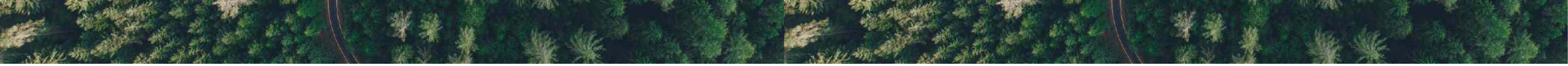
finalyse

REGULATORY BRIEF
NOVEMBER 2025



Finalyse

A fresh take on
risk and valuation

Our purpose

Our aim is to support our clients incorporating changes and innovations in valuation, risk and compliance. We share the ambition to contribute to a sustainable and resilient financial system. Facing these extraordinary challenges is what drives us every day.

Regulatory Brief

The RegBrief provides a catalogue of policy updates impacting the financial industry. Emphasis is made on risk management, reporting and disclosure. It further covers legislation on governance, accounting and trading, as well as information on the current business environment.

Note: The Cross-Sector chapter includes regulatory updates that may affect multiple industries.

Data: 1st - 31 October 2025

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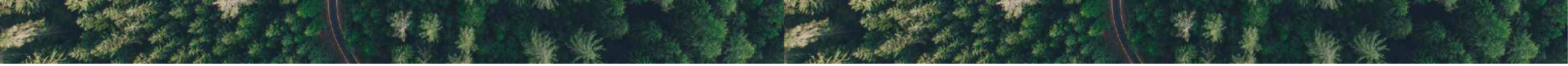
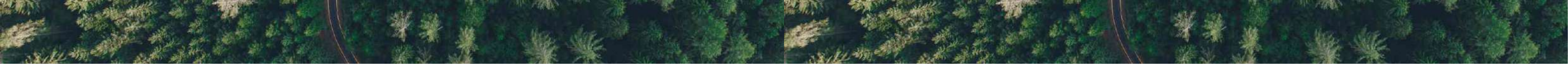


Abbreviations

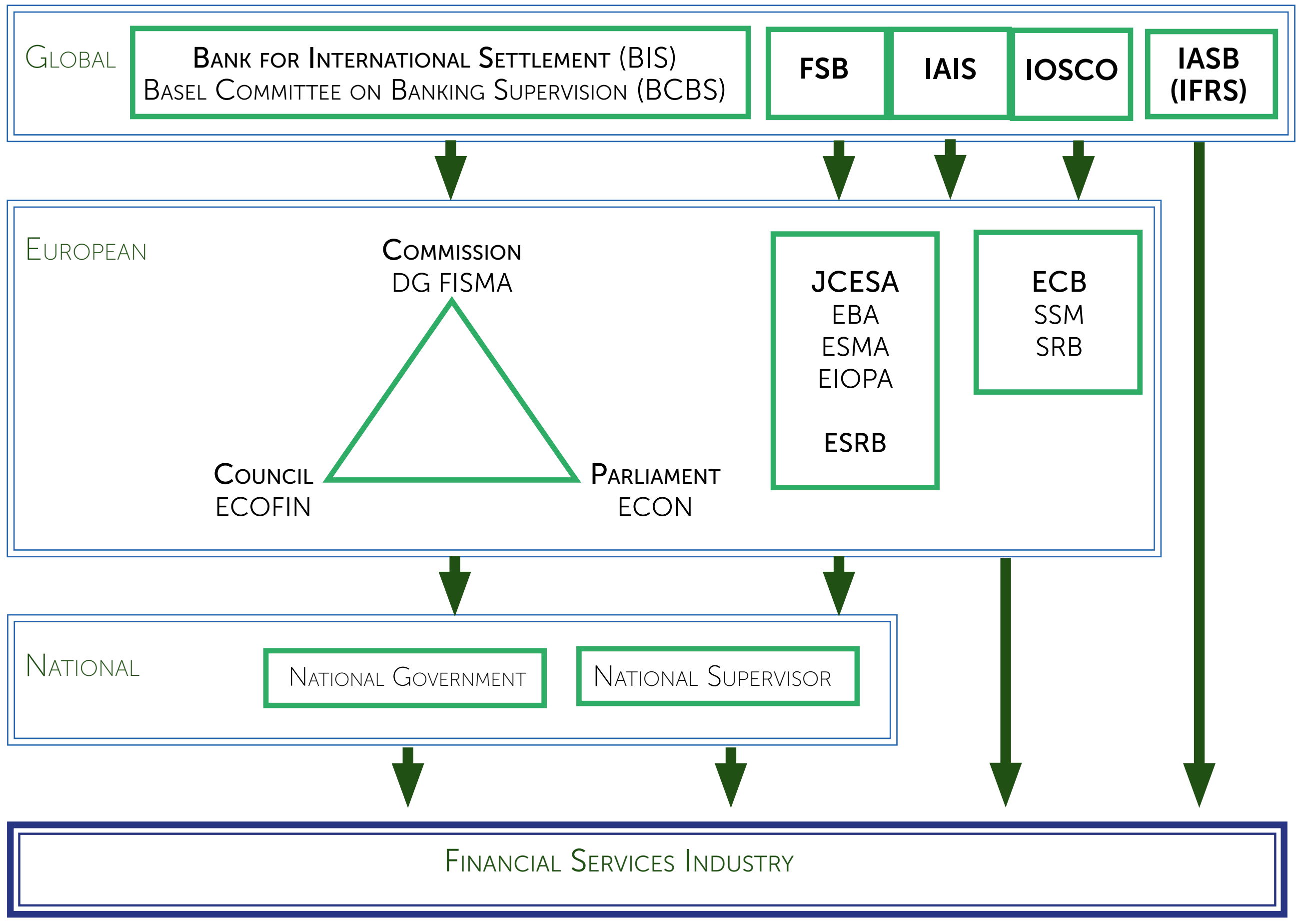
AIFMD	Alternative Investment Fund Managers Directive
AMA	Advanced Measurement Approach
AML	Anti-Money Laundering
AT1	Additional Tier 1
BCBS	Basel Committee on Banking Supervision
BIS	Bank of International Settlements
BMR	Benchmarks Regulation
BRRD	Bank Recovery and Resolution Directive
CCP	Central Counterparty
CET 1	Common Equity Tier 1
CFR	Core Funding Ratio
CMU	Capital Markets Union
Council	Council of the European Union
CPMI	Committee on Payments & Market Infrastructures
CRA	Credit Rating Agencies (Regulation)
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
CSD	Central Securities Depository
CTP	Consolidated Tape Provider
CVA	Credit Valuation Adjustment
DGS	Deposit Guarantee Scheme
DPM	Data Point Model
EBA	European Banking Authority
ECAI	External Credit Assessment Institution
ECB	European Central Bank
ECL	Expected Credit Loss
EDIS	European Deposit Insurance Scheme
EEA	European Economic Area
EEAP	European Electronic Access Point
EFTA	European Free Trade Association
EIOPA	European Insurance & Occupational Pensions Authority
ELTIF	European Long-Term Investment Fund
EMIR	European Markets Infrastructure Regulation
ESMA	European Securities & Markets Authority
ESRB	European Systemic Risk Board
EU	European Union
EuSEF	European Social Entrepreneurship Fund
EuVECA	European Venture Capital Fund
FINREP	Financial Reporting
FICOD	Financial Conglomerates Directive
FRTB	Fundamental Review of the Trading Book
FSB	Financial Stability Board
FX	Foreign Exchange
GAAP	Generally Accepted Accounting Principles
G-SIB	Global Systemically Important Bank
G-SII	Global Systemically Important Institution
IAS	International Accounting Standards
IASB	International Accounting Standards Board

Abbreviations

IBIP	Insurance-Based Investment Product
ICAAP	Internal Capital Adequacy Assessment-Process
IDD	Insurance Distribution Directive
IFRS	International Financial Reporting Stand-ards
ILAAP	Internal Liquidity Adequacy Assessment Process
IORP	Institutions for Occupational Retirement Provision (Directive)
IOSCO	International Organisation of Securities Commissions
IRB	Internal Rating Based Approach
IRRBB	Interest Rate Risk in the Banking Book
ITS	Implementing Technical Standards
JCESA	Joint Committee of European Supervisory Authorities
KID	Key Information Document
LCR	Liquidity Coverage Ratio
LEI	Legal Entity Identifier
LGD	Loss Given Default
LR	Leverage Ratio
LSI	Less Significant Institution
MCD	Mortgage Credit Directive
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
MMF	Money Market Fund
MS	Member States
NCA	National Competent Authority
NPL	Non-Performing Loan
NSFR	Net Stable Funding Ratio
OSII	Other Systemically Important Institution
PAD	Payment Accounts Directive
Parl	European Parliament
PD	Probability of Default
PRIIPs	Packaged Retail and Insurance-Based Investment Products (Regulation)
PSD	Payment Services Directive
REFIT	Regulatory Fitness & Performance Programme
RTS	Regulatory Technical Standards
RWA	Risk-Weighted Asset
SFT(R)	Securities Financing Transaction (Regulation)
SI	Systematic Internaliser
SMA	Standardized Measurement Approach
SREP	Supervisory Review & Evaluation Process
SRM	Single Resolution Mechanism
SSM	Single Supervisory Mechanism
STC	Simple, Transparent & Comparable (Securitisation)
TLAC	Total-Loss Absorbing Capacity
TR	Trade Repository
UCITS	Undertakings for Collective Investment in Transferable Securities
UPI	Unique Product Identifier
UTI	Unique Transaction Identifier



Institutional Framework



The international organisations on the top row set global standards for their respective members. These global norms are not binding, but have to be further translated in national (European) legislation.

European legislation is proposed by the Commission and, after political negotiations, voted in the European Parliament and the Council of Ministers. Adopted regulations and decisions are directly applicable to EU member states, while directives have to be translated into national law before they apply.
The technical details are fine-tuned by the supervisory authorities: EBA, ESMA and EIOPA.

Finally, where necessary, national governments and supervisors translate and supplement the international and European policies for the domestic market.

Regulatory Calendar

2025 Q4

EMIR
Assessment
On the initial margin models under EMIR
Document Release: tbd

2028 Q1

Basel
Standards
Basel IV capital floor implementation end postponed from 1 Jan 2027
Implementation deadline: 1 Jan 2028

CRR
Report
On the use of insurance in the context of operational risk and the availability and quality of data when calculating their own funds requirements for operational risk
Document Release: tbd

2028 Q3

CRD
Guidelines
On monitoring operations between the third-country branches of the same head undertaking
Document Release: tbd

CRR
Guidelines
On immateriality of size and risk profile of exposures
Document Release: tbd

2026 Q1

CRR
RTS
Specifying types of factors to be considered for risk weights for exposures secured by mortgages on immovable property
Document Release: tbd

RTS
Specifying the conditions for assessing the materiality of the use of an existing rating system
for other additional exposures and changes to rating systems under the IRB approach
Document Release: tbd

Guidelines
On artificial cash flow and discount rate
Document Release: tbd

RTS
On data inputs of Market Risk
Document Release: tbd

RTS
On the elements to calculate the business indicator components
Document Release: tbd

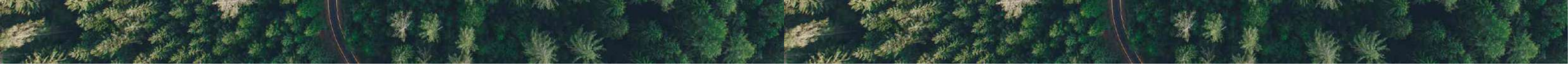
ITS
On mapping Business Indocator Components to FINREP
Document Release: tbd

RTS
On adjustments of the Business Indicator Components
Document Release: tbd

RTS
Establishing a risk taxonomy of operational risk loss events
Document Release: tbd

CRD
ITS
Templates for IPU monitoring threshold
Document Release: tbd

RTS
On the minimum information to be provided for assessing Qualifying Holdings
Document Release: tbd



Explanatory Note & Legend

SCOPE Regulatory updates include EU legislation, international standards and other relevant publications from the European authorities. They are gathered from official publications and institutions' official communication channels.

STATUS Updates are labelled with a symbol which indicates the status of the regulation at the time of publication:

Consultation: The first circle is filled when an official draft is open for public consultation.

Pending: The second circle is filled when a final proposal needs to be adopted by a vote or non-objection.

Effective: The third circle is filled when a regulation is final and adopted. There might be a certain delay until it applies.

Informative: This symbol indicates purely informative documents, such as briefings and reports.

Click on these links to open the original documents

Supervision

EBA (Work Programme)

EBA Publishes 2026 Work Programme

The EBA has published its 2026 work programme. The programme focuses on three main areas: developing a rulebook for an efficient, resilient, and sustainable market by streamlining regulatory mandates and supporting new EU legislation; improving risk assessment through enhanced stress tests, data efficiency, and better integration of climate and ICT risks; and tackling innovation by supporting the EU AI Act, monitoring crypto and DeFi markets, and strengthening consumer protection through fraud prevention and retail risk analysis.

Release date: 2025-10-01

EBA/rep/2025/25

Key Sector Developments

1. Consultation on Revised SREP Guidelines

On October 24th, the EBA opened a public consultation on revised guidelines for the SREP and Supervisory Stress Testing. The consultation runs until January 2026, and the updated version of the guidelines is expected to be effective from January 2027 onwards.

With this revision, the EBA is bringing the SREP framework up to speed with the latest regulatory landscape. Since the original Guidelines were introduced nearly a decade ago, the EU prudential rulebook has evolved significantly with CRR III/CRD VI, DORA, and new ESG requirements reshaping how risks are managed and supervised. The revised Guidelines consolidate all existing SREP provisions into one coherent framework, integrating ICT risk and phasing out the separate ICT SREP Guidelines from 2017.

Among the most notable updates are a longer SREP cycle for smaller, low-risk institutions, a broader focus on ICT and ESG risks across governance and business models, and a closer alignment between operational resilience and prudential oversight. Together, these changes are intended to make supervision more consistent, proportionate, and forward-looking, reflecting how today's risks have evolved beyond traditional financial metrics.

2. ECB Updates Guide to Internal Models

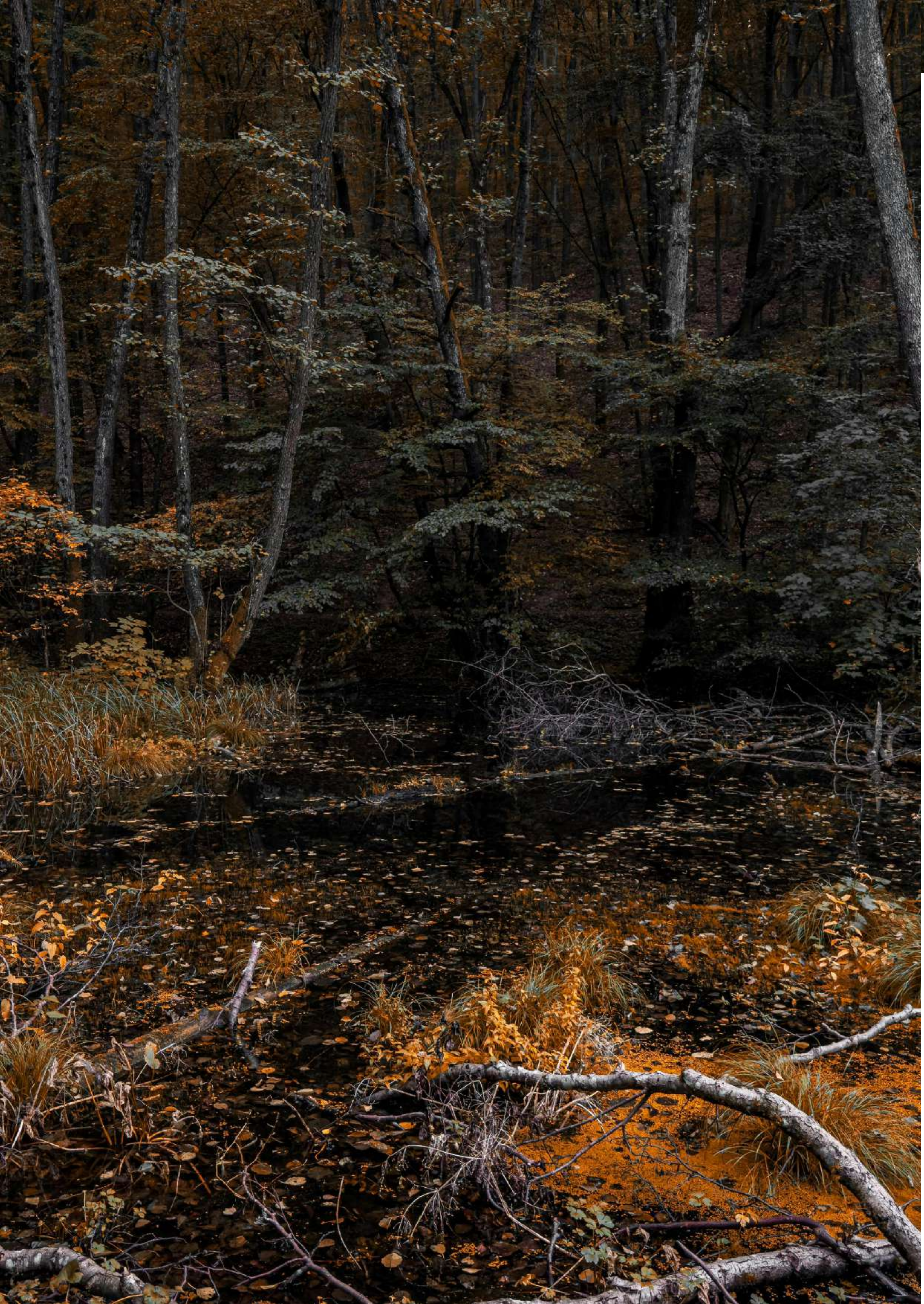
The ECB has released an updated version of its guide to internal models, with a number of noteworthy additions. A new section on machine learning sets out supervisory expectations around its use, an area of growing interest for banks exploring advanced modelling techniques.

In credit risk, the update puts stronger emphasis on the role of senior management when preparing internal model applications for submission to the ECB, reinforcing accountability at the top level. On market risk, the guide now splits the framework into two chapters—one under CRR2 and one under CRR3—reflecting the phased and delayed implementation of Basel's FRTB standards in Europe.

Counterparty credit risk is also given more space, with detailed guidance on how institutions should model trade risks, capture exposure changes, and account for maturity updates in line with the new CRR3 provisions. Together, these changes provide banks with clearer direction on supervisory expectations and signal the areas where closer scrutiny can be expected.

3. First Set of Consultations Under the IRRDD

The EIOPA has submitted three draft technical standards to the European Commission and published revised Guidelines to support the updated Solvency II rules. The documents, released on 14 July 2025, aim to make supervision clearer and more consistent across Europe.
The draft standards cover:
•How to identify insurance undertakings under significant influence or unified management,
•Criteria for deciding the relevance of cross border activities,
•Updates to the list of regional and local authorities eligible for preferential capital treatment.
Meanwhile, the revised Guidelines on undertaking-specific parameters simplify existing rules by removing outdated references, without changing the substance..
Once the European Commission reviews the draft standards (within roughly three months), they could be formally adopted, giving insurers clear guidance on implementing the revised Solvency II rules.



Recent articles

1. **[ECB's Revised Guide to Internal Models: The Use of Machine Learning Techniques in Internal Models]**

Written by Hanwen Yang , Senior Consultant

2. **[ECB's Revised Guide to Internal Models: Credit Risk]**

Written by Hanwen Yang , Senior Consultant

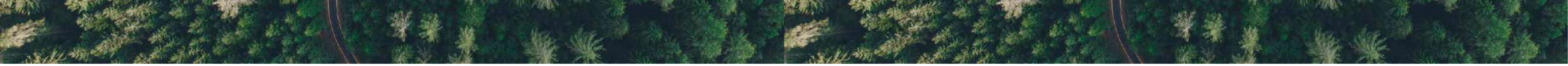
Discover more articles on our blog page.

Banking

pp. 14-17 Banking Regulatory Timeline

p. 18 Risk Management

p. 19 Recovery & Resolution, Policy Agenda, Stress Testing



Banking Regulatory Timeline

2025 Q4

CRR

Guidelines
On effective riskiness, additional modifications to the framework and effects on financial stability and bank lending
Document Release: tbd

RTS
On Structural FX
Document Release: tbd

RTS
On the exclusion of Losses
Document Release: tbd

RTS
On the Risk Management Framework
Document Release: tbd

RTS
On the Materiality of extensions and changes for the SA-CVA
Document Release: tbd

RTS
On the assessment methodology for SA-CVA
Document Release: tbd

RTS
On the assessment methodology for the FRTB-SA
Document Release: tbd

2026 Q1

CRR

RTS
Specifying types of factors to be considered for risk weights for exposures secured by mortgages on immovable property
Document Release: tbd

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Document Release: tbd

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Document Release: tbd

RTS
Establishing a risk taxonomy of operational risk loss events
Document Release: tbd

CRD

ITS
Templates for IPU monitoring threshold
Document Release: tbd

RTS
On the minimum information to be provided for assessing Qualifying Holdings
Document Release: tbd

RTS
On booking arrangements TCBs
Document Release: tbd

ITS
On minimum common reporting of TCBs
Document Release: tbd

ITS
On mechanisms of cooperation and functioning of supervisory colleges for third-country branches
Document Release: tbd

Guidelines
On minimum standards and reference methodologies for the identification, measurement, management and monitoring of ESG risks
Document Release: tbd

Guidelines
Joint guidelines on methodologies for the stress testing of ESG risks
Document Release: tbd

Banking Regulatory Timeline

2026 Q3

CRD

RTS
On the list of information to be submitted by the proposed acquirer, the assessment criteria and the process for the assessment of the acquisition of material holdings and mergers
Document Release: tbd

ITS
On the cooperation between CAs for the acquisition of material holdings
Document Release: tbd

Guidelines
Joint EBA ESMA GLs on the assessment of the suitability of members of the MB taking into account the changes introduced re the assessment of the MB and KFHs both by institutions and CAs
Document Release: tbd

CRR

RTS
On the calculation of aggregated losses above 750k and unduly burdensome exemption
Document Release: tbd

RTS
Specifying the assessment methodology for compliance with the requirements to use the IRB
Document Release: tbd

RTS
On the categorisation to PF, OF and CF, and the determination of IPRE
Document Release: tbd

RTS
On how to take into account the factors when assigning risk weights to specialised lending exposures
Document Release: tbd

RTS
On the methodologies to assess the integrity of the assignment process and the regular and independent assessment of risks
Document Release: tbd

RTS
Specifying the methodology of an institution for estimating PD under Article 143
Document Release: tbd

Report
On the appropriate calibration of risk parameters applicable to specialised lending exposures under the IRB
Document Release: tbd

Report
On the recognition of capped or floored unfunded credit protection
Document Release: tbd

Report
On the impact of the new framework for securities financing transactions in terms of capital requirements
Document Release: tbd

RTS
On structural FX for Market Risk
Document Release: tbd

RTS
On conditions for not counting overshootings
Document Release: tbd

RTS
On extraordinary circumstances for prudent valuation
Document Release: tbd

RTS
On SFTs for CVA risk
Document Release: tbd

Report
On the implementation of international standards on own funds requirements for market risk in third countries
Document Release: tbd

2026 Q4

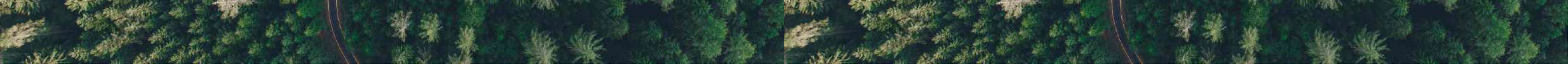
CRR

Guidelines
Specifying the methodology institutions shall apply to estimate IRB-CCF
Document Release: tbd

Report
To the Commission on the consistency with the current measurement of credit risk
Document Release: tbd

RTS
On the hypothetical portfolios of CIUs in the trading book
Document Release: tbd

Report
On the prudential treatment of securitisation transactions including the application of the output floor
Document Release: tbd



Banking Regulatory Timeline

2027 Q1

CRD
Guidelines
On internal governance of third-country branches
Document Release: tbd

CRR
Report
On haircut floors for SFTs
Document Release: tbd

RTS
On the exclusion of losses
Document Release: tbd

RTS
On the adjustments to the loss dataset
Document Release: tbd

RTS
On the risk management framework
Document Release: tbd

Guidelines
On the application of aggregate limits or tighter individual limits to exposures to shadow banking entities
Document Release: tbd

2027 Q3

CRR
RTS
On specifying further the conditions and criteria for assigning exposures to the IRB exposure classes
Document Release: tbd

RTS
On the calculation of the risk-weighted exposure amount for dilution risk of purchased receivables
Document Release: tbd

RTS
On comparable property
Document Release: tbd

Report
On the appropriate calibrations of risk parameters associated with leasing exposures under the IRB approach
Document Release: tbd

RTS
On net short credit and equity positions
Document Release: tbd

Guidelines
On exceptional circumstances for the reclassification of a position
Document Release: tbd

RTS
On proxy spread
Document Release: tbd

RTS
On further technical elements for regulatory CVA
Document Release: tbd

RTS
On instruments appropriate to estimating PDs
Document Release: tbd

Report
On the feasibility of using qualitative and quantitative information
Document Release: tbd

2027 Q4

CRR
Report
On the appropriateness of the treatment of exposures secured by mortgages on commercial property
Document Release: tbd

Report
Intermediary report on the impact of the requirements on agricultural financing
Document Release: tbd

Report
The contribution of non-banking financial intermediation to the Capital Markets Union
Document Release: tbd

2028 Q1

BASEL
Standards
Basel IV capital floor implementation end postponed from 1 Jan 2027
Implementation deadline: 1 Jan 2028

CRR
Report
On the use of insurance in the context of operational risk and the availability and quality of data when calculating their own funds requirements for operational risk
Document Release: tbd

Banking Regulatory Timeline

2028 Q3

CRD
Guidelines
On monitoring operations between the third-country branches of the same head undertaking
Document Release: tbd

CRR
Guidelines
On immateriality of size and risk profile of exposures
Document Release: tbd

RTS
On the assessment methodology for the FRTB-SA
Document Release: tbd

RTS
On the materiality of extensions and changes for the SA-CVA
Document Release: tbd

RTS
On the assessment methodology for the SA-CVA
Document Release: tbd

2028 Q4

CRD
Report
On the use of the waiver as envisaged in accordance with paragraph 3a as well as on the use of the power under point 1(b)(iii) of Article 4(1) of the CRR
Document Release: tbd

CRR
Report
On the results of monitoring activity of specialised debt restructurers
Document Release: tbd

Report
On the use of the transitional treatment and appropriateness of risk weights for exposures secured by residential property
Document Release: tbd

Report
On transitional arrangements for unconditional cancellable commitments
Document Release: tbd

2029 Q3

CRR
Report
On immateriality of size and risk profile of exposures
Document Release: tbd

2029 Q4

CRD
Report
With ECB on the application of paragraphs 1d to 1j and on their efficiency in ensuring that the fit and proper framework is fit for purpose taking into account the principle of proportionality
Document Release: tbd

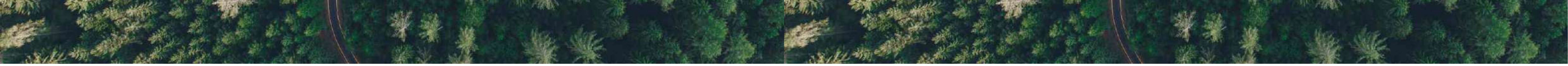
CRR
Report
On the exemption from residual risks for hedging positions
Document Release: tbd

2030 Q4

CRR
Report
On the impact of the requirements on agricultural financing
Document Release: tbd

2031 Q4

CRR
Report
On operational risk ILDC
Document Release: tbd



Risk Management

CRR
EBA (ERTS)

Draft RTS on CVA risk of SFTs

The EBA has published its Final Report on RTS concerning CVA risk for securities financing transactions (SFTs). Developed under Article 382(6) of the CRR, the RTS define how institutions should assess the materiality and frequency of CVA risk exposures from fair-valued SFTs. The approach uses a quantitative ratio to measure the impact of including such transactions within own funds requirements for CVA risk. The draft RTS, part of the EBA's Phase 2 market risk roadmap, will now be submitted to the European Commission for adoption and subsequent review by the European Parliament and Council.

Release date: 2025-10-29

EBA/RTS/2025/07

CRR
Commission (Communication)

Treatment of equity exposures incurred under legislative programmes under the CRR

The EC has issued a communication providing guidance on how banks can apply more favourable prudential treatment under the CRR for equity investments made through legislative programmes such as public investment schemes established under EU or national law. With supervisory approval, banks may apply a 100% risk weight to qualifying equity exposures, up to 10% of their own funds, instead of the usual 250% or 400%. To qualify, programmes must offer public financial support, include government oversight, and impose restrictions on eligible investments.

Release date: 2025-10-29

C(2025) 7231 final

Basel
BCBS (Technical Document)

Hedging of counterparty credit risk exposures

The BCBS has issued a technical amendment to the Basel Framework addressing how banks should treat guarantees or credit derivatives used to hedge counterparty credit risk on derivative exposures under the standardised approach CCR or internal models method.

Release date: 2025-10-28
Application Date: 2025-10-28

publ/d600

CRR
Commission (RTS)

RTS on specification of long and short positions

The Official Journal of the EU has published a Delegated Regulation setting out RTS on the method for identifying the main risk driver and determining whether a transaction represents a long or a short position under the market risk amendments introduced by the CRR3. The proposed general method to identify the main risk drivers hinges on sensitivities defined under the market risk standardised approach (FRTB-SA) or on add-ons defined under the SA-CCR. For the determination of the direction of the positions, the methodology is aligned with the one set out in the RTS on SA-CCR.

Release date: 2025-10-14
Application Date: 2025-11-03

(EU) 2025/1265

Risk Management

CRR
Commission (RTS)

RTS on Materiality Assessment for Changes to Alternative IM and Modellable Risk Factors

The Official Journal of the EU has published a Regulation supplementing the CRR with RTS for assessing the materiality of extensions and changes to the use of alternative internal models, and changes to the subset of modellable risk factors. The RTS distinguish between material extensions and changes, which require approval from National Competent Authorities , and non-material extensions and changes, which only require notification to NCAs four weeks in advance, as per Article 325az(8) of the CRR.

Release date: 2025-10-14
Application Date: 2025-11-03

(EU) 2025/1311

Stress Testing

CRD
EBA (Consultation)

Updated Guidelines on the SREP and supervisory ST

The EBA has launched a public consultation on its revised Guidelines for the SREP and supervisory stress testing. The revisions aim to simplify and enhance the EU supervisory framework while maintaining a risk-based and effective approach. Key updates include greater proportionality, alignment with new CRD VI mandates on output floors and third-country branches, integration of ESG and operational resilience factors, and incorporation of the DORA. The changes also streamline liquidity and funding assessments, strengthen ICT risk evaluation, and clarify supervisory communication and escalation procedures.

Release date: 2025-10-24
Consultation End: 2025-11-03

eba.europa.eu

Recovery & Resolution

Supervision
SRB (Consultation)

Communication Guidance for Banks

The SRB has launched a consultation on operational guidance for banks' communication during resolution and a supplement on communication testing as part of its resolvability framework. Under the Single Resolution Mechanism Regulation, banks must have communication plans to manage information during resolution, aiming to limit contagion and uncertainty. The SRB's guidance focuses on coordination with authorities, communication under moratorium conditions, communication planning, and governance.

Release date: 2025-10-27
Consultation End: 2025-12-25

srb.europa.eu

Policy Agenda

Supervision
EBA (Work Programme)

EBA Publishes 2026 Work Programme

The EBA has published its 2026 work programme. The programme focuses on three main areas: developing a rulebook for an efficient, resilient, and sustainable market by streamlining regulatory mandates and supporting new EU legislation; improving risk assessment through enhanced stress tests, data efficiency, and better integration of climate and ICT risks; and tackling innovation by supporting the EU AI Act, monitoring crypto and DeFi markets, and strengthening consumer protection through fraud prevention and retail risk analysis.

Release date: 2025-10-01

EBA/rep/2025/25


Insurance

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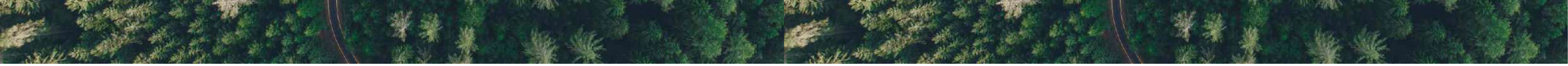
p. 23 Risk Management, Market Environment



Insurance Regulatory Timeline

2025 Q4

Solvency II
Report
Follow-up on the survey to NCAs regarding EIOPA's opinion on climate change scenarios in the ORSA
Document release: tbd

Dashboard
Annual Internal Models Dashboard
Document release: tbd

Policy
Development and annual update of RFR based on the Methodological Policy, covering representative portfolios, transparent criteria, and the ultimate forward rate
Document release: tbd

Report
On use of reinsurance for NCAs
Document release: tbd

ITS
Update of the draft ITS on ECAI mapping for CRR and Solvency II
Document release: tbd

Report
On the Prudential Treatment of ESG factors
Document release: tbd

RTS
On the exceptional sector-wide shocks
Document release: tbd

IDD
Report
On the application of the IDD
Document release: tbd

Insurance Supervision
Report
Financial Stability Report
Document release: tbd

Report
Insurance Risk Dashboard
Document release: tbd

Report
IORP Risk Dashboard
Document release: tbd

Report
Joint Report on Risks and Vulnerabilities
Document release: tbd

Report
Annual Supervisory Convergence Plan 2026
Document release: tbd

Insurance Stress Testing
Stress Test
2025 EU-wide IORP stress test exercise
Document release: tbd

2026

Solvency II
Assessment
Assessment of the prudential treatment under Solvency II of adaptation measures in Nat Cat insurance
Document release: tbd

2028

IRRD
Directive
Beginning of the implementation of the IRRD
Document release: tbd

RTS
Further specifying the information that an insurance or reinsurance undertaking is to include in the pre-emptive recovery plan, the remedial actions and their implementation
Document release: tbd

RTS
On the methodology for calculating the buffer for additional losses to be included in provisional valuations
Document release: tbd

2031

Solvency II
Report
Treatment of related credit institutions in the group Solvency Capital Requirement
Document release: tbd

Risk Management

Solvency II

EIOPA (Documentation)

Methodology to derive EIOPA's risk-free interest rate term structures

The EIOPA has published the updated Technical Documentation of the methodology to derive EIOPA's risk-free interest rate term structures.
The changes stem from the Deep, Liquid and Transparency Assessment 2025 (DLT Assessment) and from Bulgaria's adoption of the Euro as of 1 January 2026.
All changes will become effective from January 2026 onwards.

Release date: 2025-10-16
Application Date: 2026-01-01

eiopa-bos-25-495

Solvency II

EIOPA (Consultation)

New set of consultations related to the Solvency II Review

The EIOPA has launched a new round of consultations on legal instruments resulting from the Solvency II review, including new and revised technical standards and guidelines. The six consultations cover two revised ITS, two revised guidelines, one new set of RTS, and one new set of guidelines. They address areas such as risk margin calculation, liquidity management, matching adjustment procedures, and ring-fenced funds. The proposals reflect EIOPA's commitment to simplifying regulation and reducing administrative burden, with at least a 25% reduction in the number of guidelines.

Release date: 2025-10-09
Consultation End: 2026-01-05

eiopa.europa.eu

Market Environment

Market Trends

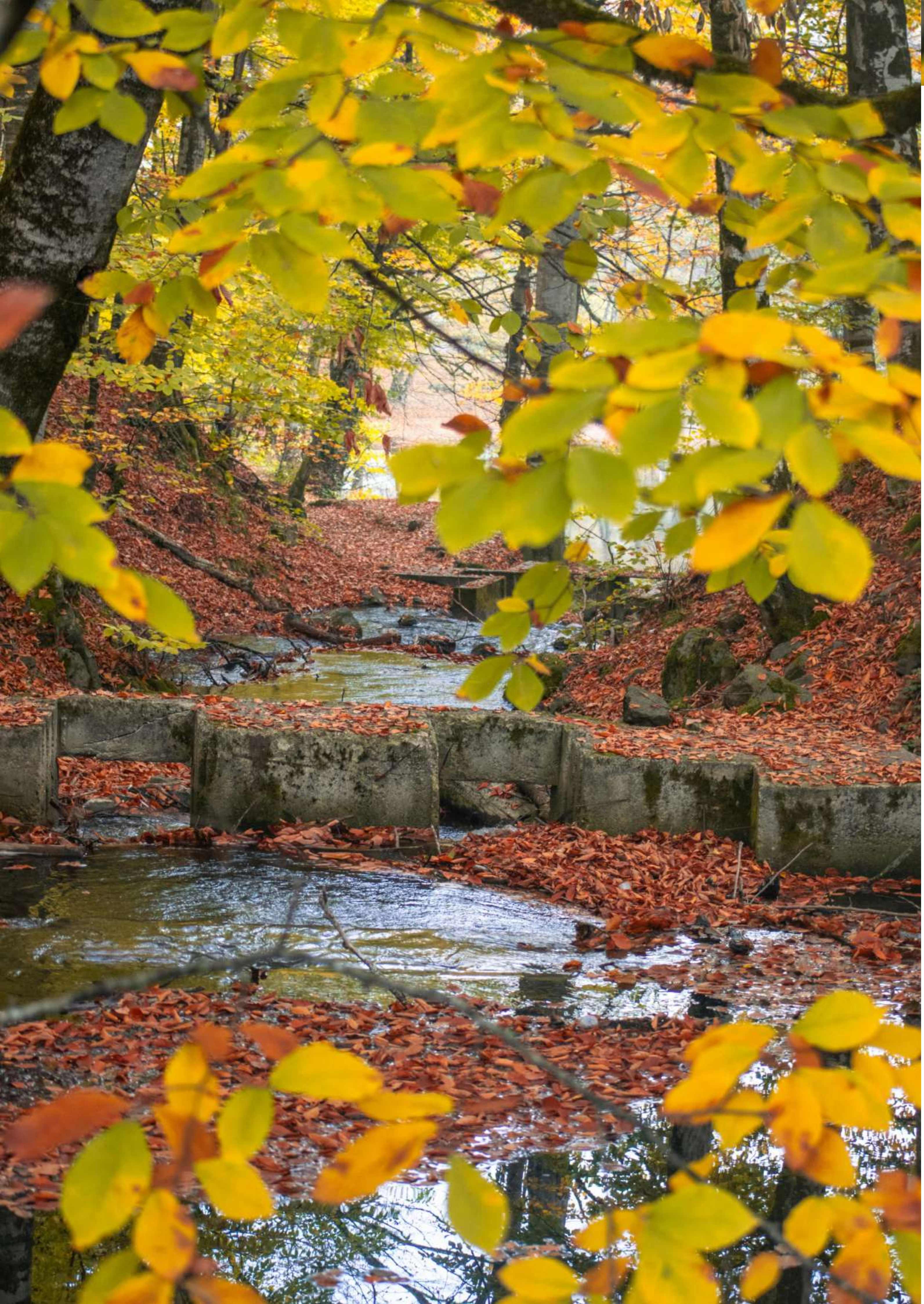
EIOPA (Report)

Insurance Risk Dashboard

The EIOPA has published its October 2025 Insurance Risk Dashboard. The report shows that risks in the European insurance sector remain stable at a medium level. Macroeconomic and credit risks are steady, with limited impact from recent fiscal and political developments. Market risks stay elevated but stable, as volatility has eased though valuations remain stretched. Liquidity and funding conditions are solid, supported by steady cash positions. Profitability and solvency remain strong, with slight improvements in capital positions and high-quality own funds. Insurance risks continue to decline amid moderating life premium growth and stable underwriting results. ESG risks persist at a medium but rising level, while cyber and digitalisation risks are increasingly significant due to growing IT vulnerabilities.

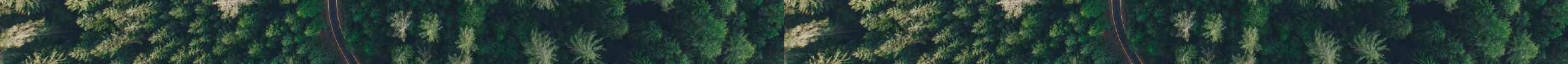
Release Date: 2025-10-30

eiopa-bos-25-471



Asset Management

p. 26 Asset Management Regulatory Timeline
p. 27 Risk Management



Asset Management Regulatory Timeline

2025 Q4

EMIR
Assessment
On the initial margin models under EMIR
Document Release: tbd

RTS
Other technical standards under EMIR3 submitted to the commission
Document Release: 25 Dec 2025

Guidelines
On Data quality procedures and arrangements.
Document Release: 25 Dec 2025

2026 Q2

AIFMD2
Directive
Application of the new Amending Directive
Application Date: 16 April 2026

EMIR
Guidelines
Published by the EBA on integrating concentration risk arising from exposure to CCPs into supervisory Stress Testing
Application Date: 16 April 2026

2028 Q2

EMIR
Directive
Expiry Date for the equivalence decisions for UK CCPs
Application Date: 30 June 2028

Risk Management

AIFMD

ESMA (RTS)

Open-ended loan-originating AIFs under the AIFMD

The ESMA has published its final RTS on open-ended loan-originating alternative investment funds (LO AIFs) under the revised AIFMD. The RTS outline conditions under which LO AIFs can operate as open-ended, provided their liquidity risk management aligns with their investment and redemption policies. Following consultation feedback, ESMA removed the fixed asset requirement, reduced stress testing frequency to once a year, and clarified that AIFMs do not need pre-authorisation to manage open-ended LO AIFs. The final draft RTS has been submitted to the European Commission, which must decide on adoption within three months, with a possible one-month extension.

Release date: 2025-10-22

ESMA34-1345

IFR/IFD

ESMA/EBA (Recommendation)

Targeted revisions to the investment firms prudential framework

The EBA and the ESMA have issued joint technical advice to the EC on the Investment Firms Regulation (IFR)and Directive (IFD). They recommend only targeted revisions, as the current framework is largely effective. The proposals aim to improve proportionality, consistency, and the level playing field between investment firms and banks. The report suggests refining definitions, calculation methods, and thresholds, and better aligning with the banking framework where beneficial. It also addresses own funds, prudential consolidation, remuneration, and interactions with other EU rules such as MiCA, UCITS, and AIFMD.

Release date: 2025-10-15

ESMA35-24871704-2858

Cross-Sector

p. 30 Cross-Sector Regulatory Timeline

p. 31 Reporting & Disclosure, Market Environment, Policy Agenda

Cross-Sector Regulatory Timeline

2025 Q4

EMIR
Assessment
On the initial margin models under EMIR
Document Release: tbd

RTS
Other technical standards under EMIR3 submitted to the Commission
Document Release: 25 Dec 2025
Guidelines
On Data quality procedures and arrangements.
Document Release: 25 Dec 2025

CSDR
Report
On tools to improve settlement discipline and efficiency
Document Release: July 2025

2026 Q1

CSDR
Directive
Application Date for the remaining CSDR Refit amendments
Application Date: 17 Jan 2026

2026 Q2

SFDR
ESG rating Regulation applies to marketing communications
Application Date: 02 July 2026

2026 Q3

EU AI Act
Draft RTS
Most of the provisions of the EU AI Act will apply
Application Date: 02 Aug 2026

2026 Q4

CSDR
Draft RTS
On the mandatory buy-in process
Document Release:tbd

2028 Q2

EMIR
Directive
Expiry Date for the equivalence decisions for UK CCPs
Application Date: 30 June 2028

Reporting & Disclosure

EMIR

Commission (RTS)

Conditions of the Active Account Requirement

The European Commission has adopted a Delegated Regulation under EMIR specifying the operational conditions, representativeness obligations, and reporting requirements related to the Active Account Requirement. The measure follows ESMA's final report on the draft regulatory technical standards published earlier in the year. The AAR, introduced by Regulation EMIR 3, aims to mitigate financial stability risks from EU clearing members and clients' exposure to systemically important third-CCPs. It mandates certain FCs and NFCs to maintain at least one active account at an EU CCP for specific derivative contracts and to clear a representative number of trades through it.

Release date: 2025-10-29

C(2025)7124

Market Environment

Market Trends

FSB (Report)

FSB publishes AI Report

The FSB has published its fourth report on artificial intelligence, focusing on how financial authorities can monitor AI adoption and assess related risks. Building on its 2024 findings about third-party dependencies, the report highlights growing concerns over financial institutions' reliance on a few AI service providers. It includes a case study on generative AI, noting limited current use in critical operations but growing interest in new applications. The FSB urges national authorities to enhance monitoring, data sharing, and cooperation, while encouraging international bodies to align taxonomies and indicators and continue tracking AI-related vulnerabilities in finance.

Release date: 2025-10-10

POIO25

Policy Agenda

Supervision

Commission (Work Program)

Commission 2026 Work Programme

The European Commission has published its 2026 work programme outlining key priorities and upcoming initiatives. Major initiatives include advancing the Savings and Investment Union to deepen EU capital markets, introducing a European Innovation Act to boost growth by 2028, and launching the Cloud and AI Development Act and Quantum Act to strengthen digital sovereignty. The Annex lists new initiatives such as the 28th Regime for Innovative Companies, updates to product and market surveillance rules, the EU emissions trading system, shareholder rights, and venture capital regulations, along with plans for a Digital Fairness Act and a review of the EU's anti-fraud architecture.

Release Date: 2025-10-21

COM/2025/870 final

Supervision

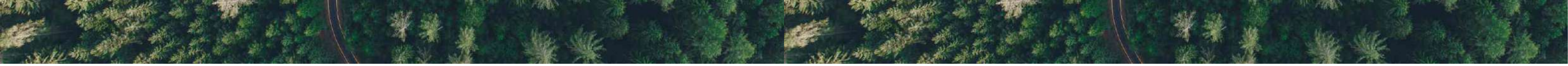
ESMA (Work Programme)

ESMA 2026 Work Programme

The ESMA has published its 2026 annual work programme, focusing on simplification and burden reduction through streamlined rules, risk-based supervision, and proportionate reporting. ESMA will continue work on integrated funds reporting, transaction reporting, and improving the investor journey, while supporting upcoming legislative initiatives under the SIU Strategy to remove trading barriers, enhance cross-border fund distribution, and strengthen EU-wide supervision. In 2026, ESMA's supervisory role will expand to include oversight of Consolidated Tape Providers, ESG rating agencies, external reviewers under the EU Green Bond framework.

Release Date: 2025-10-03

esma222-50751485-1604



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