





Procedure file

Basic information		
RSP - Resolutions on topical subjects	2015/2740(RSP)	Procedure completed
Resolution on mortgage legislation and risky financial instruments in Spain (based on petitions received)		
Subject		
2.50.02 Savings		
2.50.04 Banks and credit		
4.60.02 Consumer information, advertising, labelling		
4.60.06 Consumers' economic and legal interests		
Geographical area		
Spain		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Petitions	 WIKSTRÖM Cecilia	05/05/2015
European Commission	Commission DG	Commissioner	
	Financial Stability, Financial Services and Capital Markets Union	JOUROVÁ Věra	

Key events			
05/10/2015	Debate in Parliament		
08/10/2015	Results of vote in Parliament		
08/10/2015	Decision by Parliament	T8-0347/2015	Summary
08/10/2015	End of procedure in Parliament		

Technical information	
Procedure reference	2015/2740(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Debate or resolution on oral question/interpellation
Legal basis	Rules of Procedure EP 136-p5
Stage reached in procedure	Procedure completed
Committee dossier	PETI/8/03577

Documentation gateway				
Amendments tabled in committee		PE564.972	04/08/2015	EP
Oral question/interpellation by Parliament		B8-0755/2015	05/10/2015	EP
Motion for a resolution		B8-0987/2015	08/10/2015	EP

Text adopted by Parliament, single reading	T8-0347/2015	08/10/2015	EP	Summary
Commission response to text adopted in plenary	SP(2015)774	25/02/2016	EC	

Resolution on mortgage legislation and risky financial instruments in Spain (based on petitions received)

The European Parliament adopted by 383 votes to 266, with 16 abstentions a resolution tabled by the Committee on Petitions on mortgage legislation and risky financial instruments in Spain (based on petitions received).

It noted that numerous petitions received had brought to light thousands of tragic personal cases in which citizens experienced the partial or entire loss of their life savings. In Spain civil society organisations continued to protest against the hundreds of thousands of evictions, abusive terms in mortgage contracts and the lack of protection for borrowers. According to one of those organisations, the Platform of Mortgage Victims (Plataforma de Afectados por la Hipoteca PAH), there had been more than 397 954 evictions in Spain since 2008 and more than 100 000 households have lost their homes. Members further noted that a number of abusive clauses and practices in the Spanish mortgage sector had been identified by national and European courts, and should have been prevented by [Directives 93/13/EEC](#), [2004/39/EC](#) and [2005/29/EC](#) had those directives all been fully transposed and implemented in Spain.

Parliament made a series of recommendations regarding the proper implementation of EU legislation on mortgage legislation. Amongst other things, it called on the Commission to monitor the implementation in all Member States of the [Directive 2014/17/EC](#) on mortgage legislation and to share best practices that enhanced the protection of citizens in financial difficulty, stating that basic financial education should be considered as a complementary asset for avoiding the consequences of over-indebtedness.

It also called upon the Spanish Government to make use of the tools at its disposal in order to find a comprehensive solution for drastically reducing the intolerable numbers of evictions.

Noting that as a result of the Aziz ruling (Case C-415/11), the Spanish authorities adopted Law 1/2013 of 14 May 2013 on measures to reinforce the protection of mortgage debtors, debt restructuring and social rental, Members called on the Commission to monitor the implementation in all the Member States of the ruling in Case C-415 (Aziz) and of Directive 93/13/EEC on mortgage legislation, in order to guarantee full compliance by national authorities. It wanted financial entities across the Union to avoid resorting to the eviction of families living in their sole residence, and to engage instead in debt restructuring. Financial entities should also stop engaging in abusive behaviour towards clients in the field of mortgages, sophisticated financial products and credit cards, including the imposition of excessive interest rates and the arbitrary cancellation of service.

With regard to consumer awareness, Parliament called on the Commission to launch information campaigns on financial products and to enhance financial literacy through education, in order to ensure that European citizens were better informed about the risks involved when subscribing to financial products. The European Banking Authority (EBA) and the European Central Bank (ECB) were asked to establish a best practice campaign in order to encourage banks and their employees to provide clear, understandable and correct information, with Members stressing that traders and banks must not mislead consumers.

In addition, the Commission was asked to:

- evaluate the Spanish arbitration mechanism put in place for citizens who are victims of financial fraud;
- monitor the correct transposition and application of EU law by Spain in relation to financial instruments, including preferred shares;
- follow up on the complaints received and to carry out the necessary investigations;
- put forward a legislative proposal on family insolvency.