



LEGAL NEWS

Legal Insights

February 2025





Index

CJEU judgement on the Nullity of IRPH Mortgages	3
Organic Law 1/2025 and Alternative Dispute Resolution Methods	4
Expiration of “Golden Visa” for Real Estate Investment	5
Creation of the Independent Whistleblower Protection Authority	6

1. CJEU judgement on the Nullity of IRPH Mortgages

The **Court of Justice of the European Union (CJEU)** issued a ruling on **December 12, 2024**, which could have significant implications for mortgages linked to the **Mortgage Loan Reference Index (IRPH)**. The CJEU's decision suggests that clauses relating to IRPH in mortgage contracts could be declared null and void if banks failed to provide sufficient information to customers.

The CJEU has established that merely publishing the definition and calculation method of the IRPH in the **Official State Gazette (BOE)** is not enough to exempt banks from their responsibility to inform customers. Banks must offer a full definition of the IRPH and any other relevant information, including warnings from the Bank of Spain. The absence of these details may compromise the accessibility of the information for the average consumer.

The ruling emphasizes that banks should have compared the IRPH with other market interest rates, such as **Euribor**, to ensure that customers fully understood the financial implications of their mortgages. The failure to provide this comparison may render the IRPH **clause abusive**.

If a judge declares the IRPH clause null and void due to a lack of transparency, the contract must be adjusted according to national law, without retroactively modifying existing conditions. This could result in **significant refunds** for banks, potentially amounting to up to €15 billion.

Consumers with IRPH-linked mortgages should review their contracts to verify whether they received adequate information about the IRPH and its financial implications. The absence of references to the BOE or the relevant Bank of Spain circular in the loan agreement could indicate that the clause might be declared **null**.

At Grant Thornton, we are prepared to assist clients in reviewing and potentially challenging abusive IRPH clauses.



2. Organic Law 1/2025 and Alternative Dispute Resolution Methods

On **January 3rd, 2025**, the Official State Gazette (**BOE**) published **Organic Law 1/2025** on efficiency measures for the **Public Justice Service**. Among other provisions, this law introduces **Alternative Dispute Resolution Methods (MASC)** into civil proceedings, representing a significant innovation in the Spanish legal system and establishing a new paradigm for resolving civil and commercial disputes.

This regulation establishes that, as a general rule, it will be a **requirement of procedural** to resort to some means of dispute resolution before initiating legal proceedings. In other words, a lawsuit will not be admitted unless the claimant provides proof of prior participation in an **MASC**, except in cases involving non-negotiable matters such as **fundamental rights, adoption, child protection, or cases related to precautionary measures, preliminary proceedings, promissory note enforcement, or voluntary jurisdiction proceedings**.

A key aspect of the law concerns **procedural costs**. Courts may impose costs on parties that, without just

cause, **refuse to participate in an MASC**. The regulation also establishes procedural requirements, such as **proving that negotiation attempts were made**. The parties must submit documentation of the negotiation process or provide a sworn statement explaining why it was not possible.

If no agreement is reached, the parties will have **one year** from the date they received the negotiation request or from the conclusion of the process without an agreement to file a lawsuit.

The purpose of this regulation is to **promote a culture of collaborative conflict resolution**, reduce the burden on courts, and provide parties with more efficient tools for resolving disputes.

Our litigation and arbitration teams include experts with specialized training in alternative dispute **resolution methods**, qualified to act as mediators, conciliators, or independent experts.



3. Expiration of “Golden Visa” for Real Estate Investment

Spain has introduced substantial changes to the so-called “Golden Visa” regime, originally established by **Law 14/2013 of September 27**, which supported entrepreneurs and internationalization. This regulation allowed non-EU investors to obtain residence permits by making **significant investments in Spain**, such as purchasing real estate worth at least €500,000 or investing in **public debt and business projects**.



Organic Law 1/2025 on efficiency measures for the Public Justice Service, published in the **Official State Gazette** in January 2025, repeals Article 63 bis of Law 14/2013, which regulated real estate acquisitions as a means of obtaining residence permits. This repeal will take effect on **April 3, 2025**, from which point no new applications **under this provision will be accepted**.

However, a **transitional regime** has been established to safeguard acquired rights. Applications **submitted before the repeal’s effective date** will be processed under the regulations in force at the time of submission.

Existing residence permits will remain valid and can be renewed according to the requirements and procedures established under the original regulation. This measure ensures legal certainty for investors who have already obtained their residence permits under the **Golden Visa** regime.

The reform **does not affect other investment-based** residence options provided by **Law 14/2013**, such as **acquiring shares or equity stakes, investing in public debt, or undertaking business projects of general interest**. These options remain in effect, although they may be subject to future revisions. The repeal of real estate-based Golden Visas aligns with public policy objectives, including regulating the housing market and preventing speculative effects.

4. Creation of the Independent Whistleblower Protection Authority

The recent creation of **Spain's Independent Whistleblower Protection Authority (AAI)** marks a **significant milestone** in the fight against corruption and the promotion of transparency in both the **public and private sectors**. This autonomous body, established by **Royal Decree on October 29th, 2024**, responds to **Law 2/2023** and the European **directive on whistleblower protection**.

The **AAI** stands as a fundamental safeguard for the rights of citizens and employees who **report regulatory violations or acts of corruption**. Its statute guarantees full functional independence from the government and any other **public or private entity**, ensuring the **autonomy necessary** to carry out its mission without external interference.

One of the AAI's primary functions is managing an external **reporting channel**, allowing **whistleblowers to submit reports** securely and confidentially. Additionally, the authority has the power to **implement protective measures** for whistleblowers, **participate in regulatory processes** related to its scope, and conduct sanctioning procedures.

It is important to note that the establishment of the **AAI does not exempt** companies with more than **50 employees** from their legal obligation to implement an internal reporting system. According to **Law 2/2023**, organizations must have an internal channel that allows employees and third parties to report potential regulatory violations or unlawful acts while ensuring confidentiality and legal protection. This requirement is essential for compliance with both national and European transparency and good governance regulations.

The primary responsibility lies with companies, which must ensure that their internal reporting channels are accessible, effective, and legally compliant. Failure to meet this obligation may result in significant penalties and reputational damage.

Grant Thornton provides comprehensive solutions to help companies comply with these legal requirements. Our **BlockChannel GT** tool enables the implementation of a secure, confidential **internal reporting system** tailored to each organization's specific needs. This channel combines **blockchain technology** with legal expertise to ensure whistleblower protection and **facilitate efficient report management**.

[Barcelona](#) · [Bilbao](#) · [Castellón](#) · [Madrid](#) ·
[Murcia](#) · [Las Palmas de Gran Canaria](#) · [Oviedo](#) ·
[Pamplona](#) · [Valencia](#) · [Vigo](#) · [Zaragoza](#)