



COMISSÃO DO MERCADO
DE VALORES MOBILIÁRIOS

35TH ECBC PLENARY MEETING

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The opinions of this presentation reflect the views of the author.
They are not necessarily those of the Portuguese Securities Market Commission (CMVM).



The regulatory framework for covered bonds in Portugal has been shaped by the transposition of the Covered Bonds Directive. This framework consists of the following elements:

1. Legal Framework for Covered Bonds:

"Regime Jurídico das Obrigações Cobertas", established by Decree-Law No. 31/2022, enacted on May 6, 2022, transposing the Covered Bonds Directive and sets forth the rules for the issuance, management, and supervision of covered bonds in Portugal.

2. CMVM Regulation:

The regulation CMVM 2/2023 fulfills the requirements of the Legal Framework for Covered Bonds. This regulation primarily focuses on the authorization process and information obligations for covered bonds.

3. FAQ and understandings

CMVM also provides guidance on key interpretation issues related to covered bonds through a collection of frequently asked questions (FAQs) and interpretations ([CMVM](#)).

The supervisory authorities:

Portuguese Securities Market Commission

CMVM (*Comissão do Mercado de Valores Mobiliários*) is the regulatory authority responsible for overseeing the financial markets in Portugal, including covered bonds. CMVM has the following responsibilities:

- **Authorizing covered bond programmes**
- **Ongoing supervision of the covered bond programmes**
- **Approval of the prospectuses.**

Bank of Portugal

The Bank of Portugal is responsible for supervision of the banking system and is the national resolution authority. It also plays a role in the covered bond market by issuing an opinion for each covered bond program that is subject to authorization by the CMVM.

1. Simplified Conversion:

The Portuguese regime facilitated the conversion of both mortgage bonds and public sector bonds into covered bonds. This conversion process required the authorization of the CMVM.

2. Report Duties:

- Most of the reporting duties for covered bonds are fulfilled through the disclosure of the investor report.
- This report provides key information to the CMVM.
- In addition, only 2 reporting duties to the CMVM, providing semi-annual report outlining the program's composition, including details of the global guarantee and liquidity situation.

This streamlined approach significantly reduced the reporting burden on covered bond issuers.

3. Issue of covered bonds with extendable maturity structures

The maturity of the covered bond can only be extended based on the following:

- a) Revocation of the authorization of the issuing credit institution; or
- b) A foreseeable or actual failure to pay the principal or interest, which cannot be remedied within a period laid down in the conditions of the issue or programme, not exceeding 10 working days.

PORTUGUESE COVERED BOND PROGRAMMES

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€9,000,000,000 Covered Bonds Programme - Aaa/AA (Moody's/DBRS)

8 Covered Bonds, 7,250M€ - RMBS, Soft Bullet

€2,000,000,000 Public Sector Covered Bonds Programme - Aa2 (Moody's)

2 Covered Bonds, 600M€ - Public Assets, Soft Bullet



Caixa Geral de Depositos

Mortgage Covered Bond Programme - AA(high) (DBRS)

3 Covered Bonds, 5,000M€ - RMBS (1)
and Mortgage Credits (2), Soft Bullet



**€12,500,000,000 Mortgage Covered Bond Programme - Aa2/BBB+/A
(Moody's/Fitch/DBRS)**

4 Covered Bonds, 9,200M€ - RMBS, Soft Bullet



**€12,500,000,000 Covered Bonds Programme - Aaa/AA-/AA
(Moody's/Fitch/DBRS)**

14 Covered Bonds, 9,769.9M€ - RMBS, Soft Bullet



€10,000,000,000 Covered Bond Programme - Aaa (Moody's)

7 Covered Bonds, 5,500M€ - RMBS, Soft Bullet



Banco Montepio

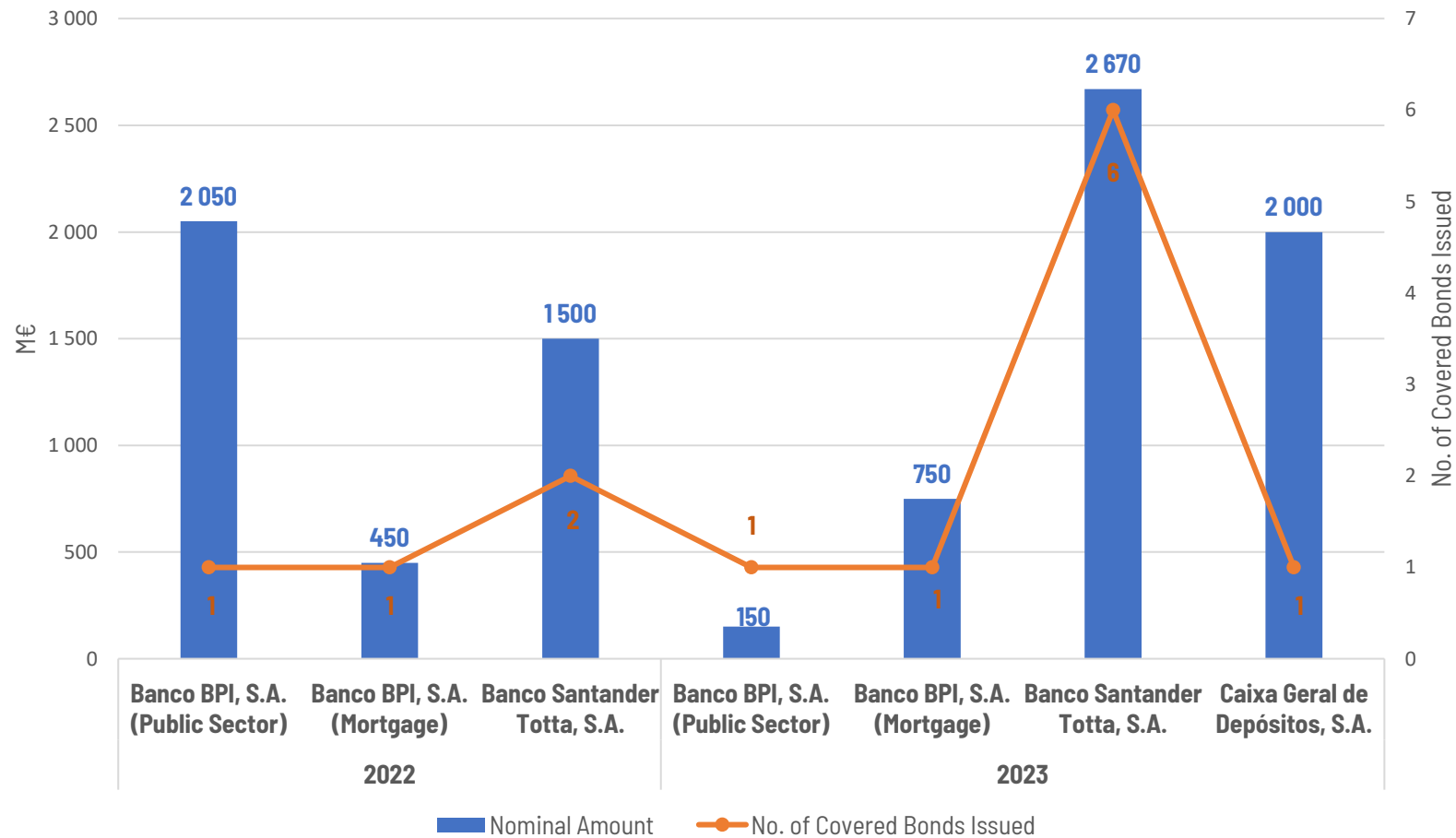
**€5,000,000,000 Mortgage Conditional Pass-through
Covered Bond Programme - Aaa/AA+ (Moody's/Fitch)**

3 Covered Bonds, 2,300M€ - RMBS, Conditional Pass-Through

OVERVIEW OF PORTUGUESE COVERED BOND PROGRAMS

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Covered Bonds issued since 2022



All covered bonds issued are Premium

Since the previous covered bonds law of 2006:

- **7** public sector covered bonds,
- **103** mortgage covered bonds, have been issued.

Thank You

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