (20 May 2021), introducing the carbon footprint calculation and GHG emissions

abatement plan obligations for the companies obliged to disclose non-financial information under article 49.5 of the Code of Commerce and article 262.5 of the Corporate Enterprises Act. Specifically, it requires bound organisations to:

- Calculate their carbon footprints annually. Doing so using the emission factors referred to in this new Royal Decree.
- Formulate an emissions abatement plan containing at least a quantitative target for their reduction over a timeframe of at least five years, along with the measures for achieving it.
- Make the information about their carbon footprints and abatement plans available to the public free of charge and in an accessible manner via their websites. These organisations can meet their new disclosure requirements by including the legally required information in their sustainability reports.

These obligations will take effect according to the timeline set down in Law 11/2018, depending on the type of organisation.

Inscription in the carbon footprint, offset and capture project registry will be voluntary for these organisations and the Spanish Climate Change Office will set up a mechanism for facilitating inscription.

Secondly, Royal Decree 214/2025 amends certain aspects related with the above-mentioned registry, including: (i) additional term definitions; (ii) registrable parties; (iii) dissemination; (iv) coordination and oversight with the regional governments; and (v) registrable deeds.

The Royal Decree will take effect two months after its publication.

Royal Decree-law 4/2025 on urgent measures in response to the tariff threat and for reinvigorating trade (Official State Gazette: 9 April 2025)

This piece of legislation introduces a series of instruments designed to allow Spanish

companies adapt for the effects of the tariff policy recently announced by the Trump administration. It is part of the so-called Response and Trade Relaunch Plan designed by the Spanish government to mitigate the adverse effects of the trade shock.

On account of its impact on the financial institutions, it is worth highlighting the approval of a state-backed surety line to secure financing granted by the financial institutions to cover liquidity or investment needs derived from the import tariffs imposed by the U.S. The Ministry of Economy, Trade and Business will extend sureties for financing awarded by credit institutions, specialised lending institutions and the ICO with the aim of providing liquidity or financing business reconversion projects for companies that are significantly exposed to the U.S. market, directly or indirectly, using the thresholds defined by a Cabinet resolution. The sureties will have the following characteristics:

- The maximum size of the facility, in place until 30 June 2026, will be 5 billion euros (with scope for extension via a Cabinet resolution).
- The applicable terms and conditions and *eligibility requirements will be established via a Cabinet resolution.*
- These sureties will be governed by the recoveries and collections legal regime set down in Additional Provision Eight of Law 16/2022.

Other measures introduced relate to: (i) the possibility of using public debt to finance the credit to be endowed to the Ministry of Economy, Trade and Business for the purposes set down in Law 14/2013 (27 September 2023), in support of entrepreneurs and their international expansion; (ii) the maximum ceiling on the coverage by the state of the risks derived from the international expansion of the Spanish economy; (iii) elimination of “losses provoked by sundry natural developments” as a cause for dissolution; and (iv) the establishment for an extraordinary deadline for the authorisation of annual accounts.

This page was left blank intentionally.