

CNMC approves the BBVA/SABADELL second phase merger with commitments

- The CNMC has detected risks in retail banking markets in services provided to individuals, SMEs and the self-employed, as well as in means of payment markets.
- In order to address the risks observed, BBVA has submitted commitments that have enabled the transaction to be authorised.

Madrid, 30 April 2025. The CNMC has authorised with commitments the operation consisting of the acquisition of sole control of Banco Sabadell by BBVA, through a public takeover bid (PTB), which was announced on 9 May 2024. Its agreement to move to the second phase was issued on 12 November 2024. ([C/1470/24 BBVA/BANCO SABADELL](#)).

Following the conclusion of the second phase investigation, the CNMC considers that the commitments submitted by BBVA are appropriate, sufficient and proportionate to remedy the problems that this merger poses for competition in the affected markets.

This authorisation is not final. It shall be communicated to the Minister of Economy, Trade and Enterprise in order that he may decide whether it should be submitted to the Council of Ministers, which, if appropriate, may assess the transaction on the basis of criteria of general interest other than the defence of competition.

Market investigation

The operation affects the financial sector. The markets analysed by the CNMC are banking services (retail banking, corporate banking, private banking, investment banking, leasing and factoring), insurance (production and distribution), payment services (card issuing, payment transaction acquiring, POS supply and management, online payment acceptance services and ATMs), pension funds and plans and asset management.

The CNMC concludes that the operation threatens effective competition in certain areas of the **retail banking and payment services** market.

In retail banking, the merger will create a leading bank in several segments, both for individuals and for SMEs and the self-employed.

Ninety-six municipalities have been identified in which, after the operation, the combined share exceeds 50% with an addition greater than 15%, resulting in a duopoly situation in 48 of these municipalities.

In addition, 72 postcodes have been identified in which either a monopoly situation will arise as a result of the merger (7 postcodes) or a duopoly situation (65 postcodes).

With regard to the **payment services** market, the resulting institution exceeds a 30% combined market share at the national level, which presents a risk of a worsening commercial conditions through an increase in the price charged to business persons requesting payment transaction acquiring services.

Risks to competition

The operation gives rise to a number of risks which have been identified in the course of the merger file, namely:

- **Worsening of commercial conditions for individuals, SMEs and the self-employed** in certain locations: arising from the preponderant competitive position that the resulting company will obtain in certain locations.
- **Financial exclusion**: for clients in certain municipalities, especially in rural areas, and for certain population groups more dependent on face-to-face services.
- **Reduction in lending to SMEs**: particularly affecting certain geographical areas.
- **Risks related to the market for the provision of payment transaction acquiring services**, namely the risk of worsening conditions applied to the clients (companies) of these services.
- **Worsening of the conditions of access to ATMs** for clients in relation to the agreements Banco Sabadell currently has with the Euro6000 Network and Cardtronics.

Commitments offered by BBVA

BBVA has proposed a series of commitments that the CNMC considers sufficient to remedy the competition concerns identified:

- **Vulnerable clients**: BBVA undertakes to create and publicise an “Account for Vulnerable Clients”, and to identify the clients of both institutions who will be able to benefit from the favourable conditions of this account.
- **Communications to clients**: BBVA undertakes to publish on its website and inform Sabadell clients of any changes in conditions that may be applicable to its products and services.
- **Commitment to maintain a physical presence in certain territories**: BBVA undertakes not to abandon any municipality (i) in which, as a result of the operation, any of the parties is present with only one competing branch, including 8 municipalities in which the parties are currently located without any competitor; (ii) there is no other branch of the resulting

institution less than 300 metres away; (iii) under no circumstances will Sabadell's 35 specialised business branches be closed, and it will keep its managers; (iv) those municipalities in which the per capita income of the population is less than EUR 10,000 at the date of the resolution (around 200 municipalities) and (v) those municipalities with less than 5,000 inhabitants in which at least one of the parties is present (more than 150 municipalities identified). BBVA undertakes to maintain the business hours of branches with teller services and to offer the Correos Cash service free of charge twice a week, as well as not to close the parties' ATMs in locations where there is one or no competitor.

- **Commitment to maintain commercial conditions in problematic postcode areas:** BBVA undertakes to maintain the conditions of the clients (both individuals, SMEs and the self-employed) of both parties in the branches located in the postcode areas where the transaction gives rise to a monopoly (7), duopoly (65) or where the resulting institution will have two competitors (96), for a total of 168.

The commitment implies not modifying products of defined or undefined duration, except to offer more favourable conditions. It also undertakes to maintain free counter operations in cases where these were free of charge before the merger.

In addition, BBVA undertakes **specifically in the case of SMEs** (i) to continue to maintain a national commercial policy on products and prices; (ii) not to close specialised branches of Sabadell companies and (iii) not to offer a price higher than the national average for the new flow of credit to SMEs and the self-employed, for each rating level and financing product.

- **Commitment to maintain working capital lines and volume of credit to SMEs.** On the one hand, BBVA undertakes to maintain the short-term financing (term of less than one year) that SMEs and the self-employed have contracted with Banco Sabadell, including those aimed at financing foreign trade activities. These funding lines will be renewed on their maturity date for the duration of the commitments.

In addition, BBVA undertakes to maintain the volume of medium- and long-term lending to SME clients who by 30 April 2025 receive at least 85% of this financing from BBVA and/or Banco Sabadell.

In addition, for the autonomous regions in which the share of the resulting institution exceeds 30% with an addition of more than 10% in the SME lending segment (Catalonia and the Balearic Islands), BBVA undertakes to maintain the volume of lending to SME clients who at 30 April 2025 have

at least 50% of their financing with BBVA and/or Banco Sabadell. For these purposes, the criterion of financing granted in the BBVA and Banco Sabadell branches located in these Autonomous Regions will be applied.

- **Commitment concerning transitional access to ATMs:** BBVA undertakes, with respect to Sabadell's agreements with the Euro6000 network and Cardtronics, that, in the event of termination of these agreements, its clients will be offered access to the ATMs previously owned by Sabadell under the same conditions provided for in those agreements. In the event that these agreements are terminated before the end of the period stipulated in the commitment (18 months), BBVA undertakes to negotiate with these institutions an agreement under the same terms and conditions for the remaining period until the end of the 18 months. BBVA also undertakes not to modify the current commission policy that Sabadell applies to institutions with which it does not have ATM access agreements.
- **Commitment in relation to payment transaction acquiring services:** BBVA undertakes not to worsen the conditions of the payment transaction acquiring services that SME and self-employed clients had contracted by 30 April 2025.

Most of the commitments will have a duration of 3 years, extendable for two more years in the case of SME credit; and 18 months in the case of ATM access conditions.

The CNMC will monitor compliance with the commitments during the stipulated time. BBVA must inform the CNMC within the deadlines agreed for this purpose.

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