

ESM approves €5 billion early repayment from Spain

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Press releases

ESM

Luxembourg – The Board of Directors of the European Stability Mechanism (ESM) today approved a request by Spain to make two voluntary early repayments towards its ESM loan, totalling €5 billion.

It is the seventh time Spain will make an early repayment of its loan, which was used to recapitalise its banks in 2012 and 2013. Following the two repayments, Spain's outstanding debt to the ESM will stand at €26.7 billion.

“The strong series of early repayments by Spain underscores the country's success after its ESM programme. I welcome these repayments for two reasons: they enhance investor confidence in Spain, and increase the lending capacity of the ESM,” said Klaus Regling, Managing Director of the ESM.

As a result of the repayments, the ESM will reduce its funding needs for the year. The ESM will now raise €18 billion in 2018, rather than the €23 billion originally announced. The combined funding needs for ESM and EFSF will therefore stand at €46 billion for the year. A revised table with quarterly funding needs for ESM and EFSF follows. Numbers in brackets refer to previously announced volumes that have been lowered.

€ billion	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Total 2018
EFSF	14.5	5.0	4.5	4.0	28.0
ESM	1.0 (3.0)	3.5 (6.5)	8.0	5.5	18.0 (23.0)

Spain made the request for the repayment on 30 January 2018. One repayment will

be for €2 billion, and is planned for 23 February 2018. The size of the second repayment will be €3 billion, and is scheduled for May 2018.

Between December 2012 and February 2013, the ESM disbursed €41.3 billion to the Spanish government for the recapitalisation of the country's banking sector. Spain successfully exited the programme at the end of 2013. According to the agreed schedule, Spain's last repayment to the ESM is set for the end of 2027.

Click [here](#) for more information on the ESM programme for Spain.

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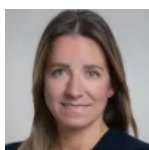


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