

Royal Decree-law 3/2021, of 2 february: changes to the moratorium regulations on loan repayments

The Spanish Government has approved Royal Decree-law 3/2021, of 2 February, which includes certain changes to the moratorium regulations on loan repayments for vulnerable individuals, the self-employed, and tourism and transportation companies in order to mitigate the economic effects of COVID-19 (“RDL 3/2021”). RDL 3/2021 enters into effect on 4 February 2021.

In particular, RDL 3/2021 extends the term of the following moratoriums to 9 months (for completeness’ sake, we also include the previous terms of the relevant moratoriums). These include:

- Secured Loans (previous term: 3 months).
- Unsecured Loans (previous term 3 months).
- Loans associated with transportation activities (previous term: 6 months).

RDL 3/2021 also reduces the term of the moratorium for loans associated with tourism activities that used to have a term of 12 months and now can only last up to 9 months.

The main features of this moratorium are the following:

- The deadline for applying for deferrals has been extended to 30 March 2021.
- Applicants who have been granted previous deferrals may apply for a new one, up to a maximum aggregate term of nine months.
- A person or self-employed person is considered to be in a situation of vulnerability if the following conditions are all met: if he/she becomes unemployed or, being self-employed, has suffered a drop in revenue of at least 40%; if their total income does not exceed the limit of three times the IPREM in the month prior to the application for the moratorium, which is increased when there are circumstances, such as having children, that imply an increased vulnerability; if the mortgage loan payment plus basic expenses and supplies exceeds or equals 35% of the net income of their family unit; and if, as a consequence of the health emergency, the effort represented by the mortgage burden on the family income has been multiplied by at least 1.3.
- Companies in the tourism sector, such as hotels, tourist accommodation and travel agency premises will be able to apply for a moratorium on mortgage loans for properties used for the carrying out of their business.

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- In relation to the transportation sector, companies engaged in public goods transport and occasional passenger transport by bus will be able to defer payments of the principal of their loans, leasing or rental of vehicles.

Finally, according to RDL 3/2021, the relevant terms indicated above may be further extended by means of an order of the Economic Ministry if such extension is set forth in the relevant guidelines of the European Banking Authority.

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